

RECOMMENDATION FROM THE NOMINATION COMMITTEE TO VOTE “NO” TO SAND GROVE’S PROPOSAL

We refer to Sand Grove Capital Management LLP’s (“Sand Grove”) proposal to replace the Chairman of the Nomination Committee before the expiration of his term at the extraordinary general meeting it has requested on 15 January 2021. The Committee does not support this proposal.

The Nomination Committee is of the opinion that the company’s largest shareholder, Sand Grove, should as a principle be represented in the Nomination Committee. As a result, the current chairman of the Committee has several times, both before and after Sand Grove’s failed extraordinary general meeting in September, offered its seat to Sand Grove before the next ordinary general meeting on the condition that Sand Grove would not call a third extraordinary general meeting to make changes to the board before the ordinary shareholders meeting in June 2021. Unfortunately, Sand Grove has been unwilling to make such a commitment, and as a result, the Committee does not see this election as an election to replace the Chairman of the Nomination Committee but an election to make one or more replacements on the board, including its Chairman.

In the Nomination Committee’s opinion, it is concerning that the company’s largest shareholder chooses not to follow and respect the rules of good corporate governance but, instead chooses to create unnecessary uncertainty and distractions for the company, management and board by repeatedly calling for extraordinary general meetings.

The Committee therefore requests that all shareholders who believe that good governance promotes long-term value creation vote against Sand Grove’s proposal. The Committee would be surprised if the shareholders support Sand Grove’s current proposal without Sand Grove publicly confirming that it will not propose changes to the board until the ordinary shareholders meeting in June 2021 after the Nomination Committee conducts a thorough and comprehensive evaluation of the company and board’s needs.

The Nomination Committee is of the opinion that unless there are extraordinary circumstances, changes to the board should not be made in the middle of board members terms. No such circumstances exist at this time.

In Nomcom’s view, agreeing to not call a third meeting to change the board is in the best interests of the company and creates as little noise for management as possible. Both management and the board need time to work without distraction to continue the very good developments in Adcolony as well as the Bemobi IPO preparation and focus on other important processes. Lars Boilesen is stretched on time as the CEO of Otello given the very many important processes being conducted now, and the last thing he and the company needs now is to use time to onboard a new Chairman, that we even do not know how well they will work together. It is our clear understanding and observation that the CEO and current Chairman works very well together to the best of all

shareholders, which is clearly demonstrated through the last Company update on December 21st 2020. The work that management and the board is doing is leading to real value creation. The stock is doing much better, up 75% since the last extra ordinary general meeting, and we should let the Board and management continue their efforts at least until the ordinary meeting in June 2021 and beyond. We also think that changing board members in the middle of their term will take away management's focus from what is important. There is a saying – never change a winning team.

The Nomination Committee would like to remind the Otello shareholders that all of the Nomination Committees members were elected at the ordinary shareholders meeting in June 2019 for a term of two years. The ordinary shareholders meeting in June 2020 and the extraordinary shareholders meeting called by Sand Grove just a few months ago, de facto reaffirmed their election. The Nomination Committee would also like to remind the shareholders that Sand Grove proposed changes to the board at the same extraordinary general meeting in September, which also failed to achieve shareholder support.

Nothing has changed since Sand Grove's last general meeting to warrant the replacement of any of the Committee members or any board members, especially not before they are up for reelection at the upcoming ordinary shareholders meeting in June this year. Rather, what has happened since Sand Grove's failed general meeting is the company has demonstrated significant success and stock price development while executing on the current board's strategy, where Sand Grove already has a board seat.

Instead of choosing to give the management and board the necessary space to continue working and building on this momentum, Sand Grove has called for its second extraordinary general meeting which it claims is necessary "to safeguard the interest of all of the shareholders" without providing information about how its proposal does this.

In the Nomination Committee's opinion, changing a winning team will never safeguard the interests of all shareholders. Rather, calling yet another extraordinary general meeting to "give it another go" is an unnecessary distraction that takes away management focus who should be allowed to have all of their attention on the continued growth and success of the company. Calling a third extraordinary meeting after this one to once again propose unnecessary, premature changes to the board disrespects basic corporate governance and company decision making and will create even more uncertainty and further distract management and the board, thereby putting the company's current success even more at risk.

The Nomination Committee's role is to propose board members and their remuneration to the shareholders meeting. The Committee has never received any proposals from Sand Grove for changes to the current board in the company, and this is despite the fact that Sand Grove has been represented in the board and is aware how the board works and should know that they, like all shareholders, have the right to propose board members to the Committee for their evaluation.

The Nomination Committee takes this opportunity, therefore, to recommend to Sand Grove that rather than requiring the company to hold multiple distractive extraordinary general meetings, Sand Grove should work through the proper corporate governance channels by making constructive proposals to the shareholder-elected committees to be addressed in due course at the ordinary shareholders meeting in June 2021.

The Nomination Committee therefore recommends that the shareholders vote “No” to Sand Grove’s proposal so that the current Nomination Committee continues until the election at the ordinary shareholder meeting in June of 2021.

Oslo, 07.01.21

Members of the Nomination Committee

Jakob Iqbal

Kari Stautland

Nils A. Foldal

Chairman