

Kalera S.A.

Société anonyme

Registered office: 15, boulevard Roosevelt, L-2450 Luxembourg

R.C.S. Luxembourg: B 256011

(the "**Absorbing Company**")

Board report/explanatory notes of the board of directors of Kalera S.A., drawn up in accordance with Article 1021-5 of the law of 10 August 1915 on commercial companies, as amended, dated 22 September 2021

I. Background

The Absorbing Company is the subsidiary of **Kalera AS**, a private limited liability company incorporated and existing under the laws of Norway, registered with the Norwegian Register of Business Enterprises under number 911 703 130, having its registered office at c/o Tyveholmen AS, Tjuvholmen allé 19, 0252 Oslo, Norway (the "**Absorbed Company**" and together with the Absorbing Company, the "**Merging Companies**").

It is proposed that the Absorbed Company merges with the Absorbing Company, with the Absorbing Company as the surviving entity (the "**Cross-Border Merger**").

The board of directors of the Absorbed Company and the board of directors of the Absorbing Company (the "**Boards**") have prepared a joint merger plan for a merger between the Absorbed Company and the Absorbing Company in accordance with Section 13-25 of the Norwegian Private Limited Liability Companies Act, cf. Sections 13-25 to 13-36 of the Norwegian Public Limited Liability Companies Act (the "**NCA**") and Articles 1020-1 to 1021-19 of Chapter 2 on Mergers of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**LCL**") (the "**Draft Terms of Cross-Border Merger**").

This report has been prepared in accordance with article 1021-5 of the law of 10 August 1915 on commercial companies, as amended, dated 11 November 2020.

The purpose of this report is to explain and to justify the Draft Terms of Cross-Border Merger from a legal, economic and social perspective and the consequences of the Cross-Border Merger for the shareholders, the creditors and the employees (if any) of the Merging Companies. The report is addressed to the shareholders of each of the Merging Companies and shall be held available to the shareholders (if any) of each of the Merging Companies.

II. Legally and economically reasoning for Cross-Border Merger

The Kalera group is planning a US listing of its shares on Nasdaq (the "**Listing**"), and the Cross-Border Merger is necessary, and is solely carried out, to facilitate the Listing.

Through the Cross-Border Merger all assets, rights and liabilities of the Absorbed Company will be transferred to the Absorbing Company. As Cross-Border Merger Consideration (as defined below), the shareholders of the Absorbed Company will receive shares in the Absorbing Company, where two shares in the Absorbed Company gives the right to receive one share in the Absorbing Company.

At completion of the Cross-Border Merger, each of the Absorbed Company's shareholders will, for the purpose of calculating the number of consideration shares, have its shares rounded down to the nearest even number. If a shareholder already holds an even number of shares, no rounding will be made. Excess

shares, which as a result of this rounding will not be allotted, will be settled in cash by the Absorbing Company and the settlement amount per excess share shall equal the volume weighted average share price for the Absorbed Company's shares on Euronext Growth Oslo during the last 10 trading days prior to the Effective Date.

Hence, the Absorbed Company's shareholders will continue their ownership and exposure towards the Kalera group through the Absorbing Company. The Merger will not have any dilutive effect on the Absorbed Company's shareholders ownership percentages other than the small dilutive effect for the shareholders who will have its shareholding rounded downwards cf. the above paragraph.

The Absorbing Company will apply for a listing of its shares or depository receipts representing beneficial interests in shares in the company on Euronext Growth Oslo with effect from completion of the Merger to facilitate continued trading in the Kalera share on Euronext Growth Oslo until the Listing.

III. Legal conditions for the implementation of the Cross-Border Merger

In order to implement the Cross-Border Merger, the following steps will need to be accomplished:

- Drawing up and execution of the Draft Terms of Cross-Border Merger by the Boards;
- At least one month before the EGMs (as defined below), filing of the Draft Terms of Cross-Border Merger, which contain the current articles of association of the Absorbing Company, with the Luxembourg Trade and Companies' Register and publication in the *Recueil Électronique des Sociétés et Associations* (the "**RESA**"), as well as filing of the Draft Terms of Cross-Border Merger, together with the annual accounts for the last three (3) years of each of the Merging Companies, as adopted by the shareholders of the Merging Companies, the current articles of association of the Absorbing Company, the interim accounts of the Absorbed Company as at 30 June 2021 and the interim accounts of the Absorbing Company as at 30 June 2021, with the Norwegian Register of Business Enterprises.
- Drawing up and execution of a director's report on the Cross-Border Merger by each of the Boards. This step is fulfilled by the Absorbing Company with the present report.
- Drawing up and execution of a report from the expert referred to in article 1021-6 of the LCL, and the expert report prepared pursuant to section 13-28 of the NCA.
- The following documents are put at the disposal of the shareholders of each of the Merging Companies at their respective registered offices (the "**Documents**"):
 - the Draft Terms of Cross-Border Merger (including Annexes);
 - the annual accounts and the management reports for each of the Merging Companies for the last three (3) financial years, as adopted by the shareholders of the Merging Companies, if applicable;
 - the interim accounts of the Absorbed Company as at 30 June 2021 and the interim accounts of the Absorbing Company as at 30 June 2021, used to establish the terms conditions of the Cross-Border Merger;
 - The report from the expert referred to in article 1021-6 of the LCL, and the expert report prepared pursuant to section 13-28 of the NCA;
 - the reports from the Boards of the respective Merging Companies explaining the Draft Terms of Cross-Border Merger from a legal and economic and social point of view; and
 - the articles of association of the Absorbing Company as a result of the Cross-Border Merger.

- Recording of the resolutions of the shareholders of the Absorbed Company relating to the Cross-Border Merger in Norway (the “**Norway EGM**”).
- Issuance of a certificate from the Norwegian Register of Business Enterprises to the attention of the Luxembourg notary declaring that all the necessary checks have been completed and recognition of the existence and the legality of all the legal acts and formalities carried out by the Merging Companies in Norway.
- Approval of the Cross-Border Merger by the extraordinary general meeting of the shareholders of the Absorbing Company (the “**EGM of the Absorbing Company**” and together with the Norway EGM, the “**EGMs**”).

IV. Legally and economically reasoning for the consideration of the Cross-Border Merger

In connection with the Cross-Border Merger, the Absorbing Company will receive the assets, rights and liabilities of the Absorbed Company at the Absorbed Company’s book values (carrying values). The Cross-Border Merger Consideration (as defined below) for the shareholder of the Absorbed Company constitutes a total of 97,315,160 shares in the Absorbing Company (or such other (higher or lower as the case may be) number of shares being equal to one-half of the total number of outstanding shares in the Absorbed Company on the Effective Date should (i) the Absorbed Company issue additional shares prior to the Effective Date, as two Absorbed Company shares shall always give one share in the Absorbing Company (rounded downwards as set out above) and/or (ii) a shareholder, due to the rounding effect, receive a cash compensation instead of an additional share in the Absorbing Company (the “**Cross-Border Merger Consideration**”). No form of additional compensation will be granted to a shareholder (other than the cash consideration for excess shares as set out above).

The consideration shares in the Absorbing Company will be issued by way of a share capital increase.

Concomitantly with the share capital increase, the Absorbing Company contemplates to decrease its share capital with EUR 30,000, to, subject to the first paragraph of this Section IV, bring the share capital of EUR 1,003,151.60 to EUR 973,151.60 by cancellation of the shares it holds in its own share capital.

There have been no difficulties in determining the Cross-Border Merger Consideration.

It can be argued that the book values of the Absorbed Company and the Absorbing Company, as set out in the interim accounts, do not justify the exchange ratio of two shares in the Absorbed Company giving the right to receive one share in the Absorbing Company. However the exchange ratio has been considered appropriate by the board of directors of the Absorbed Company based on the following:

1. As the Absorbed Company owns 100% of the shares in the Absorbing Company and both the Absorbed Company and the Absorbing Company uses International Financial Reporting Standards as adopted by the EU (IFRS) as its accounting framework, the Absorbed Company’s assets, rights and liabilities to be transferred and absorbed by the Absorbing Company are stated at the Absorbed Company’s carrying values. Hence, there will be no changes to the book values of the Absorbed Company’s assets, rights and liabilities as a consequence of the Cross-Border Merger.
2. The Merger will not have any dilutive effect on the Absorbed Company’s shareholders (other than the small dilutive effect for shareholders who will have its shareholding rounded downwards as set out above).

3. Pursuant to Nasdaq's listing requirements, each Kalera share will need to have a minimum market value of USD 4. To make sure that the Kalera group fulfill this requirement and can complete the Listing, a "reverse stock split" in the form of the exchange ratio where two shares in the Absorbed Company giving the right to one share in the Absorbing Company is deemed as the best possible solution. The Listing is deemed in the best interest of the Kalera group and its shareholders.

V. Consequences of the Cross-Border Merger for the Absorbed Company

The Cross-Border Merger implies that all assets, rights and liabilities of the Absorbed Company (including all the shares in the Absorbing Company) will be transferred to the Absorbing Company.

The Absorbed Company will be dissolved upon completion of the Cross-Border Merger. The Absorbing Company will continue after the Cross-Border Merger with the same business address and business registration number. The Absorbing Company will become the new parent entity for the Kalera group.

VI. Consequences of the Cross-Border Merger for the employees

There are no employees in the Absorbed Company or in the Absorbing Company.

VII. Consequences of the Cross-Border Merger for the creditors and the shareholders of the Absorbed Company

The Cross-Border Merger is not expected to have any implications for creditors of the Absorbed Company or the Absorbing Company.

The Absorbed Company's shareholders own shares that are registered in VPS. It is expected that the Absorbed Company's shareholders at completion of the Cross-Border Merger will receive shares in the merged company, or depository receipts representing such shares, registered in VPS.

No assets, rights and liabilities will be transferred from the Absorbing Company as a consequence of the Cross-Border Merger. Thus, these assets, rights and liabilities will remain unaffected in the Absorbing Company following the Cross-Border Merger.

VIII. Effective Date of the Cross-Border Merger

The Cross-Border Merger shall become effective between the Merging Companies and towards third parties on the date of the publication of the minutes of the extraordinary general meeting of the shareholders of the Absorbing Company approving the Cross-Border Merger in the RESA in accordance with the provisions of Article 1021-16 of the Luxembourg Law (the "**Effective Date**").

The present report has been signed by an authorized signatory of the Absorbing Company and shall be held available for inspection by the shareholders of each of the Merging Companies at the registered offices of each of the Merging Companies.

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[Signature page of the report of the board of directors of Kalera S.A.]

Kalera S.A.

A handwritten signature in black ink, appearing to read 'Fernando Comejo', is written over a horizontal line. The signature is stylized and cursive.

Fernando Comejo

Class A director and authorised signatory