

LINK – STOCK EXCHANGE ANNOUNCEMENT VOICECOM

Category: Innsideinformasjon

Title: LINK Mobility Group ASA signs Term Sheet regarding acquisition of Voicecom in Bulgaria.

LINK Mobility Group ASA ("LINK"), one of Europe's leading and fastest growing providers of B2C mobile messaging and mobile services, has entered into a term sheet regarding the acquisition of Bulgarian mobile messaging company Voicecom AD. ("Voicecom").

Voicecom was established in 2003. Voicecom has 32 employees based in Sofia in Bulgaria. Voicecom reported a 2016 consolidated revenue of EUR 4.4 million and an adjusted EBITDA of EUR 0.638 million, and a market share of approximately 40%.

Voicecom is one of the leading provider of value added mobile services in Bulgaria. Voicecom has direct connections with the three mobile operators in Bulgaria and provide services to 250 large and medium sized enterprises. In addition to delivering mobile messaging services, Voicecom offers Multichannel access, Ticking system and other advanced solutions.

"I am very happy to announce the planned acquisition of Voicecom, one of the leading mobile messaging providers in the Bulgarian market. A market that is undergoing strong economic development and growth, and it is a market with good potential with more than 7 million inhabitants. And we are witnessing that the demand for mobile messaging and solutions is increasing rapidly, and we believe that the Bulgarian market will continue to grow strongly. Combining LINK and Voicecom's innovative solutions should enable us to even strengthening our position in the Bulgarian market" says Arild E. Hustad, CEO of LINK.

"We are very pleased and looking forward to join LINK Mobility Group and be part of becoming the leading provider in our field in Europe. As part of LINK Mobility we will increase our competitive advantage by bringing next generation messaging products on Bulgarian market. We are looking forward to strengthen our cooperation with our clients by providing them with more options, flexibility and superior customer support. We are certain our team of professionals will contribute to future growth of the group." says CTO, Ivan Vassilev of Voicecom.

The agreed enterprise value of the transaction is EUR 3.828 million, on a cash-free and debt-free basis and assuming a normalized level of working capital. The enterprise value is based on an adjusted EBITDA of EUR 0.638 million multiplied by a factor of 6.

The purchase price under the transaction will, subject to customary adjustments, be settled as follows:

- 1/3% of the purchase price in cash upon closing,
- 1/3% of the purchase price as sellers' credit to be paid no later than 36 months from closing. Interest of 4.75% per annum is to be paid in quarterly arrears, and
- 1/3% of the purchase price of shares in LINK valued at the closing share price at the Oslo Stock Exchange today, 30 June 2017.

LINK intends to acquire all shares in Voicecom from the sellers, and the acquisition is conditional upon a satisfactory result of a due diligence process to be performed by LINK, and upon LINK and the sellers agreeing on the terms and conditions of a final share purchase agreement for the consummation of the transaction, containing, *inter alia*, customary closing conditions. The acquisition is furthermore subject to approval of the Board of Directors of LINK.

LINK has a solid cash position due to strong cash flow from its operations and the successful placement of a EUR 50 million bond in February 2017. The cash part of the transaction will thus be fully financed through LINK's corporate fund and bond.

The transaction is expected to close during October 2017.

About LINK Mobility Group ASA

LINK is one of Europe's leading and fastest growing providers of B2C mobile messaging and mobile services. LINK believe strongly in the power of mobilizing the interaction between businesses and consumers and have developed a range of attractive solutions to meet this growing demand and market trend. LINK is headquartered in Oslo, and

has offices in Oslo, Bergen, Stockholm, Malmö, Copenhagen, Kolding, Tampere, Helsinki, Madrid, Hamburg, Riga and Tallinn.

LINK has experienced stellar growth during the last years, in terms of both revenue and profits. In 2016 LINK delivered 3 billion mobile messages on behalf of its 6.300 customers, reporter a pro forma revenue of NOK 1 billion and had an adjusted EBITDA of NOK 122 million.

About Voicecom

Voicecom was established in 2003 as a joint-stock company. The main activity of the company is being SMS and value added voice traffic aggregator. Over the years, the company has proven itself as a market leader in this segment as a result of the signed direct contracts with the three mobile operators in Bulgaria and its experience in working with dozens of local and international customers and projects.

Over the years and as a result of our ambition for development, the company has now the opportunity to offer many additional services in the field of mobile marketing, mobile application development, public procurement projects and others with European funding.

This information is subject of the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

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