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Aspiro's independent bid committee adds detail to questions raised in relation to the public takeover offer by Project Panther Bidco

With reference to Project Panther Bidco Ltd's public takeover offer for all the shares in Aspiro AB (publ), the Independent Bid Committee hereby clarifies some questions raised by shareholders following the announcement of the offer.

In its recommendation dated 30 January 2015 (for definitions please refer to the recommendation), the Independent Bid Committee in summary highlighted the following:

- The Offer from Panther is launched following a structured and diligent process conducted by Aspiro, in which a number of strategic options have been identified and evaluated;
- Panther is deemed to possess the capacity to develop the Company in a privately owned environment, based on SCE's intricate position in the industry and its financial capabilities;
- The Offer represents a premium of 58.7 per cent compared to the volume-weighted average share price for the Company's share during the last three months;
- Significant shareholders, representing approximately 75.9 per cent of the shares in Aspiro, have entered into a binding and irrevocable undertaking with Panther to accept the Offer, subject only to Panther complying in all material respects with the Takeover Rules and good stock market practice in Sweden in connection with the Offer launch; and
- The conclusion made by the independent advisor ABG in the fairness opinion is that the Offer is fair from a financial point of view.

On the basis of questions raised by shareholders following the publication of the recommendation, the Independent Bid Committee would like to clarify the following:

- In the first half of 2014, the board of directors of Aspiro conducted a structured and diligent strategic process. The reason for the process was that the board of directors identified the need to supply the Company with significant expansion capital to maximise the opportunities for future value creation. The board of directors' judgement was that this could not be secured under attractive conditions for the Company's shareholders considering the ownership structure and limited market capitalisation of the Company.
- During the process, the board of directors identified and evaluated a number of strategic options, including among others a sale of Aspiro, a divestment of subsidiaries and assets, as well as taking in strategic partners to contribute with resources and funding for the future development of the Company. During

the second half of 2014, the board of directors was aided by the global, independent M&A advisor Mooreland Partners LLP, who, in order to assess the market for a potential sale of the business or selective assets of the Company, performed an extensive market review by reaching out to approximately 40 potential investors.

- Despite it not being a regulatory requirement as well as being rather costly and time consuming for management, the Independent Bid Committee authorised a fairness opinion in order to ensure fairness to all shareholders. Before selecting ABG, the Independent Bid Committee evaluated offers from several different reputable investment banks according to common market practice. ABG was mandated primarily due to its prior knowledge of Aspiro, competitive pricing and good reputation in the Nordic equity markets, all factors which benefit both Aspiro and the shareholders of Aspiro.
- The fairness opinion reviewed Aspiro's position, historic track record as well as future financial potential on a standalone basis. The analysis focused on the earnings potential and capital requirement to execute Aspiro's HiFi-centric growth strategy over the coming years. The overall conclusion showed that even after deployment of significant amounts of capital the return for shareholders would be very uncertain given the competitiveness of the market. In addition, using the current offer from Panther as a basis, ABG extrapolated, that in order for investors to achieve a return reflecting the execution risk related to the roll out of Aspiro's HiFi streaming product, Aspiro would have to achieve an extreme and unprecedented growth in number of HiFi subscribers compared to the number of users as of 31 January 2015.
- The fairness opinion also reviewed other valuation approaches, such as comparing of the offer price to historic Aspiro share price trading ranges, premia paid in the Swedish market and mid-sized internet/e-media transactions as well as comparing Aspiro's financial profile to other public music or media streaming providers as well as other subscriber based business models. Comparability was however considered very limited due to peers' much larger scale, stronger leadership position, proven product offering and differences in business model.
- The main shareholder Streaming Media AS (Schibsted, Platekompaniet and Verdane Capital VIII) has irrevocably and unconditionally committed to accept the Offer. This irrevocable commitment is based on market practice and means that Streaming Media will sell their shares at the offered premium. If the offer is successful, Streaming Media and its ultimate shareholders will neither continue to be owners nor stakeholders of Aspiro. Schibsted has publicly announced that streaming music is not considered as a core business.
- As announced in the Aspiro year-end report for 2014, it is the board of directors' assessment that given the current strategic plan and the associated capital needs, the Company is not fully funded for the coming twelve months. The board of directors is considering various funding alternatives. The board of directors further notes that a change of ownership of the Company, *inter alia* by way of a completion of the public bid from Panther, could give rise to new funding opportunities for the Company.

- Aspiro has many promising growth initiatives, primarily related to the expansion of the TIDAL service, however these initiatives are currently unprofitable and capital consuming. Both expanding to new markets and increasing the number of users will, in the short term, increase the costs (primarily related to efforts to increase number of users, rather than the global expansion in itself), and Aspiro has arguably neither the same scale advantages nor access to funding as its main competitors. Based on the current cost base and strategic initiatives, the Independent Bid Committee's current judgement is that this will require significant capital injections over the coming years. In addition to the capital required, the Independent Bid Committee also acknowledges that taking Aspiro's streaming services to the next level requires a dedicated owner with relevant experience and knowledge as the streaming market is highly competitive and evolves rapidly.
- In order to further facilitate the evaluation of Panther's public offer, Aspiro released subscriber numbers as of 31 January 2015 in a separate press release on 9 February 2015.

Aspiro AB discloses the information provided herein pursuant to the Financial Instruments Trading Act and/or the Securities Markets Act. The information was submitted for publication at 8:30 am CET on 16 February 2015.

For questions, please contact Fredrik Bjørland, chairman of the Independent Bid Committee, Phone number +47 95 20 18 50, E-mail fredrik.bjorland@ferd.no

Aspiro in brief

Aspiro is a media technology company on the forefront in the ongoing redefinition of music consumption. Through its subscription services WiMP and TIDAL, the company offers a complete music experience with HiFi quality audio, HD-video and curated editorial. In parallel, Aspiro is a content provider to the online media industry through RADR, helping its partners to attract and retain visitors on their web sites. For more information, please visit www.aspiro.com