



## Norwegian Air Shuttle ASA

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The information contained in this securities note (the “**Securities Note**”) relates to (i) a rights issue (Nw. *fortrinnsrettsemisjon*) (the “**Rights Issue**”) by Norwegian Air Shuttle ASA (the “**Company**”, “**Norwegian Air Shuttle**” or the “**Issuer**”), a public limited company incorporated under the laws of Norway (together with its consolidated subsidiaries, the “**Group**” or “**Norwegian**”) with its existing Shares (as defined below) listed on Oslo Børs, a stock exchange operated by Oslo Børs ASA (the “**Oslo Stock Exchange**”), under the ticker code “**NAS**”, and listing on Oslo Børs of up to 63,076,638 new Shares to be issued by the Company with a nominal value of NOK 0.10 each (the “**Rights Issue Shares**”) at an offer price per share of NOK 6.26 (the “**Offer Price**”), and (ii) a private placement (the “**Private Placement**” and together with the Rights Issue, the “**Offering**”) and listing on Oslo Børs of up to 958,466,453 new Shares to be issued by the Company with a nominal value of NOK 0.10 each (the “**Private Placement Shares**” and together with the Rights Issue Shares, the “**Offer Shares**”) at the Offer Price, limited however so that the maximum total gross proceeds raised in the Capital Raise shall not exceed NOK 6,000 million.

### Rights Issue

Holders of the Company’s shares (the “**Shares**”) in the Company’s shareholder register with the Norwegian Central Securities Depository (Nw. Verdepapirsentralen) (the “**VPS**”) as of the expiry of 6 May 2021 (the “**Record Date**”) (the “**Existing Shareholders**”), will be granted transferable subscription rights (the “**Subscription Rights**”) that, subject to applicable law, provide preferential rights to subscribe for and be allocated Rights Issue Shares in the Rights Issue at the Offer Price. For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of the expiry of the Record Date. Provided that the delivery of traded Shares are made with ordinary T+2 settlement in the VPS, Shares that are acquired on or before 4 May 2021 (the “**Cut-off Date**”) will give the right to receive Subscription Rights, whereas Shares that are acquired from and including 5 May 2021 not give the right to receive Subscription Rights. Subscription Rights will not be issued in respect of existing Shares held in treasury by the Company.

Each Existing Shareholder will be granted 3 Subscription Rights for every 2 Shares registered as held by such Existing Shareholder as of the expiry of the Record Date. Each Subscription Right will give the right to subscribe for and be allocated one Rights Issue Share. Over-subscription and subscription without Subscription Rights will be permitted. The subscription period commences on 09:00 hours (CEST) on 7 May 2021 and expires at 16:30 hours (CEST) on 21 May 2021 (the “**Subscription Period**”). The Subscription Rights will be listed and tradable on the Oslo Stock Exchange under the ticker code “**NAST**” from 09:00 hours (CEST) 7 May 2021 to 16:30 hours (CEST) on 19 May 2021.

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**Subscription Rights that are not used to subscribe for Rights Issue Shares before the expiry of the Subscription Period or that are not sold before 16:30 hours (CEST) on 19 May 2021, will have no value and will lapse without compensation to the holder.**

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### Private Placement

The Private Placement consists of (a) an institutional offering directed towards (i) institutional and professional investors in Norway, (ii) institutional investors outside of Norway and the United States of America (the “**US**” or the “**United States**”), subject to applicable exemptions from applicable local prospectus or other filing

requirements, and (iii) investors in the United States who are reasonably believed to be "qualified institutional buyers" ("QIBs") as defined in, and in reliance on, Rule 144A ("Rule 144A") under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") (the "Institutional Offering"), and (b) an eligible creditor offering directed towards creditors of the Company at 10 May 2021 (the "Eligible Creditors Record Date") and/or any of the Related Companies, whether known or unknown, and whether or not their liabilities have been acknowledged or recognised, or are qualified or unqualified, actual or contingent, ascertained or unascertained, that, when aggregated with the relevant creditor's Affiliates' and/or Connected Persons' Relevant Portions, has a Relevant Portion not exceeding NOK 2,500,000 (or an equivalent amount in another currency) (each, a "Creditor") that are (i) located in Norway, (ii) located outside of Norway and the United States subject to applicable exemptions from applicable local prospectus, registration or other filing requirements, (iii) Creditors in the United States who are reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A under the U.S. Securities Act (the "Eligible Creditors") (the "Eligible Creditor Offering"). All offers and sales of Private Placement Shares in the United States will be made only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act. All offers and sales outside the United States will be made in reliance on Regulation S ("Regulation S") under the U.S. Securities Act.

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#### The Offering

Number of Offer Shares	Up to 958,466,453 Offer Shares, of which up to 63,076,638 shares may be issued in the Rights Issue
Offer Price in the Rights Issue and the Private Placement	NOK 6.26 per Offer Share
Subscription Period in the Rights Issue	From 09:00 hours (CEST) on 7 May 2021 to 16:30 hours (CEST) on 21 May 2021
Trading in Subscription Rights in the Rights Issue	From 09:00 hours (CEST) on 7 May 2021 to 16:30 hours (CEST) on 19 May 2021
Payment Date in Rights Issue	On or about 27 May 2021
Application Period in the Private Placement	From 09:00 hours (CEST) on 7 May 2021 to 16:30 hours (CEST) on 21 May 2021
Payment Date in Private Placement	On or about 27 May 2021

Trading in the Offer Shares is expected to commence on or about 27 May 2021, subject to successful completion of the Offering. **Completion of the Offering is subject to certain terms and conditions. Please refer to Sections 4.5 and 5.4 for more details.** Except where the context requires otherwise, references in this Securities Note to "Shares" will be deemed to include the existing Shares and the Offer Shares. All of the existing Shares are, and the Offer Shares will be, registered in the VPS in book-entry form. All of the issued Shares rank pari passu with one another and each carry one vote.

For the definitions of capitalised terms used throughout this Securities Note, see Section 11 "Definitions and Glossary".

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Investing in the Subscription Rights and the Shares, including the Offer Shares, and other securities issued by the Company involves a particularly high degree of risk. Prospective investors should read the entire Prospectus and, in particular, consider the risk factors set out in the Registration Document and this Securities Note section 1 “Risk Factors” (beginning on page 11) when considering an investment in the Company. The Company has been severely impacted by the current outbreak of COVID-19. In a very short time period, the Company has lost most of its revenues, it is in adverse financial distress and risks bankruptcy. This has adversely and materially affected the Group’s contracts, rights and obligations, including financing arrangements, and the Group is not capable of complying with its ongoing obligations and is currently subject to event of default. On 18 November 2020, the Company and certain of its subsidiaries applied for examinership in Ireland (and were accepted into examinership on 7 December 2020), and on 8 December 2020 the Company applied for and was accepted into reconstruction in Norway. These processes were sanctioned by the Irish and Norwegian courts on 26 March 2021 and 12 April 2021 respectively, however remain subject to potential appeals and certain other conditions precedent, including but not limited to the successful completion of a capital raise in the amount of at least NOK 4,500,000,000 (including the Rights Issue, the Private Placement and the issuance of certain convertible hybrid instruments as described further herein). The aim is to substantially reduce the debt level, reduce the size of operations and re-capitalize the Group with debt and equity. If the Company does not exit the examinership and the reconstruction processes in a successful way, it is highly likely that the Company will enter into liquidation and/or bankruptcy proceedings during the second or third quarter of 2021.

6 May 2021

## **IMPORTANT INFORMATION**

This Securities Note has been prepared in connection with the Offering and the listing of the Offer Shares on the Oslo Stock Exchange (the "**Listing**"), and is based on the simplified disclosure regime for secondary issuances, cf. Article 14 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC<sup>1</sup>, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Securities Note should be read together with the Registration Document dated 6 May 2021 and the Summary dated 6 May 2021, both prepared and issued by the Company, which together with this Securities Note constitute a prospectus (the "**Prospectus**").

The Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended from time to time, the "**Norwegian Securities Trading Act**") and related secondary legislation, including the EU Prospectus Regulation. This Securities Note has been prepared solely in the English language. This Securities Note has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as the competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

For the definitions of terms used throughout this Securities Note, see Section 11 "Definitions and glossary".

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in the Prospectus, which may affect the assessment by investors in the Offer Shares which arises or is noted in the time between the time of approval of the Prospectus by the Norwegian FSA and the listing of the Offer Shares on the Oslo Stock Exchange, will be included in a supplement to the Prospectus without undue delay. Neither the publication nor distribution of the Prospectus, nor the granting of any Subscription Rights nor the sale of any Offer Share, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of the Prospectus.

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

The Company has engaged DNB Markets, a part of DNB Bank ASA ("**DNB Markets**") as sole global coordinator and joint bookrunner and ABG Sundal Collier ASA as joint bookrunner for the Offering (the "**Managers**").

**In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Offering, including the merits and risks involved.** None of the Company or the Managers, or any of their respective affiliates, representatives or advisers, is making any representation to any offeree or subscriber of the Offer Shares or purchaser of Subscription Rights regarding the

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<sup>1</sup> Means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC.

legality of an investment in the Offer Shares or the Subscription Rights by such offeree or subscriber or purchaser under the laws applicable to such offeree or subscriber.

An investment in the Offer Shares is subject to prevailing tax laws and regulations, which differ between investors and jurisdictions. The Prospectus does not provide a complete overview of applicable tax laws and regulations, nor potential tax implications of an investment in the Offer Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a subscription of the Offer Shares.

No person is authorized to give information or to make any representation concerning the Group or in connection with the Offering or the offer and sale of the Offer Shares other than as contained in this Securities Note. If any such information is given or made, it must not be relied upon as having been authorized by the Company or the Managers or by any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

In the ordinary course of their respective businesses, the Managers and certain of their affiliates have engaged, and may continue to engage, in investment and commercial banking transactions with the Group. Without limiting the manner in which the Company may choose to make any public announcements, and subject to the Company's obligations under applicable law, announcements relating to the matters described in this Securities Note will be considered to have been made once they have been received by the Oslo Stock Exchange and distributed through its information system.

The distribution of this Securities Note and the offer and sale of the Offer Shares and Subscription Rights may in certain jurisdictions be restricted by law. This Securities Note or the crediting of Subscription Rights does not constitute an offer of, or an invitation to subscribe for, any of the Offer Shares in any jurisdiction in which such offer, sale or subscription would be unlawful. Neither this Securities Note nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that is in compliance with applicable laws and regulations. Persons in possession of this Securities Note are required to inform themselves about and to observe any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of 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 6 "Selling and transfer restrictions".

This Securities Note and the terms and conditions of the Offering as set out herein, and any offer and subscription of Offer Shares shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering or this Securities Note.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General information".

#### **Notice to investors in the United States**

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Offer Shares. The 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 in the United States and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state securities laws. All offers and sales in the United States will be made only to QIBs in reliance on Rule 144A or pursuant to another exemption from, or in transactions not subject to, the registration requirements of the US Securities Act. All offers and sales outside the United States will be made in "offshore transactions" as defined in, and in reliance on, 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 US Securities Act provided by Rule 144A. See Section 6.1.4 "United States".

Any Offer Shares offered or sold in the United States will be subject to certain transfer restrictions and each purchaser will be deemed to have made acknowledgements, representations and agreements, as set forth under Section 6.1.4 "United States".

The Offer Shares have not been recommended by any United States federal or state securities commission or regulatory authority. Further, the foregoing authorities have not passed upon the merits of the Offering or confirmed the accuracy or determined the adequacy of this Securities Note. Any representation to the contrary is a criminal offense under the laws of the United States.

In the United States, this Securities Note is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the Offer Shares. The information contained in this Securities Note has been provided by the Company and other sources identified herein. Distribution of this Securities Note to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized and any disclosure of its contents, without prior written consent of the Company, is prohibited. This Securities Note is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire the Offer Shares.

#### **NOTICE TO INVESTORS IN THE UNITED KINGDOM**

This Securities Note is only being distributed to and is only directed at (i) persons who are outside the United Kingdom (the "UK") or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, 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 will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Securities Note or any of its contents.

Each of the Managers has represented, warranted and agreed (i) that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA ) received by it in connection with the issue or sale of the Offer Shares in circumstances in which section 21(1) of the FSMA does not apply to the Company and (ii) that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the UK.

#### **NOTICE TO INVESTORS IN THE EEA**

In any member state of the European Economic Area (the "EEA"), other than Norway (each, a "**Relevant Member State**"), this communication is only addressed to and is only directed at persons who are "qualified investors" within the meaning of Article 2(e) of the EU Prospectus Regulation. The Prospectus has been prepared on the basis that all offers of Offer Shares outside Norway will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to produce a prospectus for offer of securities. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the Offering contemplated in this Securities Note within any Relevant Member should only do so in circumstances in which no obligation arises for the Company or the Managers to publish a prospectus pursuant to Article 1 of the EU Prospectus Regulation, or to supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Company nor the Managers have authorized, nor do they authorize, the making of any offer of Shares through any financial intermediary, other than offers made by the Managers which constitute the final placement of Offer Shares contemplated in this Securities Note.

Each person in a Relevant Member State other than, in the case of paragraph (a), persons receiving offers contemplated in this Securities Note in Norway, who receives any communication in respect of, or who acquires

any Offer Shares, the offers contemplated in this Securities Note will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and any securities to be offered, so as to enable an investor to decide to acquire any of the Offer Shares.

See Section 6 "Selling and transfer restrictions" for certain other notices to investors.

#### INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

## ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited 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 Group's senior management (the "**Management**") are not residents of the United States. Virtually all of the Company's assets 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 on the Company, the Board Members and members of Management in the United States or to enforce judgments obtained in US courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

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

Similar restrictions may apply in other jurisdictions.

## AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act, it will, during any period in which it is neither subject to sections 13 or 15(d) of the US Securities Exchange Act of 1934, as amended (the "US Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the US Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder, upon the request of such holder, beneficial owner or prospective owner, the information required to be delivered pursuant to Rule 144A(d)(4) of the US Securities Act. The Company is not currently subject to the periodic reporting and other information requirements of the US Exchange Act.

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## 1. RISK FACTORS

*Investing in Shares issued by the Company involves a particular high degree of risks. Prospective investors should consider, among other things, the risk factors set out in the Prospectus, before making an investment decision. Please refer to the Registration Document dated 6 May 2021 for a listing of Company specific risk factors.*

*The risk factors included in this section are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative effect for the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, they could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows and/or future prospects, and the Shares. For the definitions of capitalised terms used throughout this Securities Note, see Section 11 "Definitions".*

### 1.1 General information on risks related to the Shares and the Offering

Investing in the Shares, including the Offer Shares, and other securities issued by the Issuer involves a particularly high degree of risk. Prospective investors should read the entire Prospectus and, in particular, consider the risk factors set out in the Registration Document and this Securities Note when considering an investment in the Company. The Company has been severely impacted by the current outbreak of COVID-19. In a very short time period, the Company has lost most of its revenues and is in adverse financial distress. This has adversely and materially affected the Group's contracts, rights and obligations, including financing arrangements, and the Group is not capable of complying with its ongoing obligations and is currently subject to event of default. On 18 November 2020, the Company and certain of its subsidiaries applied for Examinership in Ireland (and were accepted into Examinership on 7 December 2020), and on 8 December 2020 the Company applied for and was accepted into Reconstruction in Norway. These processes were sanctioned by the Irish and Norwegian courts on 26 March 2021 and 12 April 2021 respectively, however remain subject to potential appeals in Norway (until 12 May 2021) and certain other conditions precedent, including but not limited to the successful completion of a capital raise in the amount of at least NOK 4,500 million (including the Rights Issue, the Private Placement and the New Capital Perpetual Bonds as described further herein, jointly the "Capital Raise"). The aim is to substantially reduce the debt level, reduce the size of operations and re-capitalize the Group with debt and equity. If the Company does not exit the Examinership and the Reconstruction processes in a successful way, it is highly likely that the Company will enter into liquidation and/or bankruptcy proceedings during the second or third quarter of 2021.

The Offering, including the Rights Issue, is among other things, conditional upon the Effective Time, and thereby the effectiveness of the Restructuring Proposal, occurring upon registration of the share capital increases pertaining to the Offering with the NRBE, which in turn is subject to certain other conditions under the Restructuring Proposal being satisfied. If any of the conditions under the Restructuring Proposals are not met as expected, including by way of any appeals being submitted under the Reconstruction, the effectiveness of the Reconstruction Proposal, and accordingly the completion of the Offering may be delayed until 30 June 2021 (which is the long stop date of the Restructuring Proposal), or not completed at all. Investors participating in the Offering will remain bound by their applications and/or subscriptions in the Offering, by way of submission of an application in the Private Placement or by exercising Subscription Rights in the Rights Issue, notwithstanding any such delay, in accordance with applicable law. The final deadline for registration of the share capital increase pertaining to the Offering in the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the Subscription Period.

## 1.2 Risks related to the Shares

### ***Significant increase in number of Shares***

As described in the Registration Document, the Company has entered into an Irish examinership process (the “**Examinership**”) and a Norwegian reconstruction process (the “**Reconstruction**”) with an aim of resizing the balance sheet of the Company and attracting further investment in the Group. In this regard, the shareholders of the Company have at an extraordinary general meeting held on 17 December 2020 (the “**EGM**”) granted wide authorization to the board of directors of the Company to issue Shares. The maximum number of Shares to be issued to Creditors pursuant to the Examinership and Reconstruction (by way of such Creditors being granted convertible loans (the “**Dividend Claims**”) thereunder) is 233,548,229 Shares, to be issued on certain fixed dates following implementation of the Examinership and Reconstruction. Furthermore, it is contemplated that certain convertible hybrid perpetual bonds (the “**New Capital Perpetual Bonds**”) shall be offered to existing Creditors for cash, in parallel with the Rights Issue and the Private Placement, which shall be convertible into Shares to be issued by the Company at a price equal to 150% of the Offer Price in the Offering. Such conversion of Shares may trigger an obligation by the Company to prepare a listing prospectus if there are no available prospectus exemptions at the relevant time of conversion. See in particular sections 4.7 and 4.15 of the Registration Document dated 6 May 2021 for more details in respect of the Examinership, the Reconstruction and the Dividend Claims and risk factors for the Company’s indicative plan to emerge from the restructuring process and the risks, possible effects and consequences thereof.

The abovementioned measures will significantly increase the number of issued Shares in the Company, thus diluting the existing shareholders and subscribers in the Rights Issue and Private Placement adversely. For illustrative purposes, if the Company is able to raise NOK 6.0 billion under the Capital Raise, including New Capital Perpetual Bonds of NOK 1,875, the pro-forma ownership of the Company immediately after completion of the Examinership and Reconstruction will on a fully diluted basis be as follows (assuming *inter alia* that all conversion rights under the Dividend Claims and the New Capital Perpetual Bonds are exercised at such time): 3.7% existing shareholders, 75.7% investors under the Capital Raise and 20.6% creditors in respect of the Dividend Claims.

As of the date of the Registration Document the Shares are being traded at the Oslo Stock Exchange at prices significantly higher than the Offer Price. Should the market price of the Share remain higher than the Offer Price following issuance of the Offer Shares there is a risk that investors in the Private Placement and the Rights Offering may intend to sell all or part of the Offer Shares they receive. Furthermore, a significant number of such new Shares may be issued to Creditors of the Company that may not have a long-term ownership horizon and may have an intention to sell the new Shares they receive. Sale of a substantial number of the new Shares, or the expectation of such sale, may have a material negative effect on the trading price of the Company’s Shares - or even the ability for shareholders to sell their shares at attractive terms, in a timely fashion or at all.

### ***The Offering, including the Rights Issue may be delayed or not completed at all***

Completion of the Offering is subject to certain terms and conditions, including *inter alia* that the Effective Time (as defined in the Restructuring Proposal) is occurring upon registration of the share capital increase pertaining to the Offering with the Norwegian Register of Business Enterprises (“**NRBE**”), which is, *inter alia*, conditional upon the Company raising minimum NOK 4,500 million through the Capital Raise, by which a maximum of NOK 1,875 million may be raised through the New Capital Perpetual Bonds and maximum approximately NOK 395 million may be raised through the Rights Issue. If the Company is unsuccessful in raising minimum NOK 4,500 million in the Capital Raise and registering the applicable capital increase pertaining to the Offering with the NRBE or the other conditions precedent under the Reconstruction Plan is not met as expected or at all, the Restructuring Proposal will not become effective, and that the Offering, including the Rights Issue, will not be completed. It is furthermore a risk that the Offering as contemplated herein may have to be amended, that due dates applicable to the Offering are extended or that the Offering may be withdrawn and not completed at all. If the Offering is withdrawn, all Subscription Rights will lapse without value, any

subscriptions for, and allocations of, Offer Shares that have been made will be disregarded and any payments for Offer Shares made will be returned to the subscribers without interest or any other compensation. In the event of a delay in completion of the Offering, the Investors participating in the Offering will remain irrevocably bound by their applications and/or subscriptions in the Offering submitted during the Application Period, or Subscription period (as applicable), by way of submission of an application in the Private Placement or by exercising Subscription Rights in the Rights Issue, in accordance with applicable law.

### ***Risks related to the Subscription Rights***

Prospective investors should note that there is significant uncertainty related to the value of the Subscription Rights. In particular, it should be noted that (i) the Offering is conditional, and no assurance can be made that the Offering will be completed, (ii) the Private Placement, which is of a significant size, is carried out in parallel with the Rights Issue, which may have an impact on the market for trading in the Subscription Rights, including the Existing Shareholders' ability to sell their Subscription Rights and the price for any such trades.

Further and as mentioned above, if the Rights Issue is withdrawn, all Subscription Rights will lapse without value, any subscriptions for, and allocations of, Rights Issue Shares that have been made will be disregarded and any payments for Rights Issue Shares made will be returned to the subscribers without interest or any other compensation. The lapsing of Subscription Rights will be without prejudice to the validity of any trades in Subscription Rights, and investors will not receive any refund or compensation in respect of Subscription Rights purchased in the market.

### ***The amount of debt to be converted in the Examinership and Reconstruction is not fixed***

The determination of the quantum of claims for the purposes of the Examinership and the Reconstruction is ongoing and amounts have not in every case been finally determined. Amounts of debt to be converted to equity or Dividend Claims are therefore not set and may change (however the maximum number of new Shares to be issued pursuant to the Dividend Claims is fixed and will not change).

### ***Uncertainty relating to the trading price of the Shares***

The Company has been severely impacted by the current outbreak of the COVID-19 which has also led to a significant reduction in the trading price of the Shares. In addition, the Shares have been subject to significant volatility and price movements since the COVID-19 outbreak and the filing of the Examinership and Reconstruction. There can be no guarantee regarding the future development of the trading price of the Shares. The fluctuations in the trading price, the extraordinary market conditions and the extraordinary and distressed financial situation of the Company result in lower visibility on the future and could have an adverse effect on how the Shares are priced in the market.

### ***Ownership restrictions - non-EEA nationals***

The Company is subject to ownership restrictions whereby shareholders who are not EEA nationals owning or controlling the Company or any of its subsidiaries may potentially cause the Company's and/or its subsidiaries' authorizations to carry out air traffic operations to be annulled or temporary revoked on the grounds of violation of provisions in bilateral civil aviation agreements or violation of statutory rules. The Company's articles of association therefore entitle its Board of Directors to require shareholders that are non-EEA nationals to sell their shares insofar as this is necessary to ensure that the Company no longer violates the above-mentioned provisions regarding ownership and control. In the alternative, the Company may demand that the shares are sold to the Company or that the Company shall redeem the shares by reduction of the Company's share capital at a purchase price or redemption price (as applicable) fixed to the closing price at the Oslo Stock Exchange as per the day prior to the acquisition or redemption (as applicable) is taking place, deducted by 25 percent. As prior conversions and the proposed Debt Conversion may have resulted or in future result in new non-EEA nationals as shareholders in the Company, this may negatively affect the Company's and/or its subsidiaries' authorizations to carry out air traffic operations. The Company may, for the same reason, be required to accept deviations from the agreed lock-up undertakings of such shareholders.

### ***Exercise of voting rights and other shareholder rights***

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to instruct their nominees to vote for such Shares unless their beneficial ownership is re-registered in their names with the VPS prior to the general meetings and may not be able to benefit from other shareholder rights, such as any preferred allocation and/or preferential rights in connection with any future offerings. The Group can provide no assurances that beneficial owners of the Shares will receive the notice of a general meeting in time to instruct their nominees to either effect a re-registration of the beneficial interests registered in the VPS or to vote their Shares in the manner desired by such beneficial owners. Hence, there is a risk that beneficial owners of Shares may not be able to exercise their voting rights or other shareholder rights or benefit from any preferred allocation in future offerings.

## **2. PERSONS RESPONSIBLE**

### **2.1 Persons responsible for the information**

Persons responsible for the information contained in this Securities Note:

Norwegian Air Shuttle ASA, with registered office at Oksenøyveien 3, 1366 Lysaker, Norway.

### **2.2 Declaration by persons responsible**

Norwegian Air Shuttle ASA confirms that the information contained in this Securities Note is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

\_\_\_ May 2021

**The Board of Directors of Norwegian Air Shuttle ASA**

**Niels Smedegaard**  
*Chair*

**Sondre Gravir**  
*Board member*

**Ingrid Elvira Leisner**  
*Board member*

**Margaret Christine Browne**  
*Board member*

**Geir Olav Øien**  
*Board member*

**Eric Holm**  
*Board member*

**Katrine Gundersen**  
*Board member*

**Jaan Albrecht Binderberger**  
*Board member*

**Vibeke Hammer Madsen**  
*Board member*

### **3. CORPORATE INFORMATION AND CERTAIN ASPECTS OF NORWEGIAN CORPORATE LAW**

*The following description includes certain information concerning the Company's share capital, a brief description of certain provisions contained in the Company's Articles of Association and Norwegian law in effect as of the date of this Securities Note. Any change in the Articles of Association is subject to approval by a General Meeting. This summary does not intend to be complete and is qualified in its entirety by the Articles of Association and Norwegian law.*

#### **3.1 Company corporate information**

The Company's legal and commercial name is Norwegian Air Shuttle ASA. The Company is a public limited liability company organized under the laws of Norway and subject to the Norwegian Public Limited Liability Companies Act. The Company was incorporated on 22 January 1993. Its organisation number in the Norwegian Register of Business Enterprises is 965 920 358. The Company's legal entity identifier ("LEI") is 549300IEUH2FEM2Y6B51.

The Company's registered office address and place of business is at Oksenøyveien 3, 1366 Lysaker, Norway. The Company's postal address is P.O. Box 115, 1330 Fornebu, Norway. The Company may be reached via tel. +47 67 59 30 00, and its website is [www.norwegian.com](http://www.norwegian.com). The information at [www.norwegian.com](http://www.norwegian.com) does not form part of this Securities Note unless that information is incorporated by reference into this Securities Note.

#### **3.2 The Shares**

##### **3.2.1 Share capital**

As of the date of this Securities Note, the Company's registered share capital is NOK 4,205,247.20, divided into 42,052,472 Shares each with a nominal value of NOK 0.10. All the Shares are issued and fully paid.

The Company has one class of shares, each Share carrying equal shareholder rights, including one voting right at the General Meeting. The Articles of Association do not provide for limitations on the transferability or ownership of Shares.

The existing Shares have been created, and any Offer Shares will be created, under the Norwegian Public Limited Liability Companies Act and registered in book-entry form with the VPS. The existing Shares are, and any Offer Shares will be, registered under the Company's ordinary ISIN NO 001 0196140. The registrar for the Shares is DNB Bank ASA, with its registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway. The Company has been listed on Oslo Børs since December 2003 under the ticker "NAS".

##### **3.2.2 Transferability**

The Shares are freely transferrable and, subject to applicable securities law (further information below), there are no restrictions in the Company's securities.

The Company is subject to statutory rules requiring the Company and/or its subsidiaries to be owned and controlled by shareholders who are EEA nationals. Pursuant to articles 10 and 11 of the Company's Articles of Association, the Board of Directors has a right to request or compel shareholders that are not being domiciled within EEA to sell shares or to redeem their shares in certain circumstances, to ensure that the Company no longer violates the above-mentioned provisions regarding ownership and control.

Other than described above, share transfers are not subject to approval by the Company's Board of Directors, as elected from time to time.

##### **3.2.3 Listing on the Oslo Stock Exchange**

The Company's shareholders have granted the Board of Directors wide discretion to issue Shares in connection with the Reconstruction, including the Offering. Furthermore, existing convertible instruments of the Company may in the option of the holder be converted into Shares. Any Offer Shares to be issued in the ordinary share class of the Company are expected to be listed on Oslo Børs, subject to completion of the Offering and approval of the Prospectus.

The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

#### 3.2.4 Authorisations

The Company has issued certain convertible instruments which by their terms are convertible at the option of the holder into Shares (being (i) the Perpetual Bonds, (ii) certain other zero-coupon perpetual convertible bonds with ISIN NO0010884646 with substantially the same terms as the Perpetual Bonds, save for amendments to the conversion price mechanism as described in the Company's stock exchange notice dated 30 September 2020 (the "Future Maintenance Bonds") and (iii) the convertible bonds issued 15 November 2019 with ISIN NO0010868284 (the "November 2019 Bonds"). Additional Shares may therefore be issued when holders of the Bonds, the Future Maintenance Bonds and the November 2019 Bonds exercise their conversion rights. The Bonds and the Future Maintenance Bonds were issued pursuant to the authorisation granted to the Board of Directors to issue convertible instruments at the Extraordinary General Meeting of the Company held on 4 May 2020:

- 1. The board of directors is authorized to adopt resolutions regarding borrowings as mentioned in the Public Limited Companies Act § 11-1.*
- 2. The aggregate amount of convertible loans that may be borrowed is NOK 10 billion (or a corresponding amount in another currency).*
- 3. The share capital may in total be increased by up to NOK 163,327,355.*

The resolution to issue the November 2019 Bonds was granted by an Extraordinary General Meeting of the Company held on 27 November 2019:

- 1. The Company shall issue a convertible bond (the Convertible Bond Issue) pursuant to the Norwegian Public Limited Liability Companies Act (the PLCA) chapter 11. The loan shall be regulated by bond terms (the Bond Terms) entered into between the Company and Nordic Trustee AS on behalf of the investors, based on the terms accepted by the investors on 5 November 2019.*
- 2. The size of the Convertible Bond Issue is USD 150 million.*
- 3. The Convertible Bond Issue consist of bonds, each with a nominal value of USD 200,000 (each a Convertible Bond).*
- 4. The maturity date of the Convertible Bond Issue is 15 November 2024 (the Maturity Date).*
- 5. The Convertible Bond Issue accrues a fixed interests at 6.375% p.a.*
- 6. The Convertible Bond Issue may only be subscribed for by the investors listed in Appendix 2. Subscription took place on a separate subscription document on 5 November 2019. The existing shareholders' preferential right to subscribe the Convertible Bond Issue pursuant to the PLCA section 11-4 is thus deviated from.*
- 7. The Convertible Bond shall be subscribed for at par value. The subscription amount was settled on 15 November 2019 through cash payment to a bank account in the Company's name.*
- 8. The Convertible Bond Issue is unsecured and senior ranked.*
- 9. Each holder may convert one, more or all of its (remaining) Convertible Bonds to shares in the Company in the period commencing on and including 4 December 2019 and ending on (and including) the tenth business day prior to the Maturity Date (or, if earlier, ending on (and including) the tenth business day prior to any earlier date fixed for redemption of the Convertible Bonds). Conversion must always take place at exchange rate of USD:NOK at 1:9.184 (Fixed Exchange Rate).*

10. Upon conversion of Convertible Bonds to shares, a consideration per shares equal to NOK 50 (conversion price) shall be paid. Payment is carried out by set off against the Convertible Bonds. The number of new shares to be issued upon conversion shall equal aggregate nominal value of the Convertible Bonds that are to be converted (USD 200,000 per Convertible Bond), multiplied by 9.184 (Fixed Exchange Rate), divided by the applicable conversion price. If this does not result in a whole number of shares, it shall be rounded down to the nearest number of whole shares. Instead of issuing new shares, the Company may elect to deliver treasury shares to the bondholders.
11. Shares issued through conversion of Convertible Bonds will carry shareholder rights and be entitled to dividends from the first business date after the delivery of a conversion notice in respect of such Convertible Bonds.
12. Upon issuance of new shares in the Company where the shareholders have preferential right to subscribe, issuance of financial instruments as per chapter 11 of the Public Limited Liability Companies Act, capital write downs with distribution to the shareholders, bonus issues, subdivision or combination of shares, mergers or de-mergers, as well as other changes to the share capital of the Company which is in the disfavour of the bondholders, the conversion price shall be adjusted to the extent prescribed in the terms included in the Bond Terms (based on the so-called Euro-market standard provisions) which forms a part of this resolution. Other than the above, the bondholders shall not have any rights upon decisions as mentioned in section 11-2 second paragraph no. 11 of the Public Limited Liability Companies Act.
13. The conversion right may not be separated from the receivable or exercised independently of the receivable, cf. the PLCA section 11-2 (2) no. 13.
14. In order to subscribe for the Convertible Bonds the bondholders have required that 12.5 million shares in the Company be lent to them so that they may enter into certain hedging arrangements. If and to the extent deemed necessary by the board of directors to facilitate such share lending, the Company shall pay (i) an arrangement fee of 1% flat calculated on the maximum number of lending shares borrowed from time to time (being 12.5 million shares) multiplied by NOK 40, being the subscription price in the Private Placement; and (ii) quarterly fee being equal to 1% p.a. calculated on the number of lending shares borrowed from time to time (limited to 12.5 million shares) multiplied by the closing market price of the Company's shares on a daily basis.

Furthermore, in order to accommodate potential conversion price adjustments that may occur pursuant to the bond terms in respect of such bonds, the General Meeting held on 30 June 2020 approved that the applicable registrations at the Norwegian Register of Business Enterprises be increased to the theoretical maximum share capital increase that could result from conversion of all Bonds, Future Maintenance Bonds and November 2019 Bonds outstanding on such date:

1. Reference is made to ISIN: NO 001 0868284: USD 34,500,000 Norwegian Air Shuttle ASA Senior Unsecured Convertible Bonds 2019/2024 registered at Foretaksregisteret on 26 May 2020 (CB). The maximum share capital increase resulting from conversion of the CB shall be amended to NOK 364,071,600.
2. Reference is made to ISINs: NO 001 0883432, NO 001 0883473, NO 001 0883507, NO 001 0883416, NO 001 0883457, NO 001 0883481, NO 001 0883515, NO 001 0883523 and NO 001 0883531 Norwegian Air Shuttle ASA zero coupon perpetual subordinated convertible bonds registered at Foretaksregisteret on 26 May 2020 (Perpetual Bonds). The maximum share capital increase resulting from conversion of the Perpetual Bonds shall be amended to NOK 2,007,047,100.

3. *Reference is made to IS/Ns: NO 001 0884646, NO 001 0884653 and NO 001 0884661 Norwegian Air Shuttle ASA zero coupon perpetual subordinated convertible bonds registered at Foretaksregisteret on 8 June 2020 (Additional Perpetual Bonds). The maximum share capital increase resulting from conversion of the Additional Perpetual Bonds shall be amended to NOK 122,832,956.*

Finally, in order to accommodate that additional “tap issues” of Bonds and Future Maintenance Bonds had been made in the intervening period between the General Meetings held on 30 June 2020 and 17 December 2020, the latter General Meeting approved that the registrations at the Norwegian Register of Business Enterprises in respect of such tap issues be increased to the theoretical maximum share capital increase that could result from conversion of the additional Perpetual Bonds and Future Maintenance Bonds issued:

1. *Reference is made to ISINs: NO 001 0883416, NO 001 0883473 and NO 001 0883515 Norwegian Air Shuttle ASA zero coupon perpetual subordinated convertible bonds registered at Foretaksregisteret on 1 October 2020 (Perpetual Bonds). The maximum share capital increase resulting from conversion of the Perpetual Bonds shall be amended to NOK 19,821,419.*
2. *Reference is made to ISIN: NO 001 0884646 Norwegian Air Shuttle ASA zero coupon perpetual subordinated convertible bonds registered at Foretaksregisteret on 1 October 2020 (Additional Perpetual Bonds). The maximum share capital increase resulting from conversion of the Additional Perpetual Bonds shall be amended to NOK 186,287,491.*

The foregoing resolutions contain certain additional legacy ISINs, due to the fact that certain amounts of the Perpetual Bonds and Future Maintenance Bonds were previously locked for trading and conversion, however these additional ISINs have since been deleted and the locked-up Bonds and Future Maintenance Bonds issued thereon transferred to the Company’s ordinary unlocked ISINs.

### 3.2.5 Rights attached to the Shares

The Company has one class of Shares. The Shares are equal in all respects, including the right to dividend; voting rights; rights to share in the Company’s profit; rights to share in any surplus in the event of liquidation; redemption provisions; reserves or sinking fund provisions; (lack of) liability to further capital calls by the Company; and any provision discriminating against or favouring any existing or prospective holder of such securities as a result of such Shareholder owning a substantial number of Shares. Any Offer Shares will carry dividend rights as of their respective issuance date.

Each Share carries one (1) vote at the Company’s general meeting (“General Meetings” means the annual and Extraordinary General Meetings in the Company, and a “General Meeting” means any one of them). Distribution of dividends is resolved by a majority vote at the general meeting of the shareholders of the Company and on the basis of a proposal from the Board of Directors.

### 3.2.6 Relative seniority of the securities in the Company’s capital structure in the event of insolvency

If the Company enters into insolvency or bankruptcy proceedings, Shareholders of the Company will be subordinated to all other creditors of the Company in their right to receive payment.

### 3.2.7 Dividend policy and restrictions

The Company generally aims to generate competitive returns to its shareholders. The Board has currently recommended not to distribute dividends but to retain any earnings in order to strengthen the Company’s financial position. The Company has not paid dividends during the last three years and up until the date of this Securities Note.

The Group’s financing arrangements include restrictions on the Group’s ability to pay dividends. Restrictions on the Group’s ability to pay dividend also applies to the New Capital Perpetual Bonds, the Retained Claims Bonds and is expected to apply to the NAS13 Bonds (to be issued following (and conditional upon) the

implementation of the Restructuring Proposal), including restrictions on paying dividend in respect of any class of shares of the Company while the bonds remain outstanding.

#### 4. THE TERMS OF THE PRIVATE PLACEMENT

*This Section provides important information about the terms and conditions for the Private Placement. Investing in the Private Placement Shares involves inherent risks. In making an investment decision, each investor must rely on his or her own examination and analysis of, and enquiry into, the Company and the terms of the Private Placement, including the merits and risks involved. None of the Company or the Managers, nor any of their respective affiliates, representatives or advisers, are making any representation to any offeree or applicant in the Private Placement regarding the legality of an investment in the Private Placement Shares by such offeree or applicant under the laws applicable to such offeree or subscriber or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase or subscription of the Private Placement Shares. You should read this section in conjunction with the other parts of the Prospectus, in particular Section 1 "Risk Factors" of this Securities Note and Section 1 "Risk Factors" of the Registration Document.*

##### 4.1 Overview of the Private Placement

The Private Placement consists of an offer of up to 958,466,453 Private Placement Shares at the Offer Price, each with a par value of NOK 0.10, to raise gross proceeds limited to an amount so that the total gross proceeds from the Capital Raise will not exceed NOK 6,000 million. To participate in the Private Placement, applicants must have a VPS account. For the establishment of VPS accounts, please see Section 4.9 "VPS Account".

The Private Placement consists of:

- An **Institutional Offering**, in which Private Placement Shares are being offered to (a) institutional and professional investors in Norway, (b) investors outside Norway and the United States, subject to applicable exemptions from the prospectus and registration requirements, and (c) investors in the United States who are QIBs in transactions exempt from registration requirements under the US Securities Act. The Institutional Offering is subject to a lower limit per application of NOK 2,500,000.
- An **Eligible Creditor Offering**, in which Private Placement Shares are being offered to Eligible Creditors. Applications by Eligible Creditors are subject to an upper limit per application of 50% of the relevant Eligible Creditor's Relevant Portion (i.e. maximum NOK 1,250,000 for Eligible Creditors that holds a Relevant Portion of NOK 2,500,000). An Eligible Creditor who participates in the Private Placement will receive Retained Claims Bonds equal to 200% of the total amount paid by such Eligible Creditor in respect of its subscription for Private Placement Shares.

All offers in the United States will be made only to QIBs in reliance on Rule 144A or pursuant to another available exemption from, or in transactions not subject to, the registration requirements of the US Securities Act. All offers outside the United States will be made in compliance with Regulation S under the US Securities Act.

The Prospectus does not constitute an offer of, or an invitation to purchase, the Private Placement Shares in any jurisdiction in which such offer or sale would be unlawful. For further details, see "Important Information" and Section 6 - "Selling and Transfer Restrictions".

The application period in the Private Placement is expected to take place from 7 May 2021 at 09:00 hours (CEST) to 21 May 2021 at 16:30 hours (CEST) (the "**Application Period**"). The Company, in consultation with the Managers, reserves the right to shorten or extend the Application Period, or to cancel the Private Placement at any time. Any shortening of the Application Period will be announced through the Oslo Stock Exchange's information system on or before 09:00 hours (CEST) on the then prevailing expiration date of the Application Period. Any extension of the Application Period will be announced through the Oslo Stock Exchange's information system on or before 09:00 hours (CEST) on the first business day following the then prevailing expiration date of the Application Period. Any cancellation of the Private Placement will be announced through the Oslo Stock Exchange's information system promptly upon the Company's decision to cancel the Private Placement. An extension or shortening of the Application Period can be made one or several times, provided, however, that in no event will the Application Period be shortened to end prior to 16:30 CEST on 21 May 2021 or extended beyond 16:30 hours (CEST) on 30 June May 2021 (which is the long stop date of the Restructuring

Proposal). In the event of a shortening or an extension of the Application Period, the allocation date, the payment due date, the dates of delivery of Private Placement Shares and other dates related to the Private Placement may be changed accordingly.

The Offer Price in the Private Placement is NOK 6.26 per Private Placement Share.

Eligible Creditors applying for Private Placement Shares in the Eligible Creditor Offering must apply in the same name(s) as registered in the Company's register of Creditors as at 10 May 2021 (the "Eligible Creditors Record Date") and using (i) an application form specified for the Eligible Creditor Offering (the "Eligible Creditor Offering Application Form"), and (ii) a unique identification code as allocated to each Creditor (the "Application Code"), which will be distributed by the Company on or about 7 May 2021 to each Creditor (to the extent e-mail addresses are available) in order to qualify for allocation of Private Placement Shares in the Eligible Creditor Offering. Eligible Creditors that wish to participate in the Eligible Creditor Offering and that have not received an e-mail with their unique Application Code by 10 May 2021, must contact DNB Markets at [nascreditor@dnb.no](mailto:nascreditor@dnb.no). Only applications in the Eligible Creditor Offering that are submitted in accordance with the procedures as set out in section 4.7.3, using an Eligible Creditor Offering Application Form and including such Eligible Creditor's Application Code will be accepted. Applications in the Eligible Creditor Offering that are not submitted in accordance with the procedures as set out in section 4.7.3 may be discarded without notice to the applicant and without any liability of the Company or the Managers.

The number of Private Placement Shares allocated in the Private Placement, is expected to be announced through a stock exchange notice on or about 25 May 2021.

Subject to fulfilment of conditions to closing of the Offering and timely payment, the Private Placement Shares allocated in the Private Placement are expected to be traded on Oslo Børs on or about 26 May 2021.

Completion of the Private Placement is conditional upon the Company satisfying the conditions set out in Section 4.5 "Conditions for completion of the Private Placement". There will be no lock-up on any Shareholders or members of the Management or the Board who are holders of Shares.

See Section 4.19 for information regarding fees expected to be paid to the Managers and other costs expected to be paid by the Company in connection with the Private Placement.

## 4.2 Timetable

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

Prospectus approved by the NFSA	6 May 2021
Application Period commences	7 May 2021 at 09:00 hours (CEST)
Eligible Creditors Record Date	10 May 2021
Application Period expires	21 May 2021 at 16:30 hours (CEST)
Publication of the final results of the Private Placement	On or about 25 May 2021
Distribution of allocation letters/contract notes	On or about 25 May 2021

Registration of the Company's new share capital in the Norwegian Register of Business Enterprises	On or about 26 May 2021
DVP settlement in the Institutional Offering	On or about 27 May 2021
Payment date in the Eligible Creditors Offering	On or about 27 May 2021
Delivery of the Private Placement Shares in the Eligible Creditors Offering, subject to timely and correctly marked payment (as further described in section 4.7.3) being received by the Company	On or about 28 May 2021

Note that the Company, in consultation with the Managers, reserves the right to shorten or extend the Application Period at its sole discretion. In the event of a shortening or an extension of the Application Period, or in the event of a delay in the estimated timeline for completion of the Offering for any other reason, the allocation date, the payment due dates, the dates of delivery of Private Placement Shares and other dates relating to the Private Placement may be changed accordingly. The Investors participating in the Private Placement will remain irrevocably bound by their applications in the Private Placement submitted during the Application Period notwithstanding any such shortening or extension of the Application Period, or any delay in completion of the Offering, in accordance with applicable law.

The Board of Directors may decide not to complete the share capital increase pertaining to the Private Placement, and therefore not complete the Private Placement, at any time before the conditions for completion of the Offering, as described in Section 4.5 have been declared satisfied.

#### **4.3 Resolution relating to the Private Placement and the issue of the Private Placement Shares**

The Board of Directors was granted the following resolution to increase the Company's share capital in the EGM:

- 1) *The board of directors is granted an authorization to increase the share capital by up to NOK 198,666,435.*
- 2) *The authorization applies until the ordinary general meeting of the company in 2021, but in any case no later than 30 June 2021.*
- 3) *The shareholders' preferential right pursuant to the Public Limited Companies Act § 10-4 may be deviated from.*
- 4) *The board of directors may determine that the new shares may carry a preferential right to distributions from the company before the ordinary shares of the company and/or that the new shares shall carry no or limited voting rights and be subject to transfer restrictions.*
- 5) *The authorization comprises capital increases against non-cash contributions and the right to incur special obligations, including mergers and demergers, cf. the Public Limited Companies Act § 13-5 and § 14-6 (2).*
- 6) *This authorization shall replace the previous authorization to increase the capital that is registered with the Norwegian Register of Business Enterprises with effect from the date the new authorization is registered there.*

Following expiry of the Application Period on or about 21 May 2021, the Board of Directors will consider and, if thought fit, approve the allocation of Private Placement Shares in the Private Placement, in consultation with the Managers, and to issue the Private Placement Shares in the Private Placement in accordance with the authorisation granted by the EGM. Subject to fulfilment of the terms and conditions for completion of the Offering, Private Placement Shares are expected to be issued on or about 26 May 2021, which accordingly and

subject to completion of the Offering will be the effective date of the Restructuring Proposal (the “**Effective Date**”).

The Company’s existing shareholders’ preferential rights to subscribe for and be allocated Shares will be deviated from in the Private Placement. Existing Shareholders in the Company will however receive Subscription Rights in the Rights Issue and thereby, subject to applicable law, be able to participate in the Rights Issue, as further described in section 5.

#### **4.4 Offer Price**

The Offer Price in the Private Placement is NOK 6.26.

The final number of Private Placement Shares is expected to be announced by the Company through the Oslo Stock Exchange’s information system on or about 25 May 2021 under the ticker code “NAS”.

#### **4.5 Conditions for completion of the Private Placement**

Completion of the Private Placement on the terms set forth in this Securities Note is expressly conditional upon all necessary corporate resolutions required to implement and complete the Private Placement being legally and validly resolved, and the Effective Time (as defined in the Restructuring Proposal), and thereby the effectiveness of the Restructuring Proposal, occurring upon registration of the share capital increases pertaining to the Offering with the NRBE, which is, *inter alia*, conditional upon the Company raising minimum NOK 4,500 million through the Capital Raise (jointly the “**Conditions**”).

The Board of Directors may decide not to complete the share capital increase pertaining to the Private Placement, and therefore not complete the Private Placement, at any time before the Conditions have been declared satisfied. In the event of a delay in completion of the Offering, the due dates for the Offering, such as the payment date and delivery date will be amended accordingly, and investors will remain irrevocably bound by their applications in the Private Placement submitted during the Application Period, in accordance with applicable law. The Company is expected to announce any such material delay through the Oslo Stock Exchange’s information system.

If any of the Conditions are not satisfied, the Private Placement may be revoked or suspended and the Private Placement will ultimately, if the Conditions become incapable of being satisfied, be revoked and cancelled. Any proceeds already paid by the applicants will be repaid to the applicants in the event of a cancellation of the Private Placement.

#### **4.6 The Institutional Offering**

##### **4.6.1 Application Period**

The Application Period for the Institutional Offering will be from 7 May 2021 at 09:00 hours (CEST) to 21 May 2021 at 16:30 hours (CEST), unless shortened or extended.

The Company may, in consultation with the Managers, shorten or extend the Application Period at any time on one or several occasions. The Application Period may in no event expire prior to 16:30 hours (CEST) on 21 May 2021 or be extended beyond 16:30 hours (CEST) on 30 June 2021 (which is the long stop date of the Restructuring Proposal). In the event of a shortening or an extension of the Application Period, the allocation date, the payment due date, the dates of delivery of Private Placement Shares and other dates relating to the Private Placement may be changed accordingly.

##### **4.6.2 Minimum application**

The Institutional Offering is subject to a minimum application of NOK 2,500,000 per application.

##### **4.6.3 Application procedures and application offices**

To participate in the Private Placement, applicants must have a VPS account. For the establishment of VPS accounts, please see Section 4.9 “VPS Account” for more information.

Applications for Private Placement Shares in the Institutional Offering must be made during the Application Period by informing one of the Managers shown below of the number of Private Placement Shares that the investor wishes to order or a NOK amount for the total consideration to pay for such Private Placement Shares.

**DNB Markets**  
Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo  
Norway

**ABG Sundal Collier ASA**  
Munkedamsveien 45E  
P.O. Box 1444 Vika  
N-0115 Oslo  
Norway

All applications in the Institutional Offering will be treated in the same manner regardless of which of the above Managers the applications are placed with. Any orally or electronically placed application in the Institutional Offering will be binding for the investor and subject to the same terms and conditions as a written application. The Managers may, at any time and in their sole discretion, require the investor to confirm orally placed applications in writing. Applications made may be withdrawn or amended by the investor at any time up to the expiry of the Application Period. At the close of the Application Period, all applications in the Institutional Offering that have not been withdrawn or amended are irrevocable and binding for the investor.

#### 4.6.4 Allocation, payment and delivery of Private Placement Shares

The Managers expect to issue allocation notes of Private Placement Shares in the Institutional Offering to the applicants by mail or otherwise on or about 25 May 2021.

Payment by applicants in the Institutional Offering will take place against delivery of Private Placement Shares. Delivery and payment for Private Placement Shares is expected to take place on or about 27 May 2021 (the “**Institutional Closing Date**”) through the facilities of the VPS. The delivery of the Private Placement Shares may not take place on the Institutional Closing Date, or at all, if certain conditions or events referred to in Section 4.5 “Conditions for completion of the Offering” are not satisfied or waived or occur on or prior to such date. Investors participating in the Private Placement will remain irrevocably bound by their applications in the Private Placement submitted during the Application Period notwithstanding any such shortening or extension of the Application Period, or any delay in completion of the Offering. The final deadline for registration of the share capital increase pertaining to the Private Placement in the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Private Placement Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the Application Period (i.e. 21 August 2021).

Should payment be delayed for any reason, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments, which at the date of this Securities Note is 8.00 percent per annum. Should payment not be made when due, the Private Placement Shares allocated will not be delivered to the applicant, and the Managers on behalf of the Company reserve the right, at the risk and cost of the applicant, to cancel the application and to re-allot the allocated Private Placement Shares for which payment is overdue, or if payment has not been received by the third day after the Payment Date, without further notice dispose of or assume ownership to the Private Placement Shares, on such terms and in such manner as the Managers may decide in accordance with Norwegian law (and the applicant will not be entitled to any profit therefrom). The original applicant will remain liable for payment of the Offer Price for the Private Placement Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and the Managers may enforce payment of any such amount outstanding.

In order to provide for prompt registration of the share capital increase in the Company relating to the issuance of the Private Placement Shares with the Norwegian Register of Business Enterprises, DNB Markets is, subject to certain conditions, expected to enter into an agreement with the Company to pre-fund the Private Placement Shares allocated in the Offering at a total subscription amount equal to the Offer Price multiplied by the number of Private Placement Shares allocated in the Offering and by placing an application, the

applicant irrevocably authorizes and instructs DNB Markets, or someone appointed by them, to do so on its behalf. Irrespective of any such pre-funding, the original applicant will remain liable for payment of the Offer Price for the Private Placement Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and/or DNB Markets may enforce payment of any such amount outstanding. The pre-funding by DNB Markets of the Private Placement Shares as described above will form part of an integrated sales process where the investors purchase Private Placement Shares from the Company based on the Prospectus, which has been prepared by the Company. By applying for Private Placement Shares, the investors waive any rights or claims against DNB Markets.

## 4.7 The Eligible Creditor Offering

### 4.7.1 Application Period

The Application Period for the Eligible Creditor Offering will be from 7 May 2021 at 09:00 hours (CEST) to 21 May 2021 at 16:30 hours (CEST), unless shortened or extended.

The Company may, in consultation with the Managers, shorten or extend the Application Period at any time on one or several occasions. The Application Period may in no event expire prior to 16:30 hours (CEST) on 21 May 2021 or be extended beyond 16:30 hours (CEST) on 30 June 2021 (which is the long stop date under the Restructuring Proposal). In the event of a shortening or an extension of the Application Period, the allocation date, the payment due dates, the date of delivery of Private Placement Shares and other dates relating to the Private Placement may be changed accordingly.

### 4.7.2 Maximum application

The Eligible Creditor Offering is subject to a maximum application amount set individually for each Eligible Creditor, which shall be equal to maximum 50% of such Eligible Creditor's Relevant Portion (the "**Maximum Application Amount**"). This entails that no Eligible Creditor may apply for Private Placement Shares in the Eligible Creditor Offering for an amount exceeding NOK 1,250,000, but the Maximum Application Amount will for many Eligible Creditors be lower than this. Any application for Private Placement Shares exceeding the Maximum Application Amount will be reduced to correspond to the Maximum Application Amount.

Multiple applications are not allowed. If two or more Eligible Creditors Offering Application Forms are received from the same investor, the application form will only be counted once unless otherwise explicitly stated on one of the application forms.

### 4.7.3 Application procedures and application offices

To participate in the Eligible Creditor Offering, applicants must

- (a) Have a functional VPS account. For the establishment of VPS accounts, please see Section 4.9 "VPS Account" for more information;
- (b) Use and correctly fill out an application form specified for the Eligible Creditor Offering (the "**Eligible Creditor Offering Application Form**"); and
- (c) Include its unique identification code as allocated to each Creditor (the "**Application Code**"), which will be distributed by the Company on or about 7 May 2021 to each Creditor (to the extent e-mail addresses are available).

Eligible Creditors that wish to participate in the Eligible Creditor Offering and that have not received an e-mail with the Eligible Creditor Offering Application Form and/or their unique Application Code by e-mail or otherwise by 10 May 2021, must contact DNB Markets at [nascreditor@dnb.no](mailto:nascreditor@dnb.no). **Only applications in the Eligible Creditor Offerings that are submitted in accordance with the procedures as set out in this section 4.7.3 will be accepted.**

Eligible Creditors Application Forms, together with the Prospectus, can be obtained from the Company free of charge at its registered office, the Company's website [www.norwegian.com](http://www.norwegian.com), DNB Market's websites or the

application offices listed below. Application Codes can only be obtained by contacting DNB Markets at [nascreditor@dnb.no](mailto:nascreditor@dnb.no). Applications must be duly registered during the Application Period, by submitting a fully completed Eligible Creditors Application Form to the following application office:

**DNB Markets**  
Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo  
Norway

E-mail: [nascreditor@dnb.no](mailto:nascreditor@dnb.no)

Eligible Creditor Offering Application Forms that are incomplete or incorrectly completed, electronically or physically, or that are received after the expiry of the Application Period, may be disregarded without further notice to the applicant. The same applies to applications that are unlawful. Properly completed Eligible Creditor Offering Application Forms must be received by the application office listed by 16:30 hours (CEST) on 21 May 2021, unless the Application Period is being shortened or extended. None of the Company or the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by any application office.

All applications made in the Eligible Creditor Offering will be irrevocable and binding upon receipt of a duly completed Eligible Creditor Offering Application Form, irrespective of any shortening or extension of the Application Period, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the application office. **Only applications in the Eligible Creditor Offering that are submitted in accordance with the procedures as set out in this section 4.7.3, using an Eligible Creditor Offering Application Form and including such Eligible Creditor's Application Code, will be accepted.**

#### 4.7.4 Allocation, payment and delivery of Private Placement Shares

DNB Markets, acting as settlement agent (the "**Settlement Agent**") for the Eligible Creditor Offering, expects to issue conditional allocation notes to the applicants by mail or otherwise on or about 25 May 2021. If required by the Manager, the Eligible Creditor shall provide such evidence as the Managers, on behalf of the Company, in its sole discretion may require to confirm among other things (i) that the applicant is in fact an Eligible Creditor, (ii) that the applicant is the sole and rightful creditor, and owner of the entire Relevant Portion to which this Application Form purports to relate and/or (iii) that the application does not exceed 50% of the applicant's Relevant Portion. The Manager reserves the right to reject an application if not so satisfied in its sole discretion without notice to the applicant.

Each Eligible Creditor being allocated shares in the Eligible Creditor Offering, must transfer the total amount due for the Private Placement Shares allocated to such applicant in the Eligible Creditor Offering to the Company's bank account (as further specified in the allocation notification) no later than on 27 May (the "**Payment Date**"). Such payment shall be clearly marked with (i) the Eligible Creditor's Application Code and (ii) the VPS account to which the allocated Private Placement Shares shall be delivered. Any payments not including the information in (i) and (ii) above may result in a delay in delivery of the allocated Private Placement Shares to the relevant applicant, or in such Private Placement Shares not being delivered at all.

Further details and instructions will be set out in the allocation notification to the applicant to be issued on or about 25 May 2021.

Subject to fulfilment of the Conditions for completion of the Private Placement and timely payment by the applicant as set out above, delivery of the Private Placement Shares allocated in the Eligible Creditor Offering is expected to take place on or about 28 May 2021. The delivery of Private Placement Shares may not take place on the contemplated date or at all if certain Conditions or events referred to in Section 4.5 "Conditions for completion of the Private Placement" are not satisfied or waived or occur on or prior to such date. Investors participating in the Private Placement will remain irrevocably bound by their applications in the Private

Placement submitted during the Application Period notwithstanding any such shortening or extension of the Application Period, or any delay in completion of the Offering. The final deadline for registration of the share capital increase pertaining to the Private Placement in the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Private Placement Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the Application Period (i.e. 21 August 2021).

Should payment be delayed for any reason, interest will accrue on the amount due at a rate equal to the prevailing interest rate under the Norwegian Act on Interest on Overdue Payments, which at the date of this Securities Note is 8.00 percent per annum. Should payment not be made when due, the Private Placement Shares allocated will not be delivered to the applicant, and the Managers on behalf of the Company reserve the right, at the risk and cost of the applicant, to cancel the application and to re-allot the allocated Private Placement Shares for which payment is overdue, or if payment has not been received by the third day after the Payment Date, without further notice dispose of or assume ownership to the Private Placement Shares, on such terms and in such manner as the Managers may decide in accordance with Norwegian law (and the applicant will not be entitled to any profit therefrom). The original applicant will remain liable for payment of the Offer Price for the Private Placement Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and the Managers may enforce payment of any such amount outstanding.

In order to provide for prompt registration of the share capital increase in the Company relating to the issuance of the Private Placement Shares with the Norwegian Register of Business Enterprises, DNB Markets is, subject to certain conditions, expected to enter into an agreement with the Company to pre-fund the Private Placement Shares allocated in the Private Placement at a total subscription amount equal to the Offer Price multiplied by the number of Private Placement Shares allocated in the Private Placement, and by placing an application, the applicant irrevocably authorizes and instructs DNB Markets, or someone appointed by it, to do so on its behalf. Irrespective of any such prefunding, the original applicant will remain liable for payment of the Offer Price for the Private Placement Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and/or DNB Markets may enforce payment of any such amount outstanding. The Eligible Creditors applying for and being allocated Private Placement Shares shall, as further set out above, transfer the total amount due for the Private Placement Shares allocated to such applicant to the Company's bank account no later than on the Payment Date. As a result and as part of the prefunding arrangement, the Company is therefore also expected to undertake to transfer any proceeds received by it from Eligible Creditors being allocated Private Placement Shares to an account specified by DNB Markets as soon as practically possible following receipt of such proceeds. The prefunding by DNB Markets of the Private Placement Shares as described above will form part of an integrated sales process where the investors purchase Private Placement Shares from the Company based on the Prospectus, which has been prepared by the Company. By applying for Private Placement Shares, investors waive any rights or claims against DNB Markets.

Any Eligible Creditors being allocated Private Placement Shares and not transferring the total amount due for the Private Placement Shares allocated to such applicant to the Company's bank account no later than on the Payment Date, may lose the right to receive Retained Claims Bonds, as further described in the Registration Document.

#### **4.8 Mechanism of allocation**

As publicly announced by the Company on 3 May 2021 the following investors have signed cornerstone agreements with the Company upon which they have applied for and will be allocated Private Placement Shares for a total amount of NOK 2,855 million:

- Geveran Trading
- Sundt AS
- Ludvig Lorentzen and associates
- DNB Asset Management
- Folketrygdfondet
- Nordea Investment Management

Furthermore, members of the Company's Board of Directors and management have been encouraged to subscribe for Offer Shares in the Offering, and any such members applying for Private Placement Shares will be given preferred allocation in the Private Placement, limited to a total of approximately 11 million Private Placement Shares.

Allocation of the remaining Private Placement Shares to applicants will be made at the discretion of the Company's board of directors, after consultation with the Managers, based on allocation factors such as perceived investor quality, investment horizon and history, sector knowledge, size and timeliness of the application, contribution to the Restructuring through personal involvement or otherwise, including through employment or other engagement in the Company each of which the Company may in its discretion consider.

The Company reserves the right at its sole discretion to reduce or reject any application for Private Placement Shares and also to set a maximum allocation per applicant, a maximum number of applicants or decide to make no allocation to any applicant. The Company may round off, reject or reduce any application of Private Placement Shares. Allocation of fewer Private Placement Shares than applied for by an applicant will not impact on the applicant's obligation to pay for the number of Private Placement Shares allocated.

Notwithstanding the above, any Eligible Creditor applying for Private Placement Shares in the Eligible Creditor Offering shall be given a preferential allocation in the Private Placement up to the amount of their Maximum Application Amount for which such Eligible Creditor has applied for Private Placement Shares, subject to rounding.

The conditional allocation of Private Placement Shares will take place after the expiry of the Application Period on or about 25 May 2021 and notifications of allocation will be dispatched by e-mail or otherwise from the Managers on or about 25 May 2021.

The Company will disclose information with regard to the number of Private Placement Shares applied for in the Private Placement on or about 25 May 2021 through the information system of Oslo Børs at [www.newsweb.no](http://www.newsweb.no) under the ticker "NAS".

#### **4.9 VPS Account**

To participate in the Private Placement, each applicant must have a functional VPS Account. The VPS Account number must be stated when registering an application through the VPS online application system for the Institutional Offering or in the Eligible Creditors Offering Application Form for the Eligible Creditor Offering. VPS accounts can be established with authorized VPS registrars, which can be Norwegian banks, authorized investment firms in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS Accounts registered in the name of a nominee. The nominee must be authorized by the Norwegian Ministry of Finance. Establishment of VPS Accounts requires verification of identification by the relevant VPS registrar in accordance with Norwegian anti-money laundering legislation (see Section 4.13 "Mandatory anti-money laundering procedures").

#### **4.10 National Client Identifier and Legal Entity Identifier**

##### **4.10.1 Introduction**

In order to participate in the Private Placement, applicants will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called LEI. Investors who do not already have an NCI or LEI, as applicable, must obtain such codes in time for the application in order to participate in the Private Placement.

##### **4.10.2 NCI code for physical persons**

Physical persons need an NCI code to participate in a financial market transaction. The NCI code is a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID number (Nw.: "*fødselsnummer*"). If the person in question has multiple citizenships

or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

#### 4.10.3 LEI code for legal entities

A LEI code is a mandatory number for all legal entities investing in a financial market transaction. A LEI code is a 20-character code that identifies distinct legal entities that engage in financial market transactions. The Global Legal Identifier Foundation ("GLEIF") is not directly issuing LEIs, but delegates this responsibility to Local Operating Units ("LOU"s).

Norwegian companies can apply for a LEI code through various application websites. The application can be submitted through an online form and signed electronically with an online banking ID (e.g. 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/get-an-lei-find-lei-issuing-organizations>.

#### 4.11 Share capital following the Private Placement

The maximum number of Private Placement Shares to be issued is 958,466,453, each with a nominal value of NOK 0.10 per Share, limited however so that the maximum gross proceeds in the Capital Raise does not exceed NOK 6,000 million. Assuming that the Company is able to raise approximately NOK 6,000 million in the Capital Raise through a fully subscribed Rights Issue and NOK 1,875 million being raised through the New Capital Perpetual Bond, the Company expects to issue 595,869,048 new Shares in the Private Placement, following which, the new share capital of the Company will be NOK 70,099,815.80, divided into 700,998,158 shares upon completion of the Offering. The Private Placement Shares will be issued in accordance with the resolution passed by the Company's board of directors based on an authorisation issued to the board by the EGM. See Section 3.2.1 "Share capital" for a further description of the Company's share capital.

#### 4.12 Product governance

Solely for the purposes of the product governance requirements contained within the MiFID II Product Governance Requirements, and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Target Market Assessment).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Private Placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

#### **4.13 Mandatory anti-money laundering procedures**

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

Applicants who are not registered as existing customers of any of the Managers must verify their identity to the Manager in which the order is placed in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have designated an existing Norwegian bank account and an existing VPS Account on the Eligible Creditors Offering Application Form are exempted, unless verification of identity is requested by any of the Managers. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period may not be allocated Private Placement Shares.

#### **4.14 Publication of information in respect of the Private Placement**

In addition to press releases which will be posted on the Company's website ([www.norwegian.com](http://www.norwegian.com)), the Company will use the Oslo Stock Exchange's information system ([www.newsweb.com](http://www.newsweb.com)) under the Company's ticker code "NAS" to publish information relating to the Private Placement.

The final determination of the number of Private Placement Shares and the total amount of the Private Placement is expected to be published on or about 25 May 2021.

#### **4.15 The rights conferred by the Private Placement Shares**

The Private Placement Shares will in all respects carry full shareholders' rights in the Company on an equal basis as any other Shares in the Company, including the right to any dividends, from the date of registration of the share capital increase pertaining to the Private Placement in the Norwegian Register of Business Enterprises.

For a description of rights attached to the Shares, see Section 3.2 "The Shares" in this Securities Note.

#### **4.16 VPS registration**

The Private Placement Shares will be created under the Norwegian Public Limited Companies Act. The Private Placement Shares will be registered in book-entry form with the same ISIN as the existing Shares, i.e. ISIN NO0010196140.

The Company's register of shareholders with the VPS is administrated by DNB Bank ASA (the VPS Registrar), Dronning Eufemias gate 30, P.O. Box 1600 Sentrum, N-0021 Oslo, Norway, telephone number +47 23 26 80 20.

#### **4.17 Dilution**

The table below shows the percentage split of the Company's share capital following the Offering assuming that the Company raises NOK 6,000 million in the Capital Raise, of which approximately (i) NOK 4,125 million is raised through the Offering by issuance of 658,945,686 Offer Shares, and (ii) NOK 1,875 million is raised through the New Capital Perpetual Bonds ; split by pre-Offering share capital and the share capital to be raised in the Offering, on the basis that existing shareholders do not subscribe for any Offer Shares issued:

Pre-Offering share capital	6%
Offering share capital	94%

The net asset value per existing Share as at 31 December 2020 was NOK -166 per Share, compared to the Offer Price of NOK 6.26 per Private Placement Share.

#### **4.18 Managers and advisors**

DNB Markets, a part of DNB Bank ASA is acting as Sole Global Coordinator and Joint Bookrunner in the Private Placement. ABG Sundal Collier is acting as Joint Bookrunner. DNB Markets also acts as Settlement Agent in

the Private Placement. Advokatfirmaet BAHR AS is acting as the Company's legal counsel in connection with the Private Placement. Advokatfirmaet Thommessen AS is acting as the Managers' legal counsel in connection with the Private Placement.

#### **4.19 Reasons for the Private Placement, Use of Proceeds and Expenses of the Private Placement**

The Company is carrying out the Offering with the aim to raise minimum NOK 4,500 million and up to NOK 6,000 million in the Capital Raise in order to satisfy the conditions for implementation of the Restructuring Proposal. Assuming that the Company raises NOK 6,000 million in gross proceeds in the Capital Raise, through (i) issuance of 958,466,453 Offer Shares, and (ii) NOK 1,875 million raised through the New Capital Perpetual Bonds, the Company will raise gross proceeds of approximately NOK 4,125 million in the Offering of which approximately NOK 3,278 million will be raised in the Private Placement. The total net proceeds of the Offering are accordingly expected to be approximately NOK 3,998 million after deduction of costs and expenses to be borne by the Company, currently estimated to be approximately NOK 127 million. The net proceeds from the Offering will be used to provide working capital for the Company, the Related Companies and the wider Group for general corporate purposes including to facilitate the ongoing survival of the Company and the Related Companies as going concerns.

No expenses or taxes will be charged by the Company or the Managers to the applicants in the Offering.

#### **4.20 Interest of natural and legal persons involved in the Private Placement**

DNB Markets, a part of DNB Bank ASA and ABG Sundal Collier ASA are acting as Managers in connection with the Private Placement and will receive a success-based fee and commission as a percent of the gross proceeds of the Private Placement in this regard.

The Managers and their affiliates are currently providing, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may receive and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Private Placement.

#### **4.21 Participation of major existing shareholders and members of Management, supervisory and administrative bodies in the Private Placement**

The members of the Board of Directors and Management have been encouraged to participate in the Offering and will be given preferred allocation as described in section 4.8. The Company is at the date of this Securities Note not aware of any firm indications by any such persons to apply for Private Placement Shares..

The Company is not aware of whether any major shareholders of the Company intend to apply for Private Placement Shares in the Private Placement, and except as set out below whether any person intends to apply for more than 5 percent of the Private Placement Shares.

- Geveran Trading
- Sundt AS
- DNB Asset Management
- Folketrygdfondet

#### **4.22 Governing law and jurisdiction**

The Prospectus, including this Securities Note, the Eligible Creditor Offering Application Form and the terms and conditions of the Private Placement shall be governed by and construed in accordance with Norwegian law. Any dispute arising out of, or in connection with, the Prospectus, the Eligible Creditor Offering Application

Form, or the Private Placement shall be subject to the exclusive jurisdiction of the courts of Norway, with the Oslo District Court as the legal venue.

## 5. THE TERMS OF THE RIGHTS ISSUE

*This Section provides important information about the terms and conditions for the Rights Issue. Investing in the Rights Issue Shares involves inherent risks. In making an investment decision, each investor must rely on his or her own examination and analysis of, and enquiry into, the Company and the terms of the Rights Issue, including the merits and risks involved. None of the Company or the Managers, nor any of their respective affiliate, representatives or advisers, are making any representation to any offeree, subscriber or purchaser of the Rights Issue Shares or the Subscription Rights regarding the legality of an investment in the Rights Issue Shares or the Subscription Rights by such offeree, subscriber or purchaser under the laws applicable to such offeree or subscriber or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase or subscription of the Rights Issue Shares or the Subscription Rights. You should read this section in conjunction with the other parts of the Prospectus, in particular Section 1 "Risk Factors" of this Securities Note and Section 1 of the Registration Document. The discussion about use of proceeds below only addresses the intentions of the Company as of the date of this Securities Note; and no assurance can be made that the proceeds actually will be applied to all or any of the purposes identified herein. If the conditions for completion of the Rights Issue are not met, the Rights Issue will be withdrawn and the Subscription Rights will automatically lapse without value. The lapsing of Subscription Rights shall be without prejudice to the validity of any trades in Subscription Rights, and investors will not receive any refund or compensation in respect of Subscription Rights purchased in the market.*

### 5.1 Overview of the Rights Issue

The Rights Issue comprises up to 63,076,638 Rights Issue Shares, each with a nominal value of NOK 0.10, offered by the Company at an Offer Price of NOK 6.26 per Rights Issue Share, thereby raising gross proceeds of up to approximately NOK 395 million. Existing Shareholders will be granted tradable Subscription Rights providing a preferential right to subscribe for and be allocated Rights Issue Shares in the Rights Issue subject to applicable law. Oversubscription and subscription without Subscription Rights will be permitted; however, there can be no assurance that Rights Issue Shares will be allocated for such subscriptions.

### 5.2 Timetable

The table below sets out certain indicative key dates for the Rights Issue, subject to change:

	<u>Date</u>
Last day of trading in the Shares inclusive of Subscription Rights (Cut-off Date) .....	4 May 2021
First day of trading in the Shares excluding Subscription Rights .....	5 May 2021
Record Date for determining the Existing Shareholders .....	6 May 2021
Subscription Period commences .....	7 May 2021 at 09:00 hours (CEST)
Trading of Subscription Rights on the Oslo Stock Exchange commences .....	7 May 2021 at 09:00 hours (CEST)
Trading of Subscription Rights on the Oslo Stock Exchange ends	19 May 2021 at 16:30 hours (CEST)
Subscription Period ends .....	21 May 2021 at 16:30 hours (CEST)
Conditional allocation of Rights Issue Shares .....	On or about 25 May 2021
Distribution of allocation letters .....	On or about 25 May 2021
Registration of the capital increase and issuance of the Rights Issue Shares .....	On or about 26 May 2021
Payment Date .....	On or about 27 May 2021

	<b>Date</b>
Delivery of the Rights Issue Shares .....	On or about 28 May 2021
Listing and commencement of trading of the Rights Issue Shares on Oslo Børs .....	On or about 27 May 2021

Note that the Company, in consultation with the Managers, reserves the right to extend the Subscription Period at its sole discretion. In the event of an extension of the Subscription Period, or in the event of a delay in the estimated timeline for completion of the Offering, the allocation date, the payment due date, the dates of delivery of Rights Issue Shares and other dates relating to the Rights Issue may be changed accordingly. The investors subscribing for Rights Issue Shares in the Rights Issue will remain irrevocably bound by their subscriptions in the Rights Issue submitted during the Subscription Period notwithstanding any such extension of the Subscription Period, or any delay in completion of the Offering, in accordance with applicable law

### 5.3 Resolutions to Undertake and Implement the Rights Issue

On 3 May 2021, the Board of Directors made the following resolution to increase the Company's share capital through the Rights Issue, based on the authorisation granted to it in the EGM and the shareholders initial approval of the Rights Issue in EGM:

- 1) *The share capital is increased by minimum NOK 0.10 and maximum NOK 6,307,663.8 by issue of minimum 1 and maximum 63,076,638 new shares, each with a nominal value of NOK 0.10.*
- 2) *The subscription price is NOK 6.26 per share.*
- 3) *The shareholders of the Company as of the expiry of 4 May 2021 (as registered in the Company's shareholder register in the VPS on 6 May 2021 the "Record Date")), shall have a preferential right to subscribe for and be allocated the new shares in proportion to their shareholding in the company, cf. section 10-4 (1) of the Norwegian Public Limited Liability Companies Act.*
- 4) *Tradeable subscription rights will be issued and registered with the Norwegian Central Securities Depository (VPS). The subscription rights shall be tradable from and including the first day of the subscription period and until 16:30 (Oslo time) two trading days prior to the end of the subscription period. Over-subscription and subscription without subscription rights are permitted.*
- 5) *The company shall prepare a prospectus for the rights offering to be approved by the Norwegian Financial Supervisory Authority. Unless the board of directors decides otherwise, the prospectus shall not be registered with or approved by any foreign prospectus authority. The new shares may not be subscribed for by investors in jurisdictions (outside Norway) where such subscription is not permitted or to whom the new shares cannot lawfully be offered without a prospectus, registration, due to local rules or similar. The company may at its discretion sell subscription rights issued to shareholders in such jurisdictions and transfer the net proceeds thereof to such shareholders.*
- 6) *The subscription period shall commence on 7 May 2021 and expire at 16:30 (CEST) on 21 May 2021. If the prospectus is not approved in time to uphold this subscription period, the subscription period shall commence on the first business day after the Norwegian Financial Supervisory Authority has approved the prospectus for the rights offering, and shall expire no earlier than 16:30 hours (CET) two weeks thereafter. The subscription period may not be shortened but the board of directors may extend the subscription period if this is required by law due to the publication of a supplement prospectus. Subscription for shares shall be made on a separate subscription form prior to the expiry of the subscription period.*
- 7) *The subscription amount shall be paid in cash. Payment for the new shares shall be made on or prior to the fourth trading day after the expiry of the subscription period. Subscribers who have a Norwegian bank account shall provide a one-time irrevocable authorization to debit a specified Norwegian bank account for the amount payable for the shares allocated to the subscriber on or*

around the payment date. Further payment regulations, including for shareholders without a Norwegian bank account, shall be included in the prospectus.

- 8) *The new shares shall be allocated by the board of directors. The following allocation criteria shall apply:*
  - a) *Allocation of shares to subscribers shall be made in accordance with granted and acquired subscription rights which have been validly exercised during the subscription period. Each subscription right will give the right to subscribe for and be allocated one new share.*
  - b) *If not all subscription rights are validly exercised, subscribers having exercised their subscription rights and who have over-subscribed, will be allocated additional new 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 shall determine the allocation by the drawing of lots.*
  - c) *New shares not allocated pursuant to a) and b) above will be allocated to subscribers not holding subscription rights. Allocation will be sought made on a pro rata basis based on the relevant subscription amounts.*
- 9) *The new shares will carry rights to dividends and other shareholder rights in the company from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.*
- 10) *§ 3 of the articles of association shall be amended to state the company's share capital and number of shares following the share capital increase.*
- 11) *The estimated costs for this capital increase are 3 per cent of the gross proceeds.*

#### **5.4 Conditions for Completion of the Rights Issue**

The completion of the Rights Issue is subject the Effective Time (as defined in the Restructuring Proposal), and thereby the effectiveness of the Restructuring Proposal, occurring upon registration of the share capital increase pertaining to the Offering with the NRBE, which is *inter alia*, conditional upon the Company raising minimum NOK 4,500 million through the Capital Raise.

The Board of Directors may decide not to complete the share capital increase pertaining to the Rights Issue, and therefore not complete the Rights Issue, at any time before the Conditions have been declared satisfied. In the event of a delay in completion of the Offering, the due dates for the Offering, such as the payment date and delivery date will be amended accordingly, and investors will remain irrevocably bound by their subscriptions in the Rights Issue submitted during the Subscription Period, in accordance with applicable law. The Company is expected to announce any such material delay through the Oslo Stock Exchange's information system.

**If it becomes clear that the above condition will not be fulfilled, the Rights Issue will be withdrawn. If the Rights Issue is withdrawn, all Subscription Rights will lapse without value, any subscriptions for, and allocations of, Rights Issue Shares that have been made will be disregarded and any payments for Rights Issue Shares made will be returned to the subscribers without interest or any other compensation. The lapsing of Subscription Rights shall be without prejudice to the validity of any trades in Subscription Rights, and investors will not receive any refund or compensation in respect of Subscription Rights purchased in the market.**

#### **5.5 Offer Price**

The Offer Price is NOK 6.26 per Rights Issue Share. The Offer Price represents a discount of approximately 84.12% to the closing price of NOK 39,425 per Share as quoted on the Oslo Stock Exchange on 5 May 2021.

## 5.6 Subscription Period

The Subscription Period will commence on 7 May 2021 at 09:00 hours (CEST) and end on 21 May 2021 at 16:30 hours (CEST). The Subscription Period may be extended but not shortened.

In the event of an extension of the Subscription Period, the allocation date, the payment due date, the dates of delivery of Rights Issue Shares and other dates relating to the Rights Issue may be changed accordingly.

## 5.7 Record Date for Existing Shareholders

Shareholders who are registered in the Company's shareholder register in the VPS as of the expiry of 6 May 2021 (the Record Date) will receive Subscription Rights.

For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of expiry of the Record Date.

Provided that the delivery of traded Shares was made with ordinary T+2 settlement in the VPS, Shares that were acquired on or before the Cut-off Date 4 May 2021 will give the right to receive Subscription Rights, whereas Shares that were acquired from and including 5 May 2021 will not give the right to receive Subscription Rights.

## 5.8 Subscription Rights

Existing Shareholders will be granted Subscription Rights giving a preferential right to subscribe for and be allocated Rights Issue Shares. Each Existing Shareholder will be granted 3 Subscription Rights for every 2 Shares registered as held by such Existing Shareholder at the expiry of the Record Date. The number of Subscription Rights granted to each Existing Shareholder will be rounded down to the nearest whole Subscription Right. Subscription Rights will not be granted for the Shares held in treasury by the Company. Each Subscription Right will, subject to applicable securities laws, give the right to subscribe for and be allocated one Offer Share in the Rights Issue.

The Subscription Rights will be credited to and registered on each Existing Shareholder's VPS account on or about 7 May 2021 under the International Securities Identification Number (ISIN) NO0010989247. The Subscription Rights will be distributed free of charge to Existing Shareholders.

The Subscription Rights may be used to subscribe for Rights Issue Shares before the expiry of the Subscription Period on 21 May 2021 at 16:30 hours (CEST) or be sold before 19 May 2021 at 16:30 hours (CEST). Acquired Subscription Rights will give the same right to subscribe for and be allocated Rights Issue Shares as Subscription Rights held by Existing Shareholders on the basis of their registered shareholdings on the Record Date.

**The Subscription Rights, including acquired Subscription Rights, must be used to subscribe for Rights Issue Shares before the end of the Subscription Period (i.e., 21 May 2021 at 16:30 hours (CEST)) or sold before 19 May 2021 at 16:30 hours (CEST). Subscription Rights that are not sold before 19 May 2021 at 16:30 hours (CEST) or exercised before 21 May 2021 at 16:30 hours (CEST) will have no value and will lapse without compensation to the holder. Holders of Subscription Rights (whether granted or acquired) should note that subscriptions for Rights Issue Shares must be made in accordance with the procedures set out in this Securities Note and that the acquisition of Subscription Rights does not in itself constitute a subscription for Rights Issue Shares.**

Subscription Rights of 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 Rights Issue 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. The Company will instruct the Managers to, as far as possible, withdraw the Subscription Rights from such Ineligible Shareholders' VPS accounts, and sell them from and including 7 May 2021 to 19 May 2021 at 16:30 hours (CEST) for the account and risk of such Ineligible Shareholders, unless the relevant Subscription Rights are held through a financial intermediary (in which case no action will be taken to sell such Subscription

Rights). Please refer to Section 5.12 “Financial Intermediaries” for a description of the procedures applicable to Subscription Rights held by Ineligible Shareholders through financial intermediaries.

The Managers will use commercially reasonable efforts to procure that the Subscription Rights withdrawn from the VPS accounts of Ineligible Shareholders (and that are not held through financial intermediaries) are sold on behalf of, and for the benefit of, such Ineligible Shareholders during said period, provided that (i) the Managers are able to sell the Subscription Rights at a price at least equal to the anticipated costs related to the sale of such Subscription Rights, and (ii) the relevant Ineligible Shareholder has not by 16:30 hours (CEST) on 12 May 2021 documented to the Company through the Managers a right to receive the Subscription Rights withdrawn from its VPS account, in which case the Managers shall re-credit the withdrawn Subscription Rights to the VPS account of the relevant Ineligible Shareholder. The proceeds from the sale of the Subscription Rights (if any), after deduction of customary sales expenses, will be credited to the Ineligible Shareholder’s bank account registered in the VPS for payment of dividends. If an Ineligible Shareholder does not have a bank account registered in the VPS, the Ineligible Shareholder must contact the Managers to claim the proceeds. There can be no assurance that the Managers will be able to withdraw and/or sell the Subscription Rights at a profit or at all. Other than as explicitly stated above, neither the Company nor the Managers will conduct any sale of Subscription Rights not utilised before the end of the Subscription Period.

### 5.9 Trading in Subscription Rights

The Subscription Rights will be fully tradable and listed on the Oslo Stock Exchange with ticker code “NAST” from 09:00 hours (CEST) on 7 May 2021 until 16:30 hours (CEST) on 19 May 2021.

**The Subscription Rights will hence only be tradable during part of the Subscription Period.**

Persons intending to trade in Subscription Rights should be aware that the trading in, and exercise of, Subscription Rights by holders who are located in jurisdictions outside Norway may be restricted or prohibited by applicable securities laws. Please refer to Section 6 “Selling and Transfer Restrictions” for a description of such restrictions and prohibitions.

### 5.10 Subscription Offices; Subscription Procedures

Subscriptions for Rights Issue Shares must be made by submitting a correctly completed subscription form as set out in Appendix A to this Securities Note to one of the subscription offices during the Subscription Period or, for subscribers who are residents of Norway with a Norwegian personal identification number (Nw. *personnummer*), made online as further described below.

Correctly completed subscription forms must be received by one of the subscription offices set out below, or, in the case of online subscriptions, be registered by no later than 16:30 hours CEST on 21 May 2021:

<p><b>DNB Markets</b> Dronning Eufemias gate 30 P.O. Box 1600 Sentrum N-0021 Oslo Norway</p> <p>E-mail: <a href="mailto:retail@dnb.no">retail@dnb.no</a> <a href="http://www.dnb.no/emisjoner">www.dnb.no/emisjoner</a></p>	<p><b>ABG Sundal Collier ASA</b> Munkedamsveien 45E P.O. Box 1444 Vika N-0115 Oslo Norway</p> <p>E-mail: <a href="mailto:subscription@abgsc.no">subscription@abgsc.no</a> <a href="http://www.abgsc.com">www.abgsc.com</a></p>
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Subscribers who are residents of Norway with a Norwegian personal identification number (Nw. *personnummer*) are encouraged to subscribe for Rights Issue Shares through the VPS online subscription system by following the link on the following internet pages: [www.dnb.no/emisjoner](http://www.dnb.no/emisjoner) and [www.abgsc.com](http://www.abgsc.com) (which will redirect the subscriber to the VPS online subscription system).

Neither the Company nor any of the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the relevant subscription office. Subscription forms received after the end of the Subscription Period and/or incomplete or incorrect subscription forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the relevant subscription office, or in the case of applications through the VPS online subscription system, upon registration of the subscription. The subscriber is responsible for the correctness of the information entered on the subscription form, or in the case of applications through the VPS online subscription system, the online subscription registration. By signing and submitting a subscription form, or by registration of a subscription with the VPS online subscription system, the subscribers confirm and warrant that they have read the Prospectus, including this Securities Note, and are eligible to subscribe for Rights Issue Shares under the terms set forth herein.

There is no minimum or maximum subscription amount for subscriptions in the Rights Issue. Oversubscription (i.e. subscription for more Rights Issue Shares than the number of Subscription Rights held by the subscriber entitles the subscriber to be allocated) and subscription without Subscription Rights is permitted. However, in each case, there can be no assurance that Rights Issue Shares will be allocated for such subscriptions.

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 Rights Issue 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.

All subscriptions in the Rights Issue will be treated in the same manner regardless of which subscription office the subscriber chooses to use, and regardless of whether the subscription is made by delivery of a subscription form to a subscription office or through the VPS online subscription system.

#### **5.11 Mandatory Anti-Money Laundering Procedures**

The Rights Issue is subject to the Anti-Money Laundering Legislation. Subscribers who are not registered as existing customers of the relevant Manager must verify their identity to that Manager in accordance with requirements of the Anti-Money Laundering Legislation, unless an exemption is applicable. 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 relevant Manager. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Rights Issue Shares. Further, participation in the Rights Issue 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 Financial Supervisory Authority (Nw. *Finanstilsynet*). Establishment of a VPS account requires verification of identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

#### **5.12 Financial Intermediaries**

##### **General**

Persons or entities holding Shares in the Company through financial intermediaries (i.e., brokers, custodians and nominees) should read this Section. All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise, sale or purchase 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.

## **Subscription Rights**

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

Existing Shareholders who hold their Shares through a financial intermediary and who are ineligible for participation in the Rights Issue due to the selling restrictions set forth in Section 6 “Selling and Transfer Restrictions”, will not be entitled to be allocated Rights Issue Shares in the Rights Issue.

### **Subscription Period and Period for Trading in Subscription Rights**

The time by which notification of instructions for subscription of Rights Issue Shares must validly be given to a financial intermediary may be earlier than the expiry of the Subscription Period. The same applies for instructions pertaining to trading in Subscription Rights and the last day of trading of such rights (which accordingly will be a deadline earlier than 19 May 2021 at 16:30 (CEST)). Such deadline will depend on the financial intermediary. Existing Shareholders who hold their shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to such deadlines.

### **Subscription**

Existing Shareholders who are not ineligible for participation in the Rights Issue and who hold their Subscription Rights through a financial intermediary and wishes to exercise their Subscription Rights, should instruct their financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the shareholders and for informing the Managers of their subscription 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.

### **Method of Payment**

Existing Shareholders who hold their Subscription Rights through a financial intermediary should pay the Subscription Price for the Rights Issue Shares that are allocated to them in accordance with the instructions received from the financial intermediary. The financial intermediary must pay the Subscription Price in accordance with the instructions in this Securities Note. Payment by the financial intermediary for the Rights Issue Shares must be made to the relevant Manager no later than the Rights Issue Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Rights Issue Payment Date.

### **5.13 Allocation of Rights Issue Shares**

Conditional allocation of the Rights Issue Shares will take place on or about 25 May 2021 in accordance with the following criteria:

- (i) Allocation will be made in accordance with granted or acquired Subscription Rights which have been validly exercised during the Subscription Period.
- (ii) If not all Subscription Rights are fully utilised, subscribers having exercised their Subscription Rights and who have over-subscribed will be allocated additional Rights Issue Shares on a pro rata basis based on the number of Subscription Rights exercised by each subscriber. To the extent that pro rata allocation is not possible, the Company will determine the allocation by drawing of lots.
- (iii) Rights Issue Shares not allocated pursuant to the allocation criteria in items (i) and (ii) above, will be allocated to subscribers not holding Subscription Rights. Allocation will be sought made on a pro rata basis based on the relevant subscription amounts, provided, however, that such allocations may be rounded down to the nearest 10 Rights Issue Shares.

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

Allocation of fewer Rights Issue Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Rights Issue Shares allocated.

The result of the Rights Issue is expected to be published on or about 25 May 2021 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.norwegian.com](http://www.norwegian.com)). Notifications of allocated Rights Issue Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter from the VPS on or about 25 May 2021. Subscribers having access to investor services through their VPS account manager will be able to check the number of Rights Issue Shares allocated to them from 12:00 hours (CEST) on 25 May 2021. Subscribers who do not have access to investor services through their VPS account manager may contact one of the Managers from 12:00 hours (CEST) on 25 May 2021 to get information about the number of Rights Issue Shares allocated to them.

## **5.14 Payment**

### **Payment Date**

The payment for the Rights Issue Shares allocated to a subscriber falls due on 27 May 2021 (the "**Rights Issue Payment Date**").

### **Subscribers who have a Norwegian Bank Account**

Subscribers who have a Norwegian bank account must, and will by signing the subscription form, or registering a subscription through the VPS online subscription system, provide the Managers, or someone appointed by them, with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Rights Issue Shares which are allocated to the subscriber. The specified bank account is expected to be debited on or after the Payment Date. The Managers, or someone appointed by them, are only authorised to debit such account once, but reserves the right to make up to three debit attempts and the authorisation will be valid for up to seven working days after the Rights Issue Payment Date. The subscriber furthermore authorises the Managers, or someone appointed by them, 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 Rights Issue 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, provided, however, that subscribers who subscribe for an amount exceeding NOK 5 million by signing the subscription form, or registering a subscription through the VPS online subscription system, provide the Managers, or someone appointed by them, with a one-time irrevocable authorisation to directly debit the specified bank account for the entire subscription amount.

### **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 Rights Issue Shares allocated to them is made on or before the Rights Issue Payment Date. Prior to any such payment being made, the subscriber must contact Managers for further details and instructions.

### **Overdue Payments**

Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 8.00% p.a. If a subscriber fails to

comply with the terms of payment, the Rights Issue Shares will, subject to the restrictions in the Norwegian Public Limited Liability Companies Act, not be delivered to the subscriber.

### **Pre-funding Arrangement**

In order to provide for prompt registration of the share capital increase in the Company relating to the issuance of the Rights Issue Shares with the Norwegian Register of Business Enterprises, DNB Markets is, subject to certain conditions, expected to enter into an agreement with the Company to pre-fund the Rights Issue Shares allocated in the Rights Issue at a total subscription amount equal to the Offer Price multiplied by the number of Rights Issue Shares allocated in the Rights Issue, and by placing an application, the applicant irrevocably authorizes and instructs DNB Markets, or someone appointed by them, to do so on its behalf. Irrespective of any such prefunding, the original applicant will remain liable for payment of the Offer Price for the Rights Issue Shares allocated to the applicant, together with any interest, costs, charges and expenses accrued, and the Company and/or DNB Markets may enforce payment of any such amount outstanding. The prefunding by DNB Markets of the Rights Issue Shares as described above will form part of an integrated sales process where the investors purchase Rights Issue Shares from the Company based on the Prospectus, which has been prepared by the Company. By subscribing for Rights Issue Shares, investors waive any rights or claims against DNB Markets.

### **5.15 Delivery; VPS Registration; Admission to Trading**

Subject to full payment of the total proceeds from the Rights Issue being received and all conditions for completion of the Offering being satisfied, the Company expects that the share capital increase pertaining to the Rights Issue will be registered with the Norwegian Register of Business Enterprises on or about 26 May 2021 and that the Rights Issue Shares will be delivered to the VPS accounts of the subscribers to whom they are allocated on or about 28 May 2021. The final deadline for registration of the share capital increase pertaining to the Rights Issue in the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Rights Issue Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the Subscription Period (i.e. 21 August 2021).

The Rights Issue Shares will be registered in the VPS under ISIN NO 0010196140. Trading in the Rights Issue Shares on the Oslo Stock Exchange is expected to commence under the trading symbol "NAS" from on or about 27 May 2021. The Rights Issue 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.

The Subscription Rights will be registered in the VPS under ISIN NO NO0010989247 and be listed and tradable on the Oslo Stock Exchange under the ticker code "NAST" from 09:00 hours (CEST) on 7 May 2021 to 16:30 hours (CEST) on 19 May 2021.

The Company's registrar with the VPS is DNB Banks ASA.

### **5.16 Reasons for the Rights Issue, Use of Proceeds and Cost and Expenses**

Assuming that the Company raises NOK 6,000 million in gross proceeds the Capital Raise, through (i) issuance of 958,466,453 Offer Shares, and (ii) NOK 1,875 million raised through the New Capital Perpetual Bonds, the Company will raise gross proceeds of approximately NOK 4,125 million on the Offering of which approximately NOK 3,278 million will be raised in the Private Placement. The total net proceeds of the Offering are accordingly expected to be approximately NOK 3,998 million after deduction of costs and expenses to be borne by the Company, currently estimated to be approximately NOK 127 million. The net proceeds from the Offering will be used to provide working capital for the Company, the Related Companies and the wider Group for general corporate purposes including to facilitate the ongoing survival of the Company and the Related Companies as going concerns.

No expenses or taxes will be charged by the Company or the Managers to the applicants in the Offering.

## 5.17 National Client Identifier and Legal Entity Identifier

### 5.17.1 Introduction

In order to participate in the Rights Issue, applicants will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called LEI. Investors who do not already have an NCI or LEI, as applicable, must obtain such codes in time for the application in order to participate in the Private Placement.

### 5.17.2 NCI code for physical persons

Physical persons need an NCI code to participate in a financial market transaction. The NCI code is a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID number (Nw.: "fødselsnummer"). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

### 5.17.3 LEI code for legal entities

A LEI code is a mandatory number for all legal entities investing in a financial market transaction. A LEI code is a 20-character code that identifies distinct legal entities that engage in financial market transactions. The Global Legal Identifier Foundation ("GLEIF") is not directly issuing LEIs, but delegates this responsibility to Local Operating Units ("LOU"s).

Norwegian companies can apply for a LEI code through various application websites. The application can be submitted through an online form and signed electronically with an online banking ID (e.g. 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/get-an-lei-find-lei-issuing-organizations>.

## 5.18 Share capital following the Rights Issue

The maximum number of Rights Issue Shares to be issued is 63,076,638, each with a nominal value of NOK 0.10 per Share. Assuming that the Company is able to raise approximately NOK 6,000 million in the Capital Raise through a fully subscribed Rights Issue and NOK 1,875 million being raised through the New Capital Perpetual Bond, the Company expects to issue 595,869,048 new Shares in the Private Placement, following which, the new share capital of the Company will be NOK 70,099,815.80, divided into 700,998,158 shares upon completion of the Offering. The Rights Issue Shares will be issued in accordance with the resolution passed by the Company's board of directors based on an authorisation issued to the board by the EGM. See Section 3.2.1 "Share capital" for a further description of the Company's share capital.

## 5.19 Dilution

The table below shows the percentage split of the Company's share capital following the Offering assuming that the Company raises NOK 6,000 million in the Capital Raise, of which approximately (i) NOK 4,125 million is raised through the Offering by issuance of 658,945,686 Offer Shares, and (ii) NOK 1,875 million is raised through the New Capital Perpetual Bonds ; split by pre-Offering share capital and the share capital to be raised in the Offering, on the basis that existing shareholders do not subscribe for any Offer Shares issued:

Pre-Offering share capital	6%
Offering share capital	94%

If existing shareholders elect to not participate in the Rights Issue, they will be diluted to 6 % of the total share capital following the Capital Raise (assuming 6,000 million). If the existing shareholders elects to participate in the Rights Issue (assuming fully subscribed), the existing shareholders will be diluted to 15 % of the total share capital following the Capital Raise (assuming NOK 6,000 million).

The net asset value per existing Share as at 31 December 2020 was NOK -166 per Share, compared to the Offer Price of NOK 6.26 per Private Placement Share.

## **5.20 Rights Conferred by the Shares**

The Rights Issue Shares issued through the Rights Issue will be ordinary Shares in the Company having a par value of NOK 0.10 each and will be registered with the VPS in book-entry form. The Rights Issue Shares will rank pari passu in all respects with the existing Shares of the Company and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the Rights Issue with the Norwegian Register of Business Enterprises; and be issued pursuant to the Norwegian Public Limited Liability Companies Act. The Rights Issue Shares will be eligible for any dividends which the Company may declare after said registration. All Shares, including the Rights Issue Shares, will have voting rights and other rights and obligations which are standard under the Norwegian Public Limited Companies Act, and be governed by Norwegian law. For a further discussion of the rights attaching to the Shares of the Company, see Section 3.2 "The Shares".

## **5.21 Publication of information in respect of the Rights Issue**

In addition to press releases which will be posted on the Company's website ([www.norwegian.com](http://www.norwegian.com)), the Company will use the Oslo Stock Exchange's information system ([www.newsweb.com](http://www.newsweb.com)) under the Company's ticker code "NAS" to publish information relating to the Rights Issue.

The final determination of the number of Rights Issue Shares and the total amount of the Rights Issue is expected to be published on or about 25 May 2021.

## **5.22 Selling and Transfer Restrictions**

This Rights Issue is, and the Rights Issue Shares are, subject to the selling and transfer restrictions set forth in Section 6 "Selling and Transfer Restrictions".

## **5.23 Participation of Large Shareholders and Members of the Senior Management and the Board of Directors in the Rights Issue**

The members of the Board of Directors and Management have been encouraged to participate in the Offering, including those who are Existing Shareholders and that will accordingly receive Subscription Rights in the Rights Issue. The Company is at the date of this Securities Note not aware of any firm indications by any such persons to subscribe for Rights Issue Shares. The Company is also not aware of whether any large shareholders of the Company intend to subscribe for Rights Issue Shares in the Rights Issue, or whether any person intends to subscribe for more than 5% of the Rights Issue.

## **5.24 Managers and advisors**

DNB Markets is acting as Sole Global Coordinator and Joint Bookrunner in the Rights Issue. ABG Sundal Collier ASA is acting as Joint Bookrunner in the Rights Issue. DNB Markets is also acting as Settlement Agent. Advokatfirmaet BAHR AS is acting as the Company's legal counsel in connection with Rights Issue. Advokatfirmaet Thommessen AS is acting as the Managers' legal counsel in connection with the Private Placement.

## **5.25 Interests of Natural and Legal Persons in the Rights Issue**

DNB Markets, a part of DNB Bank ASA and ABG Sundal Collier ASA is acting as Managers in connection with the Rights Issue and will receive a success-based fee and commission as a percent of the gross proceeds of the Rights Issue in this regard.

The Managers and their affiliates are currently providing, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may receive and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Beyond the above-mentioned, the Company is not aware of any interest, including conflicting ones, of any natural or legal persons involved in the Private Placement.

## **5.26 Governing Law and Jurisdiction**

The Prospectus, including this Securities Note, and the terms and conditions of the Rights Issue as set out in this Securities Note shall be governed by and construed in accordance with Norwegian law. Any dispute arising out of, or in connection with, the Prospectus, the Rights Issue, or the Private Placement shall be subject to the exclusive jurisdiction of the courts of Norway, with the Oslo District Court as the legal venue.

## 6. SELLING AND TRANSFER RESTRICTIONS

### 6.1 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. Prospective 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 and to subscribe for Offer Shares in the Offering.

The Company does not intend to take any action to permit a public offering of the Offer Shares in any jurisdiction other than Norway. Receipt of this Securities Note and the Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, the Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Securities Note, if an investor receives a copy of this Securities Note in any territory other than Norway, the investor may not treat this Securities Note as constituting an invitation or offer to it, nor should the investor in any event deal in the Subscription Rights or the Offer Shares (as the case may be), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Subscription Rights or the Offer Shares as applicable, could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements, and such Shareholder consequently qualifies as an "Eligible Shareholder" pursuant to the Offering. Accordingly, if an investor receives a copy of this Securities Note, the investor should not distribute or send the same, or transfer the Subscription Rights or Offer Shares to any person in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If the investor forwards this Securities Note 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 6 "Selling and transfer restrictions".

Except as otherwise noted in this Securities Note and subject to certain exceptions: (i) the Subscription Rights and Offer Shares being offered, 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 Prospectus Regulation, Australia, Canada, Japan, Hong Kong, the United States, Switzerland or any other jurisdiction in which it would not be permissible to grant the Subscription Rights or offer the Offer Shares (the "**Ineligible Jurisdictions**"); (ii) this Securities Note may not be sent to any person in any Ineligible Jurisdiction; (iii) the registration of Allocation Rights to a VPS account of an Ineligible Shareholder or other person in an Ineligible Jurisdiction (such other persons referred to as "**Ineligible Persons**") does not constitute an offer to such persons to subscribe for the Offer Shares; and (iv) the crediting of Subscription Rights to an account of an holder or other person who is resident of any jurisdiction in which it would not be permissible to offer the Offer Shares does not constitute an offer to such persons of the Offer Shares. Holders of Subscription Rights who are resident in any jurisdiction in which would not be permissible to offer the Offer Shares may not exercise Subscription Rights.

If an investor subscribes for the Offer Shares, such investor will be deemed to have made or, in some cases, be required to make, some or all of the following representations and warranties to the Company and any person acting on the Company's or its behalf (the "**Investor's Representations and Warranties**"):

- (i) the investor is not located in an Ineligible Jurisdiction;
- (ii) the investor is not an Ineligible Person;
- (iii) the investor is not acting, and has not acted, for the account or benefit of an Ineligible Shareholder or an Ineligible Person;
- (iv) The investor acknowledges that the Company is not taking any action to permit a public offering of the Offer Shares (e.g. pursuant to the exercise of the Subscription Rights) in any jurisdiction other than Norway;

- (v) unless the investor (a) is a QIB as defined in Rule 144A under the US Securities Act or (b) is an "accredited investor" as defined in Rule 501(a) under the US Securities Act, the investor is located outside the United States and any person for whose account or benefit it is acting on a non-discretionary basis is located outside the United States and, upon acquiring Offer Shares, the investor and any such person will be located outside the United States;
- (vi) the investor understands that the Subscription Rights and the Offer Shares have not been, and will not be, registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged, resold, granted, delivered, allocated, taken up or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act and otherwise in compliance with any applicable securities law of any state or other jurisdiction of the United States; and
- (vii) 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 Managers, and their affiliates will rely upon the Investor's Representations and Warranties. The investor agrees that if any of the Investor's Representations and Warranties deemed to have been made by its application for or purchase of Offer Shares is no longer accurate, it will promptly notify the Company and the Managers. Any provision of false information or subsequent breach of these representations and warranties may subject the Eligible Shareholder to liability.

If a person is acting on behalf of an investor (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 subscription for Offer Shares on behalf of the investor. If such person cannot or is unable to provide the foregoing representations and warranties, the Company will not be bound to authorize 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 subscribe for or otherwise deal in 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 6 "Selling and transfer restrictions" is intended as a general overview only. If any investor is in any doubt as to whether it is eligible to exercise its Subscription Rights and subscribe for the Offer Shares, that investor should consult its professional adviser without delay.

Subject to certain exceptions, financial intermediaries, which include brokers, custodians and nominees, may not subscribe for the Offer Shares on behalf of any Ineligible Shareholder or any Ineligible Persons, and may be required in connection with any subscription for Offer Shares to provide certifications to that effect.

Subject to certain exceptions, financial intermediaries are not permitted to send this Securities Note or any other information about the Offering in or into any Ineligible Jurisdiction or to any Ineligible Person. Subject to certain exceptions, exercise instructions or certifications sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid and the 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 (a) who provides an address in an Ineligible Jurisdiction for acceptance, revocation of exercise or delivery of Offer Shares, (b) who is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person or (c) 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 subscription or purported subscription for Offer Shares or 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 Securities Note, the Company reserves the right to permit an investor to subscribe for Offer Shares based on the Investor's Representations and Warranties as set out above, or if the Company, at 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 an investor takes or for any consequences that it may suffer as a result of the Company accepting or refusing the investor's exercise of Subscription Rights for subscription for the Offer Shares.

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

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

#### 6.1.1 Canada

This Securities Note is not, and under no circumstance is to be construed as, a prospectus, an advertisement or a public offering of the Offer Shares in Canada or any province or territory thereof. Any offer or sale of the Offer Shares in Canada will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable provincial securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made.

#### 6.1.2 Hong Kong

The contents of this Securities Note have not been reviewed by any regulatory authority in Hong Kong. Persons are advised to exercise caution in relation to the Offering. In case of any doubt regarding any of the contents of this Securities Note, persons should obtain independent professional advice. This Securities Note or the crediting of Subscription Rights does not constitute an offer or sale in Hong Kong of any Offer Shares and no person may offer or sell in Hong Kong, by means of this Securities Note other than (a) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (b) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong. No person shall issue or have in their possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Offer Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Investors participating in the Offering agree not to offer or sell in Hong Kong any Offer Shares other than (a) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (b) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong. Investors participating in the Offering also agree not to issue or have in their possession for the purposes of issue, whether in Hong Kong

or elsewhere, any advertisement, invitation or document relating to the Offer Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

### 6.1.3 United Kingdom

This Securities Note 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) (Financial Promotion) of the Financial Services and Markets Act 2000 ("FSMA") 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 Securities Note or any of its contents.

Each of the Managers has represented, warranted and agreed (i) that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Offer Shares in circumstances in which section 21(1) of the FSMA does not apply to the Company and (ii) that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

### 6.1.4 United States

The Subscription Rights and/or 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 except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and otherwise in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Offer Shares in the United States. A notification of subscription of Offer Shares in contravention of the above may be deemed to be invalid.

The Offer Shares are being offered and sold outside the United States in reliance on Regulation S under the US Securities Act. Any offering of the Offer Shares by the Company to be made in the United States or to US persons will be made only to a limited number of (A) QIBs as defined in Rule 144A under the US Securities Act, and (B) "accredited investors" as defined in Rule 501(a) under the US Securities Act, in each case acquiring the Offer Shares for investment purposes for its own account, pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the US Securities Act and otherwise in compliance with the securities laws of any state or other jurisdiction of the United States, who have executed and returned an investor letter to the Company prior to subscribing for the Offer Shares. Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on an exemption from the provisions of section 5 of the US Securities Act provided by Rule 144A.

Accordingly, subject to certain limited exceptions, this Securities Note will not be sent to any Shareholder with a registered address in the United States or to US persons. In addition, the Company and the Managers reserve the right to reject any instruction sent by or on behalf of any account holder with a registered address in the United States or to US persons in respect of the Offer Shares.

Any recipient of this document in the United States or US persons is hereby notified that this Securities Note has been furnished to it on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorized to use it solely for the purpose of considering an investment in the Offering and may not disclose any of the contents of this document or use any information herein for any other purpose. This document is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for Offer Shares or

otherwise acquire Offer Shares. Any recipient of this document agrees to the foregoing by accepting delivery of this document.

Until 40 days after the commencement of the Offering, any offer or sale of the Offer Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the US Securities Act.

Neither the Offer Shares or the Subscription Rights have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.

Each person to which Offer Shares are distributed, offered or sold in the United States, by accepting delivery of this Securities Note or by its subscription for Offer Shares, will be deemed to have represented, warranted, agreed and acknowledged, on its behalf and on behalf of any investor accounts for which it is subscribing for Offer Shares, as the case may be, that:

- (i) it is (A) a QIB as defined in Rule 144A under the US Securities Act, or (B) an "accredited investor" as defined in Rule 501(a) under the US Securities Act, in each case acquiring the Offer Shares for investment purposes for its own account, and that it has executed and returned an investor letter to the Company prior to exercising their Subscription Rights; and
- (ii) the Offer Shares have not been offered to it by the Company by means of any form of "general solicitation" or "general advertising" (within the meaning of Regulation D under the US Securities Act).

Each person to which Offer Shares are distributed, offered or sold outside the United States will be deemed, by its subscription or purchase of Offer Shares, to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for or purchasing Offer Shares, as the case may be, that:

- (i) it is acquiring the Offer Shares from the Company or the Managers in an "offshore transaction" as defined in Regulation S under the US Securities Act; and
- (ii) the Offer Shares have not been offered to it by the Company or the Managers by means of any "directed selling efforts" as defined in Regulation S under the US Securities Act.

#### 6.1.5 EEA Selling Restrictions

In relation to each member state of the European Economic Area, other than Norway (each, a "**Relevant Member State**"), no Offer Shares have been offered or will be offered to the public in that Relevant Member State pursuant to the Offering, except that Offer Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

- (i) to persons who are 'qualified investors' within the meaning of Article 2(e) the EU Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than persons and investors as further defined in the EU Prospectus Regulation) subject to obtaining the prior consent of the Managers for any such offer; or
- (iii) in any other circumstances falling under the scope of Article 1 no. 4. of the EU Prospectus Regulation;

provided that no such offer of Offer Shares shall require the Company or the Managers to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU 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.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offer Shares under, the Offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Company and the Managers that it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation.

This EEA selling restriction is in addition to any other selling restrictions set out in this Securities Note.

#### 6.1.6 Notice to Swiss investors

This Securities Note is not being publicly distributed in Switzerland. Each copy of this Securities Note is addressed to a specifically named recipient and may not be passed on to third parties, including any parties on whose behalf or for whose account a recipient of this Securities Note holds Shares. Neither this Securities Note nor any other offering materials in relation to the Subscription Rights and the Offer Shares constitute a prospectus within the meaning of article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange Ltd. The Offer Shares are not being offered to the public in or from Switzerland, and neither this Securities Note, nor any other offering material in relation to the Offer Shares may be distributed in connection with any such public offering.

## 6.2 Product Governance

Solely for the purposes of each manufacturer's product approval process in accordance with the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), the Shares have been subject to a target market assessment, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Any distributor subsequently offering, selling or recommending the Shares should take into consideration the manufacturers' Target Market Assessment, however, each distributor is responsible for undertaking its own target market assessment in respect of the Shares (by either adopting or refining the manufacturers' Target Market Assessment) and determining appropriate distribution channels.

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

## 6.3 Mandatory Anti-Money Laundering Procedures

The 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 one of the Managers 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 Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the Subscription Form. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorized by the NFSA. Establishment of a VPS account requires verification of identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

## 7. LIQUIDITY AND CAPITAL RESOURCES

### 7.1 Capitalisation and indebtedness

#### 7.1.1 Introduction

The section provides information about the Company's audited consolidated capitalisation and net financial indebtedness on an actual basis as of 31 December 2020 and, in the "As adjusted" column, the Company's unaudited consolidated capitalization and net financial indebtedness as of the date of the Securities Note adjusted for the following significant transactions that happened between 31 December 2020 and the date of this Securities Note that are not subject to the Offering and the Listing, and on an adjusted basis to show the estimated effects of the outcome of the Examinership and the Restructuring (together the "**Restructuring**") as if they had happened as of the date of the Securities Note.

Adjustments for significant transactions and events between 31 December 2020 and the date of the Securities, not subject to the Offering and the Listing:

- The conversion of debt to equity as further described below
- The capital reduction, with effect as of 19 February 2021 in which the nominal value of each share was reduced from NOK 10 to NOK 0.1 per share.
- The conversion of Zero-coupon perpetual bonds classified as equity to shares

Adjustments for the estimated effects of Restructuring as if they had happened as of the date of this Securities Note.

- The Offering (assuming that the Company raises NOK 4,500 million in net proceeds in the Capital Raise), as further described in Sections 4 and 5.
- The estimated effects of the Restructuring on the outstanding secured debt as further described below.
- The estimated effects of the Restructuring on the outstanding unsecured debt as further described below.

The adjustments assume that the Company is able to exit the Examinership process and the Restructuring in line with the proposed solution. Furthermore, the adjustments assume a successful completion of the Capital Raise, with gross proceeds of minimum NOK 4,500 million and up to NOK 6,000 million. The adjustments in the capitalization and indebtedness tables below are based upon an assumption that the Company will raise NOK 4,500 million in net proceeds in the Capital Raise. It also assumes that New Capital Perpetual Bonds are issued in a total amount of NOK 1,875 million, which give rise to Retained Claim Bonds being issued in the amount of NOK 3,750 million, replacing current outstanding debt of NOK 3,750 million.

Other than the abovementioned adjustments, the Company has not quantified and identified further adjustments until the date of the Securities Note, for the purpose of this Section 7.1 "Capitalisation and Indebtedness".

## 7.1.2 Capitalisation

	As of 31 December 2020 <sup>a)</sup>	Adjustment for transactions not subject to the listing and the Offering	Adjustments for the Offering	Adjustment for the Restructuring effect on secured Debt	Adjustment for the Restructuring effect on Unsecured Debt	As Adjusted
<i>(In NOK million)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>Indebtedness</b>						
<i>Total current debt:</i>						
Guaranteed <sup>b)</sup>	2,989.0	-	(2,989.0)	-	-	-
Secured <sup>c)</sup>	39,276.9	-	(270.2)	(33,390.0)	-	5,616.7
Unguaranteed / Unsecured <sup>d)</sup>	11,232.5	(272.1)	(490.8)	-	(5,806.4)	4,663.1
<i>Total non-current debt:</i>						
Guaranteed						
Secured <sup>e)</sup>	185.7	-	-	750.0	-	935.7
Unguaranteed /Unsecured <sup>f)</sup>	2,493.8	-	3,750.0	-	261.8	6,505.6
<b>Total indebtedness</b>	<b>56,177.9</b>	<b>(272.1)</b>	<b>-</b>	<b>(32,640.0)</b>	<b>(5,544.6)</b>	<b>17,721.1</b>
<b>Shareholder's equity</b>						
Share capital	397.5	(393.3)	44.0	-	-	48.2
Share premium	18,805.1	632.0	2,581.0	-	-	22,018.1
Other equity <sup>g)</sup>	(25,826.4)	33.5	1,875.0	-	3,737.6	(20,180.4)
<b>Total equity</b>	<b>(6,623.9)</b>	<b>272.1</b>	<b>4,500.0</b>	<b>-</b>	<b>3,737.6</b>	<b>1,885.9</b>
<b>Total capitalization</b>	<b>49,554.0</b>	<b>-</b>	<b>4,500.0</b>	<b>(32,640.0)</b>	<b>(1,807.0)</b>	<b>19,607.0</b>

## Notes to the capitalisation table:

- a. Figures are derived from Norwegian's Annual Financial Statements 2020.
- b. Represent the current loans guaranteed by the Norwegian State.
- c. Represent the secured part of current debt and includes Aircraft financing with NOK 15,661.2 million secured on aircraft and Lease liabilities with NOK 15,106.6 million secured on aircraft, both included in the financial line item Liabilities included in disposal group classified as held for sale, Aircraft financing with NOK 3,812.0 million secured on aircraft, current part of Lease liabilities with NOK 3,165.4 million which is secured on aircraft, Bonds with NOK 1,531.6 million secured in slots at Gatwick, a ground lease agreement in respect of a hangar at Gardermoen and shares in the subsidiary Arctic Aviation Assets DAC, all amounts included in the financial line-item Current debt.
- d. Represent the unsecured and unguaranteed part of current liabilities and includes Air traffic settlement liabilities of NOK 401.5 million, Other current debt of NOK 437.2 million not included above and Other current liabilities of NOK 10,393.8 million.
- e. Represent the secured part of non-current liabilities and includes Lease liabilities with NOK 185.7 million secured on aircraft classified as Non-current debt.
- f. Represent the unsecured and unguaranteed part of non-current liabilities of NOK 2,493.8 million included in the financial line-item Other non-current liabilities.
- g. Other equity comprises Other paid-in equity with NOK 943.5 million, Other reserves with NOK 112.8 million and Retained earnings with negative NOK 26,882.7 million, all amounts included in the financial line-item Shareholder's Equity.

## The adjustments in the table above have been made for the following events:

1. Transactions between 31 December 2020 to the date of the Securities Note not subject to the Listing:
  - The decrease in Unguaranteed/ Unsecured current debt of NOK 272.1 million reflects the conversion of debt. The effect is a reduction of current unsecured debt of NOK 272.1 million with a corresponding increase in Share capital of NOK 0.1 million, Share premium of NOK 39.5 million and the profit effect included in Other equity of NOK 232.5 million.
  - The adjustment of the Share capital and the Share premium reflects the capital reduction, with effect as of 19 February 2021 in which the nominal value of each share was reduced from NOK 10 to NOK 0.1 per share. The effect is a reduction on Share capital of NOK 393.5 million with a corresponding increase in Other Equity.
  - The total equity increases of NOK 272.1 million is split between Share capital reduction of NOK 393.3 million, Share premium increase of NOK 632.0 million and Other equity increase of NOK 33.5 million. Increased Share capital represents the nominal value of shares issued to convert debt and zero-coupon perpetual bonds, less the effects of the capital reduction. The Share premium increase represents mainly the conversion of zero-coupon perpetual bonds classified as equity. The increase in Other equity represents the difference between the book value of extinguished debt and the fair value of shares issued, plus the effects of the capital reduction and perpetual bond conversion.

## 2. The Offering

The adjustment reflects that the subscription in Offering and New Capital Perpetual Bond give rise to a 200% Retained Claim Bond which will replace the current outstanding debt and is reflected as a reduction in book value of Guaranteed current debt with NOK 2,989 million, Secured current debt with NOK 270.2 million and Unsecured current debt with NOK 490.8 million with a corresponding increase in Unsecured non-current debt with NOK 3,750 million as the new bond.

The adjustment reflects further the effect of the Offering of Shares with an increase in Cash (NOK 2,625 million) with a corresponding increase in Share capital with NOK 44.0 million, Share premium with NOK 2,581.0 million based upon an assumption of 440 million number of Offer Shares at a subscription price per Offer Share of NOK 6.26, net of estimated transaction cost of NOK 127 million and with nominal

value per Share of NOK 0.1. The offering of New Capital Perpetual Bonds is reflected as an increase in Cash (NOK 1,875 million) and an increase in Other paid-in-equity with NOK 1,875 million.

### 3. The Restructuring effect on Secured Debt

The decrease of NOK 33,390.0 million to secured current debt consist of:

- a decrease of NOK 30,767.8 million related to the rejected leased and owned aircraft and related liabilities classified as Assets and Liabilities included in the financial line items Disposal Groups classified as held for sale with a reduction in the book value of secured current liabilities of NOK 15,661.2 million in Aircraft financing and NOK 15,106.6 million in Lease liabilities with a corresponding decrease in Assets classified as held for sale.
- a decrease of NOK 750 million corresponding to mainly Bonds NAS 07 and NAS 08 (replaced by the new Secured Bond NAS 13)
- a decrease of NOK 1,872.2 million corresponding to the book value of aircraft financing and lease liabilities with a corresponding adjustment to the book value of Aircraft and Right-of-use aircraft.

The increase in Secured non-current debt of NOK 750.0 million reflects the new Secured Bond NAS 13 replacing NAS 07 and NAS 08 with the same security.

### 4. The Restructuring effect on Unsecured Debt

The unsecured claims of Creditors, including customer Creditors, will receive a pro rata cash dividend from the fixed amount of NOK 500 million in Cash Pot and 5% of their Net Agreed Debt (after deducting the amount of the cash dividend) converted into a Dividend Claim.

This is reflected by a reduction in the book value of Unguaranteed and Unsecured current debt of NOK 5,806.4 million, a corresponding reduction in cash (NOK 500 million) and Other assets (NOK 1,307.0 million), a net increase in the book value of Unsecured non-current debt of NOK 261.8 million (representing the net of the new Dividend claim of NOK 1,600.0 million and a reduction in the book value of old claims of NOK 1,338,2 million) and a resulting increase in Other equity of NOK 3,737.6 million representing the net income effect.

### 7.1.3 Net financial indebtedness

	As of 31 December 2020 <sup>a)</sup>	Adjustment for transactions not subject to the listing and the Offering	Adjustment s for the Offering	Adjustment for the Restructuring effect on secured Debt	Adjustment for the Restructuring effect on Unsecured Debt	As Adjusted
<i>(In NOK million)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
(A) Cash <sup>b)</sup>	2,642.2	-	4,500.0	(390.7)	(500)	6,255.4
(B) Cash equivalents <sup>c)</sup>	20.8	-	-	-	-	20.8
(C) Trading securities						
(D) Liquidity (A)+(B)+(C)	2,666.9	-	4,500.0	(390.7)	(500)	6,276.2
(E) Current financial receivables						
(F) Current bank debt						
(G) Current portion of non-current debt						
(H) Other current financial debt <sup>d)</sup>	42,703.1	(272.1)	(3,750.0)	(33,390.0)	-	5,290.9
(I) Current financial debt (F)+(G)+(H)	42,703.1	(272.1)	(3,750.0)	(33,390.0)	-	5,290.9
(J) Net current financial indebtedness (I)-(E)-(D)	40,036.2	(272.1)	(8,250)	(32,999.3)	500	(985.3)
(K) Non-current bank loans						
(L) Bond issued	-	-	3,750.0	750	-	4,500.0
(M) Other non-current debt <sup>e)</sup>	185.7	-	-	-	1,600	1,785.7
(N) Non-current financial indebtedness (K)+(L)+(M)	185.7	-	3,750.0	750	1,600	6,285.7
(O) Net financial indebtedness (J)+(N)	40,221.8	(272.1)	(4,500.0)	(32,249.3)	2,100.0	5,300.4

#### Notes to the net financial indebtedness table:

- a. Figures are derived from Norwegian's Annual Financial Statements 2020.
- b. Represent Cash included in the financial line-item Cash and cash equivalents and includes NOK 906.1 million in restricted cash
- c. Represent Cash equivalents included in the financial line-item Cash and cash equivalents and includes Deposits in money market funds with underlying maturity of 3 months or less.
- d. Represent the financial line items Current debt and Liabilities included in disposal group classified as held for sale, and includes Disposal Group aircraft financing with NOK 15,661.2 million, Disposal Group lease liabilities with NOK 15,106.6 million, Aircraft financing with NOK 3,812.0 million, current part of Lease liabilities with NOK 3,165.4 million, loans with state guarantee with NOK 2,989.0 million, Bonds with NOK 1,531.6 million and other current debt of NOK 437.2 million.
- e. Represent the financial line item Non-current debt and includes non-current lease liabilities with NOK 185.7 million.

#### The adjustments in the table above have been made for the following events:

1. Transactions between 31 December 2020 to the date of the Securities Note not subject to the Listing:
  - a. The adjustment reflects the conversion of debt with a book value of NOK 272.1 million to equity. The effect is a reduction of current unsecured debt of NOK 272.1 million with a corresponding increase in equity including the profit effect included in other equity.

## 2. The Offering

The increase in cash with NOK 4,500 million represent the cash effect of the Offering of Shares with NOK 2,625 million and New Capital Perpetual Bonds with NOK 1,875 million. The cash effect of the Offering of Shares is based upon an assumption of 440 million number of Offer Shares at a subscription price per Offer Share of NOK 6.26, net of estimated transaction cost of NOK 127 million and with nominal value per Share of NOK 0.1.

The decrease in Other current financial debt of NOK 3,750 million with a corresponding increase in Bonds issued reflect that the subscription in the Offering of Shares and the New Capital Perpetual Bond gives rise to a 200% Retained Claim Bond replacing current financial debt with a new bond.

## 3. The Restructuring effect in Secured debt

The decrease in cash with NOK 390.7 million reflects estimated cost to dispose assets held for sale in the disposal group.

The decrease in Other current financial debt of NOK 33,390.0 million is comprised of:

- a decrease in the book value of leased and owned aircraft related liabilities of NOK 30,767.8 million included in the line-item Disposal Groups classified as held for sale.
- a decrease in the book value of NOK 750.0 million mainly related to the Bonds NAS 07 and NAS 08 included in the financial line-item Current debt (replaced by the new Secured Bond NAS 13
- a decrease in the book value of aircraft financing and lease liabilities of NOK 1,872.2 million (with a corresponding adjustment in Total assets related to the book value of Aircraft and Right-of-use aircraft).

The increase in Bond Issued of NOK 750.0 million reflects the new Secured Bond NAS 13 replacing NAS 07 and NAS 08 with the same security.

## 4. The Restructuring effect on Unsecured debt

The unsecured claims of Creditors, including Customer Creditors, will receive a pro rata cash dividend from the fixed amount of NOK 500 million in Cash Pot and 5% of their Net Agreed Debt (after deducting the amount of the cash dividend) converted into a Dividend Claim. This is reflected as a reduction in Cash with NOK 500 million and an increase in Other non-current debt of NOK 1,600 million to reflect the new Dividend Claim.

### 7.1.4 Contingent and other liabilities

The following items are regarded as contingent and other liabilities:

- Operating leases and related commitments (see further information about leases in Section 11.2 "Material contracts which NAS is dependent on in its ordinary course of business" in the Registration Document dated 6 May 2021).

In NOK millions, nominal values	31 December 2020	31 December 2019	31 December 2018
Within one year	12.4	12.6	5,244.1
Between 1 and 5 years	4.5	21.5	18,358.4
After 5 years	-	5.5	17,687.2
Total lease commitments	16.9	36.9	41,289.7

- Tax issues - see further information in Section 11.1.3 "Reassessment from the Norwegian Tax authorities" in the Registration Document.

- As stated in Section 4.7 of the Registration Document, the Company has entered into Examinership under Irish law and a Reconstruction process under Norwegian law. This entails, inter alia, that the Company is protected from creditors seeking coverage while the processes are ongoing, and that all claims occurred before the proceedings were opened can be reduced. It possible that some creditors adduce that the opening of insolvency proceedings give grounds for claims (e.g. breach of agreement) or attempt to pursue past dues in full by not acknowledging foreign insolvency proceedings, which may have an adverse effect on the Company including, inter alia, costs incurred in resolving such claims.

Other than as stated above, the Company is not aware of any material liability, direct or indirect, actual or contingent.

## **7.2 Working Capital Statement**

The Company is of the opinion that the working capital available to the Company is not sufficient for the Company's present requirements, for the period covering at least 12 months from the date of this Securities Note.

Considering the COVID-19 outbreak effects on travel restrictions and demand for air travel that has forced the Company to enter hibernation mode, the Company estimates that it will no longer have sufficient working capital during the second quarter of 2021.

In the fourth quarter of 2020, the Company entered into an examinership and reconstruction process, and the basis for continuing as a going concern is contingent upon a successful exit from these processes, with a significant reduction in the Company's fleet of aircraft, a significant reduction in the Company's debt and obtaining significant new capital as an outcome. The examinership and reconstruction processes are expected to conclude during the second quarter of 2021. If the Company does not exit the examinership and the reconstruction process in a successful way, it is highly likely that the Company will enter into liquidation and/or bankruptcy proceedings during second quarter of 2021.

If the Company exits the examinership and the reconstruction process in a successful way, including raising minimum NOK 4,500 million and up to NOK 6,000 million in new capital as part of the process, the working capital should be sufficient for the 12-month period following the date of this Securities Note. This anticipates a gradual market recovery towards "new normalized" levels during 2021 and 2022. If a market recovery will be delayed compared to the Company's current estimates, there may be a need for additional working capital.

The additional working capital of NOK 4,500 million and up to NOK 6,000 million in gross proceeds is aimed to be obtained through share offerings, including the Rights Issue, Private Placement(s) and the offering of a New Capital Perpetual Bond which will all take place during the second quarter of 2021 before exiting the Examinership and the Reconstruction process.

It is uncertain whether the Company will successfully exit the examinership and reconstruction processes including raising sufficient working capital through aforementioned measures. The Company is however optimistic that the examinership and reconstruction processes as well as that the Capital Raise will be successful, thus securing sufficient working capital for a period beyond 12 months after the date of this Securities Note, but no assurance can be given to this effect.

If the Company does not obtain this additional required working capital and does not exit the examinership and the reconstruction processes in a successful way, it is highly likely that the Company will enter into liquidation and/or bankruptcy proceedings during the second or third quarter of 2021.

## **8. SECURITIES TRADING IN NORWAY**

*The following description includes certain information concerning Norwegian law and regulations in effect as of the date of this Securities Note. This summary does not intend to be complete and is qualified in its entirety by prevailing Norwegian law and regulations.*

### **8.1 Introduction**

As a company listed on Oslo Børs, the Company is subject to certain duties to inform the market under the Norwegian Securities Trading Act as well as Oslo Børs obligations applicable to stock exchange listed companies, and the market abuse and trading rules in chapter 3 of the Norwegian Securities Trading Act. Furthermore, the Company is subject to Norwegian securities regulations and supervision by the relevant Norwegian authorities.

### **8.2 Trading and settlement**

Official trading on Oslo Børs takes place between 09:00 (CEST) and 16:20 (CEST) each trading day.

The settlement period for trading on Oslo Børs/Euronext Expand is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two days after the transaction, and that the seller will receive payment after two days.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA, or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in another EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this under the Norwegian Securities Trading Act, or, in the case of investment firms in another EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. Such market-making activities do not as such require notification to the Norwegian FSA or Oslo Børs, except for the general obligation of investment firms that are members of Oslo Børs to report all trades in stock exchange listed securities.

### **8.3 Information, control and surveillance**

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, having implemented the EU Market Abuse Directive, a company that is listed on a Norwegian regulated market, or that has filed an application for listing on such market, must promptly release any inside information (i.e., precise information about financial instruments, the Company thereof, or other matters that are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and that are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

### **8.4 The VPS and transfer of Shares**

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralized securities register. It is a computerized bookkeeping system in which the ownership of, and all transactions

relating to, Norwegian listed shares must be recorded. The VPS and Oslo Børs are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is as a general rule prima facie evidence in determining the legal rights of parties as against the issuing company or any third-party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, by the relevant company's general meeting, or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control, of which the VPS could not reasonably be expected to avoid or overcome the consequences. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

### **8.5 Shareholder register**

Under Norwegian law, shares are registered in the name of the owner of the shares. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, shares may be registered with the VPS in the name of a depositary (bank or other nominee) approved by the Norwegian FSA, to act as nominee for non-Norwegian shareholders. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In the case of registration by nominees, registration with the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote at general meetings on behalf of the beneficial owners. Beneficial owners must register with the VPS or provide other sufficient proof of their ownership to the shares in order to vote at general meetings.

### **8.6 Foreign investment shares listed in Norway**

Non-Norwegian investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or non-Norwegian.

### **8.7 Insider trading**

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in the EU Market Abuse Regulation Article 7. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

### **8.8 Mandatory offer requirement**

Pursuant to the Norwegian Securities Trading Act, any person or entity acting in concert that acquires shares representing more than 1/3 (with a repeated obligation at 40 percent and at 50 percent) of the voting rights of a Norwegian company whose shares are listed on Oslo Børs or Oslo Axess is obliged to make an unconditional

general offer for the purchase of the remaining shares in the company within four weeks or, within the same period, dispose of a number of voting shares which brings the percentage of voting rights down to or below 1/3.

The shareholder must, immediately upon reaching any of the said thresholds, notify the company and Oslo Børs accordingly and of whether it will make a mandatory offer or perform a sell-down. A notice informing about a disposal can be altered to a notice of making an offer within the four-week period, while a notice stating that the shareholder will make an offer cannot be amended and is thus binding. The mandatory offer obligation ceases to apply if the person or entity notifies the company and Oslo Børs of its decision to sell down and then sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

An offer must be reflected in an offer document which is subject to approval by Oslo Børs before submission of the offer document to the shareholders or made public. The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror in the six-month period prior to the date the 1/3 threshold was exceeded, but at least equal to the market price, if it is clear that the market price was higher when the mandatory offer obligation was triggered. Note, however, that the EFTA Court in a statement dated 10 December 2010 has concluded that the "market price" alternative is not in compliance with EU regulations. Consequently, there is currently doubt as to the legal validity of this alternative. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be unconditional and in cash (NOK), but it may contain a consideration alternative at least equivalent to the cash consideration offered. Until an offer has been made or a disposal completed, the shareholder will have no voting rights or other rights relating to the shares exceeding the offer threshold, apart from the right to receive dividends and pre-emption rights in the event of a share capital increase. In case of the failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction.

Any person or entity that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and that has, therefore, not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

It was announced on 12 April 2018 that IAG had acquired 4.61 percent of the Shares in NAS, and that IAG was considering to make an offer for all the Shares in the Company. Subsequently, the Company received enquiries from several parties who expressed interest for structural transactions, financing of the Company and various forms of operational and financial cooperation. On 24 January 2019, IAG announced that it did not intend to make an offer for the Company and that, in due course, it will be selling its shareholding in the Company. As of the date of this Securities Note, the Company is not aware of any party intending to make an offer for all the Shares in the Company.

## **8.9 Compulsory acquisition**

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing more than 90 percent of the total number of issued shares in a Norwegian public limited liability company, as well as more than 90 percent of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition, the majority shareholder becomes the owner of the remaining shares with immediate effect.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. Should any minority shareholder not accept the offered price, such a minority shareholder may, within a specified deadline not to be of less than two months' duration, request that the price be set by the Norwegian courts.

Absent such request or other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the two-month deadline.

In event a shareholder, directly or through subsidiaries, exceeds the 90 percent threshold by way of a mandatory offer in accordance with the Norwegian Securities Trading Act, and a compulsory acquisition is resolved within three months, then the share price in the compulsory acquisition shall be equal to the price in the mandatory offer if no special circumstances call for a different price. Further, if the 90 percent threshold is exceeded by way of a voluntary offer, the compulsory acquisition may, subject to certain conditions, be carried out without such shareholder being obliged to make a mandatory offer, including: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution according to the rules for mandatory offers.

#### **8.10 Disclosure obligations**

A person, entity or bank acting in concert that acquires shares, options for shares or other rights to shares (inter alia convertible loans or subscription rights) resulting in its beneficial ownership, directly or indirectly, in the aggregate meeting or exceeding the respective thresholds of 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 1/3, 50 percent, 2/3 or 90 percent of the share capital or the voting rights in the Company has an obligation under Norwegian law to notify Oslo Børs immediately. The same applies to disposal of shares, option for shares etc., resulting in a beneficial ownership, directly or indirectly, in the aggregate meeting or falling below said thresholds.

The reporting obligations will also apply if the thresholds are reached or passed as a result of events changing the relative ownership or voting stake by "passive" means e.g. if a company is increasing its share capital and thereby causes an existing shareholder not participating in the capital increase to be diluted.

## 9. TAXATION

### 9.1 Introduction

Set out below is a summary of certain Norwegian tax matters related to an investment in the Company. The summary regarding Norwegian taxation is based on Norwegian laws, rules, and regulations in force in Norway as at the date of this Securities Note, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. The summary does not address foreign tax laws.

The following summary is of a general nature and does not purport to be a comprehensive description of all Norwegian tax considerations that may be relevant for a decision to acquire, own or dispose of Shares. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers, as the tax legislation in Norway and, if different, in the jurisdiction in which the Shareholder is resident for tax purposes may have an impact on the income received from the Shares. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or Non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

### 9.2 Norwegian shareholders

#### 9.2.1 Taxation of dividends

##### Norwegian Individual Shareholders

Dividends received by shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Individual Shareholders**") are taxable as ordinary income for such shareholders at a flat rate of currently 31.68 percent (the nominal rate is 22 percent but the taxable income is multiplied with a factor of 1.44) to the extent the dividend exceeds a tax-free allowance.

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills ("**statskasseveksler**") with three months' maturity. The allowance is calculated for each calendar year, and it is allocated solely to Norwegian Individual Shareholders holding shares at the expiration of the relevant income year.

Norwegian Individual Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realization of, the same share. Any excess allowance will also be included in the basis for calculating the allowance on the same share in the following years.

Norwegian Individual Shareholders may hold their shares through a share savings account (Nw.: *Aksjesparekonto*). Dividends and capital gains related to shares held through a share savings account are not taxed until withdrawn from the account. Withdrawals from the account are only subject to tax to the extent that the withdrawal amount exceeds the amount deposited into the account by the Shareholder. The exceeding amount is taxed as ordinary income at a flat rate of currently 31.68 percent. The rules regarding tax-free allowance also apply to shares held through a share savings account.

##### Norwegian Corporate Shareholders

Dividends received by shareholders that are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are effectively taxed at a rate of 0.66 percent (3 percent of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and subject to tax at a flat rate of currently 22 percent). For Norwegian

Corporate Shareholders that are considered to be financial institutions (e.g. banks etc.) the applicable effective tax rate is 0.75 percent (3 percent of dividend income is subject to tax at the flat tax rate for financial institutions of currently 25 percent).

## 9.2.2 Taxation of capital gains on realization of shares

### **Norwegian Individual Shareholders**

Sale, non-proportionate redemption, or other disposals of shares is considered as realization for Norwegian tax purposes. A capital gain or loss derived by a Norwegian Individual Shareholder through realization of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the shareholder's ordinary income in the year of disposal and taxable at an effective rate of 31.68 percent (the nominal rate is 22 percent but the taxable income or deductible loss is multiplied with a factor of 1.44).

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share, as the difference between the consideration for the share and the Norwegian Individual Shareholder's cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian Individual Shareholders are entitled to deduct any Excess Allowance, cf. Section 9.2.1 above. Any Excess Allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e., any Excess Allowance exceeding the capital gain upon the realization of a share will be annulled.

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

Norwegian Individual Shareholders may hold their shares through a share savings account (Norwegian: Aksjesparekonto). Dividends and capital gains related to shares held through a share savings account are not taxed until withdrawn from the account. Withdrawals from the account are only subject to tax to the extent that the withdrawal amount exceeds the amount deposited into the account by the Shareholder. The exceeding amount is taxed as ordinary income at a flat rate of currently 31.68 percent. The rules regarding tax-free allowance also apply to shares held through a share savings account. A loss upon realization of shares held through the account is not in itself tax deductible, but the loss will affect the amount, if any, subject to tax upon closing of the account (i.e. any withdrawal amount exceeding the amount deposited into the account).

### **Norwegian Corporate Shareholders**

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realization of shares qualifying for participation exemption, including shares in the Company. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purpose.

## 9.2.3 Taxation of Subscription Rights

### **Norwegian Individual Shareholders**

A Norwegian Individual Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway. Costs related to the subscription for the shares will be added to the cost price of the shares.

Sale and other transfer of subscription rights are considered as realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Individual Shareholders through a realization of subscription rights is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for the computation of ordinary income in the year of disposal. The ordinary income is taxable at an effective rate of 31.68 percent (the nominal rate is 22 percent but the taxable income or deductible loss is multiplied with a factor of 1.44).

Capital gains related to subscription rights granted to employees as a consequence of their employment will be regarded as employment income and thus taxable at a marginal (maximum) rate of 46.4 percent. The employer will be required to calculate and pay employer's social security contributions at a (maximum) rate of 14.1 percent.

### **Norwegian Corporate Shareholders**

A Norwegian Corporate Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway. Costs related to the subscription for the shares will be added to the cost price of the shares.

Sale and other transfer of subscription rights are considered a realization for Norwegian tax purposes. Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realization of subscription rights qualifying for the Norwegian participation exemption. Losses upon the realization and costs incurred in connection with the purchase and realization of such subscription rights are not deductible for tax purposes.

#### **9.2.4 Net wealth tax**

The value of shares and subscription rights held by Norwegian Individual Shareholders as at 1 January in the year of assessment (i.e. the year following the relevant fiscal year) is included in the basis for the computation of net wealth tax imposed on such shareholders. Currently, the marginal wealth tax rate is 0.85 percent of the value assessed. The value for assessment purposes for listed shares is equal to 65 percent of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year).

Norwegian Corporate Shareholders are not subject to net wealth tax.

### **9.3 Foreign shareholders - Norwegian taxation**

#### **9.3.1 Taxation of dividends**

##### **Non-Norwegian Individual Shareholders**

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Individual Shareholders**") are, as a general rule, subject to withholding tax at a rate of 25 percent. The withholding tax rate of 25 percent is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation. Documentation requirements apply to Non-Norwegian Shareholders who claim entitlement to a reduced withholding tax rate. Non-Norwegian Individual Shareholders may be required to provide a Certificate of tax residence, which cannot be older than three years at the time of the dividend resolution, in order to benefit from a reduced withholding tax rate.

Non-Norwegian Individual Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance in respect of each individual share (please see Section 10.2.3 "Norwegian Individual Shareholders" above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25 percent calculated on the gross dividend less the tax-free allowance.

If a Non-Norwegian Individual Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Individual Shareholder, as described above.

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

##### **Non-Norwegian Corporate Shareholders**

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

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

If the Non-Norwegian Corporate Shareholder holds the shares in connection with business activities in Norway, the shareholder will be subject to the same taxation as a Norwegian Corporate Shareholders, as described above.

Documentation requirements apply to Non-Norwegian Shareholders who claim entitlement to a reduced withholding tax rate or a withholding tax exemption. These documentation requirements vary depending on whether the Shareholders claims a reduced withholding tax rate in accordance with an applicable tax treaty or whether the Shareholder claims a tax exemption based on being a tax resident in another EEA country and depending on whether the Non-Norwegian Corporate Shareholder has previously qualified for a reduced rate for, or an exemption from, the withholding tax. Thus, Non-Norwegian Corporate Shareholders should consult with their own tax advisers in order to determine the documentation required. The documentation requirements apply equally to nominee registered shares.

Non-Norwegian Corporate Shareholders who have suffered to a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax withheld. The same applies to Non-Norwegian Corporate Shareholders within the EEA that are exempt from Norwegian tax on dividends, pursuant to participation exemption.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

### 9.3.2 Taxation of capital gains on realization of shares

#### **Non-Norwegian Individual Shareholders**

Gains from the sale or other disposals of shares in the Company by a Non-Norwegian Individual Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Individual Shareholder holds the shares in connection with business activities carried out in or managed from Norway. In such cases the shareholder will be subject to the same taxation as Norwegian Individual shareholders.

#### **Non-Norwegian Corporate Shareholders**

Capital gains derived from the sale or other type of realization of shares in the Company by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway

### 9.3.3 Taxation of Subscription Rights

A Non-Norwegian Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway.

Capital gains derived by the sale or other transfer of subscription rights by Non-Norwegian Shareholders are not subject to taxation in Norway unless the Non-Norwegian Shareholder holds the subscription rights in connection with business activities carried out or managed from Norway. In such cases the shareholder will be subject to the same taxation as Norwegian shareholders. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

#### **9.4 Net wealth tax**

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax.

Non-Norwegian Individual Shareholders may, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

#### **9.5 Vat and transfer taxes**

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

#### **9.6 Inheritance tax**

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

## **10. ADDITIONAL INFORMATION**

### **10.1 The Offering**

Except as set out in sections 4.20, and 5.25, the involved persons in the Offering have no interest, nor conflicting interests that is material to the Shares.

The Managers will receive a success-based fee and commission as a percent of the gross proceeds of the Rights Issue in this regard. Furthermore, the Managers and their affiliates are currently providing, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may receive and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

No market-maker agreement has been or is expected to be made for the Shares.

### **10.2 Managers and advisors**

DNB Markets, a part of DNB Bank ASA (“**DNB Markets**”) and ABG Sundal Collier ASA are acting as Managers in the Offering. Advokatfirmaet BAHR AS is acting as the Company's legal counsel in connection with Offering.

### **10.3 The approval of this Securities Note by the Norwegian Financial Supervisory Authority**

This Securities Note has been approved by the Norwegian FSA, as the competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the securities.

The approval given by the Norwegian FSA only relates to the information included in the Securities Note in accordance with pre-defined disclosure requirements imposed by the EU Prospectus Regulation. The Norwegian FSA has not made any form of verification or approval relating to corporate matters described in or referred to in the Securities Note. On no account must the publication or the disclosure of this Securities Note give the impression that the information herein is complete or correct on a given date after the date on this Securities Note, or that the business activities of the Company or its subsidiaries may not have been changed.

The Securities Note has been drawn up as part of a simplified prospectus in accordance with Article 14 of the EU Prospectus Regulation.

## 11. DEFINITIONS

*Capitalised terms used throughout this Securities Note shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.*

- Affiliate..... with respect to a person:
- (a) any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, such person; or
  - (b) any other person who is a director, officer or employee:
    - (i) of such person;
    - (ii) of any subsidiary or parent company of such person; or
    - (iii) of any person described in paragraph (a) above,

and for the purposes of this definition, control of a person shall mean the power, direct or indirect, (A) to vote on more than 50% of the securities having ordinary voting power for the election of directors of such person, or (B) to direct or cause the direction of the management and policies of such person whether by contract or otherwise.

- Anti-Money Laundering Legislation ... Anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 no. 1324
- Application Period..... From 7 May 2021 at 09:00 hours (CEST) to 21 May 2021 at 16:30 hours (CEST)
- Articles of Association ..... The Company's articles of association
- Board Members or Board of Directors ..... The members of the Company's board of directors
- Bond Trustee ..... Nordic Trustee AS
- Company, NAS, Norwegian Air Shuttle, Norwegian or Issuer ..... Norwegian Air Shuttle ASA, business reg. no. 965 920 358
- Capital Raise..... The New Capital Perpetual Bonds, the Rights Issue and the Private Placement
- Conditions..... The conditions for completion of the Private Placement as described in 4.5 of this Securities Note.
- Connected Person ..... a person who would be connected with another person for the purposes of Section 220 of the Irish Companies Act 2014 (as amended) if that other person was a director of a company.
- Conversion Expiry Date ..... Has the meaning as ascribed to it in section 4
- Conversion Right ..... Has the meaning as ascribed to it in section 4
- COVID-19 ..... The corona disease cause by the coronavirus SARS-CoV-2
- Creditors ..... All creditors of the Company and/or any of the Related Companies, known or unknown, whether or not the liabilities have been acknowledged or recognised, qualified or unqualified, actual or contingent, ascertained or unascertained, and that, when aggregated with its Affiliates' and/or Connected Persons' Relevant Portions, has a Relevant Portion not exceeding NOK 2,500,000 (or an equivalent amount in another currency)
- Cut-off Date ..... 4 May 2021

Debt Conversion .....	Conversion of all of parts of the Group’s senior loans, lease debt, aircraft financing liabilities and certain other current and non-current liabilities of the Group into Shares
Dividend Claims .....	Convertible loans with 7 year maturity and NIBOR +1% interest issued to creditors in the Company with an unsecured claim, as further described in the Registration Document sections 4.7 (under “The Restructuring Proposal”) and 4.15.
DNB Markets .....	DNB Markets, a part of DNB Bank ASA
EEA .....	The European Economic Area
Effective Date .....	Expected on or about 26 May 2021
Effective Time .....	The time when the Restructuring Proposal takes effect, which is subject to, inter alia, the NRBE Registrations and provided the conditions for the Examinership are fulfilled, including that the Reconstruction implements the proposals in the Examinership and raising minimum NOK 4,500,000,000 in the Capital Raise.
EGM .....	The Extraordinary General Meeting in the Company held on 17 December 2020
Eligible Creditors .....	Creditors (as defined above) that are (i) in Norway, (ii) outside of Norway and the United States subject to applicable exemptions from applicable local prospectus or other filing requirements, and (iii) Creditors in the United States who are reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A under the U.S. Securities Act.
Eligible Creditors Record Date .....	10 May 2021.
Eligible Creditor Offering .....	The portion of the Private Placement directed towards Eligible Creditors
EU Prospectus Regulation .....	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2004/71/EC
Examinership .....	The Irish examinership process of the Group
Excess Allowance .....	Any part of the calculated allowance one year exceeding the dividend distributed on the share
Extraordinary General Meeting(s)	The extraordinary General Meetings in the Company.
Existing Shareholders .....	Holders of the Company’s Shares in the Company’s shareholder register with the VPS as of the Record Date.
Future Maintenance Bonds .....	The zero-coupon perpetual convertible bonds with ISIN NO 001 0884646
FSMA .....	The Financial Services and Markets Act 2000
General Meeting(s)	The annual and Extraordinary General Meetings in the Company.
GLEIF .....	Global Legal Identifier Foundation
Group .....	Norwegian Air Shuttle ASA and its direct and indirect subsidiaries
Group Company/-ies .....	Norwegian Air Shuttle ASA and/or its direct and indirect subsidiaries, as the case may be
Ineligible Jurisdictions .....	Member States of the EEA that have not implemented the Prospectus Regulation, Australia, Canada, Japan, Hong Kong, the United States, Switzerland or any other jurisdiction in which it would not be permissible to offer the Offer Shares
Ineligible Persons .....	Other person than an Ineligible Shareholder in an Ineligible Jurisdiction
Ineligible Shareholders .....	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 Rights Issue Shares

Institutional Closing Date .....	The date of delivery of, and payment for, the Private Placement Shares to/by the applicants in the Institutional Offering, expected to take place on or about 28 May 2021
Institutional Offering.....	The portion of the Private Placement directed towards to (i) institutional and professional investors in Norway, (ii) institutional investors outside of Norway and the United States, subject to applicable exemptions from applicable local prospectus or other filing requirements, and (iii) investors in the United States who are reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A under the “U.S. Securities Act
Investor's Representations and Warranties .....	Representations and warranties that investors who subscribes for Offer Shares will be deemed to have made or, in some cases, be required to make to the Company and any person acting on the Company's or its behalf, as further described in section 6.1.
Issuer.....	Norwegian Air Shuttle ASA, a company existing under the laws of Norway with registration number 965 920 358 and LEI-code 549300IEUH2FEM2Y6B51
Listing.....	The listing of the Shares and the Bonds on Oslo Stock Exchange
LEI .....	Legal Entity Identifier
LOU.....	Local Operating Units
Management .....	Members of the Group's senior management
Managers .....	DNB Markets, a part of DNB Bank ASA, and ABG Sundal Collier ASA
Maximum Application Amount.....	the maximum application amount set individually for each Eligible Creditor, which shall be equal to maximum 50% of such Eligible Creditor's Relevant Portion
Members of the Company's board of directors.....	The members of the Group's senior management
MiFID II.....	EU Directive 2014/65/EU on markets in financial instruments
MiFID II Product Governance Requirements.....	MiFID II; Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and local implementing measures
NAS13 Bonds .....	The NOK 750,000,000 senior secured bonds to be issued following (and conditional upon) the implementation of the Restructuring Proposal), in replacement of the Company's current bond loans NAS07 and NAS08.
NCI.....	National Client Identifier
New Capital Perpetual Bonds.....	A convertible and transferrable perpetual bond offered to certain existing creditors, in an amount up to NOK 1.875 billion, as further described in section 4.7 and 4.15 in the Registration Document
Non-Norwegian Corporate .....	Shareholders that are limited liability companies not resident in Norway for tax purposes
Non-Norwegian Individual Shareholders.....	Shareholders who are individuals not resident in Norway for tax purposes
November 2019 Bonds .....	The USD 150 million Norwegian Air Shuttle ASA Senior Unsecured Convertible Bonds 2019/2024 with ISIN NO 001 0868284 issued in November 2019
Norwegian Act on Overdue Payment .	Norwegian Act on Overdue Payment of 17 December 1976 no. 100
Norwegian Corporate Shareholders...	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes
Norwegian FSA .....	The Norwegian Financial Supervisory Authority (Norwegian: <i>Finanstilsynet</i> )
Norwegian Individual Shareholders...	Shareholders who are individuals resident in Norway for tax purposes

Norwegian Securities Trading Act ....	The Norwegian Securities Trading Act of 29 2007 no. 75, as amended
NRBE .....	Norwegian Registry of Business Enterprises (Nw. <i>Foretaksregisteret</i> )
NRBE Registrations .....	The registration of the capital increases pertaining the Rights Issue, the Private Placement and the issuance of the New Capital Perpetual Bonds with the NRBE.
Offer Price .....	The offer price per share of NOK 6.26 in the Offering.
Offer Shares .....	The Private Placement Shares and the Rights Issue Shares
Offering .....	The Rights Issue and the Private Placement
Order.....	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
Oslo Stock Exchange or Oslo Børs.....	Oslo Børs (a stock exchange operated by Oslo Børs ASA)
Parity Obligations.....	All claims in respect of the Bonds will rank as described in the Bond Terms, and shall rank pari passu between themselves and any obligation that ranks or is expressed to rank pari passu with the Bonds
Payment date .....	The payment date for the Private Placement Shares to/by the applicants in the Eligible Creditor Offering, expected to be on 27 May 2021
Perpetual Bonds.....	The zero coupon perpetual subordinated convertible bonds issued by the Company pursuant to the bond terms dated 22 May 2020.
PLCA .....	Public Limited Liability Companies Act
Private Placement.....	The private placement described in this Securities Note consisting of an Institutional Offering and an Eligible Creditor Offering.
Private Placement Shares .....	The up to 958,466,453 new Shares offered in the Private Placement
Prospectus .....	This Securities Note together with the Registration Document and the Summary dated as of the date hereof
QIB .....	Qualified Institutional Buyer, as defined in, and in reliance on, Rule 144A in the U.S. Securities Act
Related Companies .....	Collectively: <ul style="list-style-type: none"> <li>a) Arctic Aviation Assets Designated Activity Company, a designated activity company incorporated under the laws of Ireland with company number 531191;</li> <li>b) Norwegian Air International Limited, a private company limited by shares incorporated under the laws of Ireland with company number 525771;</li> <li>c) Drammensfjorden Leasing Limited, a private company limited by shares incorporated under the laws of Ireland with company number 533167; and</li> <li>d) Lysakerfjorden Leasing Limited, a private company limited by shares incorporated under the laws of Ireland with company number 585570.</li> </ul>
Relevant Portion .....	The agreed debt of creditors or the amount identified for each such creditor in accordance with the Restructuring Proposal.
Restructuring .....	The Examinership and the Reconstruction
Restructuring Proposal.....	The proposals for a scheme of arrangement and accompanying explanatory memorandum for the financial restructuring of the Company and a number of its subsidiaries issued by Mr Kieran Wallace of KPMG Ireland as Examiner, which in the case of the Company will be implemented through the Reconstruction, and as further described in the public announcement (and the accompanying documents therein) made by the Company's on 11 March 2021 ( <a href="https://newsweb.oslobors.no/message/527351">https://newsweb.oslobors.no/message/527351</a> ), and in

	the risk factor “COVID-19 Outbreak and risk related to return to normalized operations” included in the Registration Document
Reconstruction .....	The Norwegian reconstruction process
Record date.....	6 May 2021
Registration Document .....	The registration document dated 6 2021, describing the Company
Relevant Member State .....	A member state of the EEA, other than Norway
Relevant Persons.....	Persons who are (i) outside the UK or (ii) investment professionals falling within Article 19(5) of the Order or (iii) high net worth companies, and other persons to whom the Securities Note may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order
Retained Claim Bonds.....	The retained claims bonds issued to certain creditors that participates in (i) the New Capital Perpetual Bonds Offering; and/or (ii) the Private Placement, as further described in section 4.7 under “The Restructuring Proposal” and section 4.15 “Key financing agreements” of the Registration Document.
Rights Issue .....	The offer of up to 63,076,638 new Shares in the Company at the Offer Price as further described in section 5.
Rights Issue Payment Date .....	The payment date for the Rights Issue Shares in the Rights Issue, expected to be on 27 May 2021
Rights Issue Shares .....	The up to 63,076,638 new Shares offered in the Rights Issue
Offer Price .....	The subscription price in the Rights Issue and the Private Placement of NOK 6.26 per Offer Share
Settlement Agent .....	DNB Markets, a part of DNB Bank ASA
Securities Note .....	This securities note dated 6 May 2021, describing the terms of the Offering
Shares.....	mean existing shares as issued by the Company and the new shares in the Company as further described herein; and “Share” means any one of them
Subscription Rights .....	The transferable subscription rights (ISIN NO0010989247) that, subject to applicable law, provide Existing Shareholders rights to subscribe for and be allocated Offer Shares in the Rights Issue at the Offer Price.
Subscription Period.....	The subscription period for the Rights Issue, which is expected to commence at 9.00 a.m. CEST on 7 May 2021 and expire on 16:30 p.m. CEST on 21 May 2021, unless shortened or extended
Summary .....	The Prospectus summary dated 6 May 2021
Target Market Assessment .....	A product approval process, which has determined that the Shares each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II
US, United States .....	United States of America
US Exchange Act .....	US Securities Exchange Act of 1934
VPS .....	The Norwegian Central Securities Depository (Norwegian: <i>Verdipapirsentralen</i> )

**Appendix A**  
**Subscription Form - Rights Issue**

**SUBSCRIPTION FORM**  
SHARE ISIN NO. NO 001 0196140

**General information:** The terms and conditions of the Rights Issue by Norwegian Air Shuttle ASA (the "Company") are set out in the Securities Note dated 6 May 2021, which should be read together with the Summary dated 6 May 2021 and the Registration Document dated 6 May 2021 (jointly the "Prospectus"). All capitalised terms not defined herein shall have the meaning as assigned to them in the Prospectus. The notice of, and minutes from, the extraordinary general meeting of the Company (with appendices) held on 17 December 2021 (the "EGM"), and the Company's articles of association and annual accounts and annual reports for the last two years are available at the Company's registered office address Oksenøyveien 3, 1366 Lysaker, Norway and the Company's website [www.norwegian.com](http://www.norwegian.com). The resolution to increase the share capital made by the Company's board of directors based on an authorization granted by the EGM is included in the Prospectus. All announcements referred to in this subscription form will be made through Oslo Børs' information system under the Company's ticker "NAS".

**Subscription procedures:** Correctly completed subscription forms must be received by one of the subscription offices set out below, or, in the case of online subscriptions, registered through the VPS online subscription system, before the expiry of the Subscription Period, at 16:30 hours (CEST) on 21 May 2021.

**Subscription Offices:**

**DNB Markets** a part of DNB Bank ASA, Dronning Eufemias gate 30, P.O box 1600 Sentrum, N-0021 Oslo, Norway, E-mail: [retail@dnb.no](mailto:retail@dnb.no), [www.dnb.no/emisjon](http://www.dnb.no/emisjon)

**ABG Sundal Collier ASA**, Munkedamsveien 45E, P.O. Box 1444 Vika, N-0115 Oslo, Norway, E-mail: [subscription@abgsc.no](mailto:subscription@abgsc.no), [www.abgsc.com](http://www.abgsc.com).

The subscriber is responsible for the correctness of the information filled in on this subscription form. Subscription forms that are incomplete or incorrectly completed, or that are received after the end of the Subscription Period, and any subscription that may be unlawful, may be disregarded at the discretion of the Managers on behalf of the Company. **Subscribers who are Norwegian residents with a Norwegian personal identification number may also subscribe for Rights Issue Shares through the VPS online subscription system by following the link on the following websites: [www.dnb.no/emisjon](http://www.dnb.no/emisjon) and [www.abgsc.com](http://www.abgsc.com) (which will redirect the subscriber to the VPS online subscription system).** Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period. Neither the Company nor the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscriptions are irrevocable and binding upon receipt and cannot be withdrawn, cancelled or modified by the subscriber after having been received by a subscription office, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription.

**Offer Price:** The price in the Rights Issue is NOK 6.26 per Rights Issue Share.

**Subscription Rights/Allocation:** Existing Shareholders as registered in the Company's register of shareholders with the VPS as of expiry of 6 May 2021 (the Record Date) will be granted Subscription Rights giving a preferential right to subscribe for, and be allocated, the Rights Issue Shares. For every 2 Shares registered as held by and Existing Shareholder in the Company as of expiry of the Record Date, each Existing Shareholder will be granted 3 Subscription Rights, rounded down to the nearest whole Subscription Right. Subscription Rights will not be granted for the Shares held in treasury by the Company. The Subscription Rights will be listed and tradable on Oslo Børs from 09:00 hours (CEST) on 7 May 2021 to 16:30 hours (CEST) on 19 May 2021 under the ticker code "NAST". Subscription Rights acquired during the trading period for the Subscription Rights carry the same right to subscription as the Subscription Rights held by Existing Shareholders. One (1) Subscription Right will give a preferential right to subscribe for, and be allocated, one (1) Rights Issue Share at the Offer Price, subject to the selling and transfer restrictions set out in Section 6 "Selling and Transfer Restrictions" of the Securities Note. Oversubscription and subscription without Subscription Rights is permitted. Subscription Rights not used to subscribe for Rights Issue Shares before the expiry of the Subscription Period or not sold before 16:30 hours (CEST) on 19 May 2021

will have no value and will lapse without compensation to the holder.

**Allocation of Rights Issue Shares:** The Rights Issue Shares will be allocated to the subscribers based on the allocation criteria set out in the Securities Note. The Company reserves the right to reject or reduce any subscription for Rights Issue Shares not covered by Subscription Rights in accordance with the allocation criteria. The Company will not allocate fractional Rights Issue Shares. Allocation of fewer Rights Issue Shares than subscribed for does not impact on the subscriber's obligation to pay for the Rights Issue Shares allocated. Notification of allocated Rights Issue Shares and the corresponding subscription amount to be paid by each subscriber is expected to be distributed in a letter from the VPS on or about 25 May 2021. Subscribers who have access to investor services through an institution that operates the subscriber's VPS account should be able to see how many Rights Issue Shares they have been allocated from 12:00 hours (CET) on or about 25 May 2021.

**Payment:** The payment for the Rights Issue Shares allocated to a subscriber falls due on 27 May 2021 (the "Rights Issue Payment Date"). By completing this subscription form, or registering a subscription through the VPS online subscription system, subscribers authorise each of the Managers, or anyone appointed by them with a one-time irrevocable authorisation to debit the subscriber's Norwegian bank account for the total subscription amount payable for the Rights Issue Shares allocated to the subscriber. Accounts will be debited on or about the Payment Date, 27 May 2021. The Managers, or someone appointed by them, are only authorised to debit such account once, but reserves the right to make up to three debit attempts and the authorisation will be valid for up to seven working days after the Rights Issue Payment Date. The subscriber furthermore authorises the Managers, or someone appointed by them, 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 Rights Issue Shares will be deemed overdue. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the allocated Rights Issue Shares is made on or before the Rights Issue Payment Date. Prior to any such payment being made, the subscriber must contact one of the Managers 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 other reasons are not made when due, overdue interest will accrue and other terms will apply as set out under the heading "Overdue Payments" below. **PLEASE SEE PAGE 2 OF THIS SUBSCRIPTION FORM FOR OTHER PROVISIONS THAT ALSO APPLY TO THE SUBSCRIPTION**

**DETAILS OF THE SUBSCRIPTION**

Subscriber's VPS account:	Number of Subscription Rights:	Number of Rights Issue Shares subscribed (incl. oversubscription):	(For broker: consecutive no.):
		Offer Price per Rights Issue Share: NOK 6.26	Subscription amount to be paid: NOK

**IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED BY SUBSCRIBERS WITH A NORWEGIAN BANK ACCOUNT)**

Norwegian bank account to be debited for the payment for Rights Issue Shares allocated (number of Rights Issue Shares allocated x NOK 6.26).	_____ (Norwegian bank account no.)
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I/we hereby irrevocably (i) subscribe for the number of Rights Issue Shares specified above subject to the terms and conditions set out in this subscription form and in the Prospectus, (ii) authorise and instruct each of the Managers, acting alone, (or someone appointed by any of them) to take all actions required to transfer such Rights Issue Shares allocated to me/us to the VPS account state above and ensure delivery of the beneficial interests to such Rights Issue Shares to me/us in the VPS, on my/our behalf, (iii) authorise each Manager to debit my/our bank account as set out in this subscription form for the amount payable for the Rights Issue Shares allotted to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are eligible to subscribe for Rights Issue Shares under the terms set forth therein.

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

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

**INFORMATION ON THE SUBSCRIBER - ALL FIELDS MUST BE COMPLETED**

First name	
Surname/company	
Street address	
Post code/district/ country	
Personal ID number/ organisation number	
Nationality	
E-mail address	
Daytime telephone number	
Legal Entity Identifier ("LEI")/National Client Identifier ("NID"):	

## ADDITIONAL GUIDELINES FOR THE SUBSCRIBER

**Regulatory Matters:** In accordance with the Markets in Financial Instruments Directive (“MiFID”) of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect, the Managers must categorise all new clients in one of three categories: eligible counterparties, professional clients and non-professional clients. All subscribers in the Rights Issue who are not existing clients of the Managers will be categorised as non-professional clients. Subscribers can, by written request to the Managers, ask to be categorised as a professional client if the subscriber fulfills the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorisation, the subscriber may contact one of the Managers. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of a decision to invest in the Company by subscribing for Rights Issue Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Rights Issue Shares.**

**Selling Restrictions:** The attention of persons who wish to subscribe for Rights Issue Shares is drawn to Section 6 “Selling and transfer restrictions” of the Securities Note. The Company is not taking any action to permit a public offering of the Rights Issue 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 and, in those circumstances, the Prospectus are for information only and should not be copied or redistributed. Persons outside Norway should consult their professional advisors as to whether they require any governmental or other consent or need to observe any other formalities to enable them to subscribe for Rights Issue Shares. It is the responsibility of any person wishing to subscribe for Rights Issue Shares under the Rights Issue to satisfy himself 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 Rights Issue Shares will only be offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act and cannot be sold to U.S. persons as defined in Regulation S. The Rights Issue Shares have not been registered under the U.S. Securities Act and may not be offered, sold, taken up, exercised, resold, delivered or transferred, directly or indirectly, within the United States, except pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. This subscription form does not constitute an offer to sell or a solicitation of an offer to buy Rights Issue Shares in any jurisdiction in which such offer or solicitation is unlawful. A subscription of Rights Issue Shares in contravention of the above restrictions may be deemed to be invalid. By subscribing for the Rights Issue 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 the Rights Issue Shares, have complied with the above selling restrictions.

**Execution Only:** The Managers will treat the subscription form as an execution-only instruction. The Managers are not required to determine whether an investment in the Rights Issue 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 Commercial Banks Act and foreign legislation applicable to the Managers there is a duty of secrecy between the different units of the Managers as well as between Managers and the other entities in the Managers’ group. This may entail that other employees of the Managers or the Managers’ respective group may have information that may be relevant to the subscriber and to the assessment of the Rights Issue Shares, but which the Managers will not have access to in its capacity as Managers for the Rights Issue.

**Information Barriers:** Each of the Managers is a securities firm that offer a broad range of investment services. In order to ensure that assignments undertaken in the Managers’ corporate finance departments are kept confidential, the Managers’ other activities, including analysis and stock broking, are separated from the Managers’ corporate finance department by information walls. Consequently the subscriber acknowledges that the Managers’ analysis and stock broking activity may conflict with the subscriber’s interests with regard to transactions in the Shares, including the Rights Issue Shares.

**VPS Account and Mandatory Anti-Money Laundering Procedures:** The Rights Issue is subject to the Norwegian Money Laundering Act 1 June 2018 no. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324 (collectively, the “Anti-Money Laundering Legislation”). Subscribers who are not registered as existing customers of any of the Managers must verify their identity to one of the Managers in accordance with requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have designated an existing Norwegian bank account and an existing VPS account on the application form are exempted, unless verification of identity is requested by a Manager. Applicants who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Rights Issue Shares. Participation in the Rights Issue is conditional upon the applicant 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. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti-Money Laundering Legislation. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Financial Supervisory Authority of Norway .

**Personal data:** The subscriber confirms that it has been provided information regarding the Managers’ processing of personal data, and that it is informed that the Managers will process the subscriber’s personal data in order to manage and carry out the Rights Issue and the subscription from the subscriber, and to comply with statutory requirements. The data controllers who are responsible for the processing of personal data is the Managers. The processing of personal data is necessary in order to fulfil the application and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Managers processes and store information about clients and trades, and control and document activities. The applicant’s data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Managers, the company(ies) participating in the offering, with companies within the Managers’ group, the VPS, stock exchanges and/or public authorities. 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. If the Managers transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses. As a data subject, the subscriber have several legal rights. This includes inter alia the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the subscribers will have the right to impose restrictions on the processing or demand that the information is deleted. The subscribers may also complain to a supervisory authority if they find that the Managers’ processing is in breach of the law. Supplementary information on processing of personal data and the subscribers’ rights can be found at the Managers’ website.

**Investment decisions based on full Prospectus:** Investors must neither accept any offer for, nor acquire any Rights Issue Shares, on any other basis than on the complete Prospectus.

**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 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 in another appropriate manner. The bank will charge the indicated account for costs incurred.
- (c) The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank that in turn will charge the payer’s bank account.
- (d) In case of withdrawal of the authorisation 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 authorise 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 authorisation 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 authorisation 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 Payments:** Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 8.00% p.a. If a subscriber fails to comply with the terms of payment, the Rights Issue Shares will, subject to the restrictions in the Norwegian Public Limited Liability Companies Act, not be delivered to the subscriber. Pursuant to a pre-funding agreement expected to be entered into by DNB Markets, a part of DNB Bank ASA, (“DNB”) and the Company, DNB will, subject to the terms and conditions of the pre-funding agreement, pre-fund payment for any Rights Issue Shares not paid by the subscribers when due. The non-paying subscribers will remain fully liable for payment of the Rights Issue Shares allocated to them, irrespective of any payment by DNB under the pre-funding agreement. The Rights Issue Shares allocated to such subscribers will be transferred to a VPS account operated by DNB and will be transferred to the non-paying subscriber when payment of the subscription amount for the relevant Rights Issue Shares is received. The Managers reserve the right to, at any time and at the risk and cost of the subscriber, re-alloc, cancel or reduce the subscription and the allocation of the allocated Rights Issue Shares, 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 Rights Issue Shares in accordance with applicable law. If Rights Issue Shares are sold on behalf of the subscriber, such sale will be for the subscriber’s account and risk and the subscriber will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or the Managers as a result of, or in connection with, such sales. The Company and/or the Managers may enforce payment for any amounts outstanding in accordance with applicable law.

**National Client Identifier and Legal Entity Identifier:** In order to participate in the Rights Issue, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier (“NCI”) and legal entities will need a so-called Legal Entity Identifier (“LEI”).

**NCI code for physical persons:** Physical persons will need a NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID (Nw: “fødselsnummer”). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information.

**LEI code for legal entities:** Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit [www.gleif.org](http://www.gleif.org). Further information is also included in Section 4.10.3 of the Securities Note.