

## ANNOUNCEMENT RELEASE

**The Board of Directors of Saferoad Holding ASA unanimously recommends a voluntary cash offer from FSN Capital V to acquire all of the shares of Saferoad.**

**Oslo, 16 May 2018, The Board of Directors of Saferoad Holding ASA ("Saferoad"; OSE ticker code: "SAFE") announces an agreement with WR Start Up 225 AS (name to be changed to "SRH Investco AS"), a company indirectly controlled by FSN Capital V (the "Offeror") whereby the Offeror will offer to acquire all of the shares of Saferoad through a voluntary cash offer of NOK 30.10 per share. The offer price will not be adjusted for the proposed ordinary dividend for 2017 of NOK 0.90 per share. The Board of Directors of Saferoad recommends the shareholders of Saferoad to accept the offer.**

The Offeror and Saferoad have entered into a transaction agreement regarding an acquisition of Saferoad by the Offeror. Under the terms of the agreement, the Offeror will put forward a recommended voluntary cash offer (the "**Voluntary Offer**") pursuant to the Norwegian Securities Trading Act for all of the shares of Saferoad.

The Offeror is a company indirectly controlled by FSN Capital GP V Limited acting in its capacity as general partner for and on behalf of FSN Capital V LP, FSN Capital V (B) LP and FSN Capital V Invest LP. FSN Capital is a leading Northern European private equity investment company focused on the middle-market segment. Originally established in 1999, FSN Capital seeks to make control investments in Northern European companies with significant potential to become international leaders.

The consideration offered will be NOK 30.10 per Saferoad share (which amount shall not be adjusted for the proposed ordinary dividend for 2017 of NOK 0.90 per share to be resolved by the 2018 annual general meeting of Saferoad) (the "Offer Price"). The Offer Price, with the addition of the ordinary dividend proposed by Saferoad, represents a premium of approximately 51% to the closing share price of Saferoad on 15 May. Furthermore, the Offer Price represents a premium of approximately 52% and 49% compared to the one month and three month volume weighted average share price of Saferoad for the period ending on 15 May. The Offer Price values the total share capital of Saferoad at approximately NOK 2,067 million (provided, however, that the 19,480,645 Saferoad shares to be acquired from the largest shareholder as further described below will be acquired at a lower price than the Offer Price).

"Building on Nordic Capital's significant development of Saferoad in recent years, FSN will be well positioned to take the company further through its extensive experience and track record of developing Nordic-based companies. This offer is positive for Saferoad and its stakeholders", says Johan Ek, Chairman of the Board of Directors of Saferoad.

"FSN Capital is excited about this opportunity to work with Saferoad, which operates in an attractive market with significant growth opportunities. Our Offer is supported by the statement from the Board recommending the offer, and by Saferoad's management. With FSN's industrial and operational experience, we look forward to supporting Saferoad's further growth, and believe that the company will benefit under FSN's ownership in the coming years", says Ulrik Smith, Partner at FSN Capital Partners AS, investment advisors to FSN Capital V.

Shareholders representing 63.6% of the total share capital of Saferoad, have undertaken to accept the Voluntary Offer for their shares in the Company. Saferoad's largest shareholder, Cidron Triangle S.à r.l, a company indirectly controlled by Nordic Capital Fund VII, has entered into a separate agreement pursuant to which it shall not receive the Offer, but instead sell its 19,480,645 shares

(approximately 29.2%) to the Offeror for a purchase price of NOK 26 per share (which amount shall be adjusted for any dividend or other leakages), subject to completion of the Offer. The members of the Board of Directors and key management representatives of Saferoad have also undertaken to accept the Voluntary Offer in respect of the shares they hold. Furthermore, key management representatives of Saferoad have also accepted to exchange their rights under the Long-Term Incentive Programme 2017 (the "2017 LTIP") with an intention to invest a cash amount of corresponding value in the Offeror's management incentive programme, if any. These pre-acceptances and Cidron Triangle S.à r.l.'s commitment to sell shares may be withdrawn on certain conditions in the event of a superior competing offer.

After having carefully reviewed and evaluated the terms and conditions of the Voluntary Offer, the Board of Directors of Saferoad is of the view that an acceptance of the Voluntary Offer is in the best interest of Saferoad's shareholders. The Board of Directors has been assisted by its financial adviser Arctic Securities AS in the evaluation of the Voluntary Offer and the Board of Directors has taken into account, amongst other things, such advice to recommend the Voluntary Offer.

The Board of Directors of Saferoad has the right to withdraw its recommendation of the Offer in the event a superior competing offer is made that is not matched by the Offeror within five days after the Offeror received notice thereof. As part of the transaction agreement with the Offeror and subject to customary exceptions, Saferoad has entered into undertakings not to solicit competing offers from third parties.

The Board of Directors has proposed, and the Oslo Stock Exchange has decided, that pursuant to the requirements of paragraph 6-16 (4) of the Norwegian Securities Trading Act, an assessment of the Voluntary Offer shall be made by an independent third party and not only by the Board of Directors of Saferoad. Therefore, KPMG Deal Advisory ("KPMG") has been engaged to provide an independent statement regarding the Offer. Such statement will be included in the offer document. KPMG's conclusion is that the offer is fair from a financial point of view as at the date hereof.

The Voluntary Offer will not be subject to any financing or due diligence conditions. The complete details of the Voluntary Offer, including all terms and conditions, will be contained in an offer document (the "**Voluntary Offer Document**") to be sent to Saferoad's shareholders following review and approval by the Oslo Stock Exchange pursuant to Chapter 6 of the Norwegian Securities Trading Act.

As will be further detailed and specified in the Voluntary Offer Document, the completion of the Voluntary Offer will inter alia be subject to the following conditions being satisfied or waived by Offeror:

- i. shareholders shall in the aggregate have accepted the Voluntary Offer for a number of shares representing more than 90% of the total share capital of Saferoad, including the shares held by Cidron, on a fully diluted basis
- ii. no material adverse effect on the Saferoad group shall have occurred
- iii. Any necessary regulatory approvals shall have been duly obtained without any conditions
- iv. No material breach of the Transaction Agreement by Saferoad shall have occurred

- v. No material breach of the agreement between the Offeror and Cidron shall have occurred and all closing conditions pursuant to that agreement shall have been fulfilled or waived by the Offeror
- vi. The Board of Directors of Saferoad shall not have amended or withdrawn its recommendation of the Offer
- vii. No changes to the share capital of Saferoad or issuance of any rights which entitle the holder to acquire or subscribe for shares in Saferoad or give the holder any other form of equity interest in Saferoad shall have taken place other than in accordance with Saferoads Long Term Incentive Plan 2017.

The Offeror is in the process of preparing the Voluntary Offer Document. The Voluntary Offer Document will be sent to Saferoad's shareholders as soon as it has been approved by the Oslo Stock Exchange. Such approval is expected on or about 22 May 2018. The offer period for the Voluntary Offer will be three weeks from the date of the Voluntary Offer Document being released, unless extended by the Offeror.

The Voluntary Offer will not be made in any jurisdiction in which the making of the Voluntary Offer would not be in compliance with the laws of such jurisdiction. This notification does not in itself constitute an offer. The Voluntary Offer will only be made on the basis of the Voluntary Offer Document and can only be accepted pursuant to the terms of such document.

Arctic Securities AS is acting as financial advisor and Advokatfirmaet Thommessen AS is acting as legal advisor to Saferoad in connection with the Voluntary Offer.

Carnegie AS is acting as financial advisor and Wikborg Rein Advokatfirma AS is acting as legal advisor to the Offeror in connection with the Voluntary Offer.

**For further information, please contact:**

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**About FSN Capital**

Founded in 1999, FSN Capital Partners is an independent Northern European private equity investment advisory firm with a team of approximately 30 investment professionals based in Oslo, Stockholm, Copenhagen and Munich. FSN Capital is a one of Europe's fastest growing private equity advisory firms with €2,125 million under management.

**About Saferoad**

Saferoad is a leading supplier of road safety and road infrastructure solutions in Europe. The Group offers a broad range of innovative and high-quality products and solutions to those who own, build and maintain roads. Saferoad is headquartered in Oslo, Norway and has approximately 2,800 employees across 20 countries in Europe.

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*This information is subject to the disclosure requirements according to Section 5-12 of the Norwegian Securities Trading Act.*

*The Voluntary Offer and the distribution of this announcement and other information in connection with the Voluntary Offer may be restricted by law in certain jurisdictions. The Offeror and Saferoad assume no responsibility in the event there is a violation by any person of such restrictions. Persons into whose possession this announcement or such other information should come are required to inform themselves about and to observe any such restrictions.*

This release contains certain forward-looking statements within the meaning of the securities laws and regulations of various international, federal, and state jurisdictions. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding the Offer, future plans and objectives of Saferoad or the Offeror are forward-looking statements that involve risk and uncertainties. There can be no assurances that such statements will prove to be accurate and actual results could differ materially from those anticipated in such statements.