

Q4 2018

Infront ASA – interim report





HIGHLIGHTS

- **Acquisition of Market Connect in Italy to expand European client- and revenue base**
 - Adding over 20k professional users and access to more than 100k retail investors
 - Complementary operations including feeds, web solutions and terminal products
 - Expected to add approximately NOK 125m of annual revenue
 - Platform for growth in Italy and surrounding markets
- **Q4 2018 revenue increased 7% to NOK 70.8 million from NOK 65.8 million in Q4 2017**
 - User growth in all regions
 - Continued strong quarterly growth in UK, South Africa and Finland
 - Positive contribution from Infront Web Technology solutions
 - Revenue adjusted for foreign exchange translation effects was NOK 72.7 million
- **Adjusted EBITDA NOK 12.0 million, decreased from NOK 13.9 million in Q4 2017**
 - Operational investments for geographic expansion and product development for future growth
- **5% increase in number of paying users to 17.9k from 17.1k in Q4 2017**
- **Full-year 2018 revenue increased 9%**
- **The Board of Directors proposes a dividend of NOK 0.45 per share for 2018**



The acquisition of Market Connect is in line with our strategy to grow organically and by consolidating the European market. We are two complementary businesses with a strong combined market position, innovative solutions and access to some of the leading global brokers and investment banks. Additionally, we had good growth the fourth quarter in our markets and we were very pleased that the leading broker in South Africa chose Infront for their trading platform.

- Kristian Nesbak, CEO and Founder



OPERATIONAL REVIEW

Financial professionals across Europe and South Africa rely on Infront for global real-time market data, trading, news, and analytics covering key markets. Infront's proven solutions have been developed over 20 years by industry experts and product development is closely driven by clients' business needs. The Infront Professional Terminal is the most user-friendly and flexible terminal in the financial market, helping institutions reduce costs, adapt to fast changing market requirements and work more effectively with increasing amounts of information. Infront is headquartered in Oslo, with offices in London, Paris, Milan, Cape Town, Johannesburg, Stockholm, Helsinki and Copenhagen.

Acquisition of Market Connect to strengthen European position

On 20 December, Infront acquired the Market Connect division from Spafid Connect S.p.A, a subsidiary of Mediobanca S.p.A in Italy. The transaction significantly expands Infront's European revenue base and market share. Market Connect provides its products and services to more than 20,000 finance professionals and more than 100,000 retail investors through its partners.

Market Connect is complementary to Infront's existing operations, and includes feed, web solution and terminal products, and adds approximately NOK 125m of revenue on an annual basis. An initial EUR 8.5 million was paid in cash as of 31 December 2018, partly financed by a loan facility of NOK 60 million from Danske Bank.

Market Connect will be included in Infront's consolidated income statement (reflected in complete P&L from Infront Italia SRL) as of 01 January 2019, while the transaction is reflected in the consolidated statements of financial position and cash flow as of 31 December 2018. The Group consolidated income statement in Q4 2018 only reflects the transaction-related one-off costs of NOK 5.3 million (refer to Note 5).



Terminals and Solutions

Terminals and Solutions revenue from external customers was NOK 47.9 million in Q4 2018, an increase of 10% from Q4 2017 due to organic growth, new Infront Web Technology agreements and migration of SIX customers. Approximately 59% of the quarterly revenue within this segment was recognized in Swedish krona.

Infront experienced continued growth in new markets. Revenue in the UK was up 7% from Q3 2018 as Infront continued to make customer progress, and the offices in South Africa and Finland also showed solid progress in the quarter. In November, Legae Peresec, a leading South African broker, chose Infront as its provider of web market data and trading solutions. The agreement confirms the potential for Infront in markets outside Europe.

During the quarter, the company successfully migrated a portion of existing users over to the Infront Professional Terminal, Infront's flagship product. The release of Infront Terminal 8.4 and 8.5 in October and December 2018 included a new macroeconomic data module and other enhancements making it an even more effective solution for finance professionals.

Handelsbanken chose Infront Web Technology to develop an online market data and trading solution targeting the banks' private investors and small and mid-sized company clients. The successful launch in December 2018 represented another successful large-scale implementation for Infront's latest generation of web technology.

Client base

The number of paying users increased by 5% to 17.9k in Q4 2018 (17.1k in Q4 2017) driven by the SIX Edge migration and organic growth in all regions.

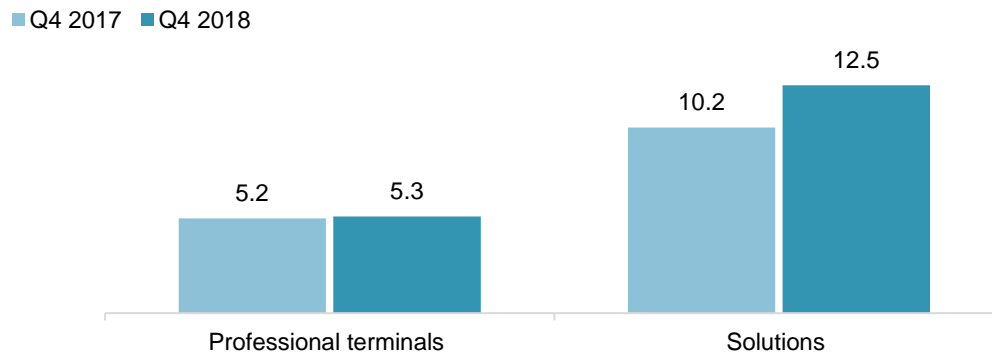
Terminal users represent paying users of Infront professional terminals for market data and analytics and professional trading terminals. Solution users represent paying users of Infront retail trading solutions and other solutions such as FX, mobile and media. The Infront Web Technology solutions for SEB and Handelsbanken are not measured on a user level and are therefore not included in the user data.

The number of professional terminal users rose 1% and solutions users increased 6% compared to Q4 2017, not including the impact of newly acquired users at Market Connect.



Number of paying users per Infront product:

'000s of users



News

Q4 2018 News revenue from external customers was NOK 13.7 million, an increase of 2% or NOK 0.3 million from Q4 2017. In Q4 2018, 83% of the segment revenue was recognized in Swedish krona.

In 2018, Infront News launched new services aimed at selected market segments as part of its growth strategy. Direkt introduced Insight Direkt for small to mid-sized listed companies and expanded further in other areas such as fund coverage. In Norway, TDN Direkt will broaden its offering to the market in early 2019.

Analytics and Other

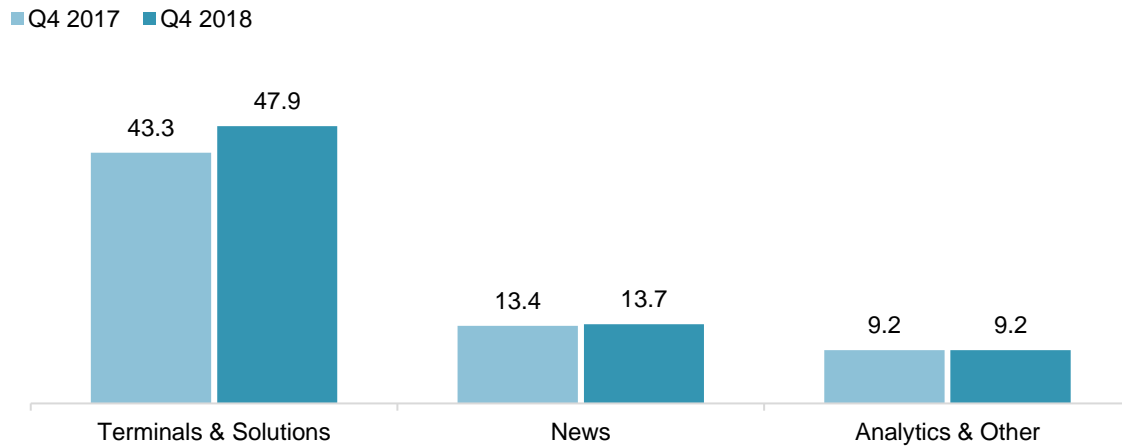
Q4 2018 Analytics and Other revenue from external customers was NOK 9.2 million, up 1% from Q4 2017. Revenue increase reflected steady organic growth in Infront Analytics and positive revenue synergies due to increased integration with Infront Data.

The Nordic Core Consensus was launched in October and was operational at year-end. Data from Nordic Core Consensus in process of being onboarded to the Infront platform as a research provider for terminal users.



Revenue per segment

(NOK million)



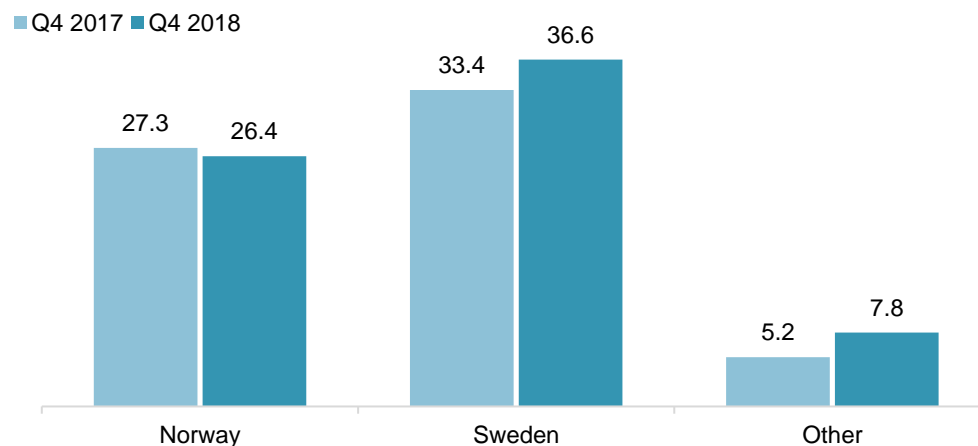
Revenue per region

Q4 2018 revenue from Sweden was NOK 36.6 million, an increase of 9% YoY. The growth reflected continued positive contribution from SIX transactions, solution sales and organic growth. Adjusted for foreign exchange movements, the quarterly revenue from Sweden increased 15% to NOK 38.3 million when compared to Q4 2017. Revenue from Norway decreased 3%, mainly due to loss of a customer contract at non-core business unit. Other regions, which includes UK, South Africa and Finland, recorded an increase of 50% driven by organic growth.

Sweden and Norway represented 52% and 37%, respectively, of group revenue in the quarter.

Revenue per region:

(NOK million)





Outlook

Infront targets a top-3 position in the market for terminals to financial professionals in Europe. The company works towards this long-term target, supported by a strong pipeline in Europe and South Africa, a strengthened sales team, and the financial flexibility to actively pursue add-on acquisitions.

Ensuring a successful integration of Market Connect and migration of users will be a priority for Infront in 2019. The acquisition provides a platform for growth in both Italy and in surrounding markets.

Infront is committed to deliver outstanding value to its customers through innovative and user-friendly solutions. Continued product development is a key component of the business strategy. The company will also continue to pursue M&A opportunities to further improve the products and service offering, and to expand the customer base.

Infront expects continued organic growth in the number of users of both terminals and the new retail solutions as the company implements new customer contracts. The offices in Europe and South Africa are experiencing positive momentum in their respective markets, and the company expects all regions to contribute to revenue growth in 2019.



FINANCIAL REVIEW

(Figures for the corresponding period in 2017 are shown in brackets. Market Connect will be included in Infront's consolidated income statement accounts from 01 January 2019, while the transaction is reflected in the consolidated statement of financial position and cash flows as of 31 December 2018.)

Profit and Loss Fourth Quarter

Q4 2018 operating revenue was NOK 70.8 million (NOK 65.8 million), an increase of 7% from the same quarter last year, driven by higher sales and prices across the group, growth in new markets led by South Africa and UK, as well as continued positive impact from the SIX transactions.

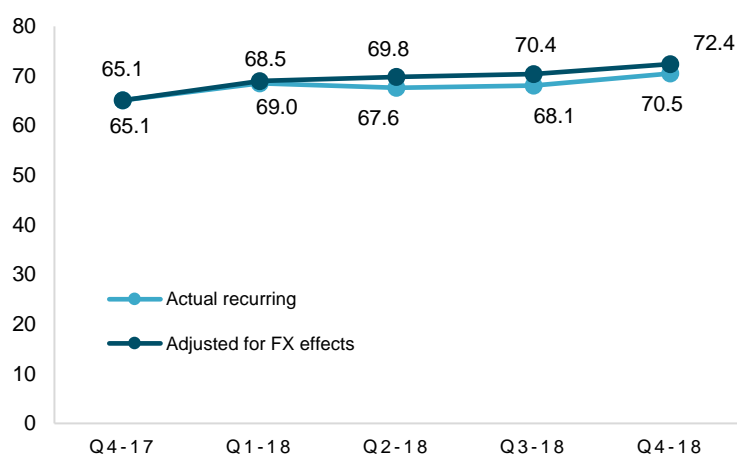
In Q4 2018, approximately 63% of revenue was recognized in foreign currencies. These moved in an unfavorable direction measured year-over-year, which in turn had a negative impact on revenue of NOK 1.9 million in the reporting currency (NOK).

Q4 2018 EBITDA included Market Connect transaction-related costs of NOK 5.3 million. EBITDA adjusted for other income and M&A-related cost (for Market Connect acquisition) decreased by 14% to NOK 12.0 million from adjusted EBITDA of NOK 13.9 million in Q4 2017 mainly due to employee costs and other operational investments related to geographic expansion and product development for future growth.

Infront generates most of its revenue from recurring subscription contracts for its services. In 2018, Infront continued to show an underlying growth in subscription revenue, which represented 99% of total sales for the period.

Subscription revenue development

(NOK million)





Cost of services rendered for the period was NOK 20.0 million (NOK 17.9 million). The increase was driven by overall higher activity levels as gross margin levels remained stable.

Employee-related expenses were NOK 27.5 million (NOK 26.7 million). The increase primarily reflected additional employees due to geographic expansion and investment in product development for future growth. The group employed 133 FTEs at the end of Q4 2018 (125).

Other operating expenses were NOK 16.6 million in Q4 2018. Adjusted for Market Connect transaction-related cost of NOK 5.3 million, other operating expenses amounted to NOK 11.3 million in this quarter, compared to NOK 7.2 million same quarter last year (adjusted for IPO costs and M&A-related processes of NOK 0.8 million) driven by increased operational investments across regions.

Net financial expenses were NOK 5.1 million in Q4 2018 (net financial expenses of NOK 7.0 million). The change was primarily a result of foreign exchange transactions and translations.

Income tax expense for the period was negative NOK 0.1 million (negative NOK 0.7 million).

Net income for this quarter was negative NOK 3.2 million (NOK 2.4 million). This is equivalent to earnings per share of negative NOK 0.12 (NOK 0.09).

Profit and Loss Full-Year 2018

Revenue was NOK 276.0 million in 2018 (NOK 253.6 million), an increase of 9% from the previous year. Full-year EBITDA was NOK 43.2 million, an increase of 14% compared to 2017 (NOK 37.9 million). EBITDA adjusted for other income (of NOK 0.3 million) and M&A-related cost (of NOK 5.3 million) amounted to NOK 48.2 million, an increase of 1% YoY, compared to adjusted EBITDA of NOK 48.0 million in 2017, which was adjusted for IPO- and M&A- related costs and other income of NOK 10.0 million.

Net income for the year was NOK 19.2 million (NOK 3.7 million). This is equivalent to earnings per share of NOK 0.74 (NOK 0.36).

Financial position

Total assets as of 31 December 2018 were NOK 390.7 million, compared to NOK 274.9 million at the end of December 2017. The increase reflected the increased tangible and intangible assets, and trade and other receivables due to the acquisition Market Connect, combined with the cash effect from taking over the remaining shares of Infront Data, dividend payment and SIX transaction-related payments.



The combined book value of Intangible assets and Equipment and fixtures increased to NOK 188.4 million (NOK 115.6 million).

Trade and other receivables were NOK 95.0 million at the end of 2018, compared to NOK 30.0 million at the end of 2017. The increase mainly reflected the inclusion of Market Connect business in Infront Italia.

The 2018 cash position was NOK 87.0 million, compared to NOK 122.8 million at the end of 2017. The decrease was related to payment of NOK 10.4 million dividend in May, the acquisition of the remaining shares of Infront Data of NOK 5.8 million, the acquisition of Market Connect business of NOK 84.6 million and SIX related transaction payments of NOK 17.4 million.

Total non-current liabilities at the end of 2018 were NOK 83.9 million, compared to NOK 42.8 million at the end of 2017. The increase was primarily due to combined effect of a M&A related loan facility of NOK 60.0 million entered into in December, the payment for the remaining stake in Infront Data in Q1 2018 and SIX transaction-related payments.

Current liabilities at the end of 2018 were NOK 152.8 million, compared to NOK 94.3 million at the end of 2017. The increase reflected the inclusion of acquired business of Market Connect in December 2018.

Cash Flow

Net cash flow from operational activities was NOK 35.0 million in 2018 (NOK 32.8 million in 2017). Cash flow experienced a positive impact from increased profit before tax and the decrease in taxes paid, partly offset by decreased trade and other payables and a decrease in depreciation.

Net cash flow from investing activities was negative at NOK 118.8 million (negative NOK 42.0 million). Investments in 2018 were related to payment for the acquisition of the remaining shares of Infront Data of NOK 5.8 million; payments for SIX transactions of NOK 17.4 million; and payment for the acquired business of Market Connect of NOK 84.6 million. Investments in software development was stable at NOK 11.3 million in 2018 (NOK 11.8 million).

Net cash flow from financing activities was at NOK 49.5 million due to M&A transaction-related loan facility of NOK 60 million entered into and dividends of NOK 10.4 million paid. Net cash flow from financing activities was at NOK 92.6 million in 2017 due to the cash inflow from issuance of ordinary shares in the IPO.



Dividend

In line with Infront's dividend policy, the board of directors proposes a dividend of NOK 0.45 per share for 2018 to the Annual General Meeting to be held on 10 May 2019. The company paid NOK 0.4 per share in dividend for 2017.



INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Consolidated income statement

(unaudited)

| (NOK 1.000) | Note | Q4 2018 | Q4 2017 | 2018 | 2017 |
|--|------|------------|------------|------------|------------|
| Revenues | 2 | 70 762 | 65 836 | 276 044 | 253 600 |
| Total operating revenues | | 70 762 | 65 836 | 276 044 | 253 600 |
| Cost of services rendered | | 20 021 | 17 944 | 87 725 | 77 384 |
| Salary and personnel expenses | 4, 7 | 27 460 | 26 720 | 103 699 | 94 592 |
| Other operating expenses | | 16 602 | 8 030 | 41 728 | 50 743 |
| Depreciation and amortization | | 4 939 | 11 424 | 19 900 | 27 087 |
| Other income | | -17 | -6 976 | -310 | -6 976 |
| Total operating expenses | | 69 005 | 57 141 | 252 743 | 242 829 |
| Operating profit | | 1 757 | 8 694 | 23 301 | 10 770 |
| Financial income | | 438 | 1 713 | 7 575 | 3 716 |
| Financial expenses | | -5 560 | -8 718 | -9 141 | -12 220 |
| Financial income/(expenses) - net | | -5 122 | -7 004 | -1 567 | -8 504 |
| Profit before income tax | | -3 365 | 1 690 | 21 735 | 2 266 |
| Income tax expenses | | 130 | 732 | -2 489 | 1 412 |
| Profit for the period | | -3 235 | 2 422 | 19 246 | 3 679 |
| Profit is attributable to: | | | | | |
| Owners of Infront ASA | | -3 235 | 2 317 | 19 246 | 3 681 |
| Non-controlling interests | | - | 106 | - | -3 |
| | | -3 235 | 2 422 | 19 246 | 3 679 |
| Earnings per share | | | | | |
| Basic and diluted earnings per share | | -0.12 | 0.09 | 0.74 | 0.36 |
| Average number of basic/(diluted) shares | | 25 997 856 | 25 997 856 | 25 997 856 | 10 109 287 |



Statement of comprehensive income

(unaudited)

| (NOK 1.000) | Note | Q4 2018 | Q4 2017 | 2018 | 2017 |
|--|------|--------------|--------------|---------------|--------------|
| Profit for the period | | -3 235 | 2 422 | 19 246 | 3 679 |
| <i>Other comprehensive income (net of tax):</i> | | | | | |
| Exchange differences on translation of Foreign operations | | 6 006 | 3 049 | -50 | 4 134 |
| Total comprehensive income for the period | | 2 771 | 5 471 | 19 196 | 7 813 |
| Total comprehensive income is attributable to: | | | | | |
| Owners of Infront ASA | | 2 771 | 5 366 | 19 196 | 7 815 |
| Non-controlling interests | | - | 106 | - | -3 |



Consolidated statement of financial position

(unaudited)

| (NOK 1.000) | Note | 31.12.2018 | 31.12.2017 |
|-----------------------------|------|------------|------------|
| ASSETS | | | |
| Non-current assets | | | |
| Equipment and fixtures | | 3 168 | 2 515 |
| Intangible assets | | 185 267 | 113 048 |
| Deferred tax asset | | 6 522 | 5 822 |
| Pension assets | | 510 | 434 |
| Receivables | | 13 254 | 297 |
| Total non-current assets | | 208 721 | 122 115 |
| Current assets | | | |
| Trade and other receivables | | 95 028 | 29 991 |
| Cash and cash equivalents | | 86 952 | 122 797 |
| Total current assets | | 181 981 | 152 787 |
| TOTAL ASSETS | | 390 702 | 274 902 |

| (NOK 1.000) | Note | 31.12.2018 | 31.12.2017 |
|---|------|------------|------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | | 2 600 | 2 600 |
| Share premium | | 105 284 | 105 284 |
| Other equity | | 46 122 | 27 171 |
| Total equity attributable to owners of the parent | | 154 006 | 135 055 |
| Non-controlling interests | | - | 2 681 |
| Total equity | | 154 006 | 137 735 |
| Non-current liabilities | | | |
| Borrowings | | 52 726 | - |
| Derivative financial instruments | | - | 8 022 |
| Pension liabilities | | 2 965 | 510 |
| Deferred tax liabilities | | 2 301 | - |
| Other non-current financial liabilities | | 25 934 | 34 293 |
| Total non-current liabilities | | 83 926 | 42 825 |
| Current liabilities | | | |
| Borrowings | | 7 541 | - |
| Trade and other payables | | 99 705 | 53 475 |
| Other current financial liabilities | | 7 925 | 17 994 |
| Deferred revenue | | 37 493 | 21 002 |
| Current tax liabilities | | 105 | 1 870 |
| Total current liabilities | | 152 770 | 94 341 |
| Total liabilities | | 236 696 | 137 167 |
| TOTAL EQUITY AND LIABILITIES | | 390 702 | 274 902 |



Consolidated statement of cash flows

(unaudited)

| (NOK 1.000) | Note | 31.12.2018 | 31.12.2017 |
|--|------|------------|------------|
| Cash flows from operating activities | | | |
| Profit (loss) before tax | | 21 735 | 2 266 |
| <i>Adjustments for</i> | | | |
| Taxes paid | | -1 765 | -2 137 |
| Depreciation, amortization and net impairment losses | | 19 900 | 27 087 |
| Pension expense without cash effect | | 451 | -104 |
| Changes in conditional consideration | | - | -2 516 |
| <i>Change in operating assets and liabilities, net of effects from purchase of controlled entities</i> | | | |
| Change in trade receivable and other receivables | | 54 | -2 339 |
| Change in derivative financial instruments | | - | - |
| Change in provisions | | -3 073 | 302 |
| Change in deferred revenue | | -199 | 3 553 |
| Change in trade and other payables | | -2 060 | 6 720 |
| Net cash inflow from operating activities | | 35 042 | 32 832 |
| Cash flows from investing activities | | | |
| Payment for acquisitions of subsidiary, net of cash acquired | 6 | -5 839 | -8 822 |
| Payment for intangible assets | | -101 974 | -18 831 |
| Payment for property, plant and equipment | | -1 333 | -2 518 |
| Payment for software development costs | | -11 250 | -11 824 |
| Receipt of government grants | | 1 586 | - |
| Net cash outflow from investing activities | | -118 810 | -41 995 |
| Cash flows from financing activities | | | |
| Proceeds from issuance of ordinary shares | | - | 94 244 |
| Proceeds from borrowings | | 60 000 | - |
| Repayments from borrowings | | -68 | -1 636 |
| Dividends paid | | -10 399 | - |
| Net cash inflow from financing activities | | 49 533 | 92 608 |
| Net increase/(decrease) in cash and cash equivalents | | -34 235 | 83 446 |
| Effects of exchange rate changes on cash and cash equivalents | | -1 609 | 1 782 |
| Cash and cash equivalents at beginning of period | | 122 796 | 37 569 |
| Cash and cash equivalents at end of period | | 86 952 | 122 797 |



Consolidated statement of changes in equity

(unaudited)

| (NOK 1.000) | Attributable to the owners of the parent | | | | | Total | Non-controlling interest | Total equity |
|--|--|----------------|-----------------|-------------------------|-------------------|----------------|--------------------------|----------------|
| | Share capital | Share premium | Treasury shares | Translation differences | Retained earnings | | | |
| Balance at 31 December 2016 | 217 | 7 861 | -1 | -50 | 32 742 | 40 769 | - | 40 769 |
| Profit/loss for 1 January to 31 December 2017 | - | - | - | - | 3 676 | 3 676 | 3 | 3 679 |
| Currency translation differences | - | - | - | 2 185 | - | 2 185 | - | 2 185 |
| Issue of share capital | 435 | 99 370 | - | - | - | 99 804 | - | 99 804 |
| Transferred from other equity | 1 949 | -1 949 | - | - | - | - | - | - |
| Cost of equity issues | - | - | - | - | -3 661 | -3 661 | - | -3 661 |
| Put option to non-controlling interest | - | - | - | - | -7 719 | -7 719 | - | -7 719 |
| Non-controlling interest arising on business Combinations | - | - | - | - | - | - | 2 678 | 2 678 |
| Balance at 31 December 2017 | 2 600 | 105 284 | -1 | 2 135 | 25 038 | 135 054 | 2 681 | 137 735 |
| Balance at 31 December 2017 | 2 600 | 105 284 | -1 | 2 135 | 25 038 | 135 054 | 2 681 | 137 735 |
| Profit/loss for 1 January to 31 December 2018 | - | - | - | - | 19 246 | 19 246 | - | 19 246 |
| Currency translation differences | - | - | - | 4 313 | - | 4 313 | - | 4 313 |
| Acquisition of non-controlling interest in Infront Data AB | - | - | - | - | -5 839 | -5 839 | - | -5 839 |
| Put option to non-controlling interest | - | - | - | - | 7 956 | 7 956 | - | 7 956 |
| Dividend | - | - | - | - | -10 399 | -10 399 | - | -10 399 |
| Share Option program | - | - | - | - | 944 | 994 | - | 994 |
| Balance at 31 December 2018 | 2 600 | 105 284 | -1 | 6 447 | 36 995 | 151 327 | 2 681 | 154 006 |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Accounting principles

General Information

Infront ASA, the parent company of the Infront Group (the Group) is a limited liability company incorporated and domiciled in Norway, with its head office in Munkedamsveien 45, 0250 Oslo.

The Group is a leading market data and trading solution provider in the Nordics. The Infront terminal is an intuitive and flexible terminal within the financial markets offering global real-time market data, trading, news and analytics covering key markets. In addition, the Group comprises the leading financial news agencies in Sweden and Norway.

These consolidated financial statements have been approved for issuance by the Board of Directors on 11 February 2019.

Basis of Preparation

The interim consolidated financial statements for the fourth quarter 2018, ending 31 December 2018, were prepared in accordance with IAS 34 Interim Financial Reporting. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual report for 2017.

The accounting policies adopted in the interim financial statements are consistent with the standards and interpretations followed in the preparation of the Group's annual financial statements for the year ended 31 December 2017.

The standards and interpretations effective from 01 January 2017 do not have a significant impact on the Group's consolidated interim financial statements.



Note 2. Segment information

(NOK 1.000)

Revenue per region 31.12.2018

| | Norway | Sweden | Other | Eliminations | Consolidated |
|-------------------------------|---------|---------|---------|--------------|--------------|
| Revenue | | | | | |
| External customers | 107 355 | 144 314 | 24 375 | - | 276 044 |
| Inter-segment | 94 408 | 27 549 | 8 634 | -130 591 | - |
| Total revenue | 201 763 | 171 863 | 33 009 | -130 591 | 276 044 |
| EBITDA | -32 503 | 86 545 | -10 841 | - | 43 202 |
| Inter-segment | 59 798 | -68 432 | 8 634 | - | - |
| Total assets | 173 591 | 44 478 | 172 633 | - | 390 702 |
| Inter-segment | 136 613 | 71 627 | 24 285 | -232 525 | - |
| Total liabilities | 124 812 | 28 570 | 83 314 | - | 236 696 |
| Inter-segment | 22 512 | 57 901 | 104 355 | -184 768 | - |
| Depreciation and amortization | 17 993 | 1 772 | 136 | - | 19 900 |
| Inter-segment | -5 277 | -314 | - | 5 591 | - |

Revenue per region 31.12.2017

| | Norway | Sweden | Other | Eliminations | Consolidated |
|-------------------------------|---------|---------|--------|--------------|--------------|
| Revenue | | | | | |
| External customers | 106 776 | 129 356 | 17 467 | - | 253 600 |
| Inter-segment | 75 696 | 20 378 | 6 806 | -102 880 | - |
| Total revenue | 182 472 | 149 735 | 24 273 | -102 880 | 253 600 |
| EBITDA | -30 849 | 75 600 | -6 893 | - | 37 858 |
| Inter-segment | 47 238 | -54 044 | 6 806 | - | - |
| Total assets | 230 596 | 36 632 | 7 673 | - | 274 902 |
| Inter-segment | 6 976 | 53 174 | 20 242 | -80 393 | - |
| Total liabilities | 92 165 | 33 593 | 11 409 | - | 137 167 |
| Inter-segment | -13 945 | 30 146 | 9 711 | -25 912 | - |
| Depreciation and amortization | 25 408 | 1 581 | 98 | - | 27 087 |
| Inter-segment | -13 035 | -271 | - | 13 305 | - |



(NOK 1.000)

Revenue per segment 31.12.2018

| | Terminals and Solutions | News | Analytics and other | Eliminations | Consolidated |
|----------------------------------|----------------------------|--------|------------------------|--------------|--------------|
| Revenue | | | | | |
| External customers | 183 063 | 57 873 | 35 107 | - | 276 044 |
| Inter-segment | 90 174 | 27 561 | 12 856 | -130 591 | - |
| Total revenue | 273 237 | 85 434 | 47 963 | -130 591 | 276 044 |
| EBITDA | 28 586 | 14 032 | 584 | - | 43 202 |
| Inter-segment | -33 715 | 21 712 | 12 003 | - | - |
| Total assets | 193 944 | 27 598 | 169 161 | - | 390 702 |
| Inter-segment | 176 015 | 26 157 | 30 353 | -232 525 | - |
| Total liabilities | 132 624 | 19 659 | 84 413 | - | 236 696 |
| Inter-segment | 86 611 | 7 154 | 91 003 | -184 768 | - |
| Depreciation and amortization | 18 049 | 465 | 1 386 | - | 19 900 |
| Inter-segment | -5 085 | -192 | -314 | 5 591 | - |

Revenue per segment 31.12.2017

| | Terminals and Solutions | News | Analytics and other | Eliminations | Consolidated |
|----------------------------------|----------------------------|--------|------------------------|--------------|--------------|
| Revenue | | | | | |
| External customers | 162 215 | 59 399 | 31 986 | - | 253 600 |
| Inter-segment | 71 863 | 22 141 | 8 876 | -102 880 | - |
| Total revenue | 234 078 | 81 540 | 40 862 | -102 880 | 253 600 |
| EBITDA | 16 864 | 14 815 | 6 178 | - | 37 858 |
| Inter-segment | -27 621 | 18 745 | 8 876 | - | - |
| Total assets | 230 642 | 21 122 | 23 139 | - | 274 902 |
| Inter-segment | 46 222 | 24 383 | 9 787 | -80 393 | - |
| Total liabilities | 97 800 | 18 467 | 20 900 | - | 137 167 |
| Inter-segment | 26 271 | 7 662 | -8 022 | -25 912 | - |
| Depreciation and amortization | 25 364 | 582 | 1 141 | - | 27 087 |
| Inter-segment | -12 843 | -192 | -271 | 13 305 | - |



Note 3. Transactions with related parties

Transactions with associated companies

The Group has various transactions with associated companies. All the transactions have been carried out as part of the ordinary operations and at arms-length prices. The most significant transactions are as follows:

(NOK 1.000)

| Per 31.12.2018 | | Sales to related parties | Purchases from related parties |
|-----------------------------|--------|---------------------------------|---------------------------------------|
| Infront ASA | Norway | 89 565 | 33 638 |
| TDN Finans AS | Norway | 4 843 | 973 |
| The Online Trader Sweden AB | Sweden | 609 | 90 251 |
| Nyhetsbyrån Direkt AB | Sweden | 22 717 | 4 876 |
| Infront Data AB | Sweden | 4 222 | 853 |
| Infront Analytics SAS | France | 8 634 | - |
| Group total | | 130 591 | 130 591 |

| Per 31.12.2017 | | Sales to related parties | Purchases from related parties |
|-----------------------------|--------|---------------------------------|---------------------------------------|
| Infront ASA | Norway | 71 323 | 27 487 |
| TDN Finans AS | Norway | 4 373 | 970 |
| The Online Trader Sweden AB | Sweden | 540 | 71 996 |
| Nyhetsbyrån Direkt AB | Sweden | 17 768 | 2 426 |
| Infront Data AB | Sweden | 2 070 | - |
| Infront Analytics SAS | France | 6 806 | - |
| Group total | | 102 880 | 102 880 |



Note 4. Number of employees

Number of employees (full-time equivalents) at the end of the fourth quarter was 133 in 2018 and 125 in 2017.

Note 5. Investment in subsidiaries

31.12.2018

| Company | Date of acquisition | Consolidated (yes/no) | Registered office | Voting share | Ownership share |
|-----------------------------------|----------------------------|------------------------------|--------------------------|---------------------|------------------------|
| Infront Sweden AB* | 14.03.2007 | yes | Stockholm | 100% | 100% |
| Nyhetsbyrå Direkt AB | 01.12.2008 | yes | Stockholm | 100% | 100% |
| CatalystOne AS | 30.10.2009 | yes | Oslo | 100% | 100% |
| Infront Analytics SAS | 04.06.2012 | yes | Paris | 100% | 100% |
| Infront Financial Information Ltd | 03.07.2015 | yes | London | 100% | 100% |
| TDN Finans AS | 22.04.2016 | yes | Oslo | 100% | 100% |
| Infront SA (Pty) Ltd | 05.10.2016 | yes | Johannesburg | 100% | 100% |
| Infront Data AB | 07.03.2017 | yes | Stockholm | 100% | 100% |
| Infront Finland OY | 28.09.2017 | yes | Helsinki | 100% | 100% |
| Infront Italia SRL | 29.11.2018 | yes** | Milan | 100% | 100% |

* The Online Trader Sweden AB changed name to Infront Sweden AB on 04 October 2018.

** Refer to section Operational review, "Acquisition of Market Connect to strengthen European position".

Note 6. Business combination

The Infront Group acquired the 22.78% of remaining shares of Infront Data AB in March 2018. The Group owns 100% shares of Infront Data as of 31 December 2018. Infront Italia SRL incorporated on 28 November 2018. On 20 December 2018, Infront Group acquired Market Connect division from Spafid Connect S.p.A, a subsidiary of Mediobanca S.p.A based in Italy, with agreed purchase price of EUR 8.5 million.



Note 7. Share options

On 27 June 2018, the Board resolved to issue share options to management of the Company. The resolution was made on the basis of the approval by the Annual General Meeting of 27 April 2018 to authorize the Board of Directors of Infront ASA to issue new shares to management under a long-term incentive program.

A total of 1 032 927 options for shares of the Company were distributed amongst management 26 June 2018. Each option, when exercised, will give the right to acquire one share in the Company. The options are granted without consideration. Pursuant to the vesting schedule, 1/3 of the options will vest annually after the grant date (as long as the option holder is still engaged by the Company). The exercise price is equal to NOK 27.13 per share. Any options not exercised by the 5th anniversary of the grant date will be void.

The share option program consists of three tranches, as displayed in the table below:

| Allotment of share options | Fair value (NOK) | Strike price | Grant date | Vesting date | Expiry date | Latest exercise schedule | Total number of share options | Exercised share options | Average exercise price | Remaining share options |
|----------------------------|------------------|--------------|------------|--------------|-------------|--------------------------|-------------------------------|-------------------------|------------------------|-------------------------|
| Tranche I | 1 197 541 | 27.13 | 26/06/2018 | 26/06/2019 | 26/06/2023 | NA | 344 309 | - | - | 344 309 |
| Tranche II | 1 700 232 | 27.13 | 26/06/2018 | 26/06/2020 | 26/06/2023 | NA | 344 309 | - | - | 344 309 |
| Tranche III | 2 103 315 | 27.13 | 26/06/2018 | 26/06/2021 | 26/06/2023 | NA | 344 309 | - | - | 344 309 |
| Total | 5 001 088 | | | | | | 1 032 927 | - | - | 1 032 927 |



Fair value of the options

The fair value of the options is determined when the options are allotted and expensed over the vesting period. The fair value at grant date is determined using an adjusted form of the Black-Scholes Model, that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at the grant date, expected price volatility of the underlying share and risk-free interest rate. The expected share price volatility is based on historical volatility for a selection of comparable listed companies. Risk free interest rate is based on treasury bonds with similar duration as the option program.

Share options currently held by primary insiders of Infront ASA:

| Name | Position | Number of share options |
|------------------|-----------------|--------------------------------|
| Max Martin Hofer | CFO | 387 347 |
| Martin Holtet | CTO | 232 408 |
| Joachim Rosli | Head of Sales | 103 293 |
| SUM | | 723 048 |



DEFINITIONS AND GLOSSARY

Alternative Performance Measures and certain terms used

The Group's financial information in this interim report is prepared in accordance with International Financial Reporting Standards (IFRS). In addition, the Group presents certain non-IFRS financial measures/alternative performance measures (APM):

- EBITDA represents operating profit before depreciation, amortization and impairment
- Adjusted EBITDA represents EBITDA adjusted for IPO- and M&A- related costs and other income.
- Quarterly recurring revenue represents quarterly recurring operating revenue
- Quarterly recurring revenue adjusted for FX effects represents quarterly recurring operating revenue adjusted for the foreign currency translation and transaction effects year-over-year

The non-IFRS financial measures/APM presented herein are not measurements of performance under IFRS or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The non-IFRS financial measures/APM presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Company believes that the non-IFRS measures/APM presented herein are commonly reported by companies in the markets in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred), business practice or based on non-operating factors. Accordingly, the Group discloses the non-IFRS financial measures/APM presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debt. Because companies calculate the non-IFRS financial measures/APM presented herein differently, the Group's presentation of these non-IFRS financial measures/APM may not be comparable to similarly titled measures used by other companies.

The non-IFRS financial measure/APM are not part of the Company's Consolidated Financial Statements, and are thereby not audited. The Company can give no assurance as to the correctness of such non-IFRS financial measures/APM and investors are cautioned that such



information involve known and unknown risks, uncertainties and other factors, and are based on numerous assumptions. Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these non-IFRS financial measures/APM.

For definitions of certain terms and metrics used throughout this interim report, see the table below.

The following definitions and glossary apply in this interim report unless otherwise dictated by the context.

| | |
|------------------------------|--|
| APM | Alternative Performance Measure as defined in ESMA Guidelines on Alternative Performance Measures dated 5 October 2015 |
| Group | The Company and its subsidiaries |
| IAS | International Accounting Standard |
| IFRS | International Financial Reporting Standards as adopted by the EU |
| Interim Financial Statements | The Group's unaudited financial statements as of, and for the three month period ended, 31 December 2018 |
| IPO | Initial public offering |
| M&A | Mergers and acquisitions |
| MiFID II | Directive 2014/65/EU |

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Discover. Analyze. Trade.

