Advokatfirmaet Thommessen AS
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INFLEXION/INFRONT ASA – REQUEST FOR GUIDANCE

1. The request

We refer to the letter from Advokatfirmaet Thommessen AS dated 16 December, on behalf of Inflexion Buyout V Investments LP, a limited partnership advised by Inflexion Private Equity Partners LLP ("Inflexion"), in respect of the voluntary public offer (the "Offer") through a wholly-owned subsidiary Dash Bidco AS (the "Offeror") to acquire all of the shares in Infront ASA ("Infront") with the request to obtain guidance of a matter relating to the mandatory takeover rules pursuant to Chapter 6 of the Norwegian Securities Trading Act (the "STA"). The question is whether the commitments from the two largest shareholders of Infront, Lindeman AS and Nesbak AS holding 13.82% and 12.30% of the shares in Infront respectively (the "Founders") to sell their shares to the Offeror against consideration, partly in cash and partly in shares in the parent company of the Offeror, may result in the parties being considered as "acting in concert" pursuant the STA section 6-5, cf. section 2-5 no. 5.

The legal advisors of Inflexion's view is that the Founders are not "related parties" to the Offeror, and accordingly, their shareholding would not be relevant for the Offeror's obligation to launch a mandatory offer at 1/3 of the shares in the Company.

2. Legal basis

STA section 6-1 subsection (1) and (6) Mandatory bid obligation:
(1) Any person who through acquisition becomes the owner of shares representing more than 1/3 of the voting rights of a Norwegian company the shares of which are quoted on a Norwegian regulated market is obliged to make a bid for the purchase of the remaining shares in the company. The mandatory bid obligation ceases to apply if sale is undertaken in accordance with section 6-8; see section 6-9.
(6) Subsection (1) applies mutatis mutandis in the event of acquisition by someone with whom the acquirer is consolidated pursuant to section 6-5 when the acquirer alone or together with one or more of the related parties crosses the mandatory offer threshold as a result of the acquisition.

STA section 6-5 Consolidation:
(1) Under the mandatory bid rules, shares owned or acquired by a shareholder's related parties as mentioned in section 2-5 are considered equal to the shareholder's own shares. The mandatory bid obligation comes into play independently of whether the acquisition is undertaken by the shareholder himself or by the shareholder's related parties as mentioned in section 2-5. In the assessment of whether repeat application of the mandatory bid obligation is triggered, bids previously made by

related parties as mentioned in section 2-5 are considered equal to an acquirer's previous bids.
(2) The takeover supervisory authority shall decide whether consolidation shall be carried out pursuant to subsection (1). The takeover supervisory authority shall communicate its decision to the participants in the group so consolidated.

STA section 2-5 no. 5 Related party:
'Related party' of a person or entity means:
5. a party with whom the said person or entity must be assumed to be acting in concert in the exercise of rights accruing to the owner of a financial instrument, including in cases where a bid is frustrated or prevented.

3. Factual circumstances

Oslo Børs has based its assessment on the following factual circumstances:

In relation to the Offer, Infront and the Offeror have entered into a customary transaction agreement (the "Transaction Agreement"). Under the Transaction Agreement, the Offeror is required to make the Offer on the terms and conditions agreed, and Infront's board of directors is required to recommend the offer unless a superior competing offer is made. Further, the Transaction Agreement places certain customary restrictions on Infront in the period between the announcement and settlement of the Offer.

In addition, the Offeror has entered in a conditional share purchase agreement (the "Conditional SPA") with the two largest shareholders, Lindeman AS and Nesbak AS, holding 13.82% and 12.30% of the shares in Infront, respectively. Under the Conditional SPAs, the Offeror will acquire all of the shares of the Founders on the condition that the Offer completes. Payment for the Founders' shares shall be settled by (i) 50% in cash, and (ii) 50% by issuance of a receivable against the Offeror which will be contributed in Dash Topco AS ("Topco", the Offeror's indirect parent company, through the wholly-owned subsidiary Dash Midco AS) against issuance of new A ordinary voting shares and C preference non-voting shares in Topco on the same economic terms as Inflexion.

The Founders will own 11.17% of Topco while Inflexion will own 88.83%. The Founders will not have any control rights in Topco, either now or upon completion of the Offer. Upon the Offer completing (not before), they will have the right of board representation and there is certain limited reserved matters which they may veto in respect of e.g. non-preemptive share issues, related party agreements and redemption/repurchase of shares if these are not on made a pro rata basis. Accordingly, Topco will be a controlled subsidiary of Inflexion.

The Conditional SPA does not give the Offeror or Inflexion any rights with respect to the exercise of shareholder rights of the Founders prior to completion. Further, the Founders have the right to terminate the Conditional SPA should a superior competing offer be made which is at least 10% above the offer price in the Offer, and the board of directors of Infront recommends such superior competing offer, as long as the Offeror does not match such competing bid within five days.

4. Assessment

Oslo Børs has been requested to consider the information and provide our guidance of whether these arrangements, based on the Conditional SPA, entered into in respect of the Offer, may result in the Offeror and the Founders being considered as related parties under section 6-5, cf. 2-5 no. 5 of the STA on the basis of these parties "acting in concert".

The STA section 6-1 states that any person who through acquisition becomes the owner of shares representing more than 1/3 of the voting rights of a Norwegian company the shares of which are

quoted on a Norwegian regulated market is obliged to make a bid for the purchase of the remaining shares in the company.

The STA section 2-5 no. 5 states that close associates are parties that are acting in concert in the exercise of shareholder rights, including where a bid for the company is frustrated or prevented.

The regulations on mandatory offer obligation are mainly intended as means of protecting the other shareholders of a listed company. If a shareholder or group of shareholder passes the threshold for the obligation to present a mandatory offer the other shareholders will experience reduced influence of the governance of the company and potentially reduced trading activity. Therefore, the other shareholders are provided with measures of protections which are triggered when the control of the company is deemed to pass, by means of being presented with an offer to sell their shares at a fair price.

According to the preparatory works, the provision is primarily targeted towards a more long term cooperation, which implies control over the company. The cooperation should also include a coordinated behaviour with a common goal with the purpose of adequate control of the company. The rule only applies to cooperation by use of shareholder rights, but not all arrangements for the exercise of shareholder rights will result in consolidation. A cooperation aimed at achieving control must somehow include the exercise of voting rights. Each case must be determined individually on basis of the relevant facts to assess whether the arrangement is sufficient for the reasons behind the mandatory offer rules to manifest themselves. The theme of the assessment must be to what extent the cooperation, for the other shareholders, will be experienced as a joint control over the company.

The rules regarding mandatory offers in the STA chapter 6 implement the Takeover bids directive (2004/2005/EF) (the “Takeover directive”). Forms of cooperation that may not constitute a basis for consolidation are taken into the «White List» by ESMA (ESMA/2013/1642). When shareholders cooperate to engage in any activity included on the White List, insofar as that activity is available to them under national company law, that cooperation, in and of itself, will not lead to a conclusion that the shareholders are acting in concert, and thus to a risk of those shareholders having to make a mandatory bid.

However, in addition, as expressed by Oslo Børs in the Decisions & statements 2013 5.3.4 (Copeinca ASA/Cermaq ASA), it follows from the Takeover directive that acting in concert to gain control and to prevent an offer are alternative bases for consolidation (either at acquiring control…or at frustrating …a bid). The wording of the provision using "including" can therefore not be understood explicitly.

Further, the above statement clarifies that what is to be assessed is whether there is cooperation with a view to strengthen or achieving the group's own control in the target company, or cooperation that frustrates or prevents others' attempts to acquire control. In practice, it has been established that there can be a basis for consolidation, whether the cooperation in question concerns the exercise of organisational or economical rights related to share ownership. Consequently, there is a basis for consolidating shareholders who cooperate to frustrate or prevent an offer, without the use of voting rights or having the goal to achieve joint control for the group.

In this certain case, the arrangement between the Founders and the Offeror may indicate a setup where the Offeror to some extent obtains control over the Founders’ shares in Infront. In this regard, the element that the Founders have the right to terminate the Conditional SPA should a superior competing offer be made which is at least 10% above the offer price in the Offer, and the board of directors of Infront recommends such superior competing offer, will actually not be relevant until a such situation occurs and the agreement is terminated. Until then, the agreed arrangement will apply.

However, Oslo Børs has been informed that the Conditional SPA does not provide Inflexion or the Offeror with any influence over the shares of the Founders beyond that the Founders are obligated to sell their shares only if the Offer becomes unconditional. The Offeror cannot e.g. compel the Founders to vote in a certain way at the general meeting of Infront. The Founders do not have any control rights or rights of instruction towards the Offeror, and they will following completion not have any right, alone or jointly, to control or direct Topco, the Offeror or Infront, beyond the limited minority protection offered through the shareholders agreement in Topco.

As far as we understand, the arrangement does not imply that the parties have agreed to have any common understanding between the parties with respect to the exercise of rights attached to Infront shares. Accordingly, this part does not indicate a coordinated behaviour with a common goal with the purpose of adequate control of Infront. However, it is important that the agreed procedures of minority protection are legitimate and that the parties do not collaborate on matters that are outside the agreed scope.

Associated to this, is whether the arrangements can be viewed as a cooperation where a competing bid is frustrated or prevented. In relation to this, the Founders are not required to sell their shares to the Offeror in the event a competing bid is made that exceeds 10% of the offer price and the board recommends such competing offer, as long as the Offeror does not match such competing bid within five days. In our view, compared to an ordinary “hard irrevocable” of pre-acceptance, where such shareholders may not be able to terminate the agreements regardless of the level of any competing offer, this withdrawal right is less binding.

On this basis, Oslo Børs is of the opinion that the Conditional SPA entered into in respect of the Offer, as described, in and of itself, will not constitute a basis for consolidation of the Offeror and the Founders pursuant to section 6-5, cf. section 2-5 no. 5 of the STA.

5. Conclusion

Based on the above, Oslo Børs is of the opinion that the Conditional SPA entered into in respect of the Offer will not imply that the Offeror and the Founders will deemed acting in concert, in and of itself, pursuant to section 6-5, cf. section 2-5, no. 5 of the Norwegian Securities Trading Act.

Oslo Børs emphasises that this assessment is based on the described circumstances, in and of itself, which do not exclude that other coordinated behaviour later, together with the agreed arrangements, could lead to a conclusion that the shareholders are acting in concert, which not is part of our assessment.

For the sake of good order, Oslo Børs informs that this is not a decision. It is an assessment made by the administration of Oslo Børs, and in a specific case such interpretations can be tested in full by the Stock Exchange Appeals Committee.

This assessment letter will be published on the Oslo Børs website under Decisions and statements.

Yours sincerely
OSLO BØRS ASA

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Attorney