

## **TAKE-OVER REGULATION**

Norwegian take-over regulation is applicable in relation to the Company. The relevant rules are set out in chapter 6 of the Norwegian Securities Trading Act and chapter 6 of the Norwegian Securities Regulations.

Norway has implemented the EU Takeover Directive (Directive 2004/25/EC). The take-over supervisory authority is Oslo Børs.

The Norwegian take-over rules distinguish between voluntary and mandatory offers. A voluntary offer is an offer that, if accepted by the recipients of the offer, triggers a mandatory offer obligation for the offeror. A mandatory offer for the remaining shares in the Company is triggered if the offeror (either through a voluntary offer or otherwise) becomes owner of more than 1/3 of the voting rights in the Company (with repeat triggers at 40% and 50%).

### **Mandatory Offer Requirement**

#### The Mandatory Offer Threshold

Any person, entity or consolidated group who becomes the owner of shares representing more than 1/3 of the voting rights of in the Company (with repeat triggers at 40% and 50%) must within four weeks, make an unconditional general offer for the purchase of the remaining shares in the Company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares which together with the party's own shareholding represent more than 1/3 of the voting rights in the Company and the take-over supervisory authority decides that this must be regarded as an effective acquisition of the shares in question.

#### Disposal of Shares

The mandatory offer obligation ceases to apply if the shareholder sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

#### Announcement

When a mandatory offer obligation has been or will be triggered, the relevant shareholder shall immediately notify the take-over supervisory authority (who will publish the notice) and the Company accordingly. The notification shall state whether an offer will be made to acquire the remaining shares in the Company or whether a sale will take place. As a main rule, a notification to the effect that an offer will be made cannot be retracted.

#### Approval by the Take-over Supervisory Authority

The offer and the offer document are subject to approval by the take-over supervisory authority before the formal offer is launched.

#### The Offer Price

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

#### Sanctions

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the take-over supervisory authority may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the Company, such as voting in a general meeting of shareholders, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise the right to dividend and pre-emption rights.

## **Voluntary Offers**

### Announcement

A decision to make a voluntary offer must be notified to the take-over supervisory authority and the Company once the decision is made and shall be published by the take-over supervisory authority. The voluntary offer must be made within reasonable time following a decision to make the offer.

### The Consideration

The offeror may offer consideration in the form of cash, securities, a combination of cash and securities or other forms of consideration.

### Conditions

Completion of the offer may be made subject to conditions.

### Approval by the Take-over Supervisory Authority

The offer and the offer document required are subject to approval by the take-over supervisory authority before the offer is submitted to the shareholders or made public.

### *Subsequent Mandatory Offer and/or Compulsory Acquisition*

If completion of a voluntary offer triggers a mandatory offer obligation for the offeror, then a mandatory cash offer for the remaining outstanding shares must be made. However, if the offeror holds more than 90% of the shares and votes in the Company following a voluntary offer, a squeeze-out of the remaining minority shareholders can be carried out without a preceding mandatory offer.

## **Compulsory Acquisition**

Compulsory acquisition (squeeze-out right and sell-out right) in respect of the shares in the Company is regulated by section 4–25 of Norwegian Public Limited Companies Act and section 6-22 of the Norwegian Securities Trading Act. Compulsory acquisition is not subject to supervision by the take-over supervisory authority.

### The Threshold for Compulsory Acquisition

A shareholder who, directly or through subsidiaries, acquires shares representing more than 90% of the total number of issued shares in Company, as well as more than 90% of the total voting rights, has a right, and each remaining minority shareholder of the Company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

### Compulsory Acquisition

Following a Voluntary Offer If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, following a voluntary offer, a compulsory acquisition can, subject to the following conditions and approval by the by the take-over supervisory authority, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a qualified financial institution.

### The Offer Price

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share. Where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of the Company and a corresponding proportion of the votes that can be cast in the general meeting, and the offeror completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, the redemption price shall be determined on the basis of the offer price, absent specific reasons indicating another price. A minority shareholder may, within a specified deadline of at least two months' duration, object to the offer price and request that the Norwegian courts determine the offer price.