

# HAMPIÐJAN PROSPECTUS



24 MAY 2023



# HAMPIÐJAN

## **Summary**

24 May 2023

## Summary

### A. Introduction and warnings

This summary should be read as an introduction to this prospectus of Hampiðjan hf. (the “Issuer”), which consists of this summary and a Prospectus, both dated 24 May 2023 (the “Prospectus”). Any decision by investors to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. Investors could lose all or part of their invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor may, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Issuer	Hampiðjan hf., ID No. 590169-3079
Issuer’s Address	Skarfagarðar 4, 104 Reykjavík, Iceland
ISIN	IS0000000305
LEI	25490002T5TRM5T6US82
Ticker	HAMP
Website	www.hampidjan.is
Phone number	+354 530 3300
The competent authority approving the Prospectus	Fjármálaeftirlit Seðlabanka Íslands, ID No. 560269-4129, Kalkofnsvegi 1, 101 Reykjavík, Iceland. Email: lysingar@sedlabanki.is
Date of approval of this Prospectus	This Prospectus was approved on 24 May 2023.

### B. Key information on the issuer

#### Who is the issuer of the securities?

The issuer of the securities is Hampiðjan hf., ID No. 590169-3079, LEI 25490002T5TRM5T6US82, with registered offices at Skarfagarðar 4, 104 Reykjavík, Iceland. The Issuer is an Icelandic public limited liability company founded in Iceland and is governed by Act No. 2/1995 on Public Limited Companies. The Issuer is a world leader in producing, developing and servicing products for the fisheries, aquaculture and offshore industries. There are 51 companies in the Issuer’s group, with service at 76 locations in 21 geographical areas. The Issuer’s business model is unique in capturing an unusually large portion of the value chain, due to its production starting with very basic raw materials at the highly technologically advanced production facility Hampidjan Baltic, such as base plastics, and ending with fully manufactured high tech fisheries, aquaculture, and offshore equipment.

The Issuer’s executive committee is comprised of the following individuals at the date of this Prospectus: Hjörtur Valdemar Erlendsson (CEO) and Emil Viðar Eypórsson (CFO).

In total, three shareholders hold over 5% the Issuer’s share capital. Hvalur hf. is a related party to Kristján Loftsson, who is a member of the Issuer’s Board of Directors. The Issuer is not aware of any ownership beyond that which is disclosed in the table below, or that any of the aforementioned entities are controlled by other parties than disclosed in this chapter. Furthermore, the Issuer is not aware of any agreements that may lead to a change in control of the Issuer. The Issuer’s major shareholders are as follows, as of 24 May 2023:

Shareholder	No. of shares	%
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Hvalur hf.	228,684,667	41.50%
FSN Capital V LP	43,801,761	7.95%
Lífeyrissjóður verzlunarmanna	43,452,393	7.89%
<i>Other non-major shareholders</i>	<i>235,042,228</i>	<i>42.70%</i>
<b>Total Shares</b>	<b>550,981,049</b>	<b>100.00%</b>

The Issuer's auditing firm for the 2022 financial information included in the Prospectus is PricewaterhouseCoopers ehf., ID No. 690681-0139, registered offices at Skógarhlíð 12, 105 Reykjavík. During this period, Kristinn Freyr Kristinsson, certified public accountant and member of the Institute of State Authorized Public Accountants in Iceland (Icelandic: *Félag löggiltra endurskoðenda*) has audited the Issuer's annual statements.

### What is the key financial information regarding the issuer?

#### Consolidated Income Statement

<b>EUR thousands</b>	<b>2022</b>
Total revenues	193,759
EBITDA	28,726
Total comprehensive income	12,915
Earnings per share, basic and diluted (expressed in EUR cent per share)	2.93

#### Consolidated Balance Sheet

<b>EUR thousands</b>	<b>2022</b>
Total assets	295,468
Total equity	149,507
Total liabilities	145,961

#### Cash flow

<b>EUR thousands</b>	<b>2022</b>
Cash and cash equivalents at end of period	12,503

The Issuer confirms that there have been no significant changes in inventories or sale prices from 31 December 2022. In February 2023 the Issuer finalized the closing and transfer of ownership of all shares in Mørenot. The acquisition entails a material agreement for the Issuer. As such, significant changes to the Issuer's financial position and performance have occurred between 31 December 2022 and the date of this Prospectus due to the acquisition, as can be seen in the pro forma financial information for the combined entity of the Issuer and Mørenot below. Apart from the effects of the Mørenot acquisition, no other significant changes to the Issuer's financial position or performance have occurred in the period between 31 December 2022 and the date of this Prospectus.

#### Pro forma income statement - Consolidated income statement 2022

<b>EUR thousands</b>	<b>Audited Financial state- ments of Hampidjan hf.</b>	<b>Acquisition effect of Mørenot</b>	<b>Pro Forma IFRS Financial state- ments of Mørenot</b>	<b>Consoli- dation adjustm.</b>	<b>Pro Forma Financial state- ments Hampidjan hf.</b>
Sales	193,759	0	139,624	(399)	332,984



Cost of sales	(138,408)	0	(107,627)	399	(245,636)
<b>Gross profit</b>	<b>55,351</b>	<b>0</b>	<b>31,997</b>		<b>87,348</b>
Operating expenses	(34,287)	0	(32,431)		(66,718)
<b>Profit from operations</b>	<b>21,064</b>	<b>0</b>	<b>(434)</b>		<b>20,630</b>
Finance costs – net	(3,692)	0	(3,509)		(7,201)
Share of results of associates	131	0	0		131
	(3,561)	0	(3,509)		(7,070)
<b>Profit (loss) before income tax</b>	<b>17,503</b>	<b>0</b>	<b>(3,943)</b>		<b>13,560</b>
Income tax	(3,178)	0	372		(2,806)
<b>Net profit</b>	<b>14,325</b>	<b>0</b>	<b>(3,571)</b>		<b>10,754</b>
<b>Attributable to:</b>					
Equity holders of the Company	12,622	0	(3,571)		9,051
Minority interest	1,703	0	0		1,703
	14,325	0	(3,571)		10,754
<b>EBITDA</b>	<b>28,726</b>		<b>10,234</b>		<b>38,960</b>

### Pro forma Balance Sheet – Consolidated Balance Sheet December 31, 2022

<i>EUR thousands</i>	Audited Financial state- ments of Hampidjan hf.	Acquisition effect of Mørenot	Pro Forma IFRS Financial state- ments of Mørenot	Consoli- dation adjustm.	Pro Forma Financial state- ments Hampidjan hf
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	95,472		48,645		144,117
Right to use Assets	12,700		11,970		24,670
Goodwill	44,897		18,320	634	63,851
Other intangible assets	1,857		12,125		13,982
Investments in associates	1,235		0		1,235
Investments, other	2,637		56		2,693
Bonds and long-term receivables	86		1,495		1,581
Deferred tax assets			1,212		1,212
Purchase of Mørenot		46,673		(46,673)	0
	<b>158,884</b>	<b>46,673</b>	<b>93,823</b>	<b>(46,039)</b>	<b>253,341</b>
<b>Current assets</b>					
Inventories	90,160		46,080		136,240
Trade and other receivables	33,921		21,626	(14)	55,533
Cash and cash equivalent	12,503	(1,513)	7,127		18,117
	<b>136,584</b>	<b>(1,513)</b>	<b>74,833</b>	<b>(14)</b>	<b>209,890</b>
<b>Total assets</b>	<b>295,468</b>	<b>45,160</b>	<b>168,656</b>	<b>(46,053)</b>	<b>463,231</b>
<b>Equity</b>					

Ordinary shares	5,498	335	66,450	(66,450)	5,833
Share premium	957	44,825	0		45,782
Other reserves	(1,306)		0		(1,306)
Revaluation of investment assets	2,244		0		2,244
Restricted reserves	54,066		0		54,066
Retained earnings	73,880		(20,411)	20,411	73,880
	<u>135,339</u>	<u>45,160</u>	<u>46,039</u>	<u>(46,039)</u>	<u>180,499</u>
Minority interest	14,168		98	0	14,266
<b>Total equity</b>	<b>149,507</b>	<b>45,160</b>	<b>46,137</b>	<b>(46,039)</b>	<b>194,765</b>
<b>Liabilities</b>					
<b>Non current liabilities</b>					
Borrowings	83,738		46,170	0	129,908
Deferred income tax liabilities	5,670		3,439		9,109
	<u>89,408</u>	<u>0</u>	<u>49,609</u>	<u>0</u>	<u>139,017</u>
<b>Current liabilities</b>					
Trade and other payables	26,151		39,744	(14)	65,881
Unpaid taxes	3,317		103		3,420
Borrowings	27,085		33,063		60,148
	<u>56,553</u>	<u>0</u>	<u>72,910</u>	<u>(14)</u>	<u>129,449</u>
<b>Total liabilities</b>	<b>145,961</b>	<b>0</b>	<b>122,519</b>	<b>84</b>	<b>268,466</b>
<b>Total equity and liabilities</b>	<b>295,468</b>	<b>45,160</b>	<b>168,656</b>	<b>(46,053)</b>	<b>463,231</b>

## What are the key risks that are specific to the Issuer?

### Business activity risk

- As the Issuer operates in highly competitive markets, failure to develop and deliver innovative, high quality and value adding solutions could have a material adverse effect on the Issuer's business, result of operations and financial condition.
- Service to vessels hailing from states subject to economic sanctions by international organizations constitute a significant part of the Issuer's revenues. Any disruption to these services could have a material adverse effect on the Issuer's revenues and profitability. In addition, such services may have a negative effect on the Issuer's reputation.
- The Issuer has in the past and aims to continue to engage in acquisitions intended to enhance its growth. Failure to acquire suitable entities or any difficulties related to integration of acquired entities may adversely affect the Issuer's growth and profitability.
- The Issuer's success and growth depends on its ability to attract qualified employees as well as retaining key individuals in its senior management.
- Lack of access or favorable rates of required production inputs, such as raw materials, labour and energy, could have a material adverse effect on the Issuer's revenues, profitability or reputation.
- The Issuer could be, directly or indirectly, liable for negative effects on the environment, such as through abandonment of fishing gear, containment failures of fish pens or chemical pollution.
- A large part of the Issuer's revenues are generated by service to the aquaculture and fisheries industries, which are often subject to significant political and regulatory scrutiny.

**Legal and regulatory risk**

- If the Issuer is unable to advance, preserve or protect its portfolio of intellectual property assets, or if the Issuer infringes on property rights of third parties, it may affect the Issuer's business negatively.

**Financial risk**

- The inability to secure financing may impact the liquidity of the Issuer, which may in turn have a material negative impact on its ability to meet debt obligations or conduct operations. Even if the Issuer can raise sufficient liquidity, it may be on unfavourable terms and thus have a material negative effect on the profitability of the Issuer. Lack of available and favourable financing may also impact the Issuer's ability to capitalise on investment opportunities.
- The Issuer is subject to financial covenants stipulated under loan agreements. The conditions of the loan agreements include stipulations regarding the Issuer's equity ratio, debt coverage ratio along with other covenants. Breaches of financial covenants may constitute events of default under the loan agreement in question, potentially resulting in immediate repayment or other necessary measures by the Issuer deemed satisfactory to the relevant creditor.
- The Issuer carries a large amount of goodwill on its balance sheet in relation to prior acquisitions. Goodwill represents the future economic benefits produced by assets acquired in mergers or acquisitions and are subject to annual impairment tests, which could require the Issuer to write down its goodwill in part or in full. A 10% impairment of goodwill at year-end 2022 would result in an EUR 6.4 million charge on the Issuer's income statement, according to pro forma financials for Hampiðjan with Mørenot included.

**C. Key information on the securities****What are the main features of the securities?**

General information	Shares in Hampiðjan hf., ID No. 590169-3079. The Issuer's shares are of a single class and carry equal rights in all aspects in accordance with the Issuer's Articles of Association. The shares are issued in accordance with Act No. 2/1995 on public limited companies and are electronically registered with Nasdaq CSD Iceland in accordance with Act No. 7/2020 on Central Securities Depositories, Settlement and Electronic Registration of Financial Instruments. The Issuer's shares are registered under the ticker HAMP and ISIN number IS000000305SH. The Shares are registered in book-entry form under the name and Icelandic ID No. of the relevant shareholder or nominee pursuant to Article 42 of the Act on Markets in Financial Instruments, No. 115/2021.
Currency	Icelandic Krona (ISK)
Par value per share	The Issuer's share capital is ISK 550,981,049 nominal value. The share capital is divided into an equal amount of shares of nominal value ISK 1.
Rights attached to the securities	Each share in the Issuer entitles the holder to one vote at shareholder meetings, where each shareholder is entitled to cast votes equal in number to the number of shares held in the Issuer. No special rights or privileges are attached to the Issuer's shares. Shareholders' rights are subject to the Articles of Association and may only be amended in line with relevant applicable laws at any given time.
Seniority of share holders	In the event of the liquidation or bankruptcy of the Issuer, shareholders are paid proportionally to their holdings of share capital using the remainder of the Issuer's assets, after all other creditors have had their valid claims. No conversion rights are attached to the Shares.



Free transferability of the securities	The shares are freely transferrable unless otherwise stipulated by law, including Act No. 7/2020 on Central Securities Depositories, Settlement and Electronic Registration of Financial Instruments and any subsequent rules based thereon.
Dividend policy	The Board of Directors of the Issuer has adopted a dividend policy whose objective is to pay 30-40% of each year's annual net profit as dividend to its shareholders. Dividend payments may at times also be impacted by the Issuer's liquidity needs, financial covenants and other agreements that might limit dividend payments to shareholders at any given time.

### Where will the securities be traded?

The securities will be admitted to trading on the regulated market of Nasdaq Iceland hf. Following the Financial Supervisory Authority of Iceland's Central Bank's review and confirmation of the Prospectus the Board of Directors of the Issuer will apply for the shares to be admitted to trading on the regulated market of Nasdaq Iceland hf.

### Is there a guarantee attached to the securities?

No guarantee is attached to the securities.

### What are the key risks that are specific to the securities?

- In general, equities are considered to carry an increased amount of risk compared with various other financial instruments such as bonds, as in the event of the liquidation of the Issuer, shareholders are last in the line of receivership, collecting only that which is left when all other claims have been settled. In addition, the price of equities can demonstrate more volatility than bond prices as their value may be subject to constant changes.
- The Issuer's ownership is concentrated, and Hvalur hf. exerts control over the Issuer as defined in the Takeover Act. Hvalur hf. will have the ability to, to a significant extent, affect the outcome of various matters submitted for consideration at General Meetings, including, but not limited to the election of the Board of Directors.
- The liquidity of the Shares is subject to changes in market conditions, market sentiment, the Issuer's anticipated or actual operating results, investor interest among other factors.
- While the Shares of the Issuer are denominated and traded in ISK, its operating currency is EUR. As such, any fluctuations of ISK and EUR are likely to affect the valuation of the Shares in ISK, an effect which can be positive or negative.

## **D. Key information on the offer of securities to the public and the admission to trading on a regulated market**

### **Under which conditions and timetable can I invest in this security?**

85,000,000 new shares in the Issuer will be offered for purchase, representing 13.37% of total issued share capital post offering. The offering is made by way of a public offer of the Issuer's shares in Iceland to retail investors and qualified investors in accordance with the Prospectus Regulation. Investors have two subscription options which differ in terms of price as well as size of subscription and allocation.

**Order Book A:** 17,000,000 new shares are offered at a fixed price of ISK 120 per share. The maximum size of each subscription in Order Book A is ISK 20,000,000 purchase value for each subscriber. The minimum size of each subscription is ISK 100,000 purchase value.

**Order Book B:** 68,000,000 new shares are offered at a minimum price of ISK 120 per share, with the investor specifying a maximum price. The minimum size of each subscription in Order Book B is over ISK 20,000,000 purchase value for each subscriber, with no maximum size other than as limited by the

overall size of the offering. All shares will be sold at the same price, designated by a book building process.

Subscriptions in Order Books A may be reduced proportionally, limited to a maximum number of shares and/or reduced or rejected in another manner at the Issuer's sole discretion. However, efforts will be made not to reduce subscriptions below ISK 500,000 and to not reduce subscriptions made by employees of the Issuer. Subscriptions in Order Book B may be reduced proportionally, limited to a maximum number of offer shares and/or reduced or rejected in another manner at the sole discretion of the Issuer. Allocation in Order Book B will be made on the basis of price, consideration towards strengthening the shareholder base as well as supporting healthy trading in the aftermarket. The Issuer has sole discretion to reduce or reject any subscription. Sole discretion means that the Issuer is not obliged to reveal how the reduction or rejection was decided and the counterparty will not be given the opportunity to object to the decision or its application. The Issuer reserves the right to alter the ratio of shares allocated between Order Book A and Order Book B.

The subscription period is expected to start at 10:00 GMT on 25 May 2023 and end at 14:00 GMT on 2 June 2023. The subscription period is subject to any acceleration, extension or postponement of the timetable. The Issuer reserves the right to accelerate, extend or postpone the subscription period. No subscriptions will be accepted after the subscription period has ended. In such cases where the subscription period is extended or postponed, a supplement to the Issuer's Prospectus will be published, as applicable. The results of the offering are expected to be published on [www.hampidjan.is](http://www.hampidjan.is) no later than on 5 June 2023.

The offering is only directed and marketed to investors in Iceland. Participation in the offering is open to legal entities with an Icelandic identification number (Ice. kennitala), and financially and legally competent individuals as defined by the Act on Legal Competence, No. 71/1997, having an Icelandic identification number, having regard for restrictions that may be imposed by law. As stipulated in the above conditions, if the person's estate has been declared bankrupt and such proceedings have not been completed before the end of the offer period, that person may not participate in the offering. Persons who are not otherwise legally competent to manage their financial affairs may not participate in the offering.

Subscriptions shall be registered electronically on a special-order form (subscription website) on Arion Bank's website: [www.arionbanki.is/hampidjan](http://www.arionbanki.is/hampidjan). Subscriptions will not be accepted in any other format. The subscription form will be available in Icelandic and English.

## Why is this prospectus being produced?

This prospectus is produced in connection with a public offering of the Issuer's shares and the admission to trading on the regulated market of Nasdaq Iceland hf. The Issuer bears all cost associated with the offering and admittance of the shares to trading. The offering is not subject to any underwriting. Net proceeds of the offering, given that the offering is sold at the minimum price, will amount to approximately ISK 10,020 million. Estimated use of the net proceeds is as follows:

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### Use of proceeds

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Total net proceeds of the Offering	ISK 10.0 billion
Restructuring of Mørenot's debt	- ISK 6.0 billion
Investment to realize synergies	- ISK 4.0 billion

Arion Bank has been retained by the Issuer to manage the offering, the process of admission of the Issuer's Shares for trading on the Regulated Market of Nasdaq Iceland as well as the compilation of the Prospectus in cooperation with the board and management of the Issuer, and investors are advised to acquaint themselves with potential conflicts of interest Arion Bank may have with the Issuer.

# HAMPIÐJAN

## **Prospectus**

24 May 2023



Simplified prospectus for the admission to trading on the Regulated Market of Nasdaq Iceland in conjunction with a public offering of 85,000,000 shares in

**HAMPIÐJAN HF.**

a public limited company incorporated in Iceland in accordance with Act No. 2/1995 on Public Limited Companies, having its registered office at Skarfagarðar 4, 104 Reykjavík, Iceland, and registered with the Icelandic Register of Enterprises under the ID number 590169-3079 (“**Hampiðjan**” or the “**Issuer**”)

This document constitutes a simplified prospectus (the “**Prospectus**”) for the purposes of a public offering of 85,000,000 new Shares (the “**New Shares**”, the “**Offering**”) and an admission of all Shares to trading on the Regulated Market of Nasdaq Iceland.

PROSPECTUS DATED 24 MAY 2023

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## Risk Factors

The risk factors described within this chapter are those that the Issuer is aware of and deems material to the Issuer, the industry in which it operates as well as the Shares.

Before deciding on an investment in the Shares it is important that investors familiarise themselves with and independently evaluate all the information contained in the Prospectus. Investors are advised to familiarise themselves with the risk and uncertainty factors described in the section on risk factors in the Prospectus.

The Issuer has assessed the materiality of the risk factors based on the probability of their occurrence and the expected magnitude of their negative impact and has organised the following risk factors accordingly within each category, beginning with those estimated to be most significant to the Issuer. The order in which the categories of risk factors are presented does not necessarily reflect the probability of their occurrence or the magnitude of their potential impact, as the categories of risk factors mentioned herein could materialize individually or cumulatively. Any quantification of the significance of each individual category for the Issuer could be misleading, as other categories of risks factors may materialise to a greater or lesser degree. The likelihood of occurrence of any particular event is difficult to assess with any certainty, whether it be regarding its direct effects or knock-on effects which may lead to other events, which may in turn cause damage to the Issuer and/or affect the value of the Shares. Each of the risk factors listed below could repeatedly or on a stand-alone basis affect the Issuer's operations and finances and thus the value of the Shares. Predicting the extent or time limit of their effects is not possible.

Additional risks and uncertainties not presently known to the Issuer or the Board of Directors or, that they currently deem immaterial, may also impair the Issuer's business operations. The business, financial condition, or result of operations of the Issuer could be materially and adversely affected by any of these risks. The trading price of the Issuer's Shares could decline due to any of these risks and investors could lose all or part of their investment.

### **Risks related to the Issuer's business activities and industry**

**As the Issuer operates in highly competitive markets, failure to develop and deliver innovative, high quality and value adding solutions could have a material adverse effect on the Issuer's business, result of operations and financial condition.**

The Issuer operates in highly competitive markets with numerous multinational, regional and local providers of comparable services and products. To maintain its competitive position, the Issuer must ensure that its solutions are innovative, of high quality and deliver added value to customers by improving the efficiency of their operations. Existing or new competitors may develop their current products or technologies further, or create alternative ones that are more cost efficient, offer higher quality or are more appealing for a variety of other reasons. Should new or better developed products be offered at more cost-efficient prices, or if more attractive than the Issuer's products for any other reason, demand for the Issuer's products could be negatively impacted and the Issuer may need to

respond by amending its offerings or prices, which could have a material adverse effect on the Issuer's business, results of operations and financial condition.

**Service to vessels hailing from states subject to economic sanctions by international organizations constitute a significant part of the Issuer's revenues.**

In response to the 2022 Russian invasion of Ukraine, the EU introduced a number of economic sanctions affecting Russian entities, including a closing of its ports, with certain exemptions, to Russian maritime vessels. Norway and the Faroe Islands manage a number of fish stocks together with Russia through agreements which they have deemed particularly important in order to ensure sustainable management of some of the world's largest fishing stocks. For this reason, certain exemptions to the ban on port access have been granted for Russian fishing vessels both in Norway and the Faroe Islands, where such vessels are allowed to dock, deliver their catch and receive various services under supervision of local governments, such as supplies and fishing gear. Through the dealings of subsidiaries Vonin Refa in Norway and Mørenot in Norway, revenues generated from service to Russian fishing vessels amounted to 8% of the Issuer's revenues in 2022. Any disruption to these services, such as tightening of general sanctions, key customers being added to sanction lists or related exemptions, could have a material adverse effect on the Issuer's revenues and profitability. In addition, such services may have a negative effect on the Issuer's reputation.

**The Issuer has in the past and aims to continue to engage in acquisitions intended to enhance its growth. Failure to acquire suitable entities or any difficulties related to integration of acquired entities may adversely affect the Issuer's growth and profitability.**

In the past, and especially post-2013, acquisitions have and will continue to serve as a key component of the Issuer's growth strategy in addition to internal growth, and by extension its revenue growth and profitability. For example, the acquisitions of Vónin in 2016 and Mørenot in 2023 both roughly doubled the Issuer's revenues at the time of acquisition. These acquisitions and others have enabled the Issuer to expand into new market areas and to complete the comprehensiveness of its product offerings. Suitable acquisition targets may be challenging to identify and involve significant uncertainties regarding the extent of potential operating synergies. In order to minimize risk and identify key synergies, the Issuer conducts due diligence on potential acquisition targets. Such acquisitions may however incur substantial costs, in the form of i.a. one-off transaction costs, costs related to restructuring, litigation and other liabilities.

Various potential risks associated with past or future acquisitions may include, among others:

- technological and product synergies, economies of scale and cost reductions might not occur as expected;
- the Issuer might acquire or assume unexpected liabilities or be subject to unexpected penalties or other enforcement actions;
- faulty assumptions could be made regarding the integration process;
- unforeseen difficulties could arise in integrating operations, processes and systems;

- higher than expected investments could be required to implement necessary compliance processes and related systems, including IT systems, accounting systems and internal controls over financial reporting
- the Issuer could fail to retain, motivate and integrate key management and other employees of the acquired business;
- delays or failure to obtain regulatory approvals or consents (including antitrust approvals) and any unforeseen expenses or conditions imposed as a result thereof;
- the business culture of the acquired business may not match well with the Issuer's culture;
- higher than expected costs may arise due to unforeseen changes in tax, trade, environmental, labour, safety, payroll or pension policies in any jurisdiction in which the acquired business conducts its operations; and
- the Issuer may experience problems in retaining customers and integrating customer bases.

A number of the above factors are outside the Issuer's control and each one, or many in aggregate knock-on effects, may result in increased costs, decreased expected revenues, or significantly increased management input, among other effects.

Acquisitions may also be, as allowed in the Issuer's Articles of Association at each time, financed in part or in full by increasing the equity in the Issuer. Such equity increases may be dilutive for existing shareholders.

Any of the above, including failure to identify favorable acquisition targets or integrating acquired entities may have a material adverse effect on the Issuer's business, results of operations and financial condition.

**The Issuer's relies on its good reputation and brand. Any negative developments to the reputation or brand could have a material adverse effect on the Issuer's business and operations.**

The Issuer's success and operational results depend, in part, on its reputation and the strength of its brands. Failures in the Issuer's products, whether by design or mistakes in manufacturing or installation could subject the Issuer's customers to operational delays or failures. The Issuer is exposed to the risk that litigation, employee misconduct, operational failures, the outcome of regulatory or other investigations or actions, press speculation or negative publicity, among various other factors, could cause damage to its reputation or brands. The Issuer's reputation and brands could also be damaged if the Issuer delivers products that fail to perform as expected or if the expectations of customers are not satisfied. Such damage could also be caused by speculation or unfounded accusations.

Any damage to the Issuer's reputation or brands, whether unfounded or otherwise, could cause existing customers or other entities to terminate their business relationship with the Issuer and cause potential customers or other entities to become reluctant to do business with the Issuer. The realization of such damage could have a material adverse effect on the Issuer's business, operations and financial condition.

**The Issuer's success and growth depends on its ability to attract qualified employees as well as retaining key individuals in its senior management.**

The Issuer's future development is and always will be highly dependent on its capability to attract qualified and diverse employees from various backgrounds. Should the Issuer become unable to retain or recruit required employees, or if key employees were to leave the Issuer without sufficient replacements, it could negatively impact the business operations and potentially the financial position of the Issuer. Current operations are managed by the Issuer's executive committee, which consists of two individuals, and other key employees, for instance managers of key subsidiaries. The loss of key employees could have significant impact on the Issuer's operations should it prove to be difficult to recruit qualified and diverse replacements. In addition, the Issuer cannot guarantee that it can successfully retain or recruit and integrate sufficiently qualified and diverse personnel. Corporate actions such as restructurings, whether they are performed in the ordinary course of business of the Issuer or in relation to acquisitions of external business units, can result in less motivated personnel and/or employees resigning and leaving the Issuer, possibly leading to a longer or less successful integration of new employees that could have negative impact on operational continuity. All the aforementioned could have a negative impact on the Issuer's operations, financial position, product development, growth strategy and marketing.

In addition, the Issuer's executive committee is comprised of two individuals with extensive experience in the industry who have made important contributions to the Issuer's historic growth and success. The loss of any of these individuals or other key personnel could have a material adverse effect on the Issuer's business, result of operations and financial condition.

**Lack of access or favorable rates of required production inputs, such as raw materials, labour and energy, could have a material adverse effect on the Issuer's revenues, profitability or reputation.**

The Issuer's production is reliant on various inputs, such as raw materials, labour, energy, machinery and spare parts. Any unanticipated increases in the prices of any of the above would increase the Issuer's costs, negatively impacting its business, results of operations and financial condition if the Issuer is unable to pass these price increases on to its customers or recoup these costs in any other manner, such as by productivity improvements. Detailed risks on the Issuer's main three inputs is explored below.

*Raw materials*

The Issuer is dependent on access to various raw material inputs, such as plastics, required for the production of its offerings. These raw materials are sourced from various third parties, and no guarantees can be made that the Issuer will be able to secure sufficient volumes at economically attractive prices. In order to mitigate volume risk, the Issuer maintains relationships and contracts with a number of suppliers of required raw materials. Despite the negative effects of Covid-19 and the war in Ukraine on worldwide supply chains, the Issuer has been able to source all raw materials required to

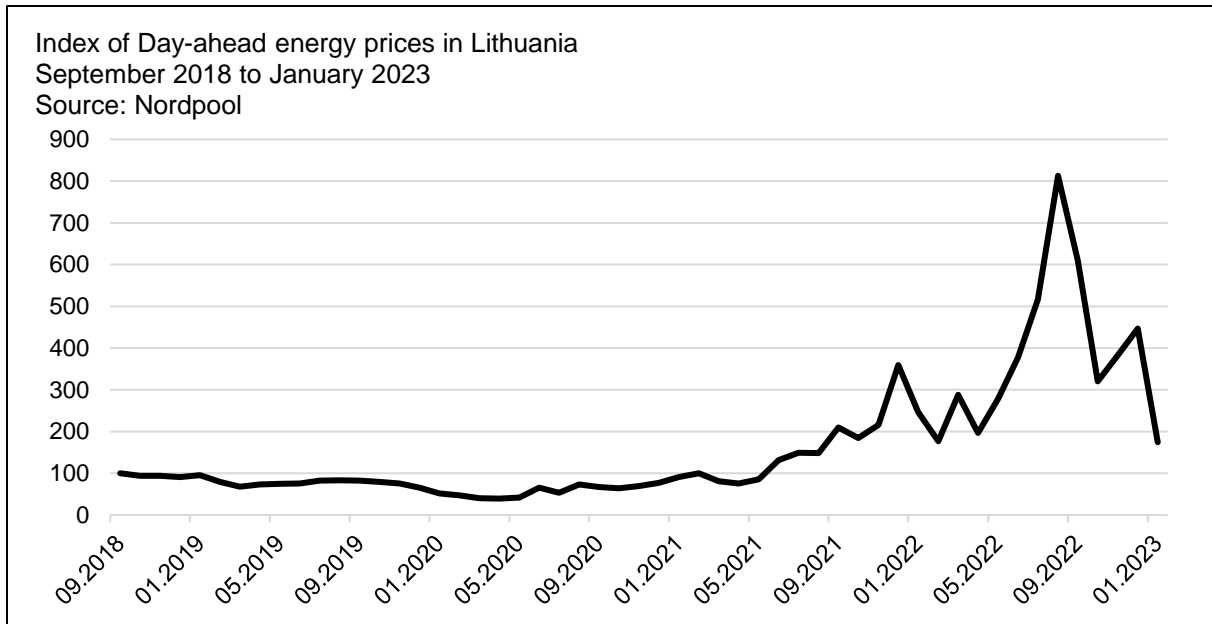
maintain optimal production levels throughout the pandemic and the war. There can be no assurance that this will be possible in the future.

#### *Labour*

Labour is one of the main inputs required for the Issuer's production. Production mainly takes place at three locations in Lithuania, where 750 individuals are employed on 16-24 hour production schedules. The salaries, benefits and pensions of these employees represent a significant part of the Issuer's costs, such that material increases in salaries or other benefits could significantly erode the Issuer's profit margins should the Issuer fail to increase productivity accordingly or pass these costs on to its customers. The Issuer's operations are also subject to the availability of appropriate staff, and any failure to match staffing with production requirements may negatively affect its profitability. Some employees of the Issuer in Europe are unionised, almost none of the employees in Lithuania are unionised as the Lithuanian Government set the minimum wages through the law. This law is usually approved by the Lithuanian parliament, Seimas, in the latest weeks of each year and have done so on regular basis for many years. The raises have been respectively for 2021, 2022 and 2023; 5,8%, 13,7% and 15,1%. The salary increases, though aimed at the minimum salary, tend to raise all salaries in the three production facilities in Lithuania in similar way. It is mostly personnel in Iceland, Denmark and Norway which is unionised. As such, these employees are subject to collective bargaining agreements which include varying terms, durations and expiration dates. These collective bargaining agreements are generally the product of negotiations between trade unions and associations acting on the Issuer's behalf. Such agreements govern wages, benefits and employee duties, as well as responsibilities of the Issuer to its employees and rules for dispute resolution processes. Failure to negotiate these collective bargaining agreements could result in strikes, work stoppages or other types of conflict. An extensive strike or extended work stoppage in the Issuer's production facilities could jeopardise its ability to meet product delivery deadlines or service obligations to customers. Collective bargaining agreements could also be negotiated at terms unfavorable to the Issuer, leading to increased costs if the Issuer is unable to improve productivity or roll costs over to customers. The Issuer may also be subject to strikes or work stoppages by external entities unrelated to its own production but necessary for its operations, such as in the transport industry, or any such happenings in the Issuer's supply chain, i.e. for instance its suppliers. Any of the above may adversely impact the Issuers operations, its profitability, cause incremental costs or damage its reputation as a reliable entity.

#### *Electricity*

The Issuer is highly dependent on a reliable supply of electricity at favorable prices for its operations, mainly production activities located in Lithuania. Lithuania is a net importer of energy and as such, electricity prices are highly dependent on events in global markets. In 2022, Lithuanian energy prices experienced significant price hikes in relation to the Russian invasion of Ukraine, as can be seen in the following graph.



As of the beginning of 2023, prices have lowered and the price level now is about 30-40% higher than in average the years 2020-2021. Hampidjan Baltic, the production facility for netting and ropes, consumed electricity for EUR 0.7 million in 2021 but the same cost in 2022 rose to EUR 2 million or by EUR 1.3 million. As a countermeasure an energy surcharge was added to products which compensated for EUR 0.8 million of the increase. The two other production facilities in Lithuania, Vónin Lithuania and Mørenot Baltic, are netlofts where fishing gear and fish farming nets are manufactured mostly by hand and the main use of electricity is for LED lights and impregnation of fish farming netting. They are therefore not affected in same way as Hampidjan Baltic as their consumption in 2022 was negligible during the period of extreme electricity prices. There is no guarantee that the Issuer will be able to source its electricity demands at favorable prices in the future. There is also no guarantee that the Issuer will be able to source electricity requirements required for optimal production levels, for example due to electricity shortages. The Issuer has taken various action in order to decrease reliance on the local energy grid in Lithuania, such as replacing conventional lighting with LED lighting as well as planned installation of solar panels which can supply about 15% of electricity required for Hampidjan Baltic. The Issuer has also gone through various methods to minimize the usage of electricity of the machinery used in manufacturing. High electricity prices may adversely impact the Issuer's profitability if it is unable to roll these increased costs over to its customers. A shortage of electricity may adversely impact the Issuer's operations, production levels, and its reputation.

**The Issuer could be, directly or indirectly, liable for negative effects on the environment, such as through abandonment of fishing gear, containment failures of fish pens or chemical pollution.**

The Issuer and its subsidiaries are subject to environmental laws and regulations which may affect their utilisation of permits and tangible fixed assets. Furthermore, the Issuer's operations involve risk of direct or environmental liability, including a risk of fishing gear abandonment or containment failures of fish pens due to production faults, emissions to the surrounding marine environment of waste as well as greenhouse gas emissions to air, leakage from its operations facilities to water and/or surface or soils.



Sanctions for non-compliance with applicable environmental laws and regulations could result in shutdown of operations, fines and penalties, revocation of permits, demand for remediation or corrective measures and liability claims for exposure to hazardous materials, waste or personal injuries, among other things.

**A large part of the Issuer's revenues are generated by service to the aquaculture and fisheries industries, which are often subject to significant political and regulatory scrutiny.**

Both the aquaculture and the fisheries industries are highly politically influenced. The fisheries industry is dependent on access to fish stocks, generally considered a national natural resource and the regulatory framework regulating fishing quotas of the Issuer's customers has historically been frequently debated and revised on a political and regulatory level. For the aquaculture industry, salmon farmers are highly dependent on access to suitable farming sites along coastlines. Both industries also have an environmental footprint which is often debated politically in terms of sustainable fisheries and harvest. Political changes in areas which the Issuer operates in, as well as influence from other entities such as the European Union, may influence the regulation of the Issuer's operations or the operations of its customers and consequently the Issuer's operations, profitability and financial condition.

**A large part of the Issuer's revenues is related to sales to the fishing industry which relies on fishing quota and sustainable fisheries.**

The fishing industry is dependent on fish stocks in the ocean. Fish is a natural resource and there can be changes in the fish stock of various fish species from time to time. Fishing quotas are highly dependent on the fish stock at each time. Therefore, there can be big uncertainties related to the continuance and the size of fishing quotas. If fish stocks go down that can have effects on issued quotas. If there are changes in fishing quotas such events may have a negative effect on the Issuer's operations, profitability and financial condition.

**A large part of the Issuer's revenues are related to sales and services to the aquaculture industry which is dependent upon continued access to licenses for ocean farming.**

Various environmental issues can have an influence on ocean aquaculture, such as diseases or accidental escapes. If such instances come up or an area is deemed unable to sustain the given licenses for a period of time, it could have a negative effect on the Issuer's sales and service of aquaculture related materials, such as fish pen nets. In addition, aquaculture on land can have an effect on licenses to farm in the sea given that on-land farming would become the preferred method of salmon farming in some areas. Part of service revenues to the aquaculture industry comes from impregnating fish pen nets after washing and repair to prevent antifouling. Impregnations containing copper have, in the past been the dominant choice for the industry. Due to environmental issues and concerns about seabed pollution, the trend is to avoid impregnations containing copper and rather utilize solutions containing biocides that do not contain copper. Another way to avoid copper impregnations is to select net materials, such as polyethylene materials, that can better tolerate underwater washing. The trends above could have a negative effect on the operations of the Issuer and consequently the Issuer's profitability and financial condition should the Issuer be unable to respond accordingly to the needs of

the aquaculture industry as well as respond to environmental considerations. Decreased utilization of ocean aquaculture could also have the same effect.

**The Issuer is dependent on a functional global economy in order to operate at its current scale.**

Access to export markets is critical for the Issuer to operate its current scale of operations and to generate revenue. The Issuer has in the past experienced and may in the future continue to experience difficulties with exporting to various jurisdictions such as, but not limited to, Russia. Any changes in international free trade agreements could influence the Issuer's ability to sell its products to such jurisdictions and ultimately its profitability if new and unfavorable regulations are imposed. If any sudden changes are imposed, the Issuer could be prohibited from trading with certain jurisdictions and may not be able to replace its activities with trade to a new market on a timely basis or at all.

**Risks related to the Issuer's financial situation**

**The Issuer may be exposed to refinancing and liquidity risks if it fails to adequately manage its financial structure.**

As external financing constitutes a part of the Issuer's operations, any difficulties in obtaining financing for capital expenditures, acquisitions or refinancing existing obligations, or the sole availability of financing on terms disadvantageous to the Issuer, could have a material negative impact on the Issuer's operations, earnings and/or financial position. 77.2% of the Issuer's financing is in EUR. As of 31 December 2022, based on Hampiðjan's audited financial statements for 2022, the Issuer's interest-bearing liabilities were equivalent to EUR 110.8 million, thereof EUR 98.0 million in loans and borrowings and EUR 12.8 million in lease liabilities and other liabilities. Current payments of long-term interest bearing debt due within 12 months amount to EUR 8.5 million.

The inability to secure financing may impact the liquidity of the Issuer, which may in turn have a material negative impact on its ability to meet debt obligations or conduct operations. Even if the Issuer can raise sufficient liquidity, it may be on unfavourable terms and thus have a material negative effect on the profitability of the Issuer. Lack of available and favourable financing may also impact the Issuer's ability to capitalise on investment opportunities.

The following is an overview showing the Issuer's financial liabilities as per pro forma financial information for the consolidated accounts of the Issuer and Mørenot. Cash flow is based on the terms of loan agreements.:

**Pro Forma Financial statements Hampiðjan hf. (Unaudited)**

<i>Figures in EUR thousands Year 2022</i>	<b>Book value</b>	<b>Payments in 1 year</b>	<b>Payments in 1-2 years</b>	<b>Payments in 2-5 years</b>	<b>Payments in more than 5 years</b>
Loans and borrowings	190,056	51,000	65,159	41,245	73,158

Trade and other payables	69,301	69,301	0	0	0
Total	259,357	120,301	65,159	41,245	73,158

Following a successful conclusion of the offering, the Issuer intends to repay debt instruments amounting to EUR 40 million. Following the repayment of debt, the Issuer's equity ratio based on pro forma financial information is expected to be 45.2% and NIBD/EBITDA<sup>1</sup> 2022 is expected to be 3.20, with both metrics being well in line with the Issuer's past operations.

**The Issuer may incur increased financing costs based on interest rate fluctuations.**

In addition to the Issuer's own equity, the operations of the Issuer are financed by loans from credit institutions. Interest expenses are affected by the level of market interest rates, the margin rates of credit institutions, as well as the Issuer's strategy with regards to interest rates. Market interest rates are primarily affected by expected inflation rates and the repo rates of the European Central Bank ("ECB"). The Issuer's financing is in the form of loans carrying variable interest rates. Interest rate increases and/or high inflation may have a negative impact on the Issuer's ability to finance its operations at favorable rates. Interest bearing debt is discussed in detail in chapter "Capitalisation and indebtedness". As of 31 December 2022, a +/-1% interest rate change would have an EUR 1.1 million impact on income statement and equity, excluding tax effects. As the Issuer plans to utilize a large portion of the Offering proceeds to restructure Mørenot's interest bearing debts, a successful outcome of the Offering will significantly diminish these effects.

**The Issuer is subject to credit risk in relation to its operations.**

Credit risk relates to the Issuer suffering a financial loss if a customer or a counterparty in a transaction is unable to meet its agreed obligations. The Issuer's credit risk is mainly due to trade receivables and is mainly determined by the financial position of individual customers. The Issuer monitors the collection of trade receivables on a regular basis and the receivables are written down if it is considered that they will not be collected in full after traditional collection procedures. The Issuer's largest possible loss due to financial assets is their book value, which was as follows on 31 December 2022, based on pro forma information included in this Prospectus:

**Credit risk**

	<b>Audited Financial statements of Hampidjan hf.</b>	<b>Acquisition effect of Mørenot</b>	<b>Pro Forma IFRS Financial statements of Mørenot</b>	<b>Consolidation adjustment</b>	<b>Pro Forma Financial statements Hampidjan hf.</b>
Bonds and long-term receivables	-86		1,495		1,581

<sup>1</sup> NIBD/EBITDA is a measurement of how well a company can cover its debt. In the formula, cash and cash equivalents are subtracted from total interest-bearing debt, resulting in NIBD ("Net Interest-Bearing Debt"), which is then divided by EBITDA to calculate the NIBD/EBITDA ratio.

Trade receivables	31,268		17,584	(14)	48,838
Other receivables and bonds	2,653		4,042		6,695
Cash and cash equivalents	12,503	(1,513)	7,127		18,117
<b>Total</b>	<b>46,510</b>	<b>(1,513)</b>	<b>30,248</b>	<b>(14)</b>	<b>75,231</b>

**Currency fluctuations could decrease the Issuer’s revenues or increase its costs.**

The Issuer’s operations are conducted in a large number of countries around the world and include transactions denominated in various currencies, but the Issuer’s reporting currency is the EUR. As such, the Issuer’s cash flows are subject to exchange rates risks where its revenues or costs are incurred in misaligned currencies. The Issuer’s investments in subsidiaries create currency risk, the exchange rate difference of which is recognized under equity in the Issuers financial statements. Following the acquisition of Mørenot, 25% of the Issuer’s revenues are denominated in EUR, 24% in DKK and 28% are denominated in NOK, while 23% are denominated in various other currencies. The Issuer, on a best-efforts basis, aligns the currency of its revenues, operational costs and external debt financing where possible. If the Issuer is unable to hedge currency mismatch naturally, it may have a material adverse effect on its business, result of operations and financial condition.

**Financial commitments in loan agreements.**

The Issuer is subject to financial covenants stipulated under loan agreements. The conditions of the loan agreements include stipulations regarding the Issuer’s equity ratio, debt coverage ratio along with other covenants. Breaches of financial covenants may constitute events of default under the loan agreement in question, potentially resulting in immediate repayment or other necessary measures by the Issuer deemed satisfactory to the relevant creditor. Additionally, the Issuer has pledged some of its assets as collateral for the loan agreements, where the Issuer’s creditors have the right to assume ownership of the Issuer’s assets, including some of its cash and cash equivalents, account receivables, bank accounts and general claims in the event of default or non-payment. In the event of immediate repayment, or the execution on collateral, the liquidity position of the Issuer could be severely impacted, resulting in material negative effects on the Issuer’s ability to conduct its operations.

The Issuer intends to utilize a part of the proceeds of the Offering to repay a portion of Mørenot’s interest-bearing debt. As of the date of this Prospectus, Mørenot’s interest-bearing debt (excluding IFRS 16 leases) amounts to NOK 574 million (EUR 50.5 million), due for repayment on 30 June 2024. Of the total amount, given a successful outcome of the Offering, the Issuer intends to repay NOK 400 million (EUR 40 million) of Mørenot’s interest-bearing debt which suffices to achieve a debt ratio deemed optimal by the Issuer, following which the Issuer intends to further refinance Mørenot’s interest-bearing debt and secure a longer and more optimal debt profile. The Issuer and Mørenot are in compliance with all debt covenants and will continue to fulfil all covenants despite an unsuccessful outcome of the

Offering. However, based on an unsuccessful outcome of the Offering, there exists refinancing risk should the Issuer be unable to refinance Mørenot's debts as they come due on 30 June 2024. Should the Issuer be unable to refinance Mørenot's debt in a timely manner and on favorable terms, the Issuer may need to finance the repayment of debt on terms that may not be favorable for the Issuer, for instance by asset sales or with other debt instruments on unfavorable terms. Should this refinancing risk materialize, it could have a negative effect on the Issuer's prospects, profitability and financial condition.

**The Issuer carries a large amount of goodwill on its balance sheet in relation to prior acquisitions.**

Due to past acquisitions and the most recent one of Mørenot, the Issuer carries EUR 63.9 million in goodwill at year-end 2022 according to pro forma financials for Hampiðjan with Mørenot included. Goodwill represents the future economic benefits produced by assets acquired in mergers or acquisitions and are subject to annual impairment tests, which could require the Issuer to write down its goodwill in part or in full. An impairment of goodwill does not take place unless the recoverable amount resulting from an impairment test (performed under IFRS, IAS 36) is less than the carrying amount of the underlying booked value. The underlying acquired asset is the base for the impairment test and the amortization amount can never be more than corresponding booked value of goodwill of that underlying acquired asset. Such actions could affect the Issuer's financial position, e.g. because of covenant breaches in loan agreements in the future, and operating results. A 10% impairment of goodwill at year-end 2022 would result in an EUR 6.4 million charge on the Issuer's income statement, according to pro forma financials for Hampiðjan with Mørenot included.

**The Issuer may incur losses if the coverage of its insurance policies is exceeded, and its insurance premiums may increase as a result.**

The Issuer holds insurance for all of its major assets and employees, including Directors' liability insurance, to reduce the risk of major economic impact in case of incidents. The insurance covers a range of risks, among them potential damage to the Company's assets as well as liability exposure associated with real estate operations. If the Company's insurance coverage shows to be inadequate to cover losses the Company could be obliged to bear substantial costs if (i) its insurance policies do not cover a specific claim; (ii) the amounts insured under such policies are insufficient; or (iii) an insurer is not able to pay the insured amounts. In addition, the damage may not be limited to damages eligible for compensation but could include harm done to the Company's reputation as well as leading to increased insurance premiums.

If the Issuer is unable to maintain its insurance cover on terms acceptable to it or if future business requirements exceed or fall outside the Issuer's insurance cover or if the Issuer's provisions for uninsured costs are insufficient to cover the final costs it could have a material negative impact on the Issuer's operations, earnings and financial position.

## **Legal and regulatory risk**

**If the Issuer is unable to advance, preserve or protect its portfolio of intellectual property assets, or if the Issuer infringes on property rights of third parties, this may affect the Issuer's business negatively.**

The Issuer's portfolio of intellectual property rights consists of 41 product patents, each applicable in various countries. The Issuer believes it has taken appropriate steps to protect its intellectual property rights and generate value from these rights where appropriate. In order to protect these rights, the Issuer currently uses a combination of patents and trademarks, confidentiality agreements with its employees and third parties and protective contractual provisions. The Issuer continues to invest in the growth of its intellectual property rights portfolio. Failure to maintain important trademarks and/or other intellectual property rights, e.g., due to mistakes in registration, renewals or third-party rights, could affect the operations of the Issuer. Despite its efforts, the Issuer may not be able to prevent third parties from using its patents or developed technology without authorisation, particularly in countries where intellectual property rights may not be sufficiently protected by law. There also exists a risk that the Issuer may infringe on intellectual property rights of others or be accused of such behavior. This may result in infringement claims which could invalidate the Issuer's intellectual property rights or cause the Issuer to discontinue offering of certain products. Such claims, be they based on factual occurrences or unfounded accusations, may cause the Issuer to incur significant costs, in the form of legal fees or significantly increased management involvement. Failure to protect its intellectual property rights or failure to defend properly against infringement allegations by third parties may have a material adverse effect on the Issuer's business, result of operations and financial condition.

**The Issuer is subject to differing laws, regulations and codes of practice in a wide number of countries or jurisdictions where it conducts its operations.**

As the Issuer conducts its operations in 21 geographical areas around the world, its operations are subject to a wide variety of differing laws, regulations and codes of practice, in addition to supervision by various regulatory bodies, such as industrial, health, safety and environmental standards. Failure to comply with any of the aforementioned may affect the Issuer's operations negatively, such as by imposition of penalties, work stoppages or penalties, which could have a material adverse effect on the Issuer's business, result of operations and financial condition.

**The Issuer is subject to differing tax codes in a wide number of countries or jurisdictions where it conducts its operations.**

The Issuer is a public liability company in accordance with Icelandic law and as such is subject to unlimited tax liability in Iceland. The Issuer believes that it complies with all applicable laws and regulations on taxes and therefore does not expect the tax authorities to investigate against its handling of income or other financial matters. However, as with the general risk of different interpretation of relevant rules, there is a risk that the Issuer and tax authorities may differ on how to handle various financial matter within the Issuer, and breaches of tax codes could have a severe outcome on the finances and reputation of the Issuer. This is further complicated by the Issuer's international nature, as its foreign subsidiaries are subject to taxation laws in 21 geographical areas. As such, the Issuer's future results of operations could be adversely affected by any changes in its effective tax rate as a result of

different interpretations of tax codes, by changes in the structure of its earnings in countries with differing tax rates, by changes to tax laws or treaties, their application or interpretation, or by any continuing assessment of the Issuer's tax liabilities.

## **Risks related to the Shares**

**Investment in equities carries an increased amount of risk in comparison to various other financial instruments, and as such the market price of the Shares may fluctuate and decline below their purchase price.**

In general, equities are considered to carry an increased amount of risk compared with various other financial instruments such as bonds, as in the event of the liquidation of the Issuer, shareholders are last in the line of receivership, collecting only that which is left when all other claims have been settled. In addition, the price of equities can demonstrate more volatility than bond prices as their value may be subject to constant changes.

Returns associated with equity securities are dependent on dividend payments and positive share price development. Theoretically, the inherent risks contemplated by an investment in equities may be reduced by diverse investments, limited to companies well known by the investor. Investors can further reduce risk by limiting or avoiding the use of borrowings to fund equity purchases. Leverage is the use of debt to invest in an equity share investment. The return from using leverage to invest in equity comes from the difference between the return on equity and the cost of the borrowed capital. Leverage amplifies both investors return and loss, therefore exposing investor to higher risk of investing in equity securities.

Investment in the Shares comes with diverse risks and events outside the Issuer's control can lead to market price fluctuations. Relevant risks include, but are not limited to liquidity risk, counterparty risk and market risk. No guarantee can be provided that an investment in the Shares will be profitable.

The Issuer is subject to legal framework imposed by governing authorities at any given time. Following the admission of the Shares to trading, the Issuer will be subject to relevant laws and regulations pertaining to regulated financial markets. Extensive or substantial changes to the relevant legislative framework can negatively affect financial markets or cause increased volatility, resulting in fluctuations in the price of the Shares.

**The price of the Shares may be subject to external factors arising from, among other things, increased volatility, general market decline or share price development of comparable entities.**

Market risk is defined as the current or prospective risk to earnings and capital arising from adverse movements in the level or volatility of prices of market instruments, such as, but not limited to those arising from changes in interest rates, inflation, equity prices and foreign exchange rates. As such, the Shares may be subject to market price volatility, and their market price may decline in response to developments or factors outside the Issuer's control. Consequently, the market price of the Shares may be affected by general declines in the market or by the share price development of other companies considered comparable to the Issuer. The market price of the Shares may also be affected by market expectations for the financial performance of the Issuer and changes in the estimates of the Issuer's



results of operations by investors or analysts, regardless of the Issuer's actual results of operations and financial conditions. These external factors are outside the control of the Issuer.

The price as determined by investors in the secondary market can be higher or lower than the offer price of the Shares. Consequently, there is a risk that investors that purchase Shares in the Offering cannot liquidate their holdings at the offer price or a price higher than the purchase price in the secondary market. There is also the risk that they cannot liquidate their holdings at all, despite being willing to do so at a discounted price.

**There is no guarantee that an active trading market for the Shares will develop or be sustained.**

The liquidity of the Shares is subject to changes in market conditions, market sentiment, the Issuer's anticipated or actual operating results, investor interest among other factors.

In order to mitigate or minimise liquidity risk, the Issuer will continue to utilize market making agreements which are further described in the chapter "Market Making". Despite such efforts the Issuer cannot guarantee that shareholders will be able to dispose of their holdings at desired prices or volumes. No assurance can be given that an active trading market for the Shares will develop or, if developed, will be sustained following the completion of the Offering.

Liquidity risk is partially determined by the number of shareholders in the Issuer along with any concentration of ownership, cf. the sub-chapter "Shareholders may be subject to dilution or share price devaluation based on the Issuer's future offerings of debt or equity securities." in the chapter "Risks related to the Shares", and illiquidity may have a negative effect on the market value of the Shares.

**The Issuer's ownership is concentrated, and a single entity exerts control over the Issuer as defined in the Takeover Act.**

The structure and composition of a company's shareholder base must be taken into account when considering an investment in the Shares, as the shareholder base, in and of itself, can be a risk factor. Large shareholders may act in concert and vote in concurrence on any given issue at shareholders' meetings and may have the power to resolve to take actions that might affect the share price of the Issuer. A concentrated ownership by large investors may further decrease the free float of shares in the secondary market, thereby increasing liquidity risk.

Investors should be aware that ownership of the Issuer may change quickly and without notice. The Issuer is not aware of any shareholders' agreements concerning Shares in the Issuer that will be in force upon listing with the purpose of exerting joint influence on the Issuer, nor is the Issuer aware of any agreements that may result in change of control of the Issuer.

Following the intended admission of the Shares to trading on the Regulated Market of Nasdaq Iceland, shareholders become subject to i.a. the provisions of the Act on Markets in Financial Instruments, No. 115/2021, and the Act on Measures Against Market Abuse, No. 60/2021, as well as other rules and regulations based on the aforementioned acts, including Regulation (EU) No 596/2014 (Market Abuse Regulation, "MAR") which was transposed into Icelandic Act No. 60/2021.

Hvalur hf. holds a 41.50% stake in the Issuer. Following the completion of the Offering and assuming that the Offering is sold in its entirety and that Hvalur hf. does not take part in the Offering<sup>2</sup>, Hvalur hf. will have retained a shareholding in the Issuer of 35.96%. As a result, following the Offering, Hvalur hf. will continue to be considered to exercise control of the Issuer as defined in the Takeover Act. Kristján Loftsson, a member of the Issuer's board, is the CEO and a major shareholder of Hvalur hf. Through its shareholding, Hvalur hf. will have the ability to, to a significant extent, affect the outcome of various matters submitted for consideration at General Meetings, including, but not limited to the election of the Board of Directors. The Issuer's commercial interests and those of Hvalur hf. may not always be aligned, and the concentration of ownership may not always be in the best interest of the Issuer's other shareholders. The Issuer's ownership structure could have a material adverse effect on the value of the Shares.

**Shareholders may be subject to dilution or share price devaluation based on the Issuer's future offerings of debt or equity securities.**

Any increase in the Issuer's share capital may cause the Issuer's shareholders to face dilution to their holdings, unless they subscribe to shares in proportion to their existing holdings. Shareholders may be faced with increased risk to their investment alongside dilution of their existing shares depending on how the increased capital will be utilized.

Shareholders may at a future date vote to further increase share capital that, unless subscribed in proportion to previous holdings, may further dilute the holdings of shareholders. As provided for under the Articles of Association of the Issuer, its share capital may be increased following the decision of a shareholders' meeting with the same amount of votes needed to amend the Articles of Association. Shareholders shall have priority right to purchase all Shares in their respective share class in direct proportion to their holdings, cf. Article 2.5 of the Issuer's Articles of Association and Act No. 2/1995 on Public Limited Companies.

**While the Shares of the Issuer are denominated and traded in ISK, its operating currency is EUR.**

The Shares are to be admitted to trading on the Regulated Market of Nasdaq Iceland and will be traded in ISK. The Issuer has historically denominated and paid its dividend in ISK. As such, any fluctuations of ISK and EUR are likely to affect the valuation of the Shares in ISK, an effect which can be positive or negative.

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<sup>2</sup> Hvalur hf. intends to subscribe for over 5% of the Offering, as described in the Chapter „Information on the Offering“

## Notice to Investors

This Prospectus has been prepared in the form of a single document within the meaning of Article 6 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”), supplemented by the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 which was transposed into Icelandic legislation by Act No 14/2020. The Prospectus is drawn up in line with the simplified disclosure regime for secondary issuances as per Article 14 of the Prospectus Regulation. As such, the level of disclosure in this Prospectus complies with Annex 3 (Registration document for secondary issuances of equity securities) and Annex 12 (Securities note for secondary issuances of equity securities or of units issued by collective investment undertakings of the closed-end type) as put forth in Commission Delegated Regulation (EU) 2019/980, supplementing the Prospectus Regulation. The Prospectus also complies with the Nordic Main Market Rulebook for Issuers of Shares as published by Nasdaq Iceland on 1 February 2023 (the “**Exchange Rules**”).

The Prospectus has been scrutinised and approved by the Financial Supervisory Authority of the Central Bank of Iceland (the “**FSA**”), as competent authority under the Prospectus Regulation. The FSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as any type of support or endorsement of the Issuer or a statement to the quality of the securities referred to in the Prospectus.

Every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the securities and which arises or is noted between the time when the Prospectus is approved and the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later, will be published in a supplement to the Prospectus in accordance with Article 23 of the Prospectus Regulation. The supplement shall be confirmed by the FSA and published in the same manner as the original Prospectus. In accordance with the Prospectus Regulation, investors that have placed subscriptions in the Offering described by the Prospectus are permitted to withdraw said subscriptions within two business days following the publication of such supplement.

Before deciding on an investment in the Shares it is important that investors familiarise themselves with and independently evaluate all the information contained in the Prospectus. Investors are advised to familiarise themselves with the risk and uncertainty factors described in the section on risk factors and relevant sections that could have a significant effect on the Issuer's operations and assessment of investment in the Shares.

The Prospectus was approved by the FSA on 24 May 2023 and is valid for twelve months after this date and will be available for electronic viewing for a period of ten years after the date of publication on the Issuer's website: [www.hampidjan.is/fjarmal/hlutafjarutbod](http://www.hampidjan.is/fjarmal/hlutafjarutbod) For twelve months following the publication of the Prospectus, the Articles of Association and information by third parties included in the Prospectus may also be viewed on the website. For twelve months following the publication of the Prospectus,

printed copies of the Prospectus may be ordered free of charge upon written request to [hampidjan@hampidjan.is](mailto:hampidjan@hampidjan.is).

## **Potential conflicts of interest**

Investors are advised of the following interests Arion Bank has regarding the Issuer:

Arion Bank has been retained by the Issuer to manage the Offering, the process of admission of the Issuer's Shares for trading on the Regulated Market of Nasdaq Iceland as well as the compilation of the Prospectus in cooperation with the board and management of the Issuer. Additionally, Arion Bank provides general banking services to the Issuer and is a lender to the Issuer. Arion Bank holds 396,972 Shares in the Issuer due to proprietary trading, such as in order to fulfill former market making agreements, in addition to shares held for the purposes of hedging various derivatives. In accordance with Article 32 of Act No. 115/2021 on Markets for in Financial Instruments, Arion Bank has rules and policies in place for the treatment of potential conflicts of interest. Arion Bank's "Rules on Handling Conflicts of Interest" as of the date of this Prospectus may be found on the following website:

<https://www.arionbanki.is/english/about-us/more/rules-and-terms/>

The "Rules on Handling Conflicts of Interest" are not incorporated by reference into this Prospectus, and as such do not constitute a part of this Prospectus.

The Issuer is unaware of other interests or conflicts of interest material to the Offering.

## Issuer's statement

The Issuer and the Board of Directors are responsible for the content of this Prospectus. The Issuer and the Board of Directors hereby declare that, having taken all reasonable care to ensure that such is the case, that to the best of Issuer's and the Board of Directors' knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.


Reykjavík, 24 May 2023

For and on behalf of the Board of Directors of Hampiðjan hf.

DocuSigned by:  
  
02975EFB787A411...

Vilhjálmur Vilhjálmsson  
Chairman of the Board of Directors

For and on behalf of Hampiðjan hf.

DocuSigned by:  
  
B90AD90AB6924A5...

Hjörtur Valdemar Erlendsson  
Chief Executive Officer

## Advisers

Arion Bank has been retained by the Issuer to manage the process of admission of the Shares to trading on the Regulated Market of Nasdaq Iceland as well as the compilation of this Prospectus in co-operation with the Board of Directors and management of the Issuer. This Prospectus is based on information supplied by the Issuer. Arion Bank has not verified the information contained in this Prospectus and assumes no responsibility or liability as to the accuracy or completeness of the information contained in this Prospectus or any other information provided in conjunction with the Offering or the Admission to Trading.

In addition, Arion Bank has been retained by the Issuer to manage the Offering described in this Prospectus, in conjunction with the admission to trading on the Regulated Market of Nasdaq Iceland.

### Arion banki hf.

ID No.	581008-0150
LEI	RIL4VBPDB0M7Z3KXSF19
Domicile	Borgartún 19, 105 Reykjavík, Iceland
Phone	+354 444 7000
Website	<a href="http://www.arionbanki.is">www.arionbanki.is</a>

## Auditors

As stipulated in the Articles of Association, the Issuer's fiscal year is the calendar year. Further it is stated that the Issuer's annual accounts shall be audited by an auditing company, and that an auditor or auditor company shall be elected at the Annual General Meeting for a term of one year. The Issuer's auditing company and auditors shall be provided with any information requested in relation to its auditing services for the Issuer. The qualifications and eligibility of auditors is subject to law.

The Issuer's auditing firm for the 2022 financial information included in this Prospectus is PricewaterhouseCoopers ehf., ID No. 690681-0139, registered offices at Skógarhlíð 12, 105 Reykjavík ("PWC"). During this period, Kristinn Freyr Kristinsson, certified public accountant and member of the Institute of State Authorized Public Accountants in Iceland (ísl. Félag löggiltra endurskoðenda) has audited the Issuer's annual statements. PWC has not resigned, been removed from office or not been re-elected during the period covered by the historical financial information in this Prospectus.

The Issuer's Board of Directors has appointed an auditing committee in accordance with Chapter IX A of Act no. 3/2006 on annual accounts.

## Documents on display and documents incorporated by reference

For a period of twelve months from the date of issue of this Prospectus, the following documents will be available for electronic viewing on the Issuer's website: [www.hampidjan.is/fjarmal/hlutafjarutbod](http://www.hampidjan.is/fjarmal/hlutafjarutbod). In

addition, all documents incorporated by reference will be available for electronic viewing for a period of ten years from the date of issue of this Prospectus on the same website.

### Documents on display

This Prospectus, dated 24 May 2023, website link: [www.hampidjan.is/fjarmal/hlutafjarutbod](http://www.hampidjan.is/fjarmal/hlutafjarutbod)

The Issuer's Articles of Association, dated 24 March 2023, website link: <https://hampidjan.is/Media/samthykkirhampidjan-hf.isl-og-ensk-24.-03.2023.pdf>

The Issuer's Consolidated Financial Statements for the year 2022, website link: <https://hampidjan.is/Media/hampidjan-financialstatement2022.pdf>

### Incorporation by reference

The Issuer's Consolidated Financial Statements for the year 2022, website link: <https://hampidjan.is/Media/hampidjan-financialstatement2022.pdf>

### Information from third parties

The Issuer confirms that information from third parties in the Prospectus has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Prospectus contains the following third-party information:

Nordpool, Index of Day-ahead energy prices in Lithuania, September 2018 to January 2023. Retrieved from: <https://www.nordpoolgroup.com/en/Market-data1/Dayahead/>

### Definitions and references

"Issuer"	Hampiðjan hf., ID No. 590169-3079, having its registered office at Skarfagarðar 4, 104 Reykjavík, Iceland
"FSA"	Fjármálaeftirlit Seðlabanka Íslands, ID No. 560269-4129, having its registered office at Kalkofnsvegur 1, 101 Reykjavík, Iceland
"Nasdaq Iceland"	Nasdaq Iceland hf., ID No. 681298-2829, having its registered office at Laugavegur 182, 105 Reykjavík, Iceland
"Nasdaq CSD Iceland"	Nasdaq CSD SE, útibú á Íslandi, ID No. 510119-0370, having its registered office at Laugavegur 182, 105 Reykjavík, Iceland
"Company Register"	Icelandic Company Register as operated by Iceland Revenue and Customs, ID No. 540269-



	6029, having its registered office at Laugavegur 166, 105 Reykjavík, Iceland
“Von”, “Vónin”, “Vónin Canada”, “Vónin Refa”, “Herøy Terminal”, “Vónin Lithuania”	P/F Von, ID No. 5215, having its registered office at Bakkavegur 66, 530 Fuglafjörður, Faroe Islands, or its subsidiaries
“Mørenot”, “Mørenot Eiendom I”, “Mørenot Eiendom II”, “Mørenot Eiendom III”, “Mørenot Digital”, “Mørenot Offshore”, “Mørenot Canada”, “Mørenot Scotland”, “Mørenot Mediterranean”, “Mørenot Island”, “Mørenot Aquaculture”, “Holding Cage DK”, “Mørenot Denmark”, “Poldan Nets”, “Mørenot Fishery”, “NAFS”, “Mørenot Korea”, “Mørenot China”, “Mørenot Baltic”	Holding Cage I As, Company No. 919895950, having its registered office at Karl Johans gate 27, 0159 Oslo, Norway or its subsidiaries
“Hampidjan Baltic”, “Hampidjan Ísland”, “Hampidjan USA”, “Swan Net USA”, “Hampidjan Australia”, “Hampidjan New Zealand”, “Voot”, “Hampidjan Canada”, “Fasteignafélagið Miðhús”, “Hampidjan TorNet”, “Jackson Trawl”, “Jackson Offshore”, “Hampidjan Offshore”, “Swan Net Gundry”, “Coastal Cages”, “Swan Net Aqua”, “Cosmos Trawl”, “Strandby Net”	Subsidiaries of Hampiðjan hf., ID No. 590169-3079, having its registered office at Skarfagarðar 4, 104 Reykjavík, Iceland
“FSN Capital”	FSN Capital Partners AS, Company No. 980540138, having its registered office at Ruseløkkveien 30, 0251 Oslo, Norway
“FSN Capital V LP”	FSN Capital V LP, Company No. 2135, having its registered office at 11-15 Seaton Place, St Helier Jersey
“Manager of the Offering”	Arion banki hf., ID no. 581008- 0150, having its registered office at Borgartún 19, 105 Reykjavík, Iceland
“New Shares”	85,000,000 shares of new share capital of Hampiðjan hf., as registered at Nasdaq CSD SE, útibú á Íslandi, with the FISN HAMPIDJAN HF/SH and ISIN IS0000000305.
“Shares”	All issued share capital of Hampiðjan hf., as registered at Nasdaq CSD SE, útibú á Íslandi,

	with the FISN HAMPIDJAN HF/SH and ISIN IS0000000305.
Trawl	A net that snares fish by being dragged horizontally through the water or along the bottom.
Trawler	A fishing vessel that uses a trawl for fishing.
Bottom trawl	A trawl that is towed along the bottom of the ocean.
Pelagic trawl	A trawl that is towed high in the water column.
Longline	A commercial fishing angling technique that uses a long main line with baited hooks attached at intervals.
Offshore	Various operations conducted out on sea, such as oil projects, windmill installations, seismic research etc.
Purse seine	A surrounding net to catch fish that hangs vertically in the water with its bottom edge held down by weights and its top edge buoyed by floats.
Trawl door	Large steel structures used to control movements of trawls.
HMPE rope	High Modulus Polyethylene rope, a rope composed of extraordinarily long molecular chains of polyethylene.
Gillnet	Vertical panels of netting that hang from a line with regularly spaced floaters that hold the line on the surface of the water.
Net loft	Premise where nets and other fishing gear are repaired and stored.
Headline cable	A cable used to hold the top part of a trawl open while fishing.
Floating ring	A large structure that floats on the surface of the ocean and supports the fish farming net.
Geographic area	Generally refers to a country. However, as some of the Issuer's markets are highly segmented

	despite being in the same country, the Issuer designates each market as a specific geographic area. An example of this is the United Kingdom, where the Issuer designates three geographic areas: Scotland, Ireland and Shetland.
CAGR	The compound annual growth rate (CAGR) is the annual rate of return that would be required for an amount to grow from its beginning balance to its ending balance.
PP&E	Property, plant, and equipment (PP&E) are a company's physical or tangible long-term assets that typically have a life of more than one year.
NWC	Working capital, also known as net working capital (NWC), is the difference between a company's current assets—such as cash, accounts receivable/customers' unpaid bills, and inventories of raw materials and finished goods—and its current liabilities, such as accounts payable and debts.
CAPEX	Capital expenditures (CAPEX) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.

Any reference to legislation or regulation applies to Icelandic legislation or regulation unless otherwise explicitly stated.

## Information on the Offering

The Offering applies to the New Shares which are all in the same class and bear the same rights as existing Shares. The Issuer will consult with the Manager of the Offering and agree on the final number of the New Shares to be sold in the Offering, and in any case the Offering will be comprised of 85,000,000 Shares, representing 13.37% of the Issuer's total issued share capital post-dilution. The Offering is not subject to any form of underwriting. As existing shareholders have waived their preemptive rights in relation to the Offering, unless they participate in the Offering on a pro-rata basis and receive allocation in line with their pro-rata subscriptions, they will become subject to dilution. One Share prior to the Offering will equal 0.87 Shares following the conclusion of the Offering. The net asset value of one Share prior to the Offering, at the date of the latest published financial information equals EUR 0.27.

The price in Order Book A is fixed at ISK 120. All shares in Order Book A will be sold at the same price. The price in Order Book B is at minimum ISK 120 and will be determined through a book building process. All shares in Order Book B will be sold at the same price.

The Offering is made by way of a public offer of the New Shares in Iceland to retail investors and qualified investors in accordance with the Prospectus Regulation.

Conditions on participation in the Offering may be found in the chapter "Conditions for participation, jurisdictional limitations".

The results of the Offering are expected to be disseminated publicly in Nasdaq Iceland's news system and published on [www.hampidjan.is/fjarmal/hlutafjarutbod](http://www.hampidjan.is/fjarmal/hlutafjarutbod) no later than on 5 June 2023. Information on the allocation of the New Shares to investors in the Offering (i.e. confirmation or reduction of subscriptions) is expected to be sent to investors who receive allocation no later than on 5 June 2023. The final due date for payment of shares allocated to investors is expected on 7 June 2023 and paid New Shares are expected to be delivered to investors on 9 June 2023. The first day of trading on the Regulated Market of Nasdaq Iceland is expected to be 9 June 2023.

The Issuer reserves the right to cancel the Offering if Nasdaq Iceland rejects the Issuer's application for admission to trading on the Regulated Market of Nasdaq Iceland (the "Application"), if subscriptions are not received for all New Shares in the Offering, or for any other reason at its sole discretion. In such an event the Issuer will publish an announcement thereof. The Subscription Period may also be extended at the Issuer's discretion.

The Offering may not be cancelled after commencement of trading on the Regulated Market of Nasdaq Iceland. If the Offering is cancelled pursuant to the above, all orders for New Shares in the Offering and allocations made on the basis thereof will be invalidated. It will be publicly announced if the Offering is cancelled or if the Subscription Period is accelerated, extended or postponed, following which (other than in the case of cancellation of the Offering) a supplement to this Prospectus will be prepared, approved and published in accordance with Article 23 of the Prospectus Regulation, as applicable. In such case (other than in the case of cancellation of the Offering), investors may withdraw their orders, for further information on withdrawals, see chapter "Withdrawal Rights".

Executive committee members Hjörtur Valdemar Erlendsson (CEO) and Emil Viðar Eypórssson (CFO) intend to participate in the Offering. Further, three members of the Board of Directors intend to participate in the Offering: board member Guðmundur Ásgeirsson will participate in the Offering through financially related party Hlér hf. and other financially related parties, board member Sigrún Þorleifsdóttir and financially related individuals will participate in the Offering personally, and board member Kristján Loftsson will participate personally, as well as through financially related party Hvalur hf. Further, Hvalur hf. intends to subscribe for over five per cent of the Offering. The Issuer is not aware of any intent by other major shareholders or members of the Issuer's management, supervisory or administrative bodies to subscribe in the Offering, or whether any other person intends to subscribe for more than five per cent of the Offering.

The Issuer bears all cost associated with the Offering and admittance of the Shares to trading. The total cost of the Offering is estimated to be ISK 180 million given that the Offering is sold in its entirety at the minimum price and consists of a fee to the Manager of the Offering, costs associated with the scrutiny and approval of the Prospectus by the FSA, Nasdaq Iceland listing fees, fees to other advisors and other costs directly associated with the Offering and admittance of shares to trading. The total cost of the Offering will increase if the shares are sold above the minimum price. Net proceeds of the offering, given that the Offering in its entirety is sold at the minimum price, will amount to approximately ISK 10,020 million.

## Reasons for the Offering and use of proceeds

The Offering is intended to secure additional capital to be deployed in conjunction with the Issuer's acquisition of Mørenot. The primary use of the proceeds of the Offering involves the recapitalization of Mørenot, i.e. repayment and restructuring of existing debt. The secondary use of the Offering is to pursue investments with the intent of realizing potential synergies that exist within the Issuer following the Mørenot acquisition. The estimated use of proceeds is as follows:

### Use of proceeds

Total net proceeds of the Offering	ISK 10.0 billion
Restructuring of Mørenot's debt	- ISK 6.0 billion
Investment to realize synergies	- ISK 4.0 billion

## Indicative timetable

### The timetable found below sets out certain indicative key dates for the Offering:

Subscription Period commences	Expected to be on 25 May 2023
Subscription Period ends	Expected to be on 2 June 2023
Conclusion of the Offering and allotment published	No later than on 5 June 2023

Payment Date	Expected to be on 7 June 2023
Issuance of the New Shares	Expected to be on 8 June 2023
Delivery of the New Shares	Expected to be on 9 June 2023
Listing and commencement of trading on the Regulated Market of Nasdaq Iceland	Expected to be on 9 June 2023

## Subscription period

The Subscription Period is expected to start at 10:00 GMT on 25 May 2023 and end at 14:00 GMT on 2 June 2023 (the "Subscription Period"). The Subscription Period is subject to any acceleration, extension or postponement of the timetable, as set out in chapter "Indicative timetable", for the Offering. The Issuer reserves the right to accelerate, extend or postpone the Subscription Period. No subscriptions will be accepted after the Subscription Period has ended. In such cases where the Subscription Period is extended or postponed, a supplement to this Prospectus will be published, as applicable.

## Size and price

Investors have two subscription options, Order Book A and Order Book B, which differ in terms of size of subscription, price and allocation. More information on allocation of shares in case of oversubscription are found in chapter "Allocation and reduction in case of oversubscription".

### Order Book A for subscriptions up to and including ISK 20,000,000

17,000,000 New Shares are offered for sale in Order Book A, constituting 20% of the Offering. Offer Price A constitutes a fixed price of ISK 120. Subscriptions under the minimum price will not be accepted. The maximum size of each subscription in Order Book A is ISK 20,000,000 in purchase value for each subscriber. The minimum size of each subscription in Order Book A is ISK 100,000 purchase value for each subscriber.

### Order Book B for subscriptions exceeding ISK 20,000,000

68,000,000 New Shares are offered for sale in Order Book B, constituting 80% of the Offering. Offer Price B will be determined by a book building process, where investors may place subscriptions equal to or higher than the minimum price of ISK 120, with no maximum price defined. All Shares in Order Book B will be sold at the same price, determined by a book building process. Subscriptions under the minimum price will not be accepted. Each subscription in Order Book B must exceed ISK 20,000,000 in purchase value for each subscriber. There is no maximum size of subscriptions in Order Book B, other than as limited by the overall size of the Offering.

## Subscriptions

Subscriptions shall be registered electronically on a special-order form (subscription website) on the Managers website: [www.arionbanki.is/hampidjan](http://www.arionbanki.is/hampidjan). Subscriptions will not be accepted in any other format. The subscription form will be available in Icelandic and English.

All orders not cancelled during the Subscription Period will bind the respective investor. Conditional subscriptions will not be permitted, and investors can submit multiple subscriptions. Multiple subscriptions by the same investor, in terms of national identification number, will be pooled together and treated as a single subscription. Investor subscribing in Order Book A cannot subscribe in total for more than the maximum order size, ISK 20,000,000 (purchase value).

Subscriptions must be confirmed by the investors themselves or a person who has the required authority or power of attorney from the investor. A person completing a subscription based on power of attorney shall, should the power of attorney not be recognized by the principal, be deemed to have delivered the subscription in his/her own name. In order to submit a subscription, investors must register to the relevant Order Book on the subscription websites and identify themselves with one of the following identification methods:

- i. Icelandic Electronic ID (Ice. rafræn skilríki);
- ii. User ID requested through the subscription website and sent as a digital document to the investor's online banking service in Iceland; or
- iii. User ID obtained from the Manager of the Offering, by signing a witnessed application or any other method of verification which the Manager of the Offering deems satisfactory.

Electronic confirmation from the subscription website is required as valid proof of subscription or withdrawal of subscription. The confirmation will be made available for download at the end of the registration process and will also be sent to the e-mail address provided by the investor during the subscription process. Investors must specify the custodian (Icelandic bank or other organization with a membership agreement with Nasdaq CSD Iceland) which they wish to use to receive the Shares upon settlement.

Orders will be deemed to be a request for a service regarding execution only, as per Article 45(5) of the Act on Markets in Financial Instruments, No. 115/2021 cf. Article 25(4) of Directive 2014/65/EU Markets in Financial Instruments and the Manager of the Offering are not required to assess whether participating in the Offering and buying New Shares in the Issuer is appropriate for the investor and therefore the investor does not benefit from the corresponding protection of the relevant conduct of business rules.

By placing a subscription, investors declare that:

- i. they have agreed to the terms of the Offering as set out in this Prospectus and read and understood the information in the Prospectus;
- ii. they have read and understood the information contained in Arion Bank's rules on conflicts of interest, see information in the Prospectus chapter "*Potential conflicts of interest*", and they are aware of the conflicts of interest specified in the Prospectus;



- iii. they are aware that investments in equities generally involves a high degree of risk and the investment in shares issued by the Issuer carries substantial risk;
- iv. they are aware that all subscriptions, that are not cancelled before the end of the Subscription Period, are binding;
- v. they consent to the Manager of the Offering sharing necessary information, such as ID numbers and custody accounts, on their respective identities and subscriptions with the Issuer or to others, such as custodians, for the purpose of managing and executing the Offering. Further information on the data protection policies of the Manager of the Offering and the Issuer may be obtained at their respective websites;
- vi. they are aware that they must own a custody account to receive the New Shares upon settlement;
- vii. they agree that they are participating in the Offering of their own initiative;
- viii. they meet all the conditions for participation in the Offering, cf. chapter "*Conditions for participation, jurisdictional limitations*"; and
- ix. that their participation in the Offering does not violate Icelandic law; and
- x. they are not subject to any economic sanctions and do not conduct business with individuals or entities subject to such sanctions.

The Manager of the Offering and the Issuer reserve the right to:

- i. request proof of funds from investors for any submitted order. Failure to provide sufficient proof of funds can result in the subscription being invalidated; and
- ii. demand confirmation of investors' ability to pay and/or provide collateral for payment from investors. If investors do not agree to this demand from the Manager of the Offering before the Subscription Period has lapsed or before the end of any other deadline in relation to the Offering, the Issuer reserves the right to reject and invalidate the subscription of the investor, in whole or in part. The Issuer has sole discretion to decide whether confirmation of the ability to pay and/or collateral is sufficient. Sole discretion means that the Issuer will assess each confirmation separately and is not obliged to reveal how the decision was made and the counterparty will not be given the opportunity to object to the decision or its application.

## **Asset Management**

Certain exemptions with respect to subscriptions in the Offering are granted to financial institutions which offer asset management services as defined in item 10 of Article 4(1) the Act on Markets in Financial Instruments, No. 115/2021. These institutions may submit subscriptions on behalf of investors on a special subscription form which is obtainable from the Manager of the Offering.

The Manager of the Offering reserves the right to demand a satisfactory statement from the financial institution prior to any subscription, on a form obtainable from the Manager of the Offering, that it has

the required authority or power of attorney from the investor in accordance with authority provided in a valid asset management agreement with the investor, in addition to a statement that the payment of the purchase price will be guaranteed by the financial institution.

Cancellation of subscriptions submitted by financial institutions as described above must be communicated to the Manager of the Offering via email [hampidjan@arionbanki.is](mailto:hampidjan@arionbanki.is) during the Subscription Period. If an asset management client has subscribed on the subscription website and an asset management service has also submitted a subscription on the client's behalf, both subscriptions are valid. The Manager of the Offering will communicate to financial institutions that offer asset management the aggregate number of Shares allocated to their investors. It is up to the financial institutions to notify their investors of their individual allocations.

## **Conditions for participation, jurisdictional limitations**

To participate in the Offering, investors must meet certain eligibility conditions.

The Offering is only directed and marketed to investors in Iceland. Participation in the Offering is open to legal entities with an Icelandic identification number (Ice. kennitala), and financially and legally competent individuals as defined by the Act on Legal Competence, No. 71/1997, having an Icelandic identification number, having regard for restrictions that may be imposed by law. As stipulated in the above conditions, if the person's estate has been declared bankrupt and such proceedings have not been completed before the end of the offer period, that person may not participate in the Offering. Persons who are not otherwise legally competent to manage their financial affairs may not participate in the Offering.

Legal entities who intend to participate in the Offering are required to have a valid Legal Entity Identifier ("LEI"). Legal entities who fail to provide a valid LEI to the Manager of the Offering prior to the end of the Subscription Period may not participate in the Offering and will have their subscriptions invalidated.

For the avoidance of doubt, the Offering is not directed at or marketed to investors outside Iceland and thus, Shares are not offered for sale in jurisdictions where public offerings such as this are contingent on the competent authorities of that jurisdiction having received a prospectus published by the Issuer in connection with such offering, or where such offerings would be subject to further requirements than the approval of the Icelandic regulators of a prospectus in connection with the Offering. Investors who notwithstanding the above subscribe for New Shares in the Offering will be deemed to have taken part in the Offering within Iceland and by doing so will be deemed to have forfeited any and all objections they might otherwise have.

Employees and board members of the Issuer or the Manager of the Offering, and parties closely related to them, may participate in the Offering. Such employees, and related parties, shall seek authorisation from their respective compliance officer to submit an order to participate in the offering. Employees and board members of the Issuer or the Manager of the Offering will not be granted additional allocation priority in the Offering other than described in the chapter "Allocation and reduction in case of oversubscription".

Investors should note that the Issuer may, at his own discretion and without stating the grounds, reject any subscription submitted in the Offering in whole or in part. Payments received in respect of subscriptions that are not accepted in whole or in part will be returned to the investors without interest and at the investors' risk.

## **Withdrawal rights**

Provided that a significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the Subscription Period or delivery of the Shares, whichever occurs first, the Issuer will publish a supplement to the Prospectus, in accordance with Article 23 of the Prospectus Regulation. Investors who have already subscribed to purchase the New Shares before a supplement is published shall have the right, exercisable within two business days following the publication of a supplement, to withdraw their acceptances.

Statements contained in any supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, whether expressly, by implication or otherwise, be deemed to modify or supersede statements contained in the Prospectus. Any statement so modified or superseded shall, except as so modified or superseded, no longer constitute a part of the Prospectus. For the avoidance of doubt, references in this paragraph to any supplement being published by the Issuer do not include the pricing statement.

## **Publication of results**

The results of the Offering, including information on Offer Price A, Offer Price B and number of shares sold, are expected to be disseminated publicly and published on Issuer's website, [www.hampidjan.is/fjarmal/hlutafjarutbod](http://www.hampidjan.is/fjarmal/hlutafjarutbod), no later than on 5 June 2023. This date assumes that no changes are made to the Subscription Period and that processing of subscriptions proceeds according to schedule.

## **Allocation and reduction in case of oversubscription**

Allocation is expected to take place no later than on 5 June 2023. The information on allocation to participants in the public offering payment instructions regarding allocated Shares will be sent to the e-mail address specified by the investor in the order form. Investors are responsible for ensuring that the e-mail address provided is valid and able to receive the necessary documentation.

The Issuer reserves the right to alter the ratio of shares allocated between Order Book A and Order Book B as set forth in the chapter "*Order Book A for subscriptions up to and including ISK 20,000,000*" and the chapter "*Order Book B for subscriptions exceeding ISK 20,000,000*". A decision to alter the ratio will be made during allocation, should demand give cause for alteration based on price and number of allocated shares.

Shares amounting to a market value of up to ISK 200 million in total may be allocated to market makers at Offer Price B. Subscriptions made by the market makers on these terms shall be submitted in Order Book B. In addition, market makers may submit further subscriptions in Order Book A or Order Book B

and will receive no preferential treatment for these subscriptions. Further information regarding market making may be found in the chapter "*Market making*".

If the cumulative number of Shares of valid subscriptions exceeds the number of Shares in the Offering, Shares will be allocated to individual subscribers based on the following guidelines. These guidelines shall be considered in the following order:

- i. Subscriptions in Order Book A may be reduced proportionally, limited to a maximum number of Shares and/or reduced or rejected in another manner at the sole discretion of the Issuer. However, efforts will be made not to reduce subscriptions below ISK 500,000. Efforts will also be made not to reduce subscriptions made by employees of Hampiðjan.
- ii. Subscriptions in Order Book B may be reduced proportionally, limited to a maximum number of Shares and/or reduced or rejected in another manner at the sole discretion of the Issuer. Allocation in Order Book B will be made on the basis of price, consideration towards strengthening the shareholder base as well as supporting healthy trading in the aftermarket.

The Issuer has sole discretion to reduce or reject any subscription. Sole discretion means that the Issuer is not obliged to reveal how the reduction or rejection was decided and the investor will not be given the opportunity to object to the decision or its application.

## **Payment**

Following a public announcement containing the result of the Offering, information on allocation is expected to be sent to investors no later than on 5 June 2023, with payment instructions expected to be made available on the same day. Investors who have not been allotted Shares will not be notified. Trading in the New Shares will not commence prior to information on allocation being sent to investors.

Payment instructions will be in the form of electronic invoices, accessible in the investor's online bank, made out to the name and ID number of each investor allocated Shares in the Offering. Information will be sent to the e-mail address specified by the investor during the subscription process. Investors are responsible for ensuring that the e-mail address provided is valid and able to receive the necessary documentation.

Investors participating in the Offering must settle their allotted shares in cash no later than on the expected payment date 7 June 2023, as no other forms of payment will be accepted. If payment is not received on its final due date, it may be collected with late-payment interest (penalty interest) in accordance with Act No. 38/2001 on Interest and Indexation. The Issuer reserves the right to unilaterally cancel unpaid subscriptions on their final due date and selling the Shares to other investors in lieu of collecting the debt owed. In the event there is a negative difference between the price the Issuer sells the shares subscribed to in order to settle debt owed by the Investor, the Issuer reserves the right to collect, with late-payment interests, the difference from the Investor.

## **Delivery of New Shares**

In order to take delivery of the New Shares, investors are required to have a custody account in Iceland and must state the account number in the subscription form. Custody accounts can be established with the Manager of the Offering as well as other financial institutions in Iceland. If the investor does not hold a custody account with the custodian specified in the subscription, or if the custodian information provided by the investor is erroneous, the Manager of the Offering will open a custody account in the name of the investor at Arion Bank so that the Shares can be allocated to the investor into a custody account in accordance with the above. Arion Bank reserves the right to collect a fee from the investor for storing the Shares as per Arion Bank's list of fees and charges, which can be found on its website, <https://www.arionbanki.is/english/individuals/information/rates/>.

The establishment of a custody account requires investors to conclude any necessary know-your-customer ("**KYC**") review by the relevant custodian in accordance with the Act on measures against Money Laundering and Terrorist Financing, No. 140/2018. If such a custody account is opened, the investor will be unable to transfer the shares until the aforementioned review has been completed. Investors who have designated an existing custody account on the subscription form will not need to conclude a KYC review unless specially requested by the custodian holding their custody account.

Investors that need to conclude a KYC review as previously stated shall do so before prior to the end of the Subscription Period, otherwise risking that the investor may not be allocated Shares and may not begin successful trading in the Shares.

The Shares are expected to be issued on 8 June 2023 and delivered to the investors at the latest on 9 June 2023 subject to the condition that a satisfactory payment has been received. The Shares will be delivered electronically via Nasdaq CSD Iceland and the Manager of the Offering will ask the depository nominated by the investor, to receive the Shares and deposit them in a custody account held by the investor with the custodian. The Manager of the Offering is responsible for the collection and the settlement of all transactions of the Issuer in connection with the Offering. If the Offering will be cancelled or annulled, and investors have settled the transaction following the payment instructions, investors will be contacted by way of information they have provided in the subscription form and will receive a refund of their overpayment. No fees or other costs will be imposed on the investor in respect of their subscription by the Issuer or the Manager of the Offering, apart from those mentioned in the first paragraph of this chapter. Investors are urged to consider whether any costs or fees will be charged by other parties in connection with the transaction, e.g., a fee for establishing and/or maintaining a custody account.

## Information on the Shares

Issuer	Hampiðjan hf.
ID No	590169-3079
Legal Entity Identifier ("LEI")	25490002T5TRM5T6US82
Ticker	HAMP
ISIN	IS0000000305
Number of New Shares in the Offering	85,000,000
Number of Shares to be admitted to trading	635,981,049

The nominal value of the Issuer's share capital at the date of the Prospectus is ISK 550,981,049, divided into the same amount of shares of nominal value ISK 1. The shares are issued according to Act no. 2/1995 on Public Limited Companies ("**Public Companies Act**"). All issued shares have been paid in full. Each Share entitles the holder to one vote at shareholder meetings, where each shareholder is entitled to cast votes equal in number to the number of Shares held. In the event of the liquidation or bankruptcy of the Issuer, shareholders are paid proportionally to their holdings of share capital using the remainder of the Issuer's assets, after all other creditors have had their valid claims. No conversion rights are attached to the Shares. The shareholders meeting of Hampiðjan on 25 November 2022 authorized the issuance of 94,018,951 additional shares to be utilized for the purposes of the Offering. The shareholders meeting further waived existing shareholder's pre-emption rights for subscription to the shares issued under the authorization with the goal of increasing shareholder diversity. No subscription rights exist in the Offering. The price of the Offering constitutes a ~14.2% discount to the 1-month Volume Weighted Average Price (VWAP)<sup>3</sup>, calculated from 24 April 2023 to 23 May 2023, of the Shares on Nasdaq First North Iceland.

There are no restrictions on shareholders' rights to dispose of their Shares in the Issuer. The Shares are of a single class and carry equal rights in all aspects. Shareholders' rights are subject to the Articles of Association and may only be amended in line with relevant applicable laws at any given time. No special rights or privileges are attached to the Shares and the Shares are freely transferable. Shareholders shall have priority right to purchase all new shares in their respective share class in direct proportion to their holdings, cf. Article 2.5 of the Issuer's Articles of Association, apart from the 94,018,951 Shares intended to be utilized in the Offering, as explained in the above paragraph.

<sup>3</sup> Volume Weighted Average Price ("VWAP") is calculated by totaling the ISK traded for every transaction (price multiplied by volume) and then dividing by the total shares traded to acquire the VWAP.

Shareholders will not be subject to redemption of their Shares unless stipulated by law. For information on the Shares and other rights reference is made to the Articles of Association incorporated in this Prospectus by reference, as well as the Public Companies Act.

At the date of the Prospectus, the Issuer has no outstanding convertible notes, warrants or other financial instruments which if exercised could dilute the Issuer's share capital.

The Shares are electronically registered with Nasdaq CSD Iceland in accordance with act No. 7/2020 on Central Securities Depositories, Settlement and Electronic Registration of Financial Instruments. The ISIN number of the Shares is IS0000000305. The Shares are registered in book-entry form under the name and Icelandic ID No. of the relevant shareholder or nominee pursuant to Article 42 of the Act on Markets in Financial Instruments, No. 115/2021. Registration of the ownership of the Shares in electronic form with Nasdaq CSD Iceland formally gives a registered owner legal authorisation to the rights to which they are registered. Dividends and announcements shall at any given time be sent to registered owners or nominees of the respective Shares in the Issuer's share registry. Shareholder rights are subject to the Issuer's Articles of Association and Icelandic legislation in effect at any given time. Disputes arising regarding the Shares shall be settled before the Reykjavik District Court as per Act No. 91/1991 on Civil Procedure.

There are no limitations on the transferability of the Shares, and shareholders may pledge their Shares unless prohibited from doing so by law. Only general legislative rules apply to the transfer of Shares.

The Shares have, without interruption, been admitted to trading in some form since the year 1983. The Shares were originally admitted to trading on the Main Market of the Icelandic Stock Exchange (now the Regulated Market of Nasdaq Iceland), but in 2006 moved to the iSEC market, a multi-lateral trading facility which later became First North Iceland, which serves as the current trading venue for the Shares prior to the planned admission to trading on the Regulated Market of Nasdaq Iceland.

## **Admission to trading**

The Shares are currently admitted to trading on Nasdaq First North Iceland, an SME Growth Market. The Issuer's Board of Directors has applied for the Shares to be admitted to trading on the Regulated Market of Nasdaq Iceland. Following the FSA's review and approval of the Prospectus, the Issuer's Application will undergo a final review by Nasdaq Iceland which will then publish their conclusion in the EEA. The Issuer believes it complies with all of Nasdaq Iceland's requirements for admission to trading. If admitted to trading, the Shares' ticker symbol will be HAMP.

The Issuer expects, although no guarantee can be given to that effect, that Nasdaq Iceland will admit the Shares to trading on their regulated market. If the Shares will be admitted to trading, the first day of trading in the Shares will be announced by Nasdaq Iceland with a minimum of one business days' notice. Pursuant to the above, the first expected day of trading of the Shares on the Regulated Market of Nasdaq Iceland is 9 June 2023, subject to successful offering and admission to trading. The expected first day of trading date assumes that:

- i. the Subscription Period is not amended;

- ii. it does not take a longer or shorter time than expected to process the subscriptions; and
- iii. Nasdaq Iceland responds to the Issuer's Application within the expected timeframe.

## **Market Making**

The Issuer has entered into market making agreements with Íslandsbanki hf., ID no. 491008-0160, domiciled at Hagasmári 3, 201 Kópavogur, Iceland ("Íslandsbanki") and Kvika banki hf., ID no. 540502-2930, domiciled at Katrínartún 2, 105 Reykjavík, Iceland ("Kvika banki"), effective on the first day of trading in the Shares on the Regulated Market of Nasdaq Iceland, who will, according to the agreements, place bids and offers for certain amounts or number of Shares with a defined spread between the bid and offer prices.

Íslandsbanki will, at any given time, have bids and offers for a designated minimum number of Shares amounting to a market value of ISK 10 million each. The maximum volume per day amounts to ISK 60 million market value. The maximum spread between bid and ask offers shall be as close to 1.5% as possible but no less than 1.45%, however if the intraday price change of the Shares is more than 5%, the spread may be increased to a maximum of 3%.

Kvika banki will, at any given time, have bids and offers for a designated minimum number of Shares amounting to a market value of ISK 10 million each. The maximum volume per day amounts to ISK 30 million for the first month of trading on the Regulated Market of Nasdaq Iceland, after which the maximum volume per day will increase to ISK 50 million. The maximum spread between bid and ask offers shall be as close to 1.5% as possible but no less than 1.45%, however if the intraday price change of the Shares is more than 5%, the spread may be increased to a maximum of 2.5%.

The market making agreements will enter into force on the first day of trading in the Shares on the Regulated Market of Nasdaq Iceland. The agreements are indefinite in duration and unilaterally terminable on 14 days' notice.

## **Dividend, Dividend Policy, Historical Dividend**

The Issuer's Annual General Meeting annually makes a decision on dividend payments based on a proposal from the Board of Directors. The Board has adopted a dividend policy whose objective is to pay 30-40% of annual net profit as dividend to its shareholders. The final decision on dividend payment will be based on the financial position of the Issuer, operating capital requirements and market conditions. Dividends are not cumulative. The Issuer follows Nasdaq Iceland's proposals on dividend payments, which states that trading in the Shares exclusive of dividends shall begin the business day immediately following the day the dividend proposal is approved, and that payment of dividends will be made no later than 30 days after the record date. Shareholders are not entitled to any of the Issuer's profits other than dividends. There is no guarantee that the Issuer will pay dividends in the future. The annual general meeting shall also resolve the treatment of losses following a proposal from the Board of Directors.



The Issuer's share register is held in accordance with the provisions of Act No. 7/2020 on Central Securities Depositories, Settlement and Electronic Registration of Financial Instruments, and as such the share register shall be regarded as a sufficient proof of ownership of Shares. Shareholders registered as owners of Shares in the Issuer's share register will thus receive dividend payments based on the number of Shares owned. It is the shareholder's responsibility to ensure that their residence is entered correctly in the Issuer's register. As the Issuer's Articles of Association do not contain a provision regarding the expiration of the right to uncollected dividends, such rights lapse after four years according to Act No. 150/2007 on the Limitation Periods of Claims, in favor of the Issuer. There are no restrictions regarding payment of dividends to non-resident holders. Dividends are paid to the custody account in which the Shares are held.

The Issuer is subject to restrictions on dividend payments in accordance with Article 99 of the Public Companies Act, which limits the allocation of dividends to profits in accordance with the previous fiscal year's annual accounts, profits carried over from prior years and available funds from which unsettled losses and agreed or lawfully required reserves have been deducted. The Issuer is also bound by covenants concerning dividend payments stipulated in loan agreements.

The Issuer's historical dividend for the years 2018 – 2022 is as follows:

<b>Historical Dividend</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Total Dividend (ISK million)	490	563	625	900	900
Dividend per share (ISK)	1	1.15	1.25	1.8	1.63
Total Dividend of Net Profit	33%	31%	27%	36%	44%

## Major Shareholders

At the date of this Prospectus, the Issuer's largest shareholders are as follows.

The Issuer's largest shareholder prior to the Offering is Hvalur hf., holding 228,684,667 shares or a 41.50% stake in the Issuer. As such, Hvalur hf. controls over 30% of voting rights in the Issuer and is thus deemed to exert control over the Issuer based on Chapter X of Act No. 108/2007 on Takeovers (the "Takeover Act").

As stipulated by Article 100 of the Takeover Act, entities exerting control of a company at the time of admission of its shares to trading on a regulated market do not become subject to a mandatory bid obligation pursuant to Article 100. However, this does not apply if the entity in question loses and then regains control.

Hvalur hf. is a related party to Kristján Loftsson, who is a member of the Issuer's Board of Directors.

The Issuer's second largest shareholder prior to the Offering is FSN Capital V LP, a fund operated by FSN Capital, holding 43,801,761 shares or a 7.95% stake in the Issuer. The shares were received as payment in relation to the Issuer's acquisition of Mørenot from FSN Capital.

The Issuer's third largest shareholder prior to the Offering is Lífeyrissjóður Verzlunarmanna (The Pension Fund of Commerce), holding 43,452,393 shares or a 7.89% stake in the Issuer.

No other shareholders exceed a 5% share of voting rights in the Issuer prior to the Offering, the lowest threshold for notifications as stipulated by Act No. 20/2021 on Disclosure Obligations of Issuers and Major Holding Announcements.

The Issuer's shares are of a single class, where each share entitles the holder to one vote at shareholder meetings, where each shareholder is entitled to cast votes equal in number to the number of shares held. As such, no major shareholder, or any other shareholder, has different voting rights from any other shareholder.

The Issuer is not aware of any ownership beyond that which has previously been disclosed in this chapter, or that any of the aforementioned entities are controlled by other parties than disclosed in this chapter. Furthermore, the Issuer is not aware of any agreements that may lead to a change in control of the Issuer. The interests of minority shareholders are guarded by certain stipulations in the Articles of Association and the Public Companies Act. After the Issuer's shares are admitted to trading on Nasdaq Iceland, Chapter X of the Takeover Act will also apply.

## **Share Capital Development**

In February 2023 the Issuer completed a share capital increase of ISK 50,981,049 nominal value. The share capital increase was made in conjunction with the Issuer's acquisition of Mørenot, where a majority of the acquisition price was paid with shares in the Issuer. FSN Capital received most of the Shares, or 43,801,761 shares amounting to a 7.95% stake in the Issuer following the share capital increase, and various minority shareholders of Mørenot received a total of 7,179,288 Shares in the transaction. FSN Capital and minority shareholders who are employees of Mørenot are subject to a six month lock-up period following the closing of the Mørenot acquisition on 7 February 2023.

In conjunction with the proposed admission to trading on the Regulated Market of Nasdaq Iceland, the Issuer intends to increase its share capital by ISK 85,000,000 nominal value as part of the Offering.

## **Voting rights**

The Issuer's shares are of a single class, where each share entitles the holder to one vote at shareholder meetings, where each shareholder is entitled to cast votes equal in number to the number of shares held. In the case that shareholdings are registered via nominee registration as per Article 42 of Act on Markets in Financial Instruments, No. 115/2021, shareholders may be required to make precautions in cooperation with the operator of the nominee registration account in order to be able to exercise their voting rights at shareholder meetings.

## **Takeover legislation**

If the Shares are admitted to trading on the Regulated Market of Nasdaq Iceland, the Issuer will be subject to the provisions of Chapter X of the Takeover Act. Article 100(1) of the Takeover Act states that if a party, directly or indirectly, acquires control of a company that has a class of shares which has been

admitted to trading on a regulated market, is obligated to make other shareholders a takeover bid no later than four weeks after party knew, or could be expected to have known about the takeover obligation. The minimum offer price must be equal to the highest price paid for the relevant shares by the acquiring party or its partners during the previous six months.

In this regard, control refers to the party, and any party acting in concert with it, has acquired

- (i) in total at least 30% of the voting rights in the Issuer,
- (ii) the right to control at least 30% of the voting rights in the Issuer by virtue of an agreement with other shareholders, or
- (iii) the right to appoint or dismiss the majority of the members of the Board of Directors.

A mandatory takeover bid will only be evoked if any one party acquires more than 30% of Shares in the Issuer, unless two or more shareholders have previously agreed on the joint exercise of their shareholders rights.

The Issuer's largest shareholder prior to the Offering is Hvalur hf., holding a 41.50% share of voting rights in the Issuer. As such, Hvalur hf. controls over 30% of voting rights in the Issuer and is thus deemed to exert control over the Issuer based on Chapter X. of the Takeover Act.

As stipulated by Article 100 of the Takeover Act, entities exerting control of a company at the time of admission of its shares to trading on a regulated market do not become subject to a mandatory bid obligation pursuant to Article 100. However, this does not apply if the entity in question loses and then regains control. For further elaboration regarding the Issuer's largest shareholders may be found in the chapter "*Major Shareholders*".

The Issuer has not been the subject of a public takeover bid during the course of the last financial year or the current financial year.

## **Redemption provisions**

According to the Issuer's Articles of Association, shareholders are not obligated to accept their Shares being redeemed, except as stipulated by law.

However, as provided for under Article 24 of the Public Companies Act, a shareholder holding more than 9/10 of the Issuer's share capital and controlling an equivalent proportion of its voting rights may decide, in conjunction with the board of directors of the Issuer, that other shareholders in the Issuer be subject to a mandatory redemption of their shares. Correspondingly, each individual minority shareholder may demand redemption from the shareholder. For companies who have shares traded on a regulated market, the redemption value must correspond to the market value unless special reasons require otherwise.

Article 110 of the Takeover Act also includes provisions on redemption, wherein it is stated that if the offering party and parties acting in concert with it acquire more than 9 /10 of the Shares or voting rights in the Issuer, the offer party and Board of the Issuer may jointly decide that other shareholders shall be subject to redemption of their shares. Correspondingly, the minority shareholders involved may demand

that their shares be redeemed. Article 110 of the Takeover Act will apply from the day the Shares are admitted to trading on a regulated market and remains in effect as long as the Shares remain listed.

## **Dissolution or merger of the Issuer**

In accordance with Chapter XIV of the Public Companies Act, motions relating to the dissolution and liquidation of the Issuer or a merger with another company or other companies shall be approved with the same proportion of votes needed to amend the Articles of Association. A shareholders' meeting having made a lawful decision on the dissolution or liquidation of the Issuer shall also decide upon the appropriation of assets and the settlement of liabilities in accordance with Chapter XIII of the Public Companies Act.

## **Taxation**

The following is a summary of a general nature concerning tax considerations in Iceland and should not be considered exhaustive. Investors are encouraged to seek outside expert counsel regarding specific tax issues which may regard them, including any potential tax consequences of participating in the Offering. Further, investors should be aware that the tax legislation of the investor's Member State and of the Issuer's country of incorporation may have an impact on the income received from the securities.

Relevant tax legislation includes but may not be limited to Act No. 94/1996 on Withholding of Tax on Financial Income (the "WTA"), Act No. 90/2003 on Income Tax (the "ITA") and Act No. 45/1987 on the Withholding of Public Levies at Source (the "WPLS"). Taxation is at any given time based on applicable governing laws, which are subject to future changes. The Issuer will not withhold any tax, deductions or public levies in relation to the Shares unless stipulated by the ITA and the WPLS or other relevant legislation passed in the future. This summary applies solely to legislation in force at the date of the Prospectus, and only applies to the position of absolute beneficial owners of Shares, and as such does not include any summary on the position of non-beneficial owners holding Shares, for instance Shares included in portfolios.

## **Tax considerations for Residents of Iceland**

Financial institutions are obligated to withhold tax on dividend payments to individuals and certain legal entities in Iceland in accordance with the WTA. The tax rate is based on the relevant tax rate of the party receiving the dividend payment. The withholding tax rate for individuals and most legal entities with taxable liability in Iceland is currently 22%. Capital gains of individuals and legal entities are also taxed at a rate of 22%.

No income tax is levied on interest income or financial income, i.e., dividends and capital gains, due to share ownership in companies listed on a Regulated Market or a Multi-Lateral Trading Facility up to ISK 300,000 a year for individuals taxed in Iceland, in accordance with and based on certain conditions in the ITA. The exemption does not apply to legal entities.

Certain taxable entities are allowed deductions from taxable income due to dividend payments or capital gains in accordance with the WTA.

## **Tax considerations for Non-Residents of Iceland**

Financial institutions are obligated to withhold tax on dividend payments to entities with limited tax liability in Iceland in accordance with the WTA. Capital gains of entities with limited tax liability in Iceland are subject to tax, but not withholding in accordance with the WPLS. The tax rate of individuals with limited tax liability in Iceland is 22% and the tax rate for legal entities is 20%.

No income tax is levied on interest income or financial income, i.e., dividends and capital gains, due to share ownership in companies listed on a Regulated Market or a Multi-Lateral Trading Facility up to ISK 300,000 a year for individuals taxed in Iceland, in accordance with and based on certain conditions in the ITA. The exemption does not apply to legal entities.

Legal entities domiciled in the European Economic Area, with limited tax liability in Iceland, are subject to the same rules that apply for legal entities with tax liability in Iceland.

Stipulations in double taxation agreements (“**DTA’s**”) may lead to the withholding tax rate of dividends payable to entities with limited tax liability in Iceland being lower than the 22% and 20% previously mentioned. In order to prevent double taxation, exemptions or reductions can be sought from Icelandic tax authorities. In some cases, if the tax has already been withheld, entities can seek repayment from Icelandic tax authorities in accordance with the relevant DTA.

For entities with limited tax liability in Iceland, capital gains due to the sale of Icelandic shares are taxed based on the difference between their sale price and the original purchase price. Entities domiciled in the European Economic Area, with limited tax liability in Iceland, are allowed certain deductions from taxable income due to capital gains in accordance with the ITA. Capital gains of other legal entities with limited tax liability in Iceland is subject to a 20% tax rate in accordance with the ITA.

## Working Capital

### Working capital statement

The Chairman of the Board of Directors and the Chief Executive Officer of the Issuer, for and on behalf of the Issuer, declare that at the date of this Prospectus the Issuer will have sufficient working capital to fulfil its requirements for the next 12 months following the Offering. The financial information contained in the table below has been prepared by the Issuer, based on the Issuer's financial position as of 31 March 2023. The information is neither audited nor reviewed.

### Capitalisation and indebtedness

<b>Capitalisation and Indebtedness (EUR) as of 31 March 2023</b>	
<b>Current liabilities</b>	
- with guarantees	0
- with lien	44,745,613
- without guarantees or leverage	61,592,391
<b>Total current liabilities</b>	<b>106,338,004</b>
<b>Non-current liabilities</b>	
- with guarantees	0
- with lien	128,407,006
- without guarantees and leverage	26,262,973
<b>Total non-current liabilities</b>	<b>154,669,978</b>
<b>Equity</b>	
<b>Total equity</b>	<b>197,753,000</b>
<b>Total equity and liabilities</b>	<b>458,760,983</b>

The Issuer intends to engage in a public offering where new Shares in the Issuer will be offered for sale. As a result, there will be significant cash flow to the Issuer in connection with the Offering, as explored in the chapter "Terms and conditions of the Offering". In conjunction with the Offering, a request will be made for all shares in the Issuer to be admitted to trading on the Regulated Market of Nasdaq Iceland. Information regarding the costs incurred by the Issuer due to the Offering process and admittance of the Shares to trading on the Regulated Market of Nasdaq Iceland is provided in the chapter "Information on the Shares and admission to trading" in this Prospectus.

## Information on the Issuer

### General information

Legal name	Hampiðjan hf.
Commercial name	Hampiðjan, Hampidjan Group
Domicile	Skarfagarðar 4, 104 Reykjavík, Iceland
ID No	590169-3079
Legal Entity Identifier ("LEI")	25490002T5TRM5T6US82
Date of Incorporation	19 January 1969
Legal form and legislation under which the Company operates	Public limited company, registered with the Register of Enterprises in Iceland in accordance with Act No. 2/1995 on Public Limited Companies
Country of incorporation	Iceland
Address	Skarfagarðar 4, 104 Reykjavík, Iceland
Phone number	+354 530 3300
Website	<a href="http://www.hampidjan.is">www.hampidjan.is</a> <sup>4</sup>

### History of Hampiðjan

Hampiðjan was founded in 1934 when 13 entrepreneurs purchased machinery from Ireland in order to produce twisted twine, a product in short supply since the end of the World War I, from natural materials for the production of fishing lines and nets. A year after Hampiðjan's incorporation imported yarn and fishing line had been replaced entirely by Hampiðjan's product offerings. Production was at full capacity during and following World War II, where Hampiðjan supplied the entire Icelandic fleet with fishing gear. Starting in 1956, Hampiðjan's production machinery was renewed entirely resulting in improved financial performance. However, starting in 1964, synthetic materials swiftly replaced natural materials in fishing gear based on their supreme durability, which resulted in Hampiðjan's newly installed machinery becoming obsolete over a very short period of time. Hampiðjan's founders opted to renew the machinery once again, marking the start of a period of constant innovation and product development.

The expansion of Iceland's territorial waters to 50 and later 200 nautical miles in 1975 was an important milestone for Hampiðjan, as this resulted in increased localization of fishing as well as larger and more technologically advanced fishing vessels which required sophisticated fishing gear. In 1986 further strides were made in material science as the Dutch company DSM Dyneema BV introduced a strong-

<sup>4</sup> Information on the website does not form part of the Prospectus unless that information is incorporated by reference in the Prospectus.

as-steel, lightweight synthetic filament which floats on water. DSM Dyneema BV chose Hampiðjan as a partner to develop fishing gear from the new material, based on Hampiðjan's excellent reputation in product development. During this period, Hampiðjan's first strides into the offshore industry were taken. Around 1990, Hampiðjan introduced the Gloria pelagic trawl, a product resulting from years of intensive product development. The development of the Gloria pelagic trawl has continued ever since and is today recognized as one of the best products in its class. This, alongside Hampiðjan's increased focus on high tech materials and the development of traditional fishing gear resulted in the creation of significant intellectual property, and today Hampiðjan holds over 30 patents in various classes.

In the years after 1990, Hampiðjan began its journey as an international entity, establishing net lofts in New Zealand, Namibia and acquiring companies in Newfoundland and the United States. Around 2000, Hampiðjan acquired Swan Net Ltd. and its main competitor Gundry Ltd. in Ireland, which were combined to form Swan Net Gundry (SNG Ltd.). In 2001 Hampiðjan acquired a majority stake in Denmark's largest net loft, Cosmos Trawl A/S. After 2000, production costs in Iceland had increased significantly due to increased wages and employees were difficult to find, and as a result Hampiðjan decided to move all production to a newly founded subsidiary in Lithuania, Hampidjan Baltic UAB. Over three years a production facility of 21,500 m<sup>2</sup> was established with the project reaching completion in 2006. During this transformation, the acquisition of external entities was paused. Following the completion and optimization of the new factory, a period characterized by significant acquisitions ensued. In 2013, Hampiðjan acquired a majority stake in Nordsøtrawl A/S, located in Thyborøn Denmark. In 2014, Hampiðjan acquired Swan Net USA LLC and combined the entity with Hampidjan USA LLC. In 2014 Hampiðjan also acquired roughly half of SP/F Sílnet in the Faroe Islands. In 2015, Hampiðjan established Hampidjan Australia Pty Ltd.

The acquisition of the Faroese company P/F Von in 2016 was a landmark transaction for Hampiðjan, as the acquisition roughly doubled Hampiðjan's turnover and increased its territory, as Von had nine subsidiaries in the Faroe Islands, Greenland, Iceland, Canada, Denmark, Norway and Lithuania. In 2017, Hampiðjan acquired a majority stake in the Icelandic company Voot Beita ehf. In 2018, Hampiðjan acquired North Atlantic Marine Supplies & Services Inc. in Newfoundland and merged the company into Hampidjan Canada Ltd. Hampiðjan also established a net loft in the Shetland Islands along with SNG Aqua Ltd, a company intended to service local aquaculture. Hampiðjan also acquired Tor-Net LP, a net loft located in the Canary Islands, which mostly services Africa and renamed it Hampidjan TorNet. In 2019, Hampiðjan acquired the 47% minority share in addition to the already existing majority of 53% in Icelandic net loft Fjarðanet ehf. and merged its Icelandic operations into a separate entity, Hampidjan Iceland. The following year Hampiðjan merged all its offshore operations into a separate entity, Hampidjan Offshore ehf. and acquired the Scotland companies Jackson Trawls Ltd. and Jackson Offshore Ltd., along with a part of Caley Fisheries Ltd. In 2023, Hampiðjan completed another landmark transaction with the acquisition of Mørenot, almost doubling its turnover yet again.

## **Mørenot acquisition**

In November 2022, Hampiðjan announced its intention to acquire all share capital in Mørenot. The transaction was finalized in February 2023. The purchase price was mostly paid with shares in

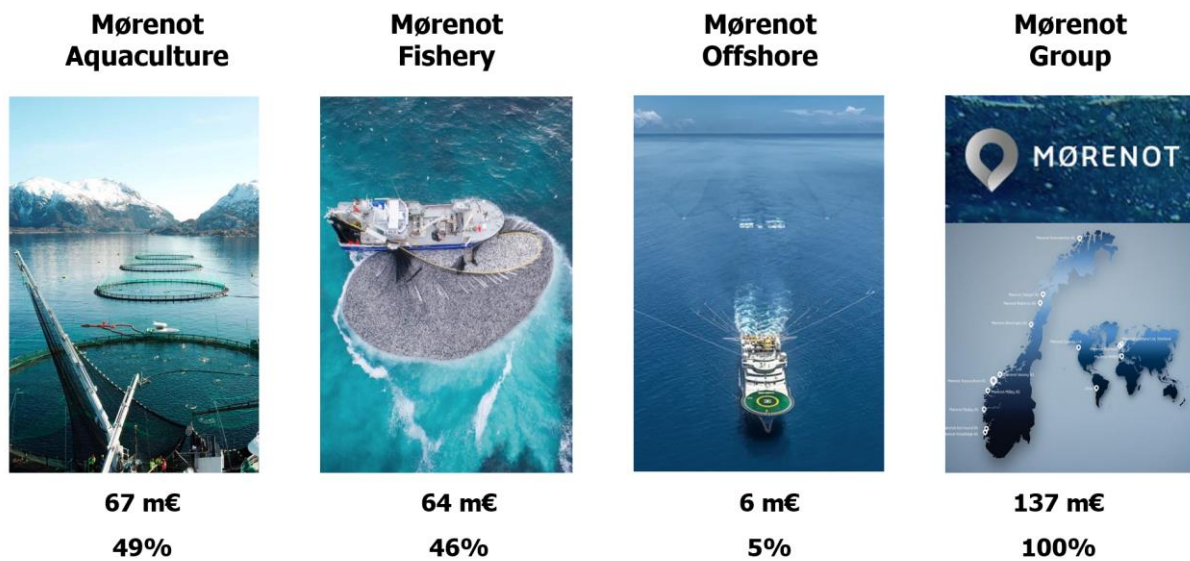


Hampiðjan, where the sellers of Mørenot received 50,981,049 shares in Hampiðjan at a calculated price of ISK 112 per share. NOK 14.0 million (EUR 1.4 million) was paid in cash to the sellers. Mørenot's net interest-bearing debts amounted to NOK 694.4 million (EUR 67.1 million). Considering the share price of Hampiðjan at ISK 112 per share, the enterprise value of Mørenot in the acquisition amounted to NOK 1,100 million, (EUR 106.2 million), implying an EV/EBITDA 2021 multiple of 8.9x pre synergies for IFRS EBITDA. Key statistics for the entities on a stand-alone basis, as well as consolidated, can be seen in the following table:

<b>Key stats 2022 pro forma</b>	<b>Hampiðjan</b>	<b>Mørenot</b>	<b>Combined</b>
Revenue (EUR millions)	194	139	333
Geographical areas	17	11	21
Companies	30	21	51
Locations	46	30	76
Employees	1,256	750	2,006
Patents	35	6	41

Mørenot's roots date back to 1913 when an entity was established as a small fishing gear supplier in Norway. In 1917 Sunnmøre Fiskevegnfabrikk was founded as a producer of longline and nets. In 1948 Sunnmøre Fiskevegnfabrikk established the netloft Sunnmøre Notbarkeri, which marked the beginnings of the company today known as Mørenot. In the 1970's the company's name was changed to Mørenot and it became an important player in the early development of fish farming. A significant period of growth followed where Mørenot pursued various opportunities in mergers and acquisitions and new establishments. Norwegian fish farming grew tremendously in the 1980's and in the 1990's Mørenot entered another period of growth with the acquisition of Dyrkorn and the establishment of its position within the offshore segment. In the 2000's the company began a period characterized by international growth. Today Mørenot is a driving force in the development of fishing and aquaculture solutions. The company is split into three divisions: Fisheries, Aquaculture and Offshore. 59% of revenues in 2021

were generated in Norway. Mørenot's revenue split between divisions in 2022 is as follows:



Mørenot and Hampiðjan are similar companies in several aspects as both companies manufacture, sell and service fishing gear and equipment for fish farming as well as producing high performance ropes for the oil industry and offshore wind turbine installations. However, the product range is different, and the companies complement each other in several areas.

The consolidation of Hampiðjan and Mørenot will enable significant synergy potential due to increased product availability, optimization of production, integration and a stronger position within core markets.

Mørenot is a world leader in the fishing line market with its own production of quality lines and hooks in Dalian, China. The Dalian facility is a powerful production unit for various productions besides line equipment, and other products include ropes and larger traps for crab fishing.

Hampiðjan's rope and net factory in Lithuania is one of the most technologically advanced facilities in the world and manufactures a number of the products that Mørenot currently purchases from external suppliers, as well as a number of patented products for fishing, oil production and specialized deep-sea projects.

In the field of fishing gear, both companies are leaders in the design and production of bottom trawls. Mørenot has not offered pelagic trawls, where Hampiðjan is a leader offering Gloría and Helix pelagic trawls.

More than half of Mørenot's turnover is related to fish farming in Norway, the Shetland Islands, Scotland and Spain, and about 15% of Hampiðjan sales are also related to fish farming in the same areas, as well as in Ireland and Iceland. Both companies produce their own nets for fish farm cages and operate large net workshops in Lithuania where the cages are manufactured. Mørenot has developed a patented connection between cages called Flexilink, a digital platform AquaCom and has also developed floating rings for the cages made of light plastics. The potential for synergy is therefore considerable in this area,

and it will be possible to advance further in this growth market based on the strong foundation that exists in both companies.

Increased geographic footprint will allow the companies to cross-sell products in their respective market areas. Hampiðjan has operations in 15 countries around the world and Mørenot has operations in 8 countries, including three areas where Hampiðjan does not have its own operations. In some regions, it would be suitable to combine operations under one roof, but in other regions, it will be possible to offer a greater breadth of product range.

Hampiðjan's turnover has originated from a diverse portfolio of countries in recent years and only about 15% stems from sales to Icelandic companies. Following the merger, around 10% of the group's income will come from sales to Icelandic entities. The group's largest market will be Norway with around 32% of revenues, and 10 countries will have a revenue share of 3-10% each.

Some of the of synergy-enabling opportunities in the merger can be seen in the following table:

	<b>Hampiðjan</b>	<b>Mørenot</b>
<b>Geographic</b>	Limited operations in the North of Norway.	Strong position in fisheries, aquaculture and offshore in Norway.
	No operations in China, but operations in 10 areas where Mørenot does no business: Nova Scotia, Newfoundland, Greenland, Faroe Islands, Ireland, Canary Islands, Morocco, Alaska, Australia and New Zealand.	Operations in China. Newly founded purchasing department could prove useful for the group.
	71% of Hampiðjan's sales are outside Norway and Iceland. This gives Mørenot the opportunity to enter these markets with products that are currently not offered by Hampiðjan.	60% of Mørenot's sales are in Norway with 40% in other countries.
<b>Products</b>	Strong position in the development and production of pelagic trawls which Mørenot lacks. Hampiðjan's sales in Norway have historically been lackluster due to significant competition.	Hooks, fishing line and other line fishing equipment. Flexilink and cages for aquaculture along with the services of Aqua Knowledge.
	Strong portfolio of highly technical products for fisheries and offshore.	Own products for smaller vessels while Hampiðjan mostly services larger vessels.
<b>Production</b>	Large and technologically advanced production unit in Lithuania which produces materials for fishing gear, netting and roping, which can be strengthened by the addition of Mørenot.	Large portion of Mørenot's production of netting for aquaculture and high performance ropes is located in Norway, which is one of the most expensive countries for production in the world.
		Production in China for specialized hooks and lines. Production in Poland for various netting.
	Production of Vónin trawl doors with a subcontractor in Lithuania	Trawl door production in Lithuania

Following a successful outcome of the Offering, the Issuer intends to utilize ISK 4.0 billion or EUR ~26 million towards investments aimed at realizing acquisition synergies. This investment is estimated to be split into two pillars:

- Expansion of Hampidjan Baltic and Vónin Lithuania, amounting to EUR ~18 million
- Investment in production equipment, amounting to EUR ~8 million

On 10 May 2023, Hampiðjan announced a number of changes to Mørenot's operations, as follows.

A decision was made to divide Mørenot's operation into three pillars encompassing all operations, allowing for increased clarity and independence for each pillar. The pillars are as follows:

- Mørenot Aquaculture
- Mørenot Fishery
- Hampidjan Advant (combined entity of Mørenot Offshore and Hampidjan Offshore)

Overlap between these pillars has historically been limited and as such, the division of responsibility is relatively simple. With the new structure it is possible to optimize the senior management of Mørenot as to realize significant savings, which allows the pillars to assume direct responsibility of their operations and deliver profits. Following these structural changes operations in Norway will be encompassed by the pillars, servicing aquaculture, fisheries and the offshore industry, i.e. oil production, wind energy and deep sea research. Subsidiaries in other countries will be placed directly under the relevant pillar in Norway. The pillars currently have their own senior management which will continue under the new structure, with an increased focus and responsibility towards the operations and profits of the relevant pillar and will report directly to its board and Hampidjan's senior management in Iceland.

In parallel with these structural changes, Arne Birkeland, CEO of Mørenot, and Kjell Magne Sunde, CFO of Mørenot, will leave the company and their positions will be retired following the conclusion of their duties. They will however work towards making necessary changes, with CEO Arne Birkeland continuing until the end of the year, and CFO Kjell Magne Sunde continuing until mid-year 2024 to ensure that half-year reports will be made in an optimal manner. Following the conclusion of their duties, both will be available for advisory services for a full year if required. Their will to work towards optimization and successful integration in good co-operation with Hampiðjan is much appreciated and will ensure the success of the intended structural changes.

### **Mørenot Aquaculture**

Thomas Myrvold will continue as Managing Director of Mørenot Aquaculture, having assumed his duties in the beginning of 2022. Main changes to Mørenot Aquaculture will involve the operations of Mørenot Denmark, which currently employes 25 people, which will be split into aquaculture and fisheries. Mørenot Denmark has serviced fish-farming nets and other equipment for fish pens, along with developing and selling floating rings for fish pens and fisheries equipment for smaller vessels, mainly in Denmark and Greenland. Employees of the aquaculture part of Mørenot Denmark will be 11 and report to Mørenot Aquaculture in Norway while continuing to be located in Aleborg, Denmark. The fisheries part of Mørenot Denmark will be combined with Cosmos, Hampiðjan's subsidiary in Denmark, and 3

employees will be relocated to Thyboron. With these changes 11 staffed roles will be removed alongside increased savings due to housing cost optimization.

Mørenot Aquaculture's subsidiary, Mørenot Scotland, located in the Shetland Islands and the island Hebrides west of Scotland, will be merged into Hampiðjan's Faroese subsidiary, Vónin. Vónin had previously established Vónin Scotland in order to establish operations of a new service station on the island Skye near Scotland, where construction is underway. As such, all service for aquaculture in the Faroe Islands, Shetland Islands and in Scotland will be encompassed under Vónin in order to realize potential synergies fully. Hampiðjan's subsidiary in Ireland, SNG, which operates a net loft in the Shetland Islands will also become a part of Vónin Scotland as part of these changes.

The abovementioned changes are intended to make Mørenot Aquaculture profitable for 2023, following losses in recent years. Further changes are underway and will be disclosed when appropriate.

### **Mørenot Fishery**

Ole Kristian Flaaen will continue as Mørenot Fishery's Managing Director, having served in the role since 2012. Mørenot Fishery's operations have been profitable in recent years and optimization is mainly focused on increased cooperation within the group, with knowledge transfer from Hampiðjan alongside assistance in sales and marketing of Hampiðjan's pelagic trawls in Norway, the utilization of Hampiðjan's production facilities in Lithuania in order to lower production costs, and by transferring the purchase of materials from external parties to Hampidjan Baltic in Lithuania.

### **Hampidjan Advant**

Mørenot Offshore has mainly been involved in the service of specialized vessels and seismic vessels, which map the bottom of the ocean in order to find potential oil reserves. Hampidjan Offshore has historically served the same market but has in addition entered markets for deep sea tows and specialized tows. These two companies have now been merged into a single entity, Hampidjan Advant, whose headquarters will remain in Norway based on number of staff and presence in the local market. Bjørn Nogva, Managing Director of Mørenot Offshore will be the Managing Director of the merged entity.

### **Effects of the changes**

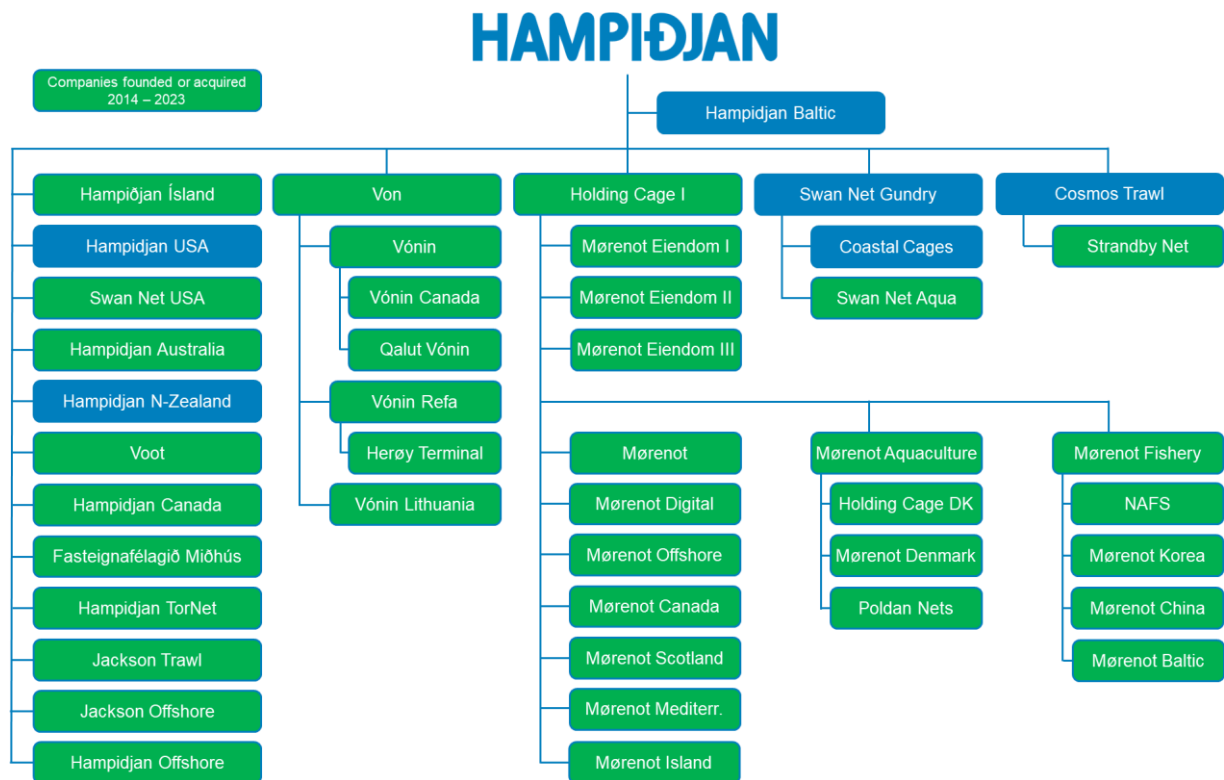
The effects of this optimization of staff and related facilities for 2023 are expected to be in the range of 12 mNOK (1.0 mEUR) and 33 mNOK (2.8 mEUR) in 2024. As with all optimization, it takes a substantial amount of time to realize total gains and as such a part will be realized in 2024.

This marks the first changes made to the operations of Mørenot, with only 3 months having passed since the closing of the purchase agreement. A number of further possibilities exist, which will be utilized further in this year and coming years.

### **Business overview**

Hampiðjan has become a world leader in producing, developing and servicing products for the fisheries, aquaculture and offshore industries. There are 51 companies in the Hampiðjan group, with service at 76 locations in 21 geographical areas, stretching all the way from Dutch Harbour in Alaska in the west

and to Nelson in New Zealand in the east. Hampiðjan holds 41 patents on intellectual property and employs around 2,000 individuals. A large central manufacturing facility is located in Lithuania, producing ropes, netting and trawls. Over the last three decades, Hampiðjan has extended its market lead to the offshore and oil industry by developing new ground-breaking products and innovative solutions. Hampiðjan has a strong history of revenue growth generated through internal growth and acquisitions, with a CAGR<sup>5</sup> of 16.1% over the period from 2013 to 2022. Revenues in 2022 amounted to a total of EUR 193.8 million. For the period 2013 to 2022, 60% of revenue growth and 50% of EBITDA growth can be attributed to acquisitions, while 40% of revenue growth and 50% of EBITDA growth can be attributed to internal growth. Hampiðjan intends to continue on the same path of growth, by acquisition of favorable entities as they arise, as well as continuing internal growth. Hampiðjan has identified a number of promising acquisition targets, some of which may mature in the coming years, often due to generational changes, and in some cases Hampiðjan may also be able to commence operations in favorable areas from scratch, with such a venture currently being explored in Oman. Hampiðjan's largest market is the North Atlantic Ocean, where Hampiðjan is the largest player, commanding a 16% market share in Fisheries and 30% in Aquaculture fish pen nets, based on own research. Hampiðjan's corporate structure is as follows:



<sup>5</sup> The compound annual growth rate (CAGR) is the annual rate of return that would be required for an amount to grow from its beginning balance to its ending balance. Here, Hampiðjan's revenue in 2013 of EUR 50.4 million needs to be compounded at a rate of 16.1% per year to reach EUR 193.8 million in 2022. This is a historical measurement and is not an indicator of future performance.

In recent years, Hampiðjan has expanded its focus from the Icelandic market to become a leading global provider of fisheries, aquaculture and offshore solutions. Hampiðjan's business model is unique in capturing an unusually large portion of the value chain, due to its production starting with very basic raw materials at the highly technologically advanced production facility Hampidjan Baltic, such as base plastics, and ending with fully manufactured high tech fisheries, aquaculture, and offshore equipment. Around 95% of Hampidjan Baltic's production is sold to subsidiaries of Hampiðjan. Hampiðjan operates in three main operating segments:

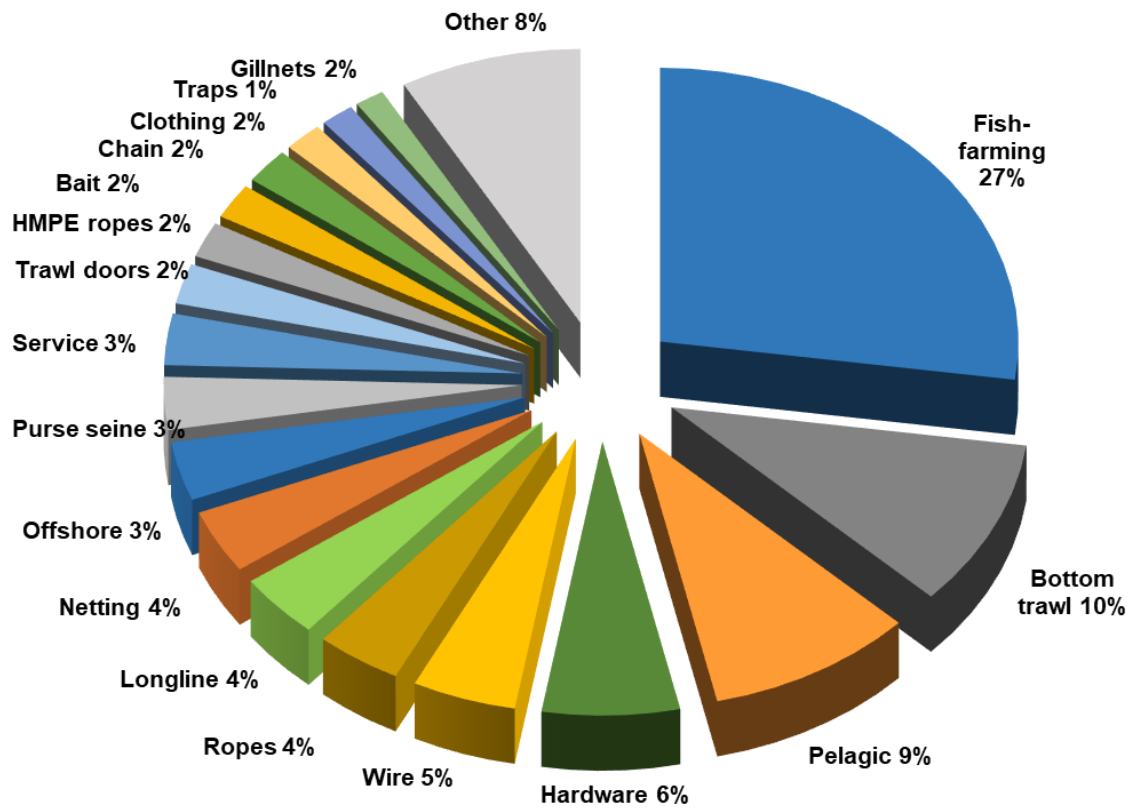
- **Fisheries:** Since establishment, fisheries have been the main backbone of Hampiðjan, Mørenot, Vonin as well as most of Hampiðjan's other subsidiaries. In the beginning, this mostly consisted of production of simple materials for fishing gear like twines, ropes and nets from natural fibres. Later when the synthetic materials replaced the natural fibres, hemp, manila and sisal, the value chain extended to production of the filaments from plastic granulates which became part of the production process. The customers were mostly small local companies setting up fishing gear, gillnets and trawls, for their local fleets. As the local workshops, usually referred to as netlofts were small, they did not have the ability to design and improve the trawls. As their major supplier, Hampiðjan began developing fishing trawls based on knowledge of materials, studies of fish behavior and best practices in the fishing gear industry. As the fishing fleet developed to larger, fewer and more powerful vessels many of the smaller netlofts ceased operations and were gradually taken over by larger companies such as Hampiðjan. By establishing of netlofts, first abroad and then in Iceland and later acquisitions of larger fishing gear companies worldwide the value chain was completed starting from production of filaments from plastic granulates to highly advanced trawls and purse seines for the modern fishing fleets, Today the main operation, besides production of the materials for fishing gear, nets and ropes, is construction of trawls, both bottom and pelagic trawls, as well as purse seines and maintenance and service in specialized netlofts around the world. In 2022, Fisheries contributed EUR 157.4 million in revenues, or 81.2% of Hampiðjan's total revenues for the respective period.
- **Aquaculture:** In the early days of fish farming the nets were small, simple designs and the knowledge to build them generally existed within small local netlofts. As fish farming grew and became a profitable industry, especially in Norway and the N-Atlantic area, the materials used changed from conventional knotted fishing netting to specialized knotless netting types and the designs became more complicated and advanced. As fish farming nets are stationary and situated in the ocean for 12-18 months at a time, they tend to gather seaweed and other foreign objects, making them heavy and constricting the flow of water through the netting. As such, these nets require regular cleaning which takes place in service stations with very large washing machines operating on a closed end system, where water is filtered and reused for repeated



washing, equipment to dry the netting after washing, repairing areas for inspecting and maintaining the nets. The nets are also impregnated with anti-fouling materials which prevent seaweed from attaching to the nets. As such, Hampiðjan's aquaculture business is twofold, the manufacturing of new nets and floating rings and also service of nets in use, such as washing of nets, which for instance takes place in a 52 m<sup>3</sup> washing machine in Ísafjörður, Iceland. In 2022, Aquaculture contributed EUR 29.4 million in revenues or 15% of Hampiðjan's revenues for the respective period.

- **Offshore:** Hampiðjan entered the offshore segment in 1994 to assist seismic companies with towing ropes for their continually larger equipment, where replacement of heavy steel wire was required as the weight limited the size and length of hydrophone arrays towed by boats. The knowledge of high performance materials combined with experience in developing solutions for fishing vessels was what the seismic companies needed and later became a key for Hampiðjan to enter into the offshore oil industry segment. Besides ropes, strops and metallic hardware for seismic vessels Hampiðjan sells engineered lifting slings for both offshore structures and the installation of windmills. Sales of extremely long and strong-as-steel complicated rope constructions in lengths up to 12 km for deep sea research and offshore cranes has become an increasingly important part of Hampiðjan's product portfolio in recent years. In 2022, Offshore contributed EUR 7 million in revenues, or 3.6% of Hampiðjan's total revenues for the respective period.

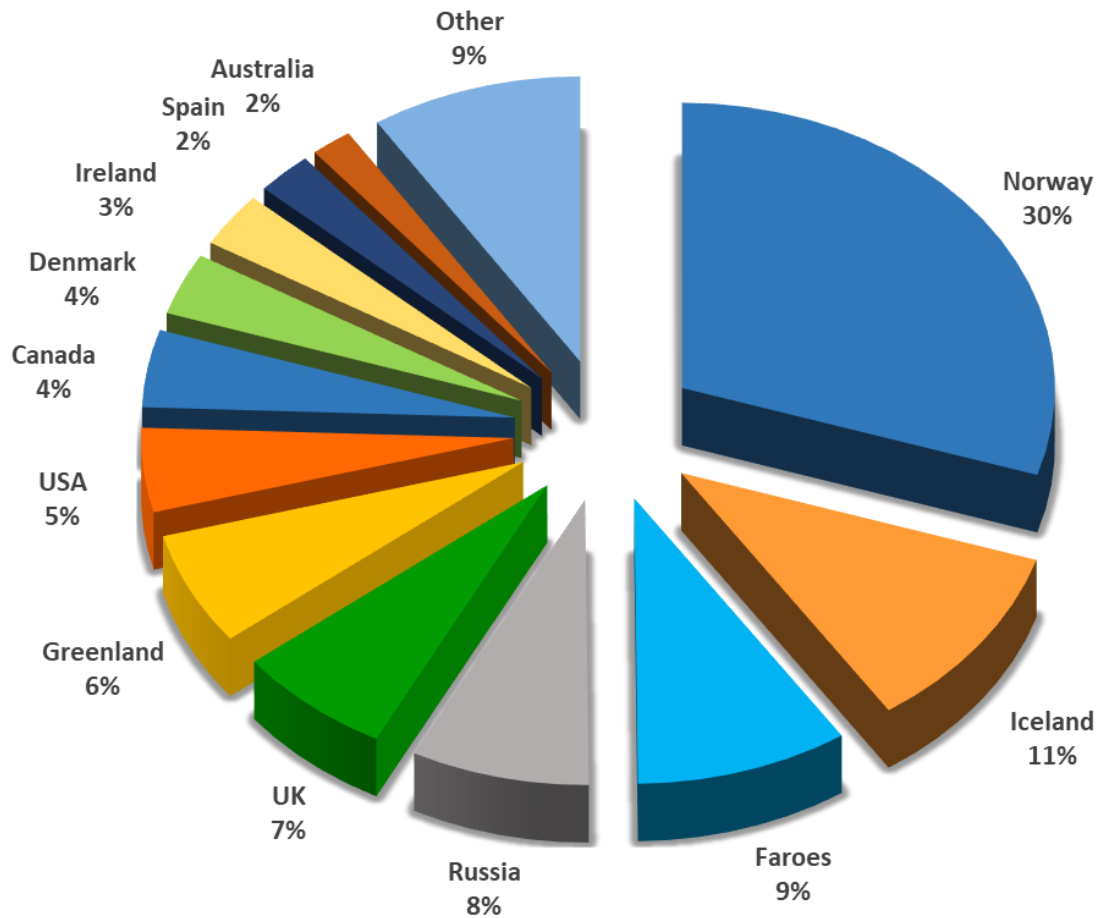
The combined product group split of revenues for Hampiðjan and Mørenot for 2022 is as follows:



With operations in 21 geographical areas, Hampiðjan is a well-diversified international entity. The map below depicts Hampiðjan's global presence with red dots and also all the locations of Mørenot shown with yellow dots:



The geographical split of revenues for Hampiðjan and Mørenot for 2022 is as follows:



Hampiðjan's operations are further split into six operational aspects based on location (all numbers without Mørenot):

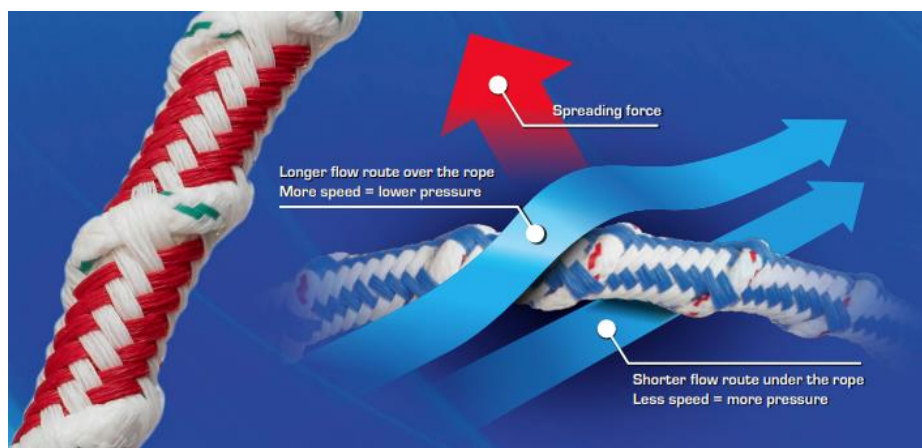
- The first operational aspect concerns the parent company Hampiðjan hf. and the subsidiary Hampidjan Baltic. The parent company Hampiðjan hf. has two main functions, supervision of subsidiary operations and selling and distributing Hampidjan Baltic products to the group's subsidiaries as well as third parties. Revenues in 2022 amounted to EUR 48.7 million.
- The second operational aspect encompasses Hampiðjan's subsidiaries in Ireland and Scotland, i.e. Swan Net Gundry and its subsidiaries Coastal Cages and Swan Net Aqua in Ireland, as well as Jackson Trawls and Jackson Offshore Supply in Scotland. Revenues in 2022 amounted to EUR 24.7 million.
- The third operational aspect contains the Danish part of Hampiðjan's operation, i.e. the operations of Cosmos Trawl and its subsidiary Strandby Net. Revenues in 2022 amounted to EUR 16.8 million.

- The fourth operational aspect encompasses Hampidjan New Zealand, Hampidjan Canada, Hampidjan USA and its subsidiary Swan Net USA, Hampidjan Australia, Hampiðjan Ísland, Voot, Fasteignafélagið Miðhús, Hampiðjan TorNet and Hampidjan Offshore. Revenues in 2022 amounted to EUR 75.6 million.
- The fifth operational aspect encompasses the operations of the Faroese company P/F Von and its subsidiaries P/F Vónin, Vónin Refa, Qalut Vónin, Vónin Lithuania, Vónin Canada, Vónin Ísland and Volu Ventis. Revenues in 2022 amounted to EUR 81.2 million or 41.2%.
- The abovementioned revenues of 2022 for each operational aspect include intra-group transaction amounting to a total of EUR 53.2 million as outlined in note 5 to the financial statements of Hampiðjan for 2022.
- The sixth operational aspect, which has yet to be reflected in Hampiðjan's financial statements, concerns the newly acquired subsidiary Mørenot and its subsidiaries. Revenues in 2022 amounted to EUR 137 million.

Hampiðjan places significant emphasis on constant innovation, emphasized by the motto, "*Relentless product development is the essence of our being*". As such, Hampiðjan has developed a large number of specialized solutions, many of which Hampiðjan holds intellectual property rights to. These products include i.a. the following:

- **Helix**

The helix rope is developed for pelagic trawls and as the name indicates there is a strand spiraling around the rope. The spiral, named helix, creates a lifting force in the rope when it is towed through the sea moving the rope in certain direction. By selecting the twist of the rope, clockwise or counterclockwise, and placing it accordingly in different panes of the trawl it is possible to let all the ropes move outwards and thus opening up the trawl and changing the direction of vibration coming from the rope strings to be more perpendicular to the towing direction and disturb less the fish in front of the trawl.

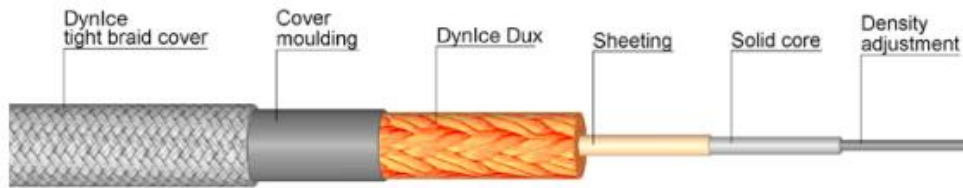


- **Dynlce**

### Warp

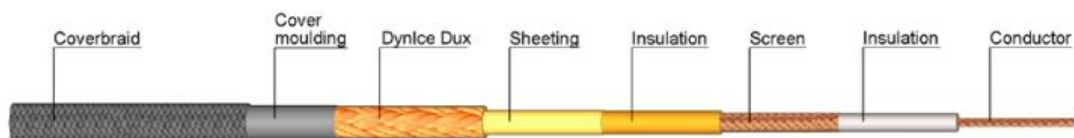
Dynlce was developed to replace towing steel wires on fishing trawlers. The strength is similar to similar diameter of steel wire but the weight is very low in water as the density is only 1.15 compared to 7.89 in steel. This construction of Dynlce Warp is used on many large and

advanced research vessels and for deep sea mining and salvage operations. Normal steel wire is heavy and can only bear certain length vertical length of its own when used in deep sea operations. If only the weight of the wire is considered, without any object hanging in it or without respect to safety factor, it can only bear 6 km of its own weight as then the weight exceeds its breaking strength. Dynlce Warp has no such limitations as it almost floats in water. Hampiđjan has produced and sold a number of Dynlce ropes in continuous lengths of 12 kilometers since a salvage operation in 2006 proved its capabilities, which exceeds the depth of the deepest canyon which exists in the world's seabed, the 11.2 kilometer deep Mariana trench.



- **Dynlce Data**

Similar to Dynlce Warp, Dynlce Data was developed to replace steel headline cable on fishing trawlers. The cable connects the sonar placed on the top front rope of the trawl and works like a radar showing the cross-sectional shape of the trawl and the fish entering into the trawl. The disadvantage of the steel wire cable is the weight as it can slope down to the seabed in front of the trawl in towing and disturb the fish being caught, pull down the front height of the trawl, damage the trawl if slack is excessive and then as it is made of steel it will only last for 1-1.5 years in use and needs to be re-spliced and reconnected to the sonar with few weeks intervals. Dynlce Data is light in towing, flies over the trawl and pulls up the front headline, gives better transmission of the sonar signal and can last for many years, where 5-7 years is considered normal useful lifetime, without any need for maintenance.



- **Dynlce Optical Data**

The Dynlce Optical Data cable is closely related to Dynlce Data, as it is constructed in a similar way but with three optical fibers. Each of the optical fibers has immense data transfer capabilities. In the future, this will allow transfer from multiple video cameras in real time and open up for selection of the fish caught in the trawl, selection of which fish species to keep and which to release, as well as the selection of the desired size of fish.



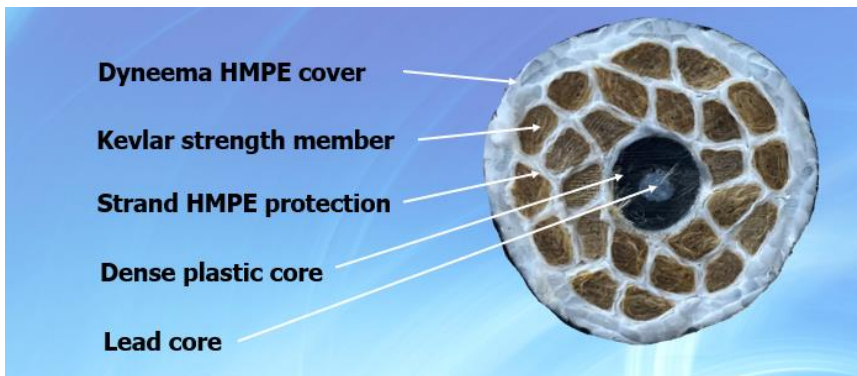
- **Dynlce Power Warp**

Originally developed for the transfer of electricity from trawlers to trawl doors but has recently found alternative use as a connection to large flying kites used to assist to pull cargo ships and thus lower their energy consumption.



- **Techlce Warp**

Winch ropes like Dynlce Warp are unable to tolerate high temperatures, as strength loss occur when the inside heat exceeds 60°C for a few hours. During normal use of Dynlce Warp on sea, such conditions do not occur unless the rope is constantly and frequently pulled back and forth over sheave. The resulting internal friction creates heat and may cause temperatures to rise above failure limits. Techlce Warp is designed in a different way, having heat tolerant Kevlar strength members encapsulated in its low friction cover. When the rope is bent, the low friction covers rub against each other but due to the low friction less heat is created and as the Kevlar filaments tolerate high heat they are not affected. Tests have shown that Dynlce Warp can tolerate about 5,000 bending cycles under load and at high bending frequency. Techlce Warp was tested under the same conditions but due to time constraints, testing was terminated at 320,000 cycles.



Hampiðjan's reputation as a strong innovator and experienced product developer has led to a number of opportunities and possibilities of expanding into new markets by developing products for specialized applications, such as for the offshore industry, deep-sea exploration, and even competitive sailing. Hampiðjan aims to address customer needs and create value for customer operations by developing solutions that increase efficiency and ensure quality, safety and sustainability.

Other than the acquisition of Mørenot, as chronicled in the chapter "Mørenot acquisition", the financial effects of which are explored in the chapter "Pro forma financial information for the Mørenot acquisition", no significant changes impacting the Issuer's operations and principal activities have occurred since the end of the period covered by the latest published audited financial statement, no significant new products or services have been introduced, no information on development of new products or services has been publicly disclosed, and no material changes in the Issuer's regulatory environment have occurred.

## Management

The supreme power of the Issuer is wielded by lawful shareholders' meetings as provided for by law. At each Annual General Meeting, five Directors shall be elected to the Issuer's Board of Directors, serving for a term of one year with the Chairman of the Board being elected in a special election. Other than the Chairman of the Board, the Directors divide duties between themselves. The Board is the supreme authority in the affairs of the Issuer between shareholders' meetings. The Board maintains general control of the Issuer's activities being in conformity with the Public Companies Act, other applicable law, the Articles of Association and shareholder resolutions.

The Issuer considers itself to follow the Guidelines on Corporate Governance, published by the Iceland Chamber of Commerce, Nasdaq Iceland hf. and the Confederation of Icelandic Employers, 6th edition, issued 1 July 2021 (the "Icelandic Guidelines on Corporate Governance").<sup>6</sup> The Issuer follows the Icelandic Guidelines on Corporate Governance apart from Article 1.4 "Nomination Committee", as the Issuer has not deemed it necessary to appoint a nomination committee, and Article 5.4 "Remuneration Committee", as the Issuer has not deemed it necessary to appoint a remuneration committee. Further, the Issuer has prepared the establishment and codes of practice for an Audit Committee in line with Article 5.3, and the Audit Committee will be put in place following admission to trading on the Regulated Market of Nasdaq Iceland.

The current Board of Directors is comprised of five Directors. Vilhjálmur Vilhjálmsson, Auður Kristín Árnadóttir, Guðmundur Ásgeirsson, Kristján Loftsson and Sigrún Þorleifsdóttir, all of which were elected to serve at the last Annual General Meeting, held on 24 March 2023. The Board of Directors has remained unchanged since first being elected at the Annual General Meeting in 2014.

The Issuer's Executive Committee is comprised of two persons, CEO Hjörtur Valdemar Erlendsson and CFO Emil Viðar Eypórsson.

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<sup>6</sup> The Guidelines on Corporate Governance published by the Icelandic Chamber of Commerce, Nasdaq Iceland hf. and the Confederation of Icelandic Employers, 6th edition 1 July 2021, are accessible here: <http://corporategovernance.is/>.

Included in the shareholding of members of the Board of Directors and the Issuer's Executive Committee is the shareholding of companies under their control, shareholding of their spouse, financially dependent children and financially dependent individuals with the same legal domicile.

In the five years preceding the date of this Prospectus, the members of the Board of Directors or the Executive Committee have not been convicted in relation to fraudulent offences, publicly incriminated or sanctioned by a statutory or regulatory authority (including designated professional bodies) or disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of an issuer.

No members of the Board of Directors or the Executive Committee have, in the five years preceding the date of this Prospectus, in their capacity as a founder/owner, director or senior/executive manager been associated with companies which have filed for bankruptcy, gone into receivership, liquidation or administration.

No familial relationships exist between any members of the Board of Directors or the Executive Committee. The Issuer does not consider any potential conflicts of interest to exist between any duties carried out on behalf of the Issuer by persons in this chapter and their private interests or other duties.

## **Board of Directors**

### **Chairman of the Board**

Name:	<b>Vilhjalmur Vilhjalmsson</b>
Year of birth:	1953
First elected:	2013
Office:	Hampiðjan, Skarfagarðar 4, 104 Reykjavik
Education:	Seafarer exam from the The Icelandic College of Navigation 1976, Fisheries Technology from the Technical College of Iceland 1980.
Experience:	CEO of HB Grandi hf. (now Brim hf.) 2012-2018. Head of pelagic at HB Grandi hf. 2005-2012. Managing Director of Tangi hf. 2003-2004. Office Manager of Tangi hf. 2001-2002. Various fisheries related jobs since 1986, including 8 years with The Federation of Icelandic Fishing Vessel Owners and 4 years at Fiskafurðir ehf. Deckhand and navigator on various fishing vessels from 1969-1986.
Current position as a board member,	Hampiðjan hf. (Chairman of the Board, co-owner), Grandalaus ehf. (Board Member, co-owner)



management member,  
owner or co-owner

Positions as a board  
member, management  
member, owner or co-  
owner in the past five  
years

Iceland Chamber of Commerce (Board Member), Eimskipafélag Íslands hf. (Board Member), Blámar ehf. (Chairman of the Board), HB Grandi hf. (now Brim hf.) (Management member), Kambsnes ehf. (Board Member), Laugafiskur ehf. (Board Member), Norðanfiskur ehf. (Chairman of the Board), Vignir G. Jónsson ehf. (Chairman of the Board)

Dependencies

Based on the classification included in the Corporate Governance Guidelines, Vilhjálmur is independent of the Issuer and senior management.

Shareholding in the Issuer 8,387,374 shares.

### **Board Member**

Name: **Auður Kristín Árnadóttir**

Year of birth: 1974

First elected: 2012

Office: Hampiðjan, Skarfagarðar 4, 104 Reykjavík

Education: MA International Relations, University of Warwick. Pedagogy license, University of Iceland. BA in History and Business Administration, University of Iceland.

Experience: Office Manager, Íspan Glerborg ehf. since 2017. Previously self-employed, Managing Director of Opal gisting ehf. 2015-2017, Project Manager at The Office of the Ombudsman for Children 2004-2016.

Current position as a  
board member,  
management member,  
owner or co-owner

Hampiðjan hf. (Board Member), Íspan-Glerborg ehf. (Chairman, co-owner), Austurberg ehf. (Chairman, co-owner), Hulduklettur ehf. (Chairman, co-owner).

Positions as a board  
member, management  
member, owner or co-  
owner in the past five  
years

Opal gisting ehf. (Chairman of the Board)

Dependencies Based on the classification included in the Corporate Governance Guidelines, Auður is independent of the Issuer and senior management.

Shareholding in the Issuer None

### **Board Member**

Name: **Guðmundur Ásgeirsson**

Year of birth: 1939

First elected: 2014

Office: Hampiðjan, Skarfagarðar 4, 104 Reykjavík

Education: Seafarer exam from The Icelandic College of Navigation. Shipping & Commerce, London School of Foreign Trade.

Experience: Various board roles, such as Wilson ASA Bergen 2007-2015, and Nes hf. 1991-2016. Consul of Cyprus in Iceland 1997-2017. Co-founder of Nesskip hf., Managing Director from 1975-2004 and Chairman of the Board from 2004-2008. Director of Transport at Hafskip 1973-1974. Navigator and Captain at Hafskip 1963-1972. Various seafaring roles 1954-1962.

Current position as a board member, management member, owner or co-owner Hampiðjan hf. (Board Member), Öryggismiðstöð Íslands hf. (Board Member, Co-owner), Köfunarþjónustan ehf. (Board Member, Co-owner), Köfunarþjónusta Íslands ehf. (Chairman, Co-owner), Salteyri ehf. (Board Member, Co-owner), Saltkaup ehf. (Board Member), New Moments ehf. (Board Member, Co-owner), Fáfni Offshore hf. (Board Member, Co-owner), Pentland ehf. (Board Member, owner), Hlér ehf. (Board Member, Co-owner), Íslensk jarðefni ehf. (Board Member, Co-owner).

Positions as a board member, management member, owner or co-owner in the past five years Eignarhaldsfélagið Hornsteinn ehf. (Board member), Polar Maritime ehf. (Board Member), Sólstormur hf. (Board Member, Management Member)

Dependencies Based on the classification included in the Corporate Governance Guidelines, Guðmundur is independent of the Issuer and senior management.

Shareholding in the Issuer 16,029,334 shares through Hlér ehf., a financially related party.

### Board Member

**Name:** Kristján Loftsson

**Year of birth:** 1943

**First elected:** 2000

**Office:** Hampiðjan, Skarfagarðar 4, 104 Reykjavík

**Education:** Business Diploma from the Commercial College of Iceland 1962, commercial studies in Cardiff, Wales 1965.

**Experience:** CEO of Hvalur hf.

**Current position as a board member, management member, owner or co-owner** Hampiðjan hf. (Board Member, Co-owner), Puralube á Íslandi hf. (Board Member, Co-owner), Hvalur hf. (Board Member, Co-owner, Managing Director), Eldkór ehf. (Chairman, Co-owner), Fiskveiðahlutafélagið Venus hf. (Chairman, Co-owner), Sundt-Air Iceland ehf. (Chairman, Co-owner).

**Positions as a board member, management member, owner or co-owner in the past five years** HB Grandi hf. (now Brim hf.) (Chairman of the Board, Co-owner), North Tech Energy ehf. (Board Member), Vogun hf. (Board Member, Management Member, Co-owner)

**Dependencies** Based on the classification included in the Corporate Governance Guidelines, Kristján is independent of the Issuer and senior management but not independent of major shareholders due to his position and holdings related to Hvalur hf.

**Shareholding in the Issuer** 228,684,667 shares through Hvalur hf., a financially related party.

### Board Member

**Name:** Sigrún Þorleifsdóttir

**Year of birth:** 1968

**First elected:** 2014

Office:	Hampiðjan, Skarfagarðar 4, 104 Reykjavík
Education:	MS in Strategic Management, University of Iceland. BS in Business Administration, Bifröst University.
Experience:	Director of Human Resources and Quality Management at the Ministry of Infrastructure. Previously Director of Human Resources and Quality Management at HMS, Director of Supply Chain Management at CCEP (Coca-Cola European Partners, now Coca-Cola Europacific Partners), Five years as Partner at Attentus and Vendum Management Consultancies. Fifteen years various director roles at Eimskip hf. and Icelandic Freezing Plants Corporation (IFPC).
Current position as a board member, management member, owner or co-owner	Hampiðjan hf. (Board Member), Kverk slf. (Owner)
Positions as a board member, management member, owner or co-owner in the past five years	None
Dependencies	Based on the classification included in the Corporate Governance Guidelines, Sigrún is independent of the Issuer and senior management.
Shareholding in the Issuer	None

## Executive Committee

### Chief Executive Officer (CEO)

Name:	<b>Hjörtur Valdemar Erlendsson</b>
Year of birth:	1958
Office:	Hampiðjan, Skarfagarðar 4, 104 Reykjavík
Education:	BS Operational Engineering Technology, Ingeniørhøjskolen København Teknikum 1985.
Experience:	38 years of experience with Hampiðjan. CEO of Hampiðjan since 2014. Previously Managing Director of Hampidjan Baltic

2003-2014, Managing Director of Hampidjan Danmark 2003-2006, Production Manager of Hampidjan 1991-2003. Production Manager (Threads, Ropes and Twining) of Hampidjan 1985-1991.

Current position as a board member, management member, owner or co-owner  
Chairman or Board Member of various subsidiaries of Hampiðjan hf., Innlifun ehf. (Board Member, co-owner).

Positions as a board member, management member, owner or co-owner in the past five years  
None

Shareholding in the Issuer  
None

#### **Chief Financial Officer (CFO)**

Name: **Emil Viðar Eypórssón**

Year of birth: 1980

Office: Hampiðjan, Skarfagarðar 4, 104 Reykjavík

Education: State Authorized Public Accountant in Iceland. Cand.oecon, University of Iceland 2005

Experience: CFO of Hampiðjan hf. since 2016. Previously Partner Financial Advisory at Deloitte 2013-2016, Group Financial Controller at Icelandic Group 2011-2012, Director Financial Advisory at Deloitte 2010-2013, Project Manager IFRS at Deloitte 2007-2010, Specialist at Deloitte 2002-2007.

Current position as a board member, management member, owner or co-owner  
Chairman or Board Member of various subsidiaries of Hampiðjan hf.

Positions as a board member, management  
None

member, owner or co-owner in the past five years

Shareholding in the Issuer None

## **Regulatory disclosure**

This section contains a summary of the information disclosed under Regulation (EU) No 596/2014 (Market Abuse Regulation, “MAR”) over the last 12 months which is relevant as at the date of this Prospectus.

### **Mergers & Acquisitions**

On 17 November 2022, Hampiðjan announced that an agreement had been signed regarding Hampiðjan’s acquisition of all shares in Mørenot, subject to the approval of competition authorities in Iceland, the Faroe Islands and Greenland as well as the approval of a shareholder meeting of Hampiðjan to increase the share capital of Hampiðjan as partial payment for Mørenot. Hampiðjan also announced its intention to have its shares admitted to trading on the Regulated Market of Nasdaq Iceland.

On 18 January 2023, Hampiðjan announced that the Icelandic Competition Authority had approved Hampiðjan’s acquisition of Mørenot and that the Greenlandic Competition Authority had confirmed that the acquisition would not be subject to reporting obligations in Greenland.

On 30 January 2023, Hampiðjan announced that the Competition Authority in the Faroe Islands had approved Hampiðjan’s acquisition of Mørenot and that as such, all conditions for closing in the Mørenot transaction had been fulfilled.

On 2 February 2023, Hampiðjan announced that the closing of the Mørenot acquisition, as well as the share capital increase intended as partial payment for Mørenot, would take place on 7 February 2023.

On 7 February 2023, Hampiðjan announced that the closing of the Mørenot acquisition had taken place, and that the share capital increase intended as payment for the acquisition would become effective as of 8 February 2023.

On 10 May 2023, Hampiðjan announced a number of optimizing measures of Mørenot operations following Hampiðjan’s acquisition.

### **Financial Reports**

On 25 August 2022, Hampiðjan reported half year 2022 results.

On 30 December 2022, Hampiðjan published its financial calendar for 2023. The financial calendar in its entirety can be found in the chapter “Financial calendar”.

On 9 March 2023, Hampiðjan reported full year 2022 results.

### **Shareholder meetings**

On 17 November 2022, Hampiðjan announced the convening of a shareholders meeting to approve the increase in share capital as partial payment for Mørenot, as well as an additional share capital increase

to be offered in conjunction with a proposed listing of Hampiðjan's shares on the Regulated Market of Nasdaq Iceland.

On 25 November 2022, Hampiðjan announced the results of the shareholders meeting convened on 17 November 2022, where the shareholders meeting approved both capital increases as well as admission to trading the Regulated Market of Nasdaq Iceland.

On 10 March 2023, Hampiðjan announced the agenda for the 2023 Annual General Meeting.

On 10 March 2023, Hampiðjan announced the proposals for the 2023 Annual General Meeting.

On 20 March 2023, Hampiðjan announced candidates for appointments to the Board of Directors on the 2023 Annual General Meeting.

On 24 March 2023, Hampiðjan announced the results of the 2023 Annual General Meeting.

# Financials

## Trend information

The Issuer is unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.

The Issuer's prospects for 2023 are positive and the financial year is off to a good start for a large majority of the Issuer's subsidiaries. In Iceland, the year started off well with a highly successful capelin fishing season. Energy prices in Europe seem to have reached an equilibrium following significant increases in the year 2022, with prices currently around 20% higher than in the years 2020-2021, having decreased significantly over the past year. The same can be said for prices of raw materials, with prices coming down from higher levels caused by supply chain issues due to the Covid-19 pandemic and the war in Ukraine. Demand in seafood markets has also been strong, a development that is expected to continue. The Issuer expects the financial year 2023 to be in line with the guidance set forth in the chapter "Guidance". On 7 February 2023, Hampiðjan finalized the closing and transfer of ownership of all shares in Mørenot to Hampiðjan. The acquisition entails a material agreement for the Issuer. The purchase price of the acquisition was paid for with 50,981,049 shares in Hampiðjan along with EUR 1.4 million in cash. As such, significant changes to the Issuer's financial position and performance have occurred between 31 December 2022 and the date of this Prospectus due to the acquisition, which is further chronicled in the chapter "Mørenot acquisition". Pro forma financial information explaining the changes may be found in the chapter "Pro forma financial information for the Mørenot acquisition", which contains a pro forma income statement and balance sheet for the combined entity of Hampiðjan and Mørenot. Apart from the effects of the Mørenot acquisition, no other significant changes to the Issuer's financial position or performance have occurred in the period between 31 December 2022 and the date of this Prospectus. Apart from the Mørenot acquisition, the Issuer has not entered into any material agreements, no such agreements are in process, and no firm commitments have been made for such agreements in the two years preceding the publishing of this Prospectus.

The Issuer has not been involved in any governmental, legal or arbitration proceedings that have had significant effects on the Issuer's financial position or profitability in the 12 months preceding the date of this Prospectus and is not aware of any plans to raise such matters.

## Selected financial information

The financial information summarized below for the financial year 2022 is taken from the 2022 Financial Statements. The 2022 Financial Statements were audited by PWC.

As of the date of the Prospectus, the Issuer has not entered into related-party transactions since the date of the 2022 Financial Statements.



<b>Summary Consolidated Statement of Operations</b>	Year ended 31 December 2022
<b>EUR thousands</b>	

Sales (Revenues)	193,759
EBITDA	28,726
Total comprehensive income for the year	12,915
Total comprehensive income attributable to equity holders of the Company	11,272
Earnings per share, basic and diluted (expressed in EUR cent per share)	2.93

<b>Summary Consolidated Statement of Financial Position</b>	Year ended 31 December 2022
-------------------------------------------------------------	-----------------------------

Total assets	295,468
Total equity	149,507
Equity ratio	50.6%

<b>Summary Consolidated Cash Flow Statement</b>	Year ended 31 December 2022
-------------------------------------------------	-----------------------------

Net cash from operating activities	6,112
Net cash used in investing activities	9.811
Net cash from financing activities	1.543

## Financial calendar

### Financial calendar

Half-year (Q1 and Q2) 2023 results	24 August 2023
Annual Financial Statement for 2023	7 March 2024

## Pro forma financial information for the Mørenot acquisition

In February 2023, the Issuer acquired all shares in Mørenot, as further explored in the chapter “Acquisition of Mørenot”. The transaction has a significant effect on both the Issuer's income statement and balance sheet, and as such, pro forma financial information is provided in this Prospectus.

Due to the acquisition, a pro forma income statement for 2022, as well as a pro forma balance sheet dated 31 December 2022 have been prepared to demonstrate the effects of the acquisition on the

Issuer's income statement and balance sheet, had the acquisition occurred prior to the date of the Issuer's latest published financial statements, included in the Issuer's consolidated annual financial statement for 2022. The pro forma income statement and balance sheet are prepared for illustrative purposes only and the resulting income statement and balance sheet may differ from the Issuer's actual income statement and balance sheet. The pro forma adjustments to the income statement consist of the consolidation of the income statements for Hampiðjan and Mørenot for the full year 2022, with relevant adjustments made for transactions made consolidated by the acquisition. The pro forma changes to the balance sheet consist of various share related transactions, a consideration of EUR 1.513 million paid in cash as well as the consolidation of debt and transactions made consolidated by the acquisition. As Hampiðjan and Mørenot will be a consolidated entity following the acquisition, consolidation adjustments in the income statement are expected to continue while acquisition items should be considered one-off transactions. An overview of pro forma adjustments made can be seen in the table below:

<b><i>Pro forma adjustment</i></b>	<b>Amount (EUR thous.)</b>	<b>One-off item or continued impact</b>
<b>Pro forma income statement</b>		
Intercompany sales between Hampidjan and Mörenot	(399)	Continued
Intercompany sales between Hampidjan and Mörenot	399	Continued
<b>Pro forma balance sheet</b>		
Purchase price of shares in Mørenot	46,673	One-off
Cash paid to shareholders of Mørenot	(1,513)	One-off
New issued ordinary shares in Hampiðjan, paid to owners of Mørenot	335	Continued
New issued shares (share premium) in Hampiðjan, paid to owners of Mørenot	44,825	Continued
Goodwill (Purchase price EUR 46,673 minus book value of equity in Mørenot amounting to EUR 46,039)	634	Continued
Purchase price of shares in Mørenot adjusted	(46,673)	One-off
Elimination of equity in Mørenot	(66,450)	One-off
Elimination of equity in Mørenot	(22,411)	One-off
Intercompany liability between Hampiðjan and Mørenot	(14)	Continued
Intercompany receivables between Hampiðjan and Mørenot	(14)	Continued

The pro forma financial information is prepared in a manner consistent with IFRS, the Issuer's historical and current accounting policies. The unadjusted financial information used as a basis for this pro forma financial information has been extracted from the Issuer's income statement for January to December 2022 as well as its balance sheet dated 31 December 2022, which are both included in the Issuer's audited consolidated annual financial statement for January to December 2022, as well as Mørenot's Pro Forma IFRS income statement for January to December 2022 and Pro Forma IFRS balance sheet dated 31 December 2022, based on the audited financial statements of Mørenot in accordance with NGAAP.

### **Pro forma income statement - Consolidated income statement 2022**

<i>EUR thousands</i>	<b>Audited Financial state- ments of Hampidjan hf.</b>	<b>Acquisition effect of Mørenot</b>	<b>Pro Forma IFRS Financial state- ments of Mørenot</b>	<b>Consoli- dation adjustm.</b>	<b>Pro Forma Financial state- ments Hampidjan hf</b>
Sales	193,759	0	139,624	(399)	332,984
Cost of sales	(138,408)	0	(107,627)	399	(245,636)
<b>Gross profit</b>	<b>55,351</b>	<b>0</b>	<b>31,997</b>		<b>87,348</b>
Operating expenses	(34,287)	0	(32,431)		(66,718)
<b>Profit from operations</b>	<b>21,064</b>	<b>0</b>	<b>(434)</b>		<b>20,630</b>
Finance costs – net	(3,692)	0	(3,509)		(7,201)
Share of results of associates	131	0	0		131
	(3,561)	0	(3,509)		(7,070)
<b>Profit (loss) before income tax</b>	<b>17,503</b>	<b>0</b>	<b>(3,943)</b>		<b>13,560</b>
Income tax	(3,178)	0	372		(2,806)
<b>Net profit</b>	<b>14,325</b>	<b>0</b>	<b>(3,571)</b>		<b>10,754</b>
<b>Attributable to:</b>					
Equity holders of the Company	12,622	0	(3,571)		9,051
Minority interest	1,703	0	0		1,703
	14,325	0	(3,571)		10,754
EBITDA	28,726		10,234		38,960
Earnings per share, basic and diluted (expressed in EUR cent per share):	2.93				1.99

### Pro forma Balance Sheet – Consolidated Balance Sheet December 31, 2022

<i>EUR thousands</i>	<b>Audited Financial state- ments of Hampidjan hf.</b>	<b>Acquisition effect of Mørenot</b>	<b>Pro Forma IFRS Financial state- ments of Mørenot</b>	<b>Consoli- dation adjustm.</b>	<b>Pro Forma Financial state- ments Hampidjan hf.</b>
<b>Assets</b>					

**Non-current assets**

Property, plant and equipment	95,472		48,645		144,117
Right to use Assets	12,700		11,970		24,670
Goodwill	44,897		18,320	634	63,851
Other intangible assets	1,857		12,125		13,982
Investments in associates	1,235		0		1,235
Investments, other	2,637		56		2,693
Bonds and long-term receivables	86		1,495		1,581
Deferred tax assets			1,212		1,212
Purchase of Mørenot		46,673		(46,673)	0
	<b>158,884</b>	<b>46,673</b>	<b>93,823</b>	<b>(46,039)</b>	<b>253,341</b>

**Current assets**

Inventories	90,160		46,080		136,240
Trade and other receivables	33,921		21,626	(14)	55,533
Cash and cash equivalent	12,503	(1,513)	7,127		18,117
	<b>136,584</b>	<b>(1,513)</b>	<b>74,833</b>	<b>(14)</b>	<b>209,890</b>

<b>Total assets</b>	<b>295,468</b>	<b>45,160</b>	<b>168,656</b>	<b>(46,053)</b>	<b>463,231</b>
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**Equity**

Ordinary shares	5,498	335	66,450	(66,450)	5,833
Share premium	957	44,825	0		45,782
Other reserves	(1,306)		0		(1,306)
Revaluation of investment assets	2,244		0		2,244
Restricted reserves	54,066		0		54,066
Retained earnings	73,880		(20,411)	20,411	73,880
	135,339	45,160	46,039	(46,039)	180,499
Minority interest	14,168		98	0	14,266
<b>Total equity</b>	<b>149,507</b>	<b>45,160</b>	<b>46,137</b>	<b>(46,039)</b>	<b>194,765</b>

**Liabilities****Non current liabilities**

Borrowings	83,738		46,170	0	129,908
Deferred income tax liabilities	5,670		3,439		9,109
	<b>89,408</b>	<b>0</b>	<b>49,609</b>	<b>0</b>	<b>139,017</b>

**Current liabilities**

Trade and other payables	26,151		39,744	(14)	65,881
Unpaid taxes	3,317		103		3,420
Borrowings	27,085		33,063		60,148
	<b>56,553</b>	<b>0</b>	<b>72,910</b>	<b>(14)</b>	<b>129,449</b>

<b>Total liabilities</b>	<b>145,961</b>	<b>0</b>	<b>122,519</b>	<b>84</b>	<b>268,466</b>
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<b>Total equity and liabilities</b>	<b>295,468</b>	<b>45,160</b>	<b>168,656</b>	<b>(46,053)</b>	<b>463,231</b>
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## **Auditor's report on pro forma financial information**

### **Independent Auditor's assurance report on the Compilation of Pro Forma Financial Information included in a Prospectus**

**To the board of directors of Hampiðjan hf.**

#### **Report on the Compilation of Pro Forma Financial Information included in a prospectus**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Hampiðjan hf. (or the Company). The pro forma financial information consists of the pro forma consolidated balance sheet as of December 31, 2022, the pro forma consolidated income statement for the period ended December 31, 2022. The applicable criteria on the basis of which the Company has compiled the pro forma financial information is specified in Commission Delegated Regulation (EU) 2019/980.

The pro forma financial information has been compiled by the Company to illustrate the impact of the transaction set out in the chapter "Acquisition of Mørenot" in this Prospectus, based on the Company's financial position as at December 31, 2022 and the Company's financial performance for the period ended December 31, 2022. As part of this process, information about the Company's financial position and financial performance has been extracted by the Company from the Company's financial statements for the period ended December 31, 2022, on which an audit report has been published and Mørenot's Pro Forma IFRS financial statements for the period ended December 31, 2022, based on the audited financial statements of Mørenot in accordance with NGAAP.

#### **Responsibility for the Pro Forma Financial Information**

Hampiðjan hf. is responsible for compiling the pro forma financial information on the basis of the applicable criteria.

#### **Our Independence and Quality Control**

We have complied with the independence and other ethical requirement of the code of ethics for professional accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Control and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### **Auditor's Responsibilities**

Our responsibility is to express an opinion as required by Commission Delegated Regulation (EU) 2019/980, about whether the pro forma financial information has been compiled, in all material respects, by the Company on the basis of the applicable criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information

Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether Hampiðjan hf. has compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction in February 2023 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by Hampiðjan hf. in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

The related pro forma adjustments give appropriate effect of those criteria; and

The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria.

Reykjavík, 24 May 2023

PricewaterhouseCoopers ehf.

DocuSigned by:  
  
Kristinn Kristinsson  
EB3FE11EB4874BE

State Authorized Public Accountant

## Guidance

Hampiðjan's vision is to be a world leader in high tech solutions for the fisheries, aquaculture and offshore industries. Revenue growth for the period 2013-2022 amounted to a CAGR of 16.1%, as revenues nearly quadrupled from EUR 50 million in 2013 to EUR 194 million in 2022. Historically, the Issuer has grown by way of a mix of external and internal growth, with 60% of revenue growth in 2015 - 2022 being attributable to external factors, and 40% being due to internal factors. When considering EBITDA growth for the same period, 50% can be attributed to external factors and 50% to internal factors.

Hampiðjan has maintained an equity ratio of approximately 50% in recent years and amid increases in net working capital, in addition to the foreseeable impact of Mørenot acquisition, the equity ratio is lower according to the pro forma financial information of Hampiðjan and Mørenot for 2022. The pending equity raise is intended to have a positive impact on the equity ratio as well as the Issuer intends to bring its net working capital as a percentage of revenues to approximately 40%.

For the foreseeable future, the Issuer's main focus will involve the integration of Mørenot, where opportunities for increased profitability are expected to be realized. The Issuer expects that most of the perceived synergies will be realized by the year 2027.

2022 EBITDA for the consolidated entity of Hampiðjan and Mørenot, based on pro forma financial information, amounted to EUR 39.0 million. When adjusted for one-off items in 2022 of EUR 1.4 million in relation to Mørenot acquisition costs, EBITDA amounted to EUR 40.4 million. For the financial year 2023, Hampiðjan's revenues are expected to range from EUR 320-340 million. For the same period, the Issuer expects its EBITDA margin to range from 13.5-14.5%. As Mørenot became a consolidated entity in February 2023, its results as part of Hampiðjan's consolidated accounts will not reflect January 2023, but only the 11 months of February to December 2023. One-off costs in 2023 related to the acquisition of Mørenot, share offering and listing on the Regulated Market of Nasdaq Iceland amount to EUR 2.6 million. The Issuer has historically maintained an EBITDA margin in the range of 15.5-17.0% during periods of stability in its operations. While the Issuer expects its EBITDA margin to be lowered temporarily due to the effects of the Mørenot integration, the Issuer also expects the EBITDA margin to reach previously achieved levels once integration is complete. For 2027, the Issuer forecasts revenues of EUR 420-440 million and an EBITDA margin of 16.5-17.5%. The Issuer's forecast is based on the European Central Bank's inflation target of 2%.

Hampiðjan assumes that capital expenditures for the next few years will be as follows, in EUR million:

<b>Year</b>	<b>Maintenance CAPEX</b>	<b>New CAPEX</b>	<b>Total CAPEX</b>
2023E	10	12*	22
2024E	10	17*	27
2025E	10	4	14
2026E	10	0	10
2027E	10	0	10

\* Includes offering proceeds intended for new investment

The financial guidelines in this chapter are based on a number of assumptions made by the Issuer, which are both within and outside its scope of influence. The Issuer's assumptions on continued revenue growth are based on the relative stability of the Issuer's markets, the Issuer's ability to procure both internal and external growth, as well as the level of success of integration of past acquisitions. The assumptions also rely on various assumptions, for instance the relative stability of wage agreements, currencies as well as the prices of energy and other raw materials. Other assumptions include unchanged sanctions in the Issuer's markets.

The Issuer's management declares that the budget for 2023 and future guidance has been prepared on a basis both comparable with the historical financial information and in accordance with the Issuer's accounting methods.



# Investor Presentation





# HAMPIÐJAN

Investor presentation





# Highlights following the Mørenot acquisition

Revenue 2022 (mEUR)



**333**

Based on pro forma information

EBITDA 2022 (mEUR)



**40.4\***

Based on pro forma information

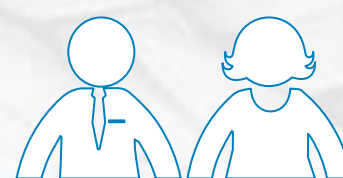
EBITDA margin<sup>1</sup>



**12.1%\***

Based on pro forma information

Gender ratio



**M 57%**  
**F 43%**

Hampiðjan in 2022

Equity ratio<sup>2</sup>



**42%**

Based on pro forma information

NIBD/EBITDA<sup>2</sup>



**4.2x**

Based on pro forma information

Number of employees 2023



**2,006**

+60% after Mørenot acquisition

Geographic areas 2023



**21**

+24% after Mørenot acquisition

Operational sites 2023



**76**

+65% after Mørenot acquisition

2 1 Hampiðjan EBITDA 2022 of mEUR 28.7, adjusted for one-off costs related to the Mørenot acquisition of mEUR 1.4 and Mørenot EBITDA 2022  
2 Equity ratio and NIBD/EBITDA is based on pro-forma financial figures for Mørenot prior to Hampiðjan's pending capital increase



# Experienced executive management and board



## Hjörtur Erlendsson, CEO

Hjörtur has 38 years of experience at Hampiðjan and became CEO in 2014. Prior to taking on the CEO role, Hjörtur served as Managing Director of Hampiðjan Baltic from 2003 to 2014 and Director of Production from 1985 to 2003.



## Emil Viðar Eypórssón, CFO

Emil joined Hampiðjan as CFO in 2016. Experience includes various roles at Deloitte, including Partner in Financial Advisory, Director, Financial Advisory, Project Manager for IFRS and Specialist. He was also the interim Group Financial Controller for Icelandic hf.



## Vilhjálmur Vilhjálmsson, Chairman of the Board

First elected in 2013. His experience includes various fisheries-related jobs since 1986, such as CEO of HB Grandi (now Brim).



## Auður Kristín Árnadóttir, Board Member

First elected in 2012. Currently Co-Owner of Íspan ehf.



## Guðmundur Ásgeirsson, Board Member

First elected in 2014. He has broad experience in business and board activities.



## Kristján Loftsson, Board Member

First elected in 2000. He has significant experience in board positions, including serving as Chairman of the Board of HB Grandi hf.



## Sigrún Þorleifsdóttir

First elected in 2014. She has wide-ranging experience and has held various director roles at Eimskipafélag Íslands hf.



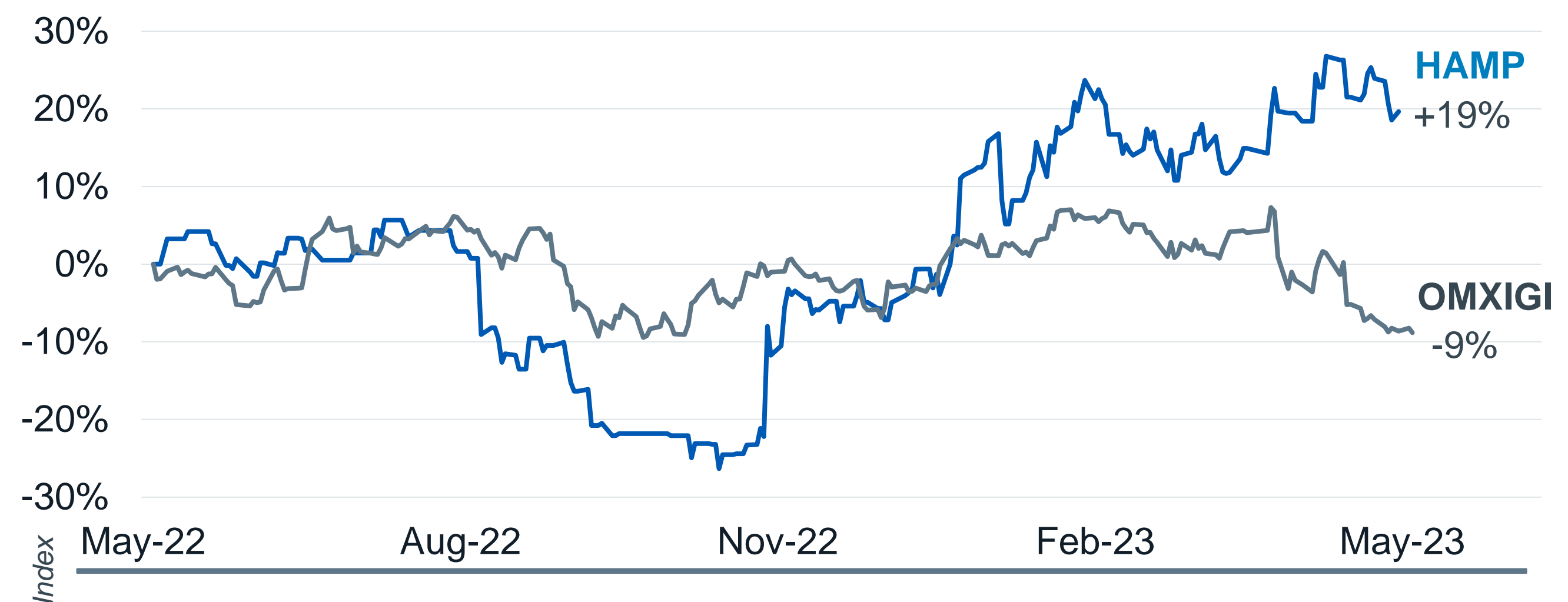



# Shareholder structure


Diverse shareholder base with a leading investor

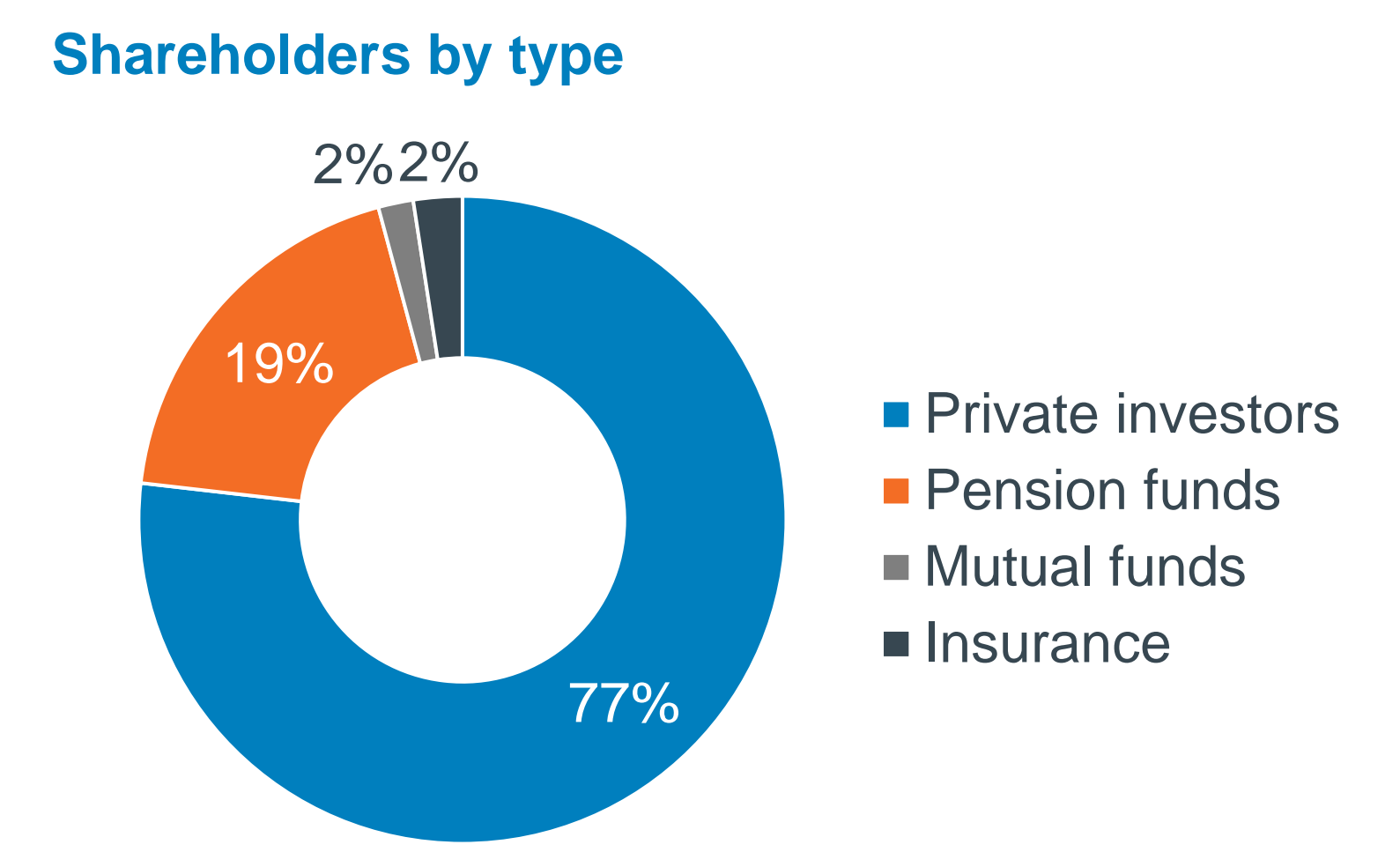
10 largest shareholders	Ownership %
Hvalur hf.	41.5%
FSN Capital V LP	8.0%
Pension Fund of Commerce	7.9%
Lífsvirk Pension Fund	4.2%
Festa Pension Fund	3.2%
Ingibjörg Björnsdóttir	3.1%
Hlér ehf	2.9%
Vátryggingafélag Íslands hf	2.0%
Vestmannaeyjar Pension Fund	1.9%
Rannveig Sigurgeirsdóttir	1.9%
<i>10 largest shareholders</i>	<b>76,6%</b>
<i>Other shareholders</i>	<b>23.4%</b>
<b>Total</b>	<b>100.0%</b>

Hampiðjan share price outperformed the OMXIGI in the past year



**First listed**  
 **1993**  
 On the Main Market

**Number of shareholders**  
 **~500**  
 Increased due to Mørenot acq.





# Recent awards and recognition



## INNOVATION AWARD

Creditinfo presented Hampiðjan with an award for innovation by an established company, as part of their Excellent Company initiative.

2018



## ICEFISH AWARDS

Hampiðjan received an award for the best new product launched and Vónin was selected as the best overall supplier.

2022

2022

## EXPERTISE AWARD

The Association for Business Administrators and Economists in Iceland presented Hampiðjan with the Expertise Award in 2021.



2021

## BUSINESS AWARD

Hampiðjan and CEO Hjörtur received the Business Award from trade publications Frjáls Verslun and Viðskiptablaðið.







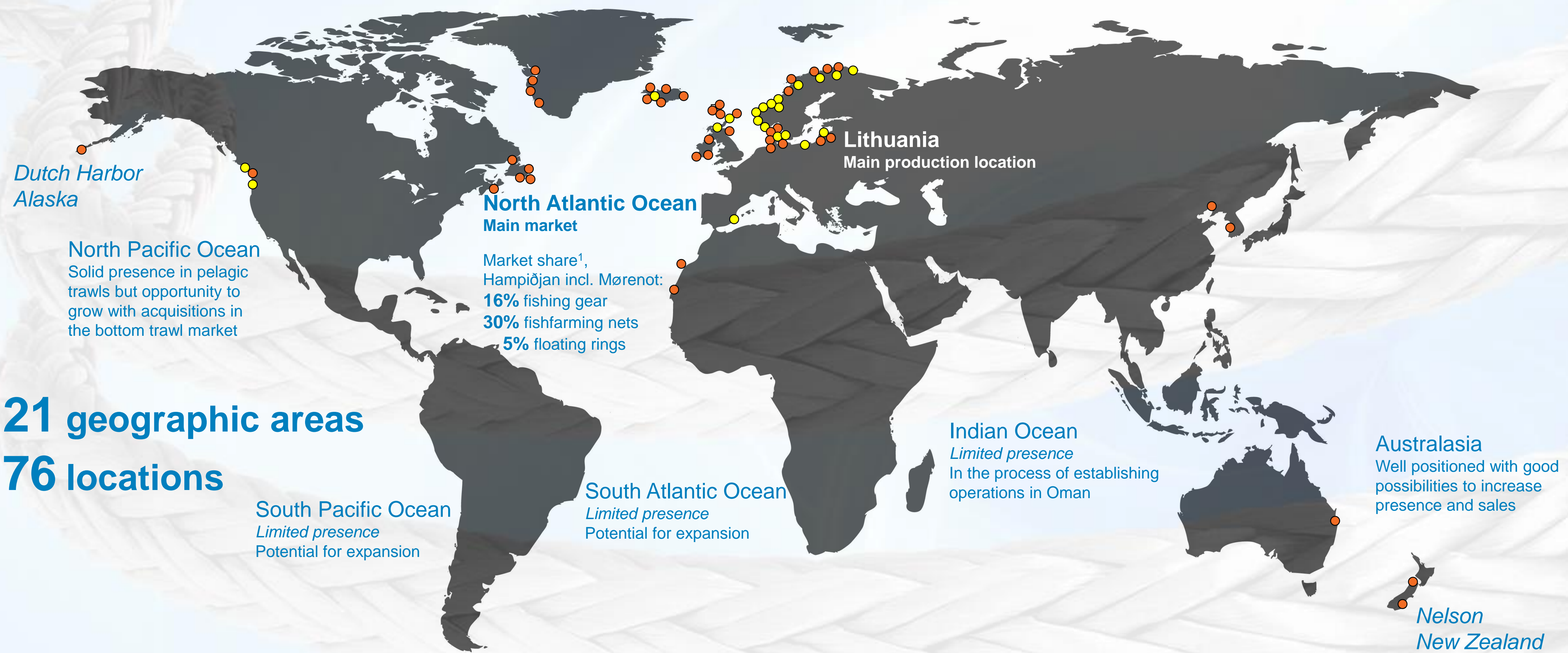
# Operations





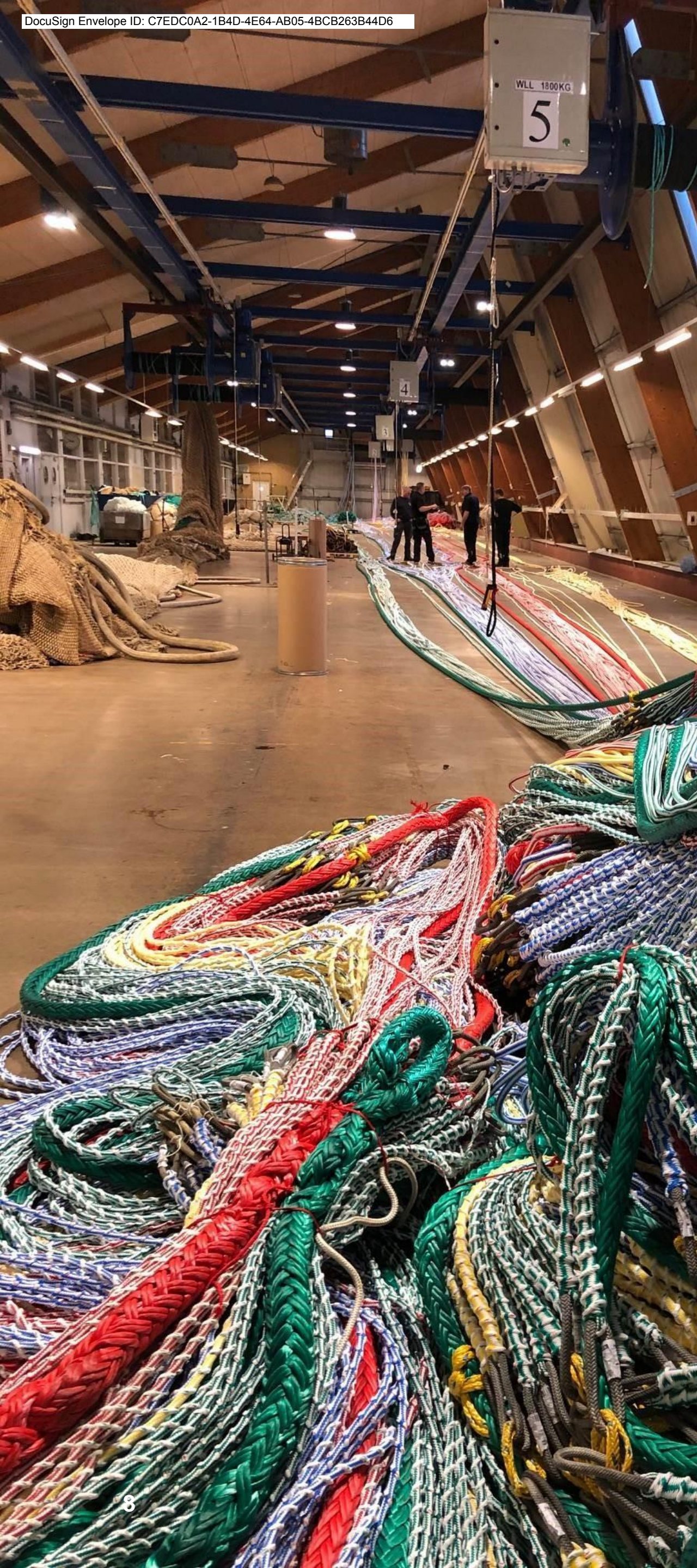
# Significant geographical diversity

● Hampiðjan  
● Mørenot

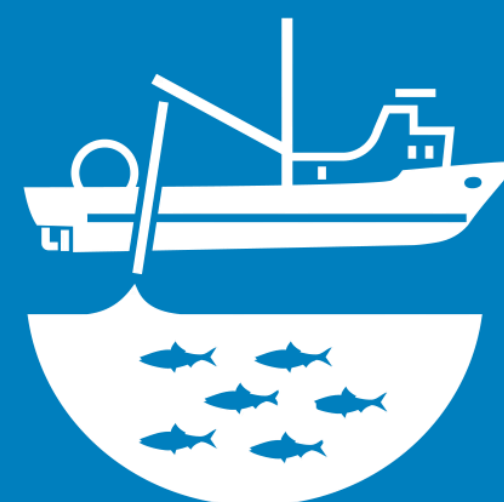


**21** geographic areas  
**76** locations



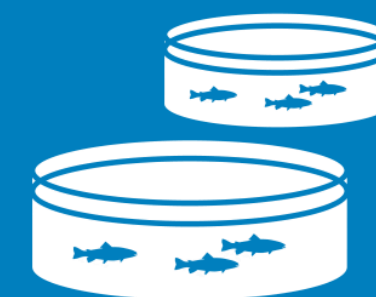


# Main operations in three sectors



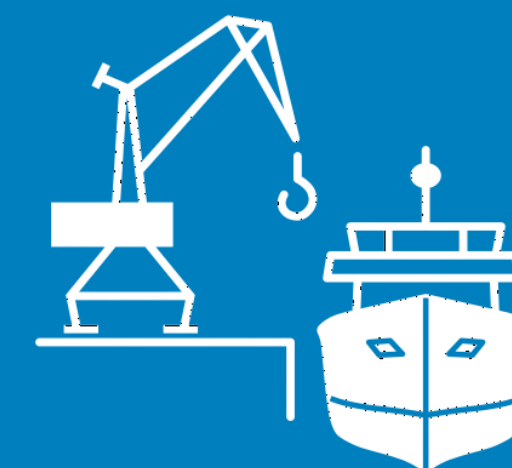
## Fisheries

Production of materials for fishing gear, nets and ropes, construction of trawls, both bottom and pelagic, purse seines and maintenance and service in specialized netlofts.



## Aquaculture

Production of fish pen nets, mooring systems and floating rings. Sale of various hardware. Fish pen related services, including washing, repair, application of anti-fouling, and other general maintenance.



## Offshore

Production and sale of ropes, strops and hardware for seismic vessels. Engineered lifting slings for offshore structures and windmill installation. Equipment for deep sea research.





# World leader in advanced fishing gear for large, modern trawlers

The originator and backbone of Hampiðjan's operations

World leader in the development of efficient fishing gear

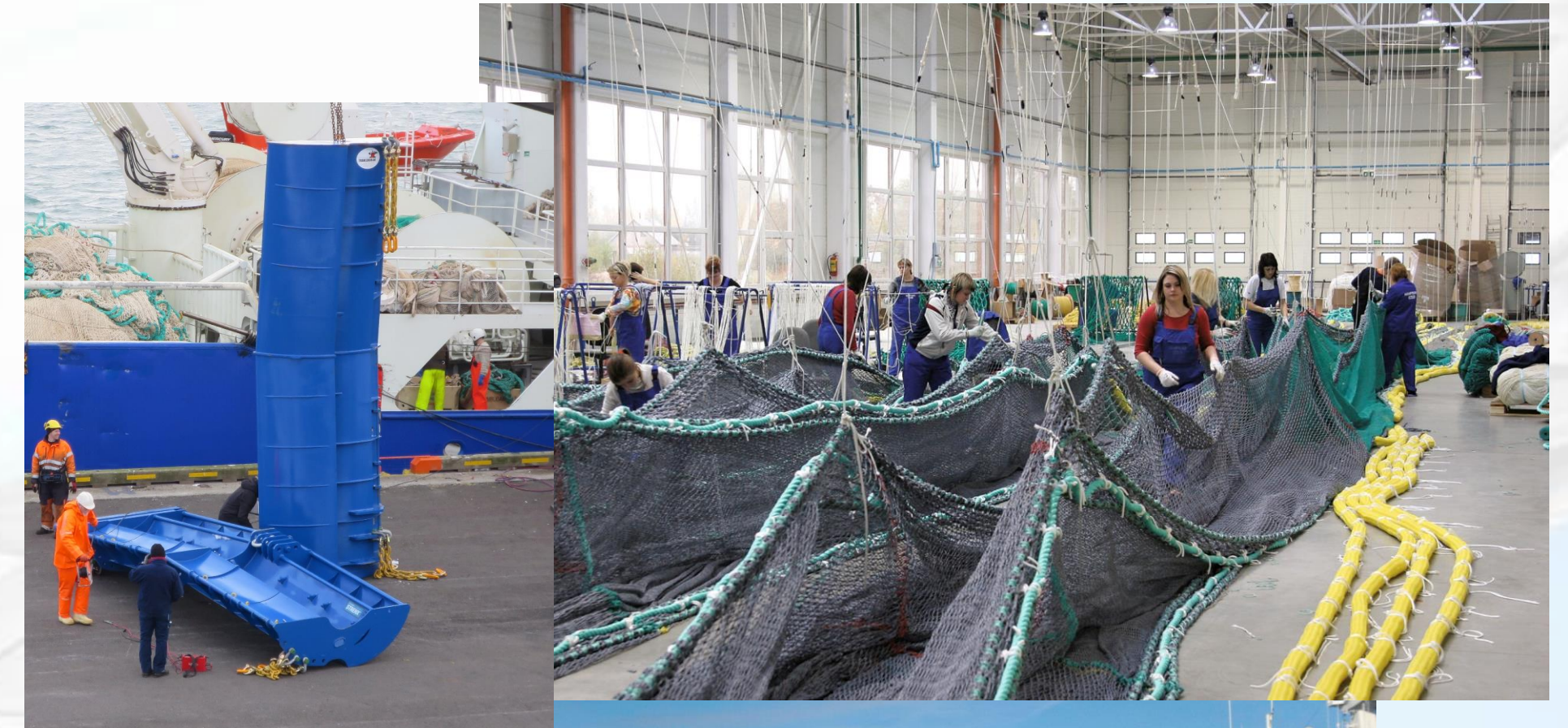
Decades of close co-operation with Icelandic fisheries, which are among the world's most technologically advanced, has enabled Hampiðjan to become a world leader in the development of efficient fishing gear.

Complete supplier of fishing gear

Main activities, besides production of materials for fishing gear, nets and ropes, involve construction of trawls, both bottom and pelagic, as well as purse seines and sales of related hardware, such as fasteners and trawl doors.

Recurring revenues

Recurring revenues include maintenance and service of high-tech fishing gear in specialized netlofts spread all around the world.







## Strong Faroese and Norwegian roots in Aquaculture

The second pillar of Hampiðjan's operations

**Aquaculture exposure through acquisitions**

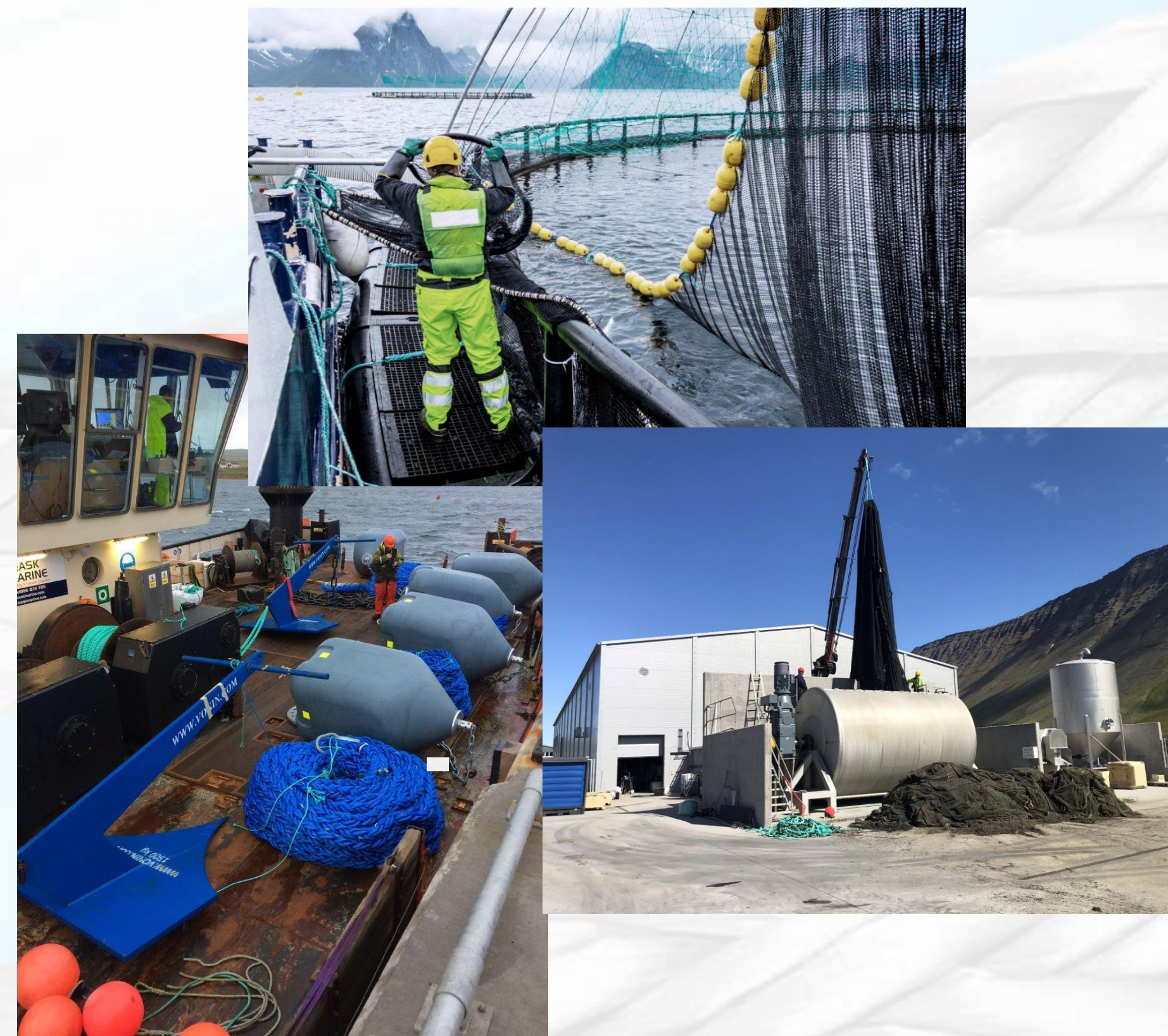
**Full-scale supplier and service provider to the aquaculture industry**

**Strong position and significant room for expansion**

Limited presence in aquaculture prior to the acquisition of Vónin in 2016. The Mørenot acquisition strengthened the company's operations in aquaculture even further.

Main activities include production of fish pen nets and floating rings, sale of various hardware and fish pen related services. Recurring revenues including washing, repair, application of anti-fouling, and other general maintenance.

One of the largest suppliers of fish farming nets and service for fish farming in the North Atlantic, Hampiðjan holds 30% market share, but commands a low market share in other areas which enables future growth and opportunities for expansion.







## Decades of experience in Offshore activities

Significant segment growth expected in coming years

Complete range of products for the offshore industry

Significant experience in offshore activities

Prime position due to unique and patented offerings

Main activities include sale of ropes, strops and hardware for seismic vessels, engineered lifting slings for offshore structures and windmill installation as well as equipment for deep sea research.

Involvement in the offshore segment started in 1994, in order to assist seismic companies with towing ropes for their continually larger equipment, where replacement of heavy steel wire was required as the weight limited the size and length of hydrophone arrays towed by boats.

The market for Hampiðjan's offshore and windmill offerings is sizable and constantly growing while market share is still low. Deep sea operations where ropes are gradually replacing steel wire is a fast-growing industry.





# Significant synergy potential through the integration of Mørenot

Sophisticated central production facilities are located in Lithuania

46,000 m<sup>2</sup> of facilities

Subsidiaries use 95% of the total production of Hampiðjan Baltic

Sophisticated, central netloft at Vónin Lithuania

Significant synergies to be realized

Hampiðjan's central production mainly takes place in three facilities in Lithuania, totaling 46,000 m<sup>2</sup>.

Base production of twisted and braided products takes place at **Hampiðjan Baltic**, where basic inputs are transformed into high quality production materials.

- Production capabilities will need to be enhanced in order to realize Mørenot synergies.

**Vónin Lithuania** is a netloft where fishing trawls, trawl parts and fishfarming nets are produced. The unit serves as a sub-contractor for companies in the group due to favorable production costs.

Significant synergies exist in the optimization of Lithuanian activities and the integration of Mørenot, as its production of netting and ropes currently takes place in Norway – one of the most expensive production locations in the world.



Hampiðjan Baltic - 21,500 m<sup>2</sup>



Vónin Lithuania - 10,000 m<sup>2</sup>



Mørenot Baltic - 14,500 m<sup>2</sup>



# Top tier production facility for ropes, netting and trawls

Main production facility Hampidjan Baltic has contributed immensely to the company's success and growth

One of the most technologically advanced production facilities in the world

Significant vertical integration

Lean manufacturing, minimal inventory

Hampidjan Baltic spans an area of 21,500 square meters and is located in the city of Šiauliai, Lithuania. It took three years to build, was originally completed in 2006, and has been expanded several times. It is one of the most advanced facilities of its kind.

Hampiðjan is able to capture a significant vertical integration, as production begins at raw plastics and ends in manufacturing of advanced fisheries, aquaculture, and offshore equipment.

Lean Manufacturing principles are used in production and all items produced are already sold so stock of standard items is very limited.

Hampiðjan Baltic is a key component of Hampiðjan's global operations and has contributed immensely to the company's success and growth.





# Unique value proposition based on vertical integration

Hampiðjan captures a large part of the entire value chain



## Basic materials

At Hampiðjan Baltic, base plastic granulates serve as the main input for further production



## Filaments and twine

Various types of filaments and twine are made from base plastics, to be utilized in further production



## Braided ropes

Filaments are twisted and strands made for various complexities of braided ropes, which can serve as the final product or be used for further production



## Netting

Twines are twisted or braided for various types of knotted fishing netting and knotless netting for aquaculture nets



## Final product

Products from previous stages along with external inputs are combined to create highly sophisticated gear for fisheries, aquaculture and offshore

Central purchasing and sales departments deliver significant cost efficiencies and encourage group integration

Substantial revenues are generated through sales, maintenance and aftersales in net lofts around the world

**Hampiðjan's mastery of the supply chain comes with a number of benefits, including:**

- Own manufacturing of specialized and often patented fishing gear materials only sold exclusively to own group companies
- Highest possible standards of quality control
- Full and unlimited flexibility in lean manufacturing production processes where products are only made to specific orders
- Enhanced profitability due to full vertical integration from plastic granulates to high tech fishing gear

**These factors, among others, have enabled Hampiðjan to become a world leader in innovation and production**

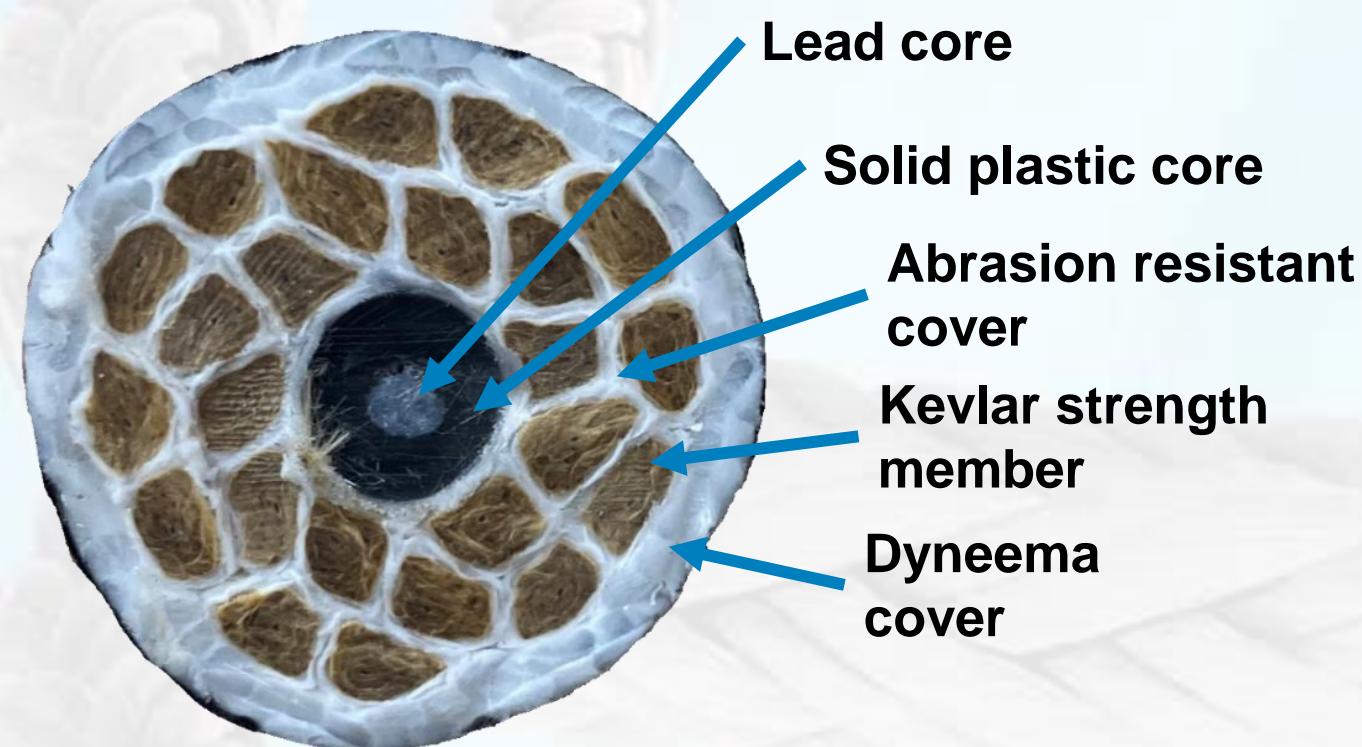


# Product development is one of Hampiðjan's core values

Hampiðjan continues to lead in innovation with advanced materials and sustainable technologies

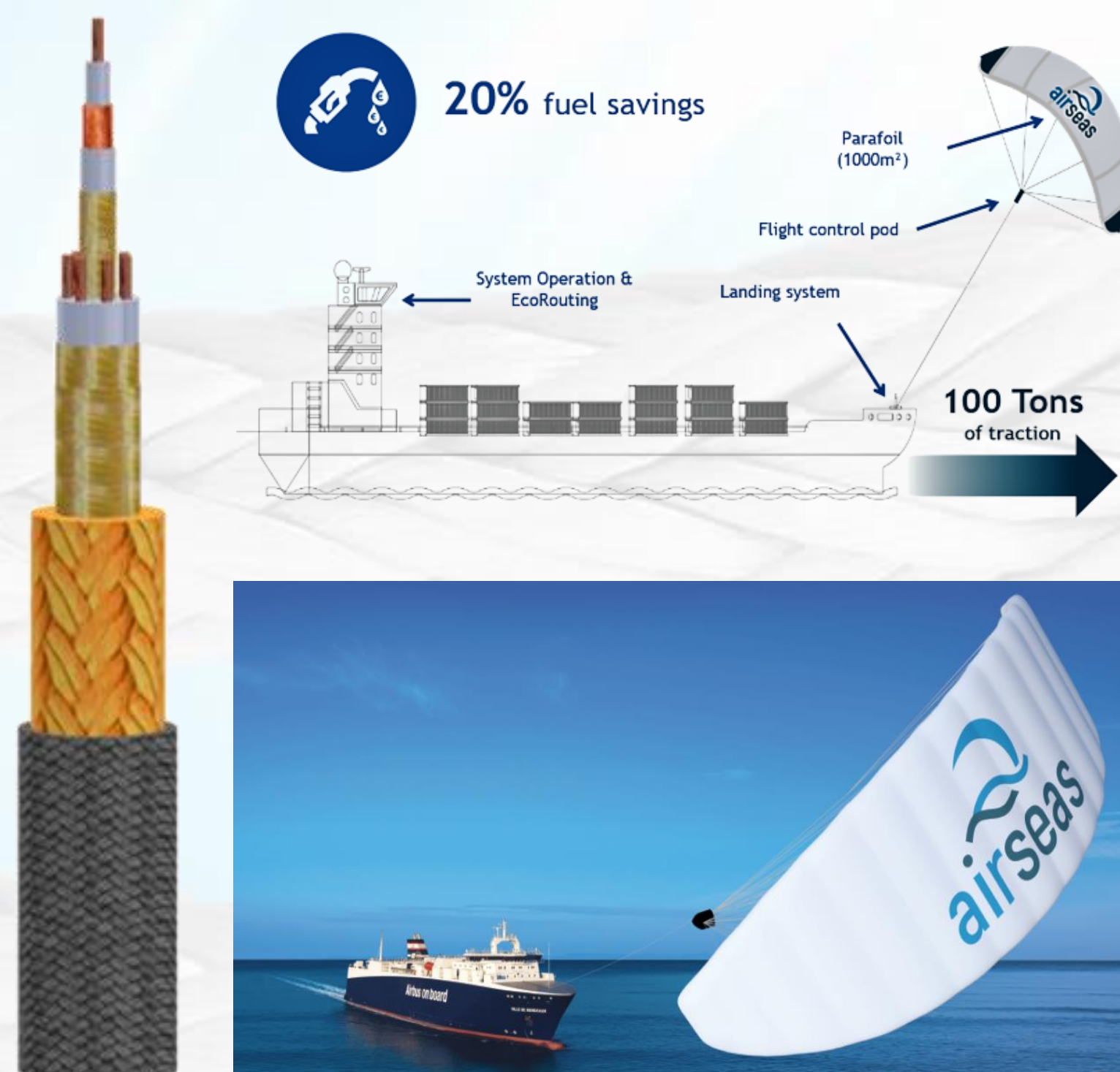
## TechIce Warp

Heat resistant warps for demanding applications



## TechIce Power Warp

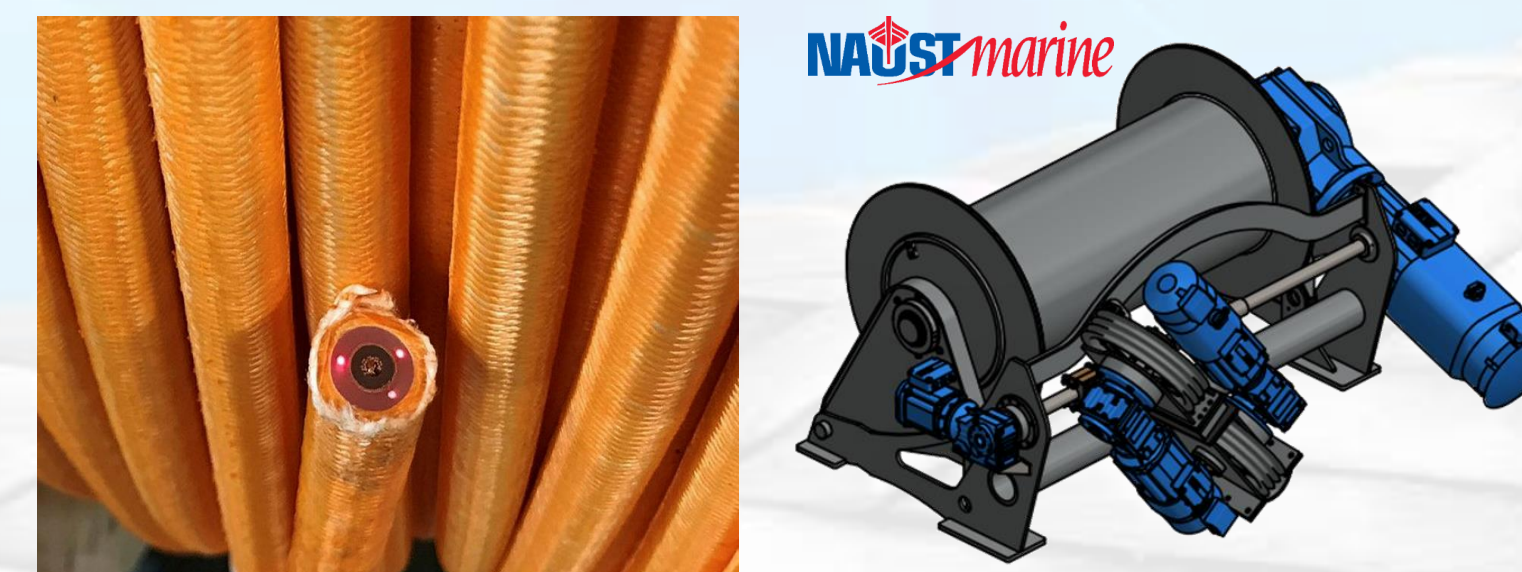
Electrical conductivity with extreme pulling power



Electrical conductivity with extreme pulling power

## DynIce Optical Data

Unlimited data transfer cable for deep sea operations





# Worldwide network of modern netlofts in key strategic locations

Netlofts serve as a key component of Hampiðjan operations and distribution

- Netlofts serve as an important part of Hampiðjan's operations. As the direct point of contact with customers, the company's net lofts serve as hubs for new sales as well as recurring revenue activities, such as service and maintenance
- Based on decades of acquisitions and investment, Hampiðjan has secured locations for its net lofts in key strategic areas around the world
- Hampiðjan Iceland operates five net lofts in Iceland. Subject to significant investment in recent years, the facilities are optimally placed to serve the highly technical Icelandic fishing and aquaculture industries
- Hampiðjan has significant experience in establishing net lofts on a global scale and each new net loft is complimentary to its operations.

## HAMPIÐJAN ÍSLAND



Hampiðjan Reykjavík  
Constructed in 2009



Hampiðjan Neskaupstaður  
Constructed in 2020



Hampiðjan Ísafjörður  
Constructed in 2022



Hampiðjan Vestmannaeyjar  
Constructed in 2017



# Hampiðjan aims to be at the forefront of responsible operations

## Significant emphasis on environmental matters in recent years

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



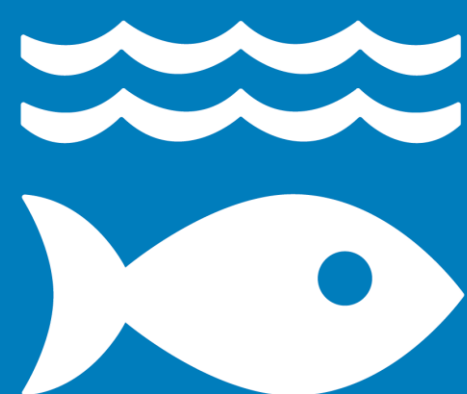
Hampiðjan aims to be a leader in innovation by producing fishing equipment that reduces vessel fuel consumption and increases fishing efficiency during towing, thus reducing emission of greenhouse gases, in addition to extending the lifespan of fishing gear.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Hampiðjan aims to develop and produce recyclable fishing gear, thus supporting the circular economy, as well as limiting the amount of energy required for production.

### 14 LIFE BELOW WATER



Hampiðjan aims to further develop and produce fishing gear which maximizes sustainable use of fishing stocks by enabling selection of captured fish. Proposed implementations will allow fishing vessels to capture only selected fish sizes and prevent the capture of larger organisms.

### 15 LIFE ON LAND



Hampiðjan places an emphasis on the circular economy thus reducing the amount of synthetic materials placed in landfills, which also leads to less land usage. Hampiðjan also takes part in beach cleaning initiatives.



Georg joined Hampiðjan in 2022. His main activities involve phasing in Hampiðjan's environmental policy and certification on a worldwide basis. There is also work to be done related to the working lifetimes of fishing gears, environmentally friendly fisheries, product development and fishing gear materials, and procedures for the reception of used fishing gear, grading and recycling.

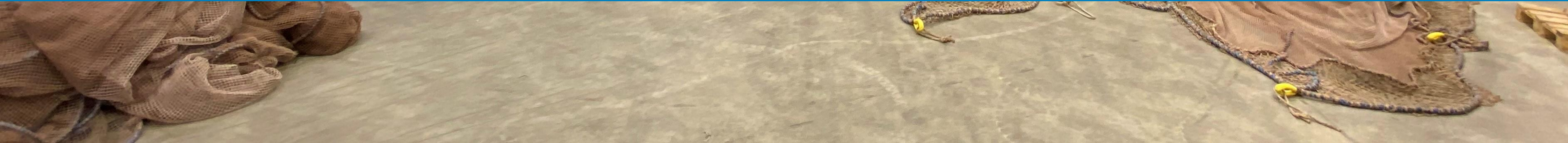
**Georg Haney**  
Environmental Director







# Acquisitions and integration



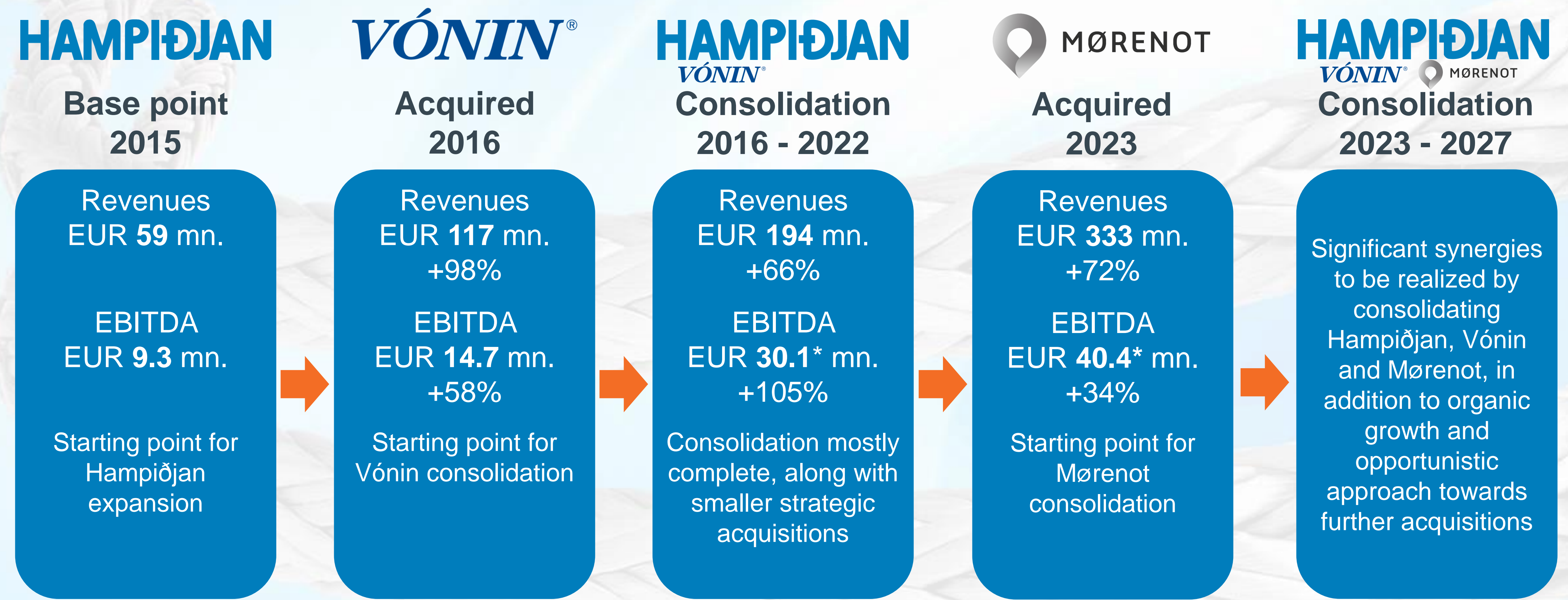


# Significant expansion in the last 10 years



# Track record of successful integration of key acquisitions

Hampiðjan has made a number of successful strategic acquisitions in the past 10 years



20 \*For Hampiðjan, Revenue for 2022 and EBITDA 2022 adjusted for one-off acquisition costs, Revenue and EBITDA 2022 for Mørenot



# Acquisition of Mørenot enables significant synergy potential

Consolidation unlocks opportunities for stronger positions within core markets



## Increased geographical coverage

Larger geographical footprint will allow Hampiðjan and Mørenot to cross-sell products in their respective market areas.

Hampiðjan has operations in 15 countries around the world while Mørenot operates in 8 countries, of which three are outside of Hampiðjan's global range. Synergy possibilities include combining operations in shared areas or the possibility to offer greater breadth of product range.



## Significant distribution network

Even though both companies sell and service same industries, their product ranges are diverse, and the companies compliment each other in a number of areas.

Hampiðjan's significant distribution network will give Mørenot the opportunity to enter new markets with products currently not offered by Hampiðjan.



## Expansion of product offerings

Mørenot is a world leader in the fishing line market, with its own advanced production of hooks and lines in China, which are not currently produced by Hampiðjan.

Hampiðjan operates one of the most advanced production facilities in the world and manufactures multiple products that Mørenot currently purchases externally.

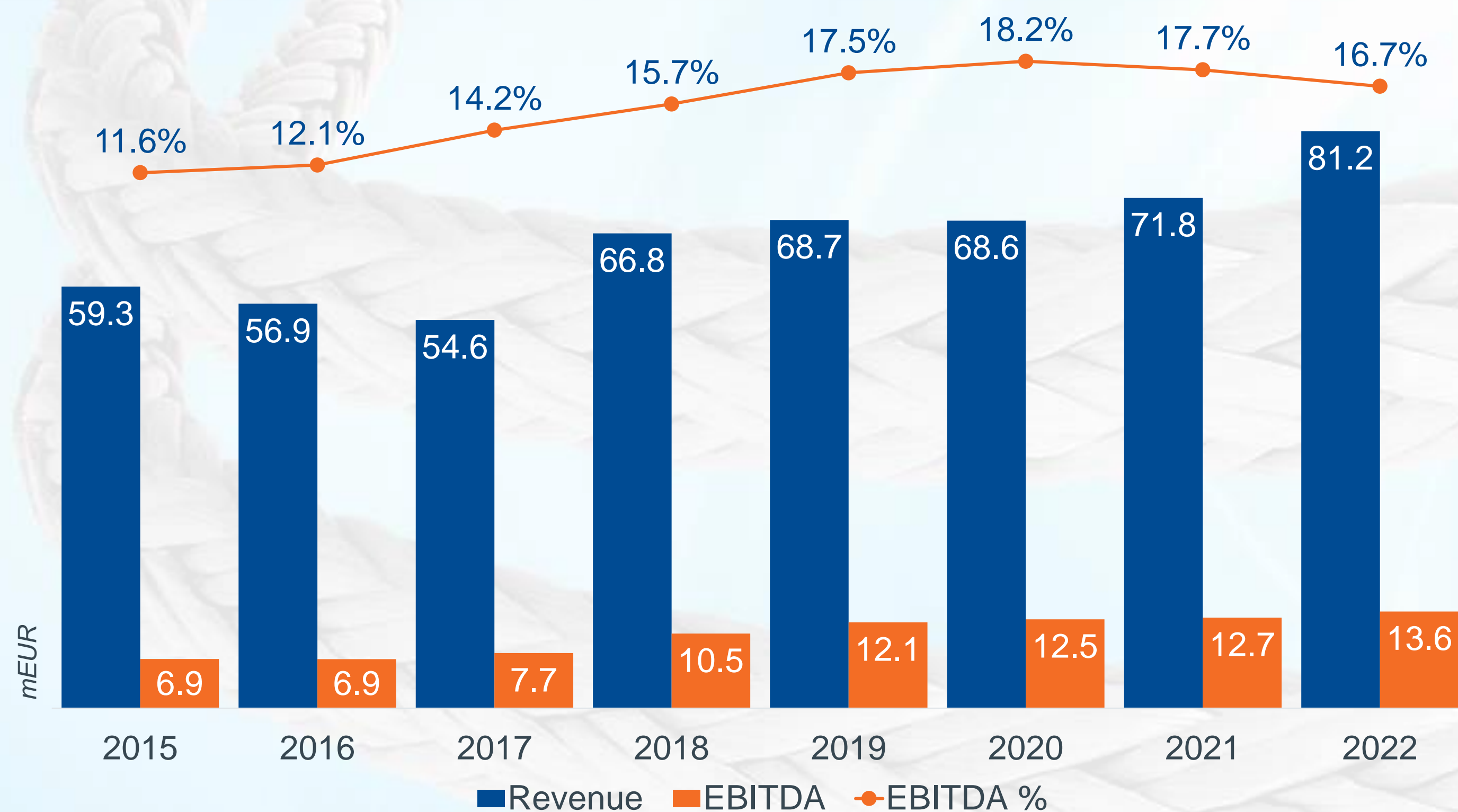
Synergy potential related to fish farming is considerable as Mørenot has developed patented equipment while Hampiðjan has built a strong foundation in the market.



# Vónin has flourished under Hampiðjan ownership

Case study: Acquisition of Vónin in 2016

Key financials for Vónin prior to and following Hampiðjan's acquisition



**VÓNIN**<sup>®</sup>

EBITDA margin  
*At acquisition*  
2016  
11.6%

EBITDA margin  
*After integration*  
2022  
16.7%

 **MØRENØT**

EBITDA margin  
*At acquisition*  
2022  
7.3%

*Integration underway and synergies to be realized*





# Financials





# Revenue growth driven by M&A and organic growth

Significant growth in the past ten years



Prior to the Mørenot acquisition, Hampiðjan's revenue growth was roughly equally driven by external growth through M&A and internal growth.

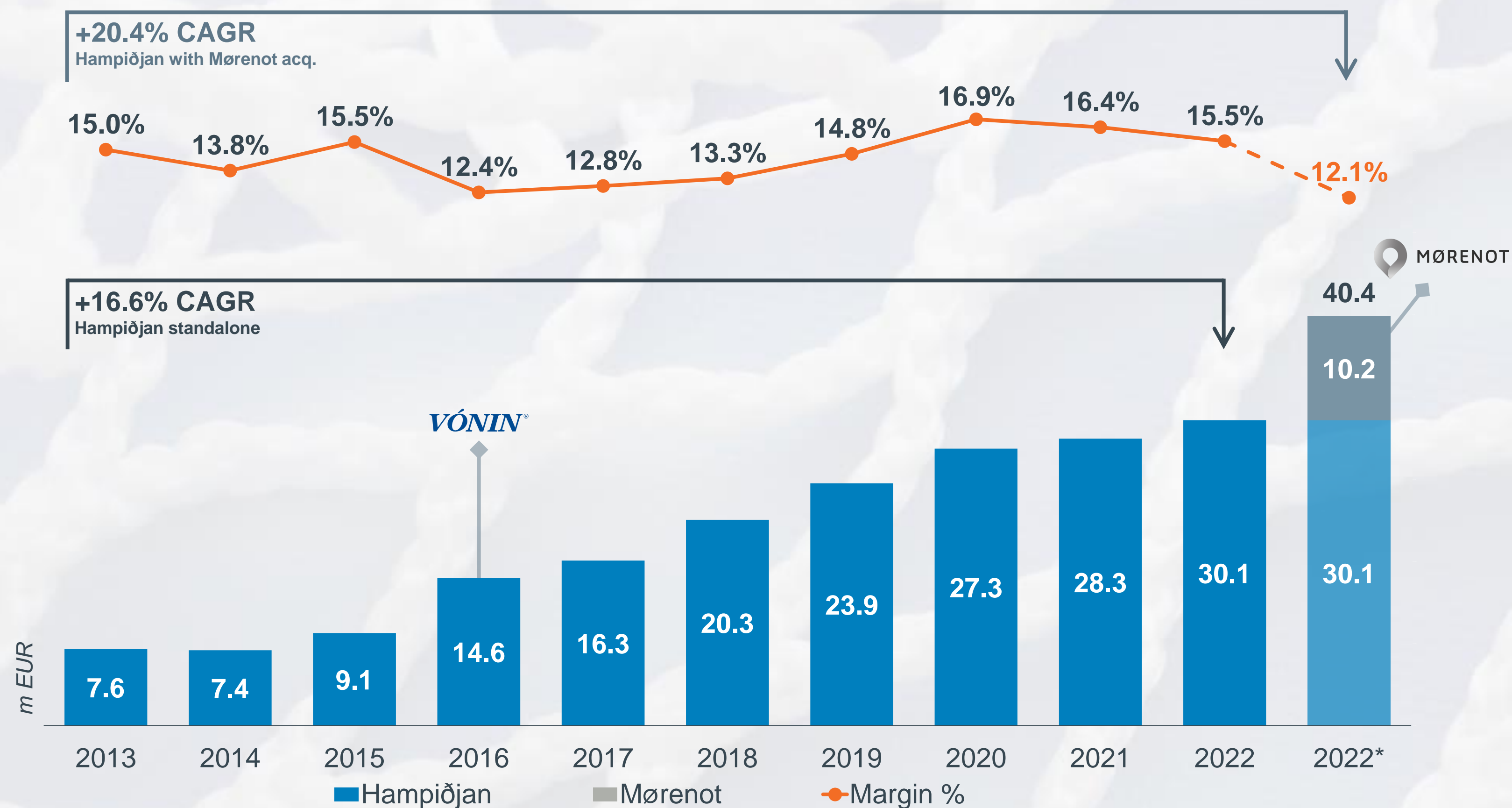
Constant product development and innovation contribute to internal growth as well as improved synergies within the group.

Following the merger with Mørenot the largest market will be Norway with ~30% of revenues. The Icelandic market will account for 10% of total revenues.

Mørenot revenues in 2022 would have contributed an additional 139m EUR, for a total of 333m EUR.

# Attractive EBITDA margin growth in recent years

Enabled by successful integration of acquired companies



EBITDA has grown from EUR 8m to EUR 40m in the last 10 years.

EBITDA growth prior to the Mørenot acquisition equally driven by external growth through M&A and internal growth.

EBITDA margin in 2022 was affected by increases in energy and raw material prices, as well as supply chain challenges which were answered with strategic increases in inventory.

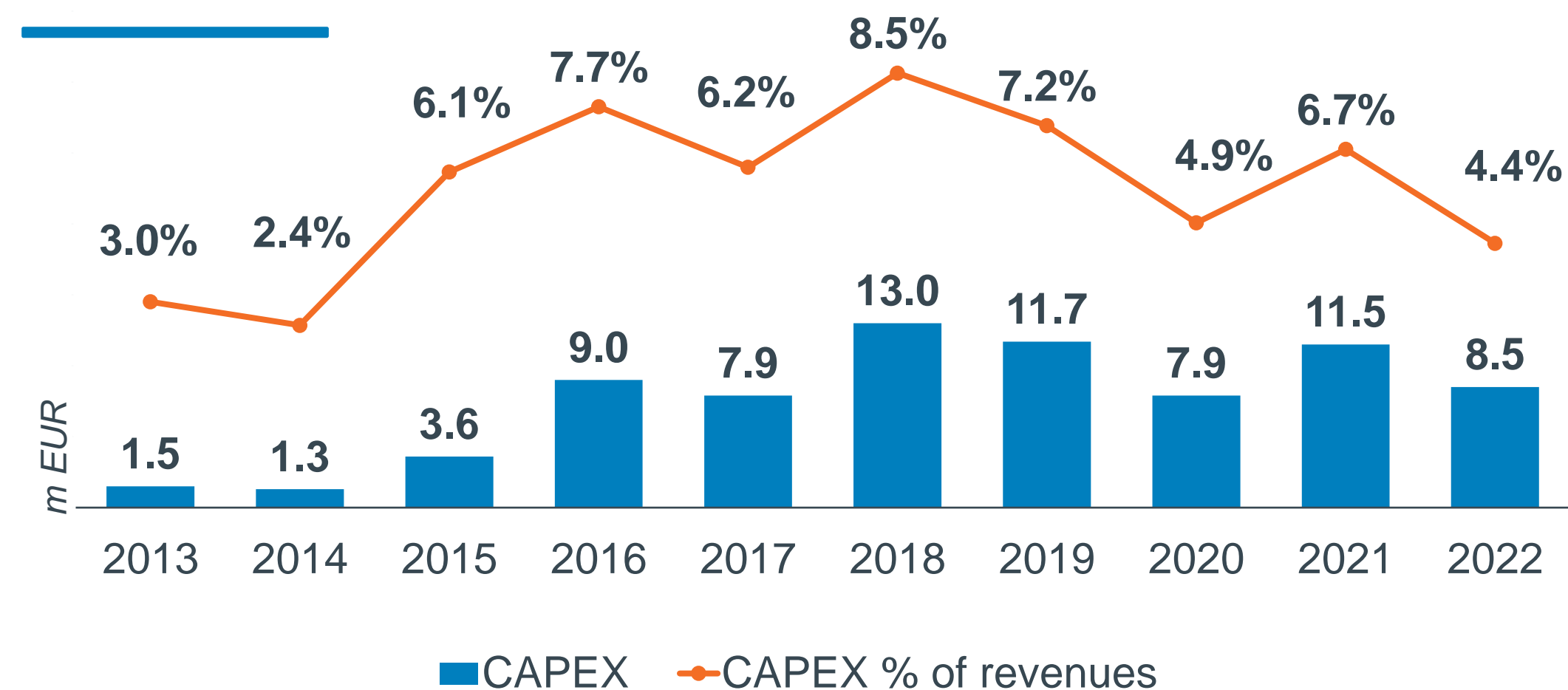
Consolidation of the companies will enable significant synergy potential, similar to the Vónin acquisition. Increased product availability, optimization of production, integration and a stronger position within core markets will contribute towards increased margin.

# Strategic investments in growing segments

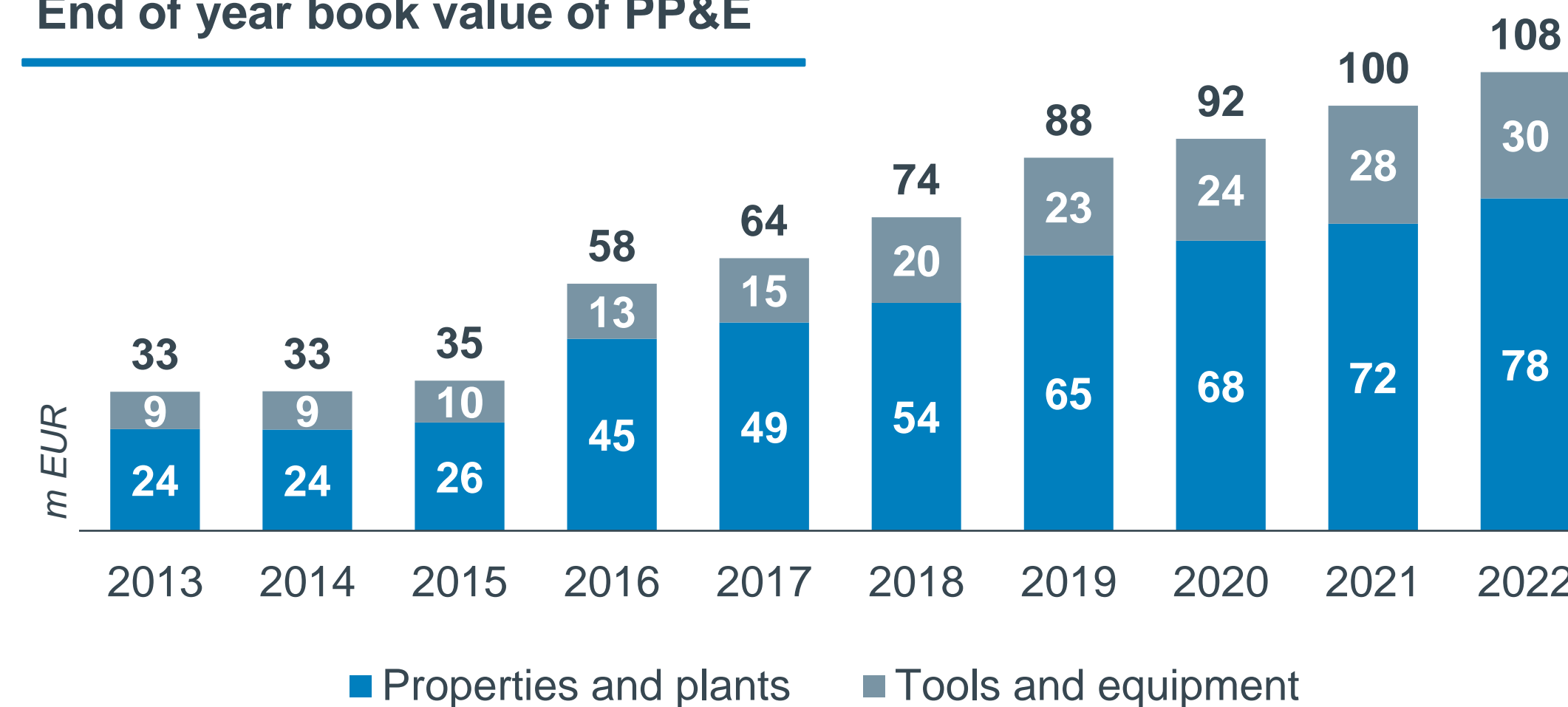
Net CAPEX in 2022 amounted to EUR 8.5m or 4.4% of revenues

- Value-adding investment in facilities and equipment in past years to increase efficiency and maximize synergy potential post Vónin acquisition.
- Since 2016 Hampiðjan has invested in ~13,000 m<sup>2</sup> of new properties and factories.
- Historical investment in Norway and Iceland to support the growing aquaculture segment.
  - Extensive 3-year development project in Norway to strengthen and expand facilities already in place.
  - Construction of exceptional plants and facilities in Westfjords, Iceland to support aquaculture in the area.

## Net CAPEX



## End of year book value of PP&E

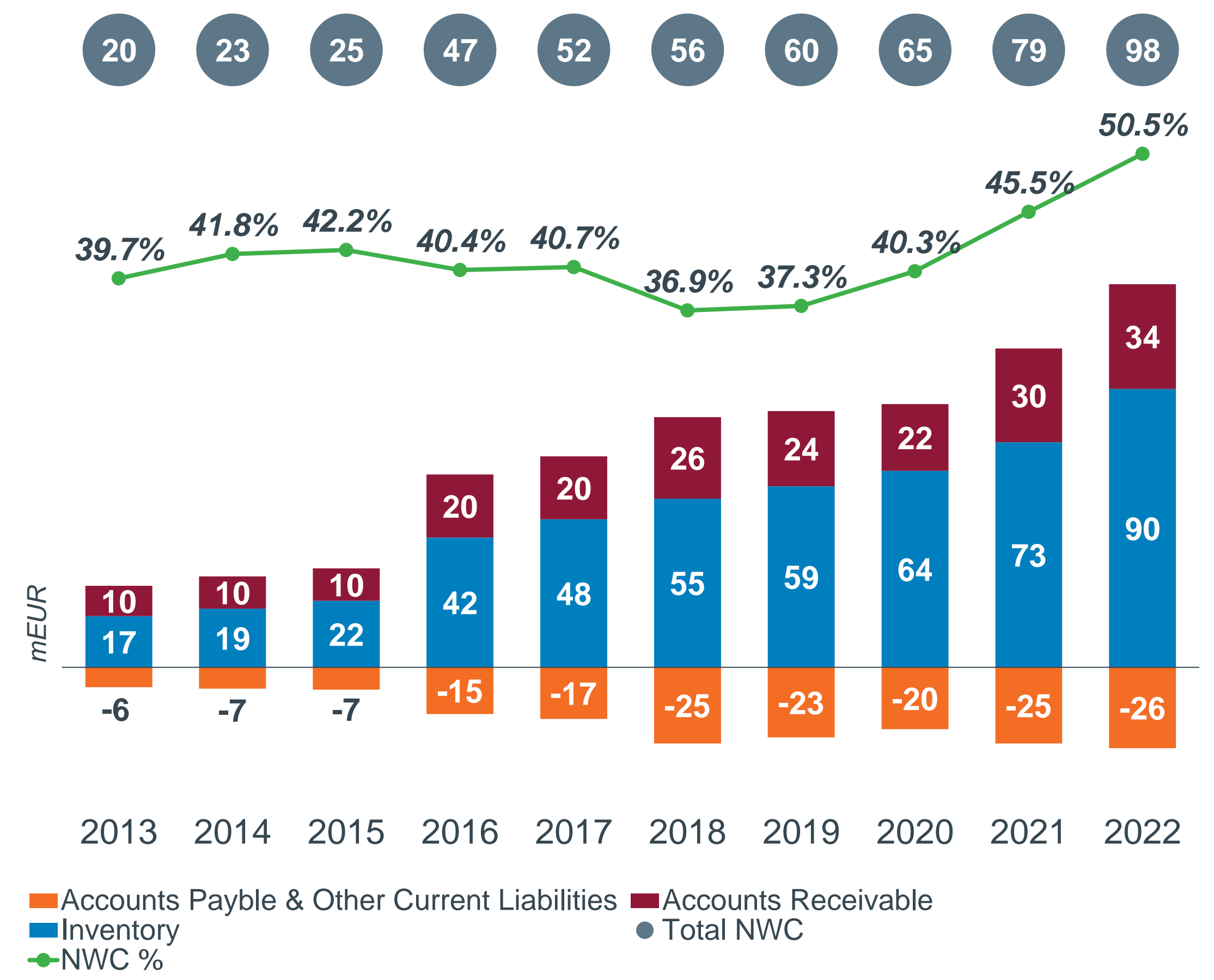




# Increase in net working capital to react to external challenges

- Historically, NWC has been in the range of 35-42% of total revenues.
- In 2021 NWC increased to 45% of revenues and again to 50% of revenues in 2022.
- Challenges in the external environment forced the company to strategically raise targeted inventory in order to respond to decreased accessibility to raw materials amid rising prices.
- As supply chains return to normal, Hampiðjan aims to maintain a NWC ratio of under 40% in coming years, in line with the historical average.

Inventory increased by 24% YoY in 2022



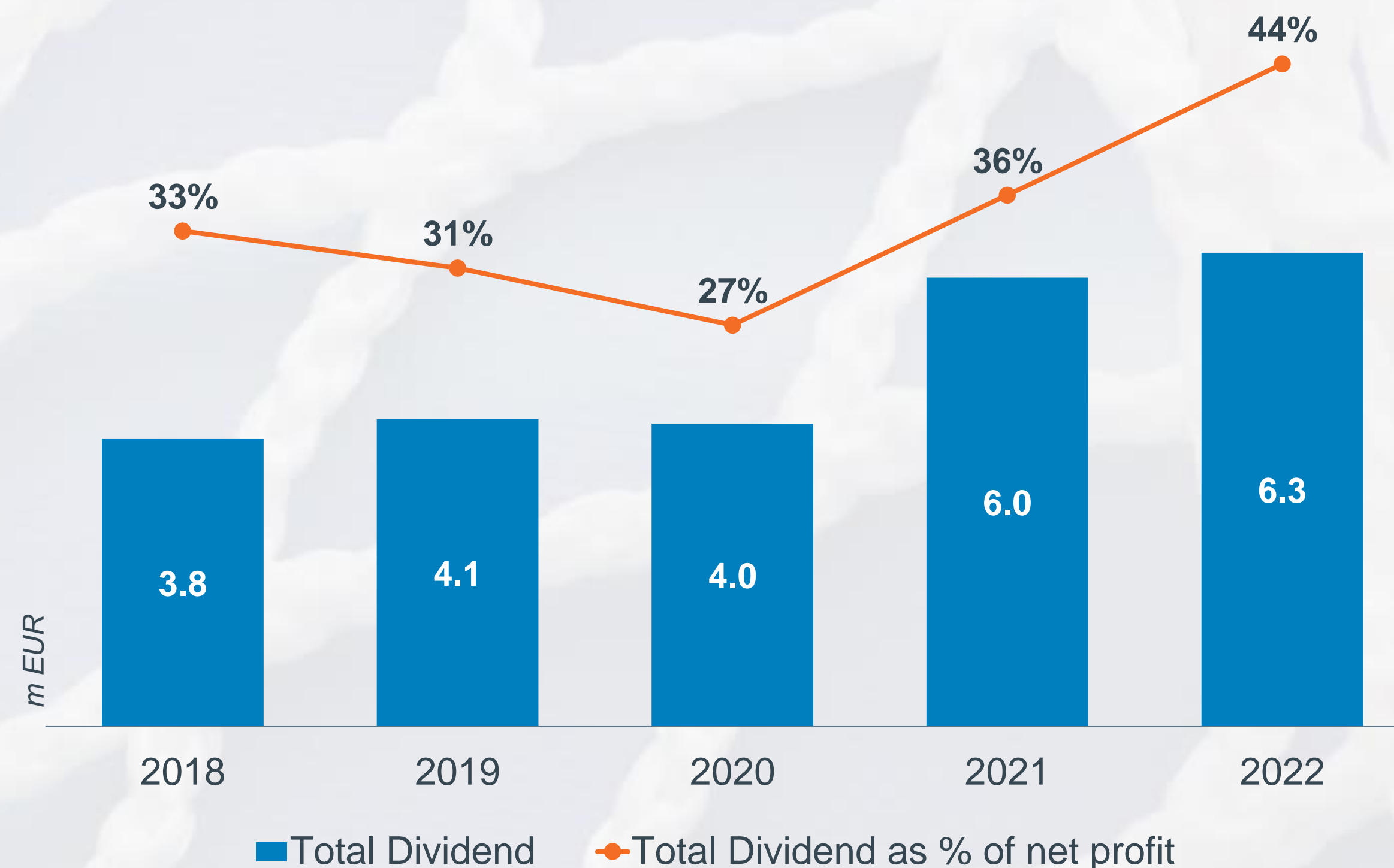
# Strong foundations for future dividends

Dividend payments have amounted to 27-44% of net profit in the past five years

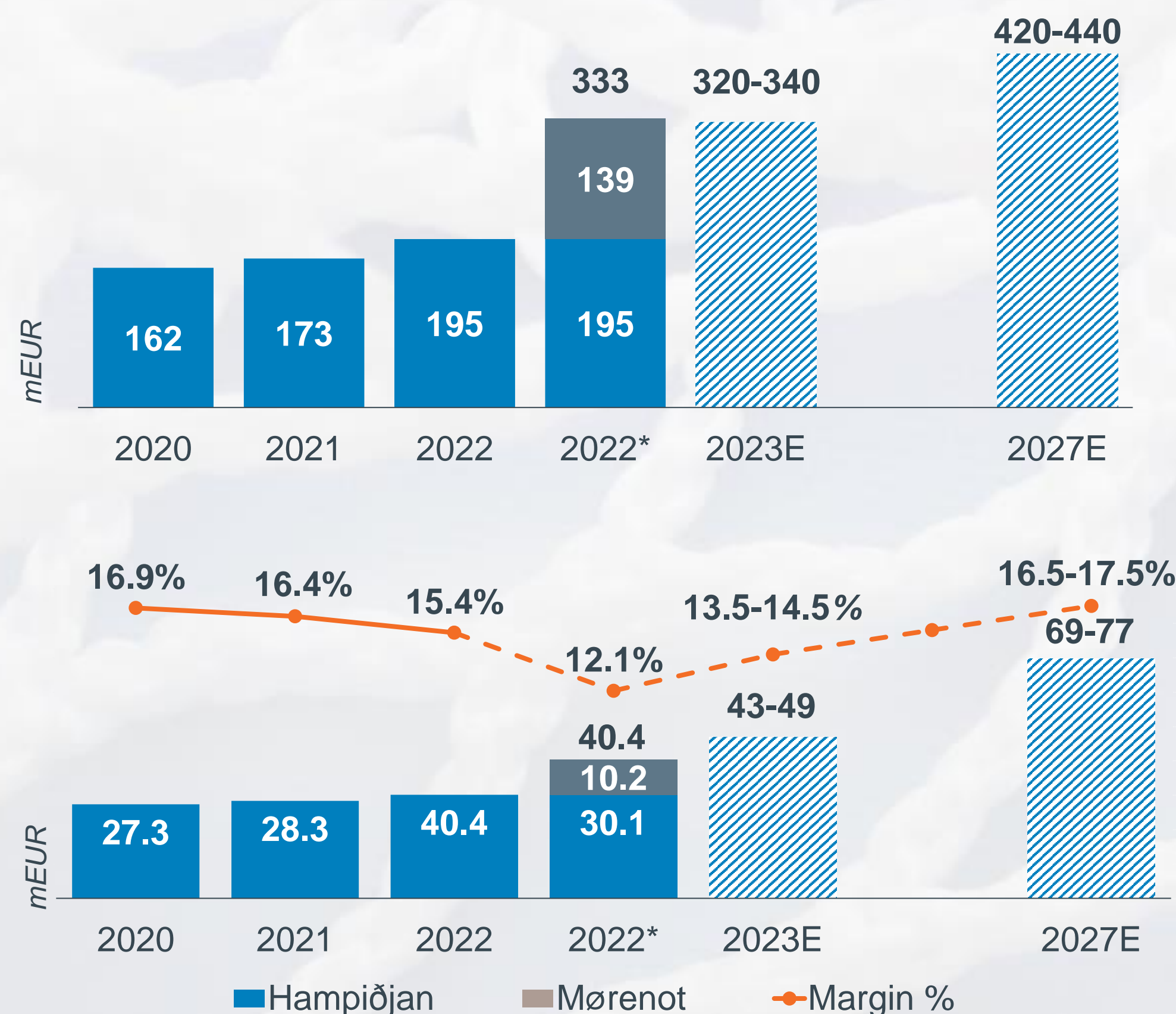
The average dividend for 2018 - 2022 amounted to **34%** of net profit.

Hampiðjan has delivered a total of EUR 24m in dividends in the past five years.

Recently adopted dividend policy's objective is to pay **30-40%** of annual net profit as dividend to shareholders.



# Guidance



## Revenue guidance

For the financial year of 2023, Hampiðjan’s revenues are expected to range from EUR 320 - 340m.

Revenues in 2027 are expected to range between EUR 420 - 440 million. Revenue growth will be driven by continued external and internal growth, in line with new opportunities and synergies enabled by the Mørenot acquisition.

## EBITDA guidance

EBITDA in 2023 is expected to be in the range of EUR 43 – 49 million and EBITDA margin between 13.5 - 14.5%. Once synergies are fully realized, EBITDA margin is estimated to reach prior levels in the range of 16.5 - 17.5%.



# Robust company on a constant growth trajectory

## Hampiðjan's investment proposition



### Historical and proven track record of growth

Scalable and profitable business model with attractive margins built on strong foundations. Historical, proven track record of both organic and external growth. Various further opportunities in group integration and synergies.

### Highly experienced management team

Management team with combined decades of experience in the operations of Hampiðjan. Significant success in integration of acquired entities. Substantial improvements in base operations in recent years.



### Unique, internationally diversified operations

Exposure to operations in a number of geographically diverse countries with significant room for future expansion. Majority of revenues denominated in foreign currencies with natural hedging. Significant room for expansion.

### Future growth through operations & acquisitions

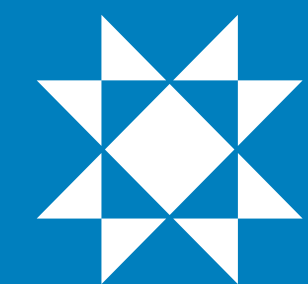
Significant potential synergies to be realized in relation to the Mørenot acquisition and further group integration. Future potential for solid growth, both organic and external. Track record of significant margin improvements in acquired entities.







# Offering process





# Use of Offering proceeds

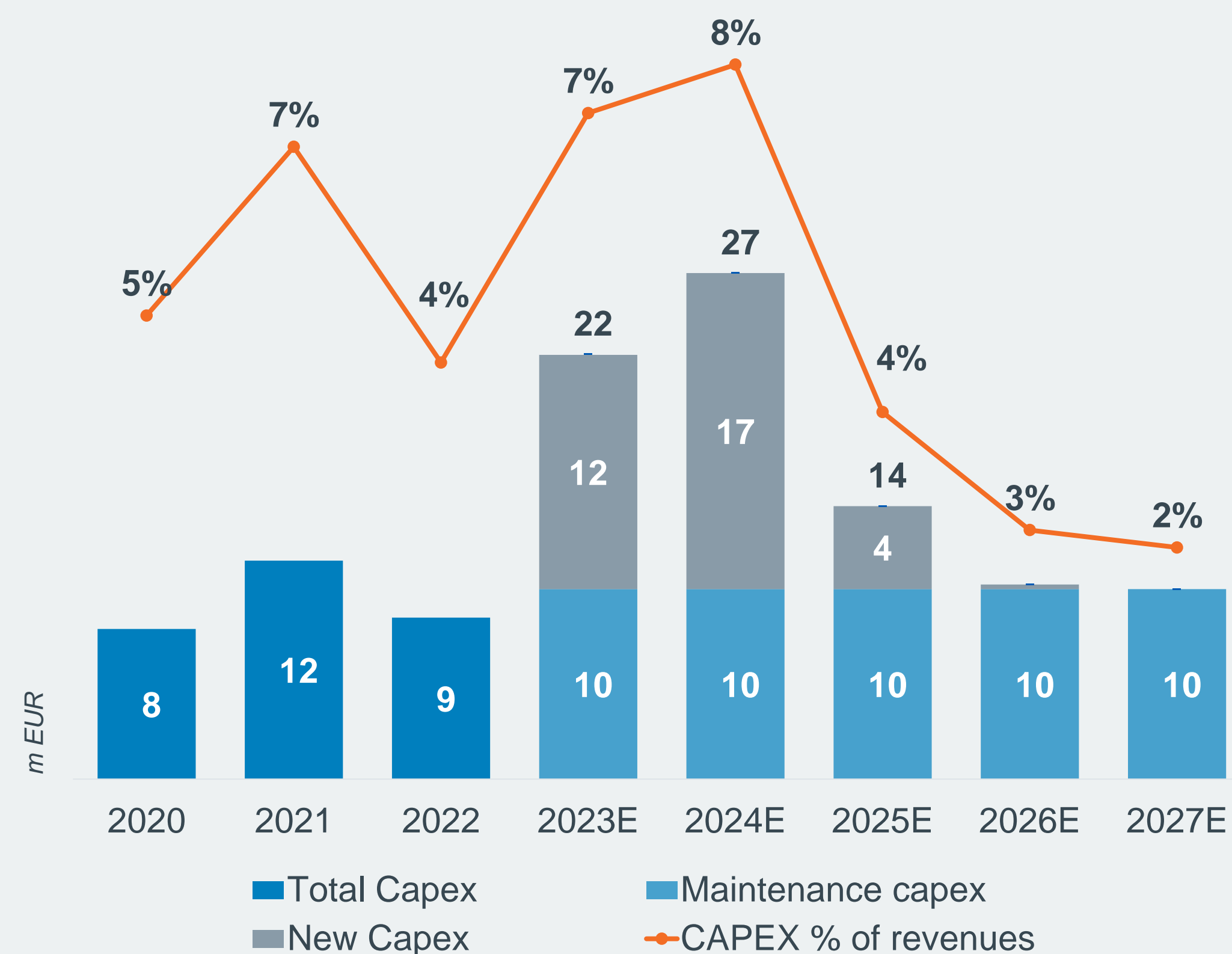
## Net proceeds of the offering at the minimum price ISK 10.0 bn

Restructuring of Mørenot's debt	ISK (6.0 bn)
Investments to realize synergies and expenses, of which:	ISK (~4.0 bn)
<i>Expansion of Hampidjan Baltic and Vónin Lithuania</i>	ISK (~2.7 bn)
<i>Investments in production equipment</i>	ISK (~1.3 bn)

## Pro forma figures for the consolidated group<sup>1</sup>

EUR thousands	Pre offering	Post offering
<b>Total assets</b>	463,231	488,957
<b>Total equity</b>	194,765	220,491
<b>Total debt</b>	268,466	228,888
<b>Equity ratio</b>	42%	45%
<b>NIBD/EBITDA<sup>2</sup></b>	4.2x	3.2x

## Planned CAPEX going forward



32 1. Detailed pro forma figures can be found in the appendix. Based on the offering being sold at the minimum price.  
2. EBITDA 2022 adjusted for one-off costs related to the Mørenot acquisition of mEUR 1.4

# Key dates of the share offering

		M	T	W	T	F	S	S
MAY		1	2	3	4	5	6	7
		8	9	10	11	12	13	14
		15	16	17	18*	19	20	21
		22	23	24	25	26	27	28
		29*	30	31				
		M	T	W	T	F	S	S
JUNE					1	2	3	4
		5	6	7	8	9	10	11
		12	13	14	15	16	17	18
		19	20	21	22	23	24	25
		26	27	28	29	30		

- 
**24 May**  
 Prospectus published
- 
**25 May – 2 June**  
 Subscription period starts at 10:00 Thursday, 30 May and ends at 14:00 Friday, 2 June
- 
**30 May**  
 Open meeting for investors
- 
**5 June (at the latest)**  
 Results of the offering published, allocation of shares
- 
**7 June**  
 Final due date for payment by investors
- 
**9 June**  
 Delivery of shares
- 
**9 June**  
 First day of trading on the Regulated Market of Nasdaq Iceland

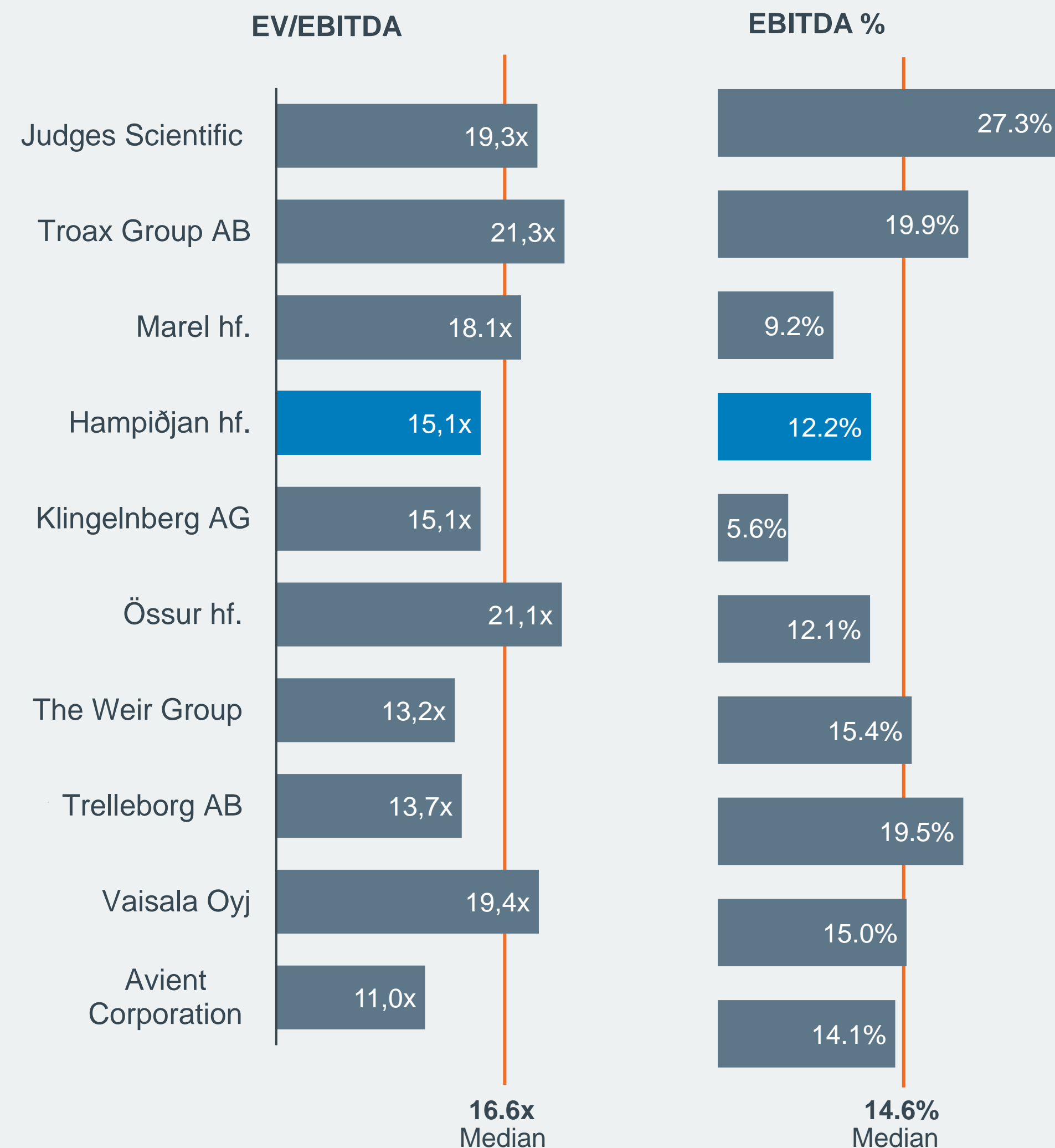


# Minimum price set at ISK 120

Attractive multiples in the long term based on growth profile



## High level comparables



34 \*Multiples based on pre-offering EV at ISK 120 per share  
Source for comparables: CapitalIQ, 23 May 2023

# Structure of the share offering

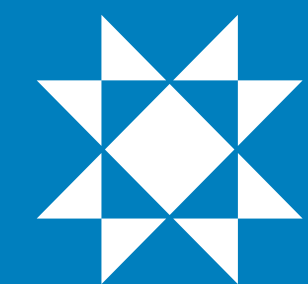
Total offering size 85,000,000 new shares or ISK 10.2 billion at the minimum price

	Order Book A	Order Book B
Price	Fixed price of <b>ISK 120 per share</b>	Minimum price of <b>ISK 120 per share</b>
Offering size	<b>17,000,000</b> shares (20% of the offering)	<b>68,000,000</b> shares (80% of the offering)
Flexibility	Allocation between Order Book A and Order Book B may be adjusted on a discretionary basis	
Subscription size	ISK 100,000 – 20,000,000	Over ISK 20,000,000
Allocation principles	<ul style="list-style-type: none"> <li>Subscriptions in Order Book A may be reduced proportionally, limited to a maximum number of shares and/or reduced or rejected in another manner at the sole discretion of the Issuer. However, efforts will be made not to reduce subscriptions below ISK 500,000. Efforts will also be made not to reduce subscriptions made by employees of Hampiðjan.</li> </ul>	<ul style="list-style-type: none"> <li>Subscriptions in Order Book B may be reduced proportionally, limited to a maximum number of Shares and/or reduced or rejected in another manner at the sole discretion of the Issuer. Allocation in Order Book B will be made on the basis of price, consideration towards strengthening the shareholder base as well as supporting healthy trading in the aftermarket.</li> </ul>
Other	<ul style="list-style-type: none"> <li>All Offer Shares in Order Book B will be sold at the same price, determined by a book building process</li> <li>Arion Bank has been retained by the Issuer to manage the offering and the admission to trading on the regulated market of Nasdaq Iceland hf. Further information regarding the offering will be provided through email (<a href="mailto:hampidjan@arionbanki.is">hampidjan@arionbanki.is</a>) and by phone (+354 444 7000)</li> </ul>	





# Appendix





# Pro forma financial statements for Hampiðjan and Mørenot

Income statement	Hampiðjan 2022	Pro forma
<i>EUR thous.</i>		
Sales	193,759	332,984
COGS	(138,408)	(245,636)
<b>Gross profit</b>	<b>55,351</b>	<b>87,348</b>
Operating expenses	(34,287)	(66,718)
<b>Profit from operations</b>	<b>21,064</b>	<b>20,630</b>
Finance costs – net	(3,692)	(7,201)
Share of results of associates	131	131
<b>Profit (loss) before tax</b>	<b>17,503</b>	<b>13,560</b>
Income tax	(-3,178)	(-2,806)
<b>Net profit</b>	<b>14,325</b>	<b>10,754</b>
<b>EBITDA</b>	<b>28,726</b>	<b>38,960</b>

Balance sheet	Hampiðjan 2022	Pro forma
<i>EUR thous.</i>		
Non-current assets	158,884	253,341
Cash and cash equivalents	12,503	18,117
Other current assets	124,081	191,773
<b>Total assets</b>	<b>295,468</b>	<b>463,231</b>
<b>Total equity</b>	<b>149,507</b>	<b>194,765</b>
Borrowings	83,738	129,908
Other non-current liabilities	5,670	9,109
<b>Total non-current liabilities</b>	<b>89,408</b>	<b>139,017</b>
Borrowings	27,085	60,148
Other current liabilities	29,468	69,301
<b>Total current liabilities</b>	<b>56,553</b>	<b>129,449</b>
<b>Total liabilities</b>	<b>145,961</b>	<b>268,466</b>
<b>Total equity and liabilities</b>	<b>295,468</b>	<b>463,231</b>



# Comparables

Company Name	Market Cap. (ISKma.)	General		EV/Revenue		EV/EBITDA		Revenue		Margin		P/E
		Country	Industry	LTM	2023	LTM	2023	Est. growth 1 year	Est. growth 2 years	LTM EBIT	LTM EBITDA	2023
<b>Avient Corporation</b>	501	USA	Chemicals	1.6x	1.5x	11.0x	9.4x	n/a	3%	9%	14%	15.3x
<b>Vaisala Oyj</b>	243	Finland	Electronic Equipment	3.0x	2.8x	19.4x	16.0x	9%	8%	11%	15%	26.1x
<b>Trelleborg AB</b>	885	Sweden	Machinery	2.8x	2.7x	13.7x	13.2x	11%	6%	16%	20%	16.5x
<b>The Weir Group</b>	814	UK	Machinery	2.2x	2.1x	13.2x	10.6x	4%	5%	12%	15%	16.6x
<b>Össur hf.</b>	265	Iceland	Health Care Equipment	3.2x	2.9x	21.1x	15.2x	9%	10%	9%	12%	25.7x
<b>Klingelberg AG</b>	26	Switzerland	Machinery	0.9x	0.8x	15.1x	8.8x	71%	31%	4%	6%	13.5x
<b>Marel hf.</b>	352	Iceland	Machinery	1.8x	1.7x	18.1x	11.8x	9%	7%	5%	9%	27.5x
<b>Troax Group AB</b>	185	Sweden	Machinery	4.6x	4.7x	21.3x	20.7x	(7%)	n/a	17%	20%	33.1x
<b>Judges Scientific</b>	101	UK	Machinery	5.5x	4.7x	19.3x	17.5x	17%	7%	19%	27%	26.2x
<b>Median</b>				2.8x	2.4x	18.1x	12.5x	8.8%	6.5%	10.9%	14.1%	21.2x
<b>Mean</b>				2.7x	2.5x	16.5x	13.1x	12.5%	8.1%	11.0%	14.9%	21.6x
<b>Hampiðjan hf.*</b>	75	Iceland	Machinery	1.8x	1.8x	15.1x	13.2x	5.0%	5.0%	8.2%	12.1%*	19.1x

\*Excluding one off items and based on proforma numbers for Hampiðjan hf. 2023





# HAMPIÐJAN





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