

## 1. SUMMARY

### INTRODUCTION AND WARNINGS

<i>Warning</i>	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 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. 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.
<i>Securities</i>	The Company has one class of shares in issue. The Shares are registered in the VPS under ISIN NO 0010112675. The new Shares re-delivered to Aker Capital AS in Tranche 2 have been issued on a separate ISIN, and will be registered in the VPS under ISIN NO 0010112675 following the publication of this Prospectus.
<i>Issuer</i>	The issuer of the securities is REC Silicon ASA with registration number 977 258 561 in the Norwegian Register of Business Enterprises and LEI code 549300VPZURYDFG0AB60. The Company's principal office is located at Lysaker Torg 5, 3 etc., N-1366 Lysaker, Norway, and its main telephone number at that address is +47 40 72 40 86.
<i>Competent authority</i>	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 4 December 2020, approved the Prospectus.

### KEY INFORMATION ON THE ISSUER

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

<i>Corporate information</i>	The issuer of the securities is REC Silicon ASA, a public limited liability company incorporated in Norway on 3 December 1996 in accordance with the Norwegian Public Limited Companies Act and operating pursuant to the Norwegian Public Limited Companies Act. The Company is registered with the Norwegian Register of Business Enterprises under the organisation number 977 258 561 and its LEI code is 549300VPZURYDFG0AB60.
<i>Principal activities</i>	REC Silicon is a technology and manufacturing company supplying polysilicon and silicon gases applied in photovoltaic and electronics industries.
<i>Major shareholders</i>	Shareholders owning five per cent or more of the Company have a notifiable interest in the Company's share capital according to the Norwegian Securities Trading Act. As of 30 November 2020, the Company has a total of 29,290 registered shareholders in the VPS, of which the top 10 registered shareholders are listed below:

#	Shareholders	Number of Shares	Percent
1	AKER CAPITAL AS	91,995,551	24.70
2	VERDIPAPIRFONDET DNB TEKNOLOGI	19,899,397	5.34
3	CACEIS Bank	9,851,627*	2.65
4	BNP Paribas	6,731,327*	1.81
5	Skandinaviska Enskilda Banken AB	6,320,027*	1.70
6	Citigroup Global Markets Ltd	5,619,000*	1.51
7	VERDIPAPIRFONDET DNB MILJØINVEST	3,783,732	1.02
8	NORDNET LIVSFORSIKRING AS	3,412,924	0.92
9	Avanza Bank AB	3,187,199*	0.86
10	ØRN AS	3,125,500	0.84

*\*Shares held through a nominee account.*

*Executive management* The Company's Executive Management consist of the following persons:

- Tore Torvund (Chief Executive Officer)
- James A. May, II (Chief Financial Officer)

*Statutory auditor* KPMG AS, business registration number 935 174 627.

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

The table below sets out key financial information for the Group for the periods indicated.

Key Financials - REC Silicon Group (USD IN MILLION)	Unaudited					Audited	
	Three Months Ended	Nine Months Ended		Six Months Ended		Year Ended:	
	SEP 30, 2020	SEP 30, 2020	SEP 30, 2019	JUN 30, 2020	JUN 30, 2019	Dec 31, 2019	Dec 31, 2018
Revenues	30.3	86.0	128.4	55.7	92.1	160.2	221.2
EBITDA	17.9	21.9	-9.9	4.0	-4.2	-12.9	-4.9
EBITDA margin	59.1%	25.5%	-7.7%	7.1%	-4.6%	-8.0%	-2.2%
EBIT excluding impairment charges	9.4	-10.6	-48.2	-20.0	-31.4	-62.2	-66.5
Impairment charges	0.0	-23.0	-20.3	-23.0	-20.0	-20.4	-340.5
EBIT	9.4	-33.6	-68.5	-43.0	-51.4	-82.6	-407.1
EBIT margin	31.1%	-39.0%	-53.3%	-77.2%	-55.8%	-51.6%	-184.0%
Profit/loss before tax	8.2	-42.7	-81.5	-50.8	-61.3	-127.0	-348.0
Profit/loss	30.7	-20.1	-81.5	-50.7	-61.3	-127.0	-341.6
Earnings per share, basic and diluted (USD)	0.11	-0.07	-0.29	-0.18	-0.23	-0.47	-1.22
Polysilicon production in MT (Siemens and granular)	237	714	2,828	476	2,488	3,109	9,280
Polysilicon sales in MT (Siemens and granular)	401	874	5,249	474	4,094	5,892	7,784
Silicon gas sales in MT	746	2,308	2,523	1,562	1,663	3,380	3,600

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

- In the event that the Company is obliged to settle the NOK 150 million claim received under its indemnification loan, this would adversely affect the Company's financial position correspondingly.
- Trade barriers, trade restrictions and unfair trade practices could adversely affect the Group's sales.
- There are uncertainties related to the potential creation of a Solar PV supply chain outside China. Should it not be possible to create such a supply chain, this would lead to loss of investment for the Group and could also negatively affect the Group's prospects.
- Realization of demand for the Group's products in the lithium ion battery value chain is dependent on several factors, i.a. the commercialization of current silicone anode technology and the development of new technology, which may not materialize.
- The PV industry may not be able to compete with other energy sources, and the Group could be negatively affected by i.a. a decrease in prices for other energy sources.
- The Group is dependent on a few external customers with respect to sale of polysilicon and silane gas.
- The Group is dependent on a limited number of third party suppliers for key production raw materials, supplies, components and services for its products.
- If the Group ceases for any reason to have access to relatively cheap electricity, its production costs could increase significantly.
- There are risks related to the Group's production processes, which i.a. involve the handling of silane gas and other substances of an explosive or hazardous nature.
- Should business conditions not develop as anticipated, the restart of the Group's FBR production facility at Moses Lake may be delayed or may not take place at all, which could have a material adverse effect on the Group's prospects.

## KEY INFORMATION ON THE SECURITIES

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

<i>Type, class and ISIN</i>	All Shares are ordinary shares of the Company, created under the Norwegian Public Limited Liability Companies Act. The Shares are registered in the VPS under ISIN NO 0010112675. The new Shares re-delivered to Aker Capital AS in Tranche 2 of the Private Placement have been issued on a separate ISIN, and will be registered in the VPS under ISIN NO 0010112675 following the publication of this Prospectus.
<i>Currency, par value and number of securities</i>	The Shares are traded in NOK on the Oslo Stock Exchange. At the date of this Prospectus, the Company's share capital is NOK 372,412,658 divided into 372,412,658 shares, each with a nominal value of NOK 1.
<i>Rights attached to the securities</i>	The Company has one class of shares in issue and all shares provide equal rights in the Company. Each share carries one vote.
<i>Transfer restrictions</i>	The Shares are freely transferable.
<i>Dividend and dividend policy</i>	To support committed investments and productivity improvements, the Board's view so far has been that retained earnings should be put to use within the Company. Accordingly, there has been no distribution of dividends to the shareholders since the Company was publicly listed in 2006. The Company has no plans for dividend distribution, and does not expect dividend to be distributed in the near future.

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

The Company's Shares are listed and tradeable on the Oslo Stock Exchange under the ticker code "RECSI". The new Shares re-delivered to Aker Capital AS in Tranche 2 of the Private Placement will be listed and tradeable following the publication of this Prospectus.

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

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

This Prospectus is a listing prospectus for securities already issued by the Company, and consequently does not constitute an offer to buy or subscribe for any securities. The Company's Shares are listed and tradeable on the Oslo Stock Exchange under the ticker code "RECSI". The new Shares re-delivered to Aker Capital AS in Tranche 2 of the Private Placement will be listed and tradeable following the publication of this Prospectus.

<i>Dilution</i>	The Company's total number of Shares was increased by 92,592,592 new Shares following the Private Placement. Therefore, the dilutive effect for shareholders not participating in the Private Placement was approximately 24.86%.
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#### Overview of dilutive effect:

	Prior to the Private Placement	Subsequent to the Private Placement
Shares outstanding	279,820,066	372,412,658
Dilutive effect	-	24.86%

### *Why is this prospectus being produced?*

<i>Net proceeds</i>	The Company will bear the fees and expenses related to the Private Placement, which are estimated to amount to approximately NOK 37.4 million, thus giving net proceeds of approximately NOK 962.6 million.
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The Company intends to use the net proceeds from the Private Placement to fund expansion investments and activities at the Company's facilities in Butte and Moses Lake as well as for general corporate purposes.

<i>Conflicts of interest</i>	As far as the Company is aware, there are no material conflicts of interest pertaining to the Private Placement.
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