



Benchmark Holdings plc

Summary

Bookrunner:

DNB
Markets

Sheffield, 11 March 2021

Summary

Section (a) Introduction

The name of the securities is Benchmark Holdings plc FRN Senior Secured NOK 1,250,000,000 callable open bond issue 2019/2023. The ISIN code of the securities is NO0010858210.

The name of the Issuer is Benchmark Holdings plc, a company existing under the laws of England and Wales with registration number 04115910. The Issuer's legal entity identifier (LEI) is 2138001UQHM4VZGXUJ19.

The contact details of the Issuer are as follows: Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom and telephone +44 (0)114 240 9939.

The bookrunner of the securities is DNB Bank ASA, which has acted as advisor to the Issuer in relation to the pricing of the securities. The manager's legal entity identifier (LEI) is 549300GKFG0RYRRQ1414. The contact details of DNB Bank ASA are as follows: DNB Bank ASA, Dronning Eufemias gt 30, N-0191 Oslo, Norway.

The Norwegian FSA is the competent authority which has approved the prospectus. The Norwegian FSA is registered in the Register of Business Enterprises, Norway with registration number 840 747 972. The contact details of the Norwegian FSA are as follows: Finanstilsynet, P.O. Box 1187 Sentrum, N-0107 Oslo, Norway.

The prospectus was approved on 11 March 2021.

Please note the following warnings:

- the summary should be read as an introduction to the prospectus;
- any decision to invest in the securities should be based on a consideration of the prospectus as a whole by the investor;
- the investor could lose all or part of the invested capital
- where a claim relating to the information contained in a 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;
- 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 such securities;
- you are about to purchase a product that is not simple and may be difficult to understand.

Section (b) Key information on the issuer

Who is the issuer of the securities ?

The issuer of the securities is Benchmark Holdings plc, a public limited liability company incorporated and domiciled in England and existing under the laws of England and Wales with registration number 04115910 in the UK Companies House register. The Issuer's legal entity identifier (LEI) is 2138001UQHM4VZGXUJ19.

Benchmark is an aquaculture biotechnology company providing products and solutions in genetics, health and specialist nutrition to aquaculture producers. The Company's mission is to enable aquaculture producers to improve their sustainability and profitability. Benchmark's aim is to be the leading aquaculture biotechnology company driving sustainability.

Benchmark brings together biology and technology to deliver genetics, health and advanced nutrition products which improve yield, quality, and animal health and animal welfare. The Company's main products include salmon eggs, live feed (artemia), early stage specialist diets and sea lice treatments.

As of 12 October 2020 the largest shareholders were Ferd AS (25.96 %), Kverva Finans AS (19.35%), JNE Partners LLP (16.71%) and Lansdowne Partners (6.06%). The guarantors are wholly owned by Benchmark Holdings plc, except for Benchmark Genetics Iceland HF (89.48%).

The Issuer, including the Group, has the following key managing directors:

Summary

Name	Position	Business address
Trond Williksen	Chief Executive Officer	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
Septima Maguire	Chief Financial Officer	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
Athene Blakeman	Head of Advanced Nutrition	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
Jan-Emil Johannessen	Head of Genetics	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
John Marshall	Head of Health	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
Jennifer Haddouk	Group Legal Counsel	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom
Corina Holmes	Head of People	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN, United Kingdom

The statutory auditor for the Issuer and the Guarantors is as follows:

Company	Auditor
Benchmark Holdings plc	KPMG LLP
Benchmark Animal Health Group Ltd	KPMG LLP
Benchmark Genetics Ltd	KPMG LLP
Benchmark Holding Europe B.V..	Flynth
Benchmark Animal Health Limited	KPMG LLP
Benchmark Genetics Chile SpA (formerly Benchmark Chile SpA)	KPMG Chile
Benchmark Genetics Iceland HF (formerly Stofnfiskur HF)	KPMG ehf.
INVE Aquaculture Temp Holding B.V. ¹	N/A
INVE Asia Ltd	KPMG
INVE Technologies N.V.	KPMG CVBA
INVE USA Holdings, Inc	Plante & Moran PLLC
Benchmark Genetics Norway AS	KPMG AS

What is the key financial information regarding the issuer ?

Benchmark Holdings plc

Amounts in GBP 1000	Q1 2021 (Consolidated)	2020	2019
Loss for the year*	225	6,980	35,247
Net financial debt (long term debt plus short term debt minus cash)	51,900	27,920	75,084
Net Cash flows from operating activities	-6,427	-5,626	-1,027
Net Cash flows from financing activities	-4,245	35,251	16,057
Net Cash flow from investing activities	-3,950	17,383	-16,684

*Operating profit is not disclosed in the statutory accounts for this company. This total result for the year has been used as an appropriate alternative.

What are the key risks that are specific to the issuer?

- Competition could have a material adverse effect on the Groups' operations:** The Group operates in a competitive market in which large well-established competitors operate. Such competitors have significant resources and capital which may be in excess of those of the Group. The sales tactics and activities of such competitors and their pricing policies or the successful introduction of new competing products or brands could cause a reduction in the Group's sales and margins, results of operations, financial condition and/or prospects.
- Environmental, health and safety and chemicals laws, regulations and standards:** The Group is, and the Group will be, subject to a broad range of laws, regulations and standards, particularly as a result of its involvement in production environments in its Health, Advanced Nutrition and Genetics

Summary

business areas, including those relating to pollution, health and safety of employees, protection of the public, protection of the environment and the storage, handling and use of hazardous substances and chemicals and waste management. These regulations and standards, and their application and enforcement, are becoming increasingly stringent. Violations of such laws, regulations and standards and/or related claims, could result in restrictions on the operations of the Group's sites, placing in the market of the Group's products and/or the level of product sales, as well as damages, fines or other sanctions and increased costs of compliance with potential reputational damage.

- **Regulation in relation to the Group's business and new products:** The Group operates in a highly regulated industry with respect to both its established and developing products, and the Group's business is subject to substantial regulation which may affect the Group's ability to derive long term revenues from some of its products or products in development. For example, the Group is not able to market new products until all the necessary regulatory approvals have been obtained in each jurisdiction where it is intending to market each product. Even after a product has reached market it can still be subject to various kinds of re-review and could lose its approval. In addition it is not always possible to predict the future changes to laws and regulations as they may relate to the Group's products and services and any changes could have a material effect on the Group's operating results.
- **Generic products may be viewed as more cost effective than the Group's products:** The Group will continue to face competition from products produced by other companies possibly including generic alternatives to the Group's products. As a result, the Group may in the future face competition from lower priced generic alternatives to some of its products. Generic competitors can be more aggressive in terms of pricing and generic products are a part of some of the Group's markets. If customers increase their use of new or existing generic products, the Group's operating results and financial condition could be adversely affected.
- **The loss of any of key customers could have a material adverse effect on the Group's business:** In the 12 months ended 30 September 2020, the top five customers by value accounted for approximately 19 per cent. of the Group's revenue. Although the Group is expected to have low levels of customer concentration, any significant deterioration in the Group's relationships with its key customers, which include distributors, whether as a result of inability to agree terms on renewal of the relevant contract(s), a key customer ceasing to require a product, a change of management of a customer, gains made by the Group's competitors or otherwise, could have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.
- **Risk related to COVID-19:** The Group is exposed to the evolving risk of COVID-19, which presents a potential threat to the health and safety of the Group's employees and may have an interruptive effect on demand for the Group's ability to maintain continuity of supply and customer service. COVID-19 has also impacted and may continue to impact customer demand in certain industries in which the Group operates, in particular shrimp markets.
- **Currency exchange rate risk:** The Group as a whole is exposed to fluctuations in currency exchange rates. These impact sales volumes where products are priced by reference to US dollars but sold in local currencies; it impacts revenues and margins where products are priced and paid in local currencies; and impacts reported results when local results, assets and liabilities are converted to GBP for reporting purposes. Although the Group has policies in place to mitigate its currency and exchange risk, there is a risk that currency fluctuations will have an adverse effect on the Group's business, earnings and financial position.

Section (c) Key information on the securities

What are the main features of the securities ?

The Loan is a secured open bond issue with floating interest rate. Settlement Date was 21 June 2019 and Maturity Date is 21 June 2023. The ISIN code of the Loan is NO0010858210. The initial borrowing amount is NOK 850,000,000 with the possibility to increase the borrowing amount to NOK 1,250,000,000. The Denomination of each Bond is NOK 1,000,000. The Coupon Rate is NIBOR 3 months plus a Margin of 5.25 % p.a. with interest payment dates each 21 March, 21 June, 21 September and 21 December.

Both the Issuer and the Bondholders have the right to early terminate the bonds upon certain conditions. The fulfilment of the secured obligations under the Bond Agreement is secured by a guarantee issued by selected subsidiaries of the Issuer.

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank:
(a) pari passu between themselves; and

Summary

- (b) at least pari passu with all other obligations of the Issuer, save for:
- (i) such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application; and
 - (ii) the super senior ranking of:
 - (A) any Credit Facility; and
 - (B) any Hedging Liabilities,
 in each case, to the extent and in the manner contemplated by the Intercreditor Agreement.

Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time.

Where will the securities be traded ?

Admission to trading on the regulated market of Oslo Børs will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA. The Bonds are not and will not be listed on any other market place.

Is there a guarantee attached to the securities ?

The fulfilment of the secured obligations under the Bond Agreement is secured by a corporate guarantee (Norwegian: "selvskyldnerkausjon") issued by each guarantor in respect of the secured obligations.

The fulfilment of the secured obligations under the Bond Agreement is guaranteed by the following guarantors:

Legal name	Place of registration	Registration number	LEI code
Benchmark Animal Health Group Ltd	Companies House, England and Wales, United Kingdom	07330728	213800T3MYATTC7ALG59
Benchmark Animal Health Ltd	Companies House, England and Wales, United Kingdom	08872045	213800R6P6BPCG9Q5340
Benchmark Genetics Ltd	Companies House, England and Wales, United Kingdom	09115896	213800KPJE6ZJ2PBAW33
Benchmark Genetics Iceland HF (formerly Stofnfiskur HF)	Register of Limited Companies, Iceland	620391-1079	213800B6T83FT1P3GZ64
INVE Asia Ltd	Companies Registry, Hong Kong	532802	213800H8SATJEEFTMW26
INVE Technologies N.V.	Crossroad Bank of Enterprises (Federal Public Service Economy (Ministry of Economy)), Belgium	0459.884.423	894500GJKC9T99W6EQ51
Benchmark Holding Europe B.V.	Chamber of Commerce, Breda, the Netherlands	53698673	21380096WGCUYQQH7P09
INVE Aquaculture Temp Holding B.V	Chamber of Commerce, The Netherlands	54163358	213800YDA1EPCAW6RQ08
INVE USA Holdings Inc	State register of Nevada, USA	19991409587	213800KEGFP8AYGFUV06
Benchmark Genetics Chile SpA (formerly Benchmark Chile SpA)	Commercial registry of Santiago of 2017	76,816,129-1	213800PZ8FDRXQI4FU11
Benchmark Genetics Norway AS	Bronnoysundregistrene	983 506 925	254900O0ZI49NYR09G87

The contact details of the guarantors are as follows:

Legal name	Address	Telephone	Website
Benchmark Animal Health Group Ltd	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN	+44 (0) 845 0093342	http://bmkanimalhealth.com/
Benchmark Animal Health Ltd	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN	+44 (0) 845 0093342	http://bmkanimalhealth.com/

Summary

Benchmark Genetics Ltd	Benchmark House, 8 Smithy Wood Drive, Sheffield, S35 1QN	+44 (0)114 240 9939	https://www.benchmarkplc.com/what-we-do/genetics/
Benchmark Genetics Iceland HF (formerly Stofnfiskur HF)	Staðarberg 2-4, Hafnarfjörður, Iceland	+354 564 6300	http://stofnfiskur.is/
INVE Asia Ltd	25/F., OTB Building, 160 Gloucester Road, Wan Chai, Hong Kong	+852 2723 7818	https://www.inveaquaculture.com/
INVE Technologies N.V.	Hoogveld 93, 9200 Dendermonde, Belgium	+32 (0) 52 40 95 95	https://www.inveaquaculture.com/
Benchmark Holding Europe B.V..	Verlengde Poolseweg 16, 4818 CL Breda, the Netherlands	+32 (0) 52 40 95 95	https://www.inveaquaculture.com/
INVE Aquaculture Temp Holding B.V	Verlengde Poolseweg 16, 4818 CL Breda, the Netherlands	+32 (0) 52 40 95 95	https://www.inveaquaculture.com/
INVE USA Holdings Inc	3528 W 500 South, Salt Lake City, Utah 84104	+32 (0) 52 40 95 95	https://www.inveaquaculture.com/
Benchmark Genetics Chile SpA (formerly Benchmark Chile SpA)	Gertrudis Echeñique, No 30, 22 floor, Las Condes, Santiago, Chile	+44 (0)114 240 9939	http://bmkgeneticschile.com/
Benchmark Genetics Norway AS	Sandviksboder 3A,5035 Bergen	+47 922 44 511	https://salmobreed.no/en/

Relevant key financial information for the purpose of assessing the Guarantors' ability to fulfil its commitments under the Guarantee:

Benchmark Animal Health Group Limited

Amounts in GBP 1000	2020 unaudited	2019 audited	2018 audited
Operating profit	-863	-245	-189
Net financial debt (long term debt plus short term debt minus cash)	-83,255	-95,281	-76,494
Net Cash flows from operating activities *)	95	-738	-309
Net Cash flows from financing activities *)	-11,929	18,771	24,579
Net Cash flow from investing activities *)	11,932	-18,033	-24,271

*) all statements of cash flow are unaudited

Benchmark Animal Health Limited

Amounts in GBP 1000	2020 unaudited	2019 audited	2018 audited
Operating profit	-11,149	-10,382	-9,456
Net financial debt (long term debt plus short term debt minus cash)	-64,616	-47,408	33,143
Net Cash flows from operating activities*)	-7,201	-10,501	-10,508
Net Cash flows from financing activities*)	16,229	13,890	19,356
Net Cash flow from investing activities*)	-8,685	-3,763	-8,493

*) all statements of cash flow are unaudited

Benchmark Genetics Limited

Amounts in GBP 1000	2020 unaudited	2019 audited	2018 audited
Operating profit	-1,241	-497	1,489
Net financial debt (long term debt plus short term debt minus cash)	-70,180	-67,189	-59,283
Net Cash flows from operating activities*)	-848	795	-2,289
Net Cash flows from financing activities*)	2,891	7,824	20,088
Net Cash flow from investing activities*)	-2,037	-8,612	-17,799

*) all statements of cash flow are unaudited

Benchmark Genetics Iceland HF (formerly Stofnfiskur HF)

Amounts in ISK 1000	2020 unaudited	2019 audited	2018 audited
Operating profit	1,317,935	1,461,215	932,136
Net financial debt (long term debt plus short term debt minus cash)	211,338	-489,671	-1,023,065
Net Cash flows from operating activities	1,199,389	908,937	223,502
Net Cash flows from financing activities	-695,300	-389,433	-145,122
Net Cash flow from investing activities	-431,087	-347,229	-204,364

Summary

INVE Asia Ltd

Amounts in USD ('000)	2020 unaudited	2019 audited	2018 audited
Profit before tax	538	7,591	9,464
Net financial debt (long term debt plus short term debt minus cash)	54,565	49,301	36,630
Net Cash flows from operating activities	2,578	-450	20,244
Net Cash flows from financing activities	0	0	0
Net Cash flow from investing activities	2,250	-4,965	-21,486

*Operating profit is not disclosed in the statutory accounts for this company. This metric, which includes interest income, has been used as an appropriate alternative.

INVE Technologies N.V.

Amounts in EUR ('000)	2020 unaudited	2019 audited	2018 audited
Operating profit	2,651	5,642	12,882
Net financial debt (long term debt plus short term debt minus cash)	579	612	-1,582
Net Cash flows from operating activities*)	697	2,605	1,038
Net Cash flows from financing activities*)	34	-2,177	-1,418
Net Cash flow from investing activities*)	-9	-230	-190

*) all statements of cash flow are unaudited

Benchmark Holding Europe B.V.

Amounts in USD ('000)	2020 unaudited	2019 audited	2018 audited
Operating profit	-33	-122	-288
Net financial debt (long term debt plus short term debt minus cash)	24,596	26,314	23,607
Net Cash flows from operating activities*)	1,955	3,717	781
Net Cash flows from financing activities*)	-1,791	6,378	12,734
Net Cash flow from investing activities*)	1,070	-10,255	-13,230

*) all statements of cash flow are unaudited

INVE Aquaculture Temp Holding B.V.

Amounts in USD ('000)	2020 unaudited	2019 unaudited	2018 unaudited
Operating profit	0	0	0
Net financial debt (long term debt plus short term debt minus cash)	40	37	40
Net Cash flows from operating activities	N/A	N/A	N/A
Net Cash flows from financing activities	N/A	N/A	N/A
Net Cash flow from investing activities	N/A	N/A	N/A

INVE USA Holdings Inc.

Amounts in USD ('000)	2020 unaudited	2019 audited	2018 audited
Operating profit	-240	1,242	1,379
Net financial debt (long term debt plus short term debt minus cash)	-12,722	-12,024	-11,822
Net Cash flows from operating activities	730	665	86
Net Cash flows from financing activities	0	-400	0
Net Cash flow from investing activities	-420	-22	-178

Benchmark Genetics Chile SpA (formerly Benchmark Chile SpA)

Amounts in USD ('000)	9 months ended 30 Sept 2020 audited	12 months ended 31 Dec 2019 audited	12 months ended 31 Dec 2018 audited
Operating profit	-1,599	1,634	-2,616
Net financial debt (long term debt plus short term debt minus cash)	-9,678	737	-17,319
Net Cash flows from operating activities	-3,090	-910	0
Net Cash flows from financing activities	3,190	-12,067	19,759
Net Cash flow from investing activities	-2,008	14,250	-19,650

Benchmark Genetics Norway AS

Amounts in EUR ('000)	2020 audited	2019 audited	2018 audited
Operating profit	26,073	22,982	5,548
Net financial debt (long term debt plus short term debt minus cash)	-187,892	-182,777	-197,158
Net Cash flows from operating activities	19,685	21,915	-4,074
Net Cash flows from financing activities	5,115	-13,933	42,966
Net Cash flow from investing activities	-10,509	-10,130	-43,441

Except for the following, there are no qualifications in the audit reports relating to the historical financial information for the Issuer or the Guarantors.

The 2018 audit report for INVE Asia Ltd includes the following qualified opinion:

Qualified opinion

We have audited the financial statements of Inve Asia Limited ("the company") set out on pages 7 to 38, which comprise the company's statement of financial position as at 30 September 2018, the company's statement of profit

Summary

or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects on the corresponding figures of the matters described in the Basis for Qualified Opinion section of our report, the financial statements give a true and fair view of the financial position of the company as at 30 September 2018 and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

Our auditor's report on the company's financial statements for the year ended 30 September 2017 was qualified in respect of the following matters:

- a. The company did not carry out any formal assessment of the recoverable amount of the interests in subsidiaries as at 30 September 2016 and any adjustments to the carrying amount of the interests in subsidiaries as at 30 September 2016 would affect the profit for the year ended 30 September 2017.*
- b. We have been unable to obtain sufficient appropriate audit evidence to determine (i) the existence, ownership and accuracy of the company's investment in the associate, (ii) whether the amount of impairment provision recognised against the associate was, or was not, in accordance with the applicable financial reporting framework as at 30 September 2016 and (iii) the commercial substance of the disposal of the associate during the year ended 30 September 2017 and whether the nil amount of gain or loss from the disposal of the associate was free from material misstatement.*

Our opinion on the current year's financial statements is also modified because of the possible effect of these matters on the comparability of the current year's figures and the corresponding figures in the statement of profit or loss and other comprehensive income.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

What are the key risks that are specific to the guarantors?

Please see the "key risks that are specific to the issuer" above.

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

- **Risks of being unable to repay the Bonds:** During the lifetime of the Bonds, the Company will be required to make payments on the Bonds. The Company's ability to generate cash flow from operation and to make scheduled payments on and to repay the Bonds, will depend on the future financial performance of the Company and the Group. In addition, the Company's ability to pay amounts due on the Bonds may depend on the financial performance of its subsidiaries and upon the level of distributions, interest payments and loan repayments, if any, received from its operating subsidiaries (which may be subject to restrictions). If the Company is unable to generate sufficient cash flow from operations or through distributions from its subsidiaries in the future to service its debt, it will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing indebtedness or seeking equity capital. The Company cannot assure investors that any of these alternative strategies could be effected on satisfactory terms, if at all, or that they would yield sufficient funds to make required payments on or to repay the Bonds. Inability to effect such strategies may have a material adverse effect on the Company's business, results of operations, financial position and/or prospects.
- **Company may have insufficient funds to make required redemptions or repurchases of Bonds:** The terms of the Bond Issue provide for certain redemption and repurchase mechanics in respect of the Bonds which entail redemption or repurchase with a premium, either voluntarily or mandatorily. The latter will be the case *inter alia* upon the occurrence of a change of control event (as described in the Term Sheet), whereby each individual Bondholder has a right to require that the Company purchases all or some of the Bonds at 101% of par value (plus accrued interest).

Further, the terms of the Bond Issue will provide that the Company (i) may redeem all or parts of the Bonds at various call prices during the lifetime of the Bonds and (ii) shall redeem all the Bonds upon

Summary

certain conditions. This is likely to limit the market value of the Bonds. During any period when the Company may 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.

There can be no assurance that the Company will have sufficient funds at the time of such event to make the required redemption and/or repurchase of the Bonds, should a mandatory redemption or repurchase occur.

- **Value of collateral may be insufficient to cover outstanding Bonds:** Although the Bonds are secured obligations of the Company, there can be no assurance that the value of the assets securing the Bonds and the Company's other assets will be sufficient to cover all of the outstanding Bonds together with accrued interest and expenses together with the claims of the other secured creditors in the event of a default and/or if the Company becomes insolvent or goes into liquidation and/or with respect to the amount that could be received upon a sale of any assets subject to security.
- **Liquidity risk** is the risk that a party interested in trading bonds cannot do it because nobody in the market wants to trade the bonds. Missing demand for the bonds may result in a loss for the bondholder.
- **Interest rate risk** is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 4 year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.
- **Settlement risk** is the risk that the settlement of bonds does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.
- **Credit risk** is the risk that the Borrower fails to make the required payments under the Loan (either principal or interest).
- **Market risk** is the risk that the value of the bonds will decrease due to the change in value of the market risk factors. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to bonds with a longer tenor and/or with a fixed coupon rate.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

Section (d) Key information on the admission to trading on a regulated market

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

The Loan was initially offered to professional, non-professional and eligible investors prior to the Issue Date 21 June 2019. The Loan is freely negotiable, however certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. There is no market-making agreement entered into in connection with the Bond Issue.

Admission to trading on a regulated market will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA. The estimate of total expenses related to the admission to trading are as follow:

Prospectus fee (NFSA) Registration Document NOK 65,000
Prospectus fee (NFSA) Securities Note NOK 18,000

Summary

Prospectus fee (NFSA) Guarantees NOK 18,000
Prospectus fee (NFSA) Application for exemption NOK 21,000
Listing fee 2021 (Oslo Børs): NOK 56,530
Registration fee (Oslo Børs): NOK 51,400

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

DNB Markets, a part of DNB Bank ASA, has been mandated by the Issuer as bookrunner for the issuance of the Loan. The bookrunner has acted as advisor to the Issuer in relation to the pricing of the Loan and has assisted the Issuer in preparing the Prospectus.

DNB Bank ASA is a public limited liability company incorporated and domiciled in Norway and existing under the laws of Norway with registration number 984 851 006 in the Register of Business Enterprises, Norway.

Why is this prospectus being produced ?

The Prospectus is being produced for the purpose of listing the Benchmark Holdings plc FRN Senior Secured NOK 1,250,000,000 callable open bond issue 2019/2023 on the regulated market of Oslo Børs. The listing will take place as soon as possible after the Prospectus has been approved by the Norwegian FSA.

- (a) The Issuer will use the net proceeds from the Initial Bond Issue (directly or indirectly) towards:
 - (i) repayment in full of the Existing Debt; and
 - (ii) the general corporate and working capital purposes of the Group (including, but not limited to, the financing of any capital expenditure, any acquisitions of companies, businesses or undertakings or any refinancing made by the Group together with any fees, costs and expenses incurred in connection therewith).

- (b) The Issuer will use the net proceeds from the issuance of any Additional Bonds for the general corporate and working capital purposes of the Group (including, but not limited to, the financing of any capital expenditure, any acquisitions of companies, businesses or undertakings or any refinancing made by the Group together with any fees, costs and expenses incurred in connection therewith).

The estimated net amount of the proceeds was NOK 835.1 million. The offer of the bonds was not subject to an underwriting agreement on a firm commitment basis. There are no material conflicts of interest pertaining to the offer or the admission to trading.