

Appendix:

This appendix forms part of the stock exchange announcement of December 8, 2016 and is prepared in accordance with the requirements of the Oslo Stock Exchange Continuing Obligations section 3.4.

The transaction

Akastor has entered into a definitive agreement to combine Frontica Advantage Group AS, a wholly-owned subsidiary of Frontica Group AS, with NES. Akastor will initially own 15.2% of the combined company. In addition, Akastor may receive additional shares in the combined company increasing its ownership to about 19 % of the combined company depending on the future growth of Advantage over the next three years.

For the twelve months period ending 30 September 2016, the combined company had revenues of USD 1 063 million, EBITDA of USD 57 million, and net debt of USD 117 million.

The completion of the transaction is subject to customary closing conditions, including competition filing in Norway. The transaction is expected to close during Q1 2017.

Description of Frontica Advantage Group AS

Advantage is providing quality workforce solutions. By providing the right people with the right skills at the right time, it enables its customers to succeed in business. The global presence enables Advantage to supply qualified professionals to a vast array of customers and help candidates to find exciting job opportunities.

The business units in scope of the transaction have about 88 employees, with offices in Norway, UK, USA, Brazil and Malaysia. The Company has a global delivery model, serving clients in more than 20 countries worldwide.

Business units in scope of transaction

NES will acquire all the shares in Frontica Advantage Group AS, which are owned by Frontica Group AS, and Akastor will receive shares and shareholders loan units in NES as consideration.

Key financials

Key financials for Frontica Advantage are summarised in following table.

NOK million	FY13	FY14	FY15	YTD Sep 15	YTD Sep 16
Revenues	3 604	3 667	2 862	2 284	1 356
EBITDA	120	111	130	101	69*
Total assets	815	1 023	706	794	656

*YTD EBITDA includes positive non-recurring effects of NOK 23.5m related to reversal of certain provisions

The net cash position that follows Frontica Advantage in the transaction was USD 18 million as of September 2016.

Executive management and Board of Directors

Other than customary retention arrangements for defined senior employees in order to secure orderly and fast completion and transition of the transaction, no agreements have been entered into or are expected to be entered into in connection with the transaction.

The current management team of Frontica Advantage Group AS is:

- Jens Mellbye, Managing director
- Katrine Pedersen, Regional manager Norway
- Martin Brooks; Regional manager UK
- Tarik Demirovic; VP Strategic sales and Marketing
- Hemant Patel; Finance Manager
- Tord Lie Johnsen; Head of Global Mobility

The current Board of Directors of Frontica Advantage Group AS comprises Karl Erik Kjelstad, Erik Otto Nyborg, Leif HejØ Borge and Øyvind Paaske. The buyer will appoint a new Board of Directors as of closing.

This release may include forward-looking information or statements and is subject to our disclaimer, see <http://www.akastor.com/Terms-of-use/>