

Q3 2019

Infront ASA – Interim Report





HIGHLIGHTS

(Figures for the corresponding period in 2018 are shown in brackets)

- **Completed vwd acquisition to become a top-three financial terminal provider in Europe**
 - Number of professional users increased from 17.8k in Q3 2018 to 91.0k
 - Integration process well underway, focusing on capturing initial cost synergies and exploring up- and cross-selling potential
 - Combining the best of Infront and vwd into one solution will enable the group to offer a more competitive multi-asset platform
- **Q3 2019 group revenue increased 256% to EUR 25.3 million (EUR 7.1 million)**
 - vwd Group was the main contributor to Q3 growth with revenue of EUR 14.8 million from the acquisition date 17 July
 - Group revenue in Q3 adjusted for acquisitions and foreign exchange effects showed a slight increase compared to Q3 2018
 - Revenue for the combined group would have been EUR 86.7 million if vwd Group was consolidated as of 1 January 2019
- **Q3 2019 adjusted EBITDA of EUR 2.9 million (EUR 1.2 million)**
 - Positive impact from inclusion of vwd Group and Infront Italia.
 - Actual Q3 2019 EBITDA was negative EUR 0.9 million (positive EUR 1.2 million)
 - YTD adjusted EBITDA for the combined group would have been EUR 12.7 million if vwd Group was consolidated as of 1 January 2019



We deliver a significant step-up in revenue in the third quarter driven by the successful execution of our M&A strategy. The integration of vwd Group is well underway and we are working to realize cross- and up-selling opportunities and capture cost synergies. By combining the strengths of our solutions, we will compete across all asset classes and fully leverage our top-three position in Europe to drive growth.

- 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. With the recent acquisition of vwd Group, Infront's product coverage also includes data and feed solutions, portfolio management and advisory solutions, regulatory compliance solutions as well as publication and distribution solutions. Our combined 3,600 customers and over 91,000 professional users benefit from the highest level of expertise in regulation, private wealth, market data and the frictionless interaction of the diverse solutions and products covering their complete workflow. Driven by our clients' business needs, our solutions help users make money, reduce costs, adapt to fast changing market requirements and work more efficiently with ever-increasing amounts of information – quickly, easily and flexibly.

More than 500 employees in 13 countries (Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, South Africa and United Kingdom) apply their expertise to meet the challenges of our clients, ensuring they continuously receive the best solutions and services.

Creating the leading European financial market solutions provider

On 17 July 2019, Infront completed the acquisition of vwd Group from a fund managed by The Carlyle Group to create the leading European financial market solutions provider. The final purchase price was EUR 130.6 million on an enterprise value basis and was financed through the issue of a four-year EUR 105 million bond in May and an over-subscribed NOK 242.6 million rights issue that was completed in June.

The pro forma 2018 revenue for the combined company exceeded EUR 103 million and pro forma adjusted EBITDA was approximately EUR 17 million. The adjusted EBITDA is before estimated initial cost savings of EUR 2 million from consolidating data feeds and licenses, all of which are expected to be realized within a year. Furthermore, additional cost savings are expected from the implementation of several operational efficiencies and scaling effects. vwd was included in Infront's financial accounts from the acquisition date (17 July 2019).

Following the acquisition, the Board of Directors approved to change Infront's presentation currency to Euro (EUR) from Norwegian krone (NOK) from Q3 2019. Moreover, segment reporting has been adjusted to reflect the new Group structure:

Infront Solutions and Terminal: Includes Infront ASA (the parent company), all regional sales offices for terminal products and solutions, as well as Infront Data and Infront Analytics.



vwd Group: Representing the acquired activities.

News and Other: Includes the news-services in Nyhetsbyrå Direkt AB (Sweden) and TDN Direkt AS (Norway), as well as the software business Catalystone AS which is 100% owned by Infront.

Infront Solutions and Terminal

Solutions and Terminal revenue from external customers was EUR 9.1 million in Q3 2019, an increase of 64% from EUR 5.5 million in Q3 2018 due to the inclusion of Infront Italia, organic growth and new Infront Web Technology agreements. Approximately 45% of segment revenue was recognized in Euro and 34% in Swedish krona.

The addition of high-quality Italian market data to the Infront Professional Terminal has further strengthened the value proposition to finance professionals in Europe and worldwide. Customer-migration to the Infront Professional Terminal is on-track.

The development of the next generation Infront Professional Terminal is well underway following updates in Q3 to modernize the terminal and user workflow. Innovative features and novel solutions will be released during Q4 2019 to strengthen Infront's offering and close the gap to top-tier financial- and trading terminals.

The migration of customers to Web Trader version 4 continued throughout the quarter. The latest generation of the Infront web platform strengthens the value-proposition to financial institutions providing retail trading services to private investors and small and mid-sized corporate customers. Growth continued for web solutions from both ongoing and upcoming projects. The pipeline for future solutions projects remained strong going into Q4.

The vwd integration is on track with Infront solutions' products being prepared for group-wide development. Bringing the best of Infront's and vwd's solutions together into one terminal and leverage the combined strengths will enable Infront to compete in all asset-classes against other premium terminals.

As part of the vwd integration, Infront Web Toolkit is being prepared for group-wide deployment. Infront Web Toolkit powers Infront's Mobile Apps, Infront Web Trader and customer's web sites. The technology enables Infront to rapidly develop independent front-end solutions with high performance and is expected to contribute to additional growth in key markets and provide significant cost-synergies at a group level going forward.

Other key development projects included the start of product integration for the vwd Investment Manager web platform related to GPRV chart, Infront's patented tool for assessing the relative value of listed stocks using fundamental analysis and other key web components.



Infront Analytics progressed with its new back-end architecture, developing a new company lookup microservice for making analytics data available internally for group web widgets/terminal windows. Also, a new release in the quarter allows more advanced user calculations on key analytics data such as beta (systematic risk), volatility, performance-measures and statistics. These calculation capabilities have been made available through the Excel add-in function's module front-end.

Client base

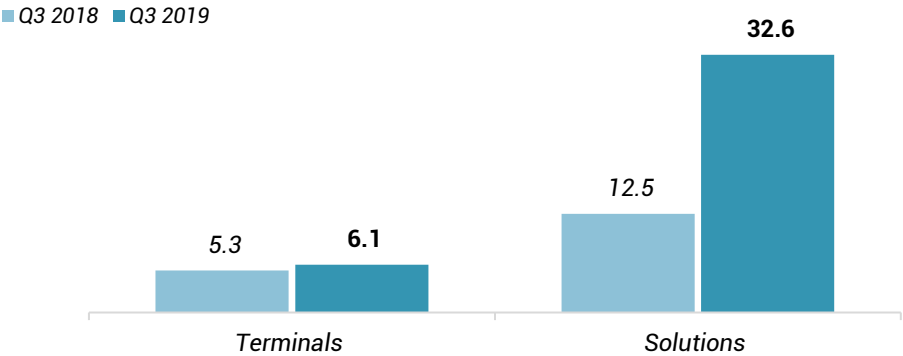
The number of professional users (excluding users in vwd Group of 52.3k) increased to 38.7k in Q3 2019 from 17.8k in Q3 2018. The increase was mainly due to the inclusion of Infront Italia, which was acquired in December 2018.

Terminal clients include paying users of Infront Professional Terminals for market data and analytics, Professional Trading Terminals and users of Infront Italia's professional terminals. Solution users include users of Infront Retail Trading Solutions and other solutions such as FX, mobile and media, and web and feed solution users of Infront Italia. The Infront Web Technology solutions for customers such as 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 (excluding users in vwd) rose 14% and solutions users increased 161% compared to Q3 2018 including the impact of acquired users at Infront Italia.

Number of professional users per Infront product:

'000s of users





vwd Group

vwd Group provides financial data terminals and complementary service solutions through an integrated, modular technology platform and a software-as-a-service (“SaaS”) model with recurring subscription revenue. Target customers are within the wealth management industry in the German-speaking DACH region, which includes Germany, Austria and Switzerland. vwd Group is also present in Belgium, the Netherlands, Luxembourg and Italy. It has its headquarters in Frankfurt and operates through additional regional offices.

The complementary service offering includes: Portfolio and Advisory Solutions (PAS) comprising portfolio services, order services and analytics services; Publication and Distribution Solutions (PDS) comprising fund services and web services; and Regulatory and Calculation Solutions (RCS) comprising regulatory services, documentation services and more.

vwd’s consolidated revenue from external customers in Q3 2019 was EUR 14.8 million from the acquisition date 17 July. Approximately 92% of revenue was recorded in Euro and 8% in Swiss Franc.

In Q3 2019, vwd launched the new “Investment Manager”, a state-of-the-art responsive web-based application which provides extensive market data from vwd’s own cloud-based platform. It enables clients to benefit from new features and enhancements as they are launched, avoid cumbersome IT installations and reducing the total cost of ownership. The software is also modular to all other vwd cloud-based products and allows the clients to choose from a wide range of solutions and implement these seamlessly in our own IT-architecture. In the first roll-out, the solution was provided to vwd’s biggest clients and 20,000 professional users were migrated from other solutions to the new integrated cloud-based application.

Marketing of the Infront Professional Terminal to vwd’s existing customers in Germany started during Q3 2019 and the first contract was signed in October.

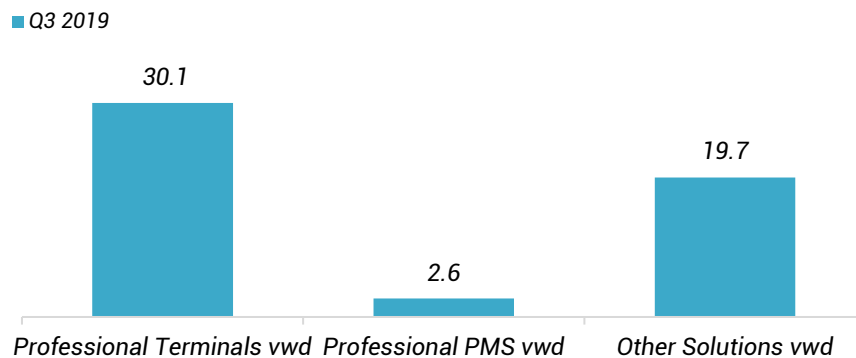
Client base

Professional terminals users represent mainly users of vwd Market Manager and Investment Manager. Professional PMS users represent users of vwd Portfolio and Advisory Management Systems. The “Other Solutions” mainly include light weighted users of other smaller trading solutions.



Number of professional users per vwd product:

'000s of users



News and Other

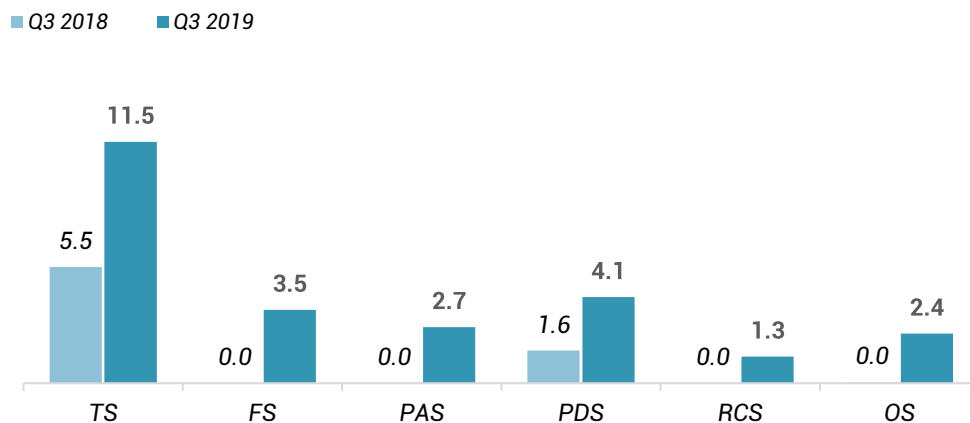
Q3 2019 News and Other revenue from external customers was EUR 1.5 million (EUR 1.6 million). The YoY decrease was due to reduced revenue in the non-core business and FX rates headwind from Norwegian and Swedish Krona which have decreased against the Euro.

In the quarter, the Insight Direkt service for small to medium sized companies continued to expand its operations and add new customers. Infront's international expansion creates new growth opportunities for the news business and preparations are underway to expand current portfolio of services into new markets. (See Note 2 for detailed segment information)

Revenue per Product Group

Revenue per Infront product group:

(EUR million)



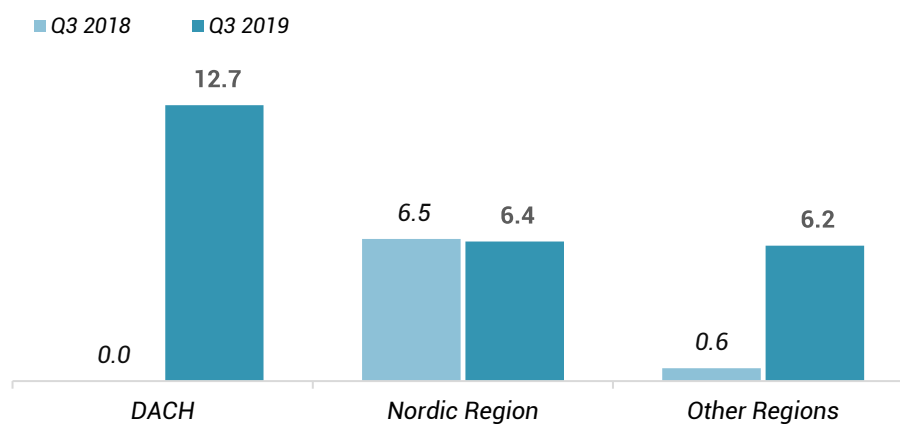


Infront categorises its products into six groups: Terminal Solutions (TS), Feed Solutions (FS), Portfolio and Advisory Solutions (PAS), Publication and Distribution Solutions (PDS), Regulatory and Calculation Solutions (RCS) and Other Solutions (OS). See Note 2 for detailed segment information.

Revenue per Region

Revenue per region:

(EUR million)



DACH Region - includes markets and subsidiaries in Germany (D), Austria (A) and Switzerland (CH).

Nordic Region - includes markets and subsidiaries in Norway, Sweden, Finland and Denmark.

Other Regions – includes markets and subsidiaries in Great Britain, the Netherlands, Belgium, Luxemburg, France, Italy and South Africa.



Outlook

Infront has built a strong platform for continued growth in Europe and other markets with the completion of the vwd Group transaction. The integration of vwd has been initiated and ensuring its successful completion will be a top priority in Q4 2019 and throughout 2020. An important part of that will be to tap into the vast potential for up- and cross-selling on the expanded customer base. The first vwd customers signing up for the Infront Professional Terminal in October confirms this potential.

Integrated products and solutions will allow the company to fully leverage additional data sources, services and the extended geographical reach to strengthen the market position in Europe and beyond for terminals to financial professionals. Infront will also consider further add-on acquisitions to strengthen its position in selected markets and its overall technology offering.

Infront is committed to delivering outstanding value to its customers through innovative and user-friendly solutions. Continued product development is a key component of the business strategy together with pursuing organic growth, synergy capture and market consolidation to drive long-term value creation.



FINANCIAL REVIEW

(Figures for the corresponding period in 2018 are shown in brackets)

Profit and loss

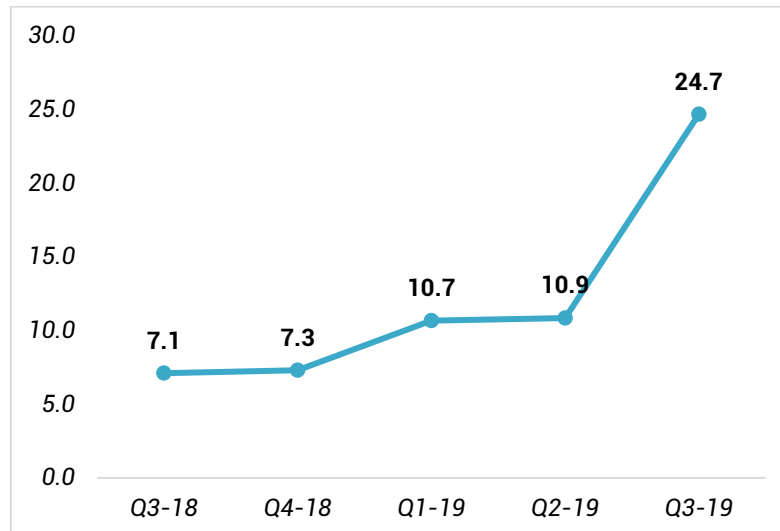
Q3 2019 operating revenue was EUR 25.3 million (EUR 7.1 million), an increase of 256% from the same quarter last year, driven mainly by the inclusion of vwd Group, full effect of Infront Italia and price increases across the group.

Q3 2019 EBITDA was negative EUR 0.9 million. EBITDA reflected high transaction-related costs, as well as continued growth investments in the organization. Adjusted EBITDA increased to EUR 2.9 million from adjusted EBITDA of EUR 1.2 million in Q3 2018. Before implementation of IFRS 16, adjusted EBITDA amounted to EUR 2.3 million (EUR 1.2 million).

Infront generates most of its revenue from recurring subscription contracts for its services. To date in 2019, Infront has continued to show an underlying growth in subscription revenue, which represented 97% of total sales for the period.

Recurring subscription revenue development

(EUR million)





Cost of services rendered for the period was EUR 9.3 million (EUR 2.4 million). The increase reflected an increased revenue base and the inclusion of vwd Group and Infront Italia.

Employee-related expenses were EUR 9.3 million (EUR 2.8 million). The increase reflected additional employees due to the acquisition of vwd Group and Infront Italia. The group employed 523 FTEs at the end of Q3 2019 (131).

Other operating expenses were EUR 8.1 million in Q3 2019 (EUR 0.9 million). Adjusted for vwd Group transaction-related costs of EUR 3.8 million, other operating expenses amounted to EUR 4.3 million, compared to EUR 0.9 million during the same quarter last year.

Net financial expense was EUR 5.7 million in Q3 2019 (net financial expense of EUR 0.1 million). The change was primarily a result of interest costs related to the bond financing and foreign exchange effects.

Income tax for the period was EUR 1.7 million (income tax EUR 0.1 million).

Net loss for this quarter was EUR 7.8 million (net income EUR 0.5 million). This is equivalent to a loss per share of EUR -0.18 (earnings per share of EUR 0.02).

Financial position

Total assets as of 30 September 2019 were EUR 236.3 million, compared to EUR 39.6 million at the end of December 2018. The increase is mainly due to the acquisition of vwd Group.

The combined book value of Intangible assets and equipment and fixtures amounted to EUR 177.1 million compared to EUR 18.9 million at the end of December 2018. Right-of-use assets at the end of the period amounted to EUR 12.2 million. For detailed implementation of IFRS 16 refer to note 8 *Right-of-use assets and lease liabilities (IFRS 16)* in this interim report.

Trade and other receivables were EUR 24.7 million at the end of Q3 2019, compared to EUR 10.0 million at the end of December 2018. The increase mainly reflected the inclusion of vwd Group.

At the end of Q3 2019 the cash position was EUR 13.9 million, compared to EUR 8.7 million at the end of 2018. The increase reflects the inclusion of vwd Group.

Total non-current liabilities at the end of Q3 2019 were EUR 149.3 million, compared to EUR 8.3 million at the end of 2018. The increase was primarily due to the bond issue and non-current lease liabilities of EUR 10.6 million from the implementation of IFRS 16.

Current liabilities at the end of Q3 2019 were EUR 51.9 million, compared to EUR 16.5 million at the end of 2018. The increase reflected the full impact from inclusion of vwd Group and the current lease liabilities from IFRS 16.



Cash Flow

Net cash flow from operational activities was negative EUR 1.2 million at the end of third quarter 2019 (positive EUR 1.7 million). Cash flow was negatively impacted by acquisition-related payments of EUR 2.6 million and net working capital movements EUR 1.8 million in the first nine months of 2019.

Net cash flow from investing activities was negative at EUR 121.4 million (negative EUR 3.1 million). Investments per 30 September 2019 were related to vwd Group acquisition at EUR 130.6 million, SIX transaction-related payments of EUR 0.6 million, investments in IT equipment of EUR 1.0 million and investments in software developments of EUR 2.1 million. This was partly offset by the cash balance acquired in vwd Group of EUR 12.9 million.

Net cash flow from financing activities was at EUR 127.2 million (negative EUR 1.1 million). The financing cash flow mainly reflects proceeds from the bond and equity issues net of transaction costs, EUR 102.3 million and EUR 23.4 million respectively.

Please note that the cash flow from vwd Group has been included from 17 July 2019 and onwards.



INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Consolidated income statement

(unaudited)

(EUR 1.000)	Note	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Revenues	2	25 348	7 127	47 010	21 413
Total operating revenues		25 348	7 127	47 010	21 413
Cost of services rendered		9 317	2 358	17 820	7 065
Salary and personnel expenses	3,7	9 312	2 759	15 575	7 953
Other operating expenses	7	8 066	856	12 083	2 621
Depreciation and amortization	7	2 911	517	4 689	1 560
Other income		-463	-	-463	-31
Total operating expenses		29 144	6 490	49 704	19 168
Operating profit		-3 796	637	-2 695	2 245
Financial income		1 662	-2	3 440	741
Financial expenses	7	-7 400	-103	-10 266	-373
Financial income/(expenses) - net		-5 738	-105	-6 826	368
Profit before income tax		-9 533	532	-9 521	2 613
Income tax income/(expenses)		1 706	-54	1 718	-272
Profit for the period		-7 827	478	-7 803	2 341
Profit is attributable to:					
Owners of Infront ASA		-7 844	478	-7 820	2 341
Non-controlling interests		17	-	17	-
		-7 827	478	-7 803	2 341
Earnings per share					
Basic and diluted earnings per share	8	-0.18	0.02	-0.22	0.08
Number of basic/(diluted) shares outstanding		43 329 760	43 329 760	43 329 760	43 329 760
Average number of basic/(diluted) shares		43 329 760	25 997 856	32 738 041	25 997 856



Statement of comprehensive income

(unaudited)

(EUR 1.000)	Note	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Profit for the period		-7 827	478	-7 803	2 341
<i>Other comprehensive income (net of tax):</i>					
Exchange differences on translation of					
Foreign operations		4	164	1 575	-14
Total comprehensive income for the period		-7 823	642	-6 228	2 327
Total comprehensive income is attributable to:					
Owners of Infront ASA		-7 840	642	-6 245	2 327
Non-controlling interests		17	-	17	-



Consolidated statement of financial position

(unaudited)

(EUR 1.000)	Note	30.09.2019	31.12.2018
ASSETS			
Non-current assets			
Equipment and fixtures		3 138	318
Right-of-use assets	7	12 156	-
Intangible assets		173 961	18 576
Deferred tax asset		7 693	575
Pension assets		645	40
Receivables		191	1 332
Total non-current assets		197 784	20 842
Current assets			
Trade and other receivables		24 674	9 984
Cash and cash equivalents		13 878	8 740
Total current assets		38 552	18 724
TOTAL ASSETS		236 336	39 566

(EUR 1.000)	Note	30.09.2019	31.12.2018
EQUITY AND LIABILITIES			
Equity			
Share capital		458	279
Share premium		34 883	11 273
Share option program	6	247	100
Other equity		-3 111	3 126
Total equity attributable to owners of the parent		32 477	14 778
Non-controlling interests		2 703	-
Total equity		35 180	14 778
Non-current liabilities			
Borrowings		101 556	5 300
Lease liabilities	7	10 596	-
Derivative financial instruments		-	-
Pension liabilities		7 409	244
Deferred tax liabilities		19 608	101
Other non-current financial liabilities		10 102	2 607
Total non-current liabilities		149 270	8 252
Current liabilities			
Borrowings		10 209	758
Current lease liabilities	7	1 805	-
Trade and other payables		31 706	10 518
Other current financial liabilities		1 412	1 299
Deferred revenue		6 217	3 769
Current tax liabilities		537	192
Total current liabilities		51 887	16 536
Total liabilities		201 157	24 788
TOTAL EQUITY AND LIABILITIES		236 336	39 566



Consolidated statement of cash flows

(unaudited)

(EUR 1.000)	Note	YTD Q3 2019	YTD Q3 2018
Cash flows from operating activities			
Profit (loss) before tax		-9 521	2 613
<i>Adjustments for</i>			
Taxes paid		-185	-501
Depreciation - amortization and net impairment losses		4 689	1 560
Pension expense without cash effect		332	29
Losses/(gains) on disposal of tangible assets		-	-
Reclassification interest expense		3 500	-
Reclassification interest income		-20	-
Changes in conditional consideration			
<i>Change in operating assets and liabilities net of effects from purchase of controlled entities</i>			
Change in trade receivable and other receivables		-1 506	-384
Change in derivative financial instruments		-	-
Change in provisions		-	-343
Change in deferred revenue		593	-71
Change in trade and other payables		946	-1 125
Net cash inflow (outflow) from operating activities		-1 174	1 778
Cash flows from investing activities			
Payment for acquisitions of subsidiary net of cash acquired	5	-130 663	-610
Payment for intangible assets		-601	-1 580
Payment for property plant and equipment		-991	-108
Payment for software development costs		-2 051	-848
Receipt of government grants		-	-
Cash flow from other investing activities		12 932	-
Net cash outflow from investing activities		-121 374	-3 147
Cash flows from financing activities			
Net proceeds from issuance of ordinary shares		23 424	-
Proceeds from borrowings		10 000	-
Repayments of borrowings		-5 819	-7
Net proceeds from bond issuance		102 256	-
Repayments of lease liabilities	7	-909	-
Dividends paid		-	-1 088
Interest cash expense		-1 762	-
Interest cash income		20	-
Net cash inflow (outflow) from financing activities		127 211	-1 095
Net increase/(decrease) in cash and cash equivalents		4 663	-2 465
Cash and cash equivalents 1 January		8 740	12 479
Effects of exchange rate changes on cash and cash equivalents		474	231
Cash and cash equivalents at end of period		13 878	10 245



Consolidated statement of changes in equity

(unaudited)

(EUR 1.000)	Share capital	Share premium	Treasury shares	Share option program	Translation differences	Retained earnings	Attributable the owners of the parent	Minority interest	Total equity
Balance at 31 December 2017	279	11 273	-	-	-426	2 599	13 725	272	13 997
Profit/loss for the year	-	-	-	-	-	1 797	1 797	-	1 797
Currency translation differences	-	-	-	-	-407	-	-407	-	-407
Acquisition of non-controlling interest	-	-	-	-	-	-181	-181	-272	-453
Put option to non-controlling interest	-	-	-	-	-	825	825	-	825
Share Option program	-	-	-	103	-	-	103	-	103
Dividend	-	-	-	-	-	-1 088	-1 088	-	-1 088
Balance at 31 December 2018	279	11 273	-	103	-833	3 952	14 778	-	14 778
Profit/loss for 1 January to 30 September 2019	-	-	-	-	-	-7 786	-7 820	17	-7 803
Currency translation differences	-	-	-	-	1 575	-	1 575	-	1 575
Share option program	-	-	-	156	-	-	156	-	156
Acquisition of non-controlling interest	-	-	-	-	-	-	-	2 685	2 685
Equity issue	179	23 610	-	-	-	-	23 789	-	23 789
Balance at 30 September 2019	458	34 883	-	258	742	-3 868	32 477	2 703	35 180



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 public limited 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 Europe. The Infront terminal products are intuitive and flexible and offers financial markets participants global real-time market data, trading, news and analytics covering key markets. Infront also provides portfolio, advisory and regulatory solutions through the wholly-owned subsidiary vwd Group. 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 26 November 2019.

Basis of Preparation

The interim consolidated financial statements for the third quarter 2019 ending 30 September 2019 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 2018.

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 2018.

The standards and interpretations effective from 1 January 2019 do not have a significant impact on the group's consolidated interim financial statements with the exception of IFRS 16 which is presented in Note 7.



Note 2. Segment information

Operating segments

The operating segment information disclosed is aligned with the financial information reported to the group's CEO and management team for the purposes of resource allocation and assessment of segment performance. The following segments are reported in accordance with IFRS 8 requirements:

1. **Infront solutions & terminal:** covering Infront ASA and all sales offices of terminal products and solutions. Infront Data and Infront Analytics are included here.
2. **vwd Group:** consists of vwd Group, its products and operations in Germany, Belgium, the Netherlands, Switzerland, Luxembourg and Italy.
3. **News and Other:** covering TDN Direkt AS (Norway) and AB Nyhetsbyrån Direkt (Sweden) which provides news services and non-core business in Infront that consists only of Catalystone AS.

(EUR 1.000)

Revenue by segment as of 30.09.2019

	Infront Solutions and Terminal	vwd Group	News and Other	Eliminations	Consolidated
Revenue					
External customers	27 647	14 770	4 593	-	47 010
Inter-segment	6 470	-	2 029	-8 499	-
Total revenue	34 317	14 770	6 422	-8 499	47 010
EBITDA	-1 039	1 995	1 038	-	1 994
Inter-segment	-1 654	-	1 654	-	-
Total assets	124 495	109 182	2 659	-	236 336
Inter-segment	56 867	78 461	3 026	-138 355	-
Total liabilities	140 325	58 990	1 841	-	201 157
Inter-segment	6 290	47 130	1 009	-54 429	-
Depreciation and amortization	2 615	2 040	33	-	4 689
Inter-segment	-953	-	-15	967	-



Revenue by segment as of 30.09.2018

	Infront Solutions and Terminal	vwd Group	News and Other	Eliminations	Consolidated
Revenue					
External customers	16 535	-	4 878	-	21 413
Inter-segment	4 566	-	2 153	-6 719	-
Total revenue	21 101	-	7 031	-6 719	21 413
EBITDA	2 473	-	1 332	-	3 805
Inter-segment	-1 701	-	1 701	-	-
Total assets	22 752	-	2 827	-	25 579
Inter-segment	6 274	-	3 248	-9 521	-
Total liabilities	8 069	-	2 030	-	10 099
Inter-segment	3 125	-	1 532	-4 656	-
Depreciation and amortization	1 519	-	41	-	1 560
Inter-segment	-1 519	-	-41	1 560	-

Disaggregation of revenues

Financial professionals across Europe and South Africa rely on Infront for global real-time market data, trading, news, and analytics. With the recent acquisition of vwd Group, Infront's product coverage also includes data and feed solutions, portfolio management and advisory solutions, regulatory compliance solutions as well as publication and distribution solutions. The group's total revenue is disaggregated by major revenue streams by geographical areas and by product segments shown in the tables below.

The group's revenue are subscription based revenues which consist of: terminal subscription, data and financial news subscription revenues which were obtained on a regular monthly (up to annual) basis and recurring; solution subscription revenue which was obtained by the time of delivery of service with inclusion of the initial entrance service and thereafter become regular recurring subscription revenue.

Contract assets and liabilities vary to an extent throughout the reporting period. The majority of customers are invoiced in advance for monthly quarterly or on an annual basis for the subscriptions. The group has customers who are invoiced after the service are rendered monthly. Contract liabilities (deferred income) are therefore registered in relation to the payments invoiced in advance monthly quarterly or annually to customers. Customers have payment terms varying from 14-45 days.



Revenue by region

(EUR million)	DACH	Nordic Region	Other Regions
Q3 2018	0.0	6.5	0.6
Q3 2019	12.7	6.4	6.2

The DACH Region includes markets and subsidiaries in Germany (D), Austria (A) and Switzerland (CH). The Nordic Region includes markets and subsidiaries in Norway, Sweden, Finland and Denmark. Other Regions includes markets and subsidiaries in Great Britain, the Netherlands, Belgium, Luxemburg, France, Italy and South Africa.

Revenue by product group

(EUR million)	TS	FS	PAS	PDS	RCS	OS
Q3 2018	5.5	0.0	0.0	1.6	0.0	0.0
Q3 2019 acquired	11.5	3.5	2.7	4.1	1.3	2.4

Infront categorises its products during the integration phase into six product groups: Terminal Solutions (TS), Feed Solutions (FS), Portfolio and Advisory Solutions (PAS), Publication and Distribution Solutions (PDS), Regulatory and Calculation Solutions (RCS) and Other Solutions (OS).

Terminal Solutions (TS)

Infront provides market data and investment process solutions for its clients that combines real-time global market data, news and electronic trading. Our users can access their entire workflow in one solution, enabling them to make better investment decisions in shorter time. Infront products range from “Infront Professional Terminal” to cloud based “vwd Investment Manager”. Through the web-browser and cloud-based platforms our users can access real-time and historical market data feeds for stock, funds, bonds, commodities, interest rates and more. Flexibility to set-up customized interfaces, monitoring and alerting, and to install a wide range of plug-ins to provide an optimal data management solution.

Feed Solutions (FS)

Infront Feed Solutions provides its clients through data management solutions with access to more than 120 stock exchanges, more than 500 contributory data sources and more than 18 million instruments. Our clients can get access from end-of-day to real-time delivery, receive up-to-



the minute price data and business news and can participate in cost efficient modular content packages.

Portfolio and Advisory Solutions (PAS)

Infront Portfolio and Advisory solutions supporting our customers on all stages of the asset management workflow - from customer on-boarding to reporting of portfolio performance - on a fully digital and customisable basis. Infront provides process and advisory support, as well as risk evaluation services, in development and management of portfolios. The entire process is developed for full regulatory compliance with step-by-step guidance available for users. The offering provides a wide range of relevant user interfaces to optimise the service, with ability for individual customization to ensure perfect fit.

Publication and Distribution Solutions (PDS)

Infront Publication and Distribution Services provides solutions around the media market. Our News Service helps its customers to better understand the movements of markets and reviews professional and social media news. Our clients can utilize our news-research from brokers and independent research providers to support their investment strategy. Infront, through its vwd Listing and Publishing services, also supports media companies and asset managers who publish fund and market performance information with our pre-formatted financial product performance and documentations. We also provide a module-based web manager so our clients can create custom fund and market performance portraits that they can use for print or online publication purposes.

Regulatory and Calculation Solutions (RCS)

Infront offers a full-service platform for creating and distributing regulatory documents and data. We provide audit-proofed fulfilment of internal compliance and market regulation requirements through creation of documents and reports. Our Solution is based on product and industry expertise, as well as interaction with authorities and relevant agencies. Intuitive front-end solution for easy process handling, flexible user interfaces and step-by-step guidance to ensure user friendliness.

Other Solutions (OS)

Infront also owns two profitable and compatible companies offering individual solutions for their client base. Lenz+Partner offers more than 4 000 private clients an analysis tool for the financial markets with competitive chart analytics, fundamental analytics and portfolio management. Transaction Solutions AG operates for its clients' securities trading centres in most varied forms: whether on or off the exchange, limit trading, and request for quote or matching systems.



Through its market consolidation strategy, Infront has also acquired some smaller complementary products to its core solutions. The company is currently developing future-driven, sustainable options for these products.

Note 3. Number of employees

Number of employees (full-time equivalents) at the end of the third quarter was 523 in 2019 and 131 in 2018.

Note 4. Investment in subsidiaries

30.09.2019

Company	Date of acquisition	Consolidated (yes/no)	Registered office	Voting share	Ownership share
Infront Sweden AB	14.03.2007	yes	Stockholm	100%	100%
AB Nyhetsbyrå Direkt	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 Direkt AS	22.04.2016	yes	Oslo	100%	100%
Infront South Africa (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 S.r.l.	29.11.2018	yes	Milan	100%	100%
wvd Holding GmbH	30.04.2019	yes	Frankfurt/Main	100%	100%
wvd Group GmbH	17.07.2019	yes	Frankfurt/Main	100%	100%
wvd Vereinigte Wirtschaftsdienste GmbH	17.07.2019	yes	Frankfurt/Main	100%	100%
wvd group Switzerland AG	17.07.2019	yes	Zurich	100%	100%
wvd group Italia S.r.l.	17.07.2019	yes	Milan	100%	100%
wvd TransactionSolutions AG	17.07.2019	yes	Frankfurt/Main	60%	60%
wvd group Netherlands B.V.	17.07.2019	yes	Amsterdam	100%	100%
wvd PortfolioNet Service AG	17.07.2019	yes	Zurich	100%	100%
EDG AG	17.07.2019	yes	Frankfurt/Main	100%	100%
Lenz+Partner GmbH	17.07.2019	yes	Dortmund	100%	100%
wvd Luxembourg S.à r.l.	17.07.2019	yes	Luxembourg	100%	100%



Note 5. Business combination

Market Connect

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. The full financial impact was included in the newly incorporated entity Infront Italia SRL and was consolidated in the Q4 2018 financial statements. More details regarding this acquisition refer to Infront group annual report 2018 note 22 Business combination- Acquisition of Market Connect.

vwd Group GmbH

On 17 July 2019, Infront Group acquired vwd Group GmbH from a fund managed by The Carlyle Group with agreed purchase price of EUR 130.6 million on an enterprise value basis. Infront Group acquired 100% of the shares in the vwd Group GmbH.

About vwd Group

vwd Group is a financial data terminal and complementary service solutions provider in the European market serving the wealth management industry. vwd Group GmbH is a limited liability company domiciled and incorporated in Germany headquartered in Frankfurt (Mainzer Landstraße 178 – 190 60327 Frankfurt am Main). The group has 13 locations in six countries in Europe.

Background and reasons for the transaction

The market for financial data terminals and complementary service solutions is changing. The competitive landscape is expected to be increasingly dominated by larger players offering a wider set of solutions and services going forward. The Transaction is expected to allow Infront to strengthen and complement its current financial data terminals offering and expand further into the value chain through addition of complementary service solutions particularly within wealth management. Further the management of Infront believes that the transaction will add significant scale operationally, geographically and financially. On this basis Infront expects to provide their customers with a better and wider set of products, services and solutions following the transaction. This is in turn expected to significantly improve Infront's value proposition.

Financing

The transaction was financed through an equity and bond issue. The bond loan has per 30 June 2019 a total outstanding amount of EUR 105 million with a EUR 200 million borrowing limit maturing 15 May 2023. The bond has a floating coupon of 3M EURIBOR + 5.75% p.a. The bond is senior secured.



The equity issue was completed 28 June 2019. The gross proceeds from the equity issue was NOK 242.6 million excluding direct transactions costs of EUR 16 million (pre-tax) which has been recognized in equity.

The bond issue was completed on 15 May 2019. The proceeds from the bond issue were EUR 105 million excluding direct transaction costs of EUR 3.7 million (pre-tax). The transaction costs have been recognized in the amortized cost of the bond. Between 15 May 2019 and the closing of the acquisition on 17 July 2019 the proceeds from the bond were held in an escrow account.

Preliminary purchase price allocation - assets acquired and liabilities assumed

The preliminary amounts recognized at the date of acquisition in respect of identifiable assets acquired and liabilities assumed are set out in the table below. The non-controlling interest in the acquired entity has been recognized at fair value.

Customer relationships	47 362
Brand	7 364
Technology	9 962
Other intangible assets	810
Property, plant and equipment	2 162
Deferred tax assets	4 148
Other non-current assets	8 282
Accounts receivables and other receivables	11 713
Cash and cash equivalents	12 906
Other non-current financial liabilities	-16 982
Trade payables and other payables	-28 599
Deferred tax liabilities	-17 223
Total net identifiable assets acquired at fair value	41 904
Non-controlling interest measured at fair value	-2 685
Goodwill	91 445
Total consideration transferred	130 664
Net cash outflow arising on acquisition	
Cash consideration	130 664
Cash and cash equivalent balances acquired	12 905
	117 759

The fair value of the accounts receivables is EUR 7.1 million. The best estimate at acquisition date of the contractual cash flows not to be collected is EUR 0.2 million.

The goodwill of EUR 91.4 million arising from the acquisition consists of workforce and organization, customer service and presence in geographical markets. None of the goodwill is expected to be deductible for income tax purposes.



Acquisition costs of EUR 4.4 million arose as a result of the transaction. These have been recognized as part of other operating expenses in the statement of comprehensive income.

Since the acquisition date 17 July 2019, the vwd Group has contributed EUR 14.8 million to group revenues and a negative EUR 1.9 million to the group profits.

If the acquisition had occurred on 1 January 2019, the revenue for the group (Infront) would have been EUR 86.7 million and the group's profit would have been negative EUR 6.7 million.



Note 6. 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 (EUR)	Strike price (NOK)	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	93 792	27.13	26/06/2018	26/06/2019	26/06/2023	NA	266 840	-	-	266 840
Tranche II	134 376	27.13	26/06/2018	26/06/2020	26/06/2023	NA	266 840	-	-	266 840
Tranche III	164 732	27.13	26/06/2018	26/06/2021	26/06/2023	NA	266 840	-	-	266 840
Total	392 900						800 520	-	-	800 520



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
Joachim Rosli	Head of Sales	103 293
SUM		490 640



Note 7. Right-of-use assets and lease liabilities (IFRS 16)

IFRS 16 was implemented for the group with effect as of 01.01.2019. On transition to IFRS 16 the group recognized EUR 4.7 million in right-of-use assets and EUR 4.7 million of lease liabilities. With the acquisition of vwd on 17.07.2019 right-of-use assets with a net value of EUR 7 687 thousand and lease liabilities of EUR 7 778 thousand were recognized. Accounting principles applied are described in the group's annual report 2018.

The group's lease consists at reporting date 30.09.2019 office buildings, cars and other office equipment. The movements of the group's right-of-use assets and lease liabilities are presented below:

Right-of-use assets

(EUR 1.000)

<i>Acquisition cost 01.01.2019</i>	4 723
<i>Currency translation differences</i>	-117
Additions	710
Change in consolidation group	7 687
<i>Acquisition costs 30.09.2019</i>	13 003
<i>Accumulated depreciation and impairment 01.01.2019</i>	-
<i>Currency translation differences</i>	-
Depreciation	-847
<i>Total right-of-use assets as of 30.09.2019</i>	12 156

Lease liabilities

(EUR 1.000)

<i>At initial implementation 01.01.2019</i>	4 723
<i>Currency translation differences</i>	-118
New lease liabilities in the period	710
Leasing payments for the principal portion of the lease liability	-964
Interest expenses on lease liabilities	272
Change in consolidation group	7 778
<i>Total lease liabilities at 30.09.2019</i>	12 402

Whereof:

Current lease liabilities within 1 year	1 805
Non-current lease liabilities over 1 year	10 596



IFRS 16 effects on the income statement Q3 2019

(+) positive effect (-) negative effect

(EUR 1.000)

Depreciation	-847
Leasing payments for the principal portion of the lease liability	964
<i>Effect on Operating profit in the period</i>	117
Interest expense on lease liabilities	-272
<i>Effect on profit before income tax in the period</i>	-155



Note 8. Earnings per share

Basic earnings per share calculations are based on the weighted average number of common shares outstanding during the period while diluted earnings per share calculations are performed using the average number of common shares and dilutive common shares equivalents outstanding during each period.

The strike price of the granted options under the share-based payment arrangement is higher than the average market price of ordinary shares in the period. The options have no dilutive effect and basic and diluted EPS will be equal.

The denominator for the purposes of calculating basic/diluted earnings per share have been adjusted to reflect the issue in June 2019. Earnings per share for previous periods have been restated to reflect the change.

	Q3 2019	Q3 2018	YTD 2019	YTD 2018
Profit in the period	-7 844	478	-7 786	2 341
Number of shares outstanding	43 329 760	25 997 856	43 329 760	25 997 856
Average number of basic/(diluted) shares	43 329 760	25 997 856	32 738 041	25 997 856
Basic and diluted earnings per share previously reported	-	0.02	-	0.09
Basic and diluted earnings per share - adjusted for equity issue	-0.18	0.02	-0.22	0.08



Note 9. Subsequent events

The Board of Directors shall disclose a non-adjusting event (IAS 10) after the ending of reporting period.

On 12 November the group successfully listed a EUR 105 million bond on the Oslo Stock Exchange. The bond was issued 15 May 2019 as a part of the financing for the acquisition of the vwd Group. Please refer to Note 5 Business combination.



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 non-recurring items such as M&A and restructuring- related costs
- Recurring subscription revenue represents recurring operating revenue from the group's subscription based products.

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 nine months period ended 30 September 2019
IPO	Initial public offering
M&A	Mergers and acquisitions
MiFID II	Directive 2014/65/EU

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