

To the shareholders of Norwegian Crystals AS**BOARD STATEMENT ON****EVENTS AFTER BALANCE SHEET DATE AFTER THE BALANCE SHEET DATE**Convertible loans

The subscription period for the convertible loans under the convertible loan agreement dated 3 December 2018, resolved by the general meeting on 3 December 2018 and entered into between, *inter alia*, several of the Company's shareholders and members of management as lenders and the Company as borrower, carrying 14% interest p.a., was prolonged until end May 2019 in a loan agreement dated 29 March 2019. During the extended period, an additional amount of USD 2,109,943 was raised among shareholders and suppliers. Per 30 June 2019 this loan totalled USD 5,858,340.

Norwegian Crystals AS will initially use its right to extend for further two years the maturity date of the convertible loans under (i) the convertible loan agreement dated 30 June 2017 between the Company as borrower and twelve shareholders as lenders, including (but not limited to) Energy Future Invest AS, Rebelijo AS, CEH 6 CV, Capricorn Libra Team LLC, NC Invest BV and Storstein AS, in the total aggregate amount of NOK 34,553,370, and (ii) the convertible loan agreement dated 26 September 2017 between the Company as borrower and CEH 6 CV as lender in the total aggregate amount of NOK 17,628,441, amounting to NOK 59 749 979 per 31 December 2018 and NOK 62 361 040 per 30 June 2019. These loans carry 10% interest p.a. This extension avoids the loan to fall due and become immediately payable. The board of directors will propose to the general meeting of 27 November 2019, that the general meeting extends the loans and converts the convertible loans into shares.

Market

In May and June 2019, Norwegian Crystals AS has got confirmation on demand for its products in the form of customer contracts for 2019 and Letters of intent for subsequent years. The totality of those customer commitments exceeds the Company's production capacity even after the planned expansion.

Shareholders

SchoutByNacht AS (SBN) is a company owned 100% by the Company's CEO Gøran Bye. During May and June 2019 SBN has acquired shares and loans from Hafslund Handel AS, Energy Future Invest AS, Storstein AS, Vidsjå AS and Vintage Capital AS totalling 22% of the total outstanding shares in Norwegian Crystals AS.

Silicon Crystal growers (pullers)

In 2017, Norwegian Crystals AS (“NCR”, the “Company”) agreed to acquire 144 used silicon crystal growers (“pullers”) from the now defunct German solar module producer SolarWorld AG. In 2018, the production equipment was fully paid for, dismantled, packed, and relocated to an external warehouse in Germany.

Due to NCR’s financial situation – please refer to the published financial statements per 30 September 2019 – the company chose not to transport the pullers to the manufacturing plant in Glomfjord. NCR has not managed to stay current on all the dismantling and storage fees owed to the German contractor Scholpp GmbH. The contractor recently took steps to secure their claims under German law and alleges to have a statutory lien on the equipment. The utmost effect could allow the contractor to auction off all the equipment at metal value to cover its claims.

NCR’s previous expansion plans would install the crystal growers in two production buildings Glomfjord. In 2018, partly due to the financial situation of NCR, the Board of Directors approved to reclassify 99 (out of 144) pullers as current assets that may be sold to an external entity of NCR made.

The strong development in the solar equipment market in the two years since the pullers were purchased enables NCR to acquire commercially off-the-shelf equipment with larger capacity that will allow NCR to maximize the production output from the existing facility. The technical development of equipment and financial situation of the NCR has significant influence on the sales decision.

In understanding with Scholpp GmbH, NCR has accepted an offer to sell all 144 pullers. NCR expects to enter into a final agreement per 25 November 2019. Innovation Norway has the first-priority lien for a loan of around NOK 21 million and will retain 10 MNOK. The offered price will cover all Scholpp’s and the equipment broker’s fees and leave around NOK 14 million for NCR stakeholders beside Innovation Norway. In Q4 2019 NCR estimates to book a net loss of NOK 25-30 million from the transaction, while net debt will be reduced by approximately NOK 36 million.

20 November 2019

Sign

Reidar Langmo

Sign

Hans Furuholmen

Sign

Dipender Saluja

Sign

Joachim Cock

Sign

Paulus Henri Leo Kloppenborg

Sign

Tore Schiøtz

Til aksjeeierne i Norwegian Crystals AS

**STYREREDEGJØRELSE OM
AKSJEINNSKUDD VED MOTREGNING**

1 Bakgrunn

Styret i Norwegian Crystals AS ("**Selskapet**") har foreslått at Selskapets generalforsamling, som skal avholdes 28. november 2019, vedtar kapitalforhøyelse med oppgjør av aksjeinnskudd ved motregning. Styret avgir herved redegjørelse om aksjeinnskuddet i henhold til aksjeloven § 10-2 (3), jf. § 2-6.

Selskapet er i en anstrengt finansiell situasjon, med negativ egenkapital per 8. november 2019. Styret har søkt å få på plass ulike løsninger for å sikre Selskapets drift. Som ledd i en rekapitalisering av Selskapet, foreslår styret en rekke tiltak, som inkluderer følgende:

- a) Konvertering av lån under konvertibel låneavtale datert 30. juni 2017 mellom Selskapet som låntaker og tolv aksjonærer som långivere, inkludert (men ikke begrenset til) Energy Future Invest AS, Rebelijo AS, CEH 6 CV, Capricorn Libra Team LLC, NC Invest BV og Storstein AS, med totalt lånebeløp NOK 34 553 370;
- b) Konvertering av lån under konvertibel låneavtale datert 26. september 2017 mellom Selskapet som låntaker og CEH 6 CV som långiver med totalt lånebeløp NOK 17 628 441; og
- c) Konvertering av lån under konvertibel låneavtale datert 3. desember 2018, som endret ved låneavtale datert 29. mars 2019 vedtatt av generalforsamlingen 3. desember 2018 og inngått mellom, blant annet, flere av Selskapets aksjonærer og ledelsen som långivere og Selskapet som låntaker.

To the shareholders of Norwegian Crystals AS

**BOARD STATEMENT ON
CONTRIBUTION BY WAY OF SET-OFF**

1 Background

The board of directors of Norwegian Crystals AS (the "**Company**") has proposed that the Company's general meeting, to be held on 28 November 2019, resolves a share capital increase with settlement of contribution by way of set-off. The board of directors hereby provides a statement on the share capital contribution in accordance with the Norwegian Private Limited Liability Companies Act section 10-2 (3), cf. section 2-6.

The Company is in a strained financial situation, with a negative equity as per 8 November 2019. The board of directors has sought out various financial solutions, to ensure the Company's continued operation. As part of a recapitalisation of the Company, the board of directors proposes a set of measures, which includes the following:

- a) Conversion of the loans under a convertible loan agreement dated 30 June 2017 between the Company as borrower and twelve shareholders as lenders, including (but not limited to) Energy Future Invest AS, Rebelijo AS, CEH 6 CV, Capricorn Libra Team LLC, NC Invest BV and Storstein AS, in the total aggregate amount of NOK 34,553,370;
- b) Conversion of the loan under a convertible loan agreement dated 26 September 2017 between the Company as borrower and CEH 6 CV as lender in the total aggregate amount of NOK 17,628,441; and
- c) Conversion of the loans under a convertible loan agreement dated 3 December 2018, as amended by a loan agreement dated 29 March 2019 resolved by the general meeting on 3 December 2018 and entered into between, *inter alia*, several of the Company's shareholders and members of management as lenders and the Company as borrower;

Låneavtalene listet opp i bokstav a), b) og c) overfor omtales samlet som "**Låneavtalene**".

Långivernes fordringer under Låneavtalene er heretter samlet omtalt som "**Fordringene**".

2 Forslaget om kapitalforhøyelse og aksjeinnskudd ved motregning

Det vises til sak 10 i innkallingen til generalforsamling for en beskrivelse av forslaget om kapitalforhøyelse. Styret har foreslått at Selskapets aksjekapital forhøyes med totalt NOK 25 301 520 ved utstedelse av 8 433 840 nye aksjer, hver pålydende NOK 3, til tegningskurs NOK 3.

Styret har foreslått at aksjeinnskuddet gjøres opp ved motregning av Fordringene som långiverne listet opp nedenfor har mot Selskapet i henhold til Låneavtalene og mot innskudd i penger.

Fordringenes pålydende er følgende per långiver:

Eier av Fordring	Pålydende (NOK)
REBELIJO AS	334 344
CEH 6 CV	962 437
CAPRICORN LIBRA TEAM LLC	134 642
NC INVEST BV	181 654
NOVUS SPECIAL SITUATIONS LLC	60 477
SCHOUTBYNACT AS	582 495
GRANHAUG INDUSTRIER AS	9 221
CENTURUM AS	2 361
JOCO HOLDING AS	1 840
SUM	2 269 471

Eier av Fordring	Pålydende (NOK)
REBELIJO AS	3 643 707
CAPRICORN LIBRA INVESTMENT GROUP LP	6 094 529
NOVUS SPECIAL SITUATIONS LLC	412 008
SCHOUTBYNACT AS	82 402
NC FINANCE CV	8 068 981
STORSTEIN AS	402 446
FINANCE RESOURCES TODO AS	82 402

The loan agreements listed in letter a), b) and c) above are hereinafter referred to as the "**Loan Agreements**".

The lenders' claims under the Loan Agreements are hereinafter referred to as the "**Claims**".

2 The proposal on share capital increase and contribution by way of set-off

Reference is made to section 10 of the notice of the general meeting for a description of the proposal for share capital increase. The board of directors has proposed that the Company's share capital is increased by NOK 25,301,520 by issue of 8,433,840 new shares, each with a par value of NOK 3, at a subscription price of NOK 3 per share.

The board of directors has proposed that the share capital contribution shall be settled by way of set-off of the Claims that the lenders listed below have against the Company pursuant to the Loan Agreements and by contribution in cash.

The nominal value of the claims are the following per lender:

Owner of Claim	Value (NOK)
REBELIJO AS	334,344
CEH 6 CV	962,437
CAPRICORN LIBRA TEAM LLC	134,642
NC INVEST BV	181,654
NOVUS SPECIAL SITUATIONS LLC	60,477
SCHOUTBYNACT AS	582,495
GRANHAUG INDUSTRIER AS	9,221
CENTURUM AS	2,361
JOCO HOLDING AS	1,840
TOTAL	2,269,471

Owner of Claim	Value (NOK) ¹
REBELIJO AS	3,643,707
CAPRICORN LIBRA INVESTMENT GROUP LP	6,094,529
NOVUS SPECIAL SITUATIONS LLC	412,008
SCHOUTBYNACT AS	82,402
NC FINANCE CV	8,068,981
STORSTEIN AS	402,446
FINANCE RESOURCES TODO AS	82,402

¹ Based on an USD/NOK exchange rate of 1/9.0942.

DANSKE KAPITAL NORGE	407 775
ENTRANS INVEST AS	142 033
YARA NORGE AS	1 836 389
MELØY KOMMUNE	1 859 379
SUM	23 032 049

Motregningen vil medføre at Selskapets gjeld reduseres med et beløp tilsvarende pålydende av Fordringene.

3 Prinsipper for vurdering av Fordringene

Fordringene vurderes som reelle, med virkelig verdi tilsvarende pålydende verdi. Det bør særlig tas hensyn til at lånene under de respektive Låneavtalene er skrevet ned med henholdsvis 96,25 og 60,00 prosent før motregningen.

4 Andre forhold av betydning for bedømmelse av motregning av Fordringene

Styret er ikke kjent med andre forhold av betydning for bedømmelse av motregning av Fordringene.

5 Erklæring om vederlaget

Styret erklærer at Fordringene har en verdi som minst tilsvarer det avtalte vederlaget, herunder pålydende av de aksjer som skal utstedes som vederlag ved kapitalforhøyelsen, med tillegg av overkurs.

DANSKE KAPITAL NORGE	407,775
ENTRANS INVEST AS	142,033
YARA NORGE AS	1,836,389
MELØY KOMMUNE	1,859,379
TOTAL	23,032,049

The set-off will entail that the Company's debt is reduced by an amount equivalent to the nominal value of the Claims.

3 Principles for assessment of the Claims

The Claims are considered valid, with an actual value equivalent to the nominal value. It is noted in particular that the loans under the respective Loan Agreements are written down by 96.25 and 60.00 percent, respectively prior to the set-off.

4 Other matters of significance for assessment of the set-off of the Claims

The board of directors is not aware of any other matters of significance for assessment of the set-off of the Claims.

5 Declaration regarding the contribution

The board of directors declares that the Claims have a value at least equivalent to the agreed contribution, including the par value of the shares to be issued as consideration in the share capital increase, with the addition of share premium.

20 November 2019

Reidar Langmo

Joachim Cock

Hans Furuholmen

Paulus Henri Leo Kloppenborg

Dipender Saluja

Tore Schjøtz

NORWEGIAN CRYSTALS AS -- EXERCISE OF ANTI-DILUTION WARRANTS -- 18 Nov 2019

Shareholder	Subscription (Shares)	Subscription (NOK)
CAPRICORN LIBRA TEAM LLC, CASH CONTRIBUTION	3,050,000	9,150,000
SCHOUTBYNACHT AS, CASH CONTRIBUTION	199,249	597,748
REBELIJO AS, CASH CONTRIBUTION	1,843,667	5,531,000
DANSKE KAPITAL NORGE	562,500	1,687,500
ARTEL AS	500,000	1,500,000
BERGEN KOMMUNALE PK	400,000	1,200,000
CIVES II AS	100,000	300,000
LIM AS	500,000	1,500,000
MORTER & PISTILL AS	20,000	60,000
POLLEN INVEST AS	140,000	420,000
ENTRANS INVEST AS	100,000	300,000
RICHARD DOUGLAS WALKER	191,851	575,553
PER. J. HOLDING AS	120,000	360,000
BJERVA AS	75,000	225,000
KROY INTERNATIONAL INC.	610,000	1,830,000
FRED-OLAV KYRRE BJERKÅS	13,000	39,000
MELØY KOMMUNE	0	0
POLAR-KRAFT AS	0	2,000,000
TOTAL SHARES / NOK	8,425,267	27,275,801

Til aksjeeierne i Norwegian Crystals AS

**STYREREDEGJØRELSE OM
AKSJEINNSKUDD VED MOTREGNING**

1 Bakgrunn

Styret i Norwegian Crystals AS ("**Selskapet**") har foreslått at Selskapets generalforsamling, som skal avholdes 28. november 2019, vedtar kapitalforhøyelse med oppgjør av aksjeinnskudd ved motregning. Styret avgir herved redegjørelse om aksjeinnskuddet i henhold til aksjeloven § 10-2 (3), jf. § 2-6.

Selskapet er i en anstrengt finansiell situasjon, med negativ egenkapital. Styret har søkt å få på plass ulike løsninger for å sikre Selskapets drift. Som ledd i en rekapitalisering av Selskapet, foreslår styret en rekke tiltak, som inkluderer konvertering av kortsiktige brolån fra SchoutByNacht AS, Storstein AS, NC Finance CV, Rebelijo AS og Capricorn Libra Team LLC til Selskapet utbetalt i løpet av 2019, som totalt utgjør NOK 3 723 800 pluss akkumulert rente ("**Brolånene**").

Långivernes fordringer under Brolånene er heretter samlet omtalt som "**Fordringene**".

2 Forslaget om kapitalforhøyelse og aksjeinnskudd ved motregning

Det vises til sak 11.3 i innkallingen til generalforsamling for en beskrivelse av forslaget om kapitalforhøyelse. Styret har foreslått at Selskapets aksjekapital forhøyes med totalt NOK 2 966 502 ved utstedelse av 988 834 nye aksjer, hver pålydende NOK 3, til tegningskurs NOK 3.

Styret har foreslått at aksjeinnskuddet gjøres opp ved motregning av Fordringene som långiverne listet opp nedenfor har mot Selskapet i henhold til Låneavtalene og mot innskudd i penger.

To the shareholders of Norwegian Crystals AS

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1 Background

The board of directors of Norwegian Crystals AS (the "**Company**") has proposed that the Company's general meeting, to be held on 28 November 2019, resolves a share capital increase with settlement of contribution by way of set-off. The board of directors hereby provides a statement on the share capital contribution in accordance with the Norwegian Private Limited Liability Companies Act section 10-2 (3), cf. section 2-6.

The Company is in a strained financial situation, with a negative equity. The board of directors has sought out various financial solutions, to ensure the Company's continued operation. As part of a recapitalisation of the Company, the board of directors proposes a set of measures, which includes conversion of short-term bridge loans from SchoutByNacht AS, Storstein AS, NC Finance CV, Rebelijo AS and Capricorn Libra Team LLC to the Company during 2019, in total equaling NOK 3,723,800 plus accrued interest (the "**Bridge Financing**").

The lenders' claims under the Bridge Financing are hereinafter referred to as the "**Claims**".

2 The proposal on share capital increase and contribution by way of set-off

Reference is made to section 11.3 of the notice of the general meeting for a description of the proposal for share capital increase. The board of directors has proposed that the Company's share capital is increased by NOK 2 966 502 by issue of 988 834 new shares, each with a par value of NOK 3, at a subscription price of NOK 3 per share.

The board of directors has proposed that the share capital contribution shall be settled by way of set-off of the Claims that the lenders listed below have against the Company

Fordringenes pålydende er følgende per långiver:

Eier av Fordring	Pålydende (NOK)
SCHOUTBYNACHT AS	912 669
STORSTEIN AS	115 833
REBELIJO AS	969 000
CAPRICORN LIBRA TEAM LLC	969 000
SUM	2 966 502

Motregningen vil medføre at Selskapets gjeld reduseres med et beløp tilsvarende pålydende av Fordringene.

3 Prinsipper for vurdering av Fordringene

Fordringene vurderes som reelle, med virkelig verdi tilsvarende pålydende verdi. Ved vurderingen av Fordringene er det særlig hensyntatt at Selskapet samtidig har inngått avtaler om endelig oppgjør av Selskapets øvrige lånefinansiering og at Selskapet kommer i en finansiell stilling som gjør det i stand til å betjene sine forpliktelser.

4 Andre forhold av betydning for bedømmelse av motregning av Fordringene

Styret er ikke kjent med andre forhold av betydning for bedømmelse av motregning av Fordringene.

5 Erklæring om vederlaget

Styret erklærer at Fordringene har en verdi som minst tilsvarende det avtalte vederlaget, herunder pålydende av de aksjer som skal utstedes som vederlag ved kapitalforhøyelsen, med tillegg av overkurs.

pursuant to the Loan Agreements and by contribution in cash.

The nominal value of the claims is the following per lender:

Owner of Claim	Value (NOK)
SCHOUTBYNACHT AS	912,669
STORSTEIN AS	115,833
REBELIJO AS	969,000
CAPRICORN LIBRA TEAM LLC	969,000
TOTAL	2 966 502

The set-off will entail that the Company's debt is reduced by an amount equivalent to the nominal value of the Claims.

3 Principles for assessment of the Claims

The Claim are considered valid, with an actual value equivalent to the nominal value. When assessing the Claims, it is in particular taken into consideration that the Company simultaneously has entered into agreements on final settlement of the Company's other debt financing, and that the Company will be in a financial position to service its obligations.

4 Other matters of significance for assessment of the set-off of the Claims

The board of directors is not aware of any other matters of significance for assessment of the set-off of the Claims.

5 Declaration regarding the contribution

The board of directors declares that the Claims have a value at least equivalent to the agreed contribution, including the par value of the shares to be issued as consideration in the share capital increase, with the addition of share premium.

20 November 2019

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NORWEGIAN CRYSTALS AS -- EXERCISE OF ANTI-DILUTION WARRANTS -- 18 Nov 2019

Shareholder	Subscription (Shares)	Subscription (NOK)
CAPRICORN LIBRA TEAM LLC, 2019 BRIDGE LOAN	323,000	969,000
SCHOUTBYNACHT AS, 2019 BRIDGE LOAN	304,223	912,669
REBELIJO AS, 2019 BRIDGE LOAN	323,000	969,000
STORSTEIN AS, 2019 BRIDGE LOAN	38,611	115,833
TOTAL SHARES / NOK	988,834	2,966,502