

## 1. SUMMARY

- Warning.....* This 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. An investment in the Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this 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.
- Securities.....* The Company has one class of shares in issue. The Shares are registered in book-entry form with the VPS and have ISIN NO NO0003679102.
- Issuer.....* The Company's registration number in the Norwegian Register of Business Enterprises is 910 686 909 and its LEI is 5967007LIEEXZX15D463. The Company's registered office is located at Lysaker torg 25, 1324 Oslo, Norway, its main telephone number at that address is +47 904 07 097 and its e-mail is [nrc@nrc.no](mailto:nrc@nrc.no). The Company's website can be found at [www.nrcgroup.no](http://www.nrcgroup.no)
- Competent authority.....* The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and telephone number +47 22 93 98 00 has reviewed and, on 11 March 2020, approved this Prospectus.

### KEY INFORMATION ON THE ISSUER

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

- Corporate information.....* 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 was incorporated in Norway on 12 September 1966, its registration number in the Norwegian Register of Business Enterprises is 910 686 909 and its LEI is 5967007LIEEXZX15D463.
- Principal activities.....* The NRC Group is a major contractor within infrastructure related to public transportation in Norway, Sweden and Finland. The group is a supplier of all rail, harbour and road related infrastructure services, including groundwork, maintenance, specialized track work, safety, electro, telecom and signalling systems and environmental services.
- Major shareholders.....* Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. The following table sets forth shareholders owning 5% or more of the shares in the Company as of 11 March 2020.

#	Shareholder	Number of shares	Percentage (%)
1	VR-Yhtymä OY	11.829.522	18.28
2	Nordea Nordic SM CAP FD	6.421.120	9.92

Prospectus – NRC Group ASA

3	Carnegie Investment Bank	4.959.631	7.66
4	Arctic Funds Plc	3.657.107	5.65
5	Arctic Funds Plc	3.494.566	5.40
Total.....			46.91%

*Key managing directors.....* The Company's Management consists of 7 individuals. The names of the members of the Management and their respective positions are presented in the below table.

Name	Position
Henning Olsen	CEO
Dag Fladby	CFO
Robert Röder	Managing Director Sweden
Hans Olav Storkås	Managing Director Norway
Harri Lukkarinen	Managing Director Finland
Alfred Beck	Legal Counsel
Mirka Nevala	EVP Strategy and Corporate Development

*Statutory auditor.....* The Company's auditor is Ernst & Young AS, with company registration number 976 389 387 and registered business address at Dronning Eufemias gate 6, N-0191 Oslo, Norway.

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

The following selected financial information has been extracted from the Group's audited consolidated annual financial statements for the year ended 31 December 2018 ("**Audited Financial Statements**") and from the Group's unaudited consolidated interim financial statements for the three and twelve month period ended 31 December 2019 (the "**Interim Financial Statements**"). The selected financial information included herein should be read in connection with, and is qualified in its entirety by reference to Audited Financial Statement and Interim Financial Statement.

The Audited Financial Statements for the year ended 31 December 2018 have been prepared in accordance with IFRS by Ernst & Young, as set forth in their auditor's report as set out in the Groups annual report for the year ended 31 December 2018. The Interim Financial Statements have been prepared in accordance with IAS 34.

The table below sets out selected key financial data from the Group's audited statement of profit and loss and other comprehensive income for the year 31 December 2018 and unaudited statement of profit and loss and other comprehensive income for the three and twelve month period ended 31 December 2019.

<i>Amounts in NOK millions</i>	<b>Three-month period ended 31 December 2019</b> <i>(Unaudited)</i>	<b>Twelve-month period ended 31 December 2019</b> <i>(Unaudited)</i>	<b>Year ended 31 December 2018</b> <i>(Audited)</i>
Operating revenue	1,633	6,193	3,176
Operating profit/loss (EBIT)	-80	-91	1
Net profit/loss	-9	-61	0
Year-on-year revenue growth	71%	95%	34%
Earnings per share in NOK (ordinary)	-0.17	-1.13	0.01

The table below sets out key financial data from the Group's audited statement of financial position as of 31 December 2018 and from the Group's unaudited statement of financial position as of 31 December 2019.

<i>Amounts in NOK millions</i>	<b>As of 31 December 2019</b> <i>(Unaudited)</i>	<b>As of 31 December 2018</b> <i>(Audited)</i>
Total assets	5,420	2,940
Total equity	2,044	1,442
Net interest-bearing debt	1,633	219

The table below sets out selected key data from the Group's condensed audited statement of cash flow for the year ended 31 December 2018 and condensed unaudited cash flow statement for the three and twelve month period ended 31 December 2019.

<i>Amounts in NOK millions</i>	<b>Three-month period ended 31 December 2019</b> <i>(Unaudited)</i>	<b>Twelve-month period ended 31 December 2019</b> <i>(Unaudited)</i>	<b>Year ended 31 December 2018</b> <i>(Audited)</i>
Net cash flow from operating activities	122	77	206
Net cash flow from financing activities	-481	628	-76
Net cash flow from investing activities	427	-937	-140

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

##### *Material risk factors.....*

- Governmental bodies and local municipalities represent the main customer group for the Group, and any decrease in governmental spending and / or demand for railways, either due to conjunctions in general macroeconomic conditions, change of government or political objectives, or similar, may have a material adverse effect on the Group's business, operating results.
- The Group's revenue currently is, and will in the future be, generated from undertaking complex projects with varying duration, and should any events and/or circumstances hamper, obstruct or prevent successful completion of the Group's projects, this may significantly and materially adversely affect the Group's business, reputation, results of operations, financial condition and prospects.
- The Group may not be successful in implementing its new strategy in the future, and any failure to do so may have a material adverse effect on the Group's business, results of operations, financial condition, profitability and prospects
- The Group faces an inherent risk of liability claims or litigations.
- The Group is dependent on debt funding and adequate servicing of its debt, and there can be no assurance that the Group will continue to meet its financing needs or to be able to adequately service its debt.

#### **KEY INFORMATION ON THE SECURITIES**

##### **What are the main features of the securities?**

<i>Type, class and ISIN.....</i>	All of the New Shares are ordinary shares in the Company and have been created under the Norwegian Public Limited Companies Act. The New Shares are registered in book-entry form with the VPS and have ISIN NO NO0003679102.
<i>Currency, par value and number of securities.....</i>	The New Shares will be traded in NOK on Oslo Børs. As of the date of this Prospectus, the Company's share capital is NOK 64,711,349 divided into 64,711,349 Shares, each with a nominal value of NOK 1. In addition, an extraordinary general meeting of the Company resolved on on 9 March 2020 to issue an additional 8,243,200 shares in a share capital increase which is on the date of this prospectus not yet registered in the Norwegian Register of Business Enterprises, but which will increase the Company's share capital to NOK 72,954,549 divided into 72,954,549 shares, each with a par value of NOK 1.
<i>Rights attached to the securities.....</i>	The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the Company. Each of the New Shares carries one vote.
<i>Transfer restrictions.....</i>	The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Shares. Share transfers are not subject to approval by the Board of Directors.
<i>Dividend and dividend policy.....</i>	<p>The Company expects to create value for its shareholders by combining increased share value in a long-term perspective and distribution of dividends. The Company aims to have a dividend policy comparable with peer groups in the industry and to give its shareholders a competitive return on invested capital relative to the underlying risks.</p> <p>The Board of Directors has introduced a dividend policy whereby, subject to a satisfactory underlying financial performance, it is the Company's ambition over time to distribute as dividend a minimum 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds</p>

#### **Where will the securities be traded?**

The New Shares will be listed on Oslo Børs. The Company currently expects commencement of trading in all of the New Shares on on Oslo Børs shortly after publication of this Prospectus on 11 March 2020. The Company has not applied for admission to trading of the New Shares on any other stock exchange, regulated market or multilateral trading facility (MTF).

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

- Material risk factors.....*
- Governmental bodies and local municipalities represent the main customer group for the Group, and any decrease in governmental spending and / or demand for railways, either due to conjunctions in general macroeconomic conditions, change of government or political objectives, or similar, may have a material adverse effect on the Group's business, operating results.
  - Shareholders may become exposed to severe volatility of the share price

**KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

<i>Admission to trading.....</i>	All New Shares will be subject to admission to trading on Oslo Børs, and the listing and commencement of trading of the New Shares is expected to take place on shortly after the publication of this Prospectus on 11 March 2020
<i>Total dilution.....</i>	The Company's total number of shares increased by 18,918,919 shares in the Private Placement, resulting in a total of 72,954,549 shares outstanding after the registration of all shares issued in the Private Placement. The total dilutive effect for shareholders not participating in the Private Placement will be 25.9%.
<i>Total expenses of the issue/offer.....</i>	The gross proceeds to the Company from the Private Placement were approximately NOK 700 million and the Company's total costs and expenses were approximately NOK 29 million. The Managers received a transaction fee of 3.77% of the gross proceeds from the Private Placement. Based on the foregoing, the net proceeds to the Company from the Private Placement were approximately NOK 671 million.

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

NRC Group ASA is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. NRC Group ASA was incorporated in Norway on 12 September 1966, and its registration number in the Norwegian Register of Business Enterprises is 910 686 909 and its LEI is 5967007LIEEXZX15D463.

Moreover, the NRC Group is a major contractor within infrastructure related to public transportation in Norway, Sweden and Finland. The group is a supplier of all rail, harbour and road related infrastructure services, including groundwork, maintenance, specialized track work, safety, electro, telecom and signalling systems and environmental services.

**Why is this prospectus being produced?**

*Reasons for the offer .....* This Prospectus has been prepared in connection with the listing on the Oslo Stock Exchange of 8,243,200 shares issued in Tranche 2 of the Private Placement.

*Use of proceeds.....* The net proceeds from the Private Placement will enhance the financial strength and flexibility of the Company, and will also be used for general corporate purposes.

*Underwriting.....* The Company has not entered into any underwriting arrangements in connection with the Private Placement.

*Conflicts of interest.....* The Manager 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. The Manager, their employees and any affiliate may currently own Shares in the Company. Furthermore, the Manager will receive fees in connection with the Private Placement and, as such, have an interest in the Private Placement.

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