

LISTING PROSPECTUS



KLAVENESS COMBINATION CARRIERS ASA

(A public limited liability company incorporated under the laws of Norway)

Admission to listing on Oslo Stock Exchange of

**Klaveness Combination Carriers ASA FRN Senior Unsecured Sustainability-Linked Callable NOK 500,000,000
Bonds 2023/2028**

ISIN NO 0013008656

This prospectus (the "**Prospectus**") has been prepared in connection with the listing on Oslo Stock Exchange, a stock exchange operated by Oslo Børs ASA (the "**Oslo Stock Exchange**") of the Klaveness Combination Carriers ASA senior unsecured sustainability-linked callable NOK 500,000,000 bonds 2023/2028 with ISIN NO 0013008656 (the "**Bonds**") issued by Klaveness Combination Carriers ASA ("**KCC**", the "**Company**" or the "**Issuer**"), a public limited company incorporated under the laws of Norway (together with its consolidated subsidiaries, the "**Group**") pursuant to a bond agreement dated 1 September 2023 (the "**Bond Agreement**") between the Company and Nordic Trustee AS (the "**Bond Trustee**"). Trading in the Bonds on Oslo Stock Exchange is expected to commence on or about 20 October 2023 under the ticker code "KCC05".

Investing in the Company or the Bonds involves a high degree of risk. Prospective investors should read the entire Prospectus and, in particular, consider Section 2 "Risk Factors" when considering an investment in the Company or the Bonds.

This Prospectus does not constitute an offer or an invitation to buy, subscribe or sell the securities described herein. This Prospectus serves as a listing prospectus as required by applicable laws, and no securities are being offered or sold pursuant to this prospectus.

The date of this Prospectus is 18 October 2023

IMPORTANT INFORMATION

This Prospectus has been prepared by the Company solely in connection with the listing on the Oslo Stock Exchange of the Bonds (the "**Listing**").

This Prospectus has been prepared by the Issuer in connection with the listing of the Bonds on the Oslo Stock Exchange and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended, and as implemented in Norway in accordance with Section 7.1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**").

This Prospectus has been prepared solely in the English language and in accordance with the Norwegian Securities Trading Act, the EU Prospectus Regulation and the bond rules issued by Oslo Stock Exchange and comprises, inter alia, the information requested in (i) the checklist for registration documents applicable for secondary issuances of non-equity securities (Annex 8) and (ii) the securities note for retail non-equity securities (Annex 14).

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

No person is or has been authorized by the Company to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Bonds, and if given or made, such information or representation must not be relied upon as having been authorized by the Company.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction. This Prospectus may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves of and observe any such restrictions. In addition, the Bonds may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The content of this Prospectus is not to be construed as legal, credit, business or tax advice. Each investor should consult its own legal, credit, business or tax advisor as to a legal, credit, business or tax advice. In making an investment decision, investors must rely on their own examination of the Company and the Bonds, including the merits and risks involved.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (No. *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General Information". For the definition of certain capitalised terms used throughout this Prospectus, see Section 11 "Definitions and Glossary of Terms".

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1 SUMMARY

This prospectus summary (the "**Summary**") has been prepared in accordance with Article 7 of the EU Prospectus Regulations, setting out the key information that investors need in order to understand the nature and the risks of the Issuer and the Bonds, and is to be read together with the other parts of this Prospectus to aid investors when considering whether to invest in the Bonds.

1.1 Introduction and warnings

1.1.1 The name and international securities identification number (ISIN) of the Bonds

This Prospectus relates to the Klaveness Combination Carriers ASA senior unsecured sustainability-linked callable bond issue 2023/2028 with ISIN NO 0013008656.

1.1.2 The identity and contact details of the Issuer, including its legal entity identifier (LEI)

Klaveness Combination Carriers ASA with business registration number 920 662 838, registered office at Drammensveien 260, 0283 Oslo, Norway and LEI code 213800ZFB2MQM3JA6K52.

1.1.3 The identity and contact details of the person asking for admission to trading on a regulated market

The Issuer is the same person as the person asking for admission to trading on the Oslo Stock Exchange.

1.1.4 The identity and contact details of the competent authority approving the Prospectus

The competent authority approving the Prospectus is the Financial Supervisory Authority of Norway, business registration number 840 747 972, and registered office at Revierstredet 3, 0151 Oslo, Norway.

1.1.5 The date of approval of the Prospectus

This Prospectus was approved by the Financial Supervisory Authority of Norway on 18 October 2023.

1.1.6 Applicable warnings

- (i) This Summary should be read as an introduction to the Prospectus;
- (ii) Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor;
- (iii) An investment in the Bonds involves inherent risk. Before making an investment decision, investors should carefully consider the risk factors and all information contained in the Prospectus, including the Financial Information. An investment in the Bonds is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment, as all the invested capital can be lost;
- (iv) Where a claim relating to the Bonds or the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated;
- (v) Civil liability attaches only to those persons who have tabled the Summary including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds;
- (vi) As an investment product the Bonds are not simple and may be difficult to understand.

1.2 Key information on the Issuer

1.2.1 Who is the Issuer of the Bonds?

The Company is a Norwegian public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act with registration number 920 662 838 and LEI code 213800ZFB2MQM3JA6K52. The Company was incorporated on 23 March 2018.

The Company is a global owner and operator of combination carriers. The Company's fleet consists of 16 vessels and three newbuilds. The vessels consecutively switch between transporting tanker and dry bulk cargo and are employed in trades where standard dry bulk and tanker vessels sail empty (sail in ballast) over long distances due to trade imbalances. Most of the time, the combination carriers combine a tanker cargo in one direction and a dry bulk cargo on

the return voyage with minimum ballast in-between. By replacing the less efficient standard tankers and dry bulk vessels, the combination carriers reduce carbon emissions per transported tonne-mile by 30-40 % in KCC's main trade lanes.

1.2.1.1 The Issuer's major shareholders

Set out below is an overview of shareholders owning 5 % or more of the shares in the Company:

#	Name of shareholder	Number of Shares	%
1	Rederiaksjeselskapet Torvald Klaveness	32,537,608	53.82 %
2	EGD Shipping Invest AS	5,860,819	9.69 %
3	Nordea Funds Ltd. ¹	3,482,230	5.76 %
	Total top 3 shareholders:	41,880,657	69.27 %
	Other:	18,577,574	30.73 %
	Total shareholders:		100.00 %

1.2.1.2 The identity of the Issuer's key managing directors

As at the date of this Prospectus, the Company's key management team consists of the following two individuals:

Name	Position	Served since
Engebret Dahm	CEO	January 2015 ²
Liv Hege Dynes	CFO	February 2017 ³

1.2.1.3 The identity of the Company's statutory auditors

The Company's independent auditor is Ernst & Young AS (EY), with business registration number 976 389 387, and registered address at Stortovet 7, 0155 Oslo, Norway. EY is a member of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants).

1.2.2 What is the key financial information regarding the Issuer

The summary of selected consolidated financial data below present data extracted from the Group's interim financial statements for the six-month period ended 30 June 2023 (with comparable figures for the same period in 2022) and annual financial statements for the year ended 31 December 2022 (with comparable figures for the same period in 2021). The presented data is in accordance with IFRS as endorsed by the European Union.

The Group's consolidated financial statements comprise KCC and all subsidiaries over which the Group has control. Control is normally obtained when the Group owns more than 50% of the shares in the company or through agreements, is capable of exercising control over the company. Non-controlling interests are included in the Group's equity.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and consolidation is continued until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same accounting period as the parent company, using consistent accounting principles for similar transactions and events under otherwise similar circumstances.

The selected historical consolidated financial information for the Group set out below should be read in conjunction with the Financial Information in the Prospectus.

Key financial information - Income statement:

In USD '000	Six-month period ended 30 June 2023 (unaudited)	Six-month period ended 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	Year ended 31 December 2021 (audited)
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¹ Consolidated ownership through several funds. Please see section 8.3 for an overview of the number of shares held by the individual funds.

² Engebret Dahm was appointed CEO of the Company in 2018. Before that he held the position as Head of Combination Carriers in Torvald Klaveness.

³ Liv Hege Dynes was appointed CFO of the Company in 2018. Before that she held the position as CFO of Torvald Klaveness.

Operating profit before depreciation	70,500	44,366	106,955	67,064
Operating profit after depreciation	54,041	30,135	75,611	38,398
Profit after tax	44,696	23,537	60,869	22,600

Key financial information - Balance sheet:

<i>In USD '000</i>	Six-month period ended 30 June 2023 (unaudited)	Six-month period ended 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	Year ended 31 December 2021 (audited)
Mortgage debt	167,129	236,981	156,534	249,993
Long-term financial liabilities	7,938	3,275	2,466	2,017
Long-term lease liabilities	0	740	0	1,008
Bond loan	64,224	69,990	69,975	78,205
Short-term mortgage debt	25,199	23,936	92,769	23,936
Other interest bearing liabilities	924	830	233	2,409
Short-term financial liabilities	223	0	249	0
Short-term lease liabilities	0	595	0	618
Total financial debt	265,637	336,347	322,226	358,186
Cash and cash equivalent	83,781	67,189	64,918	53,937
Net financial debt (long term debt plus short term debt minus cash)	181,856	269,158	257,308	304,249

Key financial information - Cash flow statement

<i>In USD '000</i>	Six-month period ended 30 June 2023 (unaudited)	Six-month period ended 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	Year ended 31 December 2021 (audited)
Net cash flow from operating activities	81,393	54,693	105,883	45,850
Net cash flow from financing activities	(55,810)	(34,142)	(82,489)	46,254
Net cash flow from investing activities	(7,411)	(5,821)	(10,238)	(105,517)

The Prospectus does not contain any profit forecasts or estimates, or any pro forma financial information. The audit reports do not include any qualifications.

1.2.3 What are the key risks that are specific to the Issuer

Below is a brief description of the most material risk factors specific to the Issuer contained in the Prospectus:

- The Group relies on its vessels obtaining exemptions from clients and terminals to operate as CLEANBU vessels.

- Dependency on a limited number of customers and renewal of key/material contracts of affreightment, particularly related to caustic soda transportation.
- The Group is dependent on certain trade flows to obtain efficient combination trading.
- Risks relating to failed delivery of and introduction of newbuilds.
- The Group is exposed to the highly cyclical nature of the dry bulk and product tanker shipping industries.
- The Group faces due diligence risk prior to making new investments, particularly investments in energy efficiency measures, as the Group is an early mover for some of these measures.
- The Group is exposed to risks in current financing arrangements and risks relating to availability of future financing.
- The Group is subject to complex laws and regulations, including environmental laws and regulations, and such regulation is expected to intensify in the future.

1.3 Key information on the Bonds

1.3.1 What are the main features of the Bonds?

The Bonds are senior unsecured sustainability-linked callable bonds, electronically registered in dematerialized form with the Norwegian central securities depository, Verdipapirsentralen ASA, with DNB Bank ASA as the registrar of the Bonds, with registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway, and with ISIN NO 0013008656. The Bond Issue is governed by the Norwegian law bond terms entered into on 1 September 2023 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders (the "**Bond Trustee**").

The Bonds are issued in Norwegian Kroner (NOK), each with an initial nominal amount of NOK 500,000. The initial amount of Bonds issued were NOK 500,000,000 within a maximum borrowing limit of NOK 1,000,000,000. The tenor of the Bond Issue is five (5) years, with Issue Date on 5 September 2023 and Maturity Date on 5 September 2028.

Each Bond will accrue interest at the rate of 3 months NIBOR plus 3.65 %, and in addition the holders of the Bonds will have the right to require that the Issuer purchases all or some of the Bonds held by that bondholder at a price equal to 101.00 per cent. of the nominal amount in the event of a Change of Control in the Issuer.

The Bonds shall be repaid in full on 5 September 2028 at a) 100 % of the Nominal Amount (as defined in section 11) (plus accrued interests on redeemed amount), if no Trigger Event has occurred, or b) 101.50 % of the Nominal Amount (plus accrued interest on redeemed Bonds) in case a Trigger Event has occurred. A Trigger Event is deemed to have occurred if a) the KPI Performance (as defined in section 11) of the Group fails to meet the Sustainability Performance Target (as defined in section 11) for 2027 as of 31 December 2027, b) the Issuer has failed to provide and made public annual Sustainability-Linked Finance Progress Reports (as defined in section 11) within 120 calendar days after the end of each financial year, or c) any KPI Performance included in the Sustainability-Linked Finance Progress Report has not been subject to Verification (as defined in section 11).

To emphasize KCC's efforts within energy efficiency, trading efficiency and voyage efficiency, KCC has chosen carbon intensity, measured as EEOI (as defined in section 11), as the KPI (as defined in section 11). KCC has developed environmental targets to reduce the EEOI from 7.6 in 2018 to 5.3 by year-end 2026 and further to 4.1 by year-end of 2030, which implies a 46 % reduction by year-end 2030 compared to 2018 and a 34.2% reduction by year-end 2027 compared to 2018.

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank *pari passu* between themselves and will rank at least *pari passu* with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

Subject to the restrictions set forth in the Bond Terms, the Bonds are freely transferable and may be pledged. Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense. Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Bond Terms.

The Bonds are unsecured and there are no guarantees or security attached to the Bonds.

1.3.2 *Where will the securities be traded?*

Pursuant to the Bond Terms the Issuer will apply for a listing of the Bonds on the Oslo Stock Exchange as soon as possible after the Prospectus has been approved by the Financial Supervisory Authority of Norway, and admission to trading of the Bonds is expected to commence on or about 20 October 2023.

1.3.3 *What are the key risks that are specific to the Bonds?*

Below is a brief description of the most material risk factors specific to the Bonds:

- The Bonds are unsecured obligations of the Issuer.
- Default or insolvency with subsidiaries may affect the Issuer's ability to make payments and or redeem the Bonds at full or at all at the maturity date.
- The Bonds may be subject to optional redemption by the Issuer.
- The terms and conditions of the Bond Agreement allow for modification of the Bonds or waivers or authorizations of breaches and substitution of the Company which, in certain circumstances, may be affected without consent of the bondholders.
- Enforcement of rights as a bondholder across multiple jurisdictions may prove difficult.
- In the event of a change of control, the Issuer's ability to repurchase the Bonds with cash may be limited.
- The Group may be unable to refinance all or a portion of its existing debt, including the Bonds, or to obtain additional financing.
- The Bonds may not necessarily be regarded as "sustainable bonds" in the future.

1.4 Key information on the admission to trading on a regulated market

1.4.1 *Under which conditions and timetable can I invest in the Bonds?*

The Bonds are freely transferable and have since the Issue Date on 5 September 2023 been available for trading on the secondary market through the Norwegian CSD.

Pursuant to the Bond Terms the Issuer will apply for a listing of the Bonds on the Oslo Stock Exchange as soon as possible after the Prospectus has been approved by the NFSA, and admission to trading of the Bonds is expected to commence on or about 20 October 2023.

1.4.2 *Who is the offeror and/or the person asking for admission to trading?*

The Issuer is the person asking for admission to trading of the Bonds.

1.4.3 *Why is this prospectus being produced?*

This Prospectus is being produced in connection with the Issuer's application for the admission to trading of the Bonds on Oslo Stock Exchange.

Furthermore, pursuant to Clause 4 of the Bond Agreement, the Issuer shall within 6 months of 5 September 2023 apply for the Bonds to be listed on the Oslo Stock Exchange. As such, the application for admission to trading is put forward by the Issuer to satisfy the conditions of the Bond Terms.

- (i) The use and estimated net amount of the proceeds

The Issuer has used the net proceeds from the initial issuance of Bonds for repurchase of bonds in the Issuer's existing NOK 700,000,000 Senior Unsecured Bond Issue 2020/2025 with ISIN NO 0010874530 and ticker KCC04.

- (ii) An indication of the most material conflicts of interest pertaining to the admission to trading

There are no material conflicts of interests pertaining to the admission to trading of the Bonds.

2 RISK FACTORS

An investment in the Bonds involves a high degree of financial risk. Potential investors should carefully consider all information in this Presentation, including the risks described below, before deciding to make an investment in the Bonds. If the risks materialise, individually or together with other circumstances, they may substantially impair the business of the Group and have material adverse effects on the Group's business prospects, financial condition or results of operations and the price of the Issuer's securities may decline, causing investors to lose all or part of their invested capital. As most of the assets of the Group are held by the Issuer's subsidiaries, the risks associated with the group will also be relevant for the Issuer, and references to the "Group" shall mean the Issuer and its subsidiaries. Although the order in which the risk factors are presented is intended to reflect the importance or likelihood of occurrence, no assurance or confirmation can be given in respect of the ultimate precision of the ranking, as this is, to a large extent, based on subjective assumptions about future occurrences. An investment in the Issuer is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment. Furthermore, the risk factors presented herein are not exhaustive and other factors currently not known to the Issuer or which the Issuer currently does not deem to be material could also in the future have a material adverse effect on the Issuer.

The risks presented herein have been divided into six categories based on their nature. Within each category, the risk estimated to be the most material is presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialization. The order of the categories does not represent any evaluation of the materiality of the risk within that category, compared to risks in another category.

2.1 Risks related to the business of the Group

2.1.1 *The Group relies on its vessels obtaining exemptions from clients and terminals to operate as CLEANBU vessels*

Introduction of new vessel concepts such as the CLEANBUs entail commercial and technical risks. Acceptance and/or exemptions are required in relation to the CLEANBU vessels from clients and terminals where policies require clean petroleum products (CPP) as the last one to three cargoes to avoid cargo contamination or where policies exclude the use of combination carriers like the CLEANBUs. Should the Group not obtain the relevant acceptances or exemptions from clients or terminals, this may have a material adverse effect for the Group's operations of the CLEANBU vessels and consequently the Group's operations and results. Introduction of new ship types or concepts will normally require technical adjustments and modifications, which will take time and may lead to off-hire. There are outstanding guarantee items relating to one of the CLEANBU vessels, implying additional off-hire related to the repairs in 2023. While the shipyard is obliged to bear the cost of repairs, additional related costs may incur, and off-hire will be borne by KCC unless covered by KCC's loss of hire insurance.

2.1.2 *Dependency on a limited number of customers and renewal of key/material contracts of affreightment*

The Group is, to a certain degree, dependent on a limited number of key customers and renewal of key/material contracts with these customers, particularly related to caustic soda transportation. Lack of renewal of such contracts may adversely affect the Group's earnings and financial position. Further, the ability of the Group's customers to meet their obligations towards the Group is affected by the customers' financial and liquidity position. If a key customer declares bankruptcy, insolvency, or files for a similar protection under the customer's jurisdiction, it may have a material adverse effect on revenues, profitability, cash flows and the financial condition of the Group.

2.1.3 *Unfavourable changes in trade flows and volumes*

The combination carriers transport wet cargoes (CPP and CSS) into dry exporting regions such as Australia and South America and transport dry cargoes back again to the regions that export the wet cargoes. The Group is dependent on certain trade flows to obtain this efficient combination trading. Production issues at plants, mines, and refineries in export or import regions, difference in regional commodity prices (arbitrage opportunities) as well as regional and global wars, conflicts and sanctions may impact these trade flows. Unfavourable changes in trade flows and volumes may adversely affect the Group's earnings and financial position as such changes might impact KCC's ability to efficiently combine wet and dry cargoes.

2.1.4 *Risks during introduction of and failure to deliver newbuildings*

On 23 June 2023, the Company announced that a 100 % owned subsidiary had concluded a shipbuilding contract for the construction of three third generation CABU vessels with Jiangsu New Yangzi Shipbuilding Co. Ltd. and Jiangsu Yangzi Xinfu Shipbuilding Co. The CABU newbuilds are an upgraded design of existing CABU design for vessels built 2016-2017 and experience gained through the design and construction of the CLEANBU vessels built at the same shipyard in 2019-2021. There is technical, operational, and commercial risk that the CABU newbuilds will not work as intended, negatively

impacting the earnings capacity of the vessels and/or the vessel values. The Group is exposed to counterparty risk under the shipbuilding contract, partly towards the shipyard and partly towards the Agricultural Bank of China which has provided the refund guarantee.

2.1.5 The Group's older tonnage is at risk of being rerated and losing competitiveness

Due to stricter environmental regulations and customer requirements, older tonnage is in danger of both being rerated and losing competitiveness to more modern tonnage. The consequences for older tonnage can be lower capacity due to speed restrictions and lower utilization due to more waiting time. For the Group this can result in less flexibility and lower net revenue for the oldest vessels in the fleet. As at the date of this Prospectus, the Group owns three CABU vessels older than 20 years.

2.1.6 The Group may face increased competition

KCC is the only company that owns and operates combination carriers within deep sea shipping except for one company owning/operating two similar vessels. The Group may in the future face increased competition both from standard vessels and companies entering combination trading. No assurance can be given that the Group will be able to maintain its competitive position in relation to current and/or future competitors. The failure of the Group to maintain competitive offering of its services could have a material adverse effect on the Group's business, operating results and financial condition. If competitors seek to copy the Group's combination carrier designs/concept and start a competing service, this may reduce the earnings on the main trade lanes of the Group.

2.1.7 Illiquidity of assets – realisation risk

The Group's CLEANBU vessels are both dry bulk vessels and product tankers. The Group's CABU vessels are both dry bulk vessels and product tankers capable of shipping mainly caustic soda. The vessels can be sold as standard dry bulk vessels and/or product tankers, however the full value may be difficult to realize through such realization as few other shipping companies are able to operate the vessels as combination carriers switching between wet and dry products, meaning that the Group may face a realization risk due to illiquidity of assets.

2.1.8 The Group is exposed to due diligence risk prior to making new investments

The Group faces due diligence risk prior to making new investments, particular investments in energy efficiency measures, as the Group is an early mover for some of these measures and the measures have not been tested in a large scale prior to the Group installing/retrofitting. Hence such review will be based on information, which may only be available through a third party or based on theoretical calculations. E.g., in 2023 the Group will retrofit two vessels with air lubrication system and shaft generator to reduce fuel consumption. Success depends on the ability to deliver projects at the budgeted cost and time, and that the retrofits deliver the estimated fuel/energy savings.

2.1.9 The Group may not be able to secure debt funding for the new CABU vessels

The Group had per 30 June 2023 USD 257.5 million in interest-bearing debt. The shipbuilding contract for the three third generation CABU vessels was partially financed with a NOK 550 million equity private placement as announced on Oslo Stock Exchange on 23 May 2023. In addition to the private placement, the Group plans to finance the new CABU vessels partially through debt funding and partly through cash on balance sheet. There is risk that the Group will not be able to secure debt funding for the CABU newbuilds prior to delivery or that such debt funding is not available on commercially favourable terms. This could have an adverse material effect on the Group's liquidity, business, results of operations, cash flows and financial condition.

2.1.10 The Group is exposed to counterparty risk

The Group is exposed to counterparty risk, inter alia and in particular under fixed-rate contract of affreightments ("**COAs**"). For various reasons, including (but not limited to) adverse market conditions, decrease in demand, increase in competition, cost saving schemes, force majeure situations, accidents and governmental or political restrictions, counterparties may seek to cancel or renegotiate COAs, or invoke suspension of periods, at their discretion. A downturn in the dry bulk and/or product tanker markets may result in an increase in occurrences of renegotiations, suspension, or termination of contracts. The cash flows and financial conditions of the Group may be materially adversely affected should its counterparties terminate, renegotiate, or suspend their obligations under such contracts.

2.1.11 The Group is exposed to due diligence risk prior to making new investments

The Group faces due diligence risk prior to making new investments, particular investments in energy efficiency measures, as the Group is an early mover for some of these measures and the measures have not been tested in a large scale prior to the Group installing/retrofitting. Hence such review will be based on information, which may only be available through a third party or based on theoretical calculations. E.g., in 2023 the Group will retrofit two vessels with

air lubrication system and shaft generator to reduce fuel consumption. Success depends on the ability to deliver projects at the budgeted cost and time, and that the retrofits deliver the estimated fuel/energy savings.

2.1.12 The Group could be subject to fraudulent behaviour from employees and/or third parties

Even though the Group has a strict zero-tolerance anti-bribery and corruption policy and will take all precautions to seek to avoid any breach of applicable legislation, employees of, and/or third parties acting as agents for the Group, could engage in fraudulent behaviour against the Group on their own, or that of others' initiative, making them act against the interest of the Group, especially as the vessels operate in high-risk regions (such as South America, Middle East, South Asia and Far East). Such actions could include, document fraud, port bribes, fraudulent commission agreements, facilitation payments and bribes to get access to exclusive business. Whether deliberate or not, such actions could potentially put the Group at risk for both legal liabilities (as further described in Section 2.3.2 below) and reputational damage. Ensuing attention from the media could further increase reputational risk. Consequently, the reputational risk of employees acting beyond or without the mandate of the Group could be detrimental to the Group's ability to retain and attract customers, as well as key personnel.

2.2 Risks related to the industry in which the Group operates and macroeconomic conditions

2.2.1 Highly cyclical nature of the dry bulk and product tanker shipping industries

The Group is exposed to the highly cyclical nature of the dry bulk and product tanker shipping industries with associated volatility in freight rates, vessel values and consequently, profitability and cash flow, impairment of book values and breach of financial covenants. Fluctuations in freight rates result from imbalances between the supply and demand for vessel capacity and changes in the supply and demand for the commodities carried on water internationally. The supply of and demand for shipping capacity determine the freight rates. Because the factors affecting the supply and demand dynamics of the shipping segments the Group is invested in are outside of the Group's control and are unpredictable; the nature, timing, direction, and degree they influence the business conditions are also unpredictable. Should the Group experience a downturn in the dry bulk and product tanker shipping industries, this could have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

2.2.2 Highly competitive dry bulk and product tanker shipping markets

The dry bulk and product tanker shipping markets are highly competitive with numerous industry participants, none of which have a dominant market share globally, and contracts have traditionally been awarded on a competitive bid basis. Customers may consider pricing as a factor in determining a contract award in addition to availability and location, operational and safety performance records and condition and suitability of equipment. The Group's inability to win contracts will have a material adverse effect on the Group's overall business. Factors determining the degree of competitiveness in these markets include but are not limited to: (i) low barriers to entry; (ii) highly fragmented market with many small market participants; and (iii) access to financing. If the Group is unable to compete in these markets, this could have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

2.2.3 Fluctuation of bunker fuel prices and hedging of fuel price risk

The Group is exposed to fluctuation of bunker fuel prices. The price of bunker fuel is unpredictable and fluctuates based on events outside the Group's control, including geopolitical developments, supply and demand for oil and gas, actions of OPEC and other energy producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns. Further, bunker fuel may become much more expensive in the future, which may reduce the demand for and hence the profitability and competitiveness of shipping versus other forms of transportation, such as truck or rail. Increasing bunker fuel prices may also lead to higher working capital requirements, which may have a negative effect on the Group's liquidity. In order to reduce the risk of fluctuations in bunker fuel prices, the Group may hedge the bunker fuel price exposure or include bunker adjustment factors ("**BAF**") into contracts, however, as bunker fuel contracts only exist for a small number of major ports, the hedging contracts will settle against bunker fuel prices in these ports and not against actual bunker fuel prices achievable in the ports the Group operates. In addition, it is not possible to either exactly quantify the bunker fuel need for a certain future voyage or to purchase hedging instruments for non-standard volumes. This means that the Group will be subject to basis risk, i.e., the risk that the Group's underlying exposure will not exactly match the exposure of the hedging contract. This basis risk may from time to time be significant, even though the size and diversification of the Group's operations mean that the risk is relatively small in aggregate and over time.

2.2.4 The general development of the economy could adversely affect the Group's business

The general development of the economy, in particular the oil and commodities markets, may affect demand and the profitability of the Group companies. Furthermore, the demand for seaborne transportation is dependent on open economies and low barriers to trade. There has historically been a strong link between the development of the world

economy and demand for dry bulk and oil commodities. A period of deterioration in the outlook for the world economy could reduce the overall demand for these commodities and for the Group's services. Trade restrictions such as tariffs and embargos can have a negative impact on the demand for seaborne transportation. Negative economic developments may lead to a downturn in the future prospects of the sectors the Group have invested in and may also make it more difficult to raise equity or loan capital which may affect the operations of the Group.

2.2.5 A move to a low-carbon economy could adversely affect the Group's business

A move to a low-carbon economy can potentially have material negative impact on the Group through several channels:

- Emerging propulsion technologies and fuels might have a material negative impact on the competitiveness of the Group's existing fleet and might result in lower revenue and/or impairment of vessel values
- New regulations can lead to material cost related to upgrades and retrofits to comply with regulations and / or material impairment of operational flexibility and / or operational limitations
- New regulations, such as the EU taxonomy, can reduce and restrict access to capital or increase the cost of capital
- The demand for transportation of fossil fuels might be materially negatively impacted and hence the demand for dry bulk and product tanker vessels
- New customer requirements can have a negative impact on the Group's competitive position

2.2.6 Acts of piracy on ocean-going vessels and regional conflicts could adversely affect the Group's business

Acts of piracy have historically affected ocean-going vessels trading in regions of the world such as the South China Sea, the Indian Ocean and in the Gulf of Aden off the coast of Somalia, with dry bulk vessels and tankers particularly vulnerable to such attacks. If these piracy attacks result in regions in which the Group's vessels are deployed being characterized by insurers as "war risk" zones or Joint War Committee "War Listed Areas", premiums payable for such coverage could increase significantly and such insurance coverage may be more difficult to obtain. In addition, crew costs, including costs which may be incurred to the extent the Group employs on board security guards, could increase in such circumstances. While the charterers in the Group's COAs normally will cover such costs, the reimbursement from customers and the insurance cover may not fully cover losses from these incidents, which could have a material adverse effect on its business. Hijacking as a result of an act of piracy against the Group's vessels, or an increase in cost, or unavailability of insurance for its vessels, may have a material adverse effect on the Group's business, financial condition, results of operation and liquidity.

2.2.7 The Group may not be adequately insured against all risks

The Group procures insurance for its fleet against risks commonly insured against by vessel owners and operators, including hull and machinery insurance, war risks insurance, loss of hire and protection and indemnity insurance (which include environmental damage and pollution insurance) with the leading Protection & Indemnity Clubs and marine insurance companies in the shipping industry. There is still no assurance that the Group is adequately insured against all risks or that the insurers will pay all claims in full. Even if the insurance coverage is adequate to cover incurred losses, the Group may not be able to timely obtain a replacement vessel in the event of a loss. Furthermore, in the future, the Group may not be able to obtain adequate insurance coverage at reasonable rates for its fleet. The Group may also be subject to calls, or premiums, in amounts based not only on their own claim records but also the claim records of all other members of the protection and indemnity associations through which they receive indemnity insurance coverage for tort liability. The Group's insurance policies also contain deductibles, limitations, and exclusions which, although they represent standards in the shipping industry, may nevertheless increase the Group's costs or decrease its recovery in the event of a loss.

2.2.8 The Group's vessels are subject to perils which may result in loss of or damage to the relevant vessel

The vessels operated by the Group are subject to perils particular to marine operations, including capsizing, grounding, collision and loss and damage from severe weather, as well as unintended accidents. Such circumstances may result in loss of or damage to the relevant vessel, damage to property, including other vessels and damage to the environment or persons or damages connected with future contracts which cannot be fulfilled. Such events may lead to the Group being held liable for substantial amounts by injured parties, their insurers, and public governments. In the event of pollution, the Group may be subject to strict liability.

2.3 Risks related to regulations, disputes and litigation

2.3.1 The Group is subject to complex laws and regulations, including environmental laws and regulations, and such regulation is expected to intensify in the future

The Group is subject to complex laws and regulations, including environmental laws and regulations, and such regulation are expected to intensify in the future. Compliance with such laws and regulations, where applicable, may require installation of costly equipment or operational changes and may affect the resale value or useful lives of the Group's vessels and any failure to comply with such laws and regulations may adversely affect the Group's business, results of operations and financial condition. Further, compliance with such laws and regulations may also require the Group to obtain certain permits or authorizations prior to commencing operations. Failure to obtain such permits or authorizations could materially impact the Group's business results of operations, financial conditions, and ability to pay cash distributions by delaying or limiting its ability to get acceptance of the Group's vessels from charterers.

As a party to several contracts and other instruments, governing complex operational, commercial, and legal matters which involve significant amounts, the Group cannot predict with certainty the outcome or effect of any current or future commercial disagreements, contractual disputes or litigation involving the Group and its counterparties or others. The Group might suffer economical and reputational damage from its involvement in claims or disputes, which could lead to material adverse change to the Group's financial condition, results of operation and liquidity, as well as the deterioration of existing customer relationships, and/or the Group's ability to attract new customers, all factors which are important for the Group's ability to continue to run its business.

2.3.2 Failure to comply with applicable anti-corruption laws, sanctions or embargoes, could result in fines, civil and/or criminal penalties, and contract of affreightment terminations and have an adverse effect on the Group's business

The Group operates vessels in a number of countries, including from time to time some developing economies, which can involve inherent risks associated with fraud, bribery and corruption and where strict compliance with anti-corruption laws may conflict with local customs and practices. Failure to comply with applicable competition legislation, anti-corruption laws, sanctions, or embargoes, could result in fines, civil and/or criminal penalties, and contract of affreightment terminations and have an adverse effect on the Group's business. Even though the Group has a strict zero-tolerance anti-bribery and corruption policy and will take all precautions to seek to avoid any breach of applicable legislation, the Group may be subject to risks under the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act 2010 and similar laws in other jurisdictions that generally prohibit companies and their intermediaries from making, offering or authorizing improper payments to government officials for the purpose of obtaining or retaining business. Certain countries and international bodies also impose laws and regulations with extra territorial application (such as sanctions and bribery and corruption legislation), which may further increase the risk of business interruptions and reputational damage resulting from the Group's cross-border activities. In a worst-case scenario, the Group's ability to trade with certain countries, including entities and individuals linked to such countries, may be severely restricted. Even though the Group monitors its own operations and the global political situation closely, the political circumstances or inadequacies of the legal systems and law enforcement mechanisms in certain countries in which the Group operates may have a material negative impact on the Group's reputation, revenue, cash flows and financial condition.

2.3.3 Non-compliance with international safety regulations may adversely affect a vessel's insurance coverage and may result in a denial of access to, or detention in, certain ports

If the Group fails to comply with applicable safety regulations to which it is subject, such as the International Safety Management Code ("**ISM**") / Safety Management Certificate ("**SMC**") and the International Ship and Port Facility Security code ("**ISPS**") / International Ship Security Certificate ("**ISSC**"), it may be subject to increased liability, may invalidate existing insurance or decrease available insurance coverage for its affected vessels or be in breach with bank loan facilities and such failure may result in a denial of access to, or detention in, certain ports, which in turn may have a materially negative effect on the Group's results of operations.

2.3.4 Compliance with safety and other vessel requirements imposed by classification societies may be costly

The hull and machinery of every commercial vessel must be certified as being "in class" by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the Safety of Life at Sea Convention. Compliance with the above requirements may result in significant expense. If a vessel does not maintain its class or fails any annual, intermediate, or special survey, the vessel will be unable to trade between ports and will be unemployable, which could have a material adverse effect on the Group's business, financial condition, results of operation and liquidity.

2.3.5 *The Group's vessels may be subject to the exercise of a maritime lien*

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against one or more of the vessels operated by the Group for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lien holder may enforce its lien by arresting a vessel through judicial proceedings. The arrest or attachment of one or more of the vessels owned or chartered in by the Group could interrupt the cash flow of the charterer and/or the Group and require the Group to pay a significant amount of money to have the arrest lifted. In addition, in some jurisdictions, under the "sister ship" theory of liability, a claimant may arrest both the vessel which is subject to the claimant's maritime lien and/or any "associated" vessel, which is any vessel owned or controlled by the same owner. Like other shipowners owning multiple vessels, the Group is exposed to claimants who may try to assert "sister ship" liability against vessels owned by the Group. A claimant may also arrest vessels chartered in by the Group even if the claimant has no claim against the Group. The Group might suffer reputational damage from its owned or chartered vessels becoming subject to the exercise of a maritime lien, which could affect the Group unfavourably whether the maritime lien holders' claim is justified or not. This could lead to the deterioration of existing customer relationships, and/or the Group's ability to attract new customers, both factors which are important for the Group's ability to continue to run its business.

2.4 Risks related to financing

2.4.1 *Existing financial risk and availability of financing*

The Group is subject to refinancing risk of existing bank and bond debt and risks related to raising future debt or equity in volatile financial markets. There is a risk that income from the assets obtained with borrowed funds is not sufficient to cover the costs of borrowings and that the net income of the Group will be negatively affected by such borrowing arrangements.

Any new sources of financing are subject to conditions in the credit markets, which are significantly volatile. There can be no assurance that the Group will be able to procure new financing/refinancing or that the terms of any new financing will be favourable. If the Group is unable to procure such financing or the terms of any new financing is less favourable, the results of its operations or its financial condition could adversely be affected, and there could also be a risk that the Group is forced to enter into bankruptcy proceedings.

Weak financial markets may result in dysfunctional capital markets and restrict the availability of debt and equity funding to support the Group's operations. The resultant lack of available credit and/or higher financing costs and more onerous terms may materially impact the performance of certain investments with a potential adverse impact on both working capital and term debt availability and on exit options.

2.4.2 *The Group is exposed to fluctuations in working capital*

Shipping and bunker markets are volatile, and the Group uses cleared derivative instruments. Hence, the Group is exposed to fluctuations in working capital. The adequacy of available funds may depend on many factors, including but not limited to the further growth of the business, capital expenditures, changes in working capital, payment terms and market development (including but not limited to freight rates, time charter rates and bunker fuel price).

2.4.3 *Interest rate, currency fluctuations and hedging*

The bond debt is denominated in NOK, hence the commitment in USD under the bond debt agreement will be impacted by the USD/NOK exchange ratio. A large part of this exposure has been hedged, however, the impact on equity and on cash related to negative mark-to-market and clearing might negatively impact the cash position and solidity. The Group generates all revenue in U.S. dollars (USD), while a part of its administrative expenses are denominated in Norwegian Krone (NOK) and a portion of the ship operating and administrative expenses are denominated in currencies other than USD or NOK, e.g. Euro (EUR) and Australian dollars (AUD). This will lead to fluctuations in net income due to changes in the value of the USD relative to the other currencies, in particular the NOK and EUR. A weaker USD could lead to higher expenses payable.

The interest payments for bank debt are based on LIBOR plus a margin and are hence exposed to fluctuations in US interest rates. A higher US interest rate will increase interest costs. Part of this exposure has been secured by interest rate swaps and other interest rate derivatives. Negative mark-to-market on such instruments negatively impacts equity.

Any future use of financial derivatives would involve certain risks, including the risk that losses on a hedged position could exceed the notional amount invested in the instrument and the risk that the counterparty to the derivative transaction may be unable or unwilling to satisfy its contractual obligations, which could have an adverse effect on the Group's results.

The Group may in the future engage in other hedging transactions which are intended to reduce the currency, interest rate, fuel and freight exposure. Any such hedging transactions may be imperfect, leaving the Group indirectly exposed to some risk from the position that was intended to be protected. There can be no assurance that the Group companies will be able to close out a position when deemed advisable.

2.4.4 Any relevant change in tax laws, regulations, or treaties, or relevant interpretations thereof, for any country in which the Group operates or earns income or is considered to be a tax resident, may result in a higher effective tax rate on the Group's worldwide earnings

The Group operates in many countries and regions worldwide (such as South America, Middle East, South Asia and Far East). As such, the Group is subject to changes in applicable tax laws, regulations or tax treaties, and the interpretation thereof in the various countries in which the Group operates or earn income or are deemed to be a tax resident. Any such change may result in a materially higher effective tax rate on the Group's earnings and could have a material impact on the Group's financial results, e.g., any change in or discontinuation of the applicable tonnage tax regimes, or inability on the Group's part to continue to participate in these regimes could considerably increase the Group's tax burden and could have a material adverse effect on the Group's financial position. Similarly, tax authorities may interpret the preconditions and scope of tonnage tax regimes different to the Company and could therefore deny tonnage tax benefits which the Group has claimed or make unforeseen tax claims. This could increase the Group's tax burden and could have a material adverse effect on the Group's business, results of operations and financial condition.

The ship owning part of the Group mainly operates within the Norwegian tonnage tax regime. There is a risk that these favourable tax regulations will be modified in the future, and/or that the Norwegian tonnage tax regime no longer will be applicable to any of the Group companies due to new requirements and/or changes in the Group structure.

The Group's income tax returns are subject to examination and review. If any tax authority successfully challenges the Group's intercompany pricing policies or operating structures, or if any tax authority interprets a treaty in a manner that is adverse to the Group's structure, or if any tax authority successfully challenges the taxable presence of any of the key subsidiaries in a relevant jurisdiction, or if the Company loses a key tax dispute in a jurisdiction, the Company's effective tax rate on worldwide earnings may increase substantially, which could have a material impact on the Company's earnings and cash flows from operations.

Transactions taking place between the companies in the Group and related companies must be carried out in accordance with arm's length principles in order to avoid adverse tax consequences. There can be no assurance that the tax authorities will conclude that the Group's transfer pricing policies calculates correct arm's length prices for intercompany transactions, which could lead to an adjustment of the agreed price, which would in turn lead to increased tax cost for the Group.

2.5 Risks related to the Bonds

2.5.1 The Bonds are unsecured obligations of the Issuer

The Bonds are unsecured and therefore effectively subordinated to existing or future secured debt to the extent of the value of the assets securing such secured debt. In the event of a bankruptcy or similar proceeding involving the Group, the assets that serve as collateral will be available to satisfy the obligations under any secured debt before any payments are made on the Bonds. The Bonds may also be structurally subordinated to any debt owed by subsidiaries of the Company. Because of this, there is a risk that claims on the Bonds in an event of insolvency or liquidation may not be covered in full, partly or at all.

2.5.2 There is no existing market for the Bonds

There is no existing market for the Bonds, and no assurances can be provided as regards the future development of a market for the Bonds, and, therefore, the liquidity of the Bond and the volume it is traded in cannot be guaranteed. This may apply even if the Bonds are listed. There are no market-makers agreements in place or intended to be established in order to secure a liquid market for the Bonds after the issue date. The liquidity of the trading market and future trading prices of the Bonds will depend on many factors, including, among other things, prevailing interest rates, operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. The trading price of the Bonds may be volatile.

2.5.3 Default or insolvency of subsidiaries may affect the Issuer's ability to make payments and or redeem the Bonds at full or at all at the maturity date

Defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Group to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations, or cause cross-defaults on certain borrowings of the Group. There can be no assurance that the Group and its assets would

be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise.

2.5.4 The Bonds may be subject to optional redemption by the Company, which may have a material adverse effect on the value of the Bonds

The terms and conditions of the Bond Agreement provides that the Bonds from and including the interest payment date falling in September 2027 are subject to voluntary early redemption by the Company at a price equal to 101.37 per cent the Nominal Amount for each redeemed Bond. This feature is likely to limit the market value of the Bonds. During any period when the Company may choose to redeem the Bonds, the market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Company may be expected to redeem the Bonds when its cost of borrowing is lower than the interest rate on the Bonds.

At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds and may not only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

2.5.5 The terms and conditions of the Bond Agreement allow for modification of the Bonds or waivers or authorizations of breaches and substitution of the Company which, in certain circumstances, may be affected without consent of the bondholders

The Bond Agreement's Clause 15 contains provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders, including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority.

Nordic Trustee AS, as trustee on behalf of the bondholders, may without the consent of bondholders, agree to certain modifications of the Bond Agreement and other finance documents (as defined in the Bond Agreement) which, in the opinion of the Trustee, are proper to make.

2.5.6 Enforcement of rights as a bondholder across multiple jurisdictions may prove difficult

It may be difficult or impossible for Nordic Trustee as bond trustee on behalf of the bondholders to bring an action against the Group or the assets of the Group. Upon the occurrence of an event of default under the Bond Agreement's Clause 14.1, any enforcement proceedings could be subject to lengthy delays resulting in, inter alia, increased custodial costs, adverse tax consequences. The costs of enforcement in foreign jurisdictions, particularly if proceedings are on-going simultaneously in different jurisdictions, can be high. Even if the bondholders are successful in bringing an action in these jurisdictions, local laws may prevent or restrict the bondholders from enforcing a judgment against the Group's assets or the assets of its officers.

2.5.7 Change of control – the Company's ability to repurchase the Bonds with cash may be limited

Upon the occurrence of a Change of Control Event (as defined in the Bond Agreement), each individual bondholder shall have the right to require that the company purchases the Bonds held by that bondholder at a price equal to 101 % of the nominal amount. However, it is possible that the Company, should it be in a financially distressed situation, will have insufficient funds at the time of the Change of Control Event to repurchase the Bonds. The Company's failure to repurchase the Bonds would constitute an event of default under the Bond Agreement.

2.5.8 The Group may be unable to refinance all or a portion of its existing debt, including the Bonds, or to obtain additional financing

The Company is a holding company and its subsidiaries conduct substantially all operations and own the operating assets. As a result, the Company's ability to make principal or interest payments when due in respect of financial indebtedness, including the Bonds, depends entirely on the operations of its subsidiaries and its subsidiaries' ability to distribute funds to the Company which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors, many of which are beyond the subsidiaries' control. If the subsidiaries are unable to generate sufficient cash flow from operations in the future, the Company may be required to refinance all or a portion of its existing debt, including the Bonds, or to obtain additional financing. There can be no assurance that any such refinancing would be possible or that any additional financing could be obtained.

2.5.9 *The Bonds are structured as Sustainability-Linked Bonds*

The Bonds are structured as Sustainability-Linked Bonds. The Bonds are not being marketed as a Green Bond, Social Bond, or Sustainability Bond⁴ as the net proceeds from the initial issuance of Bonds was used to repurchase bonds in the Company's existing NOK 700,000,000 Senior Unsecured Bond Issue 2020/2025 with ISIN NO 0010874530 and ticker KCC04. The Company has not committed to allocate the net proceeds specifically to projects or business activities meeting sustainability criteria or be subject to any other limitations or requirements that may be associated with Green Bonds, Social Bonds, or Sustainability Bonds.

The Company has, however, adopted a strategy for future improvements in sustainability outcome within a predefined timeline. These objectives are (i) measured through KPI (as defined below) and (ii) assessed against SPT (as defined below). To emphasize KCC's efforts within energy efficiency, trading efficiency and voyage efficiency, KCC has chosen carbon intensity, measured as EEOI, as the KPI. KCC has developed environmental targets to reduce the EEOI (as defined below) from 7.6 in 2018 to 5.3 by year-end 2026 and further to 4.1 by year-end of 2030, which implies a 46 % reduction by year-end 2030 compared to 2018 and a 34.2 % reduction by year-end 2027 compared to 2018.

Although KCC intends to reduce the EEOI, there can be no assurance of the extent to which it will be successful in doing so. If the KPI Performance of the Group fails to meet the SPT for 2027, the Bonds shall be repaid in full on the Maturity Date at 101.50 % of the Nominal Amount (plus accrued interest on the redeemed Bonds) as opposed to 100 % of the Nominal Amount (plus accrued interest on the redeemed Bonds).

As the regulatory landscape on ESG/sustainability is under constant change, and although the Bonds at present may be issued under the Sustainability-Linked Financing Framework, the Bond will not necessarily be regarded as having sustainable characteristics in the future which may have adverse effect on the liquidity of the trading market and future trading prices of the Bonds.

⁴ I.e., Use of Proceeds Bonds as currently defined by the Sustainability Bond Guidelines established with the International Capital Markets Association in 2021, meaning that an amount equal to the net bond proceeds is dedicated to financing eligible projects.

3 RESPONSIBILITY FOR THE PROSPECTUS

Klaveness Combination Carriers ASA, with registered address Drammensveien 260, 0283 Oslo, Norway is responsible for the information contained in this Prospectus.

The Company hereby accepts responsibility for the information contained in this Prospectus and confirms that, after having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the Company's knowledge, in accordance with the facts and contains no omission likely to affect its import.

18 October 2023

Klaveness Combination Carriers ASA

Engebret Dahm
Chief Executive Officer

4 GENERAL INFORMATION

4.1 Date of Information

The information contained in this Prospectus is current as at the date of the Prospectus and is subject to change or amendment without notice. In accordance with the EU Prospectus Regulations, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are reasonably likely to affect the assessment of the Bonds between the time of approval of this Prospectus by the Norwegian FSA and the Listing, will be included in a supplement to this Prospectus. Except as required by applicable law and stock exchange rules, the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus shall not under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

4.2 Presentation of financial and other information

4.2.1 Financial information

The Company has prepared audited consolidated financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union as of and for the year ended 31 December 2022 and for the year ended 31 December 2021. The financial statements for 2022 and 2021 have been audited by EY and is incorporated into this Prospectus by reference. The Company has furthermore prepared unaudited interim financial statements for the six-month period ended 30 June 2023 with comparable figures for the same period in 2022, in accordance with IAS 34.

The Company presents its financial information in USD (presentation currency), which is also the functional currency for all companies in the Group.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly.

4.2.2 Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, industry trends, competition in the industry in which the Group operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts, in addition to market data from other external and publicly available sources.

While the Company has compiled, extracted, and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above-mentioned data.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. The sources of such information have been identified throughout the Prospectus where used.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company does not intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on these data may not be reliable indicators of future results.

4.3 Cautionary note regarding forward-looking statements

This Prospectus may include forward-looking statements that reflect the Company's current views with respect to future events and anticipated financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" and, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. They may appear, among other areas, in Section 5 "Business and market overview" and may include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as

well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates, such as, but not limited to, statements relating to:

- the Group's strategy, outlook and growth prospects;
- the Group's operational and financial objectives, including statements relating to expectations for the financial outlook and statements as to the Company's medium or long-term growth, margin, and dividend policy;
- the competitive nature of the business in which the Group operates, the competitive pressure and competitive environment in general;
- the expected growth and other developments of the industries in which the Group operates;
- the Company's planned investments;
- the Company's liquidity, capital resources, capital expenditures, and access to funding; and
- economic, legal, social and political developments in the markets in which the Group operates.

4.4 Other Information

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**EUR**" are to the lawful currency of the EU, all reference to "**AUD**" are to the lawful currency of the Commonwealth of Australia, and all references to "**U.S. dollar**" or "**USD**" are to the lawful currency of the United States of America.

In this Prospectus, all references to "**EU**" are to the European Union and its member states as of the date of this Prospectus; all references to "**EEA**" are to the European Economic Area and its member states as of the date of this Prospectus; and all references to "**US**", "**U.S.**" or "United States" are to the United States of America.

5 THE GROUP AND THE BUSINESS IN WHICH IT OPERATES

5.1 Brief business overview

The Group is an owner and operator of combination carriers and operates mainly within the dry bulk shipping industry and the product tanker industry. Currently, the Group owns eight CABU vessels and eight CLEANBU vessels on water, in addition to three CABU vessels on order with expected deliveries in 2026. The CABUs are from 72,562 dwt to 80,345 dwt and have the capacity to transport caustic soda solution (CSS), floating fertilizer (UAN) and molasses as well as all types of dry bulk commodities. The CLEANBUs have around 82,500 dwt carrying capacity. The CLEANBUs are both full-fledged LR1 product tankers and Kamsarmax bulk carriers transporting clean petroleum products (CPP), heavy liquid cargoes such as CSS, UAN and molasses as well as all types of dry bulk products.

A dry bulk vessel typically loads cargo in a dry bulk exporting area and delivers the cargo in a dry bulk importing area, before the vessel sails empty (ballasts) back again to load dry bulk cargo. The same pattern goes for a product tanker vessel that transports wet products, e.g., clean petroleum products (CPP), into CPP importing areas. The result being that a standard vessel ballasts around 40-50 % of the time. The standard vessel is usually paid by the charterer for the bunker fuel consumed when ballasting into a loading port and the for the time spent in ballast (ballast compensation).

The Group seeks to optimize earnings through investing in and operating combination carriers that service both the dry bulk and product tanker markets. The main strategy is to switch consecutively between wet and dry bulk products and transport wet products into dry bulk exporting regions (and the other way around) and through this, have two paid legs (laden both ways) and hence a higher utilization of the vessels compared to standard vessels. In addition to having two paid legs, the combination carriers will as their competitors, the standard vessels, receive a ballast compensation. However, the combination carriers have minimum time spent in ballast and as both laden legs pay for the bunker fuel, this creates a favourable exposure to bunker prices and contribute to increasing the net earnings; i.e., higher bunker fuel prices have a positive impact on the Group's earnings.

While earnings for a standard dry bulk vessel is mainly impacted by the underlying dry bulk market and a tanker vessel, by the tanker market, the combination carriers are exposed to three markets: dry bulk, product tanker and bunker markets.

In addition, the CABUs have a higher CSS cargo intake than their main competitors, the MR tankers, and are hence able to give the customers a rebate on the extra volume lifted above a MR lot-size, incentivizing the customer to use the CABUs and increasing earnings for the CABUs. The CLEANBUs are 10% larger than a LR1 tanker and hence have a similar advantage.

The Group's intention is to own tonnage that targets to operate mainly under COAs in the wet product market for the CABUs and to a certain degree for the CLEANBUs and on a higher degree of spot basis in the dry bulk market, in order to give the COA customers a high degree of flexibility and reliability. In addition, the mix of COAs and spot creates a high degree of flexibility in optimizing the trading of the fleet. Furthermore, the COA portfolio usually secures a more stable cash flow as it is partly fixed rate. In addition, the Group might use derivatives, forward freight agreements (FFA), to hedge part of the freight exposure and use bunker derivatives to hedge part of the bunker exposure. The Group has an efficient set-up through services provided by Torvald Klaveness affiliated companies in addition to the current ten direct employees, including administrative services, commercial management, supervision and project management and technical management.

Further, the Group seeks an industrial approach whereby it invests when asset values are low as the premium paid for specialized vessels such as the combination carriers compared to standard vessels are much lower in weak shipbuilding markets than in strong shipbuilding markets. The strategy is to operate the vessels until they are recycled.

5.2 The fleet

Vessel	Type	Built	Yard	DWT	Flag
MV Barcarena	CABU	March 2001	Oshima, Japan	72 562	NIS
MV Banastar	CABU	October 2001	Oshima, Japan	72 562	MI
MV Bangor	CABU	October 2002	Oshima, Japan	72 562	NIS
MV Bantry	CABU	August 2005	Oshima, Japan	72 562	MI
MV Bakkedal	CABU	August 2007	Oshima, Japan	72 562	MI
MV Balboa	CABU	September 2016	Ouhua Zhejiang, China	80 345	NIS
MV Baffin	CABU	December 2016	Ouhua Zhejiang, China	80 235	MI
MV Ballard	CABU	May 2017	Ouhua Zhejiang, China	80 500	NIS
MV Baru	CLEANBU	January 2019	YZJ, China	82 425	MI
MV Barracuda	CLEANBU	July 2019	YZJ, China	82 396	MI
MV Barramundi	CLEANBU	September 2019	YZJ, China	82 447	MI
MV Baleen	CLEANBU	August 2020	YZJ, China	82 374	MI
MV Bangus	CLEANBU	October 2020	YZJ, China	82 389	MI
MV Baiacu	CLEANBU	January 2021	YZJ, China	82 397	MI
MV Bass	CLEANBU	March 2021	YZJ, China	82 383	MI
MV Balzani	CLEANBU	May 2021	YZJ, China	82 393	MI
Hull #1561	CABU	Est. March 2026	YZJ, China	83 300	MI
Hull #1562	CABU	Est. June 2026	YZJ, China	83 300	MI
Hull #1563	CABU	Est. September 2026	YZJ, China	83 300	MI

The fleet consists of eight CABU vessels and eight CLEANBU vessels on water. The eight CABUs and seven CLEANBUs are owned by KCC Shipowning AS (KCCS) while the remaining CLEANBU is owned by KCC Bass AS (KCCB).

All vessels owned by KCC Shipowning AS (KCCS) are employed on open rate time charter parties to KCC Chartering AS (KCCC). KCCC operates the CABU vessels as one fleet and the CLEANBU vessels as one fleet, optimizing the total earnings for the fleets and distributes earnings to the vessels once a month based on each vessel's Vessel Earning Points (VEP). The VEP is set once a year and is mainly based on fuel consumption, fuel prices, cargo intake, contract portfolio, trading pattern and rate levels. KCCC is the contracting party in all freight contracts and KCCC typically enters into short to long term contracts of affreightment (COA) for caustic soda (CSS) volumes and to a lesser degree dry bulk volumes and clean petroleum products (CPP), and in addition employs the vessels on a spot basis in the market. The tenor of the COA contracts at signing has historically been between one and eight years. As per end September 2023, the Company has four COA contracts beyond one year. The Company has one CSS contract with duration until December 2027, one COA contract for CPP with duration until December 2025 and two COA contracts for dry bulk shipments with duration respectively until December 2025 for both. In some cases, KCCC relets volumes on a voyage basis or hire in time charter vessels for up to six months to optimize trading and earnings.

The vessel owned by KCCB is employed on two-years time-charter contract until February 2025 as a product tanker.

The CABUs: The CABU vessels are from 72,562 dwt up to 80,300 dwt and have capacity to transport caustic soda solution (CSS), floating fertilizer (UAN) and molasses as well as all types of dry bulk commodities. Key trade lanes are caustic soda into Australia from the Middle East, Far East and the US Gulf and dry bulk products northbound. KCCC is the largest carrier of caustic soda into Australia. The CABUs are employed on both long- and short-term contracts of affreightment (COAs) as well as in the spot market. KCCC targets high contract coverage for caustic soda and has deliberately lower contract coverage in the dry-bulk market due to better access to spot dry cargoes and a need for flexibility in scheduling the vessels. KCCC co-operates closely with its customers, of which the three largest have been customers of Klaveness since before the first CABUs were delivered in 2001.

The CLEANBUs: The CLEANBU vessels are approximately 82,500 dwt and are full-fledged LR1 product tankers and Kamsarmax bulk carriers transporting clean petroleum products (CPP), heavy liquid cargoes such as CSS as well as all

types of dry bulk products. The CLEANBUs are based on the same logic as the CABUs, trading wet products, mainly CPP, into dry bulk export hubs and dry bulk products back to the CPP loading areas, securing high utilization of the vessels.

5.3 Material contracts outside the ordinary business of the Group

The Group has not entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Prospectus or any other contract entered into outside the ordinary course of business which contains any provision under which any member of the Group has any obligation or entitlement that is material to the Company's ability meet its obligations to security holders in respect of the securities being issued.

6 SELECTED FINANCIAL AND OTHER INFORMATION

6.1 Introduction, basis for preparation and consolidated historical financial information

The following presentation of financial information should be read in conjunction with the Group's consolidated financial statements for 2022 and 2021 and the notes thereto that have been incorporated into this Prospectus by way of reference (see Section 10.2 "Incorporation by reference"). The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as endorsed by the European Union.

The financial information should also be read in conjunction with the Group's unaudited interim financial statements for the six-month period ended 30 June 2023 with comparable figures for the same period in 2022, incorporated into this Prospectus by way of reference (see Section 10.2 "Incorporation by reference"), and prepared in accordance with IAS 34.

The merger of KCC ASA and KCC KBA AS (a 100% owned subsidiary) was registered 3 August 2022. The merger was carried out as KCC KBA AS had no remaining business activities. The merger has been treated in the accounts based on pooling of interest method due to business combination under common control, continuation as from 1 January 2022 and restatement of prior period (2021) to reflect as if the companies were combined as per beginning of the comparable period.

The Group's consolidated financial statements comprise KCC and all subsidiaries over which the Group has control. Control is normally obtained when the Group owns more than 50% of the shares in the company or through agreements, is capable of exercising control over the company. Non-controlling interests are included in the Group's equity.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and consolidation is continued until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same accounting period as the parent company, using consistent accounting principles for similar transactions and events under otherwise similar circumstances.

All intra-group balances, transactions, unrealized gains, and losses resulting from intra-group transactions and dividends are eliminated.

The consolidated financial statements are based on historical cost, except for derivative financial instruments which are measured at fair value. The consolidated financial statements are prepared under the going concern assumption.

6.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgements, please refer to note 1 of the Group's audited consolidated financial statements for 2022 (see Section 10.2 "Incorporation by reference").

6.3 Independent auditor and audit report

The Company's independent auditor is Ernst & Young AS (EY), with business registration number 976 389 387, and registered address at Stortorvet 7, 0155 Oslo. EY is a member of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants). EY has been the Company's auditor since incorporation in 2018.

The audit reports for the years ended 2022 and 2021, issued by independent auditors Ernst & Young AS, are enclosed to the financial statements for the years 2022 and 2021, incorporated into this Prospectus by reference (See Section 10.2 "Incorporation by reference").

6.4 Recent events since 31 December 2022

Except for the issuance of Bonds, as further described in Section 9 "Description of the Bonds", the following events have taken place since 31 December 2022:

- (i) On 16 February 2023, 5 May 2023 and 24 August 2023, the Company's Board of Directors declared to pay a cash dividend to the Company's shareholders of in total USD 51.8 million for fourth quarter 2022 and first and second quarter 2023 (USD 0.95 per share).
- (ii) In February 2023, a subsidiary of the Company (KCCC), entered into a three-years contract of affreightment with Raizen Trading SA for the shipment of liquid and dry products on its CLEANBU vessels. A two-years product tanker time-charter contract for one of the CLEANBU vessels was as well secured in February 2023.
- (iii) On 22 February 2023, the CEO of Klaveness Combination Carriers ASA, Engebret Dahm, exercised all his 38,580 options in the Company against cash settlement by the Company. The share options were granted in

December 2019 and were fully vested in December 2022. The amount payable per share from the Company was equal to NOK 81.0 per share (closed on 22 February 2023) less exercise price of NOK 32.8 per share (exercise price at grant date less dividends paid since grant date). The option settlement in cash of USD 0.2 million was recognized as payroll expenses in Q1 2023.

- (iv) In May 2023, the Company issued 7,857,143 new shares in a private placement, raising net proceeds of USD 48.7 million to part fund the three CABU newbuilds mentioned below. Furthermore, the Company expects to secure mortgage debt covering approx. 60% of delivered cost prior to the delivery of the vessels. The remaining investment will be funded through cash on balance sheet.
- (v) In June 2023, a subsidiary of the Company (KCCS), ordered three CABU newbuilds with expected delivery in Q1-Q3 2026. Delivered cost is estimated to be approximately USD 60 million per vessel. The first yard instalment of in total USD 17.2 million for the three CABU newbuilds was paid in July 2023.
- (vi) In June 2023, the Company refinanced two mortgage debt facilities financing six CLEANBU vessels into one new term loan and revolving credit facility of USD 190 million. The refinancing resulted in an increased available amount, including undrawn amounts under the revolving credit facility, of approximately USD 38 million.
- (vii) Hundred Roses Corporation exercised all its 14,020 warrants in August 2023. Exercise price adjusted for paid dividends was NOK 26.06 per share. In September 2023, Rederiaksjeselskapet Torvald Klaveness and EGD Shipholding AS exercised all of their warrants, 159,377 and 55,691 respectively. Exercise price adjusted for paid dividends was NOK 23.40 per share. There are no outstanding warrants after the exercise in September 2023.

Other than as set out above, there have been no recent events particular to the Company which to a material extent are relevant to an evaluation of the Company's solvency.

6.5 Trend information for the remainder of 2023

KCC's business is exposed to the development in three different markets: dry bulk, fuel and tanker.

Freight rates for product tankers have improved and are currently strong after a relatively weak period over the summer. The outlook for the remainder of the year is positive, with expectations for a seasonally strong fourth quarter. Solid oil products demand, notably in Asia, and persisting trade flow changes following the displacement of Russian exports drive tonne-mile demand.

A weaker than expected Chinese economic development hit the dry bulk market this summer and has lowered expectations for the dry bulk earnings for second half of 2023. Seasonal factors are likely to support a moderate dry bulk market recovery during the balance of 2023.

The CABU business will for the remaining of 2023 benefit from strong fixed-rate contract earnings under the caustic soda shipment contracts to Australia. After concluding an additional caustic soda freight contract for the second half of 2023, the full tanker capacity for the CABU fleet is fixed for the remaining of 2023.

6.6 Financing of the Group's activities

No debt facilities fall due in 2023, except for the 364-days overdraft facility which is extended once a year and that matures in December 2023. The first mortgage debt facility falls due in December 2026.

The Company issued a sustainability-linked unsecured bond loan of NOK 500 million (KCC05) in September 2023. Margin is NIBOR + 3.65%. As of the date of this Prospectus, NOK 508.5 million of the KCC04 bond that fall due in February 2025 has been repurchased, through net proceeds from the KCC05 bonds, and the remaining NOK 191.5 million will be repaid at the latest on the final maturity date in February 2025.

The accounts are reported under the assumption of a going concern. The Company considers its financial position at year-end 2022 and per end of Q2 2023 to be solid and the liquidity situation to be satisfactory. Current cash flow, existing, expected future and committed debt and liquidity position are considered sufficient to cover all approved investments.

6.7 Negative statements

To the Company's knowledge there has been no material adverse change in the prospects of the Company since the date of its last published audited financial statements.

Neither is the Company aware of any significant change in the financial performance of the Group since 31 December 2022, being the end of the last financial period for which financial information has been published, to 18 October 2023, being the date of this Prospectus.

Furthermore, and other than as described in this Section 6, there have been no significant changes in the financial position of the Group which has occurred since 30 June 2023.

7 BOARD OF DIRECTORS AND MANAGEMENT

7.1 Introduction

The General Meeting is the highest authority of the Company. All shareholders of the Company are entitled to attend and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Group is vested in the Board of Directors and the Group's Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Group's business, ensuring proper organisation, preparing plans for its activities, ensuring that the Group's activities, accounts and asset management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Board of Directors has one sub-committee; an audit committee. In addition, the Company has a nomination committee.

Management is responsible for the day-to-day management of the Group's operations in accordance with Norwegian law and instructions prepared by the Board of Directors. Among other responsibilities, the Group's chief executive officer (the "CEO") is responsible for keeping the Group's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Group's assets in a responsible manner. In addition, the CEO must, pursuant to Norwegian law, brief the Board of Directors about the Group's activities, financial position and operating results at least once per month.

7.2 The Board of Directors

7.2.1 Overview of the Board of Directors

The Articles of Association provide that the Board of Directors shall consist of a minimum of 3 and a maximum of 6 Board Members elected by the Company's shareholders. The names, positions and current terms of office of the Board Members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires
Ernst André Meyer	Chairperson	29 April 2022	AGM 2024
Gøran Andreassen	Board member	29 April 2022	AGM 2024
Magne Øvreås	Board member	30 April 2018	AGM 2024
Brita Eilertsen	Board member	29 April 2022	AGM 2024
Winifred Patricia Loum Johansen	Board member	26 April 2021	AGM 2025

The composition of the Board of Directors is in compliance with the independence requirements of the Corporate Governance Code (as defined below), meaning that (i) the majority of the shareholder elected members of the Board of Directors are independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder elected Board Members are independent of the Company's main shareholders (shareholders holding more than 10% of the shares of the Company), and (iii) no member of the Company's Management serves on the Board of Directors.

The Company's registered business address, Drammensveien 260, 0283 Oslo, Norway, serves as c/o address for the Board Members in relation to their directorship of the Company.

7.2.2 Brief biographies of the Board Members

Set out below are brief biographies of the Board Members, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a Board Member is or has been a member of the administrative management or supervisory bodies or partner in the five years dating back from the date of this Prospectus.

Ernst Meyer, Chairperson

Ernst Meyer, a Norwegian national, born 1969, is the CEO of Torvald Klaveness. He was appointed CEO in April 2022 after three years as COO of Torvald Klaveness and Managing Director of Klaveness Ship Management AS. Prior to joining Torvald Klaveness, Meyer worked 20 years for Det Norske Veritas (DNV) in various global and regional executive positions including North America and Asia Pacific. He started his career as a project engineer in Statoil Shipping/Navion.

Meyer holds a Master of Sciences in Naval Architecture and Marine Engineering from the Norwegian University of Science and Technology (NTNU).

Meyer holds 5,000 shares in the Company. He is the President and CEO of Rederiaksjeselskapet Torvald Klaveness, the majority owner of the Company (53.8 %) and he serves on the board of several Torvald Klaveness companies. Meyer was elected Chair of the Board of Directors in 2022 for two years.

Gøran Andreassen, Board member

Gøran Andreassen, a Norwegian national, born 1972, has more than 20 years of experience across private equity, investment banking and industry positions. He joined Torvald Klaveness in April 2021 as Chief Strategic Investment Officer of the company. Prior to joining Torvald Klaveness, he was Senior Partner in OMP Capital and Partner in HitecVision, where he served on the Board of multiple portfolio companies during his seven years with the firm. Previous positions include Partner with Clarksons Platou and various managerial and engineering roles in DNV and Aker Solutions.

Andreassen holds a M.Sc. in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU).

Andreassen holds 4,300 shares in the Company through GOM Invest AS. He is part of the executive management team of Torvald Klaveness, the majority owner of the Company. He was elected Board Member in 2022 for a two-year period.

Magne Øvreås, Board member

Magne Øvreås, a Norwegian national, born 1972, has 25 years' experience in the shipping and management consulting industries and he is currently CEO of EGD Shipholding AS. Prior to joining EGD Shipholding AS in 2015, Øvreås held the position as CEO of the chemical tanker owner Utkilen AS. He has as well 12 years' experience as management consultant in Cardo Partners and The Boston Consulting Group (Oslo, New York and Stockholm).

Øvreås has served on the Board of KCC since the inception of the Company in 2018 and is a member of the audit committee. He is also a Board Member of Norwegian Hull Club (Deputy Chair), Mohn Drilling AS and Norwegian Shipowners' Association (Group for Deep Sea).

Øvreås holds a Master of Science in Naval Architecture from NTNU, Trondheim and ENSTA, Paris.

Øvreås is CEO and holds a minority stake in the second largest shareholder of the Company, EGD Shipping Invest AS. EGD Shipping Invest AS owns 5,860,819 (9.69%) of the outstanding shares in the Company. He was re-elected as a Board Member in 2022 for two years.

Brita Eilertsen, Board member

Eilertsen, a Norwegian national, born 1962, has vast experience from investment banking and consulting institutions like SEB Enskilda, Orkla Finans and Touche Ross Management Consultants (today Deloitte).

She has held Board positions for several listed and private companies in different industries since 2005. Eilertsen currently holds Board positions for Novelda, Pareto Bank, Axactor, and C World Wide.

Eilertsen holds a degree (Siviløkonom) from the Norwegian School of Economics (NHH) and is a Certified Financial Analyst (CFA).

Eilertsen is independent from the Company's management, major shareholders and principal business associates. She was elected Board Member of the Company in 2022 for a two-year period, she is Chair of the audit committee. Eilertsen holds 2,000 shares in the Company through Ladessa AS.

Winifred Patricia Loum Johansen, Board Member

Winifred Patricia Johansen is a Norwegian citizen of Ugandan decent, born in 1977. Johansen is currently the SVP Commercial at Quantafuel ASA. She has more than two decades of industrial and commercial experience from the Subsea Oil and Gas sector with Aker Solutions and Nexans, Automotive with Volvo Car Corporation, and currently Circular Economy.

Johansen is the Chair of the Board of Quantafuel Skive ApS Denmark, the operational entity of Quantafuel. She serves as a Director of the Social Enterprise and Ethical Trade Auditing Consultancy, Partner Africa, and she is an Advisor to Antler, a global early-stage VC as well as the Chair of Ocean Oasis, a start-up working in desalination of sea water.

Johansen holds a M.Sc. in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU) and Politecnico di Milano, an MBA from the Robert Gordon University, Aberdeen and is currently an extramural doctorate researcher in transboundary crisis leadership at the University of Bradford.

Johansen is independent from the Company's management, major shareholders and principal business associates. She was re-elected Board Member of the Company in 2023 for a two-year period and owns/controls no shares in the Company.

7.3 Management

7.3.1 Overview

The Group presently have ten employees, including the CEO and CFO. Additional services are provided by personnel employed by Klaveness AS ("**KAS**"), Klaveness Ship Management AS ("**KSM**"), Klaveness Dry Bulk AS ("**KDB**") and Klaveness Asia Pte. Ltd.

The names of the members of Management as at the date of this Prospectus, and their respective positions, are presented in the table below:

Name	Current position within the group	Position since
Engebret Dahm	CEO	January 2015 ⁵
Liv Hege Dyrnes	CFO	February 2017 ⁶

The Company's registered business address, Drammensveien 260, 0283 Oslo, Norway, serves as c/o address for the members of the Management in relation to their employment with the Group.

7.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience, and indication of any significant principal activities performed by them outside the Company.

Engebret Dahm, CEO

Engebret Dahm, a Norwegian national, born 1965, has more than 30 years' experience in the shipping and finance industries. Dahm was appointed CEO of Klaveness Combination Carriers ASA in 2018 and before that he held the position as Head of Combination Carriers in Torvald Klaveness. Prior to that he was the CEO of Norwegian Car Carriers AS and he worked in the period 1998-2000 for Crédit Agricole CIB in Paris. In the period 1990-1998 and 2000-2006, he had various positions in Torvald Klaveness, amongst others as Head of Klaveness' transloader and beltunloader business.

He holds a degree in business from the Norwegian School of Economics (NHH) and is Chair of Oslo Shipowners' Association.

Dahm has 30,532 shares in the Company through E Dahm Invest AS. He holds options to subscribe to 30,000 shares under the Company's long-term incentive program.

Liv Hege Dyrnes, CFO

Liv Dyrnes, a Norwegian national, born 1980, has been the CFO of Klaveness Combination Carriers ASA since the inception in 2018. She was appointed CFO of Torvald Klaveness in 2017 after 8 years in the company. Prior to joining Klaveness, she worked in the Shipping, Offshore and Logistics unit in DNB Bank.

⁵ Engebret Dahm was appointed CEO of the Company in 2018. Before that he held the position as Head of Combination Carriers in Torvald Klaveness.

⁶ Liv Hege Dyrnes was appointed CFO of the Company in 2018. Before that she held the position as CFO of Torvald Klaveness.

Dyrnes is a Board Member of Airthings ASA and Cytovation ASA. She is a member of the Norwegian Shipowners' Association Committee for Capital and Tax.

She holds a Master of Science in Finance from the Norwegian School of Economics (NHH).

Dyrnes has 6,500 shares in the Company.

7.4 Conflict of interests etc.

During the last five years preceding the date of this Prospectus, none of the Board Members or the members of the Management has, or had, as applicable:

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

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the members of the Management or the Board of Directors, including any family relationships between such persons.

8 INFORMATION ABOUT THE COMPANY AND THE GROUP

8.1 Company corporate information

The Company's registered and commercial name is Klaveness Combination Carriers ASA. The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company's registered office is in the municipality of Oslo, Norway. The Company was incorporated in Norway on 23 March 2018 as a private limited liability company and was converted to a public limited liability company on 25 March 2019 and changed its name from Klaveness Combination Carriers AS to Klaveness Combination Carriers ASA at the same time. The Company's registration number in the Norwegian Register of Business Enterprises is 920 662 838 and its LEI code is 213800ZFB2MQM3JA6K52. The Company's shares were listed on Oslo Stock Exchange on 21 December 2021 and is registered under the ticker "KCC" (which is also used as a commercial name).

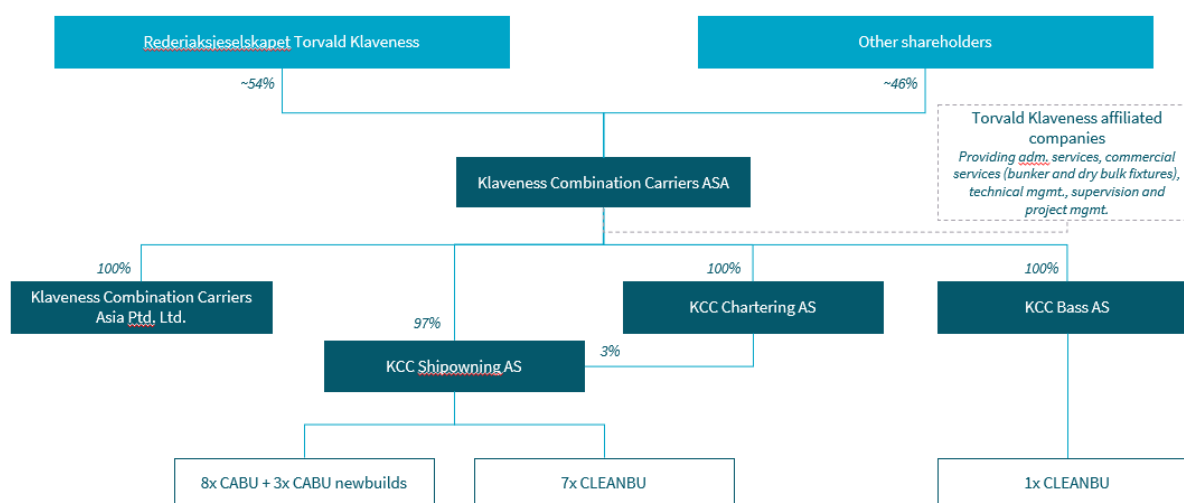
The shares in the Company are registered in book-entry form with the VPS under ISIN NO 001 0833262. The Company's register of shareholders in the VPS is administrated by DNB Bank ASA (the "**VPS Registrar**"). The Company's shares were listed on Oslo Axess on 22 May 2019 and subsequently transferred to Oslo Stock Exchange through a direct listing on 21 December 2021.

The Company's registered office is located at Drammensveien 260, 0283 Oslo, Norway and the Company's main telephone number at that address is +47 22 52 60 00. The Company's website can be found at www.combinationcarriers.com. However, the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

8.2 Group structure

Klaveness Combination Carriers ASA is the parent company of the Group and has as of the date of this Prospectus four directly owned subsidiaries, namely KCC Shipowning AS (KCCS) established in 1992, KCC Chartering AS (KCCC) established in 2002, Klaveness Combination Carriers Asia Pte. Ltd (KCCA) established in 2021, and KCC Bass AS established in 2023 (KCCB). KCCS, KCCC and KCCB are incorporated in Norway. KCCA is incorporated in Singapore.

Figure 2: Group structure chart as of the date of this Prospectus



The Company (Klaveness Combination Carriers ASA), is the parent company of the Group. Below is a description of the companies in which the Company has ownership interest.

KCC Shipowning AS (KCCS): KCCS is owned 97% directly by KCC and 3% through KCCC. Presently, KCCS owns eight CABU vessels and seven CLEANBU vessels, along with three CABU newbuilds on order. KCCS is incorporated in Norway with the registration number 963 109 288.

KCC Bass AS (KCCB): KCCB is a wholly-owned subsidiary of the Company. KCCB owns one CLEANBU vessel. KCCB is incorporated in Norway with the registration number 930 819 638.

KCC Chartering AS (KCCC): KCCC is a wholly-owned subsidiary of the Company. KCCC employs all CABU vessels and CLEANBU vessels, acts as the counterparty in all freight contracts for the CABU fleet and on this basis distributes all net

earnings to the KCCS CABU vessels as time charter hire. KCCC is incorporated in Norway with the registration number 984 094 280.

Klaveness Combination Carriers Asia Pte. Ltd. (KCCA): KCCA is a wholly-owned subsidiary of the Company. The company currently has two employees. KCCA is incorporated in Singapore with the registration number 202110164E.

8.3 Major shareholders

As registered in the VPS as of 13 October 2023, the Company has a total of 3,053 registered shareholders. The Company's largest shareholder is Rederiselskapet Torvald Klaveness AS, holding approximately 53.82 % of the issued shares.

The top 20 registered shareholders with the largest shareholdings as registered in the VPS as per 13 October 2023 are listed below:

#	Name of shareholder	Number of Shares	%
1	Rederiselskapet Torvald Klaveness	32,537,608	53.82
2	EGD Shipping Invest AS	5,860,819	9.69
3	Goldman Sachs & Co. LLC	2,498,001	4.13
4	Hundred Roses Corporation	2,364,698	3.91
5	J.P Morgan SE	1,426,693	2.36
6	Verdipapirfondet Nordea Norge Verdi	980,137	1.62
7	Spesialfondet KLP Alfa Global Energi	636,388	1.05
8	Verdipapirfondet Nordea Avkastning	540,766	0.89
9	Verdipapirfondet KLP Aksjenorge	537,500	0.89
10	T.D. Veen AS	510,000	0.84
11	Surfside Holding AS	500,000	0.83
12	Hausta Investor AS	498,500	0.82
13	Verdipapirfondet Nordea Norge Plus	287,642	0.48
14	Six Sis AG	262,594	0.43
15	VPF SpareBank 1 Norge Verdi	247,617	0.41
16	Verdipapirfondet Nordea Kapital	246,992	0.41
17	Fraternitas A/S	222,594	0.37
19	Ludvig Lorentzen AS	213,348	0.35
18	Cortex AS	200,000	0.33
20	Verdipapirfondet Equinor Aksjer No	195,000	0.32
	Total top 20 shareholders:	50,766,897	83.97
	Other:	9,691,334	16.03
	Total shareholders:	60,458,231	100.00

Shareholders owning 5 % or more of the shares have an interest in the Company's share capital which is noticeable pursuant to the Norwegian Securities Trading Act.

As of the date of this Prospectus, the following shareholders are registered in the VPS as owning more than 5 % of the shares in the Company: Rederiaksjeselskapet Torvald Klaveness, EGD Shipping Invest AS and Nordea Funds Ltd⁷. The Company is not aware of any other shareholders or consolidated groups of shareholders owning more than 5 % of the shares. To the extent known to the Company, there are no single persons or entities other than Rederiaksjeselskapet Torvald Klaveness that, directly or indirectly, exercise or could exercise control over the Company. As such, Rederiaksjeselskapet Torvald Klaveness may therefore exercise significant influence over the Company's resolutions at General Meetings. The Company has not implemented any specific measures to ensure that such control is not abused.

The Company is not aware of any arrangements the operations of which may at a subsequent date result in change of control of the Company. The shares have not been subject to any public takeover bids.

8.4 Regulatory disclosures over the last 12 months

The following section includes a summary of regulatory disclosures made by the Company pursuant to, inter alia, Regulation 596/2014 (Market Abuse Regulation) over the last 12 months which are relevant at the date of this

⁷ Consolidated ownership through several funds, including Verdipapirfondet Nordea Norge Verdi, Verdipapirfondet Nordea Avkastning, Verdipapirfondet Nordea Norge Plus, and Verdipapirfondet Nordea Kapital.

Prospectus. Disclosures relating to financial reports, as well as notice of general meetings and minutes from general meetings has not been included below.

The relevant disclosures have been divided into the following categories; (i) disclosures relating to financing and (ii) disclosures relating to contracts and acquisitions.

Disclosures of insider information relating to financing:

Date:	Disclosure:	NewsWeb link:
23.05.2023	Private placement of 7,857,143 new shares at a subscription price of NOK 70 per share, raising gross proceeds of NOK 550 million or approximately USD 50 million.	https://newsweb.oslobors.no/message/591395

Disclosures of insider information relating to major acquisitions:

Date:	Disclosure:	NewsWeb link:
23.05.2023	Letter of intent to acquire three CABU newbuilds and a contemplated private placement with gross proceeds of NOK equivalent of approximately USD 50 million by issuing new shares to partly fund the equity component of the delivered cost of the tree CABU newbuilds.	https://newsweb.oslobors.no/message/591360

8.5 Legal proceedings

The Group companies may, from time to time, be involved in litigation, disputes and other legal proceedings arising in the normal course of their business.

Neither the Company nor any other company in the Group is, nor has been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months from the date of this Prospectus which may have, or have had in the recent past, significant effects on the issuer and/or group's financial position or profitability.

9 DESCRIPTION OF THE BONDS

9.1 The Terms and Details of the Bonds

The Bond Issue is governed by the Norwegian law bond agreement entered into on 7 February 2020 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders (the "**Bond Trustee**"). A copy of the Bond Terms is attached to this Prospectus as Appendix B.

In this Section 9.1 "*The terms and details of the Bonds*" capitalised terms used and not defined herein shall have the same meaning as in the Bond Terms.

ISIN:	NO 0013008656.
The Bond Issue:	Klaveness Combination Carriers ASA FRN Senior Unsecured Sustainability-Linked Callable Bond Issue 2023/2028.
Issuer:	Klaveness Combination Carriers ASA, reg. no. 920 662 838 (Norway).
Status of the Bonds and Security:	The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). The Bonds are unsecured.
Date of Bond Agreement:	Originally dated 1 September 2023.
Maximum loan amount:	NOK 1,000,000,000.
Outstanding loan amount:	NOK 500,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (Tap Issues) are met, at one or more occasions issue Additional Bonds (each a " Tap Issue ") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in the Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount.
Initial nominal value of each Bond:	NOK 500,000.
Bond Currency:	Norwegian Kroner (NOK), being the legal currency of Norway.
Issue price:	The issue price corresponds to 100 per cent of the nominal amount of each Bond.
Securities form:	The Bonds are electronically registered in dematerialised form with VPS.
Issue Date:	5 September 2023.
Interest bearing from and including:	Issue Date
Interest bearing until:	Maturity Date.
Maturity Date:	5 September 2028, adjusted according to the Business Day Convention.
Details of the arrangements for the amortisation of the loan:	The Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to: a) 100 per cent. of the Nominal Amount, if no Trigger Event has occurred,

- b) 101.50 per cent. of the Nominal Amount, in case a Trigger Event has occurred.

A Trigger Event is deemed to have occurred if:

- a) the KPI Performance of the Group fails to meet the Sustainability Performance Target for 2027 as of the Target Observation Date;
- b) the Issuer has failed to provide and made public annual Sustainability-Linked Finance Progress Reports within 120 calendar days after the end of each financial year; or
- c) any KPI Performance included in the Sustainability-Linked Finance Progress Report published by the Issuer in accordance with paragraph (a) and (b) above has not been subject to Verification.

"Sustainability Performance Target" or **"SPT"** means the Group's sustainability performance target as set out in the *"Interim SPT: reduction in % vs 2018"* in Attachment 2 to the Bond Terms, being the Group's targeted reduction in carbon intensity from its operated fleet compared to the 2018 baseline, as calculated by the KPI.

"KPI" means the average carbon intensity for the operated fleet for a given time period, measured by EEOI.

"EEOI" means grams CO2 emitted per metric ton of transported cargo per nautical mile for a period of time.

In line with the IMO's Guidelines for voluntary use of the ship Energy Efficiency Operational Indicator (EEOI) from August 2009, the Issuer uses the following formula for calculating average fleet EEOI:

The EEOI shall be computed on a last twelve months ("**LTM**") basis and shall apply to the full operated fleet, including all owned and long-term financed vessels. Both CO2 emissions from fuel consumption at sea and in port are included.

$$\text{Average EEOI} = \frac{\sum_i \sum_j (FC_{ij} \times C_{Fj})}{\sum_i (m_{\text{cargo},i} \times D_i)}$$

Where,

- a) i is the voyage number;
- b) j is the fuel type;
- c) FCij is the mass of consumed fuel j on voyage i;
- d) CFj is the fuel mass to CO2 mass conversion factor for fuel j;
- e) mcargo,i is cargo carried on voyage i (metric tons); and
- f) Di is the distance in nautical miles corresponding to the cargo carried on voyage i.

	<p>The EEOI of the full operated fleet is calculated as the sum of CO2 emissions from all vessels and all voyages in a given year ($FC_{ij} \times CF_j$) divided by the total transport work performed by all vessels during all voyages in a given year ($m_{cargo,i} \times D_i$).</p> <p>The EEOI data set will to the extent possible be the same as used for IMO DCS reporting, but also including actual carried cargo, distance sailed with the various amount of cargo and the resulting transport work.</p> <p>"Sustainability-Linked Finance Progress Report" means the Issuer's status report, either as a separate document or as part of other company reports, including the KPI Performance for the relevant calendar year and all relevant information needed to assess the KPI Performance compared to the applicable Sustainability Performance Target.</p> <p>"KPI Performance" means the actual percentage reduction in EEOI for any calendar year relative to the base year 2018 (as set out in the <i>"Interim SPT: reduction in % vs 2018"</i> in Attachment 2 to the Bond Terms, as reported in the Sustainability-Linked Finance Progress Report and subject to and as confirmed by the Verification.</p> <p>"Verification" means, for any relevant period, any verification by the External Reviewer of the KPI Performance and compare this to the relevant Sustainability Performance Target.</p> <p>"External Reviewer" means an external and independent qualified reviewer with relevant expertise appointed by the Issuer in accordance with the International Capital Markets Association (ICMA) 2022 Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews.</p>
Interest Rate:	The percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.
Margin:	3.65 per cent.
Reference Rate:	<p>Means NIBOR (Norwegian Interbank Offered Rate) being;</p> <p>(a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or</p> <p>(b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:</p> <p>(i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or</p> <p>(ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or</p> <p>(c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:</p> <p>(i) any relevant replacement reference rate generally accepted in the market; or</p> <p>(ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.</p> <p>In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.</p>

<p>NIBOR:</p>	<p>(Norwegian Interbank Offered Rate) being the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day,</p> <p>however, so that</p> <p>(i) if no screen rate is available for the relevant Interest Period:</p> <ul style="list-style-type: none"> a) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted as determined above; or b) a rate for deposits in the currency of the Bonds for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or <p>(ii) if NIBOR is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:</p> <ul style="list-style-type: none"> a) any relevant replacement reference rate generally accepted in the market; or b) such interest rate that best reflects the interest rate for deposits in the currency of the Bonds offered for the relevant Interest Period. <p>In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.</p> <p>For non-professional users, published rates (with delayed data) and monthly statistics (with averages and end of month data) are available free of charge at https://nore-benchmarks.com/about-nibor/nibor-data/ upon registration.</p>
<p>Current coupon rate (as at the date of this Prospectus):</p>	<p>Margin + Reference Rate, currently being 8.36 per cent.</p>
<p>Yield:</p>	<p>The below calculation sets out the annual return on the nominal value of each Bond (assuming a par value of 100 per Bond) based on the current coupon rate.</p> <p>Current coupon rate (8.36 per cent) multiplied with the nominal value of a Bond (NOK 500,000 (assuming 100% of par value of a Bond)) equals NOK 41,800.</p>
<p>Interest Payment Dates:</p>	<p>5 March, 5 June, 5 September and 5 December each year. Any adjustment will be made according to the Business Day Convention.</p>
<p>First Interest Payment Date:</p>	<p>5 December 2023</p>
<p>Calculation and payment of interest:</p>	<p>Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee.</p> <p>Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>
<p>Interest Quotation Date:</p>	<p>Means, in relation to any period for which Coupon Rate is to be determined, 2 quotation Business Days before the first day of the relevant Interest Period.</p>

Quotation Business Day:	A day on which Norges Bank's settlement system is open.
Business Day Convention:	If the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day.
Time limit on the validity of claims relating to interest and repayment of principal:	Claims to interest and principal shall be subject to the time-bar provisions of the Norwegian Limitations Act of 18 May 1979 no. 18, p.t. 3 years for interest rates and 10 years for principal.
Call Option:	<p>(a) The Issuer may redeem all or part of the Outstanding Bonds (the "Call Option") on any Business Day from and including:</p> <p>(i) the First Call Date to, but not including, the Interest Payment Date in September 2027 at a price equal to 101.37 per cent. of the Nominal Amount for each redeemed Bond;</p> <p>(ii) the Interest Payment Date in September 2027 to, but not including, the Interest Payment Date in March 2028 at a price equal to 100.91 per cent. of the Nominal Amount for each redeemed Bond; and</p> <p>(iii) the Interest Payment Date in March 2028 to, but not including, the Maturity Date at a price equal to 100.50 per cent. of the Nominal Amount for each redeemed Bond.</p> <p>(b) The Issuer shall deliver written evidence (to the Bond Trustee's satisfaction) that the KPI Performance in the calendar year preceding the calendar year of the proposed Call Option Repayment Date meets the SPT for the corresponding calendar year. Such written evidence shall be delivered within 10 Business Days (together with the written Call Option exercise notice referred to below) prior to the applicable Call Option Repayment Date and shall be subject to and confirmed by the Verification. If the Issuer does not deliver such evidence, then the Call Option redemption prices in paragraph (a) item (i) – (iii) shall be increased by an amount equal to 1.5 per cent. of the Nominal Amount of Bonds redeemed pursuant to the Call Option.</p> <p>(c) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.</p> <p>(d) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable, but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than 3 Business Days Prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void. Further, the notice sent by the Issuer shall specify the Call Option Repayment Date.</p> <p>(e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.</p>
Put Option:	<p>(a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.</p> <p>(b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to the Bond Agreement's Clause 12.4 (Put Option Event). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the</p>

	<p>settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.</p> <p>(d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to the Bond Agreement's Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p>
Put Option Event:	A Change of Control Event.
Change of Control Event:	<p>(a) if Mr Trond Harald Klaveness and/or any of his heirs, successors or assigns (the "Klaveness Family"), ceases to own and control (directly or indirectly) at least 1/3 of the shares in the Issuer; or</p> <p>(b) if any person or group of persons acting in concert, other than the Klaveness Family, gaining Decisive Influence over the Issuer.</p>
Covenants:	General and financial covenants apply to the Issuer. See Section 12 and 13 of the Bond Agreement for more information.
Listing:	The Bonds shall be listed on the Oslo Stock Exchange (Oslo Børs) within 6 months of the Issue Date (the " Listing Deadline ") and thereafter remain listed on an Exchange until the Bonds have been redeemed in full; and any Temporary Bonds shall be listed on an Exchange where the other Bonds are listed within 6 months of the issue date for such Temporary Bonds.
Use of proceeds:	The Issuer has used the net proceeds from the Initial Bond Issue for repurchase of bonds under the Existing Bond Issue.
Existing Bond Issue	Means the existing NOK 700,000,000 Senior Unsecured Bond Issue 2020/2025 with ISIN NO 0010874530.
Bond Terms:	<p>The Bond Terms has been entered into by the Issuer and the Bond Trustee. The Bondholders shall be bound by the terms and conditions of these Bond Terms and any other Finance Document without any further action or formality being required to be taken or satisfied.</p> <p>The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.</p>
Finance Documents:	(i) the Bond Terms, (ii) the Bond Trustee Fee Agreement and (iii) any other document designated by the Issuer and the Bond Trustee as a Finance Document.
Bondholders' Meeting:	<p>Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. the Bond Agreement's Clause 3.3 (<i>Bondholders' rights</i>). The Issuer's Bonds shall not carry any voting rights.</p> <p>At least 50 % of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.</p> <p>Resolutions shall be passed with a simple majority of the votes represented at the Bondholders' Meeting, except as set forth below.</p> <p>In the following matter, approval of at least 2/3 of the votes represented at the Bondholders' Meeting is required: approval of any waiver or amendment of any</p>

	<p>provision of the Bond Agreement, including a change of Issuer and change of Bond Trustee.</p> <p>For further details of the Bondholders' Meeting's authority, procedures, voting rules and written resolutions, see Clause 15 of the Bond Agreement.</p>
Bond Trustee:	Nordic Trustee AS, Norwegian registration number 963 342 624, P.O. Box 1470 Vika, N-0116 Oslo, Norway.
Managers for the Bond Issue:	<p>Danske Bank, Norwegian Branch, Bryggetorget 4, 0250 Oslo, Norway,</p> <p>Nordea Bank Abp, filial i Norge, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway,</p> <p>Pareto Securities AS, Dronning Mauds gt.3, Pb 1411 Vika, 0115 Oslo, Norway, and</p> <p>Skandinaviska Enskilda Banken AB (publ), Filipstad Brygge 1, 0252 Oslo, Norway.</p>
Paying Agent:	DNB Bank ASA.
Transfer of Bonds:	<p>The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion (including with respect to Bonds purchased pursuant to the Bond Agreement's Clause 10.3 (<i>Mandatory repurchase due to a Put Option Event</i>)).</p> <p>Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to the Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p>
Legislation under which the Bonds have been created:	Norwegian law.
Fees and expenses:	Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.

9.2 Advisors

Advokatfirmaet Schjødt AS is acting as legal adviser to the Company in relation to the Listing (the "**Legal Advisor**").

Danske Bank, Norwegian Branch, Nordea Bank Abp, Norwegian Branch, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ) acted as managers in relation to the Bond issue (the "**Managers**").

9.3 Listing and net proceeds

The Company will apply for a listing of the Bonds on the Oslo Stock Exchange as soon as possible after this Prospectus has been approved by the NFSA and trading is expected to commence on or about 20 October 2023 with ISIN NO 0013008656 under the ticker code "KCC05". The Bonds are not listed on any other regulated market. From before, the Company has Bonds listed on Oslo Stock Exchange under "Klaveness Combination Carrier ASA 20/25 FRN Floor C" with ticker KCC04 and ISIN NO 0010874530.

The total estimated costs of the Company in connection with the issuance of the Bonds were approximately NOK 8.7 million (incl. VAT). The Company had a total estimated amount of expenses of NOK in The Company's expenses in relation to the Bond Issue can be broken down as follows:

Item	Expenses NOK
Managers	7 500 000
Legal fee	400 000
The Norwegian FSA	77 000
Sustainability linked financing framework preparation and 2nd party opinion	530 000
Nordic trustee, annual fee	140 000
Oslo Børs	24 000
Total estimated cost	8 671 000

The net proceeds from the Bond issue were approximately NOK 491.3 million. The Company has used the net proceeds from the initial issuance of Bonds for repurchase of bonds in the Company's existing NOK 700,000,000 Senior Unsecured Bond Issue 2020/2025 with ISIN NO 0010874530 and ticker KCC04.

9.4 Interest of natural and legal persons involved in the Bond Issue

The Managers or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. Furthermore, the Managers have received fees in connection with the Bond Issue and, as such, have an interest in the Bond Issue.

9.5 Reasons for the application for the admission to trading

This Prospectus is being produced in connection with the Company's application for the admission to trading of the Bonds on Oslo Stock Exchange.

Pursuant to the Bond Terms the Company shall, within 6 months of the Issue Date of the Bonds, apply for the Bonds to be listed on Oslo Stock Exchange.

The application for admission to trading is put forward by the Company to satisfy the conditions of the Bond Terms.

9.6 Approval of the Prospectus and other relevant information

This Prospectus was approved by the NFSA on 18 October 2023, as competent authority under the EU Prospectus Regulation. The NFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the EU Prospectus Regulation. Investors should make their own assessment as to the suitability of investing in the securities.

The NFSA has not checked or approved the accuracy or completeness of the information included in this Prospectus. The approval by the NFSA only relates to the information included in accordance with pre-defined disclosure requirements. The NFSA has not conducted any form of review or approval relating to corporate matters described in or referred to in this Prospectus.

9.7 Authorisation to issue the Bonds

The Bonds were issued pursuant to a resolution by the Company's Board of Directors on 30 August 2023.

9.8 Norwegian Tax Considerations

9.8.1 General

The following information is a general overview of certain Norwegian tax rules relevant for holders of Bonds that are tax residents in Norway (in this Section 9.8 referred to as the "**Norwegian Bondholders**") and certain considerations related to Norwegian withholding tax on interest payments. The summary is based upon the laws of Norway as it is interpreted and practiced as of the date of this Prospectus. Such rules, laws, and regulations may be subject to changes after this date, possibly on a retroactive basis. The summary does not address foreign (i.e. non-Norwegian) tax laws.

The summary is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors should consult their own professional advisers as to the effects of state, local or foreign laws, including Norwegian tax law, to which they may be subject.

Bondholders resident outside of Norway, who are not subject to withholding tax, will not be tax liable in Norway on interests or capital gains derived from the Bonds unless the Bonds are connected to a Bondholder's permanent establishment in Norway. The Norwegian tax rules applicable to income deriving from such Bonds, held through a Norwegian permanent establishment, are generally the same as those set out for Norwegian Bondholders below. The mere holding of Bonds should not in itself create a permanent establishment in Norway.

Special rules apply for Norwegian Bondholders that cease to be tax residents in Norway or for some reason are no longer considered liable to taxation in Norway in relation to their Bonds. Such Bondholders are encouraged to consult their own tax advisors.

The overview below is based on the assumption that the Bonds are classified as debentures (Norwegian: *Mengdegjeldsbrev*) for Norwegian tax purposes.

9.8.2 *Interest payments on Bonds*

Norwegian Bondholders are taxable in Norway for interest payments received on the Bonds as ordinary income. The Norwegian tax rate on ordinary income is 22 per cent, or 25 per cent for financial institutions subject to Norwegian Financial Tax (Norwegian: *Finansskatt*). Interest is subject to Norwegian income tax in the year of accrual.

For Norwegian Bondholders holding Bonds issued at a discount (compared to the nominal value), the discount will for tax purposes be considered to be interest, and taxed when the Bond is realised.

9.8.3 *Redemption and realisation of Bonds*

Norwegian Bondholders are taxable in Norway for capital gains on the redemption or realisation of Bonds and have a corresponding right to tax deductions for losses that arise on such redemption or realisation.

The tax liability applies irrespective of how long the Bonds have been owned and the number of Bonds that have been redeemed or realised. Gains are taxable as ordinary income, and losses can be deducted from ordinary income, in the year of redemption/realisation. The Norwegian tax rate on ordinary income is 22 per cent, or 25 per cent for financial institutions subject to Norwegian Financial Tax.

Gains or losses are calculated per Bond, and will equal the difference between the consideration received on the redemption or realisation of the Bond and the cost price of the Bond. Costs incurred in connection with the acquisition, redemption or realisation of Bonds may be deducted in the calculation of the taxable gain/loss in the year of redemption/realisation.

9.8.4 *Net wealth tax*

Corporations and similar entities are not subject to net wealth tax in Norway.

Norwegian Bondholders, who are physical persons, are subject to net wealth taxation in Norway on net (taxable) wealth exceeding NOK 1,700,000. The net wealth tax rate is currently 1.0 per cent on amounts between NOK 1,700,000 and NOK 20,000,000, and 1.1 per cent on wealth exceeding NOK 20,000,000.

For Bonds listed on Oslo Stock Exchange, the tax value for assessment purposes is the listed value as of 1 January in the year of the assessment. Unlisted Bonds are generally valued at the market value by the end of the income year.

9.8.5 *Withholding tax*

Interest payments to related parties (ownership of 50 per cent or more), that are resident in low tax jurisdictions, are subject to withholding tax of 15 %.

Norway has entered into a number of international treaties for the avoidance of double taxation. Under several of these treaties, Norway has given up its right to impose withholding tax on interests. It is expected that Norway will try to renegotiate these treaties in light of the introduction of withholding tax on interest payments, but it is expected that this process will take some time.

9.8.6 *Transfer tax, VAT etc.*

There are no transfer taxes, stamp duty, or similar charges currently imposed in Norway on the acquisition, redemption, or realisation of Bonds. Further, there is no VAT on the transfer of Bonds.

9.8.7 *Inheritance tax*

Norway does not impose inheritance tax or similar tax on inheritance or gifts. However, an heir or a recipient of gifts who has received Bonds will acquire the donor's tax input value on the Bonds based on principles of continuity. Thus, the heir/recipient will be liable to taxation for any increase in value in the donor's time of ownership. The gain will be taxable at the time of the heir's/recipient's realisation of the Bonds.

9.9 Tax Warning

Potential investors should be aware that changes in the tax legislation of the investors' and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. There can be changes in the applicable tax legislation, increased taxation by national, local or foreign authorities, new or modified taxation rules and requirements, including requirements relating to the timing of any tax payments, which may have an impact on the on the income received from the Bonds.

9.10 Credit Rating

There are no credit ratings assigned to the Company at the request or with the cooperation of the Company in the rating process.

10 ADDITIONAL INFORMATION

10.1 Documents on display

The following documents will be available for inspection at www.combinationcarriers.com and at the Company's offices at Drammensveien 260, 0283 Oslo, Norway, during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- the Company's certificate of incorporation and Articles of Association;
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in this Prospectus;
- this Prospectus.

10.2 Incorporation by reference

The information incorporated by reference in this Prospectus shall be read in connection with the cross-reference list as set out in the table below. Except as provided in this Section, no other information is incorporated by reference into this Prospectus.

Section in the Prospectus	Disclosure requirements of the Prospectus	Reference document and link	Page (P) in reference document
Section 6	Audited financial statements	<p>The Group's audited consolidated financial statements for the year ended 31 December 2022:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/Annual+Report+2022.pdf</p> <p>The Group's audited consolidated financial statements for the year ended 31 December 2021:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/KCC%20Annual%20Report%202021.pdf</p>	<p>P. 13-31</p> <p>P. 10-28</p>
Section 6	Unaudited interim financial statements	<p>The Group's unaudited interim financial statements as per 30 June 2023:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/KCC%202023%20Q2%20Report.pdf</p>	P. 9-26
Section 6	Audit report	<p>The audit report for the financial years ended 31 December 2022:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/Annual+Report+2022.pdf</p> <p>The audit report for the financial years ended 31 December 2021:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/KCC%20Annual%20Report%202021.pdf</p>	<p>P. 40-42</p> <p>P. 36-38</p>
Section 6	Accounting principles	<p>Accounting principles:</p> <p>https://5479070.fs1.hubspotusercontent-na1.net/hubfs/5479070/KCC%20Reports%20and%20Presentations/Annual+Report+2022.pdf</p>	P. 17-39 (The Group has early adopted amendments to IAS 1 and IFRS Practice Statement 2 regarding disclosure of material accounting policy information instead of

			significant accounting policies)
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11 DEFINITIONS AND GLOSSARY

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

Articles of Association	The Company’s articles of association.
AUD.....	Australian dollar, the lawful currency of the Commonwealth of Australia.
BAF	Bunker adjustment factors.
Board of Directors	The board of directors of the Company.
Board Members.....	The members of the Board of Directors.
Bonds	The Klaveness Combination Carriers ASA senior unsecured sustainability-linked callable NOK 500,000,000 bonds 2023/2028 with ISIN NO 0013008656.
Bond Agreement	Bond agreement dated 1 September 2023 between the Company and Nordic Trustee AS.
Bond Terms	The Norwegian law bond terms entered into on 1 September 2023 between the Company as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders, attached to this Prospectus as Appendix B.
Bond Trustee	Nordic Trustee AS.
CABU.....	Caustic soda – bulk carrier.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
CLEANBU.....	Clean petroleum product – bulk carrier.
COA.....	Contract of affreightment.
Company or Issuer	Klaveness Combination Carriers ASA.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance, dated 14 October 2021.
CPP	Clean Petroleum Products.
CSS.....	Caustic Soda Solution.
Dwt, or dwt	Deadweight tonnage, the global metric referring to the carrying capacity of a vessel.
EEA	The European Economic Area.
EEOI.....	Grams CO2 emitted per metric ton of transported cargo per nautical mile for a period of time.

In line with the IMO’s Guidelines for voluntary use of the ship Energy Efficiency Operational Indicator (EEOI) from August 2009, the Company uses the following formula for calculating average fleet EEOI:

$$\text{Average EEOI} = \frac{\sum_i \sum_j (FC_{ij} \times C_{Fj})}{\sum_i (m_{\text{cargo},i} \times D_i)}$$

The EEOI shall be computed on a last twelve months basis and shall apply to the full operated fleet, including all owned and long-term financed vessels. Both CO2 emissions from fuel consumption at sea and in port are included.

Where,

- a. i is the voyage number;
- b. j is the fuel type;
- c. FCij is the mass of consumed fuel j on voyage i;
- d. CFj is the fuel mass to CO2 mass conversion factor for fuel j;
- e. mcargo,i is cargo carried on voyage i (metric tons); and
- f. Di is the distance in nautical miles corresponding to the cargo carried on voyage i.

The EEOI of the full operated fleet is calculated as the sum of CO2 emissions from all vessels and all voyages in a given year (FCij x CFj) divided by the total transport work performed by all vessels during all voyages in a given year (mcargo,i x Di).

The EEOI data set will to the extent possible be the same as used for IMO DCS reporting, but also including actual carried cargo, distance sailed with the various amount of cargo and the resulting transport work.

EUR, euros or €.....	The lawful common currency of the EU member states who have adopted the Euro as their sole national currency.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/ECText with EEA relevance.

External Reviewer	An external and independent qualified reviewer with relevant expertise appointed by the Issuer in accordance with the International Capital Markets Association (ICMA) 2022 Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews.
EY	Ernst & Young AS, the Company's independent auditor.
Financial Statements.....	The Group's interim financial statements for the six-month period ended 30 June 2023 (with comparable figures for the same period in 2022) prepared in accordance with IAS 34 and annual financial statements for the year ended 31 December 2022 (with comparable figures for the same period in 2021) prepared in accordance with IFRS..
General Meeting	The Company's general meeting of shareholders.
Group	The Company together with its consolidated subsidiaries.
IAS 34	Interim Financial Reporting Standards, as adopted by the International Accounting Standards Board.
IFRS	International Financial Reporting Standards, as adopted by the EU.
ISM	The International Safety Management Code.
ISPS	The International Ship and Port Facility Security code.
ISSC.....	International Ship Security Certificate.
KAS	Klaveness AS.
KCC.....	Klaveness Combination Carrier ASA
KCCA	Klaveness Combination Carrier Asia Pte. Ltd., a wholly owned subsidiary of KCC.
KCCB	KCC Bass AS, a wholly owned subsidiary of KCC.
KCCC	KCC Chartering AS, a wholly owned subsidiary of KCC.
KCCS	KCC Shipowning AS, a wholly owned subsidiary of KCC.
KDB.....	Klaveness Dry Bulk AS
KSM.....	Klaveness Ship Management AS.
KPI	The average carbon intensity for the operated fleet for a given time period, measured by EEOI.
KPI Performance	the actual percentage reduction in EEOI for any calendar year relative to the base year 2018 (as set out in the " <i>Interim SPT: reduction in % vs 2018</i> " in Attachment 2 to the Bond Terms, as reported in the Sustainability-Linked Finance Progress Report and subject to and as confirmed by the Verification.
Legal Advisor	Advokatfirmaet Schjødt AS.
Listing.....	The listing of the Bonds on Oslo Stock Exchange.
LR1 tanker.....	Long Range Product Carriers range between 60,000 to 79,999 dwt, and are used for transportation of clean products on long to medium-haul routes in trades amongst others from the Middle East to the Far East. They have internally coated tanks to prevent corrosion and facilitate cleaning when switching between cargoes. Standard LR1 tankers normally have two or three cargo segregations.
Management.....	The senior management team of the Company.
Managers	Danske Bank, Norwegian Branch, Bryggetorget 4, 0250 Oslo, Norway, Nordea Bank Abp, filial i Norge, P.O. Box 1166 Sentrum, NO-0107 Oslo, Norway, Pareto Securities AS, Dronning Mauds gt.3, Pb 1411 Vika, 0115 Oslo, Norway, and Skandinaviska Enskilda Banken AB (publ), Filipstad Brygge 1, 0252 Oslo, Norway.
MR tanker.....	Medium Range Product Carriers are product tankers at sizes between 40,000to 55,000 dwt with coated cargo tanks to prevent corrosion and facilitate cleaning when switching between cargoes. Standard MR tankers typically have six to twelve cargo segregations. They are usually involved in short to medium-haul petroleum product trades e.g. in intra-Asia routes, trades from Middle East Gulf and Indian Sub-Continent to the Indo-Pacific basin and Europe.
NOK.....	Norwegian Kroner, the lawful currency of Norway.
Norwegian Bondholders	Holders of Bonds that are tax residents in Norway.
Norwegian FSA.....	The Norwegian Financial Supervisory Authority (<i>Nw: Finanstilsynet</i>).
Norwegian Public Limited Companies Act	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (<i>Nw: allmennaksjeloven</i>).
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (<i>Nw: verdipapirhandelloven</i>).
OPEC	Organization of Petroleum Exporting Countries.
Oslo Stock Exchange.....	Norwegian stock exchange operated by Oslo Børs ASA.

Oslo Stock Exchange.....	Oslo Børs ASA, or, as the context may require, Oslo Stock Exchange, a Norwegian stock exchange operated by Oslo Børs ASA.
Ouhua.....	Zhejiang Ouhua Shipbuilding Co. Ltd.
Prospectus.....	This Prospectus, dated 18 October 2023.
SMC.....	Safety Management Certificate,
Subsidiaries	KCC Shipowning AS, KCC Chartering AS, Klaveness Combination Carriers Asia Pte. Ltd., and KCC Bass AS.
Sustainability Linked Financing Framework	The Company's Sustainability-Linked Financing Framework adopted by the Company in June 2023 establishing the Company's KPIs and Sustainability Performance Targets, developed in accordance with the Sustainability-Linked Bond Principles, established with the International Capital Markets Association in June 2020 and the Sustainability Linked Loan Principles issued and subsequently updated by the Loan Market Association and the APLMA and LSTA in February 2023.
Sustainability-Linked Finance Progress Report	The Company's status report, either as a separate document or as part of other company reports, including the KPI Performance for the relevant calendar year and all relevant information needed to assess the KPI Performance compared to the applicable Sustainability Performance Target.
Sustainability Performance Target or SPT	The Group's sustainability performance target as set out in the " <i>Interim SPT: reduction in % vs 2018</i> " in Attachment 2 to the Bond Terms, being the Group's targeted reduction in carbon intensity from its operated fleet compared to the 2018 baseline, as calculated by the KPI.
UAN.....	Urea and Ammonium Nitrate solution.
UK.....	The United Kingdom.
U.S. dollars, USD or \$	The lawful currency of the United States of America.
U.S. or United States	The United States of America.
Verification	For any relevant period, any verification by the External Reviewer of the KPI Performance and compare this to the relevant Sustainability Performance Target.
VPS	The Norwegian Central Securities Depository (<i>Nw: Verdipapirsentralen</i>).
VPS account	An account with the VPS for the holdings/depository of securities.
VPS Registrar.....	DNB Bank ASA.
YZJ.....	Jiangsu New Yangzi Shipbuilding Co., Ltd.

APPENDIX A:

**ARTICLES OF ASSOCIATION OF KLAVENESS COMBINATION
CARRIERS ASA**

**VEDEKTER
FOR
KLAVENESS COMBINATION CARRIERS ASA**

§ 1

Selskapets navn er Klaveness Combination Carriers ASA. Selskapet er et allmennaksjeselskap.

§ 2

Selskapet skal ha sitt forretningskontor i Drammensveien 260, 0283, Oslo kommune.

§ 3

Selskapets virksomhet er investeringer i og operasjon av «vått-tørt» kombinasjonsskip og alt som står i forbindelse med dette, herunder ved deltakelse i andre selskaper som eier eller opererer «vått-tørt» kombinasjonsskip.

§ 4

Selskapets aksjekapital er NOK 60 458 231, fordelt på 60 458 231 aksjer, hver pålydende NOK 1,00.

Aksjene i selskapet skal være registrert i et verdipapirregister.

Aksjene i selskapet er fritt omsettelige. Overdragelse av aksjer er ikke gjenstand for godkjenning av selskapets styre eller forkjøpsrett for eksisterende aksjonærer.

§ 5

Selskapets styre skal bestå av tre til seks medlemmer, etter generalforsamlingens beslutning.

Signaturrett for selskapet tilligger (i) to styremedlemmer i fellesskap eller (ii) styrets leder alene. Styret kan tildele prokura.

§ 6

Selskapet skal ha en valgkomité, som velges av generalforsamlingen.

Valgkomitéen fremmer forslag til generalforsamlingen om (i) valg av styrets leder, styremedlemmer og eventuelle varamedlemmer til styret, og (ii) valg av medlemmer til valgkomitéen. Valgkomitéen fremmer videre forslag til generalforsamlingen om honorar til styret og valgkomitéen.

Generalforsamlingen fastsetter instruks for valgkomitéen og fastsetter honoraret til valgkomitéens medlemmer

**ARTICLES OF ASSOCIATION
FOR
KLAVENESS COMBINATION CARRIERS ASA**

(Unofficial English translation. In case of discrepancies between the Norwegian text and the English translation, the Norwegian text shall prevail.)

§ 1

The name of the company is Klaveness Combination Carriers ASA. The company is a public limited liability company.

§ 2

The company shall have its registered office at Drammensveien 260, 0283, municipality of Oslo.

§ 3

The purpose of the company is investments in and operation of "wet-dry" combination carriers and all related activities, including acquiring interests in other companies owning or operating "wet-dry" combination carriers.

§ 4

The company's share capital is NOK 60,458,231, divided into 60,458,231 shares, each with a par value of NOK 1.00.

The shares in the Company shall be registered in a central securities depository.

The shares in the company are freely transferable. Transfer of shares is not subject to approval by the company's board of directors or a right of first refusal for existing shareholders.

§ 5

The board of directors shall consist of three to six members as to be determined by the general meeting.

Signatory rights for the company lie with (i) two board members jointly or (ii) the Chair of the Board alone. The board of directors may grant power of procuration.

§ 6

The company shall have a nomination committee, which is elected by the General Meeting.

The nomination committee shall present proposals to the General Meeting regarding (i) election of the Chairman of the Board, board members and any deputy members of the Board and (ii) election of members of the nomination committee. The nomination committee shall also present proposals to the General Meeting for remuneration of the Board and the nomination committee.

The General Meeting shall adopt instructions for the nomination committee and determine the remuneration of the members of the nomination committee.

§ 7

På den ordinære generalforsamling skal følgende saker behandles og avgjøres:

1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Godkjenning av styrets erklæring om lønn og annen godtgjørelse til ledende ansatte.
3. Andre saker som etter loven eller vedtektene hører inn under generalforsamlingen.

Bare den som er aksjeeier fem virkedager før generalforsamlingen (registreringsdatoen), har rett til å delta og stemme på generalforsamlingen.

Aksjeeiere som vil delta i en generalforsamling i selskapet, skal melde dette til selskapet innen en frist som angis i innkallingen til generalforsamling, og som ikke kan utløpe tidligere enn to dager før generalforsamlingen. Aksjeeier som ikke har meldt fra innen fristens utløp, vil bli nektet adgang.

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjeeierne på selskapets internettsider, gjelder ikke lovens krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjeeier kan likevel kreve å få tilsendt slike dokumenter.

§ 8

For øvrig henvises det til den til enhver tid gjeldende aksjelovgivning.

§ 7

The ordinary general meeting shall consider and decide the following matters:

1. Adoption of the annual accounts and the annual report, including the question of declaration of dividends.
2. Approval of the statement from the board of directors regarding salary and other remuneration to the executive management.
3. Any other matters which under the law or these Articles of Association come within the province of the general meeting.

Only the ones being a shareholder five business days prior to the general meeting (the record day), have the right to attend and vote on the general meeting.

Shareholders who intend to attend a general meeting of the company shall give the company written notice of their intention within a time limit given in the notice of the general meeting, which cannot expire earlier than two days before the general meeting. Shareholders, who have failed to give such notice within the time limit, will be denied admission.

When documents pertaining to matters which shall be handled at a general meeting have been made available for the shareholders on the company's website, the statutory requirement that the documents shall be distributed to the shareholders, does not apply. This is also applicable to documents which according to statutory law shall be included in or attached to the notice of the general meeting. A shareholder may nonetheless demand to be sent such documents.

§ 8

Reference is also made to the company legislation in force from time to time.

APPENDIX B:

BOND TERMS

BOND TERMS

FOR

**Klaveness Combination Carriers ASA FRN Senior Unsecured
Sustainability-Linked Callable NOK 1,000,000,000 Bonds 2023/2028**

ISIN NO0013008656

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 TRAJECTORY FOR THE FLEET 2018-2030

BOND TERMS between	
ISSUER:	Klaveness Combination Carriers ASA, a company existing under the laws of Norway with registration number 920 662 838 and LEI-code 213800ZFB2MQM3JA6K52; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	1 September 2023
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means IFRS.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited unconsolidated and consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“**Bonds**” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Book Equity**” means the aggregate book value of the Group’s consolidated total equity treated as equity in accordance with the Accounting Standard, as set out in the then most recent audited consolidated Annual Financial Statements (or, if more recent, the latest Interim Accounts) of the Issuer.

“**Business Day**” means a day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, the Interest Period will be extended to include the first following Business Day unless that day falls in the next calendar month, in which case the Interest Period will be shortened to the first preceding Business Day (*Modified Following*).

“**Calculation Date**” means 31 March, 30 June, 30 September and 31 December each year.

“**Call Option**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cash and Cash Equivalent**” means, on any date the amounts (expressed in USD) on such date of the then current market value on a consolidated basis for the Group of:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with an acceptable bank;
- (b) time deposits with acceptable banks and certificates of deposit issued, and bills of exchange accepted, by an acceptable bank; and

- (c) other cash equivalents treated as cash and cash equivalent in accordance with the Accounting Standard,

in each case, to which any Group Company is beneficially entitled at that time and to which any such Group Company has free and unrestricted access. Any amount standing to the credit of any pledged (but not blocked) account of the Group (a “**Pledged Account**”) shall be regarded as Cash and Cash Equivalent. However, if there are defaults under any credit facilities with security over a Pledged Account, any amount standing to the credit of such Pledged Account shall not be included in the calculation of Cash and Cash Equivalents. An “**acceptable bank**” for this purpose is:

- (a) a commercial bank, savings bank and trust company which has a minimum “A” credit rating from S&P or Moody’s or a comparable rating from a nationally recognised credit ranking agency for its long-term debt obligations; or
- (b) a bank or financial institution which is authorised to carry on banking business in Norway.

“**Change of Control Event**” means:

- (a) if Mr Trond Harald Klaveness and/or any of his heirs, successors or assigns (the “Klaveness Family”), ceases to own and control (directly or indirectly) at least 1/3 of the shares in the Issuer; or
- (b) if any person or group of persons acting in concert, other than the Klaveness Family, gaining Decisive Influence over the Issuer.

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“**Cure Amount**” means cash actually received by the Issuer (a) in exchange for fully paid shares in the Issuer or (b) as subordinated loans.

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“**Default Notice**” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Distribution**” means any dividend payment or distribution, whether in cash or in kind, repurchase of shares or any other similar transactions (included, but not limited to total return swaps related to shares in the Issuer, however, save for share repurchases for employee share program), or other distributions or transactions implying a transfer of value to any shareholder.

“**EEOI**” means grams CO2 emitted per metric ton of transported cargo per nautical mile for a period of time.

In line with the IMO’s Guidelines for voluntary use of the ship Energy Efficiency Operational Indicator (EEOI) from August 2009, the Issuer uses the following formula for calculating average fleet EEOI:

The EEOI shall be computed on a last twelve months (“LTM”) basis and shall apply to the full operated fleet, including all owned and long-term financed vessels. Both CO2 emissions from fuel consumption at sea and in port are included.

$$\text{Average EEOI} = \frac{\sum_i \sum_j (FC_{ij} \times C_{Fj})}{\sum_i (m_{\text{cargo},i} \times D_i)}$$

Where,

- (a) i is the voyage number;
- (b) j is the fuel type;
- (c) FC_{ij} is the mass of consumed fuel j on voyage i ;
- (d) CF_j is the fuel mass to CO2 mass conversion factor for fuel j ;
- (e) $m_{\text{cargo},i}$ is cargo carried on voyage i (metric tons); and
- (f) D_i is the distance in nautical miles corresponding to the cargo carried on voyage i .

The EEOI of the full operated fleet is calculated as the sum of CO2 emissions from all vessels and all voyages in a given year ($FC_{ij} \times CF_j$) divided by the total transport work performed by all vessels during all voyages in a given year ($m_{\text{cargo},i} \times D_i$).

The EEOI data set will to the extent possible be the same as used for IMO DCS reporting, but also including actual carried cargo, distance sailed with the various amount of cargo and the resulting transport work.

“**Equity Ratio**” means the Book Equity to the Total Assets.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means:

- (a) Oslo Børs (the Oslo Stock Exchange); or

- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“**Existing Bond Issue**” means the existing NOK 700,000,000 Senior Unsecured Bond Issue 2020/2025 with ISIN NO0010874530.

“**External Reviewer**” means an external and independent qualified reviewer with relevant expertise appointed by the Issuer in accordance with the International Capital Markets Association (ICMA) 2022 Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“**Financial Covenants**” means the financial undertakings set out in Clause 13.15 (*Financial Covenants*).

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the mark to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;

- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Reports**” means the Annual Financial Statements and the Interim Accounts.

“**Financial Support**” means any loans, guarantees or other financial assistance (including, but not limited to granting Security).

“**First Call Date**” means the Interest Payment Date falling in March 2027.

“**Group**” means the Issuer and its Subsidiaries from time to time.

“**Group Company**” means any person which is a member of the Group.

“**IFRS**” means the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 5 December 2023 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the periods between 5 March, 5 June, 5 September and 5 December each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Quotation Day**” means, in relation to any period for which Interest Rate is to be determined, 2 Quotation Business Days before the first day of the relevant Interest Period.

“**Interest Rate**” means the percentage rate per annum which is the aggregate of the Reference Rate for the relevant Interest Period plus the Margin.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June, 30 September and 31 December in each year, prepared in accordance with the Accounting Standard, including management report from the Issuer.

“**ISIN**” means International Securities Identification Number, being the identification number of the Bonds.

“**Issue Date**” means 5 September 2023.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**KPI**” means the average carbon intensity for the operated fleet for a given time period, measured by EEOI.

“**KPI Performance**” means the actual percentage reduction in EEOI for any calendar year relative to the base year 2018 (as set out in Attachment 2), as reported in the Sustainability-Linked Finance Progress Report and subject to and as confirmed by the Verification.

“**Listing Failure Event**” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 6 months following the Issue Date;
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within 6 months following the issue date for such Temporary Bonds.

“**Managers**” means Danske Bank, Nordea Bank Abp, filial i Norge, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ).

“**Margin**” means 3.65 per cent.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“**Material Subsidiary**” means any Subsidiary of the Issuer which has been nominated as a Material Subsidiary by the Issuer pursuant to Clause 13.9 (*Designation of Material Subsidiaries*).

“**Maturity Date**” means 5 September 2028, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“**Outstanding Bonds**” means any Bonds not redeemed or otherwise discharged.

“**Overdue Amount**” means any amount required to be paid by the Issuer under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“**Partial Payment**” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“**Paying Agent**” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“**Payment Date**” means any Interest Payment Date or any Repayment Date.

“**Put Option**” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Put Option Event**” means a Change of Control Event.

“**Put Option Repayment Date**” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“**Quotation Business Day**” means a day on which Norges Bank’s settlement system is open.

“**Reference Rate**” means NIBOR (Norwegian Interbank Offered Rate) being;

- (a) the interest rate fixed for a period comparable to the relevant Interest Period published by Global Rate Set Systems (GRSS) at approximately 12:00 p.m. (Oslo time) on the Interest Quotation Day; or
- (b) if no screen rate is available for the interest rate under paragraph (a) for the relevant Interest Period:
 - (i) the linear interpolation between the two closest relevant interest periods, and with the same number of decimals, quoted under paragraph (a) above; or
 - (ii) a rate for deposits in the Bond Currency for the relevant Interest Period as supplied to the Bond Trustee at its request quoted by a sufficient number of commercial banks reasonably selected by the Bond Trustee; or
- (c) if the interest rate under paragraph (a) is no longer available, the interest rate will be set by the Bond Trustee in consultation with the Issuer to:
 - (i) any relevant replacement reference rate generally accepted in the market; or
 - (ii) such interest rate that best reflects the interest rate for deposits in the Bond Currency offered for the relevant Interest Period.

In each case, if any such rate is below zero, the Reference Rate will be deemed to be zero.

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Reporting Date**” means the date falling 60 days after each interim Calculation Date and 120 days after each annual Calculation Date.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no. 75 of the Relevant Jurisdiction.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Subsidiary**” means a person over which another person has Decisive Influence.

“**Summons**” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“**Sustainability Performance Target**” or “**SPT**” means the Group’s sustainability performance target as set out in the “*Interim SPT: reduction in % vs 2018*” in Attachment 2, being the Group’s targeted reduction in carbon intensity from its operated fleet compared to the 2018 baseline, as calculated by the KPI.

“**Sustainability-Linked Financing Framework**” means the Issuer’s Sustainability-Linked Financing Framework adopted by the Issuer in June 2023 establishing the Issuer’s KPIs and Sustainability Performance Targets, developed in accordance with the Sustainability-Linked Bond Principles (SLBP), established with the International Capital Markets Association (ICMA) in June 2020 and the Sustainability Linked Loan Principles issued and subsequently updated by the Loan Market Association (LMA) and the APLMA and LSTA in February 2023.

“**Sustainability-Linked Finance Progress Report**” means the Issuer’s status report, either as a separate document or as part of other company reports, including the KPI Performance for the relevant calendar year and all relevant information needed to assess the KPI Performance compared to the applicable Sustainability Performance Target. The Sustainability-Linked Finance Progress Report shall include a list of vessels in the full operated fleet.

“**Tap Issue**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Target Observation Date**” means 31 December 2027.

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Assets**” means the aggregate book value (on a consolidated basis) of the Group’s total assets which are treated as assets in accordance with the Accounting Standard, as set out in the then most recent audited consolidated Annual Financial Statements or the latest Interim Accounts (as the case may be).

“**Trigger Event**” means if:

- (a) the KPI Performance of the Group fails to meet the Sustainability Performance Target for 2027 as of the Target Observation Date;
- (b) the Issuer has failed to provide and made public annual Sustainability-Linked Finance Progress Reports within 120 calendar days after the end of each financial year; or

- (c) any KPI Performance included in the Sustainability-Linked Finance Progress Report published by the Issuer in accordance with paragraph (a) and (b) above has not been subject to Verification

“**Verification**” means, for any relevant period, any verification by the External Reviewer of the KPI Performance and compare this to the relevant Sustainability Performance Target.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to NOK 1,000,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of NOK 500,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in Norwegian Kroner (NOK), being the legal currency of Norway.
- (c) The Initial Nominal Amount of each Bond is NOK 500,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds, and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

The Issuer will use the Net Proceeds from the Initial Bond Issue for:

- (a) repurchase of bonds under the Existing Bond Issue; and
- (b) general corporate purposes.

2.4 Status of the Bonds

The Bonds shall constitute senior unsecured debt obligations of the Issuer. The Bonds will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer

(save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

2.5 Transaction Security

The Bonds are unsecured.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall ensure that:

- (a) the Bonds are listed on Oslo Stock Exchange within 6 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full; and
- (b) any Temporary Bonds are listed on an Exchange where the other Bonds are listed within 6 months of the issue date for such Temporary Bonds.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i) these Bond Terms duly executed by all parties hereto;
 - (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;
 - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) copies of the Issuer's latest Financial Reports;

- (vi) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (vii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
 - (viii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (ix) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (x) the Bond Trustee Fee Agreement duly executed by all parties thereto;
 - (xi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents); and
 - (xii) a copy of the Issuer's Sustainability-Linked Financing Framework and a second party opinion issued by DNV.
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive or postpone the delivery of certain documents, and the Bond Trustee may on behalf of the Bondholders agree on a closing procedure with the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

6.3 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) no Event of Default has occurred or would occur as a result of the making of such Tap Issue;
- (b) the Issuer confirms, at the date of issuance of such Additional Bonds, that the conditions precedent documents in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) are still valid, or provides updates of such documents to the Bond Trustee;
- (c) such Tap Issue is in compliance with applicable laws and regulations as of the time of such Tap Issue;
- (d) a Tap Issue Addendum has been duly executed by all parties thereto; and

- (e) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds.

The Bond Trustee, acting in its sole discretion, may (a) accept that payment of the Net Proceeds in a Tap Issue shall be made subject to certain conditions precedent, and be paid into an escrow account only securing the Additional Bonds prior to fulfilment of those conditions, and (ii) waive or postpone the delivery of certain conditions precedent related to the Tap Issue(s), and the Bond Trustee may on behalf of the Bondholders agree on a closing procedure with the Issuer.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date; and
- (c) on the date of issuance of any Additional Bonds.

7.1 Status

It is a public limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
 - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
 - (ii) if a resolution according to Clause 15 (*Bondholders' decisions*) has been made.

8.4 Taxation

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account

connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis). The Interest Rate will be reset at each Interest Quotation Day by the Bond Trustee on behalf of the Issuer, who will notify the Issuer and the Paying Agent and, if the Bonds are listed, the Exchange, of the new Interest Rate and the actual number of calendar days for the next Interest Period.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to:

- (a) 100 per cent. of the Nominal Amount, if no Trigger Event has occurred,
- (b) 101.50 per cent. of the Nominal Amount, in case a Trigger Event has occurred.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the “**Call Option**”) on any Business Day from and including:
 - (i) the First Call Date to, but not including, the Interest Payment Date in September 2027 at a price equal to 101.37 per cent. of the Nominal Amount for each redeemed Bond;
 - (ii) the Interest Payment Date in September 2027 to, but not including, the Interest Payment Date in March 2028 at a price equal to 100.91 per cent. of the Nominal Amount for each redeemed Bond; and
 - (iii) the Interest Payment Date in March 2028 to, but not including, the Maturity Date at a price equal to 100.50 per cent. of the Nominal Amount for each redeemed Bond.
- (b) The Issuer shall deliver written evidence (to the Bond Trustee’s satisfaction) that the KPI Performance in the calendar year preceding the calendar year of the proposed Call Option Repayment Date meets the SPT for the corresponding calendar year. Such written evidence shall be delivered within 10 Business Days (together with the written Call Option exercise notice referred to below) prior to the applicable Call Option Repayment Date and shall be subject to and confirmed by the Verification. If the Issuer does not deliver such evidence, then the Call Option redemption prices in paragraph (a) item (i) – (iii) shall be increased by an amount equal to 1.5 per cent. of the Nominal Amount of Bonds redeemed pursuant to the Call Option.
- (c) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (d) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable, but may, at the Issuer’s discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than 3 Business Days Prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void. Further, the notice sent by the Issuer shall specify the Call Option Repayment Date.
- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.4 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.

- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion (including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*)).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform, including at www.stamdata.com or via the distribution system at Oslo Børs (the Oslo Stock Exchange) as long as the Issuer's shares or bonds are listed) as soon as they become available, and not later than 120 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying *inter alia* that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report, and setting out (in reasonable detail) computations evidencing compliance with Clause 13.15(*Financial Covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

12.3 Sustainability reporting

The Issuer shall without being requested to do so, annually, prepare the following:

- (a) Sustainability-Linked Finance Progress Report; and
- (b) Verification,

as further described in the Issuer's Sustainability-Linked Financing Framework and make them available on its website (alternatively on another relevant public information platform) as soon as they become available, and not later than 120 days after the end of the relevant calendar year.

12.4 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

12.5 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event,

and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

12.6 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange relating to the Bonds;
- (e) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (f) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time if a failure to do so would have Material Adverse Effect.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will comply in all material respects with all laws and regulations it or they may be subject to from time to time.

13.3 Continuation of business

The Issuer shall not cease to carry on its business. Further, the Issuer shall ensure that no Material Subsidiary, nor any other Group Company, shall cease to carry on its business if such cessation would have a Material Adverse Effect. The Issuer shall ensure that no substantial change is made to the general nature or scope of the business of the Group from that carried on at the date of these Bond Terms, and/or as set out in these Bond Terms.

13.4 Corporate status

The Issuer shall not change its type of organization or jurisdiction of incorporation.

13.5 Mergers and de-mergers

- (a) The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other Group Company with any other companies or entities not being a member of the Group if such transaction would have a Material Adverse Effect.
- (b) The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

13.6 Subsidiaries' Distributions

The Issuer shall not permit any Subsidiary to create or permit to exist any contractual obligations restricting the right of any of its Subsidiaries to:

- (a) pay dividends or make Distributions to its shareholders; or
- (b) pay any Financial Indebtedness to the Issuer or make any loans to the Issuer,

to the extent such contractual obligation (or encumbrance) is reasonably likely to prevent the Issuer from complying with its payment obligations under these Bond Terms,

except for:

- (a) Subsidiaries owned jointly with a third-party as long as no Group Company is guaranteeing for such Subsidiary's debt, i.e. its debt financing is made on a non-recourse basis; and
- (b) dividend restrictions coming into effect upon a default event in pledge agreements with bank lenders.

13.7 Financial Support

The Issuer shall procure that no Group Company will, grant any Financial Support to or on behalf of any party, other than any:

- (a) Financial Support from one Group Company to another Group Company;
- (b) Financial Support made or allowed to subsist in its ordinary course of business including guarantees provided on behalf of a Group Company for liabilities of such Group Companies; and
- (c) customary Financial Support provided on behalf of Group Companies in connection with long-term financing of vessels of such Group Companies.

13.8 Disposals

The Issuer shall ensure that no Group Company sell or otherwise dispose of all or a substantial part of the Group's assets or operations, unless the transaction is carried out at a fair market value, on terms and conditions, customary for such transactions and such transactions would not have a Material Adverse Effect.

13.9 Designation of Material Subsidiaries

(a) The Issuer shall nominate as Material Subsidiaries:

- (i) such Group Companies whose (A) total consolidated assets represent at least 5 per cent. of the total consolidated assets of the Group, or (B) total consolidated net sales represent at least 5 per cent. of the total consolidated net sales of the Group;
- (ii) any other Subsidiary to which is transferred either (X) all or substantially all of the assets of another Subsidiary which immediately prior to the transfer was a Material Subsidiary, or (Y) sufficient assets of the Issuer that such Subsidiary would have been a Material Subsidiary had the transfer occurred on or before the relevant date; and
- (iii) any Subsidiary owning any of the Group's vessels,

always provided that the Issuer shall, if requested, appoint Subsidiaries as Material Subsidiaries to procure that Subsidiaries not being Material Subsidiaries shall in aggregate not exceed 20 per cent. of the consolidated net sales/turnover, gross assets or net assets of the Group (as the case may be).

(b) Such nomination of Material Subsidiaries shall take place once every year in the Annual Financial Statements, or in connection with them, and certified in each Compliance Certificate delivered in connection with the Annual Financial Statements.

13.10 Listing

The Issuer shall ensure that its shares remain listed on an Exchange until the Bonds have been redeemed in full.

13.11 Dividend restrictions

- (a) The Issuer shall not declare or make any Distribution exceeding 50 per cent. of the Issuer's consolidated net profit after taxes based on the audited annual accounts for the previous financial year. Any un-utilized portion of the permitted dividend pursuant to the above may not be carried forward to any subsequent financial year.
- (b) The Issuer may irrespective of paragraph (a) above, declare or make any Distribution (including Distributions exceeding 50 per cent. of the Issuer's consolidated net profit after taxes based on the audited annual accounts for the previous financial year) provided that the Equity Ratio is minimum 35 per cent. before and immediately after such Distribution has taken place.

13.12 Ownership of Material Subsidiaries

The Issuer shall not sell, transfer, assign or otherwise dilute or dispose of any shares or any other ownership interest in any Material Subsidiary to any person not being a member of the Group, unless the transaction is carried out at fair market value, on terms and conditions customary for such transaction and further provided that such transaction does not have a Material Adverse Effect.

13.13 Arm's length transactions

The Issuer shall not engage in and shall ensure that no other Group Company engages in, directly or indirectly, any transaction with any party outside the Group (without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on arm's length terms.

13.14 Insurance

The Issuer shall, and the Issuer shall procure that each other Group Company will, maintain with financially sound and reputable insurance companies, funds or underwriters adequate insurance or captive arrangements with respect to its properties and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice.

13.15 Financial Covenants

(a) The Issuer shall comply with the following during the term of these Bond Terms:

- (i) **Equity:** The Issuer shall ensure that the Group at any time maintains (A) Book Equity of minimum USD 125,000,000, and (B) Equity Ratio of minimum 30 per cent.; and
- (ii) **Minimum Liquidity:** The Issuer shall ensure that the Group at any time maintains minimum Cash and Cash Equivalents of USD 15,000,000.

(together, the "**Financial Covenants**").

(b) The Financial Covenants will apply for the Issuer (on a consolidated basis) at all times and will be tested on a quarterly basis on each Calculation Date and reported within each Reporting Date.

13.16 Financial Covenants cure

(a) If the Issuer does not comply with any Financial Covenant and the Issuer receives or has received any Cure Amount during the period from the last Calculation Date up to the date of delivery to the Bond Trustee of the Compliance Certificate in respect of such period, then:

- (i) the Equity shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the Book Equity on the relevant Calculation Date;
- (ii) the Minimum Liquidity shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase the Cash and Cash Equivalents on the relevant Calculation Date.

- (b) If, after the Financial Covenants are recalculated as set out above, the breach has been remedied, the relevant Financial Covenants shall be deemed to have been satisfied on the relevant Reporting Date.
- (c) The Issuer shall be limited to a maximum of one cure of actual failures to satisfy the Financial Covenants during the term of the Bonds.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) *Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) *Breach of other obligations*

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) *Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by the Issuer under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made or deemed to have been made, unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within 20 Business Days of the earlier of the Bond Trustee giving notice to the Issuer or the Issuer becoming aware of such misrepresentation.

(d) *Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or

- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 5,000,000 (or the equivalent thereof in any other currency), for any Group Company, however so that the cross default provision as long as it is not a payment default, it may be temporarily waived by the Bond Trustee, in its sole discretion, if the Issuer is negotiating in good faith with the relevant creditor(s) for the purpose of obtaining a waiver of such event of default and such waiver is granted within 15 Business Days after the occurrence of such event of default.

(e) *Insolvency and insolvency proceedings*

Any Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or
 - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a) and (b) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;

- (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
- (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether

a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and

voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.

- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the “**Voting Period**”).
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders’ rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.

- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts;
or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents,

and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.

- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

- (a) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (b) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (c) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by publication on a relevant information platform, when published.

- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge, then the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.4 (*Put Option Event*), Clause 12.6 (*Information: miscellaneous*) and Clause 13 (*General and financial undertakings*).
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

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These Bond Terms have been executed by way of electronic signatures.

SIGNATURES:

<p>The Issuer:</p> <p>KLAVENESS COMBINATION CARRIERS ASA</p> <p>DocuSigned by: <i>Jostein Tobiassen</i>BC273B62547549E.....</p> <p>By: Jostein Tobiassen</p> <p>Position: Authorised signatory</p>	<p>As Bond Trustee:</p> <p>NORDIC TRUSTEE AS</p> <p>DocuSigned by: <i>Vivian Trøsch</i>2CDF1A82D9D9456.....</p> <p>By: Vivian Trøsch</p> <p>Position: Authorised signatory</p>
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**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

Klaveness Combination Carriers ASA FRN bonds 2020/2025 ISIN NO0013008656

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [•].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[With reference to Clause 13.9 (*Designation of Material Subsidiaries*) we hereby nominate the following *Material Subsidiaries*: [•].]

[The Financial Covenants set out in Clause 13.15 (*Financial Covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Klaveness Combination Carriers ASA

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

**ATTACHMENT 2
TRAJECTORY FOR THE FLEET 2018-2030**

Trajectory	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Interim SPT: reduction in % vs 2018		3.9%	-2.6%	-2.6%	-9.2%	-9.2%	-16.2%	-23.2%	-30.3%	-34.2%	-38.2%	-42.1%	-46.1%
KPI: Annual EEOI levels	7.6	7.9	7.4	7.4	6.9	6.9	6.4	5.8	5.3	5.0	4.7	4.4	4.1



Klaveness Combination Carriers ASA

Drammensveien 260
0283 Oslo
Norway

Legal Adviser to the Company

(as to Norwegian law)

Advokatfirmaet Schjødt AS
Tordenskiolds gate 12
0160 Oslo
Norway