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TECHNOLOGIES

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Inside information/regulated information

LAUNCHING PHASE II OF CLEAR 2022

AKKA ANNOUNCES INTENTION TO ACQUIRE DATA RESPONS

PRESS RELEASE

As part of Phase II of CLEAR 2022, AKKA Technologies announces today **its intention to submit a recommended voluntary cash offer to acquire the entire share capital of the Norwegian listed company Data Respons ASA** (“Data Respons” or the “Company”, ticker: DAT), for NOK 48 per share in cash (the “Offer”). The Offer values the Company at NOK 3.7BN (ca. EUR 366MM) on a fully diluted basis.

BACKGROUND TO THE OFFER

- AKKA has been developing its digital solutions portfolio organically and through several targeted acquisitions over the past years, particularly in the mobility sector (Auronik, Erbkönig, Gigatronik);
- **Through the contemplated acquisition of Data Respons, AKKA continues to structure and reinforce its digital expertise;**
- The transaction will create Europe's largest digital solutions powerhouse able to address the high-volume and fast-paced growth in the digital market, driven by disruption in the mobility sector and other industry verticals. Data Respons' core technologies include IoT, 5G, AI, embedded software, cloud and mobile services, which are key in enabling future mobility infrastructures in high demand by customers;
- In line with its CLEAR 2022 targets, the operation will allow AKKA to **accelerate its leadership in the fast-growing global digital market and will shift AKKA revenues predominantly towards digital.**

Data Respons is a pure-play digital leader with an in-depth expertise in software development, R&D services, advanced embedded systems and IoT solutions. The company is headquartered in Oslo (Norway) and has a strong portfolio of clients in the Nordic region and in Germany, supported by 1,400 software & digital specialists. Data Respons displays a strong financial profile, with organic growth above 10% and EBITA margin of ca. 11.9% expected for 2019 (as per consensus).

Mauro Ricci, Chairman and Chief Executive Officer of AKKA, commented: “This project is a true game changer in a data driven world. We will create Europe’s largest and most comprehensive digital solutions powerhouse for the fast-growing mobility market. This is the result of our continued investment in AKKA’s expertise and adds considerable power to create value for our clients with solutions in digital, software, connectivity, cloud and engineering. The combined expertise and size will allow us to leverage a comprehensive software portfolio towards capturing larger contract volumes in major Nordic and German markets in particular, where Data Respons has already overcome barriers to entry and developed strategic positions. At the end of the day, the underlying strength of this deal is that both companies share the same entrepreneurial values and a common vision.”

In an R&D services and digital solutions market expected to double in size over the next 5 years, digital and software are expected to grow at a much faster pace, enabling AKKA to focus confidently on its mid-term development.

Preliminary commercial synergies of the combination are estimated at ca. EUR 200MM additional revenues per year by end of year 3, with a corresponding EBITA impact of ca. EUR 25MM.

The acquisition is therefore expected to be strongly accretive to AKKA 2020 EPS by more than 10% before synergies, and well-above 20% with fully phased-in synergies. The businesses of AKKA and Data Respons are highly complementary and the proposed acquisition fits AKKA's foundational strategy of being a well-balanced business in terms of geography, industry sectors, clients and solutions portfolio for sustainable growth.

Erik Langaker, chairman in Data Respons Board of Directors stated: "Following several years of outstanding performance by our management team and organization, we believe that this transaction offer very good value for all shareholders. I am confident of the strong strategic fit, and that AKKA will appreciate the unique culture built by Kenneth and the team over many years. The full Board is of the opinion that a combined group represents great opportunities for both employees and existing customers."

Kenneth Ragnvaldsen, Data Respons' CEO added: "The proposed acquisition of Data Respons, by AKKA, gives our team an increased potential for development and the two companies are definitively a good strategic match. We share the same values as well as the passion for innovation as AKKA. This transaction can create value for our customers and is an outstanding opportunity to showcase the talent of our fantastic employees, which is the heart, soul and value of our company."

KEY TRANSACTION TERMS

- AKKA is due to launch the Offer by mid-January pursuant to an offer document to be approved by Oslo Stock Exchange. The completion of the Offer will be subject to satisfaction of certain conditions, including that AKKA obtains customary regulatory approval in Germany and a waivable condition that it reaches 90% acceptances of the share capital of Data Respons.
- The Offer has been unanimously recommended by the Board of Directors of Data Respons.
- Existing Data Respons shareholders representing ca. 43% of the outstanding shares have already given pre-acceptances to the Offer.
- The Offer price represents a premium of 20% over the closing share price as of 18 December 2020, and a premium of 29% and 34% over the 3 and 6-month volume-weighted average share price, respectively.
- The Offer is made 100% in cash. Following its recent financing transactions, the Group has well-balanced and diversified financing for its future growth, with maturity of 5 to 7 years and full support of its banks. Post-acquisition of Data Respons, AKKA leverage would be below 3.5x and the gearing under 1.5x, leaving substantial headroom under existing financing arrangements.

AKKA creates a unique pan European digital player in the mobility sector with 22.000 experts.

12 months after the successful acquisition and integration of PDS Tech and subsequent strengthening of its aerospace business, AKKA launches part II of its strategic growth plan CLEAR 2022. The proposed acquisition of Data Respons positions AKKA as a European leader in digital with a global delivery platform.

In line with AKKA's strategy of balances the proposed acquisition will be strongly accretive to growth, margins, EPS and cash flows.

NOTES TO EDITORS: Market drivers & key figures

- World market forecast for connected cars from 41 billion to 123 billion in 5 years
 - IoT at a glance:
 - 22 billion active IoT devices by 2025
 - IoT devices to collect 5 trillion gigabytes of data per annum
 - Total IoT market value at 520 billion USD, up from 235 billion USD in 2017
 - Telecommunications figures by 2023:
 - More than 90% of adults in developed countries will own a smart phone
 - 75% of smart phone users will use their device for self-authentication
 - 5G will be deployed in most developed countries
 - In 2018 as many as 1 billion passengers already had access to in-flight WiFi
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ANALYST MEETING

Mauro RICCI, Group CEO of AKKA, Nicolas VALTILLE, AKKA Managing Director and Kenneth RAGNVALDSEN, Data Respons' CEO will comment on the acquisition project during an analyst meeting today at 9:30 a.m. Paris time (CET).

• Dial-in numbers:

Belgium: +32 24035816

France: +33 172727403

United Kingdom: +44 2071943759

United states: +1 6467224916

PIN French Speakers

33001442#

PIN English Speakers

50158370#

All documents relating to this project will be posted on AKKA's Investor Relations website at <https://www.akka-technologies.com/investors/>

Next events:

Full-year 2019 revenue: Thursday, 6 February 2020

Full-year 2019 results: Tuesday, 17 March 2020

In case of discrepancies between the French and English versions of the press release, only the English version shall be deemed valid.

About AKKA

AKKA is the European leader in digital engineering consulting and R&D services in the mobility segment. The company has developed its solutions portfolio with numerous investments over the years towards structuring its digital solutions portfolio. As an innovation accelerator for its clients, AKKA supports leading industry players in the automotive, aerospace, rail and life sciences sectors throughout the life cycle of their products with cutting edge digital technologies (AI, ADAS, IoT, Big Data, robotics, embedded computing, machine learning, etc.).

Founded in 1984, AKKA has a strong entrepreneurial culture and is pursuing its fast-paced growth and international development in line with its CLEAR 2022 strategic plan. With approximately 21,000 employees, who are passionate about technology and dedicated to advancing the future of industry, the Group recorded revenues of €1.5 billion in 2018.

AKKA Technologies is listed on Euronext Paris and Brussels – Segment A – ISIN code: FR0004180537.

For more information, please visit www.akka-technologies.com

Follow us on: twitter.com/AKKA_Tech

AKKA Contacts

Investor Relations AKKA

Dov Levy
VP Investor Relations
Tel.: +32(0) 2 712 61 24
dov.levy@akka.eu

Media Relations AKKA

Markus Leutert
Group Head of
Communications
Tel.: +32(0) 4 96 26 27 55
markus.leutert@akka.eu

Media Relations Data Respons

Sebastian Eidem
Chief Communications Officer
Tel.: +47 93 22 39 64
sei@datarespons.no

FTI Consulting

Media Relations

akka@fticonsulting.com
Lea Truchetto
Tel.: +33 (0) 6 86 13 75 57