

## PROSPECTUS



### Hiddn Solutions ASA

(a public limited liability company organized under the laws of Norway with business registration number 979 867 654)

The information in this prospectus (the "**Prospectus**") has been prepared by Hiddn Solutions ASA (the "**Company**" or "**Hiddn**", together with its consolidated subsidiaries referred to as the "**Group**") in relation with (i) listing of 7,164,688 shares (the "**December Private Placement Shares**") issued in connection with a private placement of total gross proceeds of NOK 8,597,625.60 (the "**December Private Placement**"), (ii) listing of 41,666,666 new shares (the "**January Private Placement Shares**") issued in connection with a private placement of total gross proceeds of approximately NOK 50,000,000 (the "**January Private Placement**"), and (iii) offering and listing of up to 25,000,000 new shares (the "**Offer Shares**") in connection with a fully underwritten subsequent offering (the "**Subsequent Offering**") at a subscription price of NOK 1.20 (the "**Subscription Price**") with total gross proceeds of up to approximately NOK 30,000,000, all with a nominal value of NOK 1, pursuant to the terms and conditions set out in this Prospectus.

In the Subsequent Offering, holders of the Company's shares (the "**Shares**") as of 17 January 2020, as registered in the Norwegian Central Securities Depository ("**Verdipapirsentralen**" or the "**VPS**") as of 21 January 2020 (the "**Record Date**"), who were not allocated shares in the January Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action ("**Eligible Shareholders**") are being granted 2.06415 subscription rights (the "**Subscription Rights**") per existing Share that will give them right to subscribe for and be allocated one (1) Offer Share in the Subsequent Offer at the Subscription Price. Over-subscription in the Subsequent Offering will be permitted. Subscription without subscription rights will not be permitted.

The subscription period will commence on 2 March 2020 and expire on 16 March 2020 at 16:30 hours, Central European Time ("**CET**") (the "**Subscription Period**"). The Subscription Rights will be listed and tradable on the Oslo Stock Exchange under the ticker code "HIDDEN T" from 2 March 2020 to 16:30 hours (CET) on 12 March 2020.

**Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period, or that are not sold before 16:30 hours (CET) on 12 March 2020 will have no value and will lapse without compensation to the holder.**

The Subsequent Offering is fully underwritten at the Subscription Price by investors that participated in the January Private Placement pro-rata on the basis of their allocation in the January Private Placement (the "**Underwriters**"), provided that not all of the Offer Shares have been subscribed for, and allocated, in the Subsequent Offering following the expiry of the Subscription Period.

The Company is not taking any action to permit a public offering of the Subscription Rights or the Offer Shares in any jurisdiction outside Norway. The Offer Shares are being offered only in those jurisdictions in which, and only to those persons to whom, offers of the Offer Shares (pursuant to exercise of Subscription Rights or otherwise) may be lawfully made. For more information regarding restrictions in relation to the Rights Issue pursuant to this Prospectus, please see Section 7 "Selling and Transfer Restrictions".

The due date for the payment of the Offer Shares is expected to be on or about 19 March 2020. Delivery of the Offer Shares is expected to take place on or about 25 March 2020 through the facilities of the VPS and trading in the Offer Shares on the Oslo Stock Exchange is expected to commence on or about the same date.

**Investing in the Company and the securities covered by the Prospectus (including but not limited to the Offer Shares) includes a high degree of risk; see Section 2 "Risk Factors".**

**Manager:**  
**DNB Markets, a part of DNB Bank ASA**

**The date of this Prospectus is**

**28 February 2020**

## IMPORTANT INFORMATION

This Prospectus has been prepared by Hiddn in connection with the (i) listing on the Oslo Stock Exchange of the December Private Placement Shares, (ii) listing of the January Private Placement Shares and (iii) the offering and listing of the Offer Shares in connection with the Subsequent Offering. This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "**Norwegian Securities Trading Act**"), as amended, and related secondary legislation, including the 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 2014/71/EC (the "**EU Prospectus Regulation**") as incorporated in Norway by Section 7-1 of the Norwegian Securities Trading Act. This Prospectus has been prepared solely in the English language.

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The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article of 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved and the date of listing of New Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

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Unless otherwise indicated, the source of information included in this Prospectus is the Company. The contents of this Prospectus shall not be construed as legal, business or tax advice. Each reader of this Prospectus should consult its own legal, business or tax advisor as to legal, business or tax advice. If the reader is in any doubt about the contents of this Prospectus, a stockbroker, bank manager, lawyer, accountant or other professional advisor should be consulted. The Company has furnished the information in this Prospectus.

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The distribution of this Prospectus and the offering and sale of Offer Shares in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Shares to occur outside Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company requires persons in possession of this Prospectus to inform themselves about and to observe any such restrictions.

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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. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

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THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (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 OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAW.

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THIS PROSPECTUS HAS NOT BEEN APPROVED NOR REVIEWED BY THE US SECURITIES AND EXCHANGE COMMISSION AND IS NOT FOR DISTRIBUTION IN THE UNITED STATES. FOR CERTAIN SELLING AND TRANSFER RESTRICTIONS SEE SECTION 7 "SELLING AND TRANSFER RESTRICTIONS".

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This Prospectus and the terms and conditions of the Subsequent Offering as set out herein 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 listing of the December Private Placement Shares, listing of the January Private Placement Shares and offering and listing of Offer Shares in the Subsequent Offering or this Prospectus.

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APPENDIX A: SUBSCRIPTION FORM

**1 SUMMARY****(A) Introduction**

<b>Warnings</b>	<p>The following summary contains all sections required by the EU Prospectus Regulation to be included in a summary for this type of securities and issuer. The summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor.</p> <p>An investor investing in the securities described herein could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
<b>The securities</b>	The Company's Shares are subject to trading on the Oslo Stock Exchange under ticker code "HIDDEN". International securities identification number (ISIN): NO0003108102.
<b>The issuer</b>	<p>Name of the issuer: Hiddn Solutions ASA          Business registration number: 979 867 654          Legal entity identifier (LEI): 5967007LIEEXZXF0040          Address: Cort Adelers gate 17, 0254 OSLO          Tel: +47 22 12 00 12 Website: <a href="http://www.hiddnsolutions.no">www.hiddnsolutions.no</a></p>
<b>Approval of the Prospectus</b>	<p>The Prospectus was approved by the Financial Supervisory Authority of Norway (Nw. "Finanstilsynet") on 28 February 2020.</p> <p>Contact information:          Financial Supervisory Authority of Norway          Address: Revierstredet 3, Postboks 1187 Sentrum, 0107 Oslo          Tel: +47 22 93 98 00          E-mail: <a href="mailto:post@finanstilsynet.no">post@finanstilsynet.no</a></p>

**(B) Key information on the issuer**

<b>Who is the issuer of the securities?</b>	
Corporate information	The issuer is the Company, Hiddn Solutions ASA, a public limited liability company incorporated in Norway and operating under Norwegian law. The Company's LEI is 5967007LIEEXZXF0040.
Principal activities	<p>Overview of the Group's current activities and strategy going forward</p> <p>The Company is a listed entity on the Oslo Stock Exchange, currently without any material business activities due to the bankruptcy of its subsidiary Hiddn Security AS in May 2019.</p> <p>Because of the bankruptcy in Hiddn Security AS, the current ongoing business of the Group is reduced to the business of its remaining operating subsidiary, Finn Clausen Sikkerhetssystemer AS ("<b>FCS</b>"), a small business within the market for secure physical filing and storage systems in Norway. As a consequence, the Company is dependent on adding new business to the Group in order to recreate value in the Group for its shareholders.</p>

	<p>The strategy and focus of the Group going forward is to search for opportunities resulting in a business combination in which the Group can capitalize on its broad shareholder base and listing on the Oslo Stock Exchange. The company have landed new product and sourcing opportunities in order to broaden the product offering and reach profitability. The private placements in 2019 has provided the Company with working capital to pursue such strategy, as well as to maintain and conclude on the future strategy of its limited remaining business activities carried out by FCS.</p> <p>With its listing on the Oslo Stock Exchange and broad shareholder base, the Board of Directors of the Company believes that it may be considered an attractive candidate for a possible business combination. The Company has been approached by potential strategic partners and has had initial discussions of a possible business combinations. The Company will evaluate and continue these discussions to the benefit of the Company and its shareholders. Depending on a successful outcome of adding new business to the Group, the principal operating business going forward is likely to be diversified from FCS current operations and thus probably also involve a strategic review of FCS.</p> <p>Overview of FCS' business</p> <p>FCS operations are focused on sale and distribution as well as after-sales support of security, archiving and storage products. FCS supplies products approved for up to the level "strictly confidential" allowing its customers to secure classified information, of which security products represents a major part of the company's revenue. FCS does not manufacture any own products but are distributing products from various manufacturers. FCS operations are divided into three product segments: Security cabinets, filing cabinets and other storage products.</p>																								
<p>Major shareholders</p>	<p>Shareholders owning 5% or more of the Shares in the Company have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. The following table sets forth shareholders in the Company owning more than 5% of the shares in the Company as registered in the Norwegian Securities Depository ("<b>VPS</b>") as of 2 February 2020:</p> <table border="1" data-bbox="510 1243 1412 1467"> <thead> <tr> <th><b>c</b></th> <th><b>Name of shareholder</b></th> <th><b>Number of shares</b></th> <th><b>%</b></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Tycoon Industrier</td> <td>71,164,688</td> <td>30.83</td> </tr> <tr> <td>2</td> <td>Intelco Concept AS</td> <td>1,794,486</td> <td>7.7</td> </tr> <tr> <td>3</td> <td>Torstein Tvenge</td> <td>1,000,001</td> <td>4.83</td> </tr> <tr> <td>4</td> <td>Øystein Tvenge</td> <td>555,259</td> <td>3.4</td> </tr> <tr> <td>5</td> <td>Dallas AM</td> <td>393,215</td> <td>1.7</td> </tr> </tbody> </table> <p>The Company is not aware of any agreement or arrangement between shareholders that may at a subsequent date result in a change in control of the Company.</p>	<b>c</b>	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>%</b>	1	Tycoon Industrier	71,164,688	30.83	2	Intelco Concept AS	1,794,486	7.7	3	Torstein Tvenge	1,000,001	4.83	4	Øystein Tvenge	555,259	3.4	5	Dallas AM	393,215	1.7
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4	Øystein Tvenge	555,259	3.4																						
5	Dallas AM	393,215	1.7																						
<p>Key managing directors</p>	<p>The Company's Board of Directors comprise of:</p> <table border="1" data-bbox="510 1646 1412 1780"> <thead> <tr> <th><b>Name</b></th> <th><b>Position</b></th> </tr> </thead> <tbody> <tr> <td>Martin Nes</td> <td>Chairman</td> </tr> <tr> <td>Yvonne L. Sandvold</td> <td>Board member</td> </tr> <tr> <td>Øystein Stray Spetalen</td> <td>Board member</td> </tr> </tbody> </table> <p>The Company's key management comprise of the following member:</p> <table border="1" data-bbox="510 1870 1412 1960"> <thead> <tr> <th><b>Name</b></th> <th><b>Position</b></th> </tr> </thead> <tbody> <tr> <td>Jørgen Waaler</td> <td>CEO</td> </tr> <tr> <td>Anders Nilssen</td> <td>CFO</td> </tr> </tbody> </table>	<b>Name</b>	<b>Position</b>	Martin Nes	Chairman	Yvonne L. Sandvold	Board member	Øystein Stray Spetalen	Board member	<b>Name</b>	<b>Position</b>	Jørgen Waaler	CEO	Anders Nilssen	CFO										
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Jørgen Waaler	CEO																								
Anders Nilssen	CFO																								



Statutory auditor	The Company's statutory auditor is Ernst & Young AS with registered address at Dronning Eufemias gate 6, 0191 Oslo, Norway.
<b>What is the key financial information regarding the issuer?</b>	
Selected historical key financial information	The tables below set out selected historical financial information for the Group derived from the Group's unaudited interim financial statements for the six months ended 30 June 2019 and 2018, and the Group's audited financial statements for the year ended 31 December 2018.

**Income statement**

<i>(In NOK 1,000)</i>	<b>Year ended</b>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>31 December</b>	<b>30 June</b>		<b>30 June<sup>(1)</sup></b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Total revenue and other income .....	22,464	2,271	3,253	5,008	7,325
Operating loss.....	40,887	16,526	4,497	21,624	7,816
Loss for the period.....	42,297	15,321	10,767	24,171	22,308
Earnings per share.....	(0.49)	(0.14)	(0.12)	(0.24)	(0.27)

- (i) The Company's operating business has during the last few years, mainly been through the subsidiary, Hiddn Security AS, a company offering hardware-based encrypted products. On 21 May 2019, Hiddn Security AS filed a petition for bankruptcy and bankruptcy proceedings have commenced. Hence, in these financial statements the results of Hiddn Security AS have been classified as result from discontinued operations and with corresponding reclassification in comparable periods.

**Balance sheet**

<i>(In NOK 1,000)</i>	<b>Year ended</b>	<b>Six months ended</b>	
	<b>31 December</b>	<b>30 June</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Total assets .....	25,474	7,109	(22,860)
Total equity .....	2,838	(2,198)	0
Net financial debt .....	21,326	8,125	24,228

**Cash flow statement**

<i>(In NOK 1,000)</i>	<b>Year ended</b>	<b>Six months ended</b>	
	<b>31 December</b>	<b>30 June</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Net cash flow from operating activities .....	(38,795)	(12,968)	(22,860)
Net cash flow from investing activities.....	0	(3,617)	0
Net cash flow from financing activities.....	25,456	19,101	24,228

Pro forma financial information	Not applicable. No pro forma financial information is included in the Prospectus.
Audit report qualifications	Not applicable. The audit report for the Group's financial statements for the financial year ended 31 December 2018 does not include any qualifications.
<b>What are the key risks that are specific to the issuer?</b>	
Key risks specific to the issuer	<p>Risk relating to Company's future existence and strategy of a business combination</p> <ul style="list-style-type: none"> <li>The Company's subsidiary Hiddn Security AS filed for bankruptcy on 21 May 2019, entailing that the Group no longer has any main business activities. As a consequence, the Group is strictly dependent on adding new business to the Group to come into a position of recreating value of its shareholders.</li> </ul>

	<ul style="list-style-type: none"> <li>• A business combination may entail significant dilution of the ownership of the Company's existing shareholders as it is likely that a business combination will entail that the owners of the new business is remunerated in a combination of cash and Shares in the Company.</li> </ul> <p>Risks relating to the Group's remaining business operated by FCS</p> <ul style="list-style-type: none"> <li>• In line with the downward trend in market for secure filing cabinets and other physical storage solutions, sales revenue in FCS has shown a downward trend in recent years. It is estimated that FCS will have a break-even turnover of approximately NOK 7-8 million in 2020. FCS has landed new sourcing opportunities in order to broaden the product offering to meet the stable demand for safe storage of physical devices. If FCS don't succeed and sales revenue continues downward, it could adversely affect the possibility of reaching profitability in FCS, including negatively affecting the Group's strategic review of FCS.</li> </ul>
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(C) **Key information on the securities**

<b>What are the main features of the securities?</b>	
Type of securities, class and ISIN	The Company has one class of Shares in issue and all Shares carry equal rights in the Company in accordance with the Norwegian Public Limited Companies Act. The Shares are registered with the VPS under ISIN NO0003108102.
Currency, number of shares and nominal value	The Shares are issued in NOK and traded in NOK on the Oslo Stock Exchange. As of the date of this Prospectus, the Company's registered share capital is NOK 23,242,091, divided on 23,242,091 Shares, each with a nominal value of NOK 1. The Company's registered share capital includes the December Private Placement Shares which has been registered with the Norwegian Register of Business Enterprises and are issued on a separate ISIN in VPS (ISIN NO 0010873763) until and subject to publication of the Prospectus.
Rights attaching to the securities	The Company has one class of shares in issue and all Shares in that class have equal rights in the Company in accordance with the Norwegian Public Limited Liability Companies Act. Each Share carries one vote. The Offer Shares are ordinary shares in the Company.
Seniority in the event of insolvency	Pursuant to Norwegian law, the shareholders right attaching to the Company's Shares are subordinated any other Company creditor in the event of insolvency.
Restrictions on transferability	The Articles of Association do not provide for any restrictions on the transfer of shares or a right of first refusal for the Company. Share transfers are not subject to approval by the Board of Directors. No actions have been taken, and no actions are intended to be taken, to register the Offer Shares in any other jurisdiction than in Norway. The transfer of any of these securities in or into various jurisdiction may be restricted or affected by law in such jurisdictions.
Dividend policy	As of the date of this Prospectus, the Company does not have an established dividend policy. Taking into consideration its current financial position, the Company does not expect to distribute dividends in the near future.
<b>Where will the securities be traded?</b>	
Admission to trading	The Company's Shares are listed on the Oslo Stock Exchange. Trading in the December Private Placement Shares is subject to publication of the Prospectus and transfer of

	those shares to the Company's ordinary ISIN, expected to commence on or about 28 February 2020. Trading in the January Private Placement Shares and the Offer Shares on the Oslo Stock Exchange is expected to commence on or about 25 March 2020.
<b>What are the key risks that are specific to the securities?</b>	
Key risk specific to the securities	<p>Risks relating to the Shares</p> <ul style="list-style-type: none"> <li>• If the Company is not successful in its strategy of establishing a new main business for the Group, there is a risk that the Company will not maintain its listing on the Oslo Stock Exchange as it does not fulfil all requirements for a continued stock exchange listing.</li> <li>• On 4 September 2019, an extraordinary general meeting in the Company resolved to decrease the Company's share capital with NOK 33,520,375.29, which was used to cover loss in the Company that cannot be covered by other means. Unless the January Private Placement is completed or the Company's share capital is increased by an amount equaling the share capital decrease amount by other means, the Company is prohibited from resolving to distribute dividend for a period of three years starting from the date on which the share capital decrease was registered with the Norwegian Register of Business Enterprises.</li> <li>• As of the date of this Prospectus, there are little market demand for the Company's shares, which makes it difficult for investors to sell their Shares. The limited market demand for the Company's Shares may also have a material adverse effect on the sales price of the Company's Shares.</li> </ul>

**(D) Key information on the admission to trading on a regulated market**

<b>Under which conditions and timetable can I invest in this security?</b>	
Terms and conditions	<p>The Prospectus has been prepared in connection with listing of 7,164,688 December Private Placement Shares, listing of 41,666,666 January Private Placement Shares and offering and listing of up to 25,000,000 Offer Shares in the Subsequent Offering.</p> <p><b>The December Private Placement</b> On 19 December 2019, the Company announced that the Board had resolved to issue 7,164,688 December Private Placement Shares in the December Private Placement with gross proceeds of NOK 8,597,625.60, which was completed by registration in the Norwegian Register of Business Enterprises on 17 January 2020. The December Private Placement Shares were issued on a separate ISIN in VPS until and subject to publication of the Prospectus.</p> <p><b>The January Private Placement</b> On 12 February 2020, the extraordinary general meeting resolved to issue 41,666,666 January Private Placement Shares in the January Private Placement, with gross proceeds of approximately NOK 50 million. The payment for the January Private Placement Shares allocated to subscribers will fall due on or about 18 March 2020. Assuming that payments from all subscribers are made when due, the January Private Placement Shares are expected to be delivered to subscribers and admitted to trading on Oslo Stock Exchange on or about 20 March 2020.</p> <p><b>The Subsequent Offering</b> On 12 February 2020, the extraordinary general meeting of the Company resolved an offer of up to 25,000,000 Offer Shares in a Subsequent Offering, each Offer Share at a subscription price per Offer Share of NOK 1,20, resulting in gross proceeds of up to NOK 30 million. The Subscription Period in the Subsequent Offering will commence on</p>

	<p>28 February 2020 and expire on 13 March 2020 at 16:30 (CET). Allocation of the Offer Shares is expected to take place on or about 16 March 2020. Allocation will be made on the basis of used Subscription Rights held by the Eligible Shareholders. The payment for Offer Shares allocated to a subscriber falls due on or about 18 March 2020. Assuming that payments from all subscribers are made when due, the Offer Shares are expected to be delivered to subscribers and admitted to trading on Oslo Stock Exchange on or about 20 March 2020. DNB Markets, a part of DNB Bank ASA, acts as Manager for the Subsequent Offering. The Company's total costs and expenses relating to the Subsequent Offering are approximately NOK 1 million.</p>
Dilution	<p>Taking into consideration the January Private Placement Shares, the Company's registered numbers of Shares at the date of the issuance of the Offer Shares will be a number of 64,908,757 Shares, and the Offer Shares will have an immediate dilutive effect of 38.5%.</p>
Expenses	<p>Total expenses in the December Private Placement, the January Private Placement and the Subsequent Offering is estimated to NOK 3,020,000. No expenses will be charged to the investors by the Company.</p>
<p><b>Why is this prospectus being produced?</b></p>	
Reasons for the offer/admission to trading	<p>The background for the December Private Placement and the January Private Placement was to secure sufficient working capital for the Company's ongoing business going forward and financing of strategic opportunities including potential acquisitions. The purpose of the Subsequent Offering is to facilitate for existing shareholders in the Company being able to partially mitigate the dilutive effect of the January Private Placement.</p>
Use and estimated net proceeds	<p>Net proceeds are approximately NOK 8.4 million in the December Private Placement, NOK 48 million in the January Private Placement and NOK 24 million in the Subsequent Offering. The net proceeds will be used for working capital purposes and financing strategic opportunities including potential acquisitions.</p>
Underwriting agreements	<p>As part of the January Private Placement, the investors guaranteed for the Subsequent Offering on a pro-rata basis on its allocation in the January Private Placement. The Subsequent Offering is thereby fully subscribed.</p>
Material conflicts	<p>The following existing shareholders and members of the Company's management and Board of Directors participated in the January Private Placement:</p> <p>Tycoon Industrier AS Intelco Concept AS Dallas AM</p> <p>The investors that participated in the January Private Placement has undertaken to subscribe and pay for any Offer Shares that have not been subscribed for, and allocated, following the Subscription Period in the Subsequent Offering, on a pro-rata basis on its allocation in the January Private Placement.</p>

## **2 RISK FACTORS**

*Investing in the Shares involves inherent risks. Prior to any decision to invest in the Shares, potential investors should carefully read and assess the following specific risks and the other information contained in this Prospectus. An investment in the Shares are suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.*

*If any of the following risks were to materialise, this could have a material adverse effect on the Group and/or its business, results of operations, cash flow, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the same.*

*The risks factors presented in this Section 2 are not exhaustive with respect to all risks relating to the Group and the Shares, but are limited to risk factors that are considered specific to the Group and the Shares. The risk factors 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 affect 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.*

*Before making any decision to invest in the Company's Shares, an investor must take into account that a number of general risk factors that are not included in this Section 2 still applies to the Group and the Shares.*

### **2.1 Risk relating to Company's future existence and strategy of a business combination**

The Company's subsidiary Hiddn Security AS filed for bankruptcy on 21 May 2019, entailing that the Group no longer has any main business activities. As a consequence, the Group is dependent on adding new business to the Group to come into a position of recreating value to its shareholders. As further described in Section 8.2 "The bankruptcy of Hiddn Security AS and strategy of adding new main business going forward", the strategy and focus of the Company following the bankruptcy of Hiddn Security AS is to search for opportunities resulting in a business combination in which the Group can capitalize on its broad shareholder base and listing on the Oslo Stock Exchange.

The Company has been approached by possible strategic partners regarding a possible business combination. There is, however, a risk that the Company will be unsuccessful in completing such combination for reasons that the Company may or may not have control over. During the last year, the Group has been involved in three different transactions for a possible combination, all of which have been terminated for reasons relating to the Company's previously stressed financial situation.

Following completion of the December Private Placement, January Private Placement and the Subsequent Offering, the Company has available cash resources of up to approximately NOK 74.6 million. If the process of identifying and securing an agreement for a business combination should take significantly more time than expected, it is a risk that the Company will have to raise additional funding in order to continue pursuing its strategy.

As the Company have cash resources available, it is likely that a business combination will entail that the owners of the new business is remunerated in a combination of cash and Shares in the Company. From a relative perspective, the Group has a small business and a low market value, which implies that a business combination will entail significant dilution of the ownership of the Company's existing shareholders. Even though a business combination intends to add value to the Group (and, thus, increase the value of the Shares), the Company has no control over the future pricing of the Company's shares. Consequently, a business combination may entail significant dilution of the ownership of the Company's existing.

### **2.2 Risks relating to the Group's remaining business operated by FCS**

#### **2.2.1 Risks relating downward trend in market for secure filing cabinets and other physical storage solutions**

The Group's operational business as of the date of this Prospectus is that of FCS, which is a distributor of secure cabinets and physical storage systems. FCS estimates a loss of NOK 2.1 million in 2019 on a turnover of NOK 8.7 million and a loss of NOK 229 thousand in 2018, compared to a profit of NOK 871 thousand in 2017. The result is reflecting a downward trend in demand for physical storage during the last decade as companies, governmental institutions and individuals to a large extent have switched to electronic storage.

In line with the falling market trend described above, sales revenue in FCS has shown a downward trend in recent years, but seems to have stabilized somewhat. It is estimated that FCS will have a break-even turnover of approximately NOK 7-8 million in 2020. FCS has landed new sourcing opportunities in order to broaden the product offering to meet the stable demand for safe storage of physical devices. FCS cost structure is significantly reduced during September - December 2019. A new managing director is onboard with two sales colleagues only. Nonetheless, if FCS don't succeed and sales revenue continues downward, it could adversely affect the possibility of reaching profitability in FCS, including negatively affecting the Group's strategic review of FCS. Further, in the event FCS becomes dependent on funding in the future, there is a risk that such funding will not be available to the company and that the company may become insolvent.

### **2.3 Risks relating to Private Placements**

#### **2.3.1 Major shareholder has a significant ownership in the Company**

The December Private Placement was subscribed by Tycoon Industrier AS, a company controlled by investor Øystein Stray Spetalen. Following the completion of the December Private Placement, that shareholder controlled approximately 30.83% of the issued and outstanding share capital of the Company of the (as registered in the VPS as of 19 December 2019). In the January Private Placement, Tycoon Industrier AS has subscribed for 20,000,000 January Private Placement Shares. Accordingly, this shareholder will combined have a significant interest in the Company and will consequently have the power to influence or control the outcome of most matters to be decided by vote at a shareholders' meeting. Such matters include the issuance of additional Shares or other equity related securities, which may dilute holders of the Company's Shares, the election of members to the Company's Board of Directors and the payment of any future dividends. The interests of shareholders may differ significantly from or compete with the Company's interests or those of other shareholders and it is possible that shareholders may individually or combined exercise significant influence or control over the Company in a manner that is not in the best interests of all shareholders. Such conflicts could have a material adverse effect on the Company's business, financial condition and results of operations.

### **2.4 Risks relating to the Shares**

#### **2.4.1 Risk relating to continued listing on the Oslo Stock Exchange**

As further described in Section 8 "The Group", the activities in the Company's subsidiary FCS is the only operational business of the Group as of the date of this Prospectus. FCS's business is on its own not suited to be the main business of a company listed on the Oslo Stock Exchange. If the Company is unsuccessful in its strategy of establishing a new main business for the Group, there is a risk that the Company will not be able to maintain its listing on the Oslo Stock Exchange as it does not fulfil all requirements for a continued stock exchange listing.

A delisting from the Oslo Stock Exchange will most likely materially affect the liquidity in the Company's Shares and make it more difficult for shareholders to sell their Shares. Moreover, the Company's current reporting obligations as a stock exchange listed company will no longer apply and the shareholders access to information about the Group may be materially adversely affected. Lastly, the Company will lose its current value of being a stock exchange listed company and the Company's value will be reduced to only serving as a private holding company of FCS.

#### **2.4.2 Risks relating to limitations for distribution of dividends**

On 4 September 2019, an extraordinary general meeting in the Company resolved to decrease the Company's share capital by decrease of the nominal value of the Company's shares. The share capital decrease amount of NOK 3,520,375.29 was used to cover loss in the Company that cannot be covered by other means. Unless the January Private Placement is completed or the Company's share capital is increased by an amount equalling the share capital decrease amount by other means, the Company is prohibited from resolving to distribute dividend for a period of three years starting from the date on which the share capital decrease was registered with the Norwegian Register of Business Enterprises.

#### **2.4.3 There may not be a liquid market for the Shares**

As of the date of this Prospectus, there are little market demand for the Company's shares, which makes it difficult for investors to sell their Shares. The limited market demand for the Company's Shares may also have a material adverse effect on the sales price of the Company's Shares.

**3 RESPONSIBILITY FOR THE PROSPECTUS**

This Prospectus has been prepared in connection with listing of the New Shares on the Oslo Stock Exchange.

The Board of Directors of Hiddn Solutions ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

28 February 2020

The Board of Directors of Hiddn Solutions ASA

Martin Nes  
*Chairman*

Yvonne Litsheim  
Sandvold  
*Board member*

Øystein Stray Spetalen  
*Board member*

## **4 GENERAL INFORMATION**

*This Section provides general information on the presentation of industry and marked data as well as the use of forward-looking statements in this Prospectus.*

### **4.1 Procedure for and approval of the Prospectus**

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw. Finanstilsynet) (the "**Norwegian FSA**") as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approve this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation and such approval shall not be considered as an endorsement of the company that is the subject of this Prospectus. Any investor should make their own assessment as to the suitability of investing in the Company's Shares.

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

### **4.2 Industry and market data**

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects the Group's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as the Group, as well as the Group's internal data and its own experience, or on a combination of the foregoing. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Group's competitive position is based on the Company's own assessment and knowledge of the market in which it operates.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company does not intend, and does not assume any obligations to update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus and projections, assumptions and estimates based on such information may not be reliable indicators of the Group's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk Factors" and elsewhere in this Prospectus.

### **4.3 Cautionary note regarding forward-looking statements**

This Prospectus includes forward-looking statements that reflect the Group's current intentions, beliefs or current expectations concerning, among other things, financial position, operating results, liquidity, prospects, growth, strategies and the industries and markets in which the Group operates ("**Forward-looking Statements**"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. Forward-looking Statements as a general matter are all statements other than statements as to historic facts or present facts or circumstances. They appear in a number of places throughout this Prospectus, and include, among other things,



statements relating to the Group's strategy, outlook and growth prospects and the ability of the Group to implement its strategic initiatives, the Group's financial condition, the Group's working capital, cash flows and capital investments, the Group's dividend policy, the impact of regulation on the Group, general economic trends and trends in the Group's industries and markets and the competitive environment in which the Group operates.

Prospective investors in the Shares are cautioned that Forward-looking Statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industries and markets in which the Group operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. The Group can provide no assurances that the intentions, beliefs or current expectations upon which its Forward-looking Statements are based will occur.

Although the Group believes that the expectations implied by these forward-looking statements are reasonable, the Group can give no assurances that the outcomes contemplated will materialise or prove to be correct. By their nature, Forward-looking Statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, outcomes may differ materially from those set out in any Forward-looking Statement. Important factors that could cause those differences include, but are not limited to:

- implementation of its strategy and its ability to further expand its business and growth;
- technology changes and new products and services introduced into the Group's market and industry;
- ability to develop new products and enhance existing products;
- the competitive nature of the business the Group operates in and the competitive pressure and changes to the competitive environment in general;
- loss of important clients;
- earnings, cash flow, dividends and other expected financial results and conditions;
- fluctuations of exchange and interest rates;
- changes in general economic and industry conditions;
- political and governmental and social changes;
- changes in the legal and regulatory environment;
- environmental liabilities;
- changes in consumer trends;
- access to funding; and
- legal proceedings.

Additional factors that could cause the Group's actual results, performance or achievements to differ materially include, but are not limited to, those discussed under

for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Company.

The Forward-looking Statements speak only as of the date of this Prospectus. Save as required by Section 7-15 of the Norwegian Securities Trading Act or by other applicable law, the Company expressly disclaims any obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral Forward-looking Statements attributable to the Group or to persons acting on the Group's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

Given the afore-mentioned uncertainties, prospective investors are urged not to place undue reliance on any of the Forward-looking Statements herein. Forward-looking Statements are included in, inter alia, Section 8 "The Group" of this prospectus.

## **5 LISTING OF PRIVATE PLACEMENT SHARES**

### **5.1 Overview**

#### **5.1.1 The December Private Placement**

On 19 December 2019, the Company's Board resolved to issue 7,164,688 new shares in the Company (i.e. the December Private Placement Shares), each with a nominal value of NOK 1, at a subscription price of NOK 1.20 per new share, raising gross proceeds of NOK 8,597,625.60, in a private placement towards Tycoon Industrier AS, a company controlled by investor Øystein Stray Spetalen (i.e. the December Private Placement), cf. board resolution included in Section 5.3.1 "Resolutions to issue the December Private Placement Shares". The December Private Placement Shares were issued by the Board pursuant to an authorization granted by the Company's extraordinary general meeting on 4 September 2019.

The background for the December Private Placement was to ensure sufficient working capital to the Company's ongoing business and realization of the Company's strategy going forward.

The share capital increase relating to the December Private Placement was on 17 January 2020 registered with the Norwegian Register of Business Enterprises. Following this the Company's new registered share capital was NOK 23,242,091 divided on 23,242,091 Shares, each with a nominal value of NOK 1. The December Private Placement Shares was issued on a separate ISIN in VPS until and subject to publication by the Company of this Prospectus.

#### **5.1.2 The January Private Placement**

On 20 January 2020, the Company announced a fully subscribed contemplated private placement of approximately NOK 50,000,000, by conditional allocation of 41,666,666 new shares (i.e. the January Private Placement Shares), subject to approval by the extraordinary general meeting, at a subscription price of NOK 1.20 per share (i.e. the January Private Placement"). The January Private Placement was directed at existing shareholders, including Tycoon Industrier AS, which was conditionally allocated 20,000,000 January Private Placement Shares, and new investors. On 12 February 2020, the extraordinary general meeting resolved to issue the January Private Placement Shares, as further described in Section 5.3.2 "Resolutions to issue the January Private Placement Shares".

The purpose of the January Private Placement was to secure sufficient working capital for the Company's ongoing business going forward and financing of strategic opportunities including potential acquisitions.

The payment for the January Private Placement Shares allocated to the subscribers falls due within one week after the end of the Subscription Period of the Subsequent Offering, see Section 6 "Subsequent Offering", i.e. on or about 19 March 2020. Assuming that payments from all subscribers are made when due, the January Private Placement Shares are expected to be delivered to subscribers and admitted to trading on Oslo Stock Exchange on or about 25 March 2020.

### **5.2 Use of proceeds**

The net proceeds from the December Private Placement and the January Private Placement will be used for working capital purposes and financing of strategic opportunities, including potential acquisitions.

### **5.3 Resolutions to issue the December Private Placement Shares and the January Private Placement Shares**

#### **5.3.1 Resolution to issue the December Private Placement Shares**

On the meeting 19 December 2019, the Board of Directors of the Company made a decision to issue the new shares in the December Private Placement by the following resolution:

- 1 *The Company's share capital is increased by NOK 7,164,688 by issuance of 7,164,688 new shares in the Company.*
- 2 *Each of the new shares with a nominal value of NOK 1.00.*
- 3 *The subscription price for each of the new shares is NOK 1.20, whereby NOK 1.00 constitute share capital and NOK 0.20 constitute share premium. The total subscription amount constitute NOK 8,597,625.60, of which NOK 7,164,688 constitute share capital and NOK 1,432,937.60 constitute share premium.*
- 4 *The new shares shall be subscribed by Tycoon Industrier AS.*

- 5 *Existing shareholders' preferential rights is waived.*
- 6 *The subscription shall be made in the protocol for the resolution of the capital increase.*
- 7 *The subscription amount shall be settled by cash payment of the subscription amount to a separate share issue account in the Company within 25 January 2020.*
- 8 *The shares shall give full rights, including the right to dividend, from the date on which the share capital increase is registered with the Norwegian Register of Business Enterprises.*
- 9 *The Company's expenses in connection with the share capital increase is estimated to amount to NOK 20,000.00. Prospectus costs amount to an additional cost.*
- 10 *Section 4 of the articles of association is amended to reflect the new amount of shares and the new share capital following the share capital increase.*

The shareholders' preferential right to subscribe for the December Private Placement Shares was set aside in the Board of Directors' resolution. It was the Board of Directors' opinion that the Company had an immediate need for new capital, including for ensuring sufficient working capital to the Company's ongoing business and realization of the Company's strategy going forward, and the Board of Directors' considered the December Private Placement to be in the best interests of the Company and its shareholders.

#### 5.3.2 Resolution to issue the January Private Placement Shares

On the extraordinary general meeting held on 12 February 2020 the extraordinary general meeting made a resolution to issue new shares in the January Private Placement by the following resolution:

- 1 *The Company's share capital is increased by NOK 41,666,666 by issuance of 41,666,666 new shares in the Company, each with a nominal value of NOK 1.*
- 2 *The subscription price for each of the new share is NOK 1.20, of which NOK 1 is share capital and NOK 0.20 is share premium.*
- 3 *The new shares shall be subscribed by such subscribers with such amount of shares as set out in Appendix 2. Existing shareholders' preferential rights pursuant to section 10-4 of the Norwegian Public Limited Liability Companies Act is deviated from cf. section 10-5 of the Norwegian public limited liability companies act.*
- 4 *The subscription of the new shares shall be made in a separate subscription form within two weeks of the resolution by the general meeting.*
- 5 *The subscription amount shall be settled by payment of the subscription amount to a separate share issue account in the Company within 1 week after the end of the subscription period of the subsequent offering as proposed under item 5 below.*
- 6 *The Company's expenses in connection with the share capital increase are estimated to amount to approximately NOK 2 million.*
- 7 *The shares shall give full rights, including the right to dividend, from the date on which the share capital increase is registered with the Norwegian Register of Business Enterprises.*
- 8 *Listing of the shares on Oslo Børs is conditioned upon the Company publishing an EEA prospectus that is approved by the Financial Supervisory Authority of Norway. If a prospectus is not approved and published at the date of completion of the share capital increase, the shares will be issued under a separate ISIN that is not tradeable on Oslo Børs and transferred to the Company's ordinary ISIN as soon practically possible following publication of the prospectus.*
- 9 *Section 3 of the articles of association shall be amended to reflect the new share capital and the new amount of shares following the share capital increase.*

In light of the purpose of the January Private Placement and the proposal for the Subsequent Offering, the extraordinary general meeting resolved to deviate from the existing shareholders' preferential rights in relation to the January Private Placement.

#### **5.4 Issuance, delivery and listing of the December Private Placement Shares and the January Private Placement Shares**

##### **5.4.1 The December Private Placement**

As a result of the issuance of the December Private Placement Shares, the Company's share capital has been increased from NOK 16,007,403 by NOK 7,164,688 to NOK 23,242,091.

The share capital increases pertaining to the December Private Placement was registered in the Norwegian Register of Business Enterprises on 17 January 2020. Pending the publication of this Prospectus, the December Private Placement Shares was issued on an ISIN separate from the Company's other Shares, ISIN NO 0010873763. Upon publication of this Prospectus, the December Private Placement Shares will be transferred to the same ISIN as the Company's other Shares (i.e. ISIN NO0003108102) and become listed and tradable on the Oslo Stock Exchange, expected on or about 28 February 2020.

##### **5.4.2 The January Private Placement**

Subject to completion of the January Private Placement, the Company's share capital will be increased from NOK 23,242,091 by NOK 41,666,666 to NOK 64,908,757.

The payment for the January Private Placement Shares allocated to the subscribers falls due within 1 week after the end of the Subscription Period of the Subsequent Offering, see Section 6 "Subsequent Offering", i.e. on or about 19 March 2020. Assuming that payments from all subscribers are made when due, the January Private Placement Shares are expected to be delivered to subscribers and admitted to trading on Oslo Stock Exchange under the same ISIN as the Company's other Shares (i.e. ISIN NO0003108102) on or about 25 March 2020.

#### **5.5 Rights relating to the December Private Placement Shares and the January Private Placement Shares**

The December Private Placement Shares and the January Private Placement Shares are ordinary shares in the Company, each with a nominal value of NOK 1, and will be issued electronically in book-entry form in accordance with the Norwegian Public Limited Liability Companies Act.

With effect from the date on which the share capital increases relating to the December Private Placement and the January Private Placement is registered in the Norwegian Register of Business Enterprises, the December Private Placement Shares and the January Private Placement Shares rank *pari passu* in all respects with the Company's existing Shares and carry full and equal shareholder rights in the Company.

All Shares, including the December Private Placement Shares and the January Private Placement Shares, have voting rights and other rights and obligations that are customary under Norwegian Public Limited Liability Companies Act and are governed by Norwegian law. The December Private Placement Shares and the January Private Placement Shares give right to dividend from the time share capital increase pertaining to the share issuance is registered with the Norwegian Register of Business Enterprises. Please refer Section 11.4 "Shareholders rights" for a more detailed description of the rights attaching to the Shares.

#### **5.6 Transferability and lock-up agreements**

Subject to applicable securities law, the December Private Placement Shares and the January Private Placement Shares are freely transferable. No lock-up agreements were entered into in connection with the December Private Placement and the January Private Placement or is applicable to the December Private Placement Shares and the January Private Placement Shares.

#### **5.7 Dilution**

The immediate dilutive effect on the ownership of the Company's shareholders who did not participate in the December Private Placement was approximately 44.6%. The immediate dilutive effect on the ownership of the Company's shareholders who did not participate in the January Private Placement was approximately 179.3%.

The Company's total assets and debt (long term and short term) as at 30 June 2019 (i.e. the latest balance sheet before the January Private Placement) and as set out in the Company's consolidated balance sheet as at that date was TNOK 7,109 and TNOK 9,301, respectively, which translates to approximately NOK -1.80 (reflecting the 20:1 reverse split resolved on 4 September 2019) in net asset value per Share at that date. The subscription price in the January Private Placement was NOK 1.20.

#### **5.8 Participation by major existing shareholders and members of the Company's management, supervisory or administrative bodies**

Below is an overview of participation in the January Private Placement by major existing shareholders and members of the Company's management and Board of Directors:

- An existing shareholder, Dallas Asset Management AS, a company controlled by Jan Christian Opsahl, was allocated 2,560,358 January Private Placement Shares.
- An existing shareholder, Tycoon Industrier AS, a company controlled by Øystein Stray Spetalen, a member of the Board of Directors of the Company, was allocated 20,000,000 January Private Placement Shares.
- An existing shareholder, Intelco Concept AS, a company controlled by Øystein Tvenge, was allocated 5,147,230 January Private Placement Shares.

#### **5.9 Proceeds and expenses**

Costs attributable to the December Private Placement is borne by the Company and is estimated to approximately NOK 20,000 with the addition of costs for preparing a prospectus. As such, the net proceeds to the Company from the December Private Placement is approximately NOK 8.4 million.

Costs attributable to the January Private Placement is borne by the Company and is estimated to approximately NOK 2 million. As such, the net proceeds to the Company from the January Private Placement is approximately NOK 48 million.

#### **5.10 Interests of natural and legal persons involved**

Other than the above and as set out in Section 0 "Participation by major existing shareholders and members of the Company's management, supervisory or administrative bodies", the Company is not aware of any interest (including conflict of interest) of any natural or legal persons involved in the December Private Placement nor the January Private Placement.

#### **5.11 Tax**

Purchase, holding and disposal of the Company's Shares may be subject to taxation in Norway, see Section 13 "Taxation" for further information.

#### **5.12 Advisors**

AGP Advokater AS has acted as legal advisors for the Company in connection with the December Private Placement and the January Private Placement.

#### **5.13 Jurisdiction and choice of law**

The December Private Placement Shares and the January Private Placement Shares will be issued in accordance with the Norwegian Public Limited Companies Act.

This Prospectus, the December Private Placement, the January Private Placement, the December Private Placement Shares and the January Private Placement Shares are subject to Norwegian law, unless otherwise indicated herein. Any dispute arising in respect to this Prospectus, the December Private Placement or the January Private Placement shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.

## 6 SUBSEQUENT OFFERING

*This Section provides important information on the terms of the Subsequent Offering. Investing in the Offer Shares involves inherent risks. In making an investment decision, each investor must rely on their own examination, and analysis of, and enquiry into the Company and the terms of the Subsequent Offering, including the merits and risks involved. None of the Company or the Manager, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares. You should read this Section in conjunction with the other parts, in particular Section 2 "Risk Factors".*

### 6.1 Background

The Subsequent Offering comprises 25,000,000 Offer Shares, each with a nominal value of NOK 1, at a Subscription Price of NOK 1.20 per Offer Share, which equals to the subscription price for the January Private Placement Shares, thereby raising gross proceeds of up to approximately NOK 30 million. The purpose of the Subsequent Offering is to facilitate for existing shareholders in the Company being able to partially mitigate the dilutive effect of the January Private Placement.

The Subsequent Offering is fully underwritten by investors that participated in the January Private Placement on a pro-rata basis on its allocation of January Private Placement Shares, as further described in Section 6.11 "Allocation criteria" and Section 0 "The Underwriting". The Subsequent Offering will thereby be fully subscribed.

### 6.2 Use of proceeds

The net proceeds of in the Subsequent Offering will be used for working capital purposes and financing strategic opportunities including potential acquisitions

### 6.3 Timetable for the Subsequent Offering

The time table below sets out certain key dates for the Subsequent Offering:

Event	Date
Last day of trading in the Shares incl. Subscription Rights .....	17 January 2020
First day of trading in the Shares excl. Subscription Rights .....	20 January 2020
Record Date .....	21 January 2020
Start of Subscription Period .....	at 09:00 (CET) on 2 March 2020
Trading in Subscription Rights commences on the Oslo Stock Exchange.....	at 09:00 (CET) on 2 March 2020
Trading in Subscription Rights ends.....	at 16:30 (CET) on 12 March 2020
End of Subscription Period .....	at 16:30 (CET) on 16 March 2020
Allocation of Offer Shares .....	On or about 17 March 2020
Allocation letters distributed.....	On or about 17 March 2020
Payment Date for the Offer Shares .....	On or about 19 March 2020
Delivery of the Offer Shares .....	On or about 25 March 2020
Listing and first day of trading of the Offer Shares on Oslo Stock Exchange .....	On or about 25 March 2020

The dates above are indicative and subject to change.

### 6.4 Resolution to Issue the Offer Shares

The Offer Shares will be issued pursuant to the following resolution from 12 February 2020 by the extraordinary general meeting to increase the share capital of the Company:

- 1 *The Company's share capital is increased by NOK 25,000,000 by issuance of 25,000,000 new shares in the Company, each with a nominal value of NOK 1.*
- 2 *The subscription price for each of the new shares is NOK 1.20, of which NOK 1 is share capital and NOK 0.20 is share premium.*

- 3 *Existing shareholders' preferential rights pursuant to section 10-4 of the Norwegian Public Limited Liability Companies Act is deviated from cf. section 10-5 of the Norwegian Public Limited Liability Companies act. The new shares may be subscribed by existing shareholders in the Company as of 17 January 2020, as registered in the VPS as of 21 January 2020 (the record date), and who are not allocated shares in the private placement considered under item 4 of the agenda above and who are not resident in a jurisdiction in which such offer would be unlawful or require any prospectus registration or similar outside Norway.*
- 4 *Tradeable subscription rights will be issued to eligible shareholders proportionate to their shareholding as registered in the VPS as of the record date, rounded down to the nearest whole subscription right. The subscription rights provide preferential rights to shares subscribed in the share capital increase. The subscription rights shall be registered in the VPS on a separate ISIN. The subscription rights shall be tradable on Oslo Børs from commencement of the subscription period and until 16:30 (Oslo time) two trading days prior to the end of the subscription period.*
- 5 *Over-subscription is allowed. Subscription without subscription rights is not allowed. In the event of over-subscription, subscribers with subscription rights have preferential rights to have shares allocated to them proportionate to the number of subscription rights used by the subscriber. If not all shares are allocated on the basis of subscription rights (including over-subscription by subscribers with subscription rights), the remaining shares shall be proportionally allocated to the investors having been allocated shares in the Private Placement on a pro-rata basis based on their allocation in the Private Placement. The board is authorized to determine the final allocation in accordance with these principles.*
- 6 *Subscription of the new shares shall be made in a separate subscription form during the subscription period. The subscription period shall commence at 09:00 (Norwegian time) on the first business day after the Company having published an EEA prospectus to be approved by the Financial Supervisory Authority of Norway and end at 16:30 (Norwegian time) on the date two weeks thereafter. The Company expects the prospectus to be approved and published in February/March 2020.*
- 7 *The subscription amount shall be settled by payment of the subscription amount to a separate share issue account within 1 week after the end of the subscription period and in accordance with further instructions from the Company.*
- 8 *The Company's expenses in connection with the share capital increase is estimated to amount to NOK 1 million and shall be paid by the Company.*
- 9 *The shares shall give full rights, including the right to dividend, from the date on which the share capital increase is registered with the Norwegian Register of Business Enterprises.*
- 10 *Section 3 of the articles of association shall be amended to reflect the new share capital and the new amount of shares following the share capital increase.*

#### **6.5 Subscription Period**

The Subscription Period in the Subsequent Offering will commence on 2 March 2020 at 09:00 (CET) and expire on 16 March 2020 at 16:30 (CET). The Subscription Period may not be extended or shortened.

#### **6.6 Subscription Price**

The Subscription Price in the Subsequent Offering is NOK 1.20 per Offer Share. The Subscription Price is equal to the subscription price in the January Private Placement. The subscribers will not incur any costs related to the subscription for, or allotment of, the Offer Shares.

#### **6.7 Subscription Rights**

The Company will issue Subscription Rights to shareholders of the Company as of close of trading on 17 January 2020, as recorded in the VPS on the Record Date (21 January 2020) ("**Existing Shareholders**") who were not allocated shares in the January Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action ("**Eligible Shareholders**").



Each Existing Shareholder will be granted 2.06415 Subscription Rights for every share held in the Company as at the Record Date.

The Subscription Rights will be listed on the Oslo Stock Exchange and be tradable under trading symbol "HIDDEN T" from the start of the Subscription Period to 16:30 hours (CET) 12 March 2020. Over-subscription in the Subsequent Offering will be permitted. Subscription without Subscription Rights will not be permitted.

The Subscription Rights will be credited to and registered on each Eligible Shareholder's VPS account on 2 March 2020 under ISIN NO0010874670. The Subscription Rights will be distributed free of charge to Eligible Shareholders.

**The Subscription Rights will be transferrable and, thus listed on Oslo Stock Exchange during the Subscription Period.**

The Subscription Rights may be used to subscribe for Offer Shares in the Subsequent Offering before the expiry of the Subscription Period (i.e. 16 March 2020 at 16:30 hours (CET)) or be sold before 12 March 2020 at 16:30 hours (CET). Acquired Subscription Rights will give the same right to subscribe for, and be allocated, Offer Shares as Subscription Rights granted to Eligible Shareholders on the basis of their shareholdings on the Record Date.

**Subscription Rights must be used to subscribe for Offer Shares before the expiry of the Subscription Period on 16 March 2020 at 16:30 hours (CET). Subscription Rights that are not exercised before 16:30 (CET) on 16 March 2020 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 Offer Shares must be made in accordance with the procedures set out in this Prospectus and that the acquisition of Subscription Rights does not in itself constitute a subscription for Offer 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 subscriptions for Offer Shares ("**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 Manager to, as far as possible, withdraw the Subscription Rights from such Ineligible Shareholders' VPS accounts, unless the relevant Subscription Rights are held through a financial intermediary. Please refer Section 6.23 "Subscription through financial intermediaries" for a further description of the procedure applicable to Subscription Rights held by Ineligible Shareholders through financial intermediaries.

## **6.8 Trading in Subscription Rights**

The Subscription Rights will be fully tradable and listed on the Oslo Stock Exchange with ticker code "HIDDEN T" from the start of the Subscription Period in the Subsequent Offering and to 16:30 hours (CET) on 12 March 2020.

**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. See Section 7 "Selling and transfer restrictions" for a description of such restrictions and prohibitions.

## **6.9 Subscription procedures and subscription office**

Subscriptions for Offer Shares must be made on a subscription form as set out in Appendix A (the "**Subscription Form**"), attached hereto.

Subscribers who are Norwegian residents with Norwegian personal identification number (Norwegian: "personnummer") are encouraged to subscribe for Offer Shares by following the link on [www.dnb.no/emisjon](http://www.dnb.no/emisjon), which will redirect the subscriber to the VPS online subscription system. In order to use the online subscription system, the subscriber must have, or obtain, a VPS account number. Note that legal persons cannot subscribe for Offer Shares via the VPS online subscription system and must submit the Subscription Form to subscribe.

Online subscriptions must be submitted, and accurately completed subscription forms must be received by the Manager, by 16:30 (CET) on 16 March 2020. Neither the Company nor the Manager 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 Manager. Subscription forms received after the end of the Subscription Period and/or incomplete or incorrect subscription forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Manager without notice to the subscriber.

Properly completed and signed subscription forms may be mailed or delivered to the Manager at the address set out below:

**DNB Markets**

Dronning Eufemias gate 30

P.O. Box N-1600 Sentrum

0021 Oslo, Norway

Tel: +47 23 26 80 20

E-mail: retail@dnb.no

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

Multiple subscriptions (i.e. subscriptions on more than one subscription form) are allowed. Please note, however, that two separate subscription forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both subscription forms will only be counted once unless otherwise explicitly stated in one of the subscription forms. In the case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a subscription form and through the VPS online subscription system, all subscriptions will be counted.

**6.10 Mandatory Anti-Money Laundering Procedures**

The Subsequent Offering is subject to the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324 (collectively, the "**Anti-Money Laundering Legislation**").

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

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

**6.11 Allocation criteria**

Allotment of the Offer Shares is expected to take place on or about 17 March 2020.

The following criteria will be used for allotment of the Offer Shares in the Subsequent Offering:

- 1 Subscription made on the basis of the Subscription Rights (whether granted or acquired); and
- 2 Over-subscription by subscribers with Subscription Rights on a pro rata basis in accordance with the Norwegian Public Limited Liability Companies Act.
- 3 Offer Shares not allocated pursuant to 1) or 2) above, will be allocated to investors that participated in the January Private Placement on a pro-rata basis on its allocated January Private Placement Shares in the January Private Placement.

General information regarding the result of the Subsequent Offering is expected to be published on or about 17 March 2020 in the form of a stock exchange release through [www.newsweb.no](http://www.newsweb.no). Notifications of allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter from the VPS on or about 17 March 2020. Investors with access to VPS Investor Services will also be able to see their allocated Offer Shares through such services.

## **6.12 Payment for the Offer Shares**

### **6.12.1 Overview**

The payment for Offer Shares allocated to a subscriber falls due on or about 19 March 2020 (the "**Payment Date**"). Payment must be made in accordance with the requirements set out below.

### **6.12.2 Subscribers who have a Norwegian bank account**

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

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

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

If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorization from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue. If payment for the allotted Offer Shares is not received when due, the Offer Shares will not be delivered to the Subscriber, and the Board of Directors reserves the right, at the risk and cost of the subscriber, to cancel the subscription in respect of the Offer Shares for which payment has not been made, or to sell or otherwise dispose of the Offer Shares, and hold the subscriber liable for any loss, cost or expense suffered or incurred in connection therewith. The original subscriber remains liable for payment of the entire amount due, including interest, costs, charges and expenses accrued, and the Manager may enforce payment of any such amount outstanding.

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 will have to contact the Manager for specific payment instructions.

### **6.12.3 Subscribers who do not have a Norwegian bank account**

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

### **6.12.4 Overdue payments**

Overdue and late payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Limited Companies Act and at the discretion of the Manager, not be delivered to the subscriber.

## **6.13 Delivery and listing of Offer Shares**

All Subscribers subscribing for Offer Shares must have a valid VPS account (established or maintained by an investment bank or Norwegian bank that is entitled to operate VPS accounts) to receive Offer Shares. Assuming that payments from all Subscribers are made when due, it is expected that the share capital increase will be registered with the Norwegian Register of Business Enterprises on or about 25 March 2020 and that delivery of the Offer Shares will take place on or about the same date. The final deadline for registration of the share capital increase pertaining to the Subsequent 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 Companies Act, three months from the date on which the general meeting resolve to issue the Offer Shares. Trading in the Offer Shares on Oslo Stock Exchange is expected to commence on or about 25 March 2020 under the same ISIN as the Company's other Shares (i.e. ISIN NO0003108102).

All of the Offer Shares will be subject to admission to trading on Oslo Stock Exchange. The Shares will not be sought or admitted to trading on any other regulated market than Oslo Stock Exchange.

#### **6.14 Publication of information relating to the Subsequent Offering**

Information related to any changes in the Subsequent Offering and general information regarding the result of the Subsequent Offering will be published in the form of a stock exchange release through [www.newsweb.no](http://www.newsweb.no) under the Company's ticker "Hiddn" and will also be available on the Company's website [www.hiddnsolutions.no](http://www.hiddnsolutions.no). The announcement regarding the subscribed amount is expected to be made on or about 17 March 2020.

#### **6.15 Transferability of the Offer Shares**

The Offer Shares are freely transferable pursuant to the Company's articles of association. The Offer Shares may not be transferred or traded before they are fully paid, the share capital increase pertaining to the share issuance has been registered with the Norwegian Register of Business Enterprises and the Offer Shares have been registered in the VPS. For further details on selling and transfer restrictions, please refer Section 7 "Selling and Transfer Restrictions".

#### **6.16 Share capital following the Subsequent Offering**

The number of Offer Shares to be issued in the Subsequent Offering are 25,000,000 Offer Shares, each with a nominal value of NOK 1, which will increase the Company's total number of issued Shares from 64,908,757 Shares (for the avoidance of doubt, including the January Private Placement Shares, subject to the completion of the January Private Placement) to a maximum of 89,908,757 Shares, each with a nominal value of NOK 1.

#### **6.17 Shareholders rights attached to the Offer Shares**

The Offer Shares issued in the Subsequent Offering will be ordinary Shares in the Company having a nominal value of NOK 1. The Offer Shares will be issued electronically in registered form in accordance with the Norwegian Public Limited Companies Act.

The registrar for the Shares (including the Offer Shares) in the VPS is Nordea Bank Norge ASA, Custody Services, P.O. Box 1166 Sentrum, 0107 Oslo, Tel: +47 24 01 34 62.

The Offer Shares will rank pari passu with the Company's existing Shares and will carry full shareholders rights in the Company from the time of registration of the share capital increase pertaining to the Subsequent Offering in the Norwegian Register of Business Enterprises. The Offer Shares will be eligible for any dividends that the Company may declare after said registration. All Shares, including the Offer Shares, will have voting rights and other rights and obligations that are standard under the Norwegian Public Limited Liability Companies Act, and are governed by Norwegian law.

The Offer Shares will be freely transferable, however, subject to applicable securities law, see Section 7 "Selling and transfer restrictions" below for a description of certain restrictions and prohibitions applicable to selling and transfer of the Offer Shares in certain jurisdictions.

#### **6.18 Expenses and net proceeds**

Gross proceeds in the Subsequent Offering, transaction costs and all other directly attributable costs in connection with issuance of the Offer Shares will be NOK 25 million. Total expenses are estimated to approximately NOK 1 million, thusly resulting in net proceeds of approximately NOK 24 million.

#### **6.19 Dilution**

Following issuance of the January Private Placement Shares, the Subsequent Offering will result in an immediate dilution of approximately 38.5% for existing shareholders in the Company who do not participate in the Subsequent Offering.

The Company's total assets and debt (long term and short term) as at 30 June 2019 (i.e. the latest balance sheet before the Subsequent Offering) and as set out in the Company's consolidated balance sheet as at that date was TNOK 7,109 and TNOK 9,301, respectively, which translates to approximately NOK -0.60 (reflecting the 20:1 reverse split resolved

on 4 September 2019) in net asset value per Share at that date. The subscription price in the Subsequent Offering is NOK 1.20.

## 6.20 The Underwriting

The Subsequent Offering is, in accordance with the application agreements, dated 17 January 2020, entered into between the Company and the Underwriters in connection with the January Private Placement, fully underwritten by the Underwriters as listed in the table below so that the Subsequent Offering is fully subscribed. The Underwriters will not receive any fee for the underwriting. The table below shows the subscription amount each Underwriter has undertaken to guarantee:

<b>Name</b>	<b>Address</b>	<b>Underwritten amount</b>
Tycoon Industrier AS	Sjølyst plass 2, 0278 Oslo, Norway	12,000,000
Intelco Concept AS	Cort Adelers gate 17, 0203 Oslo, Norway	3,088,338
Datum AS	Munkedamsveien 45F, 0250 Oslo, Norway	1,800,000
Tigerstaden AS	Olav Vs gate 5, 0161 Oslo, Norway	800,112
Apollo	Tour Odeon, 34 Avenue L'annonciade, MC-98000 Monaco, Monaco	800,112
Lani Invest AS	Nedre Storgate 46, 3015 Drammen, Norway	800,112
Skøien AS	Olav Vs gate 5, 0161 Oslo, Norway	800,112
Torstein Tvenge	Gimle terrasse 12, 0264 Oslo, Norway	1,500,000
Hanekamb Invest AS	Holgerslystveien 10A, 0280 Oslo, Norway	625,000
Dallas Asset Management AS	Svarttrostveien 20, 0788 Oslo, Norway	1,536,215
LCS AS	Sjølyst plass 2, 0278 Oslo, Norway	625,000
Olav Tvenge	Voksenliveien 6A, 0789 Oslo, Norway	625,000

## 6.21 Interest of natural and legal persons

In accordance with market practice, the Manager will receive a fee calculated as a certain percentage of the proceeds from the Subsequent Offering. Consequently, the Manager will have an interest in the Subsequent Offering. The Manager and their affiliates have provided from time to time, 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 have received and may continue to receive customary fees and commissions. The Manager, its employees and any affiliate may currently own existing Shares in the Company. The Manager does 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.

As further describe above in Section 0 "The Underwriting" and Section 6.11 "Allocation criteria", the Underwriters have undertaken to subscribe for any Offer Shares that have not been subscribed for, and allocated, in the Subsequent Offering. Each of the Underwriters, its employees and any affiliate acting as an investor for its own account may receive Subscription Rights (if they are Existing Shareholders) and may exercise its right to take up such Subscription Rights and acquire Offer Shares, and, in that capacity, may retain, purchase or sell Subscription Rights or Offer Shares and any other securities of the Company or other investments for its own account and may offer or sell such securities (or other investments) otherwise than in connection with the Subsequent Offering. The Underwriters 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.

Other than what is set out above, there are no other interests (including conflict of interests) of natural and legal persons involved in the Subsequent Offering.

## 6.22 Participation of Major Existing Shareholders and Members of the Company's Management, Supervisory and Administrative Bodies in the Subsequent Offering

Other than the Underwriters obligation to subscribe in the Subsequent Offering as further described in Section 0 "The Underwriting" and Section 6.11 "Allocation criteria", the Company is not aware of whether any major existing shareholders and members of the Company's management, supervisory and administrative bodies intend to subscribe for Offer Shares in the Subsequent Offering, or whether any person intends to subscribe for more than 5% of the Offer Shares.

## **6.23 Subscription through financial intermediaries**

### 6.23.1 Overview

All persons or entities holding Shares or Subscription Rights through financial intermediaries (i.e., brokers, custodians and nominees) should read this Section 6.23 "Subscription through Financial Intermediaries". All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Subscription Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder.

The Company is not liable for any action or failure to act by a financial intermediary through which Shares are held.

### 6.23.2 Subscription Rights

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

Ineligible Shareholders who hold their interests through a financial intermediary, will not be entitled to be allocated Offer Shares in the Subsequent Offering but may subject to applicable law instruct their financial intermediary to sell their Subscription Rights transferred to the financial intermediary.

### 6.23.3 Subscription Period and period for trading in Subscription Rights

The time by which notification of exercise instructions for subscription of Offer Shares must validly be given to a financial intermediary may be earlier than the expiry of the Subscription Period. The same applies for instructions pertaining to trading in the Subscription Rights and the last day of trading in such rights (which accordingly will be a deadline earlier than 12 March 2020. Such deadlines will depend on the financial intermediary. Eligible Shareholders who hold their Shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to deadlines.

### 6.23.4 Subscription

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

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

Please refer "Important Information" and Section 7 "Selling and Transfer Restrictions" for a description of certain restrictions and prohibitions applicable to the exercise of Subscription Rights in certain jurisdictions outside Norway.

### 6.23.5 Method of payment

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary should pay the Subscription Price for the Offer Shares that are allocated to it in accordance with the instructions received from the financial intermediary. The financial intermediary must pay the Subscription Price in accordance with the instructions in this Prospectus. Payment by the financial intermediary for the Offer Shares must be made to the Manager in accordance with Section 6.12 "Payment for the Offer Shares" no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

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

### 6.24.1 Overview

In order to participate in the Subsequent Offering, 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 Legal Entity Identifier ("**LEI**").

#### 6.24.2 NCI code for physical persons

Physical persons need an NCI code to participate in a financial market transaction. 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. Investors are encouraged to contact their bank for further information.

#### 6.24.3 LEI code for legal entities

Legal entities need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, which can take some time. Investors should obtain a LEI code in time for the application. For more information visit [www.gleif.org](http://www.gleif.org).

### **6.25 VPS Registration**

The Subscription Rights will be registered in the VPS under ISIN NO0010874670. The Offer Shares will be registered in the VPS with the same ISIN as the Shares, i.e. ISIN NO0010671068.

### **6.26 Tax**

Purchase, holding and disposal of the Company's Shares may be subject to taxation in Norway, see Section 13 "Taxation" for further information.

### **6.27 Manager and advisors**

The Manager for the Subsequent Offering is DNB Markets, Dronning Eufemias gate 30, P.O. Box N-1600 Sentrum, 0021 Oslo, Norway, Tel: +47 23 26 80 20.

AGP Advokater AS is acting as legal advisor to the Company.

### **6.28 Governing law and jurisdiction**

This Subscription Form and the terms and conditions of the Subsequent Offering shall be governed by, and construed in accordance with, and the Offer Shares will be issued pursuant to, Norwegian law. Any dispute arising out of, or in connection with, the Subscription Forms or the Subsequent Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.

## 7 SELLING AND TRANSFER RESTRICTIONS

### 7.1 General

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

The Company is not taking any action to permit a public offering of the Subscription Rights and Offer Shares in any jurisdiction other than Norway. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any territory other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Subscription Rights and Offer Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Subscription Rights and Offer Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer the Subscription Rights and Offer Shares to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If the investor forwards this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), the investor should direct the recipient's attention to the contents of this Section.

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

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

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

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



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

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

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

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

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

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

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

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

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

## **7.2 United States**

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

## **7.3 United Kingdom**

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

The Manager 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.

## **7.4 The European Economic Area**

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

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

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

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

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

## **7.5 Additional jurisdictions**

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

## **8 THE GROUP**

### **8.1 Introduction**

The Company is a listed entity on the Oslo Stock Exchange, currently without any material business activities due to the bankruptcy of its subsidiary Hiddn Security AS in May 2019.

### **8.2 The bankruptcy of Hiddn Security AS and strategy of adding new main business going forward**

At the end of 2016, the Company acquired Hiddn Security AS through a reverse takeover and the market of hardware encrypted products became the main focus and business of the Company. In May of 2017, the Company further acquired Finn Clausen Sikkerhetssystemer AS ("**FCS**"), a small business within the market for secure physical filing and storage systems in Norway. The Company's acquisition of FCS was based on a strategy to expand Hiddn Security's direct sales capabilities.

On 21 May 2019, Hiddn Security AS filed a petition for bankruptcy and is currently undergoing bankruptcy proceedings. Consequently, the current ongoing business of the Group is reduced to the business of its remaining operating subsidiary, FCS. As a consequence, the Company is dependent on adding new business to the Group in order to recreate value in the Group for its shareholders.

Following the bankruptcy of Hiddn Security AS, the strategy and focus of the Group is to search for opportunities resulting in a business combination in which the Group can capitalize on its broad shareholder base and listing on the Oslo Stock Exchange. The private placements in 2019 has provided the Company with working capital to pursue such strategy, as well as to maintain and conclude on the future strategy of the small remaining business activities carried out by its subsidiary FCS.

With its listing on the Oslo Stock Exchange and broad shareholder base, the Board of Directors of the Company believes that it may be considered an attractive candidate for a possible business combination. As of the date of this Prospectus, the Company has been approached by potential strategic partners and started initial discussions of a possible business combinations. The Company will evaluate and continue these discussions to the benefit of the Company and its shareholders. Depending on a successful outcome of adding new business to the Group, the principal operating business going forward is likely to be diversified from FCS current operations and thus probably also involve a strategic review of FCS.

Taking into consideration that the Group's only operational business activities as of the date hereof is carried out by FCS, the description of the Group's business included herein is that of FCS unless otherwise specified.

### **8.3 Overview of FCS' business**

#### **8.3.1 Introduction**

FCS has since its origin been a reputable supplier with a significant share of the market for secure physical filing and storage systems in Norway. The business has been repetitive throughout the years with customers staying loyal securing significant recurring revenues. The operations have been focused on sale and distribution as well as after-sales support of security, archiving and storage products. FCS supplies products approved for up to the level "strictly confidential" allowing its customers to secure classified information, of which security products represents a major part of the company's revenue.

FCS does not manufacture any own products but are distributing products from various manufacturers.

#### **8.3.2 Products**

The Company's operations are divided into three product segments: Security cabinets, filing cabinets and other storage products.



### Security cabinets

FCS' security cabinets fulfill various security criteria, inter alia, NSM (Norwegian National Security Authority)-approval for documents and materials classified as Confidential, compliance with Nordtest fire protection standards, approvals from the Norwegian Insurance Approval Board etc. These security cabinets have historically comprised more than 40% of FCS' annual revenue.

### Filing cabinets

FCS' filing cabinets come in a variety of sizes and formats, designed to fill the customer's needs for proper document storage. The filing cabinets has historically comprised more than 20% of FCS' annual revenue.

### Other storage products

FCS's other storage products include, but are not limited to, wardrobe lockers, shelving systems, and safe deposit boxes.

Other storage products have historically comprised approximately 35% of FCS's annual revenue.

#### 8.3.3 FCS' strategy

FCS' strategy is to capitalize on corporates' and organizations' sustained need for physical storage, through its substantial share of the Norwegian market for secure cabinets and physical filing systems. This is achieved through direct sales in the Oslo metropolitan area, primarily directed towards large organizations with demanding requirements for secure physical storage such as sectors within defense and governmental institutions, and through resellers and distributors for customers outside the Oslo metropolitan area.

Demand for physical storage of documents has shown a downward trend during the last decade as businesses and people to a large extent have switched to electronic storage. As a result of this market development, several suppliers and distributors have closed their businesses. At the same time, there has recently been an increased focus on safe storage of physical devices which potentially can offset some of this falling trend. As the market tends to digital storage, FCS will continuously be looking to expand the business with products and services that are attractive to its customer base. During recent months, FCS has reduced costs significantly and the company have landed new product sourcing opportunities in order to broaden the product offering and reach profitability. FCS appointed a new managing director with effect from 1 May 2019 that will be in charge of the strategy and business development going forward.

#### 8.3.4 Principal markets

FCS has a substantial share of the market for secure cabinets and physical filing systems in Norway. During the last 10 years, several competitors has closed down their business due to decreased volumes, thus enabling FCS to further strengthen its market position.

FCS has achieved a customer base through direct sale in the counties of Oslo and Akershus in Norway and sale through distributors and resellers.

The company has entered into framework agreements with such as:

- The Norwegian Armed Forces (indirectly through subcontractor),
- The Norwegian Ministry of Foreign Affairs

- Ministry of Justice and Public Security
- Oslo Police District

In addition, FCS has approvals to deliver products to the Norwegian National Security Authority.

The major agreements with distributors and resellers are:

- Wittusen & Jensen
- Inventum

#### **8.4 Material contracts outside the ordinary course of business**

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

#### **8.5 Legal and arbitration proceedings**

Claims in connection with the bankruptcy of Hiddn Security AS may arise, however, the Company is not aware of any guarantees or agreements that could provide a legal basis for setting forth such claims against the Company.

The Company is not aware of any governmental, legal or arbitration proceedings including any such proceedings which are pending or threatened, during a period covering at least the previous 12 months which may or have had in the recent past significant effects of the Group's financial position or profitability.

#### **8.6 Significant changes impacting the issuer's operations and principal activities since 31 December 2018**

Since 31 December 2018, significant changes have taken place in the Group as Hiddn Security AS, the 100% owned daughter company of Hiddn Solutions ASA, entered a petition for bankruptcy proceeding on 21 May 2019. Hiddn Security AS was carrying out the main operating activity of the Group.

Hiddn Security AS was offering hardware-based encrypted products. During 2018, Hiddn Security AS delivered on the strategy and broadened the product portfolio and established new partnerships and distribution channels. Going into 2019, Hiddn Security was aiming at increased sales taking advantage of expanding markets following a sharpened focus on keeping information secure. Hence, the Group expected significant increase in revenue for 2019 with full effect from the second quarter of 2019 and onwards.

At the end of first quarter of 2019, Hiddn Security AS reported lower operating revenue than budgeted and continued loss making. This negative trend continued into second quarter of 2019 and with results being significantly behind budget. On that basis the Board of Directors immediately announced a cost reduction program for the rest of 2019. Following the announcement, the Board of Directors and management in the Group worked to get the cost reduction program in place. A new assessment of future sales and probabilities to find bases for a profit-making business, was also performed. The conclusion from the assessment was that this would involve unacceptable risk and call for additional future funding. Hence, the Board of Directors of the Company informed the Board of Directors of Hiddn Security AS, that they could not contribute with further funding. Following this, the Board of Directors in Hiddn Security AS made an evaluation of the situation and then made a resolution to enter a petition for bankruptcy proceedings with Oslo enforcement, bankruptcy and probate Court. The petition was filed 21 May 2019.

The Company and the operating daughter company FCS continued its business and was operationally unaffected by this. For the operation and activities of FCS, there have been no significant changes in the production, inventory and selling prices during 2019. However, one of FCS' largest suppliers changed its distribution agreement in May 2019 which led to increased cost and significantly lower gross margins for FCS. Hence, FCS has entered into cooperation agreements with other suppliers for similar products in order to be able to maintain the gross margin. FCS has also experienced lower sales than budgeted. As described above in Section 8.3.3 "FCS' strategy", demand for physical storage of documents has shown a downward trend during the last decade as businesses and people to a large extent have switched to electronic storage. At the same time, there is an increased focus on safe storage of physical devices which potentially

can offset some of this falling trend. FCS has scale down the organization in order to harmonize cost level with current operation and will continuously be looking to expand the business with products and services that are attractive to its customer base.

### 8.7 Investments

The Group has not made any material investments since 30 June 2019.

The cash flow statement as per 30 June 2019 shows, however, an investment in intangible assets of NOK 3.6 million. This is related to the accounting effects of the discontinued operations following the bankruptcy of Hiddn Security AS.

### 8.8 Related party transactions

Other than the participation of certain existing shareholders of the Company in a private placement carried out in March 2019, a private placement and debt conversion carried out in October 2019, and the transactions described in this Prospectus, there have been no transactions between the Company and a related party that are material to the Company since 30 June 2019.

### 8.9 Auditor

The Company's auditor is Ernst & Young AS. The address of the auditor is Dronning Eufemias gate 6, 0154 Oslo, Norway. Ernst & Young AS is a State Authorized Public Accountant (Norway) and a member of Den Norske Revisorforening (The Norwegian Institute of Public Accountants).

Ernst & Young AS has been the Group's auditor for the entire financial year ended 31 December 2018 and have audited the annual statements for the financial year 2018. The audit report for the financial statements for the financial year ended 31 December 2018 is incorporated hereto, see Section 14.1 "Cross reference table".

Where financial information in the Prospectus is not extracted from the Group's audited financial statements for the financial year ended 31 December 2018, the source of such financial information is provided, and it is stated that the financial information is not audited.

### 8.10 Regulatory disclosures

*The descriptions below contain a summary of information published by the Company in accordance with the Norwegian Securities Trading Act and related legislation over the last 12 months, which is relevant as at the date of the Prospectus. The summary is not exhaustive with respect to all information published by the company during the last 12 months. The announcements are available in its entirety on the Oslo Stock Exchange webpages [www.newsweb.no](http://www.newsweb.no) under ticker code "HIDDN".*

#### 8.10.1 Announcements on recapitalization

- **12 February 2020:** The Company announced that an extraordinary general meeting was held in which resolutions regarding the January Private Placement and the Subsequent Offering were approved.
- **20 January 2020:** The Company announced the fully subscribed January Private Placement and the fully underwritten Subsequent Offering.
- **17 January 2020:** The Company announced that the share capital increase relating to the December Private Placement had been registered in the Norwegian Register of Business Enterprises.
- **19 December 2019:** The Company announced that the Board had resolved to carry out the December Private Placement.
- **11 October 2019:** The Company announced that the share capital increase relating to a subsequent offering had been registered with the Norwegian Register of Business Enterprises.
- **1 October 2019:** The Company announced that the share capital increase relating to a debt conversion had been registered in the Norwegian Register of Business Enterprises.

- **25 September 2019:** The Company announced the end of the subscription period in the subsequent offering announced 11 September 2019. By the end of the subscription period, the Company had received valid subscription for 1,748,027 offer shares.
- **17 September 2019:** It was announced that the Company's Shares are traded ex the 20:1 reverse split and new nominal value of NOK 1 as of 17 September 2019.
- **12 September 2019:** The Company announced key information relating to the 20:1 reverse share split approved by the Company's extraordinary general meeting on 4 September 2019.
- **11 September 2019:** The Company announced commencement of the subscription period in the subsequent offering approved on 4 September 2019.
- **10 September 2019:** The Company announced registration of the share capital decrease by decrease of the Shares' nominal value from NOK 0.34 to NOK 0.05 and registration of the share capital increase relating to issuance of 19 new shares in connection with the 20:1 reverse share split.
- **4 September 2019:** The Company announced that an extraordinary general meeting was held in which the following resolutions were made:
  - Decrease of the Company's share capital by decrease of the nominal value of the Company's shares from NOK 0.34 to NOK 0.05.
  - A 20:1 reverse share split (including issuance of 19 new shares to make number of shares dividable by 20)
  - Approval of a private placement
  - Approval of a debt conversion
  - Approval of a subsequent offering.
- **17 July 2019:** The Company announced that it contemplates to carry out a private placement, including a debt conversion, and the subject to completion it will have sufficient funding to cover all existing debt and a sufficient working capital for a period of time that the Board of Directors believes is necessary to clarify and agree on the Company's strategic process going forward.
- **3 July 2019:** The Company announced that it is insolvent and operating at a loss.

#### 8.10.2 Announcements regarding major shareholdings and mandatory notifications of trade

- **27 December 2019:** Following the allocation of the December Private Placement, the following major shareholding notification and mandatory notification of trade was sent:
  - Intelco Concept AS, a company controlled by Øystein Tvenge, will own 1,794,486 shares and Øystein Tvenge will directly own 555,259 shares, which in aggregate will represent approximately 11.1% of the shares in the Company.
- **19 December 2019:** Following the allocation of the December Private Placement, the following major shareholding notification was sent:
  - Tycoon Industrier AS, a company indirectly controlled by Øystein Stray Spetalen, will own 7,164,688 shares in the Company representing approximately 30.83% of the shares in the Company (after the new shares has been issued).
- **9 October 2019:** The following major shareholding notification and mandatory notification of trade were sent:

- Øystein Tvenge will directly own 778,200 shares in the Company representing approximately 4.8% of the shares in the Company, which is a decrease from approximately 5.4%. Intelco Concept AS, a company controlled by Øystein Tvenge, will after having repurchased 555,298 shares in the Company from its insurance account and as a consequence of the subsequent offering, directly own 1,794,486 shares in the Company equal to approximately 11.2 % of the shares in the Company. In aggregate, Øystein Tvenge and Intelco Concept AS, a company controlled by Øystein Tvenge, will as a consequence of the subsequent offering, directly own 2,572,686 shares representing approximately 16% of the shares in the Company.
- Lombard International Assurance will no longer own shares in the Company.
- Fara Holdco Ltd will no longer own shares in the Company.
- **8 October 2019:** The following major shareholding notification was sent:
  - Aabø-Evensen & Co Advokatfirma AS will no longer own shares in the Company.
- **7 October 2019:** The following major shareholding notification was sent:
  - Fara Holdco Ltd has sold 218.367 shares and will after the sale own 1,231,633 shares representing approximately 8,6% of the shares in the Company.
- **4 October 2019:** The following major shareholding notification was sent:
  - Aabø-Evensen & Co Advokatfirma AS has sold 218,367 shares and will after the sale own 1,231,633 shares representing approximately 8,6% of the shares in the Company.
- **2 October 2019:** The following major shareholding notification was sent:
  - Torstein Tvenge has sold 518,740 share and will after the sale own 1,000,001 shares representing approximately 6.98% of the shares in the Company.
- **5 September 2019:** The following major shareholding notification and mandatory notifications of trade were sent, taking into account the resolved but not completed 20:1 reverse share split:
  - Øystein Tvenge will directly own 603,200 shares representing approximately 4.2% of the Company' share capital and indirectly own 175,000 shares through Lombard International Assurance Policy Accounts representing approximately 1.2% of shares in the Company.
  - Intelco Concept AS, a company controlled by Øystein Tvenge, will directly own 1,240,239 representing approximately 8.7% of the shares in the Company and indirectly own 555,298 shares through Lombard International Assurance Policy Accounts representing approximately 3.9% of the shares in the Company. In aggregate, Øystein Tvenge personally and indirectly through his Lombard International Assurance Policy Account will own approximately 5.4% of the shares in the Company, while Intelco Concept AS directly and will through its Lombard International Assurance Policy Account own approximately 12.5% of the shares in the Company.
  - Fara Holdco Ltd will own 2,000,000 shares representing approximately 14.0% of the Company's share capital.
  - Dallas Asset Management AS will own 393,215 shares in the Company representing approximately 2.7% of the shares in the Company.
  - Aabø-Evensen & Co Advokatfirma AS will own 1,652,700 shares representing approximately 11.5% of the shares in the Company.
- **6 August 2019:** The following major shareholding notification was sent:



- Immob Drift AS sold 1,200,000 shares and will after the sale own 4,593,498 shares representing approximately 3.97% of the shares in the Company.
- **18 July 2019:** The following major shareholding notifications and mandatory notifications of trade were sent in connection with a private placement, including a debt conversion:
  - Øystein Tvenge will directly own 12,063,985 shares representing approximately 4.2% of the Company' shares in the Company and indirectly own 3,500,000 shares through Lombard International Assurance Policy Accounts representing approximately 1.2% of shares in the Company. Intelco Concept AS, a company controlled by Øystein Tvenge, will directly own 24,804,762 representing approximately 8.7% of the shares in the Company and indirectly own 11,105,969 shares through Lombard International Assurance Policy Accounts representing approximately 3.9% of the shares in the Company. In aggregate, Øystein Tvenge personally and indirectly through his Lombard International Assurance Policy Account will own approximately 5.4% of the shares in the Company, while Intelco Concept AS directly and through its Lombard International Assurance Policy Account will own approximately 12.5% of the shares in the Company.
  - Fara Holdco Ltd will own 40,000,000 shares representing approximately 14.0% of the Company's share capital.
  - Immob Drift AS' will own 7,795,286 shares representing appriximately 2.7% of the share capital of the Company.
  - Dallas Asset Management AS will own 7,864,292 shares in the Company representing approximately 2.7% of the shares in the Company.
  - Aabø-Evensen & Co Advokatfirma AS will own 33,054,000 shares representing approximately 11.5% of the shares in the Company.
- **4 April 2019:** The following major shareholding notification was sent in connection with a private placement:
  - Intelco Concept AS, a company controlled by Øystein Tvenge, will directly own 2,804,762 shares representing approximately 2.43% of the shares in the Company and indirectly own 11,105,969 shares representing approximately 9.61% of the shares in the Company through its Lombard International Assurance Policy account. Øystein Tvenge will directly own 1,117,985 shares representing approximately 0.97% of the shares in the Company and indirectly own 3,500,000 shares representing 3.03% of the shares in the Company through his Lombard International Assurance Policy account. In aggregate, Lombard International Assurance Policies of Øystein Tvenge and Intelco Concept AS will own 14,605,969 shares representing approximately 12.64% of the shares in the Company. In aggregate, Øystein Tvenge, Intelco Concept AS and their Lombard International Assurance Policy accounts will own 18,528,716 shares representing approximately 16.03% of the shares in the Company.
- **22 March 2019:** The following major shareholding and primary insider notifications were sent in connection with a private placement:
  - The Lombard International Assurance Policy accounts of Øystein Tvenge and Intelco Concept AS, as well as Øystein Tvenge personally, will in aggregate own 18,528,716 shares representing 16.0% of the shares in the Company.
  - Dallas Asset Management AS, a company controlled by Jan Chr. Opsahl, board member in the Company, will own 14,316,506 shares representing approximately 12.4% of shares in the Company.
  - Kvinnesiden AS, a company controlled by Siw Ødegaard, board member in the Company, will own 297,619 shares representing approximately 0.3% of the shares in the Company.
  - Wollebekkgruppen AS, a company 50 % owned by Carl Espen Wollebekk, CEO in the Company, will own 4,305,181 shares representing approximately 3.7% of the shares in the Company.

8.10.3 Announcement regarding bankruptcy in subsidiary Hiddn Security AS

- **21 May 2019:** The Company's subsidiary, Hiddn Security AS, entered a petition for bankruptcy with the Oslo enforcement, bankruptcy and probate Court.

8.10.4 Announcements regarding potential business combinations

- **5 July 2019:** The Company announces that the letter of intent with Ayfie Group AS is terminated.
- **24 June 2019:** The Company announced that it had entered into a letter for intent for a potential business combination with Ayfie Group AS, a provider of artificial intelligence solutions. Also announced that the agreement to acquire Energos and the letter of intent regarding the acquisition of Tactilis Pte Limited were terminated.
- **16 May 2019:** The Company announced that a binding agreement to acquire all outstanding shares in Energos was concluded.
- **25 March 2019:** The Company announced that it had entered into a letter of intent regarding a potential business combination with Energos Group AS (Energos) to add new business lines providing technology and solutions to the global renewable energy production industry. 0

8.10.5 Other announcements

- **20 January 2020:** The Company announced key information relating to the Subsequent Offering following the January Private Placement.
- **18 November 2019:** The Company announced that Anders Nilsen was appointed as new CFO after resignation of former CFO.
- **13 August 2019:** The Company announced key information relating to a subsequent offering in the Company following a private placement and a debt conversion.
- **30 July 2019:** The Company announced that Jørgen Waaler was appointed as new CEO after resignation of former CEO announced on 15 July 2019.

**8.11 Significant changes**

On 4 September 2019, an extraordinary general meeting in the Company resolved to decrease the Company's shares capital by NOK 33,520,375.29 from NOK 39,299,750.34 to NOK 5,779,375.05 by decrease of the nominal value of the Company's shares from NOK 0.34 to NOK 0.05. The share capital decrease amount shall be used to cover loss that cannot be covered by other means. Moreover, at the same extraordinary general it was resolved to carry out a 20:1 share split of the Company's shares so that 20 shares in the Company, each with a nominal value of NOK 0.05, was consolidated to 1 share with a nominal value of NOK 1.00. The 20:1 share split was carried out on 17 September 2019.

Other than the above and the effects of the December Private Placement, the January Private Placement and the Subsequent Offering as further described in Section 5.2 "Use of proceeds" and Section 6.18 "Expenses and net proceeds", there have been no significant changes in the financial performance nor financial position of the Group in the period between 30 June 2019 to the date of this Prospectus.

## 9 CAPITAL RESOURCES AND INDEBTEDNESS

### 9.1 Statement of capitalization and indebtedness

The tables below should be read in conjunction with the Group's historical financial information of the Group and related notes, incorporated by reference hereto, see Section 14.1 "Cross reference table".

The following table have been derived from the Group's interim financial information for the six months ended 30 June 2019 and set forth the Group's capitalization and indebtedness per 30 June 2019.

<i>In NOK 1,000</i>	<b>As of 30 June 2019</b> <i>(unaudited)</i>	<b>Adjusted after 30 June 2019</b> <i>(unaudited)</i>	<b>As adjusted to 31 December 2019</b> <i>(unaudited)</i>	<b>Notes</b>
<b>Indebtedness</b>				
<b>Total current debt</b> .....	<b>9,181</b>	<b>(1,104)</b>	<b>8,077</b>	
- Guaranteed and secured .....	-	-	-	
- Secured <sup>(i)</sup> .....	1,703	(359)	1,344	
- Unguaranteed/unsecured .....	7,478	(745)	6,733	
<b>Total non-current debt</b> .....	<b>-126</b>	<b>126</b>	<b>-</b>	
- Guaranteed and secured .....	-	-	-	
- Secured .....	-126	126	-	
- Unguaranteed/unsecured .....	-	-	-	
<b>Total indebtedness</b> .....	<b>9,307</b>	<b>(1,635)</b>	<b>7,672</b>	
Shareholders' equity				
a. Share capital .....	39,300	23,223	16,077	ii
b. Legal reserve .....	210,938	911	210,027	iii
c. Other reserves .....	(252,436)	(24,369)	(228,067)	iv
<b>Total shareholders' equity</b> .....	<b>(2,198)</b>	<b>(809)</b>	<b>(1,963)</b>	
<b>Total capitalization</b> .....	<b>7,109</b>	<b>(825)</b>	<b>6,114</b>	
<b>Net indebtedness</b>				
(A) Cash and bank deposits .....	1,182	2,176	3,358	
(B) Cash equivalents .....	-	-	-	
(C) Trading securities .....	-	-	-	
<b>(D) Liquidity (A)+(B)+(C)</b> .....	<b>1,182</b>	<b>2,176</b>	<b>3,358</b>	
<b>(E) Current financial receivables</b> .....	<b>1,838</b>	<b>(1,777)</b>	<b>61</b>	
(F) Current bank debt .....	-	-	-	
(G) Current portion of long-term debt .....	-	77	77	
(H) Other current financial debt .....	9,044	(1,044)	8,000	
<b>(I) Current financial debt (F)+(G)+(H)</b> .....	<b>9,044</b>	<b>8,967</b>	<b>8,077</b>	
<b>(J) Net current financial indebtedness (I)-(E)-(D)</b> .....	<b>6,024</b>	<b>(1,366)</b>	<b>4,658</b>	
(K) Non-current bank loans .....	-	-	-	
(L) Bonds issued .....	-	-	-	
(M) Other non-current loans .....	126	126	-	
<b>(N) Non-current financial indebtedness (K)+(L)+(M)</b> .....	<b>126</b>	<b>126</b>	<b>-</b>	
<b>(O) Net financial indebtedness (J)+(N)</b> .....	<b>6,150</b>	<b>1,492</b>	<b>(4,658)</b>	

(i) The secured debt relates to a factoring agreement in FCS with SG Finans pursuant to which FCS' inventory and accounts receivable are pledged with first priority.

(ii) Since 30 June 2019, the Company has carried out a share capital decrease (NOK 33,520 thousand), a private placements (NOK 8,550 thousand) including a debt conversion (NOK 1,653 thousand), a subsequent offering (NOK 1,748 thousand) and another private placement (NOK 8,5 thousand) giving a net change in share capital (NOK 22,223

thousand )and net reduction of unsecured short-term debt (NOK 1,365 thousand). The effect of these circumstances is shown in the adjustment column.

(iii) There was not paid any share premium, and only transaction costs of NOK 0,911 thousand have been allocated to the share premium account.

(iv) The result since 30 June 2019 is a loss of NOK 9,151 thousands added the NOK 33,520 thousands from decreased share capital and deducted gives a net change of NOK 24,369 thousands.

Since 31 December 2019, the Company has completed the December Private Placement (with gross proceeds of NOK 8,597,625.60). The net effect of the December Private Placement is that the Group's share capital has increased with NOK 7,164,688.

Furthermore, the Company has received subscriptions in the January Private Placement for 41,666,666 January Private Placement Shares at a subscription price of NOK 1.20 per share, with gross proceeds of approximately NOK 50,000,000. The Company will also in the fully underwritten Subsequent Offering issue up to 25,000,000 Offer Shares, with gross proceeds of up to NOK 30,000,000. Provided that the January Private Placement and the Subsequent Offering is completed, the Group's share capital will be increased with approximately NOK 66,666,666.

In total for the December Private Placement, the January Private Placement and the Subsequent Offering, the Group's share capital will be increased with approximately NOK 73,831,354, subject to completion of the January Private Placement and the Subsequent Offering.

## **9.2 Working capital statement**

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

**10 BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE****10.1 The Board of Directors**

## 10.1.1 Overview of the Board of Directors

Name	Position
Martin Nes .....	Chairman
Yvonne L. Sandvold .....	Board member
Øystein Stray Spetalen .....	Board member

The Company's registered office address at Cort Adelers gate 17, 0254 Oslo, Norway serves as c/o addresses for the members of the Board of Directors in relation to their directorships of the Company.

## 10.1.2 Brief biographies of the Board Members

Set out below are brief biographies of the members of the Board of Directors, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the Board of Directors is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company).

**Martin Nes – Chairman**

Martin Nes has been CEO in Ferncliff since 2010. He holds a law degree from the University of Oslo, and also holds a Master of Laws degree from University of Southampton, England. Prior to joining Ferncliff, he spent several years with the Norwegian law firm Wikborg Rein, working in both the Oslo and London offices, and with the shipping law firm Evensen & Co. Mr Nes has extensive corporate experience and is/has been chairman and/or a member of the boards of several listed companies, including SD Standard Drilling Plc, Aqualis ASA, Nickel Mountain Group AB, Saga Tankers ASA, NEL ASA and Weifa ASA. He is a Norwegian citizen, and resides in Norway. Mr. Nes has served the Board in Hiddn Solutions ASA since February 2020.

*Current directorships and senior management positions .* Tycoon Industrier AS (chief executive officer), Ferncliff TIH II AS (chief executive officer), Hanekamb Invest AS (chief executive officer and chairman), AS Simask (board member), Saga Tankers ASA (chairman), S.D. Standard Drilling Plc. (chairman), Standard Princess AS (chairman), Wanax AS (chairman), FEOK AS (chairman), Standard Viking AS (chairman), Standard Supplier AS (chairman), Standard Olympus AS (chairman), Standard Provider AS (chairman), Bygdøynesveien 33-37 AS (deputy board member), Saga Unity AS (deputy board member), Ayfie AS (board member) Ferncliff Property AS (deputy board member), Standard supporter (chairman) and Northern Supply (chairman).

*Previous directorships and senior management positions last five years .....* Self Storage Group ASA (chairman), OK Property AS (chairman), City Self Storage Norge AS (chairman), OK Minilager AS (chairman), Aqualis ASA (board member and deputy board member), RotoBoost H2 AS (chairman), New NEL Hydrogen Eiendom AS (chairman), New NEL Hydrogen Holding AS (chairman), NEL Fuel (chairman), New NEL Hydrogen P60 AS (chairman), Weifa ASA (chairman, board member and deputy board member), Ferncliff Asset Management AS (chairman), Ferncliff Investment Funds Plc. (board member), RICIN Invest AS (chairman), Maross Invest AS (board member), Offshore Driller 1 Ltd. (board member), Offshore Driller 2 Ltd. (board member), Offshore Driller 3 Ltd. (board member), Offshore Driller 4 Ltd. (board member), Offshore Driller 5 Ltd. (board member), Strata AS (board

member), SD Standard Drilling (CEO), FENEL AS (chairman), Aqualis Offshore AS (chairman), Strata Marine & Offshore AS (board member), Aqualis Offshore Ltd. (board member), Tristein AS (chairman), S.D. Standard Drilling Plc. (chairman), NEL ASA (chairman of the board and board member), PSV Opportunity I AS (chairman), PSV Opportunity II AS (chairman), HYME AS (chairman), Uno-X Hydrogen AS (chairman), Febygg AS (chairman), NEL Hydrogen Electrolyser AS (chairman), Vistin Pharma AS (chairman), Saga Tankers ASA (board member), Berganodden Invest AS (chief executive officer), Ferncliff TIH 1 AS (chief executive officer), Nordic Construction Barges IV AS (chief executive officer), Nordic Construction Barges III AS (deputy board member), Berganodden Båtservice AS (deputy board member), Stugaard Invest AS (deputy board member), Ferncliff DAI 1 AS (deputy board member), Tycoon Trading 1 AS (deputy board member) Hegdehaugsveien 25 AS (deputy board member) Allum Holding AS (board member), Ferenwable AS (chairman), JAP Drilling 1 Ltd (chairman), Halling Offshore Ltd (chairman), Nordic Construction Barges II AS (deputy board member), Saga Agnes AS (deputy board member), Nordic construction Barges I AS (deputy board member), Saga Julie AS (deputy board member), Saga Unity AS (deputy board member), PSV Opportunity III AS (chairman), and Saga Chelsea AS (deputy board member).

#### **Yvonne Litsheim Sandvold – Board member**

Ms Sandvold is the founder and CEO of YLS Næringseiendom and the marketing manager of Frognerbygg AS. She has extensive experience from the Norwegian real estate industry. Ms Sandvold currently serves on the Board of several public and private companies. Ms Sandvold holds a cand. Psychol. degree from the University of Oslo. Ms Sandvold is a Norwegian citizen, and resides in Norway. Ms. Sandvold has served the Board in Hiddn Solutions since February 2020.

#### *Current directorships and senior management positions .*

Bjørn Farmannsgate 8 AS (chief executive officer), Schöningsgate 7 AS (Deputy Board Member), Aqualis ASA (Board Member), AS Naturbetong (Board Member), Fossveien 15 AS (Chairman), Frognerbygg AS (Chairman), Løvenskiolds gate 12 AS (Board Member), Octopus Eiendom II AS (Chairman), Saga Tankers ASA (Board Member), Sandvold Holding AS (Chairman), Seilduksgata 17 AS (Chairman), Sørkedalsveien 9 AS (Board Member), Bjørn Farmannsgate 8 AS (Chairman), Octopus Eiendom AS (Chairman), Sand Invest AS (Chairman), Sandvold Bolig AS (Chairman), Sarpsborgveien 23 AS (Chairman), Siesand Invest AS (Chairman), Yls Næringseiendom AS (Chairman), Vinstra Handelpark AS (Chairman), Vinstra Handelpark II AS (Chairman), Self Storage Group ASA (Board member), Nobels Gate 2b (Chairman), Sandvoldgruppen AS (Board member).

#### *Previous directorships and senior management positions last five years .....*

Sandvold Holding AS (Chairman), Seilduksgata 17 AS (Deputy Board Member), Frognerbygg AS (Deputy Board Member), Sandvold Bolig AS (Deputy Board Member), Sandvold Holding AS (Deputy Board Member), AS Naturbetong (Deputy Board Member), Sandvold Holding

AS (Deputy Board Member), Sand Invest AS (Deputy Board Member), AS Naturbetong (Deputy Board Member), Sandvold Bolig AS (Board Member), Weifa ASA (Board Member), Sandvold Holding AS (Board Member), Sand Invest AS (Board Member), Bogstadveien 62 AS (Deputy Board Member).

#### **Øystein Stray Spetalen – Board member**

Mr. Spetalen is Chairman and owner of investment firm Ferncliff TIH AS. He is an independent investor. He has worked in the Kistefos Group as an investment manager, as corporate advisor in different investment banks and as a portfolio manager in Gjensidige Forsikring. Mr. Spetalen is a chartered petroleum's engineer from NTNU. Mr. Spetalen is a Norwegian citizen and resides in Norway. Mr. Spetalen has served the Board in Hiddn Solutions ASA since February 2020.

#### *Current directorships and senior management positions*

Gardermoen Media AS (chief executive officer), Ferncliff Listed Dai AS (chairman), Ferncliff Holding AS (chairman), Ferncliff TIH AS (chairman), Ferncliff AS (chairman), Simask AS (chairman), Tycoon Industrier AS (chairman), Unified AS (chairman), Krøs AS (chairman), Allum Holding AS (chairman), VisitFonna AS (board member), Gardermoen Media AS (board member), Vallhall Fotballhall AS (board member), Sjølyst Kontorfelleskap AS (board member), Vallhall Fotballhall KS (board member), Vallhall Fotballhall Drift AS (board member), Betonmsthæhre AS (board member), Saga Tankers ASA (board member), Ferncliff Invest (deputy board member), Thorvald Erichsensvei Eiendom AS (deputy board member)

#### *Previous directorships and senior management positions last five years .....*

Ferncliff TIH 1 AS (chairman), Tymar AS (chairman), Gross positions last five years Management AS (chairman), Ferncliff TIH AS (chairman), Dasut AS (chairman), Tycoon Trading 2 AS (chairman), Allum Holding AS (chairman), Renewable Energy Corporation AS (board member), Hydrogen Technologies Holding AS (board member), Namdalen Træsliberi AS (board member), Van Severen & Co AS (board member), Bangdal Brug AS (board member), Skorovas Gruber AS (board member), Grøndalselva AS (board member), Strata Marine & Offshore AS (board member), Vallhall Fotballhall AS (board member), Namdal Skoger AS (board member), Namdal Bruk AS (board member), Namdal Kraft AS (board member), Spectrum ASA (board member), Aqualis ASA (board member), Jetfly KS (chairman), Jetfly AS (chairman), Strata AS (chairman), Ferncliff Asset Management Holding AS (chairman), Singapore Drilling AS (chairman), Connect Venture AS (chairman), Maross Invest AS (chairman), AS Ferncliff (chairman), Global Små Mellomstore Bedrifter AS (chairman), Televekst AS (chairman), Sirius Simask AS (chairman), Standard Drilling ASA (chairman), Ferndrill Management AS (chairman), Pesoss AS (chairman), Gyoss Invest AS (chairman), Ferncliff Invest AS (board member), Gardermoen Media AS (board member), Global Geo Services ASA (board member), Standard Holding AS (board member), HT Lufttransport AS (board member), Unionen AS (board member), Aktiv Kapital ASA (board

member), Kverneland ASA (board member), Norske Skog ASA (board member), Standard Drilling ASA (board member), Bank 2 ASA (board member), B2 Holding AS (board member), Salmar ASA (board member), Altinex ASA (board member), Allum Marine AS / Noble Denton Sandefjord AS (board member), VIF ASA (board member), NEL ASA (board member), Bionor Pharma ASA (board member).

## 10.2 The Management

### 10.2.1 Overview of the Management

Name	Current position within the Group	Employed with the Group since
Jørgen Waaler	Chief Executive Officer	1 August 2019
Anders Nilsen	Chief Financial Officer	1 January 2020

The Company's registered office address at Cort Adelers gate 17, 0254 Oslo, Norway serves as c/o addresses for the members of the management in relation to their positions with the Company.

### 10.2.2 Brief biographies of the Management

Set out below are brief biographies of the members of Company's management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the member of management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company).

#### Jørgen Waaler – Chief Executive Officer

Jørgen Waaler, MBA from University of Wyoming 1983, has held the CEO position with StrongPoint ASA (Ticker: "STRONG") for 15 years until 31 July 2018. During the last year he has taken on board of director assignments and other management for hire assignments through his company Waaler AS. Currently, he serves as chairman of the board in five companies within technology-, distribution- and pharmaceutical/medical device industries.

*Current directorships and senior management positions .* Presight Solutions AS (chairman), Link Medical Research AS (chairman), Last Mile Communication AS (board member), Norsecraft Geo AS (chairman), Rodin & Co AS (chairman)

*Previous directorships and senior management positions last five years .....* Strongpoint ASA (CEO)

#### Andres Nilsen – CFO

Anders Nilsen has broad experience from management positions, and as a CFO in StrongPoint ASA (Ticker: "STRONG") for the past 13 years until 18 February 2019. He has also been Finance Manager at Konica Minolta Business Solutions Norway AS, and Financial Controller for Get AS and Helly Hansen AS. Mr. Nilsen holds a Master of Arts in Management from the University of St. Andrews, and an undergraduate degree from Norwegian School of Information Technology.

*Current directorships and senior management positions .* -

*Previous directorships and senior management positions last five years .....* Strongpoint AS (deputy board member), Strongpoint ASA (CFO)

## 10.3 Nomination committee

According to the Company's Articles of Association Section 6, the Company shall have a nomination committee consisting of 3-5 members by the further decision of the general meeting. Pursuant to the guidelines for the nomination committee, the nomination committee shall, inter alia, assess the need of change in the Board of Directors, propose candidates for



election to the Board of Directors and propose remuneration for to be paid to such members. The current members of the nomination committee are Øystein Tvenge, Line Bakkevig and Henning Astrup.

#### **10.4 Audit committee**

The Company is currently not required to establish an audit committee pursuant to the Norwegian Public Limited Companies Act. Consequently, the Company does not have an audit committee, but will on an ongoing basis evaluate the need for establishing such a committee.

#### **10.5 Conflicts of interests**

The board member Øystein Stray Spetalen indirectly represents a large shareholder in the Company and the chairman of the Board of Directors, Martin Nes, is the chief executive officer of a large shareholder in, which could cause a potential conflict of interest with the Company. There are no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the members of the Management and the Board of Directors, including any family relationships between such persons.

#### **10.6 Fraudulent offence, bankruptcy, incrimination and disqualification**

In June 2013, NEL Hydrogen AS filed for bankruptcy, with Ferncliff and associated companies being the largest shareholders of NEL Hydrogen AS. Øystein Stray Spetalen acted as chairman. Following the bankruptcy, NEL Hydrogen AS was restructured and restarted, with four former employees taking over the management of NEL Hydrogen AS. Ferncliff and associated companies remained the largest shareholders of New NEL Hydrogen AS. Other than this, no member of the Board of Directors or the Management has during the last five years preceding the date of this Prospectus,

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

## 11 CORPORATE INFORMATION AND DESCRIPTION OF THE SHARES AND SHARE CAPITAL

### 11.1 Corporate information

The legal and commercial name of the Company is Hiddn Solutions ASA. The Company is a public limited liability company, organised and existing under the laws of Norway pursuant to the Public Limited Liability Companies Act. The Company's registered office is Cort Adelers gate 17, 0254 Oslo, Norway, telephone: + 47 22 12 00 12.

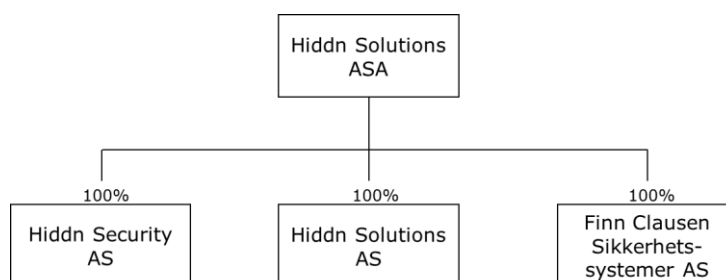
The Company was incorporated on 7 May 1998 and is registered with the Norwegian Register of Business Enterprises under business registration number 979 867 654. The Company's LEI is 5967007LIEEXZXF0040.

The Group's website can be found at [www.hiddnsolutions.no](http://www.hiddnsolutions.no). Other than the documents incorporated by reference as set out in Section 14.1 "Cross reference table", the information on the Company's website does not form part of the Prospectus.

The Company's Shares are listed on the Oslo Stock Exchange under ticker "HIDDN".

### 11.2 Legal structure

As of the date of this Prospectus, the Group comprises the Company as a holding company of three subsidiaries, all incorporated in Norway: Finn Clausen Sikkerhetssystemer AS, Hiddn Security AS (undergoing bankruptcy proceedings) and Hiddn Solutions AS (dormant company).



### 11.3 Major shareholders

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital, which is notifiable pursuant to the Norwegian Securities Trading Act. The following shareholders have as registered with the VPS as of 2 February 2020 an interest in the issuer's share capital that is notifiable:

#	Name of shareholder	Number of shares	%
1	Tycoon Industrier	71,164,688	30.83
2	Intelco Concept AS	1,794,486	7.7
3	Torstein Tvenge	1,000,001	4.83
4	Øystein Tvenge	555,259	3.4
5	Dallas AM	393,215	1.7

See Section 12.7 "Disclosure obligations" for a description of the disclosure obligations under the Norwegian Securities Trading Act.

To the extent known to the Company, there are no persons or entities who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

The Company's Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids during the current or last financial year.

#### **11.4 Shareholders rights**

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all Shares in that class provide equal rights in the Company. Each of the Company's Shares carries one vote and all Shares carries equal rights in all respects, including rights to dividend.

The Company's Articles of Association does not stipulate any restrictions on transfer of the Shares, or right of first refusal upon transfer of Shares.

#### **11.5 Authorization to increase the share capital and to issue Shares**

On 12 February 2020, an extraordinary general meeting in the Company resolved to grant the Company's Board of Directors the following authorisation to increase the Company's share capital in connection with strengthening of the Company's equity, financing of further growth, issuance of shares as consideration in connection with acquisitions of other companies, business or assets or to finance such acquisitions:

- 1 *Pursuant to section 10-14 of the Norwegian Public Limited Companies Act, the Board of Directors is authorized to increase the Company's share capital by up to NOK 44,954,378.*
- 2 *The shareholders' preferential right to the new shares pursuant to Section 10- 4 of the Norwegian Public Limited Companies Act may be deviated from.*
- 3 *The authorisation does include share capital increases with a right and obligation to make non-cash payment, cf. Section 10-2 of the Norwegian Public Limited Companies Act.*
- 4 *The authorisation does include share capital increases in connection with mergers pursuant to Section 13-5 of the Norwegian Public Limited Companies Act.*
- 5 *The board is authorized to determine the most practical structure and further conditions for the share capital increase(s).*
- 6 *The authorization replaces the board authorization to share capital increase granted by the Company's extraordinary general meeting on 4 September 2019.*
- 7 *The authorization is valid until the next annual general meeting, 30 June 2020 at the latest.*

#### **11.6 Options, warrants and other financial instruments**

As of the date of this Prospectus, the Company no options outstanding.

#### **11.7 Dividend policy**

As of the date of this Prospectus, the Group does not have an established dividend policy. The Company has not distributed any dividend for the last financial year.

## **12 NORWEGIAN COMPANY AND SECURITIES LAW**

### **12.1 General meetings**

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting be sent to all shareholders with a known address no later than 21 days before the annual general meeting of Norwegian private limited liability company listed on stock exchange or regulated market shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. Although Norwegian law does not require the Company to send proxy forms to its shareholders for general meetings, the Company plans to include a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings, without any requirement of pre-registration. The Company's Articles of Association do however include a provision requiring shareholders to pre-register in order to participate at general meetings.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor who audits the company's annual accounts or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a fourteen days' notice period until the next annual general meeting provided the company has procedures in place allowing shareholders to vote electronically. The Company's Articles of Association does not permit electronic voting and extraordinary general meetings may accordingly not be convened with a fourteen days' notice period, provided that the Company has established procedures for voting electronically at such meetings.

### **12.2 Voting rights – amendments to the Articles of Association**

Each of the Company's Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law or The Company's Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the Board of Directors to purchase the Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the Articles of Association.

In general, only a shareholder registered in the VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees. Investors should note that there are varying opinions as to the interpretation of the right to vote on nominee registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account (NOM-account). A shareholder must, in order to be eligible to register, meet and vote for such Shares at the general meeting, transfer the Shares from such NOM-account to an account in the shareholder's name. Such registration must appear from a transcript from the VPS at the latest at the date of the general meeting.

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

### **12.3 Additional issuance and preferential rights**

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to its Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to approve amending the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the Articles of Association, authorise the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all, and the rights would be sold on the shareholder's behalf by the Company.

### **12.4 Minority rights**

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Company's Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

### **12.5 Mandatory offer requirements**

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian company listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group 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.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted 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 offer for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. 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 in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a General Meeting of the Company's shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian company listed on a Norwegian regulated market is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated Company through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated Company sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated company that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and 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.

There is no national legislation on takeovers applicable to the Company that may frustrate takeovers.

## **12.6 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 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more 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.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (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 the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

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. However, where the offer, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a

corresponding proportion of the votes that can be cast at the General Meeting, and the offer pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

### **12.7 Disclosure obligations**

If a person's, entity's or consolidated Company's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or Company in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

### **12.8 Rights of redemption and repurchase of shares**

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet or an interim balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the General Meeting of the Company's shareholders cannot be granted for a period exceeding two years.

### **12.9 Shareholders vote on certain reorganizations**

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the Articles of Association stipulate that, made available to the shareholders on the company's website, at least one month prior to the general meeting to pass upon the matter.

### **12.10 Distribution of dividends**

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Limited Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that the Company may distribute dividend to the extent that the Company's net assets following the distribution covers (i) the share capital, (ii) the reserve for valuation variances and (iii) the reserve for unrealised gains. The Company's total nominal value of treasury shares which the Company has acquired for ownership or security prior to the balance sheet date, as well as credit and security which, pursuant to Section 8-7 to Section 8-10 of the Norwegian Public Limited Liability Companies Act fall within the limits of distributable equity, shall be deducted from the distributable amount.

The calculation of the distributable equity shall be made on the basis of the balance sheet in the approved annual accounts for the last financial year, but so that the registered share capital as of the date of the resolution to distribute dividend shall apply. Following the approval of the annual accounts for the last financial year, the General Meeting may also authorise the Board of Directors to declare dividend on the basis of the Company's annual accounts.

Dividend may also be distributed by the General Meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the General Meeting's resolution.

- Dividend can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

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. The general meeting cannot distribute a larger amount than what is proposed or accepted by the Board of Directors.

The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due.

There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. Investors registered in the VPS whose address is outside Norway will receive payment of dividends to the bank account registered with its VPS account, in the local currency of the bank used. Any exchange rate(s) that is applied will be the Company's share registrar Nordea Bank Norge ASA's rate on the date of issuance.

#### **12.11 Distribution of assets upon liquidation**

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

#### **12.12 The VPS and transfer of shares**

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Stock Exchange VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised 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, Norges Bank (Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

The entry of a transaction in the VPS is 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.

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's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. 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.



### **12.13 Shareholder's register**

Under Norwegian law, shares are registered in the name of the beneficial 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 VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or another nominee) approved by the Norwegian FSA. 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 case of registration by nominees, the registration in 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 in General Meetings on behalf of the beneficial owners.

### **12.14 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 Section 3-2 of the Norwegian Securities Trading Act. 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.

## 13 TAXATION

### 13.1 General

Set out in this chapter 13 is a summary of certain Norwegian tax matters related to purchase, holding and disposal of shares. The statements herein are, unless otherwise stated, based on laws, rules and regulations in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis. This 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 advisors. Shareholders resident in jurisdictions other than Norway should consult with and rely upon local tax advisors with respect to the tax position in their country of residence.

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.

### 13.2 Taxation of dividends

#### 13.2.1 Norwegian Personal Shareholders

Dividends distributed to Shareholders who are individual's resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable in Norway for such shareholders at an effective tax rate of 31.68% to the extent the dividend exceeds a tax-free allowance. The dividend received, less the tax free allowance, shall be multiplied by 1.44, which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective rate on dividend dividends received by Norwegian Personal Shareholders to 31.68%.

The tax free 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 risk free interest rate, based on the effective rate after tax of interest on treasury bills (Nw. "statskasseveksler") with three months' maturity. The allowance is calculated for each calendar year and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal 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 shares, may be carried forward and set off against future dividends received on, or gains upon realization, of the same share.

#### 13.2.2 Norwegian Corporate Shareholders

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

#### 13.2.3 Non-Norwegian Personal Shareholders

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Personal 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 on each individual share (please see Section 13.2.1 "Norwegian Personal 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 of dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholders will be subject to the same taxation dividends as Norwegian Personal Shareholders, as described in Section 13.2.1 "Norwegian Personal Shareholders" above.

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

#### 13.2.4 Non-Norwegian Corporate Shareholders

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

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

If a Non-Norwegian Corporate 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 Corporate Shareholders, as described above in Section 13.2.2 "Norwegian Corporate Shareholders".

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

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian Tax Directorate for the dividend to be subject to a lower withholding tax rate. To obtain such approval, the nominee is required to file a summary to the tax authorities, including all beneficial owners that are subject to withholding tax at a reduced rate.

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

### **13.3 Taxation of capital gains on realization of shares**

#### 13.3.1 Norwegian Personal Shareholders

Sale, redemption or other disposal of shares are considered realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through disposal of shares is included in, or deducted from, the basis for computation of ordinary income in the year of realization. Same as for taxation of dividends disbursed to Norwegian Personal Shareholders (described in Section 13.2.1 "Norwegian Personal Shareholders" above), the effective tax rate is currently 31.68% (capital gains, less the tax free allowance, and losses are multiplied by 1.44, and then included or deducted from the Norwegian Personal Shareholders ordinary income, which is taxable at a flat rate of 22%). Gains are taxable and losses are deductible irrespective of the duration of the ownership of the shares disposed of.

The gain or loss is calculated as the difference between the consideration for the share and the cost price (including costs incurred in relation to the acquisition or realization of the share). From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance, provided that such allowance has not already been used to reduce taxable dividend income. Please refer Section 13.2.1 "Norwegian Personal Shareholders" for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain calculated upon the realization of the share and may not be deducted to produce or increase a loss for tax purposes, i.e. any unused allowance exceeding the capital gain upon the realization of a share will be annulled.

#### 13.3.2 Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains generated through the realization of shares qualifying for participation exemption. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

#### 13.3.3 Non-Norwegian Personal Shareholders

Capital gains from sale or other disposals made by a Non-Norwegian Personal Shareholders are not subject to taxation in Norway, however, a tax liability in Norway may arise if the shares are held in connection with business activities carried out or managed from Norway.

#### 13.3.4 Non-Norwegian Corporate Shareholders

Capital gains generated through realization of shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway.

#### **13.4 Net Wealth Tax**

Norwegian Personal Shareholders are subject to net wealth tax. The marginal net wealth tax is currently 0.85% of the value assessed. When calculating the net wealth tax base, shares in listed companies are valued to 75% of the shares' quoted value as of 1 January in the year of the assessment, i.e. the year following the relevant income year.

Norwegian Corporate Shareholders are not subject to net wealth tax.

Shareholders not resident in Norway for tax purposes are, at the outset, not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders may however be subject to net wealth tax if the shares are held in connection with a business, or connected to the conduct of trade, in Norway.

#### **13.5 Duties on transfer of shares**

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

#### **13.6 Inheritance tax**

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

## 14 INCORPORATION BY REFERENCE; DOCUMENTS ON DISPLAY

### 14.1 Cross reference table

The following table sets forth an overview of documents incorporated by reference in this Prospectus. No information other than the information referred to in the table below is incorporated by reference. Where parts of the document are referenced and not documented as a whole, the remainder of such document is either deemed irrelevant to an investor in the context of the requirements of this Prospectus, or the corresponding information is covered elsewhere in this Prospectus.

References in the table to "Annex" and "Items" are references to the disclosure requirements as set forth in Commission Delegated Regulation (EU) of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) no 809/2004.

Minimum Disclosure Requirement of the Prospectus (Annex 3)		Reference document and link	Page of reference document
Item 11.1	Financial statements	Annual Report 2018 <a href="https://hiddnsolutions.no/wp-content/uploads/2020/01/2018_Annual_Report.pdf">https://hiddnsolutions.no/wp-content/uploads/2020/01/2018_Annual_Report.pdf</a>	20-60
Item 11.2.1	Audit Report	Audit Report 2018 <a href="https://hiddnsolutions.no/wp-content/uploads/2020/01/2018_Annual_Report.pdf">https://hiddnsolutions.no/wp-content/uploads/2020/01/2018_Annual_Report.pdf</a>	52-55
Item 11.1	Financial statements	Interim report Q2 2019 <a href="https://hiddnsolutions.no/wp-content/uploads/2020/01/2019_Q2_19_Report.pdf">https://hiddnsolutions.no/wp-content/uploads/2020/01/2019_Q2_19_Report.pdf</a>	7-20
Item 11.1	Articles of association	<a href="https://hiddnsolutions.no/investor/articles-of-association/">https://hiddnsolutions.no/investor/articles-of-association/</a>	48-60

### 14.2 Documents on display

For the life of this Prospectus, the following documents (or copies thereof) may be inspected at [www.hiddnsolutions.no](http://www.hiddnsolutions.no) or at the Company's offices at Nedre Cort Adelers gate 17, 0254 Oslo, Norway, during normal business hours from Monday to Friday each week (except public holidays):

- The Articles of Association of the Company;
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus
- The historical financial information of the Company for the financial years ended 31 December 2018 as well as the interim report for the six months ending 30 June 2019
- This Prospectus

**15 DEFINITIONS**

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

Anti-Money Laundering Legislation .....	Collectively, the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324
Board of Directors or Board.....	The board of directors of Hiddn Solutions ASA
CET.....	Central European Time
Company or Hiddn .....	Hiddn Solutions ASA
December Private Placement.....	The private placement of total gross proceeds of NOK 8.5 million resolved by the Board on 19 December 2019 as stipulated in this Prospectus
December Private Placement Shares .....	The shares issued in connection with the December Private Placement
EU .....	The European Union
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 2014/71/EC
Eligible Shareholders.....	Holders of Shares as of the Record Date, who were not allocated shares in the December Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action
Existing Shareholders.....	Holders of the Company's Shares as of the Record Date
FCS.....	Finn Clausen Sikkerhetssystemer AS
Financial Statements.....	The Group's financial statements as at, and for the year ended, 31 December 2018 and 2017
Forward-looking Statements .....	Forward-looking statements that reflect the Group's current intentions, beliefs or current expectations concerning, among other things, financial position, operating results, liquidity, prospects, growth, strategies and the industries and markets in which the Group operates
GLEIF.....	The Global Legal Identifier Foundation
Group .....	Hiddn Solutions ASA together with its subsidiaries
Ineligible Jurisdictions .....	Member States of the EEA that have not implemented the EU Prospectus Directive, Australia, Canada, Hong Kong, Japan, the United States or any other jurisdiction in which it would not be permissible to offer the Subscription Rights and/or the Offer Shares
Ineligible Persons .....	Other persons in an Ineligible Jurisdiction or a citizen of 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 Shares in the Company
January Private Placement .....	The private placement of total gross proceeds of approximately NOK 50 million as resolved by the extraordinary general meeting on 12 February 2020, as stipulated in this Prospectus
January Private Placement Shares .....	The shares issued in connection with the January Private Placement

Prospectus – Hiddn Solutions ASA

LEI.....	Legal Entity Identifier
Manager .....	DNB Markets, a part of DNB BANK ASA
NOK.....	Norwegian Kroner, the lawful currency of Norway
Non-Norwegian Personal Shareholders ...	Shareholders who are individuals not resident in Norway for tax purposes
Non-Norwegian Corporate Shareholders .	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes
Norwegian FSA.....	The Financial Supervisory Authority of Norway
Norwegian Personal Shareholders .....	Shareholders who are individual's resident in Norway for tax purposes
Norwegian Corporate Shareholders .....	Shareholders who are limited liability companies (and certain other similar entities) resident in Norway for tax purposes
Norwegian Securities Trading Act.....	The Norwegian Securities Trading Act of 29 June 2007 no. 75
Offer Shares .....	The shares offered in the Subsequent Offering
Oslo Stock Exchange.....	Oslo Børs, a stock exchange operated by Oslo Børs ASA
Payment Date.....	On or about 19 March 2020
Prospectus.....	This Prospectus dated 28 February 2020
Record Date.....	21 January 2020
Shares .....	The Company's shares
Subsequent Offering .....	The subsequent offering in the Company of NOK 30 million as stipulated by this Prospectus
Subscription Form.....	The Subscription Form in the Subsequent Offering, included as appendix A to the Prospectus
Subscription Period .....	The subscription period in the Subsequent Offering commencing on 2 March 2020 and expire at 16:30 hours (CET) on 16 March 2020
Subscription Price .....	The subscription price of the Offer Shares, NOK 1.20
Subscription Rights .....	Transferable subscription rights in the Subsequent Offering that provide preferential rights to subscribe for, and be allocated, Offer Shares at the Subscription Price in the Subsequent Offering
VPS.....	The Norwegian Securities Depository
Underwriters .....	The underwriters in the Subsequent Offering as listed in Section 0 "The Underwriting"
US Securities Act.....	The United States Securities Act of 1933, as amended
YTD .....	Year to date

**APPENDIX A**

**SUBSCRIPTION FORM FOR THE SUBSEQUENT OFFERING**





**Hiddn Solutions ASA**

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0254 Oslo  
Norway

Tel: + 47 22 12 00 12  
[www.hiddnsolutions.no](http://www.hiddnsolutions.no)



Legal advisor to the Company

**AGP Advokater AS**

Tjuvholmen allé 3  
NO-0252  
Oslo, Norway

# APPENDIX A – SUBSCRIPTION FORM

**Hiddn Solutions ASA  
SUBSEQUENT OFFERING**

**SUBSCRIPTION FORM  
Securities no. ISIN NO0003108102**

**General information:** The terms and conditions of the fully underwritten subsequent offering (the "Subsequent Offering") by Hiddn Solutions ASA (the "Company") through the issue of up to 25,000,000 new shares in this subscription form (the "Subscription Form"). All announcements referred to in this Subscription Form will be made through the Oslo Stock Exchange's information system under the Company's ticker "HIDDEN". The notice of, and the minutes from the Company's extraordinary general meeting held on 12 February 2020 (with enclosures), the Company's Articles of Association and annual financial reports for the last two years are available at the Company's registered office at Cort Adelers gate 17, 0254 Oslo, Norway.

**Subscription procedures:** The subscription period will commence at 09:00 hours (CET) on 2 March 2020 and end at 16:30 hours (CET) on 16 March 2020 (the "Subscription Period"). Correctly completed subscription forms must be received by the subscription office (the "Subscription Office") set out below, or, in the case of online subscriptions, be registered by no later than 16:30 hours (CET) on 16 March 2020:

DNB Markets, Registrars Department, Dronning Eufemias gate 30, P.O. Box 1600 Sentrum, N-0021 Oslo, Norway, e-mail: retail@dnb.no.

The subscriber is responsible for the correctness of the information filled into the Subscription Form. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Manager without notice to the subscriber.

**Subscribers who are residents of Norway with a Norwegian personal identification number may also subscribe for Offer Shares through the VPS online subscription system by following the link on the following website: [www.dnb.no/emisjon](http://www.dnb.no/emisjon) (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. None of the Company or the Manager may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Subscription Offices. Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Subscription Offices, or in the case of applications through the VPS online subscription system, upon registration of the subscription. By signing and submitting this Subscription Form, or registering a subscription through the VPS online subscription system, the subscriber confirms and warrants to have read the Prospectus and to be eligible to subscribe for Offer Shares under the terms set forth therein.

**Subscription Price:** The subscription price in the Subsequent Offering is NOK 1.20 per Offer Share (the "Subscription Price").

**Subscription Rights:** The shareholders of the Company as of 17 January 2020 (and being registered as such in the VPS as of 21 January 2020 (the "Record Date")) who were not allocated shares in the January Private Placement, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action ("Eligible Shareholders") are being granted 2.06415 subscription rights (the "Subscription Rights") for every existing Share registered as held by such Eligible Shareholder on the Record Date, subject to certain limitations based on applicable laws and regulations, that will give right to subscribe for, and be allocated one (1) Offer Shares in the Subsequent Offering at the Subscription Price. The number of Subscription Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Subscription Right. Over-subscription is allowed. Subscription without Subscription Rights is not permitted. **Subscription Rights that are not sold before 16:30 hours (CET) on 12 March 2020 or exercised before the expiry of the Subscription Period at 16:30 hours (CET) on 16 March 2020 will have no value and will lapse without compensation to the holder.**

**Allocation of Offer Shares:** The Offer Shares will be allocated to the subscribers based on the allocation criteria set out in the Prospectus. No fractional Offer Shares will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares not covered by Subscription Rights. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated. Notifications of allocated Offer 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 17 March 2020. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from 12:00 hours (CET) on or about 17 March 2020. Subscribers who do not have access to investor services through their VPS account manager may contact the Subscription Office from 12:00 hours (CET) on or about 17 March 2020 to obtain information about the number of Offer Shares allocated to them.

**Payment:** The payment for the Offer Shares allocated to a subscriber falls due on or about 19 March 2020 (the "Payment Date"). 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 DNB Markets, or someone appointed by DNB Markets, with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber. The specified bank account is expected to be debited on or after the Payment Date. DNB Markets, or someone appointed by DNB Markets, is only authorised to debit such account once, but reserves the right (but has no obligation) to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date. The subscriber furthermore authorises DNB Markets to obtain confirmation from the subscriber's bank that the subscriber has the right to dispose over the specified account and that there are sufficient funds in the account to cover the payment. If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorisation from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date. Prior to any such payment being made, the subscriber must contact DNB Markets for further details and instructions. Should any subscriber have insufficient funds on his or her account, should payment be delayed for any reason, if it is not possible to debit the account of 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 and missing payments" below.

**SEE PAGE 2 OF THIS SUBSCRIPTION FORM FOR OTHER PROVISIONS THAT ALSO APPLY TO THE SUBSCRIPTION**

## DETAILS OF THE SUBSCRIPTION

<b>Subscriber's VPS account:</b>	<b>Number of Subscription Rights:</b>	<b>Number of Offer Shares subscribed (incl. over-subscription):</b>	<b>(For broker: consecutive no.):</b>
SUBSCRIPTION RIGHT'S SECURITIES NUMBER: NO0010874670		<b>Subscription Price per Offer Share:</b> <b>NOK 1.20</b>	<b>Subscription amount to be paid:</b> <b>= NOK _____</b>

## 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 Offer Shares allocated (number of Offer Shares allocated x NOK 1.20).	<input type="text"/>
	(Norwegian bank account no.)

I/we hereby irrevocably (i) subscribe for the number of Offer Shares specified above subject to the terms and conditions set out in this Subscription Form and in the Prospectus, (ii) authorise and instruct the Manager (or someone appointed by it) acting jointly or severally to take all actions required to transfer such Offer Shares allocated to me/us in the VPS, on my/our behalf, (iii) authorise DNB Markets to debit my/our bank account as set out in this Subscription Form for the amount payable for the Offer Shares allocated to me/us and (iv) confirm and warrant to have read the Prospectus and that I/we are eligible to subscribe for Offer Shares under the terms set forth therein. By signing this Subscription Form, subscribers subject to direct debiting accept the terms and conditions for "Payment by Direct Debiting – Securities Trading" set out on page 2 of this Subscription Form.

### 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:	
Legal Entity Identifier* ("LEI")/ National Client Identifier ("NID"):	
Nationality:	
E-mail address:	
Daytime telephone number:	

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

## ADDITIONAL GUIDELINES FOR THE SUBSCRIBER

**Regulatory issues:** In accordance with the Markets in Financial Instruments Directive ("MiFID II") of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect, the Manager must categorize all new clients in one of three categories: eligible counterparties, professional clients and non-professional clients. All subscribers in the Subsequent Offering who are not existing clients of one of the Manager will be categorized as non-professional clients. Subscribers can, by written request to a Manager, ask to be categorized as a professional client if the subscriber fulfils the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorization, the subscriber may contact DNB Markets (DNB Markets, KSC - Customer Administration, P.O. Box 7100, NO5020 Bergen, Norway or [www.dnb.no/en/mifid](http://www.dnb.no/en/mifid)). **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 Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

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

**Selling restrictions:** Investors who wish to subscribe for Offer Shares should carefully review Section 7 "Selling and transfer restrictions" of the Prospectus. The Company is not taking any action to permit a public offering of the Subscription Rights or the Offer Shares (pursuant to the exercise of the Subscription Rights or otherwise) 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 effecting is for information only and should not be copied or redistributed. Investors should consult their professional advisors as to whether they require any governmental or other consent or need to observe any other formalities to enable them to subscribe for Offer Shares. It is the responsibility of any person wishing to subscribe for Offer Shares under the Subsequent Offering to satisfy himself or herself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The Subscription Rights and Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not and will not be offered, sold, exercised, pledged, resold, granted, delivered, allocated, taken up, transferred or delivered, directly or indirectly, within the United States. The Offer Shares are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act. The Subscription Rights and Offer Shares have not been, and will not be, registered under applicable securities laws of Australia, Canada, Hong Kong or Japan, and may not and will not be offered, sold, exercised, pledged, resold, granted, delivered, allocated, taken up, transferred or delivered, directly or indirectly, in or into Australia, Canada, Hong Kong or Japan or in any other jurisdiction in which it would not be permissible to offer the Subscription Rights or the Offer Shares. A notification of exercise of Subscription Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid. By subscribing for Offer Shares, persons effecting subscriptions will be deemed to have represented to the Company that they, and the persons on whose behalf they are subscribing for the Offer Shares, have complied with the above selling restrictions. Persons effecting subscriptions on behalf of any person located in the United States will be responsible for confirming that such person, or anyone acting on its behalf, has executed an investment letter in the form to be provided by the Manager upon request.

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

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

**Information barriers:** The Manager is a security firm that offer a broad range of investment services. In order to ensure that assignments undertaken in the Manager's corporate finance department are kept confidential, the Manager other activities, including analysis and stock broking, are separated from the Manager's corporate finance department by information walls. Consequently, the subscriber acknowledges that the Manager's analysis and stock broking activity may conflict with the subscriber's interests with regard to transactions in the Shares, including the Offer Shares.

**VPS account and mandatory anti-money laundering procedures:** The Subsequent Offering is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 no. 1324 (collectively, the "Anti-Money Laundering Legislation"). Subscribers who are not registered as existing customers of the Manager must verify their identity to the Manager in accordance with 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 Manager. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period may not be allocated Offer Shares. Furthermore, participation in the Subsequent Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised investment firms in Norway and Norwegian branches of credit institutions established within the EEA. However, 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. Establishment of a VPS account requires verification of identification by the relevant VPS registrar in accordance with the Anti-Money Laundering Legislation.

**Personal data:** The subscriber confirms that it has been provided information regarding the Manager's processing of personal data, and that it is informed that the Manager will process the subscriber's personal data in order to manage and carry out the Subsequent Offering and the subscription from the subscriber, and to comply with statutory requirements.

The data controller who is responsible for the processing of personal data is the Manager. The processing of personal data is necessary in order to fulfil the subscription and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Manager process and store information about clients and trades, and control and document activities. The subscriber's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Manager, the company(ies) participating in the offering, with companies within the Manager's 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 Manager transfers personal data to countries outside the EEA, that have not been approved by the EU Commission, the Manager 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 subscribers 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 Manager's processing is in breach of the law. Supplementary information on processing of personal data and the subscribers' rights can be found at the Manager's website.

**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:

- 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.
- 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.
- 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.
- In case of withdrawal of the authorization for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- 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.
- 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.
- If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

**Overdue and missing payments:** Overdue payments will be charged with interest at the applicable rate under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100; 9.50% per annum as of the date of the Prospectus. If a subscriber fails to comply with the terms of payment or should payments not be made when due, the subscriber will remain liable for payment of the Offer Shares allocated to it and the Offer Shares allocated to such subscriber will, subject to the discretion of the Company, not be delivered to the subscriber.

The Manager, on behalf of the Company, reserve the right, at the risk and cost of the subscriber to, at any time, cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Manager may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Manager, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

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

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

LEI code for legal entities: Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit [www.gleif.org](http://www.gleif.org). Further information is also included in Section 6.24 "National Client Identifier and Legal Entity Identifier" of the Prospectus.