

# MANDATORY OFFER DOCUMENT



Mandatory Offer to acquire all of the equity instruments in

## THE SCOTTISH SALMON COMPANY PLC

that are not already owned by

### P/F BAKKAFROST

**Offer Price:**

NOK 28.25 for each Equity Instrument with settlement in cash

**Offer Period:**

From and including 11 November to 9 December 2019 at 18:00 (CET)  
(subject to any extensions)

THIS OFFER DOCUMENT MAY NOT BE DISTRIBUTED IN OR INTO CANADA, AUSTRALIA OR JAPAN, OR ANY OTHER JURISDICTION OTHER THAN NORWAY WHERE SUCH DISTRIBUTION WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OR SIMILAR ACTS. THE OFFER IS NOT BEING MADE AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION OR TO ANY PERSON WHERE THE MAKING OR ACCEPTANCE OF THE OFFER OR SOLICITATION WOULD BE IN VIOLATION OF THE LAWS OR REGULATIONS OF SUCH JURISDICTION. OTHER RESTRICTIONS APPLY; PLEASE SEE "IMPORTANT INFORMATION" AND "OFFER RESTRICTIONS" FOR MORE INFORMATION.

**Financial Advisors:**



**Legal Advisor:**



8 November 2019

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## DEFINITIONS

In the Offer Document, the following defined terms have the following meanings:

<b>Acceptance Form:</b>	The form of acceptance to be used by any Eligible Shareholder when accepting the Mandatory Offer for (i) the Depositary Receipts as set out as Appendix 1 (English version) and Appendix 2 (Norwegian version) and (ii) the Jersey Common Shares (English version only) as set out in Appendix 3.
<b>Board:</b>	The Company's board of directors.
<b>Common Shares:</b>	Each and all of the 194,029,173 common shares of GBP 0.09 par value which have been issued and are outstanding in the Company, the ownership of which is recorded in the Register of Members.
<b>Company:</b>	The Scottish Salmon Company PLC, a public limited company incorporated and resident in Jersey and being identified by Jersey registration number 104328.
<b>Compulsory Acquisition:</b>	The compulsory acquisition by the Offeror of all the Common Shares not held by the Offeror, whether directly (as Common Shares) or indirectly (as Depositary Receipts), pursuant to the Companies Law 1991 (Jersey), if and when resolved.
<b>Depositary Receipts</b>	The beneficial ownership interest in the 193,986,950 Common Shares nominally owned by the Registrar (as reflected in the Register of Members) which are listed and traded as depositary receipts (" <i>depotbevis</i> ") on Oslo Børs, cfr. the Securities Trading Act, Section 2-4 (2), the ownership of which is recorded in the VPS Register.
<b>DNB Markets:</b>	DNB Markets, a part of DNB Bank ASA.
<b>Eligible Acceptants:</b>	Eligible Shareholders who have accepted the Mandatory Offer.
<b>Eligible Shareholders:</b>	Shareholders who may lawfully receive and accept the Mandatory Offer as further described in the Offer Restrictions.
<b>Equity Instruments</b>	The Depositary Receipts and the Jersey Common Shares.
<b>Financial Advisors:</b>	DNB Markets and Nordea.
<b>Group:</b>	The Company and all its consolidated subsidiaries.
<b>Jersey Common Shares:</b>	The 42,223 Common Shares not recorded in the nominal ownership of the Registrar in the Register of Members (and thus not traded as Depositary Receipts).
<b>Legal Advisor:</b>	Ro Sommernes advokatfirma DA.
<b>Mandatory Offer:</b>	The Offeror's offer, pursuant to Chapter 6 of the Securities Trading Act, to purchase, on the terms set out in this Offer Document: (i) all the Depositary Receipts and (ii) all the Jersey Common Shares issued by the Company and outstanding on the date hereof and any further Common Shares issued during the Offer Period.

<b>NOK:</b>	Norwegian Kroner, the lawful currency of the Kingdom of Norway.
<b>Nordea:</b>	Nordea Bank Abp, filial i Norge.
<b>Northern Link:</b>	Northern Link Limited, a private limited company incorporated and resident in the British Virgin Islands, identified by registration number 580292 in the British Virgin Islands.
<b>Offeror:</b>	P/F Bakkafrost, a public limited company incorporated and resident in the Faroe Islands, identified by registration number 396966 in the Faroe Islands.
<b>Offer Document:</b>	This document with appendices prepared in connection with the Mandatory Offer.
<b>Offer Period:</b>	The period running from and including 11 November 2019, to 9 December 2019 at 18:00 (CET), subject to any extension(s) thereof, such extension(s) not to be made beyond 23 December 2019.
<b>Offer Price:</b>	NOK 28.25 for each Equity Instrument.
<b>Offer Restrictions:</b>	See the paragraph headed "Offer Restrictions" under "Important Information".
<b>Oslo Børs:</b>	The Oslo Stock Exchange (Oslo Børs ASA).
<b>Receiving Agent:</b>	DNB Markets.
<b>Register of Members:</b>	The Company's register of members, maintained by the Company in physical form at its registered office at 28 Esplanade, St. Hellier, Jersey.
<b>Registrar:</b>	DNB Bank ASA.
<b>Securities Trading Act:</b>	The Norwegian Securities Trading Act of 29 June 2007 No. 75 (in Norwegian: " <i>verdipapirhandelloven</i> "), as amended.
<b>Settlement Date:</b>	The date on which settlement of the Mandatory Offer takes place in accordance with Section 1.9.
<b>Shareholders:</b>	The owners of the: (i) the Depositary Receipts and (ii) the Jersey Common Shares, as further detailed under "Offer Restrictions".
<b>United States or U.S.</b>	The United States of America (its territories and possessions, all states of the United States of America and the District of Columbia).
<b>VPS:</b>	The Norwegian Central Securities Depository (in Norwegian: " <i>Verdipapirsentralen ASA</i> ").
<b>VPS Register:</b>	The electronic register of the owners of the Depositary Receipts which is established and maintained in the VPS by the Registrar.

Other terms will be defined in the text of this Offer Document and, as such, marked.

## **STATEMENTS OF RESPONSIBILITY**

This Offer Document has been prepared in accordance with section 6-13 of the Securities Trading Act for the purpose of providing the Shareholders with such information as is required to evaluate the Mandatory Offer.

The information on the Company included herein is based exclusively on the Company's public financial statements and other information in the public domain as at the date hereof. This information has not been independently verified. None of the Offeror, the Financial Advisors or the Legal Advisor assume any responsibility for the accuracy or completeness of the information regarding the Company, which is included herein, nor do they undertake any responsibility to update such information following the date hereof.

8 November 2019

P/F Bakkafrost

Runi M. Hansen  
Chairman

Regin Jacobsen  
CEO

## **IMPORTANT INFORMATION**

Please refer to the "Definitions" on pages 2 and 3 for definitions of terms used throughout this Offer Document.

This Offer Document has been prepared by the Offeror for the purpose of presenting the terms and conditions of the Mandatory Offer and providing a basis for the Eligible Shareholders' evaluation thereof.

The Mandatory Offer and this Offer Document are compliant with the requirements in Chapter 6 of the Securities Trading Act.

The Mandatory Offer and this Offer Document have been reviewed and approved by Oslo Børs (in its capacity as take-over authority) in accordance with section 6-14 of the Securities Trading Act.

The Mandatory Offer is made to all Eligible Shareholders and constitutes a mandatory offer for the purpose of the Securities Trading Act Chapter 6.

The distribution of this Offer Document and the making of the Mandatory Offer may be restricted by law in certain jurisdictions. Therefore, shareholders receiving this Offer Document from the Offeror or into whose possession this Offer Document otherwise comes, are required to, and should inform themselves of and observe, all such restrictions. None of the Offeror, the Legal Advisor or the Financial Advisors accept or assume any responsibility or liability for any violation by any person whomsoever of any such restriction.

The Shareholders must rely upon their own assessment of the Mandatory Offer before accepting the same and should therefore study this Offer Document carefully and, if necessary, seek independent advice before deciding whether to accept the Mandatory Offer or not.

Except as otherwise set forth herein, the Offeror has furnished the information in this Offer Document as a basis for the Mandatory Offer only. The information in this Offer Document pertaining to the Company has been prepared on the basis of publicly available information (including annual reports, interim reports and stock exchange announcements published by the Company) only. Consequently, neither the Offeror nor any of the Offeror's advisors can accept any liability for the accuracy, correctness or completeness of the information in this Offer Document regarding the Company.

No person apart from the Offeror and its representatives is entitled or authorized to provide any information or to make any representation purporting to supplement the contents of this Offer Document. If any such information or representation is provided or made by any other person than the Offeror and/or its representatives, such information or representation should not be considered as having been provided or made by or on behalf of the Offeror or the Financial Advisors, and no liability is assumed for any such information or representation.

This Offer Document and the Mandatory Offer is governed by Norwegian law.

This Offer Document will be sent to all Shareholders registered in the VPS Register on 8 November 2019 to the addresses recorded therein and to the Shareholders registered in the Register of Members (other than the Registrar) as per the same date. Shareholders resident in jurisdictions where this Offer Document may not be lawfully distributed will, however, be excluded.

This Offer Document is also available, free of charge, at the offices of the Financial Advisors:

DNB Markets  
Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo  
Norway  
Phone: +47 23 26 80 20  
E-mail: retail@dnb.no

Nordea Bank Abp, filial i Norge  
Essendropsgate 7  
P.O. Box 1166 Sentrum  
N-0107 Oslo  
Norway  
Phone: +47 24 01 34 62  
E-mail: nis@nordea.com

DNB Markets and Nordea are acting as financial advisors to the Offeror only and will not regard any other person (whether or not a recipient of this Offer Document) as a client in connection with the Mandatory Offer nor provide the protections afforded to their respective clients in connection therewith to any party other than the Offeror. The Financial Advisors have not performed any independent verification of the information contained in this Offer Document and do not make any representation or warranty, express or implied, or accept any liability as to the accuracy or completeness of such information. Nothing contained in this Offer Document is or shall be relied upon as a warranty or representation by the Financial Advisors.

Unless otherwise indicated, the information contained herein is current as of the date hereof and the information is subject to change, completion and amendment without notice. The distribution of this Offer Document does not and shall not imply, in any way, that the information included herein continues to be accurate or complete at any date subsequent to the date of this Offer Document. The Offeror does not assume any responsibility for the accuracy or completeness of, or any responsibility to update, the information regarding the Company included in this Offer Document unless otherwise required by applicable law.

Eligible Shareholders must rely upon their own examination of this Offer Document when deciding whether or not to accept the Mandatory Offer. Each Eligible Shareholder should therefore study this Offer Document carefully in order to be able to make an informed and balanced assessment of the Mandatory Offer as a basis for a decision as to whether or not to accept it. Eligible Shareholders should not construe the contents of this Offer Document as legal, tax or accounting advice, nor as information necessarily applicable directly to itself. Each Eligible Shareholder is urged to seek independent advice from its own financial, tax, accounting and legal advisors prior to making a decision as to whether or not to accept the Mandatory Offer.

The Offeror reserves the right, and may exercise such right, to acquire Equity Instruments outside the Mandatory Offer during and after the Offer Period. Any such transaction shall comply with applicable laws and regulations. The Offeror will, to the extent required by the Securities Trading Act, publicly disclose such purchases in accordance with the procedure described in Section 1.11 below, "Announcements and Amendments of the Mandatory Offer".

### **FORWARD-LOOKING STATEMENTS**

This Offer Document contains certain statements about the Company, the Group and the Offeror that are or may be considered as "forward-looking statements". Such statements are usually identified by the fact that they do not relate only to historical or current facts.

Forward-looking statements typically contain words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe" or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the expected effects of the Mandatory Offer, the expected timing of the Mandatory Offer, the Company's or the Offeror's future financial position or performance, market trends, income, assets, impairment charges, business strategy, leverage, payment of dividends, projected levels of growth, projected costs, estimates of capital expenditures, plans and objectives for future operations and other statements.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, Faroese and Scottish domestic and global economic and business conditions, the effects of volatility in credit markets, market-related risks such as changes in interest rates and exchange rates, effects of changes in valuation of credit market exposures, the policies and actions of governmental and regulatory authorities, changes in legislation, the development of new standards under International Financial Reporting Standards ("**IFRS**") applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigations, the success of future acquisitions and other strategic transactions and the impact of competition. Any consequence of such factors is beyond the Company's and the Offeror's control. As a result, actual future results may differ materially from the plans, goals, and expectations set forth in such forward-looking statements.

Any forward-looking statements made herein speak only as of the date they are made. The Offeror does not have and disclaims any obligation to release any updates or revisions to any forward-looking statements contained herein, whether to reflect any change in the Offeror's expectations with regard thereto, any change in information, events, conditions or circumstances on which any such statement is based, or otherwise, except as required by applicable laws and regulations.

### **OFFER RESTRICTIONS**

The distribution of this Offer Document and the making of the Mandatory Offer may be restricted by law in certain jurisdictions. Therefore, Shareholders receiving this Offer Document from the Offeror or into whose possession this Offer Document otherwise comes, are required to, and should inform themselves of and observe, all such restrictions. None of the Offeror, the Legal Advisor or the Financial Advisors accept or assume any responsibility or liability for any violation by any person whomsoever of any such restriction.

The Mandatory Offer is not being made and will not be made, directly or indirectly, to Shareholders located or resident in a jurisdiction where it is unlawful for a person to receive or accept the Mandatory Offer (including, but not limited to, Canada, Australia and Japan). No action has been taken to permit the distribution of the Offer Document in such jurisdictions.

Moreover, the Mandatory Offer is not being made and will not be made, directly or indirectly to Shareholders whose acceptance requires that further offer documents are issued by the Offeror or that registration or other measures are taken in relation to the Equity Instruments (apart from those required under Norwegian law). Accordingly, this Mandatory Offer is only directed to Eligible Shareholders.

No document or material relating to the Mandatory Offer may be distributed in or into any jurisdiction where such distribution requires any of the aforementioned measures to be taken or where it would be in conflict with any of the laws or regulations of such jurisdiction ("**Restricted Jurisdictions**"). Persons resident in a Restricted Jurisdiction (including custodians, nominees and trustees) who receives any such documents (including the Offer Document) must not distribute or send them in, into or from such Restricted Jurisdictions. Any purported acceptance of the Mandatory Offer resulting directly or indirectly from a violation of these restrictions will be invalid. No acceptances of the Mandatory Offer are being solicited from Shareholders resident in the Restricted Jurisdictions and, if an Acceptance Form is submitted by a Shareholder resident in a Restricted Jurisdiction, the Offeror reserves the right to reject or disregard such Acceptance Form.

Each Shareholder delivering an Acceptance Form in connection with the Mandatory Offer will be deemed to certify that: (1) such Shareholder has not received this Offer



Document, the Acceptance Form or any other document relating to the Mandatory Offer in a Restricted Jurisdiction, nor has such Shareholder mailed, transmitted or otherwise distributed any such document in or into a Restricted Jurisdiction; (2) such Shareholder has not utilized, directly or indirectly, the mail service or any other means or instruments of commerce or the facilities of any national securities exchange of a Restricted Jurisdiction in connection with the Mandatory Offer; (3) such Shareholder is not and was not located or resident in a Restricted Jurisdiction at the time such Shareholder accepted the terms of the Offer or at the time such Shareholder returned an Acceptance Form; and (4) if the individual acting for such Shareholder is acting in a fiduciary, agency or other capacity as an intermediary, then either (a) such individual has full investment discretion with respect to the Equity Instruments covered by the Acceptance Form or (b) the Shareholder on whose behalf such individual is acting was located and resident outside the Restricted Jurisdictions at the time such Shareholder instructed such individual to accept the Mandatory Offer on its behalf.

This Offer Document does not represent an offer to acquire or obtain securities other than the Equity Instruments.

### **Notice to Eligible Shareholders in the United States**

The Mandatory Offer is being made in the United States in accordance with the provisions of Regulation 14E promulgated under the Securities Exchange Act of 1934 (the "**Exchange Act**") and the exemptions provided by Rule 14d-1(c) promulgated under the Exchange Act, and otherwise in accordance with Norwegian law and practice. Accordingly, the Mandatory Offer is subject to disclosure and other procedural requirements, including with respect to the offer duration, the Offeror's ability to make purchases outside the Mandatory Offer and settlement that are different from those applicable under U.S. domestic tender offer procedures and laws (which do not benefit from the exemptions provided by Rule 14d-a(c)). U.S. holders of the Equity Instruments resident in the United States are encouraged to consult with their legal, financial and tax advisors regarding the Mandatory Offer.

It may be difficult for Shareholders resident in the United States to enforce any claim arising out of U.S. securities laws as neither the Offeror nor the Company are United States companies, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. Shareholders resident in the United States may not be able to sue a non-U.S. company or its officers or directors in a U.S. or non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

For the avoidance of doubt, Nordea Bank Abp, filial i Norge is not registered as a broker or dealer in the United States and will in its capacity as Financial Advisor not be engaging in direct communications relating to the Mandatory Offer with Shareholders located within the United States (whether on a reverse-inquiry basis or otherwise).

DNB Market is registered as a broker in the United States and is thus the Financial Advisor to whom Eligible Shareholders resident in the U.S. should address any inquiries and send their Acceptance Form.

## 1. THE OFFER

### 1.1 Introduction

#### 1.1.1 *The Northern Link Transaction and the financing thereof*

On 25 September 2019, the Offeror entered into a share purchase agreement with Northern Link setting forth the terms pursuant to which the Offeror agreed to acquire 133,125,109 Depositary Receipts from Northern Link at a purchase price of NOK 28.25 for each Depositary Receipt (the "**Northern Link Transaction**"). The Northern Link Transaction was announced on 25 September 2019 after close of trading on the Oslo Børs (the "**Announcement Date**").

The total purchase price agreed in the Northern Link Transaction, NOK 3,760,784,329.25 (the "**Purchase Price**"), was payable with 70%, NOK 2,632,549,030.50, on closing and the remaining 30%, NOK 1,128,235,298.75 (rounded down to NOK 1,128,235,000) (the "**Seller's Credit**"), being financed by a seller's credit with a term of 6 weeks from the closing date of the Northern Link Transaction. It was further agreed that the Seller, subject to an extraordinary general meeting in the Offeror authorizing the Offeror's board of directors to issue further shares, had the right and the obligation to subscribe to 2,256,470 new shares in the Offeror at a subscription price of NOK 500 (the "**Northern Link PIK Shares**") and set off of the Seller's Credit against the obligation to pay the subscription amount therefore, thus settling the Seller's Credit.

The Seller's Credit should be paid in cash if the Offeror's extraordinary general meeting refused to grant such authority.

At the extraordinary general meeting in the Offeror held on 18 October 2019 (the "**EGM**"), the Offeror's board of directors was granted an authorization to issue new shares, after which the Northern Link PIK Shares were subscribed for by and issued to Northern Link.

The Offeror partly financed the Purchase Price by a private placement of new shares. One of the conditions for this placement was the acceptance by Northern Link of a lock-up obligation for the Northern Link PIK Shares for a period of 180 days from the Closing Date (as defined below) (the "**Northern Link Lock-Up**").

Northern Link is a wholly owned subsidiary of the Sopica Global Retail Growth Fund Ltd, a professional investment fund advised by Luxembourg-based LLF Financial SA. Northern Link has been the Company's majority shareholder since 2009 and has supported the Company throughout this period of growth and profitability.

#### 1.1.2 *Completion of the Northern Link Transaction – additional acquisition of Equity Instruments*

Subsequent to the Announcement Date the Offeror acquired a total of 17,849,626 Depositary Receipts in the market at a price of NOK 28.25 each, cf. the Offeror's announcement on 27 September 2019.

The Northern Link Transaction closed on 8 October 2019 (the "**Closing Date**"). The Seller then transferred 133,125,109 Depositary Receipts to the Offeror in exchange for the cash part of the Purchase Price.

The Offeror has, subsequent to the Closing Date, acquired a further 5,708,578 Depositary Receipts in the open market. All such trades were done at a price per Depositary Receipt at or below NOK 28.25.

The Offeror's total holding of Depositary Receipts is, following all of the abovementioned transactions, 156,683,313 representing 80.77% of all of the Equity Instruments.

The EGM resolved to authorize the Offeror's board of directors to increase the Offeror's

share capital by up to 6 million new shares, inter alia, to allow the Offeror to issue the Northern Link PIK Shares in settlement of the Seller's Credit.

The Offeror's board of directors resolved following the EGM, inter alia, to issue 2,256,470 new shares in the Offeror to Northern Link at a subscription price of NOK 500 per share. These shares (being the Northern Link PIK Shares) were paid on the same date by set-off of the Seller's Credit against the subscription amount.

### 1.1.3 *Completion of the Northern Link Transaction triggered the Mandatory Offer*

Completion of the Northern Link Transaction on 8 October 2019 triggered an obligation on the Offeror to launch a mandatory offer for all the Equity Instruments not owned by the Offeror on such date or reduce its holding of Equity Instruments to a level below 1/3 of the total pursuant to chapter 6 of the Securities Trading Act. The Offeror announced its intention to make a mandatory offer on the same date.

The Mandatory Offer is made to all Shareholders, both owners of Equity Instruments and Jersey Common Shares, provided they are Eligible Shareholders. For further details see above under "Important Information" and "Offer Restrictions".

The Offer Price is NOK 28.25 for each of the Equity Instruments. The Offer Price will be settled in cash. The Offer Price is equivalent to the highest price the Offeror has paid for any Equity Instrument during the 6 months preceding the date hereof. For further details see Section 1.5 "Offer Price" and Section 1.9 "Settlement".

The Offer Period is from and including 11 November 2019 to 18:00 (CET) on 9 December 2019, subject to the Offeror being allowed to extend the period by a maximum of 14 days (i.e. to a maximum Offer Period of 6 weeks), see Section 1.6 "Offer Period" for further details.

The completion of the Mandatory Offer is not subject to any conditions in respect of Equity Instruments for which valid Acceptances are received.

## **1.2 The Scottish Salmon Company PLC**

The Scottish Salmon Company PLC is a public limited company incorporated and existing under the laws of Jersey. It is identified by Registration number 104328 in Jersey and has its registered office at 28 Esplanade, St Helier, Jersey JE1 8SB.

The Company has 194,029,173 Common Shares in issue, of which 193,986,950 Common Shares are nominally held by the Registrar (which represents the basis for the Depositary Receipts) while the remaining 42,223 Common Shares (i.e. the Jersey Common Shares) are held by employees of the Group and a share incentive trust established for their benefit. The beneficial ownership to the Common Shares held by the Registrar is recorded in VPS as depositary receipts (*depotbevis*) under the International Securities Identification Number ("**ISIN**") JE00B61ZHN74. The Depositary Receipts are listed on Oslo Børs with ticker code "**SSC**".

See Section 2 "Description of the Company" for further details.

## **1.3 Reasons for the Mandatory Offer**

On the Closing Date the Offeror became, pursuant to Chapter 6 of the Securities Trading Act, obligated to make an offer for the Equity Instruments it did not own, or to sell a sufficient number of these to reduce its holding below 1/3 of the total, as a consequence of having completed the Northern Link Transaction.

The Offeror announced, on the Closing Date, its intention to make a mandatory offer as required by the Securities Trading Act.

The commercial rationale for the Offeror's investment in the Company and the Mandatory

Offer is that the Offeror wishes to expand its geographical area of operations and increase its production volume.

The Company operates geographically in an area reasonably adjacent to the Offeror's center of operations whereafter an acquisition is well suited as a means to achieve such expansion.

The Offeror also believes that substantial cost and operational synergy benefits can be achieved by integrating the Company's operations in its own.

It is the intention that the Company will remain headquartered in Scotland. The Offeror has not yet concluded as to whether any corporate reorganisations will be undertaken after the completion of the acquisition.

#### **1.4 The Offeror**

The Offeror is a public limited company incorporated and existing under the laws of the Faroe Islands. The Offeror's Registration number in the Faroe Islands is 396966. Its registered office is at Bakkavegur 9, FO-625 Glyvrrar, Faroe Islands. Ownership to all of the shares issued by the Offeror are registered in VPS under the International Securities Identification Number ("**ISIN**") FO0000000179. The Offeror's shares are trading as such on Oslo Børs under the ticker code "BAKKA". See Section 3 "Brief Description of the Offeror" for further details.

None of the Offeror's close associates (as defined in the Securities Trading Act section 2-5) owns any Equity Instruments. Further, neither the Offeror, nor any of the Offeror's close associates, own any loan as referred to in the Securities Trading Act section 6-13 (2) no. 4 (convertible loans) or any other financial instruments that give a right to acquire Equity Instruments

#### **1.5 Offer Price**

Eligible Acceptants will receive a purchase price of NOK 28.25 per Equity Instrument on the terms set forth in this Offer Document.

The Offer Price equals the highest consideration paid by the Offeror for an Equity Instrument over the 6-month period preceding the Closing Date.

The Offer Price of NOK 28.25 is higher than the adjusted value of the consideration paid by the Offeror per Equity Instrument in the Northern Link Transaction.

This was NOK 28.14 when the agreed purchase price of NOK 28.25 is adjusted for (i) the additional value represented by the Northern Link PIK Shares (issued at NOK 500 whilst the market value on the Announcement Date was higher) and (ii) the negative value of the Northern Link Lock-Up.

These adjustments have been calculated based on the following assumptions:

*(i) The added value represented by the Northern Link PIK Shares*

This number has been calculated by:

- using the volume weighted adjusted closing price (VWAP) of the Offeror's share on the Oslo Børs over the three last trading days prior to the Announcement Date, NOK 526.70, as the market value of each Northern Link PIK Share;
- deducting the subscription price of NOK 500 agreed with Northern Link for each Northern Link PIK Share from the above value, the residual being NOK 26.70 per Northern Link PIK Share; and
- multiplying the residual by the number of Northern Link PIK Shares, i.e.

2,256,470, with NOK 60,247,749 being the total added value.

When allocated to each of the 133,125,109 Depositary Receipts purchased by the Offeror from Northern Link, the Purchase Price per Depositary Receipt increases by NOK 0.45 from NOK 28.25 to NOK 28.70.

*(ii) The negative value represented by the Northern Link Lock-Up.*

The Northern Link Lock-Up is a restriction on Northern Link's ability to sell the Northern Link PIK Shares during the 180 day period which commenced on the Closing Date.

The only option available to Northern Link to neutralize this would have been to purchase an option to sell the relevant number of shares in the Offeror at the expiry of the Northern Link Lock-Up at their market price on the Announcement Date.

The purchase price for such an option thus represents the negative value of the Northern Link Lock-Up. This has been calculated to NOK 75,135,740.77 by using the Black & Scholes Option pricing model available on Bloomberg and the following assumptions:

- Strike – NOK 526.70;
- Maturity – 8 April 2020 (180 days from the Closing Date);
- Number of shares: 2,256,470;

When allocating this cost to each Depositary Receipt purchased by the Offeror from Northern Link, the Purchase Price per Depositary Receipt is reduced by NOK 0.56 from NOK 28.70 to NOK 28.14;

Hence the highest purchase price paid by the Offeror in its purchases of Depositary Receipts subsequent to the Announcement Date of NOK 28.25 represents the highest price paid by the Offeror for an Equity Instrument during the 6 months preceding the Closing Date and the period thereafter.

The Offer Price per Equity Instrument of NOK 28.25 represents:

- a premium of 0.53 per cent compared to the closing price for the Depositary Receipts of NOK 28.10 on 25 September 2019, the last trading day prior to the Offeror acquiring the Depositary Receipts from Northern Link on 25 September 2019;
- a premium of 7.14 per cent to the volume-weighted average price per Depositary Receipt for the 3 months ended on 25 September 2019 of approximately NOK 26.23; and
- a premium of 13.20 per cent to the volume-weighted average price per Depositary Receipt for the 6 months ended on 25 September 2019 of approximately NOK 23.17.

In the event the Company pays out any dividend or other distribution to the Shareholders prior to the Settlement Date, the Offer Price will be reduced by the amount distributed per Equity Instrument.

In case of either a split or a reverse split of the Common Shares prior to the Settlement Date, the Offer Price shall be adjusted accordingly.



If the Offeror acquires any further Equity Instruments or rights to acquire Equity Instruments (in the open market or in privately negotiated transactions or otherwise) at a consideration higher than the Offer Price after the Announcement Date and before the expiry of the Offer Period, then the Offeror will increase the Offer Price to be at least equal to the value of such higher consideration, always payable in cash. Any such event and the consequences thereof will be communicated in accordance with Section 1.11 "Announcements and Amendments to the Mandatory Offer".

## 1.6 Offer Period

The Offer Period commences on 11 November 2019 and continues until 18:00 (CET) 9 December 2019.

The Offeror expressly reserves the right to, at any time and one or several times, extend the Offer Period by a maximum of 14 days (i.e. to a maximum Offer Period of 6 weeks). If the Offer Period is extended, the Settlement Date will be extended accordingly.

Any extension of the Offer Period is subject to Oslo Børs' approval and will be announced no later than by the expiration of the then prevailing Offer Period in the manner described in Section 1.11 "Announcements and Amendments to the Mandatory Offer". The last day on which the Offer Period can expire is 23 December 2019.

## 1.7 Acceptance of the Mandatory Offer

In order for an Eligible Shareholder to accept the Mandatory Offer, an Acceptance Form must be correctly completed, delivered to and received by either of the Receiving Agent prior to the end of the Offer Period (subject to any extension). The Acceptance Form sent to each Shareholder includes information on the recipient's holding of Equity Instruments and certain other individual information.

The Acceptance Form for the Depositary Receipts is enclosed as Appendix 1 (English version) and Appendix 2 (Norwegian version). The Acceptance Form for the Jersey Common Shares is enclosed as Appendix 3 (English version), to this Offer Document.

Acceptance Forms (together with such supplementary information as are specified in the Acceptance Form if the Eligible Acceptant is the owner of Jersey Common Shares) must be received by the Receiving Agent at the address below by means of e-mail, ordinary mail or hand delivery by the end of the Offer Period:

DNB Markets  
Registrars Department

Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo, Norway  
E-mail: [retail@dnb.no](mailto:retail@dnb.no)  
Phone: +47 23 26 80 20

If an Acceptance Form is signed by a person acting on behalf of an Eligible Shareholder, evidence of the authority of such person must be delivered together with the Acceptance Form in order for the acceptance to be valid.

All Equity Instruments to be acquired under the Mandatory Offer must be transferred to the Offeror free of all encumbrances or other third-party rights whatsoever and with all shareholder rights (whether direct or implied) attached to them. Any third party with registered encumbrances or other third-party rights over the account in VPS of an Eligible Acceptant(s) holding Depository Receipts or over any Jersey Common Shares must sign the Acceptance Form and thereby waive its rights to the Depository Receipts recorded thereon and approve the transfer of the same to the Offeror free of any encumbrances.

An Eligible Shareholder will only be entitled to sell its Equity Instruments within the Mandatory Offer upon the terms of the Offer Document and only by complying with the above instructions.

The Offeror reserves the right to reject any Acceptance Form which is not in proper form or which may be unlawful. The Offeror also reserves the right (i) to accept Acceptance Form submitted after the expiry of the Offer Period, but shall in no event be obliged to do so and (ii) to treat an Acceptance Form as valid although the relevant Acceptance Form has not been properly completed or is not accompanied by the required evidence of authority or is received at a place other than as set out above. However, the Offeror will ensure due compliance with the duty to treat all Eligible Shareholders equally under section 6-10 (9) of the Securities Trading Act when exercising its discretion as aforesaid.

Shareholders whose Depository Receipts are split among several VPS accounts will receive one Acceptance Form for each such account and are, if they are Eligible Shareholders, required to submit a separate Acceptance Form for each account.

**Any Eligible Shareholder whose Equity Instruments are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such person if such Eligible Shareholder wishes to accept the Mandatory Offer.**

In order for an Eligible Shareholder to validly accept the Mandatory Offer, the Acceptance Form must be signed by such Eligible Shareholder or its authorized attorney.

The Acceptance Form is irrevocable and cannot be withdrawn after receipt thereof by the Receiving Agent.

An Eligible Acceptant owning Jersey Common Shares will authorize the Receiving Agent to transfer such Jersey Common Shares to the Offeror in the Register of Members by way of notice to the Company.

By delivering a duly executed Acceptance Form, the Eligible Acceptant gives the Receiving Agent an irrevocable power of attorney to block the Depository Receipts to which the Acceptance Form relates in favor of the Receiving Agent. Eligible Acceptants may not sell, otherwise dispose, encumber or transfer its Depository Receipts to another VPS account or sell, dispose, encumber or transfer its Jersey Common Shares after having submitted an Acceptance Form.

By delivering a duly executed Acceptance Form, each Eligible Acceptant gives the Receiving Agent an irrevocable power of attorney to transfer the Equity Instruments covered by the Acceptance Form to the Offeror upon settlement of the Mandatory Offer.

Unless otherwise specified, an Acceptance Form will comprise all the Eligible Acceptant's Equity Instruments on the VPS account covered by the Acceptance Form or, as the case may be, recorded in such Eligible Acceptant's name in the Register of Members. However, with respect to Depositary Receipts registered on VPS accounts in the name of a broker, dealer, commercial bank, trust company or other nominee, the Acceptance Form will solely comprise the designated Depositary Receipts on such VPS account that the Mandatory Offer in fact has been accepted for by an Eligible Shareholder, and no other Depositary Receipts registered on the same VPS account being beneficially owned by Shareholders not having accepted the Mandatory Offer. An Acceptance Form will also include any Equity Instruments which are acquired or will be acquired, and which are (i) in respect of Depositary Receipts, credited to the relevant VPS account until such Depositary Receipts are debited from the Eligible Acceptant's VPS account in connection with the settlement of the Mandatory Offer (save for Depositary Receipts on VPS accounts in the name of a broker, dealer, commercial bank, trust company or other nominees belonging to a Shareholder not having accepted the Mandatory Offer) and (ii) in respect of Jersey Common Shares, recorded in such Eligible Acceptant's name in the Register of Members until such Jersey Common Shares are transferred to the Offeror.

### **1.8 Shareholder Rights**

Eligible Acceptants will retain ownership of their Equity Instruments until completion of the Mandatory Offer. All shareholder rights and contractual rights related to the Equity Instruments shall, to the extent permitted under Jersey law, be vested with the Eligible Acceptants until settlement pursuant to the Mandatory Offer is completed (see section 1.9 "Settlement" below).

### **1.9 Settlement**

The cash payment to the Eligible Acceptants will be made as soon as reasonably possible and no later than 14 calendar days, after the expiry of the Offer Period (as extended, if applicable).

Accordingly, the latest date on which settlement of the Mandatory Offer will be made is 23 December 2019 if the Offer Period is not extended and 6 January 2020 if the Offer Period is extended by the maximum 14 days.

Payment of the Offer Price on settlement of the Mandatory Offer will be made in NOK. Eligible Acceptants are responsible for ensuring that they can receive payment for their Equity Instruments in NOK and for any currency hedging or conversion arrangements they may have or wish to put in place relevant thereto.

The individual settlement amount will be transferred to the NOK account of each Eligible Acceptant which, at the time of submitting the Acceptance Form, was registered on such Eligible Acceptant's VPS account as the account for payment of dividends. Eligible Acceptants who own Jersey Common Shares or who do not have a Norwegian bank account registered on their VPS account must provide payment details (such as IBAN, SWIFT/BIC or similar payment codes depending on the jurisdiction where the receiving bank account is located) on the Acceptance Form. Eligible Acceptants who provide incomplete account details in the Acceptance Form or provide account details to an account which is not a NOK account, accept that the Receiving Agent, will transfer the funds by remittal of funds to any bank account provided on the Acceptance Form in the relevant Eligible Acceptant's name in the applicable currency of such account. The Receiving Agent may for such purpose, convert the funds into any applicable currency. The Receiving Agent shall use DNB Markets to perform currency exchanges, and DNB Markets' rates and margins will apply to any such exchange or conversion. The Receiving Agent should be contacted by any Eligible Acceptant who does not hold a bank account with a Norwegian bank.

If an Eligible Acceptant holds its Equity Instruments through a broker, bank, custodian, in investment company, investment manager, financial intermediary or other nominee and



payment on settlement is to be made to such nominee's or intermediary's account, such Eligible Acceptants should contact such broker, bank, custodian, investment company, investment manager, financial intermediary or other nominee for determining when and how payment will be credited to its own account.

### **1.10 Financing and settlement guarantee**

The Offeror will finance the acquisition through the net proceeds obtained in a recently concluded private placement of new shares (cf. the Offeror's stock exchange announcement as of 26 September 2019), existing cash and credit facilities.

The Offeror has, in accordance with section 6-10 (7) of the Securities Trading Act, provided a settlement guarantee, issued by Nordea Bank Abp, filial i Norge, covering the Offeror's obligation to pay for the Equity Instruments to be purchased pursuant to the Mandatory Offer. The text of the guarantee is set out in Appendix 4 "Mandatory Offer Guarantee".

### **1.11 Announcements and Amendments to the Mandatory Offer**

Announcements issued by or on behalf of the Offeror regarding the Mandatory Offer and/or this Offer Document will be deemed to have been made once they have been received by Oslo Børs and distributed through its electronic information system. The Offeror will have no obligation to publish, advertise or otherwise communicate any such announcement other than by making such release to Oslo Børs.

The Offeror expressly reserves the right to extend the Offer Period (see Section 1.3 "Offer Period") and/or to issue a new offer in accordance with chapter 6 of the Securities Trading Act. If the Offeror makes a new offer during the Offer Period, the Offer Period will be extended so that at least 2 weeks remain.

An Acceptance Form is binding even if the Offer Period is extended and/or the Mandatory Offer is otherwise amended in accordance with the terms hereof. Eligible Acceptants who have already accepted the Mandatory Offer in its original form or with previous amendments will be entitled to any benefits arising from such amendments.

### **1.12 Contact between the Offeror and the Board and management of the Company prior to the launch of the Mandatory Offer**

#### *1.12.1 Contact between the Offeror and the Board and the Company's management*

The Company announced, on 29 April 2019, that it, in order to maximise shareholder value, would initiate a review of the various strategic options available to it.

One of these options was to seek a buyer of the entire share capital of the Company.

In order to attract interest for such a transaction, a structured process was initiated by the Company whereby a number of potential buyers were invited to review various information on the financial, operational and legal status of the Group as a basis for a possible voluntary bid for all of the Equity Instruments.

The Offeror was among the possible buyers invited to participate in such process whereafter the Offeror was in regular contact with the financial advisors the Company had appointed to manage the review process and the Company's management during the period from May 2019 until the Announcement Date.

The purpose of these contacts was to provide the Offeror with sufficient information on the Company's status to consider making a voluntary bid for the Equity Instruments.

#### *1.12.2 Contact between the Offeror and Northern Link*

The Offeror decided, in June 2019, that it, as a means to acquire all of the Equity Instruments, would do so in a two-step approach where the first step would be the

acquisition of the Depositary Receipts held by Northern Link and the second step would be a mandatory offer for the remaining Equity Instruments rather than through the voluntary bid structure proposed by the Company.

This approach was accepted by the Company, whereafter the Offeror, during September, negotiated the terms of the Northern Link Transaction directly with Northern Link.

### **1.13 Impact on the Group's employees**

The Mandatory Offer is not expected to have any immediate legal, economic or work-related consequences for the employees of the Group.

### **1.14 Benefits to the members of the Board and executive management of the Company**

No payments or other benefits of any kind, or prospects of such payments or benefits, have been or will be made by the Offeror or any of its affiliates to the members of the Board or the executive management of the Company in connection with the Mandatory Offer.

The Offeror is, however, aware that the members of the Board and the members of the Company's senior management team all will receive certain bonus payments from the Company as a consequence of the change of control of the Company triggered by the Northern Link Transaction.

### **1.15 Legal consequences of the Mandatory Offer**

The Mandatory Offer may result in the Offeror becoming the owner of all the Equity Instruments validly tendered hereunder. The Offeror is not aware of any consents or approvals from governmental or regulatory authorities required for the completion of the Mandatory Offer.

The Mandatory Offer may further result in the Offeror becoming the owner of more than 90% of all the Equity Instruments in which case the Offeror may initiate the Compulsory Acquisition, cf. Section 1.20 "Compulsory acquisition" below.

The Offeror may apply for a delisting of the Depositary Receipts from Oslo Børs following the close of the Mandatory Offer if the Depositary Receipts not owned by the Offeror at such time is marginal. Oslo Børs may reject such an application, or it may decide, on its own initiative, to have the Depositary Receipts delisted. In its handling of a delisting application, Oslo Børs will take minority shareholder interests into consideration, and will not approve a delisting if there remain a substantial number of Shareholders owning Depositary Receipts and a delisting is expected to be a significant disadvantage to them.

The Mandatory Offer will not, to the Offeror's knowledge, have any legal consequences for the Company, other than as described in this Offer Document.

### **1.16 Statement from the Board**

The Board has a duty under section 6-16 of the Securities Trading Act to issue an assessment of the consequences of the Mandatory Offer to the Company, its employees, the location of its business as well as other factors of significance for assessing whether the Mandatory Offer should be accepted by the Eligible Shareholders. Such statement must, under section 6-16 of the Securities Trading Act, be made public no later than one week prior to the end of the Offer Period.

However, Oslo Børs shall, in accordance with Section 6-16 (4) of the Securities Trading Act, determine, when a bid has been made by someone who is a member of the board of the offeree company or the bid has been made in concert with the board of the company, who shall issue the statement regarding the Offer.

### **1.17 Costs**

The Offeror will pay all commissions and costs directly related to the settlement of the Mandatory Offer, whether in the VPS (in respect of the Depositary Receipts) or in the Register of Members (in respect of the Jersey Common Shares). Accordingly, Eligible Acceptants will not incur any brokerage fees or other costs directly related to their Acceptance. Any tax consequences or costs incurred by Eligible Acceptants for financial or legal advice, as well as any other costs incurred by them in connection with the Mandatory Offer, are the responsibility of each individual Eligible Acceptants and will not be paid by the Offeror.

### **1.18 Tax**

Each Eligible Acceptant is responsible for any tax liability arising as a result of the settlement of the Mandatory Offer in relation to itself and any advisory costs related thereto. A general description of the tax implications of the Mandatory Offer is included in Section 4 "Tax Consequences".

### **1.19 Acquisition of Equity Instruments outside the Mandatory Offer**

In accordance with, and to the extent permitted by, Norwegian law and normal market practice, the Offeror reserves the right, and may exercise the right, to acquire Equity Instruments outside the Mandatory Offer before, during and after the end of the Offer Period, provided that such transactions comply with applicable laws and regulations. Any such purchases may occur in the open market at prevailing prices or in private transactions at negotiated prices. Information about such purchases will be disclosed as and if required by the Securities Trading Act. If the Offeror acquires further Equity Instruments or rights to acquire any Equity Instruments (in the open market or in privately negotiated transactions or otherwise) at a consideration higher than the Offer Price before or during the Offer Period, then the Offeror will increase the Offer Price to be at least equal to such higher consideration. The Offeror will, to the extent required by the Securities Trading Act, publicly disclose purchases of Equity Instruments in accordance with the procedures described in Section 1.11 "Announcements and Amendments of the Mandatory Offer".

### **1.20 Compulsory Acquisition**

The Offeror must, in order to complete a compulsory acquisition of any Equity Instruments not owned by it subsequent to the closing of the Mandatory Offer, be the owner of not less than nine tenths of all of the Equity Instruments.

The Offeror will, likely, convert its holding of Depositary Receipts to Jersey Common Shares following the closing of the Mandatory Offer, i.e. have its ownership to its Equity Instrument recorded directly in the Register of Members, as a preparatory step for this procedure.

Further, the Offeror must have completed a take-over offer under Jersey law no more than 4 months in advance of the compulsory acquisition. The Offeror believes that the Mandatory Offer will qualify as such.

If it, pursuant to Jersey law, does not, the Offeror will make a repeated offer at the Offer Price and in accordance with applicable Jersey law, for all of the remaining Common Shares (including those held by the Registrar).

A compulsory acquisition is, pursuant to Jersey law, completed by the giving of notice by the Offeror to all remaining holders of Common Shares (the Registrar included) with a copy to the Company. Such notice must be given within 2 months from the Offeror becoming the owner of more than nine tenths of the Common Shares.

The consideration to be paid in the compulsory acquisition will be the same as in the preceding take-over offer, i.e. NOK 28.25.

A Shareholder receiving a notice of a compulsory acquisition has the right to object to such acquisition to the Royal Court in Jersey within six weeks from the date on which notice of compulsory acquisition was given, that the Offeror shall not be entitled and bound to acquire such Shareholder's Common Shares through compulsory acquisition (because the conditions therefore have not been met) or to specify terms of acquisition differing from those offered in the notice.

The parties to such dispute shall bear their own costs. The court may, however, award costs to either party in its decision depending on their actions leading to the dispute.

Any remaining holder of Equity Instruments after the Offeror has acquired more than nine tenths thereof also has a right to be bought out at the same terms.

### **1.21 Legal venue and choice of law**

The Mandatory Offer and the Acceptance Form are governed by and will be interpreted in accordance with Norwegian Law. Any disputes are subject to the exclusive jurisdiction of the courts of Norway, with the Oslo District Court as legal venue.

### **1.22 Miscellaneous**

Confirmation of receipt of Acceptance Forms or other documents will not be issued by the Receiving Agent. No notification will be issued in the event of a rejection of an Acceptance Form that is incorrectly completed or received after the end of the Offer Period.

This Offer Document will be sent to all Shareholders registered in the VPS Register on 8 November 2019 to the addresses recorded therein, and to the owners of the Jersey Common Shares recorded in the Register of Members as per the same date, except for Shareholders in jurisdictions where this Offer Document may not be lawfully distributed. Further information on the Mandatory Offer may be obtained from:

DNB Markets  
Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo  
Norway  
E-mail: retail@dnb.no  
Phone: +47 23 26 81 01

Nordea Bank Abp, filial i Norge  
Essendropsgate 7  
P.O. Box 1166 Sentrum  
N-0107 Oslo  
Norway  
E-mail: nis@nordea.com  
Phone: +47 24 01 34 62

## **2. DESCRIPTION OF THE COMPANY AND THE GROUP**

### **2.1 Introduction**

The following section contains a brief presentation of the Company, the Group and its operations. The information on the Company is based on the Company's public accounts and other material in the public domain. The Offeror and its representatives disclaim any responsibility and liability for the accuracy or completeness of the information of the Company set forth herein. For a more detailed description of the Company, please refer to the Company's website: <https://www.scottishsalmon.je/>

Information may also be obtained through the annual reports or quarterly reports of the Company.

### **2.2 Company description**

The Scottish Salmon Company PLC is a public limited company, incorporated and domiciled in Jersey. It is identified by registration number 104328 in Jersey. It was incorporated on 6 November 2009.

The Company is a producer of Atlantic salmon and has its major production sites on the West Coast of Scotland and in the Hebrides. It is committed to the production and sale of the finest quality Atlantic salmon. The Company is the parent company of the Group. The Company listed the Depository Receipts on Oslo Børs in 2011.

The Company is the parent company of The Scottish Salmon Company Limited ("**SSCL**"), through which the Group concludes all its salmon farming, processing, sales and marketing activities. SSCL is registered and based in Scotland.

SSCL has over 600 employees across 60 sites throughout the value chain for farmed salmon, comprising of 11 freshwater sites, 43 operational marine sites, 2 harvest stations, 2 processing plants, a smokehouse/restaurant and a head office.

The Group's current potential production capacity is approx. 30,000 tons per annum. Products are exported to 26 countries, with focus on North America and Far East. In 2018, harvest volumes ended at 29,913 tonnes (compared to 25,272 tonnes 2017). At the end of the first half of 2019, the Company reported a harvest volume in the Group of 18,463 tons (compared to 15,777 tonnes in first half of 2018).

### **2.3 Shares and share capital**

As of the date of this Offer Document, the Company had a paid in share capital of GBP 174,626,255.70 represented by 194,029,173 Common Shares, each with a par value of GBP 0.09. The Company has one class of shares only, all of which have equal voting rights.

Of the 194,029,173 Common Shares in issue in the Company, 193,986,950 are registered in the name of the Registrar in the Register of Members based on which a corresponding number of Depository Receipts have been issued and registered in VPS. These are listed and traded on Oslo Børs.

### **2.4 Selected financial information**

#### *2.4.1 General Information*

The tables below include selected consolidated financial information for the Group as of each of the financial years ending 31 December 2016, 31 December 2017 and 31 December 2018. The financial information has been prepared in accordance with IFRS. The consolidated historical financial data as of and for each of these financial years is derived from the Company's audited financial statements for 2016, 2017 and 2018 as posted on the Company's webpage. The figures are as reported by the Company at the time of the issuance of the applicable financial report.

The information and data in this Section 2.4 "Selected Financial Information" is only a summary and should be read in conjunction with, and is qualified in its entirety by, reference to the Company's audited consolidated financial statement for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 and the related notes thereto, all available at <http://www.scottishsalmon.je/>.

#### *2.4.2 Consolidated statement of income*

The table shows a summary of the Company's consolidated statements of income for the financial year ended 31 December 2016, 31 December 2017 and 31 December 2018.

£ 1,000	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>	<b>180,125</b>	<b>150,946</b>	<b>109,921</b>
Purchase of goods	-114,159	-100,801	-76,324
Change in inventory and biomass at cost	22,800	15,102	-1,135
Salaries and related costs	-21,119	-18,413	-15,612
Fair value adjustment on biomass	12,233	294	11,262

Other operating expenses	-10,989	-8,165	-7,911
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>68,891</b>	<b>38,963</b>	<b>20,201</b>
Depreciation and impairment	-8,288	-8,198	-8,277
(Loss) / gain on disposal of tangible / intangible assets	-356	5	10
<b>Earnings before interest and taxes (EBIT)</b>	<b>60,247</b>	<b>30,770</b>	<b>11,934</b>
Interest expenses	-1,099	-1,136	-1,598
Other financial items	-843	-316	-1,236
<b>Earnings before taxes</b>	<b>58,305</b>	<b>29,318</b>	<b>9,100</b>
Taxes	-10,648	-5,183	-189
<b>Net earnings for the year</b>	<b>47,657</b>	<b>24,135</b>	<b>8,911</b>
<b>Earnings per share</b>			
Basic earnings per Common Share (£) at 31 December	0.25	0.12	0.05
Diluted earnings per Common Share (£) at 31 December	0.25	0.12	0.05
<b>Net earnings</b>	<b>47,657</b>	<b>24,135</b>	<b>8,911</b>
Change in fair value of cashflow hedges	-122	-555	-1,887
Deferred tax on cashflow hedges	-50	28	316
Cashflow hedges reclassified to income statement	419	392	31
<b>Total items to be reclassified to income statement in subsequent periods</b>	<b>247</b>	<b>-135</b>	<b>-1,540</b>
<b>Total other comprehensive income</b>	<b>247</b>	<b>-135</b>	<b>-1,540</b>
<b>Total comprehensive income for the year</b>	<b>47,904</b>	<b>24,000</b>	<b>7,371</b>

#### 2.4.3 Consolidated statement of financial position

The table below shows a summary of the Company's consolidated statements of financial position as of 31 December 2016, 31 December 2017 and 31 December 2018.

£ 1,000	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Non-current assets</b>			
Licences & other intangibles	28,011	24,314	23,612
Goodwill	6,098	2,164	2,164
<b>Total intangible assets</b>	<b>34,109</b>	<b>26,478</b>	<b>25,776</b>
Property, plant and equipment	55,891	43,991	39,207
<b>Total tangible assets</b>	<b>55,891</b>	<b>43,991</b>	<b>39,207</b>
<b>Total non-current assets</b>	<b>90,000</b>	<b>70,469</b>	<b>64,983</b>

<b>Current assets</b>			
Inventory	3,119	2,581	2,117
Biological assets	129,600	95,100	80,167
Trade receivables	20,552	18,785	12,625
Other receivables	1,986	2,906	3,512
Current taxes			484
Cash and cash equivalents	4,886	8,500	3,013
<b>Total current assets</b>	<b>160,143</b>	<b>127,872</b>	<b>101,918</b>
<b>Total assets</b>	<b>250,143</b>	<b>198,341</b>	<b>166,901</b>
<b>Equity</b>			
Share capital	17,530	17,485	17,485
Share premium reserve	64,028	64,028	64,028
Cashflow hedge reserve	-1,428	-1,675	-1,540
Other equity	77,629	36,417	12,182
<b>Total equity</b>	<b>157,759</b>	<b>116,255</b>	<b>92,155</b>
<b>Non-current liabilities</b>			
Deferred taxes	10,484	8,133	7,144
Other long term liabilities	1,983	1,680	1,444
Long term interest bearing bank debt	29,380	36,021	36,444
<b>Total non-current liabilities</b>	<b>41,847</b>	<b>45,834</b>	<b>45,032</b>
<b>Current liabilities</b>			
Short term interest bearing bank debt	11,294	10,998	9,236
Other short term interest bearing debt			237
Trade payables	23,535	15,460	13,108
Other short term liabilities	10,715	8,422	7,133
Current taxes	4,993	1,372	
<b>Total current liabilities</b>	<b>50,537</b>	<b>36,252</b>	<b>29,714</b>
<b>Total liabilities</b>	<b>92,384</b>	<b>82,086</b>	<b>74,746</b>
<b>Total equity and liabilities</b>	<b>250,143</b>	<b>198,341</b>	<b>166,901</b>
Equity ratio	63.1 %	58.6 %	55.2 %

#### 2.4.4 Consolidated statement of changes in equity

The table below shows a summary of the Company's consolidated statements of changes in equity as of 31 December 2016, 31 December 2017 and 31 December 2018.

£ 1,000	Issued Capital	Share Premium Reserve	Cashflow Hedge Reserve	Other Capital Reserves	Retained Earnings	Treasury shares	Disconti- nued operations	Total Equity
<b>At 1 January 2018</b>	<b>17,485</b>	<b>64,028</b>	<b>-1,675</b>	<b>-36,266</b>	<b>73,599</b>		<b>-916</b>	<b>116,255</b>
Owner changes for the year recognised directly in equity:								
Share based payment				55				55
Settlement of share options	45			-296	88	-292		-455
Dividend paid					-6,000			-6,000
Comprehensive income:								

Net earnings for the year					47,657			47,657
Other comprehensive income			247					247
<b>At 31 December 2018</b>	<b>17,530</b>	<b>64,028</b>	<b>-1,428</b>	<b>-36,507</b>	<b>115,344</b>	<b>-292</b>	<b>-916</b>	<b>157,759</b>
<b>At 1 January 2017</b>	<b>17,485</b>	<b>64,028</b>	<b>-1,540</b>	<b>-36,366</b>	<b>49,464</b>		<b>-916</b>	<b>92,155</b>
Owner changes for the year recognised directly in equity:								0
Share based payment					100			100
Comprehensive income:								0
Net earnings for the year					24,135			24,135
Other comprehensive income			-135					-135
<b>At 31 December 2017</b>	<b>17,485</b>	<b>64,028</b>	<b>-1,675</b>	<b>-36,266</b>	<b>73,599</b>	<b>0</b>	<b>-916</b>	<b>116,255</b>
<b>At 1 January 2016</b>	<b>17,485</b>	<b>64,028</b>		<b>-36,452</b>	<b>40,553</b>	<b>0</b>	<b>-916</b>	<b>84,698</b>
Owner changes for the year recognised directly in equity:								0
Share based payment					86			86
Comprehensive income:								0
Net earnings for the year					8,911			8,911
Other comprehensive income			-1,540					-1,540
<b>At 31 December 2016</b>	<b>17,485</b>	<b>64,028</b>	<b>-1,540</b>	<b>-36,366</b>	<b>49,464</b>	<b>0</b>	<b>-916</b>	<b>92,155</b>

#### 2.4.5 Consolidated statement of cash flow

The table below shows a summary of the Company's consolidated statements of cash flows for the years ended 31 December 2016, 31 December 2017 and 31 December 2018.

£ 1,000	2018	2017	2016
<b>Operating activities</b>			
Earnings before interest and taxes	60,247	30,770	11,934
Adjustment to reconcile earnings before interest and tax to net cashflows			
Non cash:			
Fair value adjustment on biomass	-12,233	-294	-11,262
Depreciation and impairment of property, plant and equipment	8,288	7,971	8,277
Impairment of farming licences		227	



Loss / (gain) on disposal of assets	358	-5	-10
Other adjustments:			
Other financial expenses	-579	-479	-275
Share based payment expense	55	100	86
Tax net settlement expense on employee share options	-457		
Working capital adjustments:			
Change in inventory, payables and receivables	-13,002	-16,783	1,315
Taxes paid	-5,015	-2,309	28
<b>Net cashflows from operating activities</b>	<b>37,662</b>	<b>19,198</b>	<b>10,093</b>
<b>Investing activities</b>			
Proceeds of sales of property, plant and equipment	42	192	120
Purchase of property, plant and equipment	-18,741	-12,942	-7,967
Acquisitions	-7,286		
Capitalised development costs	-1,845	-928	-1,361
<b>Net cashflows used in investing activities</b>	<b>-27,830</b>	<b>-13,678</b>	<b>-9,208</b>
<b>Financing activities</b>			
Proceeds from borrowings		5,000	42,500
Repayment of borrowings	-6,000	-5,000	-48,494
Borrowings from assets based financing		695	5,512
Repayment from asset based financing	-429		
Interest paid	-1,017	-728	-1,871
Dividend paid	-6,000		
<b>Net cashflows used in financing activities</b>	<b>-13,446</b>	<b>-33</b>	<b>-2,353</b>
<b>Net change in cash and cash equivalents in period</b>	<b>-3,614</b>	<b>5,487</b>	<b>-1,468</b>
Net (decrease) / increase in cash and cash equivalents	-3,614	5,487	-1,468
Cash and cash equivalents at 1 January	8,500	3,013	4,481
<b>Cash and cash equivalents at 31 December</b>	<b>4,886</b>	<b>8,500</b>	<b>3,013</b>

## 2.5 Shareholders

As of 31 December 2018, the Company had 1,514 Shareholders and held 204,704 Equity Instruments in treasury. The top 20 largest Shareholders as of 6 November 2019 were:

	<b>Shareholder</b>	<b>Position</b>	<b>% of shares</b>
1	P/F Bakkafrost	156,683,313	80.77
2	SIX SIS AG	5,574,396	2.87
3	BNP Paribas Securities Services	4,600,000	2.37
4	ABN AMRO Global Custody Services N	4,345,323	2.24
5	Goldman Sachs International	2,629,894	1.35
6	MP PENSJON PK	2,388,757	1.23
7	DOLFIN FINANCIAL (UK) LTD	1,131,838	0.58
8	CLEARSTREAM BANKING S.A.	1,100,567	0.57
9	Deutsche Bank Aktiengesellschaft	1,087,933	0.56

10	Nordnet Bank AB	924,829	0.47
11	BARCLAYS CAPITAL SEC. LTD FIRM	586,780	0.30
12	The Bank of New York Mellon SA/NV	576,337	0.30
13	ARILD JOHANSEN	542,038	0.28
14	Morgan Stanley & Co. International	536,820	0.27
15	DNB BANK ASA	456,086	0.24
16	Danske Bank A/S	386,909	0.20
17	DZ Privatbank S.A.	367,013	0.19
18	Nordea Bank Abp	323,253	0.16
19	UBS Switzerland AG	275,229	0.14
20	Svenska Handelsbanken	268,604	0.13
	Total	184,785,919	95.22

## 2.6 Board and management

As of the date of this Offer Document, the Board consists of the following directors:

- Robert M. Brown III (Chairman)
- Merete Myhrstad
- Viacheslav Lavrentyev
- Martins Jaunarajs
- Douglas Low

The management of the Company consists of the following persons:

- Craig Anderson (CEO)
- Ian Laister (Interim CFO)

As of 31 December 2018, the Group had 607 employees.

## 3. BRIEF DESCRIPTION OF THE OFFEROR

The Offeror is a public limited company incorporated and existing under the laws of the Faroe Islands. It is identified by registration number 396966 in the Faroe Islands and has its registered office at Bakkavegur 9, FO-625 Glyvrrar, Faroe Island. The Offeror's shares have been listed on Oslo Børs since March 2010 and trades under the ticker "BAKKA".

The Offeror is the leading producer of top-quality Atlantic salmon in the Faroe Islands. Its history dates back to 1968.

The Offeror controls the entire value chain from the production of fishmeal, fish oil and fish feed to sales and marketing of finished products. The Offeror is one of the world's most vertically integrated salmon farming companies.

As of 31 December 2018, the Offeror had a daily production capacity of fishmeal of 450 tons, of fish oil of 300 tons and a fish feed capacity of 700 tons. In April 2018, the Offeror took full ownership and responsibility of the Faroese broodstock program from Fiskaaling (Aqua-culture Research Station of the Faroes) with option to acquire full genome rights in 2021.

By year end 2018, the Offeror operated six hatcheries with a total production capacity of 12 million smolts at an average weight of 200g for annual release.

In 2018, the Offeror announced a DKK 100 million investment program to build a new biogas plant in the Faroes with a 90-10,000 tons of waste conversion capacity per annum. The plant is expected to become operational in 2020.

In 2018, the Offeror operated 19 farming sites across 17 of the Faroe Island's fjords. A new farming site in Hvalba is expected to start operation in 2019.

In 2018, the Offeror harvested 44,600 tons of Atlantic salmon. It had an annual secondary processing capacity of 40,000 tons and a 70,000 tons annual packaging capacity.

The Offeror owns and operates six farming service vessels, four of which are live fish carriers and two of which are service vessels. In addition, the Offeror owns 74 smaller boats.

The Offeror has a long history in sales and distribution of seafood, and today sells its products to 29 countries (Western Europe (31%), North America (20%), Asia (24%) and Eastern Europe (25%). It has three sales offices; one in the Faroe Islands serving the global market, one in Grimsby, UK, serving the UK market and one in Clifton, New Jersey, serving the US market.

As of 31 December 2018, the Offeror had 1,073 employees (824 full time equivalent).

#### **4. TAX CONSEQUENCES**

The summary below is a limited description of the tax consequences of the Mandatory Offer. This is based on currently applicable law and tax rates for the current year.

The summary does not give a complete and comprehensive description of all potential tax issues. Shareholders who wish to clarify their tax position and the tax consequences of an acceptance of the Mandatory Offer are recommended to consult with their tax advisor.

The summary applies for Shareholders who are owners of Depositary Receipts, i.e. not Shareholders owning Jersey Common Shares. Reference to the Norwegian Shareholders below means Shareholders that are tax resident in Norway.

The Company is tax resident on Jersey.

##### **4.1 Norwegian shareholders**

###### *4.1.1 Norwegian shareholders – general*

The taxable gain/deductible loss is calculated per Depositary Receipt, as the difference between sales price and the cost price of the Depositary Receipt, including any costs incurred in relation to the acquisition or realization.

If the Depositary Receipts were acquired at different points in time, the Depositary Receipts that were acquired first will be regarded as the first to be disposed of, on a first-in, first-out basis.

###### *4.1.2 Norwegian individual Eligible Acceptants holding Depositary Receipts*

Any capital gain realized by an individual Eligible Acceptants holding Depositary Receipts will be effectively taxed at a rate of 31.68% (general tax rate 22% multiplied by a factor of 1.44), less a tax-free allowance provided such allowance has not already been used to reduce other taxable dividend income. Realization losses will be multiplied by the same factor and may be deducted from the individual Eligible Acceptant's income in the year of the sale. The tax-free allowance will not give rise to a taxable loss and will not increase the loss amount. Any unutilized tax-free allowance will therefore be nullified as a result of the transaction.

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

#### 4.1.3 *Norwegian corporate shareholders*

Jersey is defined as a low-tax jurisdiction by Norwegian tax authorities, and the participation exemption method will thus not apply. As such, any capital gains realized by Norwegian corporate shareholders will be taxable at 22% and a loss will be tax deductible.

## **4.2 Foreign Shareholders**

Capital gains generated by foreign shareholders are generally not taxable in Norway.

If a foreign Eligible Shareholder is engaged in business activities in Norway, and the Depositary Receipts held by him are effectively connected with such business activities, capital gains realized by such Eligible Shareholder will generally be subject to the same taxation as that of Norwegian Shareholders, cf. the description above.

## **4.3 Duties on the transfer of Depositary Receipts**

No VAT, stamp duties or similar duties are currently imposed in Norway on the transfer or issuance of depositary receipts listed on Oslo Børs.

## Appendix 1 Acceptance Form (English version) – Depositary Receipts

To be used when holding Depositary Receipts and accepting the mandatory offer from P/Ff Bakkafrost ("**Offeror**") to purchase all of the Equity Instruments in The Scottish Salmon Company PLC (the "**Company**") not owned by the Offeror.

**Return to:**

DNB Bank ASA v/DNB Markets Verdipapirservice  
Dronning Eufemias gate 30  
P.O.Box 1600 Sentrum  
NO-0021 Oslo

**E-post: retail@dnb.no**

<i>The Company's register with the VPS on 8 November 2019 shows</i>			
<i>VPS account:</i>	<i>Total Depositary Receipts:</i>	<i>Bank account registered in VPS:</i>	<i>Rights holder registered:</i>

**ACCEPTANCE DEADLINE:**

**The acceptance must be received by DNB Bank ASA v/DNB Markets, Investment Banking Division by 18:00 (CET) on 9 December 2019. Shareholders owning depositary receipts for Shares in the Company ("Depositary Receipts") recorded on several VPS accounts will receive an acceptance form for each account. All of the acceptance forms received must be completed and returned by the acceptance deadline.**

**To the Offeror**

1. I have received the offer document dated 8 November 2019 and, unless otherwise specified in point 2 below, I accept the offer to purchase all my Depositary Receipts in accordance with the terms specified in the offer. I further confirm that, unless otherwise specified in point 2 below, if the number of Depositary Receipts specified above is greater or smaller than the number of Depositary Receipts that are registered on my VPS account, I will nevertheless be regarded as having accepted the offer with respect to all the Depositary Receipts on my VPS account.
2. Notwithstanding point 1, I accept the offer only for \_\_\_\_\_ Depositary Receipts, which is less than the number of Depositary Receipts registered on my VPS account **(to be completed if you wish to give a partial acceptance)**.
3. I understand that from today's date I will not be able to sell or otherwise dispose of, pledge or move the Depositary Receipts that are covered by the acceptance to another VPS account. Furthermore, I grant DNB Markets an irrevocable one-time authorisation to block the Depositary Receipts that are covered by this acceptance form for the benefit of DNB Markets.
4. DNB Markets is granted an irrevocable one-time authorisation to transfer the Depositary Receipts that are covered by this acceptance to a VPS account in the Offeror's name at the same time as settlement for the Depositary Receipts takes place.
5. I accept that cash settlement will take place by crediting my bank account that has been notified as a dividend account on my VPS account or, if such account has not been notified, that settlement is sent to me by bank giro, or by foreign cheque if I am resident outside Norway.
6. My Depositary Receipts are transferred free of encumbrances of any kind. I acknowledge that this acceptance can only be treated as valid if any rights holder has given written consent on this acceptance form that the Depositary Receipts are sold and transferred to the Offeror. (In such a case the box "*Rights holder registered*" above right will be marked YES).
7. The Offeror will pay my directly related transaction costs in VPS in connection with my acceptance(s). No commission will be payable by me.
8. The offer is not being made to, and accordingly, an acceptance will not be accepted from or on behalf of, holders of Equity Instruments in any jurisdiction where the making of the offer, or

acceptance of it, is in conflict with such jurisdiction's legislation. I confirm that my acceptance is not in conflict with the legislation applicable to me.

9. The offer and the acceptance form are governed by, and shall be interpreted in accordance with, Norwegian law. Any disputes shall be resolved under the jurisdiction of the Oslo District Court.

I confirm that I am signing this acceptance as an owner of Depositary Receipts or on behalf of such person/entity in accordance with the necessary authorisation and that my signature is binding on such person/entity.

---

Place \_\_\_\_\_ Date \_\_\_\_\_ Signature \*)  
\*) *If signed pursuant to an authorisation, the power of attorney or company certificate should be attached.*

**Non-VPS bank account for cash settlement:**

(For owners of Depositary Receipts who do not have a bank account registered with their VPS account): In order to be able to transfer the settlement amount to your bank account, please state your bank account, or in the event of a bank account outside Norway, IBAN, SWIFT/BIC or similar payment codes.

**Fill in here** \_\_\_\_\_ **and** \_\_\_\_\_  
Bank account number / IBAN number SWIFT/BIC-code

**Rights holder:**

If rights holders are registered on the VPS account, the box on the top right-hand corner of the acceptance form will be marked YES. The undersigned consents as rights holder to the transaction being implemented.

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Place \_\_\_\_\_ Date \_\_\_\_\_ Rights holder's signature \*)  
\*) *If signed pursuant to an authorisation, the power of attorney or company certificate should be attached.*

## Appendix 2 Akseptformular (Norwegian version) – Depotbevis

Benyttes ved aksept av det pliktige tilbudet fra P/F Bakkafrost ("Tilbyder") om kjøp av samtlige egenkapitalinstrumenter i The Scottish Salmon Company PLC ("Selskapet") som ikke er eid av Tilbyder

**Retur til:**  
**DNB Bank ASA v/DNB Markets Verdipapirservice**  
**Dronning Eufemias gate 30**  
**P.O.Box 1600 Sentrum**  
**NO-0021 Oslo**  
**E-post: retail@dnb.no**

Aksjonærregisteret til Selskapet i VPS den 8. november 2019 viser			
VPS-konto:	Antall Depotbevis:	Bankkonto registrert i VPS:	Rettighetshaver innmeldt:

### AKSEPTFRIST:

**Aksepten må være mottatt av DNB Bank ASA v/DNB Markets, Investment Banking Division innen kl 18:00 (CET) den 9. desember 2019. Aksjonærer som eier depotbevis for aksjer i Selskapet ("Depotbevis") fordelt på flere VPS-konti vil motta akseptformular for hver enkelt konto. Samtlige tilsendte akseptformularer må utfylles og returneres innen akseptfristen.**

### Til Tilbyder

- Jeg har mottatt tilbudsdokumentet datert 8. november 2019 og, med mindre jeg angir annet i punkt 2 nedenfor, aksepterer jeg tilbudet om kjøp av samtlige av mine Depotbevis i overensstemmelse med de betingelser som er gitt i tilbudet. Videre bekrefter jeg at, med mindre jeg angir annet i punkt 2 nedenfor, dersom det ovenfor angitte antall Depotbevis er større eller mindre enn det antall Depotbevis som er registrert på min VPS-konto, anses jeg likevel for å ha akseptert tilbudet med hensyn til alle Depotbevis på min VPS-konto.
- Uansett punkt 1, aksepterer jeg tilbudet kun for \_\_\_\_\_ depotbevis i Selskapet, som er mindre enn det antallet depotbevis i Selskapet som er registrert på min VPS-konto **(fyller kun ut dersom du ønsker å foreta en delvis aksept)**.
- Jeg er innforstått med at jeg fra dags dato ikke har anledning til å selge eller på annen måte disponere, behefte eller flytte de Depotbevis som er omfattet av aksepten til en annen VPS-konto. Videre gir jeg DNB Markets en ugjenkallelig engangsfullmakt til å sperre Depotbevisene som omfattes av aksepten til fordel for DNB Markets.
- DNB Markets gis en ugjenkallelig engangsfullmakt til å overføre Depotbevisene som omfattes av aksepten til en VPS-konto i Tilbyders navn samtidig med at oppgjør for Depotbevisene foretas.
- Jeg aksepterer at kontant oppgjør skjer ved godskrift av min bankkonto som er innmeldt som utbyttekonto på min VPS-konto eller hvis slik konto ikke er innmeldt at oppgjør blir sendt meg per bankgiro, eller per utenlandssjekk.
- Mine Depotbevis overdras fri for heftelser av enhver art. Jeg erkjenner at denne aksept bare kan behandles som gyldig dersom eventuelle rettighetshavere har gitt skriftlig samtykke på dette akseptformularet til at Depotbevisene selges og overføres Tilbyder. (Dette er i så fall markert med et JA under "Rettighetshaver innmeldt" over til høyre).
- Tilbyder betaler mine direkte henførbare transaksjonskostnader i VPS i forbindelse med mine aksept(er). Det påløper ikke kurtasje for meg.
- Tilbudet fremsettes ikke til, og en aksept vil heller ikke bli akseptert fra eller på vegne av aksjonærer i enhver jurisdiksjon der fremsettelse av tilbudet eller aksept av dette er i strid med vedkommende jurisdiksjons lovgivning. Jeg bekrefter at min aksept ikke er i strid med den lovgivning som gjelder for meg.
- Tilbudet og akseptformularet reguleres av og skal fortolkes i samsvar med norsk rett. Ved eventuelle tvister vedtas Oslo tingrett som vernetting.

Jeg bekrefter at jeg undertegner denne aksepten som eier av Depotbevis eller på vegne av en eier av Depotbevis i henhold til nødvendig fullmakt og at min signatur er bindene for denne.

Sted \_\_\_\_\_ Dato \_\_\_\_\_ Underskrift \*)

\*) Hvis undertegnet iht fullmakt, skal fullmakten eller firmaattest vedlegges.

**Ikke-VPS bankkonto for kontantoppgjør:**

(For eiere av Depotbevis som ikke har bankkonto registrert med sin VPS-konto): For å kunne overføre kontantoppgjøret til din bankkonto, vennligst spesifiser din bankkonto, eller eventuelt hvis du har bankkonto utenfor Norge, IBAN, SWIFT/BIC eller andre betalingsløsninger

**Fyll inn her** \_\_\_\_\_ **og** \_\_\_\_\_  
Bankkontonummer / IBAN-nummer SWIFT/BIC-kode

**Rettighetshaver:**

Dersom det er registrert rettighetshavere på VPS-kontoen er dette markert med et JA øverst til høyre på akseptformularet. Som rettighetshaver samtykker undertegnede i at transaksjonen gjennomføres.

\_\_\_\_\_  
Sted Dato Rettighetshavers underskrift \*)  
\*) Hvis undertegnet iht fullmakt, skal fullmakten eller firmaattest vedlegges.



### Appendix 3 Acceptance Form (English version) – Jersey Common Shares

To be used when holding Jersey Common Shares and accepting the mandatory offer from P/F Bakkafrost ("**Offeror**") to purchase all of the Equity Instruments in The Scottish Salmon Company PLC (the "**Company**") not owned by the Offeror.

Holders of physical share certificate(s) should submit these together with the Acceptance Form, duly endorsed for transfer on the reverse side of the certificate as seller. For the sake of documentation for the Registrar and transfer agent on Jersey when processing the certificate, please complete and sign the acceptance form and further:

For individuals: Enclose a certified true copy of your passport.

For legal entities: Enclose authorised signatory list and certified true copy of passport(s) for those signing on behalf of the recorded shareholder.

**Return to:**

DNB Bank ASA v/DNB Markets Verdipapirservice  
Dronning Eufemias gate 30  
P.O.Box 1600 Sentrum  
NO-0021 Oslo

**E-post: retail@dnb.no**

<i>The Company's Register of Members as per 8 November 2019 shows</i>			
<i>Shareholder</i>	<i>Total Jersey Common Shares (Share Cert. No.):</i>	<i>Bank account for settlement to the Shareholder (IBAN or SWIFT/BK code included):</i>	<i>Rights holder registered:</i>

**ACCEPTANCE DEADLINE:**

**The acceptance must be received by DNB Bank ASA v/DNB Markets, Investment Banking Division by 18:00 (CET) on 9 December 2019. All the acceptance forms received must be completed and returned by the acceptance deadline.**

**To the Offeror**

- I have received the offer document dated 8 November 2019 and, unless otherwise specified in point 2 below, I accept the offer to purchase all my shares in the Company as recorded against my name in the Company's Register of Members in accordance with the terms specified in the offer. I further confirm that, unless otherwise specified in point 2 below, if the number of common shares specified above is greater or smaller than the number of common shares that are registered in my name in the Register of Members, I will nevertheless be regarded as having accepted the offer with respect to all the common shares registered in my name in the Register of Members.
- Notwithstanding point 1, I accept the offer only for \_\_\_\_\_ common shares in the Company, which is less than the number of shares in the Company registered in my name in the Register of Members **(to be completed if you wish to give a partial acceptance)**.
- I understand that from today's date I will not be able to sell or otherwise dispose of, pledge or move, the common shares in the Company that are covered by the acceptance. Furthermore, I grant DNB Markets an irrevocable one-time authorisation to block the common shares that are covered by the acceptance for the benefit of DNB Markets.
- DNB Markets is granted an irrevocable one-time authorisation to transfer the common shares that are covered by the acceptance to the Offeror's name in the Register of Members at the same time as settlement for the common shares takes place.
- I accept that cash settlement will take place by crediting my bank account as set out above, if such account has not been provided, that settlement is sent to me by foreign cheque.
- My common shares in the Company are transferred free of encumbrances of any kind. I acknowledge that this acceptance can only be treated as valid if any rights holder has given its written consent on this acceptance form that the common shares are sold and transferred to the Offeror. (In such a case the box "Rights holder registered" above right will be marked YES).
- The Offeror will pay my directly related transaction costs in connection with my acceptance(s). No commission will be payable by me.

8. The offer is not being made to, and similarly sales will not be accepted from or on behalf of, shareholders in any jurisdiction where the making of the offer, or acceptance of it, is in conflict with such jurisdiction's legislation. I confirm that my acceptance is not in conflict with the legislation applicable to me.
9. The offer and the acceptance form are governed by, and shall be interpreted in accordance with, Norwegian law. Any disputes shall be resolved under the jurisdiction of the Oslo District Court.

I confirm that I am signing this acceptance as shareholder or on a shareholder's behalf in accordance with the necessary authorisation and that my signature is binding on such shareholder.

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Place	Date	Signature *)
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*\*) If signed pursuant to an authorisation, the power of attorney or company certificate should be attached.*

**Rights holder:**

If rights holders are registered in the Register of Members, the box on the top right-hand corner of the acceptance form will be marked YES. The undersigned consents as rights holder to the transaction being implemented.

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Place	Date	Rights holder's signature *)
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*\*) If signed pursuant to an authorisation, the power of attorney or company certificate should be attached.*

## **Appendix 4 Mandatory Offer Guarantee**

To: The shareholders of The Scottish Salmon Company PLC  
c/o Oslo Børs ASA, Tollbugaten 2, N-0105 Oslo, Norway

Date: 8 November 2019

### **BANK GUARANTEE IN CONNECTION WITH THE MANDATORY OFFER TO PURCHASE ALL OF THE EQUITY INSTRUMENTS IN THE SCOTTISH SALMON COMPANY PLC (the "Company") BY P/F BAKKAFROST**

In connection with the mandatory offer made by P/F Bakkafrost (the "**Offeror**") for the acquisition of the 37,303,637 depository receipts representing common shares in The Scottish Salmon Company PLC (the "**Depository Receipts**") and the 42,223 common shares not covered by depository receipts (the "**Jersey Common Shares**") which are not already owned by the Offeror, and in accordance with the Norwegian Securities Trading Act Chapter 6 (the "**Offer**") and, further, based on the offering document dated 8 November 2019 (the "**Offer Document**") and, further again, at the request of and for the account of the Offeror, we, Nordea Bank Abp, Filial i Norge (the "**Issuing Bank**"), unconditionally guarantee as for our own debt (in Norwegian: "*selvskyldnergaranti*") the payment of NOK 28.25 per Depository Receipt and Jersey Common Shares to the shareholders of The Scottish Salmon Company PLC who have accepted the Offer in accordance with the terms of the Offer Document. Our liability under this guarantee is limited to the Principal Guarantee Amount (as defined below), plus statutory default interest (currently 9.25 per cent. per annum) for late payment for a period of up to four (4) weeks (the "**Guarantee Period**"), calculated from the date of the settlement of the Offer. To the extent that any decision to change the Norwegian default interest rate is adopted within the Guarantee Period, such changed default interest amount is covered by this guarantee.

As used herein, the term "**Principal Guarantee Amount**" means: NOK 1,055,020,545, which is equal to the maximum amount payable by the Offeror for the Depository Receipts and Jersey Common Shares covered by the Offer pursuant to the offer price of NOK 28.25 per Depository Receipt and Jersey Common Share, multiplied by the number of Depository Receipts and Jersey Common Shares not already owned by the Offeror.

Claims under this guarantee may be made only after the date of due payment in accordance with the terms of the Offer and must be received by us before 16:30 hours (Oslo time) on 21 January 2020, after which time this guarantee lapses, and shall be returned to us at the address specified below. In the event that the Offer Period (as defined in the Offer Document) is extended, the above deadlines will be extended accordingly. In such case, this guarantee will lapse at 16:30 hours (Oslo time) four weeks following the extended settlement date for the Offer, but no later than 4 February 2020.

Claims under this guarantee must be made in writing to:

NORDEA BANK ABP, Filial i Norge

Postal address: P.O.Box 1166 – Sentrum, 0107 Oslo, Norway

Visiting address: Essendropsgate 7, Oslo, Norway

Att.: Trade Finance

Claims under this guarantee shall be accompanied by:

- (i) evidence that the claimant is the owner of the Depositary Receipts or Jersey Common Shares relating to the acceptance and confirmation from the claimant's account manager or the Company that the Depositary Receipts or Jersey Common Shares will be transferred to the Offeror free of any charge etc. as soon as payment has been made;
- (ii) a statement by the claimant that no payment has been received for the Depositary Receipts or Jersey Common Shares relating to the acceptance; and
- (iii) a copy of the duly completed acceptance form.

Settlement will be made against transfer to the Offeror of the Depositary Receipts or Jersey Common Shares in question.

Pursuant to section 6-3 (2) cf. section 6-10 of the Securities Trading Regulations of 29 June 2007 no. 876 regarding inter alia the requirements for guarantees in respect of mandatory offers, the Principal Guarantee Amount may be reduced after expiry of the acceptance period of the Offer, provided that Oslo Børs approves it.

This guarantee shall have a term from the start of the acceptance period in the Offer and until the above stipulated deadline for making claims under the guarantee.

This guarantee shall be governed by and construed in accordance with Norwegian law.

For and on behalf of

NORDEA BANK ABP, Filial i Norge

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By special authority

## **REGISTERED OFFICE AND ADVISORS**

### **The Offeror**

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