

MERGER PLAN

FOR MERGER BETWEEN

NORWAY ROYAL SALMON ASA
(AS TRANSFERRING COMPANY)

AND

SALMAR ASA
(AS ACQUIRING COMPANY)

30 May 2022

IMPORTANT INFORMATION:

This is an unofficial office translation only. In case of any discrepancy or inconsistency between this translated merger plan and the merger plan in Norwegian language the Norwegian language version shall at all times prevail.

1. PARTIES TO THE MERGER

- 1.1 The Transferring Company: **Norway Royal Salmon ASA (“NRS”)**
- Org. no. 864 234 232
Business municipality: Trondheim
Registered address:
Ferjemannsveien 1, 7042 Trondheim, Norway
- 1.2 The Acquiring Company: **SalMar ASA (“SalMar”)**
- Org. no.: 960 514 718
Business municipality: Frøya
Registered address: 7266 Kverva, Norway

2. BRIEFLY ABOUT THE MERGER

SalMar’s and NRS’ main business areas are farming and distribution of salmon, with operations in Norway and Iceland. The rationale behind the merger is to increase value creation in the regions where the companies operate and make it possible to realise synergies between the companies. The operations in SalMar and NRS are complementary, and the companies have several overlapping industrial activities, both north and south in Trøndelag, in Northern Norway, in the Westfjords in Iceland as well as offshore. The merger aims to realise significant synergies through a more efficient utilisation of the companies’ biomass and site portfolios, within smolt production and utilisation of the parties processing plants. In addition, the parties have many skilled employees with significant operational knowledge, which together will be able to create even better optional results.

The merger will be carried out in accordance with the rules in chapter 13 of the Norwegian Public Limited Liability Companies Act.

3. MERGER CONTRIBUTION

At the time the merger becomes effective, NRS’ assets, right and liabilities are transferred in their entirety to SalMar. At the same time, NRS is dissolved.

4. CONSIDERATION FOR THE MERGER.

As consideration for the merger, the shareholders in NRS shall receive:

1. 0.303933 shares in SalMar; and
2. an additional consideration of NOK 52.84 in cash,

for each share they own in NRS. This entails that the shareholders in NRS will obtain a total ownership of 12.3 % (before an adjustment for own shares) in SalMar following completion of the merger based on outstanding shares in SalMar on the date of the merger plan including the shares issues as merger consideration and the shares to be issued as consideration to the shareholders of NTS ASA who have accepted the voluntary tender offer from SalMar.

Should the proposed dividend of NOK 20 per share in SalMar, announced on 31 March 2022, not be resolved with a record date prior to completion of the merger the merger consideration to NRS shareholders shall be:

- a) 0.295475 shares in SalMar; and
- b) an additional consideration of NOK 52.84 in cash,

for each share they own in NRS. This entails that the shareholders in NRS will obtain a total ownership of 12.0 % (before an adjustment for own shares) in SalMar following completion of the merger based on outstanding shares in SalMar on the date of the merger plan including the shares issues as merger consideration and the shares to be issued as consideration to the shareholders of NTS ASA who have accepted the voluntary tender offer from SalMar.

The exchange rate is calculated based on negotiations between the board of directors in NRS and SalMar, where the parties have agreed to base the price per share in NRS at NOK 265.18 and a price per share in SalMar at NOK 718.64. Further, the exchange rate assumes that NRS prior to the completion of the merger issues 15,360,452 shares to NTS ASA as set out in point 8 (b) below, so that NRS immediately prior to completion of the merger has outstanding a total of 58,932,643 issued shares, to which NRS owns 197,495 treasury shares.

Fractions of shares will not be issued. For each shareholder a rounding down to the nearest whole number of shares will be made. Any surplus shares following such rounding that will not be issued to shareholders in NRS will be sold by Arctic Securities AS. Proceeds from such sales will be distributed pro-rata between shareholders who would have been entitled to fractional shares.

5. AMENDMENTS TO THE SHARE CAPITAL AND THE ARTICLES OF ASSOCIATION IN SALMAR

As part of the approval of the merger, the general meeting of SalMar will pass the following resolution regarding a share capital increase:

1. The share capital in increased by NOK 4,462,887.50 by issuance of 17,851,550 new shares each with a nominal value of NOK 0.25. Should the proposed distribution of dividend of NOK 20 per share, as announced by the company on 31 March 2022, not be resolved with a record date prior to completion of the merger, the share capital shall instead be increased by NOK 4,338,692.00 by issuance of 17,354,768 new shares each with a nominal value of NOK 0.25.
2. The shares will be issued to shareholders in Norway Royal Salmon ASA and are deemed to be subscribed for on approval by the general meeting of Norway Royal Salmon ASA of the merger plan for the merger with the company.
3. NOK 698.64 shall be paid per share, so that the total contribution for the shares is NOK 12,471,806,892. If the proposed dividend of NOK 20 per share has not been resolved with a record date prior to completion of the merger, NOK 718.64 shall be paid per share so that the total contribution for the shares is NOK 12,471,830,476.
4. The share contribution shall be paid up by way of the company, at the time of completion of the merger, receiving Norway Royal Salmon ASA's assets, rights and liabilities as a whole. As of 20 May 2022, the contribution has a fair value equal to NOK 15,575,372,112. In return for the contribution, shareholders in Norway Royal Salmon ASA receive

consideration from the company consisting of 17,851,550 shares (cf. point 1) and a cash consideration of NOK 3,103,565,220. Should the mentioned dividend distribution of NOK 20 per share not be resolved with a record date prior to completion of the merger, shareholders in Norway Royal Salmon ASA shall receive consideration consisting of 17,354,768 shares (cf. point 1) and a cash consideration of NOK 3,103,565,220.

5. For a further description of the business that is to be transferred, reference is made to the independent expert report appended to the notice of the general meeting.
6. The new shares give right to dividends and other shareholder rights at the time completion of the merger is registered in the Norwegian Register of Business Enterprises. At the same time Section 4 of the articles of association shall read: *“The share capital is NOK 33,912,887.25 divided into 135,651,549 shares each with a nominal value of NOK 0.25. The shares are registered in Euronext Securities Oslo”*. Should the mentioned dividend distribution of NOK 20 per share not be resolved with a record date prior to the merger, Section 4 of the articles of association shall read: *“The share capital is NOK 33,788,691.75 divided into 135,154,767 shares each with a nominal value of NOK 0.25. The shares are registered in Euronext Securities Oslo”*.
7. Estimated costs of the merger amounts to NOK 2,000,000.

Complete articles of association following completion of the merger are included in appendix 1.5.

6. IMPLEMENTATION FOR TAX AND ACCOUNTING LAW

The merger is carried out with full tax continuity in accordance with the Norwegian Tax Act Chapter 11, and in accordance with the Norwegian Public Limited Liability Companies Act Chapter 13.

Assets and liabilities in NRS shall be accounted for at fair value in SalMar in accordance with the transaction principle in the Norwegian Accounting Act Section 4-1 (1) nr. 1, cf. the Norwegian Public Limited Liability Companies act Section 10-12 (1) final sentence.

7. EFFECTIVE TIME

As from the time the condition for completion of the merger in point 8 (c) is fulfilled, transactions in NRS are, for accounting purposes, deemed to have been made for the account of SalMar, cf. § 13-6 (1) no. 2 of the Norwegian Public Limited Liability Companies Act.

For company law purposes, the merger is effective on the time it has been registered as completed with the Norwegian Register of Business Enterprises following expiry of the creditors' notice period of six weeks, cf. § 13-17 of the Norwegian Public Limited Liability Companies Act. At this point in time:

- (a) NRS has been dissolved;
- (b) the share capital of SalMar has been increased;
- (c) NRS' assets, rights and obligations have been transferred to SalMar;
- (d) the merger consideration shares in SalMar have been issued to shareholders in NRS; and

- (e) the merger has for tax purposes been implemented with continuity pursuant to chapter 11 of the Taxation Act.

8. CONDITIONS FOR COMPLETION OF THE MERGER

Completion of the merger is subject to:

- (a) SalMar having declared that all terms and conditions for completion of the voluntary tender offer for all the issued and outstanding shares in NTS ASA made public by the offer document dated 17 March 2022 having been fulfilled or waived;
- (b) NTS ASA having transferred all shares in SalmoNor AS to NRS' subsidiary NRS Farming AS, on a vendor loan in accordance with the agreements presented to SalMar prior entering into the merger plan, where NRS has resolved to issue 15,360,452 consideration shares to NTS ASA as a partial payment of NOK 4,073,284,661 of the vendor loan, and that the capital increase in NRS for the issuance of such consideration shares having been registered in the Norwegian Register of Business Enterprises and the consideration shares being issued by registration in the shareholder register of NRS; and
- (c) all necessary approvals for the merger by competition authorities and other applicable public authorities having been obtained without conditions or on conditions that will not have a material adverse effect for the business of the merged entity or that would significantly alter the basis of the exchange rate of the merger.

In the event that the conditions above are not fulfilled or waived by the parties within 31 October 2022 at 23:59 hours (Norwegian time) the merger lapses.

9. OTHER OBLIGATIONS

Until completion of the merger the parties shall:

- (a) conduct their respective operations in line with previous practice, applicable laws and regulations, and not take any action that has a significant material impact on their business or significantly alter the basis of the exchange rate in the merger; and
- (b) seek to obtain necessary approvals for transfer of assets, rights and obligations from NRS' contract parties that would be necessary or desirable for completion of the merger.

NRS shall further do what is required to ensure that the condition in point 8 (b) above will be fulfilled so that the shares in SalmoNor AS are transferred to NRS Farming AS, on the conditions presented to SalMar, prior to completion of the merger.

10. TERMS AND CONDITIONS FOR EXERCISING SHAREHOLDER RIGHTS AND ENTITLEMENT TO DISTRIBUTIONS

Shareholders listed in NRS' shareholders' register at the time the merger is registered as implemented in the Norwegian Register of Business Enterprises may, from that same time, exercise rights as shareholders in SalMar and shall be entitled to dividends and other distributions on the shares in SalMar decided after the registration in the Norwegian Register of Business Enterprises. Such shareholders shall be entered in SalMar's shareholders' register without undue delay.

11. SPECIAL RIGHTS

No shareholders have special rights in NRS. NRS has not issued any subscription rights as referred to in Section 11-1, 11-10 or 11-12 of the Norwegian Public Limited Liability Companies Act.

No special rights will be given to any member of the board of directors or the chief executive officer of NRS or SalMar in connection with the merger.

12. DISTRIBUTIONS, CHANGES IN SHARE CAPITAL, TREASURY SHARES

From the time of signing of the merger plan until the time the merger becomes effective, neither NRS nor SalMar has the right to undertake distributions of dividends or other distributions on the shares, except for the potential announced dividend of NOK 20 per share in SalMar as described in point 4 above. Further, NRS shall not in the same period propose or resolve any changes to the share capital through capital increases, capital decreases, mergers, de-mergers or in any other manner, except for the merger contemplated by this merger plan and the capital increase set out in point 8 (b) above. In this period SalMar may not resolve to carry out a share split or share consolidation, rights issues, cf. the Norwegian Public Limited Liability Companies Act Section 10-4, or issue other financial instruments pursuant to the Norwegian Public Limited Liability Companies Act Chapter 11 with preferential rights for shareholders, cf. Norwegian Public Limited Liability Companies Act Section 11-4 or 11-13 (1).

NRS shall from signing of this merger plan until the merger is effective not alter its holding of treasury shares, equalling 197,495 shares.

13. COSTS

SalMar shall cover the costs related to the merger.

14. REPORT REGARDING THE MERGER AND STATEMENT REGARDING THE MERGER PLAN

14.1 Report regarding the merger

The board of directors in SalMar and NRS have, pursuant to Section 13-9 of the Norwegian Public Limited Liability Companies Act, each prepared a report on the merger and its impact on their respective company.

The reports are included in appendix 1.3 and appendix 2.3 to this merger plan.

14.2 Independent expert report regarding the merger plan

The board of directors in NRS have obtained an independent expert report regarding the merger plan from KWC Revisjon AS in accordance with Norwegian Public Limited Liability Companies Act Sections 13-10 (1) and (2) and 2-6 (2). The report is included in appendix 2.4.

The board of directors in SalMar have obtained an independent expert report regarding the merger plan from KWC Revisjon AS in accordance with Norwegian Public Limited Liability Companies Act sections 13-10 (1) to (3), cf. Section 10-2 (3) and 2-6 (1). The report is included in appendix 1.4.

15. ACCOUNTS AND ARTICLES OF ASSOCIATION

The annual accounts and annual report with auditor's report for the last three years and the latest half year interim report, cf. the Norwegian Securities Trading Act Section 5-6, for NRS

are enclosed in appendix 2.2. The current articles of association are enclosed as appendix 2.1.

The annual accounts and annual report with auditor's report for the last three years for SalMar are enclosed as appendix 1.2. The current articles of association are enclosed as appendix 1.1.

16. RELATIONS WITH THE EMPLOYEES

In connection with the merger process, SalMar and NRS have informed and discussed the merger with the employee representatives in their respective company group.

The merger entails a transfer of business in relation to the provisions in Chapter 16 of the Norwegian Working Environment Act. The transfer to SalMar of NRS' rights and obligations pursuant to an employment agreement or employment relationship, will be done in accordance with Section 16-2 of the Norwegian Working Environment Act. The merger will otherwise be implemented pursuant to the provisions in Chapter 16 of the Norwegian Working Environment Act. No later than 14 days prior to the implementation of the merger, each employee affected by the merger will receive information on the merger pursuant to section 16-6 of the Norwegian Working Environment Act.

17. AMENDMENTS

The board of directors in NRS and SalMar will be authorised to jointly make minor amendments to the merger plan, without such amendments having to be presented to the general meeting.

18. DISPUTES AND GOVERNING LAW

This merger plan and disputes that arise in connection with it shall be governed by Norwegian law.

Any dispute between NRS and SalMar that arise in connection with the merger plan shall be settled by arbitration in accordance with the Norwegian Arbitration Act of 14 May 2004. The arbitration court shall consist of three members. Each of the parties shall appoint one arbitrator, and these shall appoint the third arbitrator who shall act as the lead arbitrator. The lead arbitrator shall be a Norwegian lawyer (Norwegian: *jurist*). In absence of an agreement on who shall be the third arbitrator, the third arbitrator shall be appointed by the head district court judge of Trondheim. The arbitration shall take place in Trondheim and the language of the arbitration shall be Norwegian. The arbitration shall be considered to be effectuated upon a party sending a notice to the other party that the dispute shall be settled by arbitration.

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Norwegian version signed by the board of directors in Norway Royal Salmon ASA and SalMar ASA on
30 May 2022

APPENDICES TO THE MERGER PLAN

1. SALMAR AS ACQUIRING COMPANY

- 1.1 Current articles of association for SalMar
- 1.2 The annual accounts and annual report with auditor's report for the last three years and the latest half year interim report, cf. the Norwegian Securities Trading Act Section 5-6, for SalMar
- 1.3 Report from the board of directors of SalMar regarding the merger
- 1.4 Independent expert report for the merger plan
- 1.5 New articles of association for SalMar

2. NRS AS TRANSFERRING COMPANY

- 2.1 Current articles of association for NRS
- 2.2 The annual accounts and annual report with auditor's report for the last three years and the latest half year interim report, cf. the Norwegian Securities Trading Act Section 5-6, for NRS
- 2.3 Report from the board of directors of NRS regarding the merger
- 2.4 Independent expert report for the merger plan