



**FINANSTILSYNET**

THE FINANCIAL SUPERVISORY  
AUTHORITY OF NORWAY

Our reference

25/11370

Your reference

26.01.2026

# Decision on violation penalty

## 1 Introduction

Reference is made to the letters from the Financial Supervisory Authority of Norway (Finanstilsynet) dated 9 September and 12 December 2025, as well as the response from [REDACTED] on behalf of [REDACTED] dated 29 September 2025 and 11 January 2026.

On 29 August 2025, [REDACTED] and various entities and individuals whose shares he manages, tendered all their shares in Rec Silicon ASA ("RECSI") in connection with a mandatory offer. However, the transaction was not notified to the market until 4 September 2025 at 09:15 (CEST). Finanstilsynet has concluded that [REDACTED] submitted the market notification too late, thereby breaching section 4-2, cf. section 4-4, of the Norwegian Securities Trading Act ("NSTA").

Furthermore, the notification was incomplete as it did not include all information required by law. Finanstilsynet has concluded that [REDACTED] also breached section 4-1 of the Norwegian Securities Trading Regulations ("NSTR").

Based on the information available, Finanstilsynet has concluded that [REDACTED] has violated the NSTA section 4-2 and has decided to impose a violation penalty of NOK 175,000, pursuant to section 21-3 of the NSTA.

## 2 Legal basis

Pursuant to the Norwegian Securities Trading Act (NSTA) section 4-2 subsection (1), a shareholder shall notify the issuer and the regulated market of a transaction which causes the shareholder's portion of shares and/or rights to shares to reach, exceed or fall below 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or an equivalent proportion of the voting rights in a company whose shares are quoted on a regulated market.

It follows from NSTA Section 4-4 subsection 1 no. 1 that the obligation also applies to voting rights for shares which are held by a third party, if the party subject to the disclosure requirement has concluded an agreement with such third party to pursue a long-term, common strategy, through coordinated exercise of voting rights. Finanstilsynet generally considers management companies to have entered into such an agreement with funds of which assets are managed by the management company, cf. Guideline from Finanstilsynet to the Securities Trade Act (*Veiledning til verdipapirhandelloven kapittel 4 flaggeplikt*) chapter 4 page 16.

The NSTA section 4-2 and section 4-4 apply to shares admitted to trading on a regulated market of an issuer having Norway as its home state, cf. section 4-1.

According to NSTA section 4-7, notification must be given immediately, and no later than before the opening of the regulated market on the second trading day following the event that triggered the notification requirement. Pursuant to the NSTR section 4-1, the notification to the regulated market shall contain the following information:

- a. the name of the issuer of the shares,
- b. the date on which the proportion of shares held reached, exceeded or fell below the thresholds set in section 4-2 subsection (1) of the Securities Trading Act,
- c. the name of the entity subject to the mandatory disclosure obligation, including the name of the shareholder,
- d. the number of shares encompassed by the notification,
- e. the subsequent situation with regard to voting rights, including the percentage of the votes and shares of the company held by the entity concerned,
- f. what percentage of the votes and shares of the company the entity concerned holds in the form of rights to shares,
- g. the circumstance that triggered the mandatory disclosure obligation and whether such circumstance applied to the entity concerned itself or to any other party encompassed by the mandatory disclosure obligation,
- h. the chain of controlled undertakings through which the shares or rights are owned,
- i. where the notification concerns rights to shares referred to in section 4-3 subsection (1) of the Securities Trading Act the notification shall also contain a description of the rights, including information on the date and time that the rights will or can be exercised and the date and time of their expiry.

Finanstilsynet may, under the NSTA section 21-3 subsection 1, impose individuals and/or legal persons a violation penalty in the event of negligent or wilful violation of the NSTA section 4-2.

In deciding whether an administrative sanction is to be imposed and the size of such sanction, attention may under the NSTA section 21-14 be given to the following:

1. the gravity and length of the breach;
2. the degree of guilt of the perpetrator;
3. the financial strength of the perpetrator, in particular total turnover or annual income and assets;
4. profits gained or losses avoided;
5. any loss inflicted on a third party due to the breach;
6. will by the perpetrator to cooperate with public authorities;
7. earlier violations;
8. arguments as mentioned under Public Administration Act section 46 subsection 2;
9. other relevant arguments.

### 3 Factual background

A stock exchange notice dated 4 September 2025 reported that the following shareholders reached a notifiable threshold in RECSI on 29 August 2025 by changes in voting rights: [REDACTED] and the funds managed by [REDACTED] including [REDACTED], Ltd.

[REDACTED] was identified as the party responsible for notification. The specific threshold crossed was not disclosed, but after crossing the threshold, these shareholders held 0 % of RECSI shares.

## 4 Statement of the discloser

In the letter dated 29 September 2025, [REDACTED] stated that several entities were subject to the notification [REDACTED]

[REDACTED]. Additionally, [REDACTED] and [REDACTED] held shares in RECSI. In total, 36,421,245 shares were under common control by [REDACTED]

[REDACTED] stated that the [REDACTED] are entities managed by [REDACTED] as investment manager for each of the [REDACTED] is the ultimate controlling owner of [REDACTED]. In addition, [REDACTED] and [REDACTED] held shares in RECSI individually. All shares in RECSI held by [REDACTED], [REDACTED] were, as set out in the NSTA section 4-4 (2), ultimately controlled by [REDACTED]

[REDACTED] and affiliates tendered all their shares in RECSI in the mandatory tender offer launched by Anchor AS, which is controlled by Hanwha Corporation, through [REDACTED] custodians on Friday 29 August at 16:30 (CEST).

Based on the irregular price movements in the days prior to and after the notification, [REDACTED] does not believe there is a correlation between the notification and the subsequent share price decline.

In the letter 11 January 2026, [REDACTED] accepts that the objective and subjective criteria to impose a violation penalty are present, but do not agree with Finanstilsynet's assessment that a violation penalty must be imposed.

The [REDACTED] accept that the notification should have been made prior to opening of trading on 1 September 2025 and that it was made 09:15 CEST on 4 September 2025, implying an effective delay of 3 trading days.

[REDACTED] states that the proposed level of the violation penalty is too high compared to penalties imposed on asset managers in the last few years for comparable delays. Based on [REDACTED] review of comparable delays, a violation penalty of NOK 100,000 would be appropriate given the facts of the case and in line with current practice. [REDACTED] has summarised the levels of certain violation penalties imposed in the period 2022-2025 in a table.

[REDACTED] notes that this is the first time any of the [REDACTED] have been in breach of its obligations under the NSTA.

The [REDACTED] do not share the view that the [REDACTED] should be assessed differently than other asset managers who have been subject to violation penalties due to its active shareholder role in REC Silicon. The [REDACTED] still believe the tender offer does not reflect the underlying value of REC Silicon but have never communicated a strategy to hold its position for any period of time.

The [REDACTED] did not benefit from the delay and sold into an open mandatory offer, which was available to all shareholders. Selling into an open tender offer is an efficient and market-neutral way for the [REDACTED] to divest their shares. [REDACTED] also notes that the tender was accepted shortly before the close of the tender period, and other shareholders would not have been able to tender their shares based on the information that the [REDACTED] had sold their shares.

It is in the [REDACTED] view not compatible with the purpose of investor protection set out in the NSTA section 1 to use legitimate shareholder activism as basis for stricter penalties than those imposed for comparable violations.

## 5 Finanstilsynet's assessment of whether a violation penalty shall be imposed and its size

As Norway is the home state of RECSI, the major shareholding disclosure rules in chapter 4 of NSTA and NSTR apply, cf. NSTA section 4-1. RECSI maintains a single share class, with each share carrying one vote.

██████████ as well as funds, a foundation, and individuals holding shares managed by him, tendered all their RECSI shares in the mandatory offer on 29 August 2025. At this time, there were 420,625,659 shares outstanding in RECSI. 36,421,245 shares managed or owned by ██████████ were tendered in the mandatory offer, exceeding the 5% threshold set out in NSTA section 4-2 subsection 1, cf. section 4-4.

According to the NSTA section 4-7, the notification to the Oslo Stock Exchange should have been made "immediately" after the shares in RECSI were tendered in the mandatory offer on 29 August 2025, and at the latest within the opening of the regulated market on the second trading day. The tender offer submitted by Anchor AS was a mandatory offer pursuant to the Norwegian Securities Trading Act. Such mandatory offers are required by law to be unconditional, and the settlement of the offer must also be guaranteed by a bank guarantee, such that Anchor AS could not decide to not complete the tender offer which ██████████ initially assumed. Thus, the major shareholding disclosure obligation arose when shares were tendered on 29 August 2025.

The transaction was notified to the market on 4 September 2025 at 09:15 (CEST) by ██████████ on behalf of himself, ██████████.

Finanstilsynet's assessment is that the notification was submitted past the required deadline, and that this constitutes a breach of the NSTA section 4-2, cf. section 4-4.

Furthermore, the notification does not contain all the information which is required in NSTR section 4-1 as it does not state the number of shares encompassed by the notification. Finanstilsynet's assessment is that this constitutes a breach of the NSTR section 4-1 d).

On this background, Finanstilsynet's assessment is that the objective criteria for imposing a violation penalty have been met.

When evaluating the subjective criteria outlined in the NSTA section 21-9, Finanstilsynet notes that as a professional investor operating in the Norwegian securities market, ██████████ is expected to have in place appropriate procedures and/or systems that will enable him to identify and fulfil the disclosure obligations, hereunder submit notifications, in a timely and complete manner, and in accordance with the relevant specific requirements applicable.

Therefore ██████████ should have been aware of the implications of the fact that he, and several entities and persons holding shares managed by him, accepted an unconditional offer. Finanstilsynet's assessment is that the criterion of negligence is met in this case. Finanstilsynet finds that both the objective and subjective conditions for imposing a violation penalty are met, cf. the NSTA sections 21-3 subsection 1, and 21-9.

When assessing whether to make use of a violation penalty, Finanstilsynet has made a concrete assessment of the case in accordance with the NSTA section 21-14.

The rules on major shareholding disclosure obligations pursuant to NSTA section 4-2 are meant to assure that the issuer and the stock market receive timely information of the acquisition or disposal of shares or other circumstances changing the proportion of the share capital, rights to shares or voting rights in the issuer.

Changes in ownership of a company listed in a regulated market can significantly influence the price of the issuer's shares in the market, as they may indicate that someone has, or no longer has, a strategic interest in the issuing company. For this reason, it is crucial that the market receives this information as soon as possible. Compliance with disclosure rules is essential to ensure that relevant information about significant changes in ownership at listed companies is disclosed to the market. This information enables investors to make well-considered investment decisions, which in turn is important to maintain confidence in the market.

Finanstilsynet has previously imposed violation penalties in cases of similar violations. Considerations for equal treatment therefore imply that a penalty should be imposed in this case. An overview of violation penalties that have previously been imposed is published on Finanstilsynet's website<sup>1</sup>.

Finanstilsynet's assessment is therefore that a violation penalty should be imposed.

Finanstilsynet refers to the NSTA section 21-14 which states that when the size of a violation penalty is assessed, importance shall be attached to the gravity and the length of the breach, the degree of guilt, as well as other criteria outlined in the same section.

In its overall assessment, Finanstilsynet has taken into consideration all facts and circumstances specific to this matter and responses from ██████████. Finanstilsynet has in particular taken into consideration that ██████████ was negligent, and that the violation could have been prevented had he put in place appropriate procedures and/or systems in advance which would have allowed him to notify the market as required by the NSTA.

The list of decisions on violation penalties towards other asset managers which ██████████ has referred to only compares the penalty imposed with the length of the delay. Finanstilsynet notes that there are circumstances relevant to each case besides the length of the delay, and thus the cases referred to by ██████████ are not necessarily comparable. In addition, Finanstilsynet notes that higher violation penalties have been imposed for comparable delays in other cases. Therefore, Finanstilsynet does not agree that NOK 100,000 is a suitable violation penalty based solely on comparison between the length of the delay in these cases.

When considering the gravity of the breach, Finanstilsynet has given weight to the fact that both section 4-2 of the NSTA and section 4-1 of NSTR were breached.

Finanstilsynet has also taken into consideration that ██████████ led a shareholder rebellion in RECSI in 2025, and that information on ██████████ holdings in RECSI therefore was of particular interest to the market. Finanstilsynet refers to the open letter to RECSI's shareholders published by ██████████ on 23 May 2025 in which ██████████ stated that it "*Believes Hanwha's Plan to Purchase All Shares of REC Silicon Drastically Undervalues Company's Assets and Intellectual Property [...] Calls for Extraordinary General Meeting to Investigate Hanwha's Termination of its December 2024 Long-Term Purchase Agreement with REC Silicon [...] Intends to Nominate New Directors to REC Silicon Board at Upcoming Annual General Meeting to Preserve Company Independence and Value*".<sup>2</sup>

On 29 August 2025, the same day as the acceptance period for the tender mandatory offer expired, ██████████ issued an open letter regarding its position in RECSI. In this letter, ██████████ stated, inter alia, that it "*[...] agrees with the Board that the Offer does not reflect the underlying value of the Company [...]*". While the statement does not explicitly confirm whether the offer would be accepted by ██████████ it gives the impression that ██████████ was unlikely to tender its shares. Additionally, ██████████ had initiated an

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<sup>1</sup> <https://www.finanstilsynet.no/tilsyn/markedsatferd/vedtak-om-overtredelsesgebyr---flaggeplikt/>

<sup>2</sup>

investigation (Nw. *granskning*) in RECSI regarding potential breaches by the Board of RECSI and Hanwha.

██████ decision to accept the offer and sell all its shares in RECSI on the same day the open letter was released represents an outcome contrary to what the market could reasonably expect based on ██████'s communication.<sup>3</sup> Finanstilsynet considers this relevant in the assessment of the gravity of the breach, as the delayed notification significantly increased the risk of asymmetric information in the market between the date of the transaction and the Notification. This risk should have heightened the duty of care to ensure that the market received correct information, including timely shareholding disclosures.

While Finanstilsynet agrees that ██████ has never communicated a strategy to hold its position for any period of time, Finanstilsynet finds that ██████'s active shareholder role made information on ██████'s holdings of particular interest to the market.

On 4 September 2025, the share price of RECSI declined by 11.39%. Trading activity on Euronext Oslo Børs increased substantially, with 4,967,511 shares traded, which was significantly higher than the previous seven-day average of 1,865,757 shares.

Finanstilsynet does not find it decisive whether a correlation between the notice of major holdings and RECSI's share price decline following the notification can be established. Given ██████'s abovementioned involvement in RECSI, it should be clear to ██████ as the ultimate controlling owner of ██████ that the information in the major shareholding disclosure could be price-sensitive.

Finanstilsynet does not find it decisive that ██████ state that the ██████ did not benefit from the delay and that they sold into an open mandatory offer available to all shareholders. While any loss inflicted on a third party due to the breach is considered an aggravating factor under NSTA section 21-14 no. 5, the absence of such losses is not a mitigating factor.

Finanstilsynet maintains that the assessment of the penalty is consistent with the purpose of investor protection as set out in the NSTA section 1. It is not the shareholder activism itself which is relevant for the size of the violation penalty, but the particular interest ██████'s shareholder activism could have on the share price of RECSI due to the communication made by ██████ itself and attention given to the case in the media.

Finanstilsynet finds that a violation penalty in the amount of NOK 175,000 is appropriate.

## 6 Decision regarding violation penalty

Based on the facts listed above and with the legal basis under the NSTA sections 21-3, 21-9, PAA section 46 and 21-14 cf. the NSTA section 4-2 cf. section 4-4, Finanstilsynet has decided to make the following decision regarding a violation penalty:

██████ *is required to pay a violation penalty of NOK 175,000 (one hundred and seventy-five thousand Norwegian kroner) to the Norwegian Treasury.*"

Please be informed that the decision will be published on Finanstilsynet's website.

This administrative decision can be appealed within 3 weeks after receipt. An appeal shall be sent to Finanstilsynet. The appellate instance is the Financial Supervisory Appeals Board (Finanstilsynsklagenemnda). Sections 18 and 19 of the Public Administration Act, on the parties' right to become acquainted with the case documents, apply.

Violation penalties are collected by the Tax Administration at the Norwegian National Collection Agency (NNCA). If the administrative decision is not appealed, the NNCA will send a claim for payment after the deadline for an appeal has expired. If the decision is appealed, the claim will be sent after the appeal has been decided the Financial Supervisory Appeals Board (Finanstilsynsklagenemnda). The NNCA's deadline for payment is 3 weeks after the invoice has been sent.

On behalf of Finanstilsynet

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Head of Section

*This document is electronically approved.*

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