

Arribatec Group ASA: Proposed fully underwritten rights issue of up to NOK 35 million, amended bank terms and issue of warrants

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Oslo, 6 November 2024

The board of directors of Arribatec Group ASA (the “**Company**”) has today, subject to approval by an Extraordinary General Meeting (the “**EGM**”), to be held on or about 2 December 2024, resolved to carry out a rights issue of up to 350 000 000 shares (the “**New Shares**”) with preferential subscription rights for existing shareholders (the “**Rights Issue**”) to raise gross proceeds of up to NOK 35 million. The subscription price in the Rights Issue is proposed set to NOK 0.10 per New Share (the “**Offer Price**”).

The Rights Issue is fully underwritten by key shareholders of the Company (the “**Underwriters**”). Underwriters will receive one tradeable unlisted warrant to subscribe for one new share in the Company for every 2.33 underwritten offer shares, up to a total of 150 214 592 warrants (*norw. frittstående tegningsretter*) (the “**Warrants**”).

In addition, the Board proposes to direct an offering to directors of the Company of up to 60 million New Shares at the Offer Price and 60 million Warrants on the same terms as the Underwriters (the “**Director Offering**”). The participants in the Director Offering will be eligible to receive one -1- Warrant per New Shares subscribed for in the Director Offering.

The Rights Issue, issue of Warrants and the Director Offering is together referred to as the “**Transaction**”.

Notice of the EGM, including proposed resolutions regarding the Rights Issue, the Warrants and the Director Offering, is expected to be sent to the shareholders on or about 11 November 2024.

Arctic Securities AS has been engaged as manager for the Rights Issue (the “**Manager**”). Ro Sommernes advokatfirma DA is acting as legal advisor to the Company.

Background

The Board has recognized that the Company is in need of additional liquidity and have initiated discussions with its banking partner Danske Bank. The net proceeds from the Transaction are expected to be applied to strengthen the Company's liquidity. In addition, Danske Bank have offered amended terms for the Company's credit facilities which will further increase the liquidity available to the Company.

The amended terms include the following:

- The Company has secured additional liquidity by an extension of its NOK 20 million revolving credit facility until 31 December 2025, and an additional credit facility of NOK 15 million until 31 January 2025. The credit facility has a coupon of NIBOR + 3.50% plus a 1.00 % commission.
- The amended terms of the bank debt are conditional upon the Rights Issue being completed.
- The Company is exploring to divest non-core business areas if attractive prices can be achieved. Proceeds are expected to be used to strengthen the balance sheet and reduce any outstanding amounts under the additional credit facility.

Subscription price and subscription rights:

The subscription price for the New Shares to be issued in the Rights Issue and the Director Offering is proposed set to NOK 0.10 per New Share.

In order to issue New Shares at NOK 0.10 per Share, the Company needs to reduce the par value of its shares from NOK 2.80 per Share to NOK 0.10 per share. A share capital reduction will also be proposed at the EGM to effect this (the "**Share Capital Reduction**").

Pursuant to section 10-4 of the Norwegian Public Limited Companies Act, the shareholders of the Company at the date of the EGM, and who are not resident in a jurisdiction where such offering would be unlawful or, (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action, will be granted a preferential right to subscribe for and be allocated the New Shares in proportion to the number of shares in the Company they own as of that date, and will according to the board of directors' proposal receive subscription rights proportionate to their existing shareholding as registered in the Company's shareholder register in the Norwegian Central Securities Depository (the VPS) at the expiry of the date of the EGM, currently expected on 4 December 2024 (record date). Provided that a purchase of shares is made with ordinary T+2 settlement, shares purchased up to and including 2 December 2024 will give the right to receive subscription rights, whereas shares purchased from and including 3 December 2024, will not give the right to receive subscription rights. The subscription rights will be sought tradeable and listed on the Oslo Stock Exchange from

and including the first day of the subscription period and until 16:30 (Oslo time) four trading days prior to the expiry of the subscription period. Over-subscription will be permitted. Subscription without subscription rights will not be permitted.

Subscription Rights will not be issued in the Director Offering. Oversubscription is not permitted in the Director Offering.

Underwriting:

Pursuant to, and subject to, the terms and conditions of the underwriting agreements between the Company and the Underwriters (the "**Underwriting Agreements**"), the Underwriters have undertaken on a pro-rata basis (not jointly) to underwrite an aggregate subscription amount in the Rights Issue of NOK 35 million (the "**Total Underwriting Obligation**"). Any New Shares subscribed in the Rights Issue will reduce the underwriting commitment of the Underwriters but not pre-commitments from existing shareholders.

Each Underwriter is entitled to an underwriting fee, to be settled in Warrants issued by the Company. No cash fee is payable for the Underwriting. The selection of shareholders who have been invited to underwrite has been based on objective criteria. The Underwriters have undertaken to vote for any shares held by them at the time of the EGM in favor of the Transaction.

The Underwriters will, without additional costs, be granted one -1- tradeable unlisted Warrant for every 2.33 underwritten offer share in the Rights Issue (rounded down to the nearest whole number of Warrants).

The Underwriters include, but are not limited to, the investors listed below:

- Ferncliff Listed DAI expects to participate in the underwriting consortium with a commitment of NOK 19 976 433 million in the Rights Issue.
- Titan Ventures expects to participate in the underwriting consortium with a commitment of NOK 3 584 589 million in the Rights Issue.
- Dallas Asset Management AS expects to participate in the underwriting consortium with a commitment of NOK 2 500 000 million in the Rights Issue.

A complete list of Underwriters will be provided in conjunction with the Company's EGM and in the Prospectus (defined below).

Terms of the Warrants:

The Warrants issued to the Underwriters and in the Director Offering will, among other things, have the following terms:

- Each Warrant will give the holder a right to subscribe for one new share in the Company at Nok 0.10 per Share.
- The Warrants may be exercised no later than the date that is 12 months from the date of settlement of the Rights Issue.
- The exercise price shall be subject to Euro-market standard anti-dilution provisions.

The gross proceeds from the exercise of Warrants will depend on the number of Warrants exercised. Subsequent exercise of Warrants will increase the gross proceeds to the Company, which are expected to be used towards the general working capital of the Company.

Indicative timeline:

In connection with the Right Issue, a prospectus (the "**Prospectus**") will be prepared which is subject to the approval by the Norwegian Financial Supervisory Authority (the "NFSA"), expected to be obtained during Q1 2025. The Prospectus will be published prior to the commencement of the subscription period and will form the basis for subscriptions in the Right Issue. Provided that the prospectus is approved by the NFSA in time, the subscription period for the Rights Issue is expected to commence shortly after approval of the Prospectus. A further description of the Rights Issue and of other circumstances that must be considered upon subscription of shares in the Rights Issue will be included in the Prospectus.

Included below is an indicative timeline for the Rights Issue:

- On or about 2 December 2024: Extraordinary general meeting
- On or about 2 December 2024: Last day of trading in the shares including subscription rights
- On or about 3 December 2024 : First day of trading in the shares excluding subscription rights
- On or about 4 December 2024: Record date for determination of the right to receive subscription rights
- On or around 15 January 2025: Effectiveness of the Share Capital Reduction
- Publication of the Prospectus and commencement of the subscription period as soon as possible following the share capital reduction

ENDS

Geir Johansen, CEO, Arribatec Group ASA: +47 4771 0451

Martin Nes, Chairman of the Board, Arribatec Group ASA: +47 920 14 814

About Arribatec | www.rribatec.com Arribatec is a software and consulting company headquartered in Oslo. With a customer-centric engagement model

combined with a deep system, integration, and domain competence, Arribatec builds long-term strategic partnerships with a broad customer base. Arribatec serves more than 1700 companies spread over 25 countries and various industries in the private and public sectors. The company employs over 380 people with offices in 11 countries and is listed on the Oslo Stock Exchange under the ticker code ARR. This information is considered to be inside information pursuant to the EU Market Abuse Regulation, and was published by Geir Johansen, CEO, on the time and date provided.