



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2016 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 915 422 950  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: VISOLIT TOPCO AS  
Forretningsadresse: Drengsrudbekken 12  
1383 ASKER

### Regnskapsår

Årsregnskapets periode: 01.01.2016 - 31.12.2016

### Konsern

Mørselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler  
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Kjetil Haukås  
Dato for fastsettelse av årsregnskapet: 06.04.2017

### Grunnlag for avgivelse

År 2016: Årsregnskapet er elektronisk innlevert  
År 2015: Tall er hentet fra elektronisk innlevert årsregnskap fra 2016

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 20.11.2020



## Resultatregnskap

Beløp i: NOK	Note	2016	2015
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Other operating expenses	2	565 000	
<b>Sum kostnader</b>		<b>565 000</b>	
<b>Driftsresultat</b>		<b>-565 000</b>	
<b>Finansinntekter og finanskostnader</b>			
Other interest income	7	2 528 000	
<b>Sum finansinntekter</b>		<b>2 528 000</b>	
<b>Netto finans</b>		<b>2 528 000</b>	
<b>Ordinært resultat før skattekostnad</b>		<b>1 963 000</b>	<b>0</b>
Income tax expense	8	491 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>1 472 000</b>	<b>0</b>
<b>Årsresultat</b>		<b>1 472 000</b>	<b>0</b>
<b>Overføringer og disponeringer</b>			
Transferred to other equity		1 472 000	
<b>Sum overføringer og disponeringer</b>		<b>1 472 000</b>	



## Balanse

Beløp i: NOK	Note	2016	2015
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	3	704 535 000	
Lån til foretak i samme konsern	7	2 475 000	
<b>Sum finansielle anleggsmidler</b>		<b>707 010 000</b>	
<b>Sum anleggsmidler</b>		<b>707 010 000</b>	<b>0</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank deposits	4	24 902 000	30 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>24 902 000</b>	<b>30 000</b>
<b>Sum omløpsmidler</b>		<b>24 902 000</b>	<b>30 000</b>
<b>SUM EIENDELER</b>		<b>731 912 000</b>	<b>30 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	5	72 806 000	30 000
Overkurs	5	655 257 000	
<b>Sum innskutt egenkapital</b>		<b>728 063 000</b>	<b>30 000</b>
<b>Opptjent egenkapital</b>			
Other equity		1 472 000	
<b>Sum opptjent egenkapital</b>		<b>1 472 000</b>	
<b>Sum egenkapital</b>		<b>729 535 000</b>	<b>30 000</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		415 000	
Betalbar skatt	8		
Other short term liabilities	7	1 963 000	
<b>Sum kortsiktig gjeld</b>		<b>2 378 000</b>	
<b>Sum gjeld</b>		<b>2 378 000</b>	<b>0</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>731 913 000</b>	<b>30 000</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2016	2015
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating revenue	13	1 341 128 000	
<b>Sum inntekter</b>		<b>1 341 128 000</b>	
<b>Kostnader</b>			
Cost of goods sold		362 590 000	
Payroll expenses	6	566 184 000	
Depreciations	8, 9	124 768 000	
Other operating expenses	6, 10	240 418 000	
<b>Sum kostnader</b>		<b>1 293 960 000</b>	
<b>Driftsresultat</b>		<b>47 168 000</b>	
<b>Finansinntekter og finanskostnader</b>			
Financial income	7	19 665 000	
<b>Sum finansinntekter</b>		<b>19 665 000</b>	
Financial expenses	7	45 535 000	
<b>Sum finanskostnader</b>		<b>45 535 000</b>	
<b>Netto finans</b>		<b>-25 870 000</b>	
<b>Ordinært resultat før skattekostnad</b>		<b>21 298 000</b>	<b>0</b>
Income tax expense	11	13 270 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>8 028 000</b>	<b>0</b>
<b>Årsresultat</b>		<b>8 028 000</b>	<b>0</b>
Translation difference of foreign currency reserve		-52 290 000	
<b>Totalresultat</b>		<b>-44 262 000</b>	
<b>Overføringer og disponeringer</b>			
Other comprehensive income for the period		-44 262 000	
<b>Sum overføringer og disponeringer</b>		<b>-44 262 000</b>	



## Konsernets balanse

Beløp i: NOK	Note	2016	2015
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	11	16 313 000	
Goodwill	9	1 051 739 000	
Customer contracts	9	104 272 000	
Customer relationships	9	266 517 000	
Software and licences	9	15 151 000	
Trademarks	9	111 220 000	
Technology	9	58 227 000	
<b>Sum immaterielle eiendeler</b>		<b>1 623 439 000</b>	
<b>Varige driftsmidler</b>			
Capitalized costs rented premises	8	852 000	
Capitalized leases	8	6 232 000	
Other equipment	8	3 476 000	
IT equipment	8	137 947 000	
<b>Sum varige driftsmidler</b>		<b>148 507 000</b>	
<b>Finansielle anleggsmidler</b>			
Financial instruments	22	1 940 000	
<b>Sum finansielle anleggsmidler</b>		<b>1 940 000</b>	
<b>Sum anleggsmidler</b>		<b>1 773 886 000</b>	<b>0</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventory		911 000	
<b>Sum varer</b>		<b>911 000</b>	
<b>Fordringer</b>			
Trade receivable	18, 21	216 585 000	
Other short term receivable		29 386 000	
<b>Sum fordringer</b>		<b>245 971 000</b>	
<b>Bankinnskudd, kontanter og lignende</b>			



### Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
Cash and cash equivalents	5, 16	121 580 000	
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>121 580 000</b>	
<b>Sum omløpsmidler</b>		<b>368 462 000</b>	<b>0</b>
<b>SUM EIENDELER</b>		<b>2 142 348 000</b>	<b>0</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	14	72 806 000	
Overkurs		655 257 000	
<b>Sum innskutt egenkapital</b>		<b>728 063 000</b>	
<b>Opptjent egenkapital</b>			
Other equity		-44 262 000	
<b>Sum opptjent egenkapital</b>		<b>-44 262 000</b>	
<b>Sum egenkapital</b>		<b>683 801 000</b>	<b>0</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser		333 000	
Utsatt skatt	11	163 475 000	
<b>Sum avsetninger for forpliktelser</b>		<b>163 808 000</b>	
<b>Annen langsiktig gjeld</b>			
Interest bearing debt	16	965 739 000	
Other non current liabilities		6 232 000	
<b>Sum annen langsiktig gjeld</b>		<b>971 971 000</b>	
<b>Sum langsiktig gjeld</b>		<b>1 135 779 000</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Current portion of interest bearing debt	16	20 000 000	
Leverandørgjeld		77 858 000	
Tax payable	11	12 097 000	



## Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
Public duties payable		65 275 000	
Other short term liabilities		147 537 000	
<b>Sum kortsiktig gjeld</b>		<b>322 767 000</b>	
<b>Sum gjeld</b>		<b>1 458 546 000</b>	<b>0</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 142 347 000</b>	<b>0</b>



**Skattedirektoratet**

Saksbehandler  
Rune Tysland

Deres dato  
13.03.2017

Vår dato  
30.03.2017

Telefon  
977 59 464

Deres referanse  
Kjetil Haukås

Vår referanse  
2017/285167

TELECOMPUTING TOPCO AS  
Postboks 7  
1371 ASKER

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for  
Telecomputing Topco AS, org.nr. 915 422 950**

- Vi viser til deres brev av 13. mars 2017 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Telecomputing Topco AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Telecomputing Topco AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

**Bakgrunn**

Fra deres søknad gjengis:

*Telecomputing Topco konsernet driver IT-driftsvirksomhet tilbyr fleksible og skalerbare løsninger til små og mellomstore bedrifter, primært i Norge og Sverige. I tillegg leverer også konsernet konsulenttjenester knyttet til IT. Kundene er i hovedsak lokalisert i Norge og Sverige, hvorav flere av kundene også har internasjonal virksomhet. Telecomputing Topco AS er morselskap for Telecomputing sin virksomhet, og er eid av TC Manco AS, HC Cucumeries AB og Telecomputing International S.à.r.l. som er registrert i Luxemburg. På grunn av eierstrukturen foregår korrespondanse og management rapporter på engelsk slik at eierne skal forstå regnskapet.*

**Skattedirektoratets vurdering**

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet har tre eiere hvorav to er utenlandske selskaper. Eierkretsen er således begrenset. Videre er det vektlagt at konsernet opererer i en internasjonal bransje og at korrespondanse og management rapporter foregår på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
Seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



## TeleComputing Topco Group

ANNUAL REPORT 2016





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## DIRECTORS REPORT

### TeleComputing Topco AS

TeleComputing Topco AS ("TeleComputing Topco") is the parent company of TeleComputing Group ("the Group"). The Group was established March 3rd 2016 when TeleComputing Topco via subsidiaries acquired all the shares in TeleComputing AS.

### Operations

The Group operates through independent subsidiaries in Norway and Sweden, and provide IT Outsourcing and IT Services.

### IT Outsourcing

IT outsourcing provides solutions for effective and centralized IT operations and integration services based on Cloud Computing with a high level of security to a predictable cost allowing users access to information regardless of time, place or equipment. IT outsourcing is operated through the companies TeleComputing Norway and TeleComputing Sweden, and is a market leader in the SME market.

### IT Services

IT Services is driving customers' digital transformation focusing on systems integration taking full responsibility for the customers' IT solutions from strategy to implementation. IT Services are operated through the company Kentor IT AB and its subsidiaries in Stockholm and Gothenburg. Kentor is also located in St Petersburg, Russia.

### The Market

The IT-outsourcing market is seeing a lot of changes among customers, technology, business models and competitors. The high degree of innovation is challenging, but at the same time it offers possibilities for new services and customer relationships. TeleComputing has the necessary competencies and strengths to utilize the opportunities.

The ongoing digitalization is driving the demand for the Group's services and particularly IT Services. We are well positioned to benefit from this trend and have a positive market view for 2017. In the longer term, the company has a strong strategic foundation in the growing market for IT services, primarily in the SME segment.

### Annual Accounts

The business continued to make good progress as one of the leading players in the IT outsourcing and IT services to the SME market in Norway and Sweden. Total revenue for the Group was MNOK 1.341. Operating profit was MNOK 47,2, and net profit was MNOK 8. Overall, the Group's businesses show good earnings from operations in 2016.

The Board of Directors refers to the unaudited financial information in the highlights section.

IT outsourcing has shown satisfactory growth in its core areas, and profitability has been satisfactory in IT outsourcing Norway. Measures to increase profitability in IT outsourcing Sweden has continued to contribute to the positive development throughout the year. Focus on profitability improvement will continue throughout the Group.

In May 2016 TeleComputing Sweden AB completed the acquisition of H.C. Advance Group AB in Gothenburg. The business has been consolidated into the group accounts as of May 2016.

### Cash flow, balance sheet and liquidity

The Group achieved a positive cash flow from operations of MNOK 94,2, net cash flow from investing activities was MNOK -1.755 At year end, cash and equivalents was MNOK 121,6. The activities of the group require relatively large investments in IT equipment, which means that depreciation is a major part of operating costs. Cash flow from operations is thus normally larger than operating income.

Necessary investments to both maintain and grow the business are financed through the positive earnings and healthy working capital development of the Group.

The equity of Telecomputing Topco Group was MNOK 684 corresponding to an equity ratio of 31,9%.

Telecomputing Topco – parent company  
Telecomputing Topco had in 2016 an operating profit of MNOK -0,6 and net profit of MNOK 1,5. As of 31 December 2016 equity amounted to MNOK 729,5 corresponding to an equity ratio of 99,7%.



## R&D

Finding smarter solutions and making technological progress is essential to the business' success and an integral part of the way we operate.

The Group has a separate department engaged in the development and management of operational support tools to support our own digitalization.

## Financial risk

### Currency risk

The Group is reducing currency risk by balancing the currency exposure related to cost and liabilities to revenues and assets.

The consolidated financial statements are presented in NOK. In converting the accounts of foreign subsidiaries, the Group's currency exposure relates to SEK. Further, the carrying value of parts of the group accounts' immaterial assets are carried in SEK. The main strategy to reduce the currency risk is by having parts of the Group's funding in SEK.

### Interest rate risk

The Group is exposed to interest rate risk related to fluctuating interest rate levels on the Group's financing arrangements. Parts of the Group's financing are based on floating rates, but separate fixed rate contracts (swap and CAP) have been entered into in order to reduce the interest rate risk. The Group's financing arrangements require hedging of a certain proportion of its interest rate risk. This obligation is fulfilled.

The Group's long-term financing from the bank is divided into NOK and SEK tranches to largely reflect the Group's exposure to the two currencies. The interest rate on the loans is linked to NIBOR and STIBOR.

The Group's long-term debt financing is dependent on the fulfillment of certain financial and other covenants. The Group is well within these covenants and is expected to continue being so going forward. The Group is still experiencing great interest from the banking and bond market for the credit it's business represents. Financial risks associated with debt financing is therefore considered low.

### Credit risk and counterparty risk

The risk of the Group's counterparties being unable to meet their financial obligations is considered relatively limited as the Group's customers on a general basis are financially strong and the customer portfolio is diverse. The Group also tries

to reduce this risk by maintaining good procedures for assessing counter party risk before entering new agreements.

### Liquidity risk

The Group constantly monitors liquidity reserves and needs. The Group has good liquidity and continuous focus on cash management ensures sufficient liquidity to meet the Group's obligations when they mature.

## Work environment

The Board considers the conditions related to the working environment and health to be good. The absence rates and number of injuries are low. Our business is labor intensive and there is a strong focus on having skilled and motivated employees. Sick leave in operations in Norway in 2016 was 4,3%. In Sweden, sickness absence within the IT Outsourcing business, was 4,3 % and IT Services had an absence rate in 2016 of 4,2 %. There was not any major injuries or accidents associated with the company's operations in 2016.

The Norwegian business has signed an agreement with NAV inclusive workplace. The company actively strive to achieve results in this area, both through fulfilling its obligations under the agreement and on a general basis. The operations in Sweden and Norway conducts training for their managers to handle matters relating to sick leave, focusing on dialogue with employees and prevention of sick absence. It also carried out a number of health-related initiatives among employees to limit sick leave.

## Equal opportunities

Of the Group's 866 employees at year-end 2016, 275 work in Norway and 591 in Sweden. The Group has a majority of male employees. In total, 708 men and 158 women are hired in the Group. At the end of the year, there is no female member of the corporate management.

Our policy is to take the steps necessary to retain and attract qualified personnel of both genders. This policy is based on equality between the genders. The personnel policy is based on equal pay for the same position, all other factors being equal.

The Group accepts no kind of discrimination related to gender, religion, cultural or ethnic background, disability or in any other way. Our aim is to conduct our activities on the basis of equality and respect.



## External environment

The IT industry can and must contribute to environmental initiatives. Our customers demand an ICT provider that can meet ambitious environmental requirements, where expertise, commercial terms and a low environmental impact is particularly emphasized. The Group's delivery model provides good conditions for combining cost-effective and green IT. The Group's solutions are energy efficient which contribute to reduce the environmental impact caused by IT and give economic benefits because of lower energy consumption and reduced travel.

Internally, the company seeks to exploit organized recycling of waste, including paper. All our major suppliers are environmentally certified. Via partners, we offer customers environmentally certified recycling of used IT equipment. Furthermore, we have a clear environmental strategy for all purchases of our key data centers and offices. The Group is ISO 14001 environmental certified.

## Going concern

The Board of Directors confirms that the annual accounts have been prepared on the basis of the going concern assumption and that this assumption is valid.

The consideration is based on the Group's financial position and cautious expectations of future earnings. The Board believes the submitted annual accounts give a correct picture of the results, cash flows and economic situation. No events have taken place after the balance sheet date, which significantly would affect the accounts.

## Outlook

The IT market is currently very dynamic with an increasing focus on digitalization and a vast number of changes in technology and business models, and among customers and competitors. The Group has the necessary resources to adopt to these changes and exploit the opportunities they give.

The trend of cloud-based IT services has continued into 2016. TeleComputing has been in the front of the development of private clouds since 1997 and is well positioned to increase our market share going forward.

The Group's long-term contract base and focus on business-critical solutions provide a good foundation for positive future development. The Group will continue its work on continuous improvement of operations and thus contribute to satisfactory profitability in the Group.

Asker, 6 April 2017

The Board of Directors of TeleComputing Topco AS



**Johan Lindqvist**  
Chairman of the Board



**Thomas Astrup Klitbo**  
Vice Chairman of the Board



**Steffen Melgaard**  
Board member



**Alireza Etemad**  
Board member



**Dag Mejdell**  
Board member



**Terje Mjøs**  
CEO



TeleComputing Topco Group  
INCOME STATEMENT

(Amounts in NOK 1000)

	Note	3 March - 31 December
<b>Operating revenue</b>		1 341 128
<b>Total operating revenue</b>	13	<b>1 341 128</b>
<b>Operating expenses</b>		
Cost of goods sold		362 590
Payroll expenses	6	566 184
Other operating expenses	6,10	240 418
Depreciation	8,9	124 768
<b>Total operating expenses</b>		<b>1 293 960</b>
<b>Operating profit</b>		<b>47 167</b>
<b>Financial items</b>		
Financial income	7	19 665
Financial expenses	7	45 535
<b>Net financial income (-cost)</b>		<b>-25 870</b>
<b>Profit before income tax</b>		<b>21 297</b>
Income tax expense	11	13 270
<b>Net profit or loss for the year</b>	12	<b>8 027</b>
<b>Statement of other comprehensive income</b>		
<b>Net profit or loss for the year</b>		8 027
Translation effects foreign currency		-52 290
Other comprehensive income in the period (after tax)		0
<b>Comprehensive income</b>		<b>-44 262</b>



## TeleComputing Topco Group

### BALANCE SHEET

(Amounts in NOK 1000)

<b>ASSETS</b>	<b>Note</b>	<b>2016</b>
<b>Intangible assets</b>		
Deferred tax assets	11	16 313
Goodwill	9	1 051 739
Customer Contracts	9	104 272
Customer Relationship	9	266 517
Software & licences	9	15 151
Trademarks	9	111 220
Technology	9	58 227
<b>Total intangible assets</b>		<b>1 623 438</b>
<b>Tangible assets</b>		
IT equipment	8	137 947
Other equipment	8	3 476
Capitalized cost rented premises	8	852
Capitalized leases	8	6 232
<b>Total tangible assets</b>		<b>148 507</b>
Financial instruments	22	1 940
<b>TOTAL NON CURRENT ASSETS</b>		<b>1 773 885</b>
Inventory		911
<b>Receivables</b>		
Trade receivables	18,21	216 585
Other short-term receivables		29 386
<b>Total receivables</b>		<b>245 971</b>
Cash and cash equivalents	5,16	121 580
<b>TOTAL CURRENT ASSETS</b>		<b>368 462</b>
<b>TOTAL ASSETS</b>		<b>2 142 347</b>



TeleComputing Topco Group

BALANCE SHEET

(Amounts in NOK 1000)

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2016</b>
<b>Equity</b>		
Share capital	14	72 806
Share premium		655 257
<b>Total paid-in equity</b>		<b>728 063</b>
Other equity		-44 262
<b>Total retained earnings</b>		<b>-44 262</b>
<b>TOTAL EQUITY</b>	<b>15</b>	<b>683 801</b>
<b>Provisions</b>		
Pension liabilities		333
Deferred tax	11	163 475
<b>Total provisions</b>		<b>163 808</b>
<b>Other non-current liabilities</b>		
Interest-bearing debt	16	965 739
Other non-current liabilities		6 232
<b>Total other non-current liabilities</b>		<b>971 972</b>
<b>Current liabilities</b>		
Current portion of Interest-bearing debt	16	20 000
Accounts payable		77 858
Tax payable	11	12 097
Public duties payable		65 275
Other short-term liabilities		147 537
<b>Total current liabilities</b>		<b>322 767</b>
<b>TOTAL LIABILITIES</b>		<b>1 458 546</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2 142 347</b>



Asker, 6 April 2017  
The Board of Directors of TeleComputing Topco AS



**Johan Lindqvist**  
Chairman of the Board



**Thomas Astrup Klitbo**  
Vice Chairman of the Board



**Steffen Melgaard**  
Board member



**Alireza Etemad**  
Board member



**Dag Mejdell**  
Board member



**Terje Mjøs**  
CEO



TeleComputing Topco Group

CASH FLOW STATEMENT

(Amounts in NOK 1000)

	2016
<b>Cash flow from operating activities</b>	
Profit before income taxes	21 297
Taxes paid in the period	-36 511
Depreciation	124 768
Effect of exchange fluctuations	-19 008
Change in trade debtors	28 323
Change in trade creditors	-21 980
Change in inventory	911
Change in other provisions	-18 533
<b>= Net cash flows from operating activities</b>	<b>79 268</b>
<b>Cash flows from investment activities</b>	
Purchase of fixed assets	-56 362
Purchase of shares and investments in other companies	-1 683 815
<b>= Net cash flows from investment activity</b>	<b>-1 740 177</b>
<b>Cash flows from financing activities</b>	
Proceeds from long term loans	1 070 335
Repayment of long term loans	-15 929
Proceeds from issuance of equity	728 063
<b>= Net cash flows from financing activities</b>	<b>1 782 469</b>
<b>= Net change in cash and cash equivalents</b>	<b>121 560</b>
Cash and cash equivalents at the start of period	20
<b>= Cash and cash equivalents at the end of the period</b>	<b>121 580</b>



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## Key financial highlights

Key highlights	Group Annual Accounts 2016	Full-year 2016	2015	2014	2013	2012
EBITDA adjusted	172,0	288,8	253,3	223,6	217,8	200,0
EBITA adjusted		198,1	163,9	136,3	132,4	126,2
Non-recurring items		72,6	0	0	0	0
EBITA	122,4	125,5	163,9	136,3	132,4	126,2
EBIT	47,2	75,3	153,5	125,0	130,1	121,4
Total assets	2 142,3	2 142,3	1 058,9	974,9	531,4	976,5
Equity	683,8	683,8	289,2	248,2	256,0	453,1
Net interest bearing debt	985,7	985,7	351,5	383,1	0,0	189,5



## NOTES

### Note 1 – General information

TeleComputing Topco group provides flexible and scalable IT management solutions to small and medium-sized businesses, primarily in Norway and Sweden.

Its head office is located at Drengsrudbekken 12, Asker, Norway. The consolidated statements are prepared in accordance with Accounting Act § 3-9 and regulations regarding simplified IFRS issued by the Ministry of Finance 21 January 2008, and approved by the Board of Directors 6 April 2017. The group use accounting principles for recognizing and measuring according to IFRS, and presentation and disclosures in accordance with the Norwegian Accounting Act and generally accepted accounting principles.

In the following, "Group" is used to describe information related to the TeleComputing Topco Group, whilst "the Company" is used for the parent company itself.

### Note 2 - Accounting principles

#### Basis for preparation

The consolidated financial statements have been prepared under the historical cost convention.

#### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the group's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

#### Consolidation principles

Subsidiaries are all entities over which the Group has control. A situation where the Group controls another entity arises when the Group is exposed to variability in returns from the entity, and has power to influence this return through its control of the entity.

Subsidiaries are consolidated from the point when the group can exercise control and consolidation ends when control of the subsidiary terminates.

If the Company's ownership exceeds 50 % but is below 100 % of the subsidiaries, the minority's share of profit after tax and share of equity are posted on separate lines in the statement.

The purchase method of accounting is used for acquisitions. The cost of an acquisition is measured as the fair value of the assets and liabilities taken over, and equity instruments issued. The cost also includes the fair value of all assets and liabilities and contingent liabilities taken over by agreement. Identifiable assets, debt and contingent liabilities are booked at fair value on the date of acquisition.

Costs related to acquisitions are charged as they arise.

Intra-group transactions, balances, and unrealised gains between Group companies are eliminated.

#### Segment reporting

For management purposes, the Group is organized into three business areas by product/service. Business areas form the basis for the primary segment reporting. Reporting by operating segments is consistent with the Group's internal reporting. Further details on the various business areas and related financial information and geographical distribution is presenting in note 13. In the segment reporting sales between the various segments are eliminated.

#### Foreign currency translation

The financial statements of each of the Group's entities are generally measured using the currency of the economic area in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Norwegian Kroner (NOK), which is the parent company's functional and presentation currency.

Transactions in foreign currencies are translated at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Norwegian



kroner using the exchange rate at the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement.

Assets and liabilities of foreign operations, including local goodwill is converted to reporting currency at exchange rate on balance sheet date. Revenues and expenses of foreign operations are translated into the presentation currency at the average monthly exchange rate. Foreign exchange differences arising on translation are recorded as other comprehensive income.

#### Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank deposits and bank overdrafts. Bank overdrafts are shown under borrowings included in current liabilities.

#### Revenues

##### Goods

Revenue from sales of hardware are recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually upon delivery. Sales of licenses and rights to use software are recognized upon delivery, which corresponds to the time the software is made available and can be used by the customer. Revenue from software sales and implementations are separated from outsourcing contracts.

##### Services

Revenues from the sale of services are recognized based on the use of services and for fixed contracts linearly over the contract period. Revenues from sales of maintenance contracts is recognized linearly over the contract period.

Consulting Revenue is recognized in the income statement in relation to the project progress on the closing date provided that the outcome of the project can be estimated reliably. The degree of completion is calculated based on the actual work done in percent of budgeted total time. When the project's outcome cannot be reliably estimated, only income corresponding to accrued project costs will be recognized. In the period when it is identified a project will give a negative result, the estimated loss on the contract will be recognized in full.

Consulting services provided by sub-contractors are classified in the accounts as Subcontractor.

No revenue is recognized if there is significant uncertainty as to whether invoiced claims will be paid, or if it is likely that the goods will be returned.

#### Leasing

##### Finance leases

Leases, or other arrangements relating to property, plant and equipment where the Group has substantially all the risks and control, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the aggregate minimum lease payments. Each lease payment consists of a fixed element and an interest payment. Direct costs associated with establishing the lease are included in the cost of the asset.

The lease obligation is classified as other long-term debt. The interest expense is posted in the income statement. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease period.

##### Operating leases

Leases, or other arrangements in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any financial incentives from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

#### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities.

#### Accounts receivable

Accounts receivable are generated from trading of services within the ordinary operating cycle. Trade debtors are recognized in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood



that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down. The amount of the provision is recognised in the income statement under other operating expenses.

## Borrowing costs

Borrowing costs are charged in the income statement. Borrowing costs consist of interest and establishment fees incurred in connection with the borrowing of the funds. Borrowing costs are capitalized and amortized over the maturity of the loan.

## Intangible assets

Goodwill with an indefinite economic life are subject to annual impairment tests. Impairment tests are performed more frequently if indications of impairment exist. Amortised licences are tested for impairment only if there are indications that future earnings do not justify the asset's balance sheet value.

R&D expenses are taken into the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be reliably measured. Otherwise such expenses are expensed as and when incurred. R&D expenses are depreciated on a straight-line basis over the asset's expected useful life. Acquired customer portfolios and computer software licences are capitalised at cost and amortised over their estimated useful lives. Customer portfolios are capitalised at historical cost at the date of purchase. Amortisation is calculated using the straight-line method

## Fixed assets

Fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Fixed assets are stated at purchase cost, less accumulated depreciation and accumulated impairment losses. When assets are sold or disposed off, the cost and accumulated depreciation are reversed in the accounts and any gain or loss on disposal is recognized.

## Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date. For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

## Depreciation

Depreciation is calculated linearly over the estimated useful life of an item of plant and equipment, and are charged to income. The estimated useful life equals the expected life of the assets, as the company uses the assets of those retired. The depreciation period and - method are reviewed annually to ensure the method and period used correspond with the financial realities of the fixed asset. The same applies to residual value.

## Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

## Recoverable amount

Recoverable amount is the higher of net selling price and value in use. The latter is calculated by discounting expected future cash flows to present value using a pre-tax rate. The discount rate reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is that of the related cash-generating unit.



## Reversal of impairment

Impairment losses on goodwill are not reversed. Other assets' impairment losses are reversed if there are changes in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## Investments in other companies

The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

## Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity at the date of acquisition. Goodwill on acquisitions of subsidiaries is classified as an intangible asset.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

## Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The net realisable value is the estimated selling price, less processing and selling expenses.

## Debtors

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

## Interest-bearing loans and borrowings

Loans and other liabilities are carried at amortized cost. Cost of raising interest-bearing borrowings are recognized as part of amortized cost.

## Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

## Contingent liabilities and assets

Contingent liabilities are not recognised in the annual financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of the liability occurring is remote. The assessment of probability and fair value is subject to constant review.

A contingent asset is not recognised in the financial statements, but is disclosed if it is likely that a benefit will accrue to the Group.

## Pensions

The pension obligations of TeleComputing Topco Group are based on a defined contribution based schemes for all employees. The pension schemes are in accordance with rules and regulations for



occupational pensions. The premium is charged through operations as it arises in the profit and loss account. Employer's social security contributions are charged on the basis of the pension premium paid.

## Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes). Deferred tax is reflected at nominal value.

## Earnings per share

Earnings per share are calculated by dividing the profit for the year allocated to the company's shareholders by a weighted average of the number of issued ordinary shares during the year.

## Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

## New standards and interpretations not yet adopted

A series of new standards, amendments of standards and interpretations of existing standards are mandatory for future financial statements.

Among those the Group has decided not to implement early, the essential are disclosed below.

IFRS15 Revenue from contracts with customers regards recognition of revenue. The standard requires a separation of customer contracts into each performance obligation. A performance obligation can be a good or service. Revenue is recognised when control over a good or service is passed to a customer, and the customer has the ability to direct the use of and obtain the benefit from the good or service.

The standard replaces IAS 18 Revenue and IAS 11 Construction Contracts and related interpretations. The standard takes effect for the fiscal year 2018, but early implementation is permitted. The Group still has not fully assessed the effects of IFRS 15.

There are no other standards or interpretations that still have not taken effect that are expected to materially impact the financial statement of the Group.



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## Note 3 Accounting estimates and judgements

### CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The management is required to make estimates and assumptions concerning the future which affect which accounting policies are to be used and reported amounts for assets, liabilities and contingent liabilities in the balance sheet, as well as income and expenses for the accounting year. Estimates, judgements and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the present circumstances. The final results may diverge from these estimates. Changes in accounting estimates are included in the period when the estimates are changed.

### IMPAIRMENT

The group tests annually whether goodwill and licences have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates of future cash flows from the cash-generating unit, and the application of a discount rate in order to calculate the present value of future cash flows. Expectations of future cash flows will vary over time. Changes in market conditions and expected cash flows can result in future impairment.

## Note 4 Corporate Structure

Telecomputing Topco Group consists of the following entities as of 31.12.2016:

Company	Registered office	Ownership	Voting shares
TeleComputing Finco AS	Asker	100 %	100 %
TeleComputing AS <sup>(1)</sup>	Asker	100 %	100 %
TeleComputing Norway AS <sup>(2)</sup>	Asker	100 %	100 %
TeleComputing Inc. <sup>(2)</sup>	Houston	100 %	100 %
TeleComputing Sweden AB <sup>(2)</sup>	Stockholm	100 %	100 %
H.C Advance AB <sup>(7)</sup>	Gothenburg	100 %	100 %
Atlan AB <sup>(8)</sup>	Gothenburg	100 %	100 %
Kentor Holding AB <sup>(2)</sup>	Stockholm	100 %	100 %
Kentor IT AB <sup>(3)</sup>	Stockholm	100 %	100 %
Kentor AB <sup>(4)</sup>	Stockholm	100 %	100 %
Kentor East AB <sup>(5)</sup>	Stockholm	100 %	100 %
Kentor ooo <sup>(6)</sup>	St.Petersburg	100 %	100 %

<sup>(1)</sup> Owned by TeleComputing Finco AS

<sup>(2)</sup> Owned by TeleComputing AS

<sup>(3)</sup> Owned by Kentor Holding AB

<sup>(4)</sup> Owned by Kentor IT AB

<sup>(5)</sup> Owned by Kentor AB

<sup>(6)</sup> Owned by Kentor East AB

<sup>(7)</sup> Owned by TeleComputing Sweden AB

<sup>(8)</sup> Owned by H.C. Advance AB

## Note 5 Cash and cash equivalents

	2016
Restricted deposits related to employees' tax deduction*	-
Other cash and bank deposits	121 580
<b>Total</b>	<b>121 580</b>

\* TeleComputing Norway AS has guarantees of NOK 18 million for the payment of employees' tax.



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Note 6 Payroll, fees, number of employees etc.

<b>Payroll expenses</b>	<b>2016</b>
Salaries/wages	417 799
Social security fees	95 716
Pension expenses	33 430
Other remuneration	19 238
<b>Total</b>	<b>566 184</b>

<b>Average number of employees</b>	<b>2016</b>
Norway	275
Sweden	591
<b>Total</b>	<b>866</b>

#### Defined benefit pension

TeleComputing Norway AS has a defined benefit plan which covers 2 employees per 31.12.2016. The defined benefit pension scheme is closed for new employees. New employees are included in a defined contribution plan scheme.

#### Defined contribution based pension scheme

The Norwegian companies in the group have a defined contribution based pension scheme which covers all full- time and part-time employees (20%). The scheme amounts to between 4,37 % and 6% of salary. Companies in Sweden have defined contribution plans with the deposit of 7-15 % of the salary in Kentor and 4.5-30 % of the salary in TeleComputing Sweden.

<b>Remuneration to executives</b>	<b>Former CEO</b>	<b>Board</b>
Salaries/board fee	3 346	994
Bonus	3 750	-
Pension expenses	73	-
Other remuneration	9	-
<b>Total</b>	<b>7 178</b>	<b>994</b>

The former CEO has resigned and will receive severance pay for 12 months after his notice period 30.06.2017. For the notice period regular benefits will be paid. The former CEO is subject to 12 months competition clause after the notice period. Severance pay will be reduced if the competition clause is breached.

There are no loans or guarantees given to the benefit of employees, shareholders or directors.

<b>Expensed audit fee</b>	<b>2016</b>
Statutory audit (incl. technical assistance with financial statements)	1 220
Other assurance services	-
Tax advisory fee	-
Other assistance	109
<b>Total</b>	<b>1 328</b>

Expensed fee to EY equals TNOK 423,4 of which 66,5 are related to Other Assistance.



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## Note 7 Financial items

<b>Financial income</b>	<b>2016</b>
Other interest income	119
Net change in fair value of derivatives	539
Currency gain	19 008
<b>Total financial income</b>	<b>19 665</b>
<b>Financial expenses</b>	<b>2016</b>
Interest expense on bank borrowings and leasing	45 508
Other financial expenses	27
<b>Total financial expenses</b>	<b>45 535</b>

## Note 8 Fixed assets

Fixed assets	Capitalized leases	IT equipment	Other equipment	Capitalized cost rented premises	Total fixed assets
Acquisitions through business combinations TeleComputing AS	3 309	156 795	4 918	1 340	166 362
Acquisitions through business combinations Advance AB	7 598	530	-	-	8 128
Additions	0	49 931	-	-	49 931
Disposals	-510	-	-	-	-510
Purchase cost 31.12.	10 397	206 726	4 918	1 340	223 911
Accumulated depreciation 31.12.	-3 632	-64 883	-1 540	-485	-70 539
Translation differences	-533	-4 426	98	-4	-4 864
<b>Net book value 31.12.</b>	<b>6 232</b>	<b>137 417</b>	<b>3 476</b>	<b>852</b>	<b>148 507</b>
Depreciation in the year	3 632	64 883	1 540	485	70 539
Expected useful life		3-5 years	3-7 years	3-5 years	
Depreciation plan	Straight line	Straight line	Straight line	Straight line	



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## Note 9 Intangible assets

	Goodwill	Customer Contracts	Customer Relationship	Software & licences	Trademarks	Technology	Sum
Acquisitions through business combinations TeleComputing AS	1 031 788	123 200	265 000	7 169	120 566	65 288	1 613 011
Acquisitions through business combinations Advance Group	61 305	6 935	29 346	6 774	-	-	104 360
Additions	-	-	-	6 431	-	-	6 431
Disposals	-	-	-	-	-	-	-
Purchase cost pr. 31.12.	1 093 093	130 135	294 346	20 374	120 566	65 288	1 723 801
Acc. depreciation 31.12.	-	-21 689	-17 730	-4 786	-4 777	-5 247	-54 230
Translation differences	-41 354	-4 173	-10 099	-436	-4 570	-1 814	-62 447
<b>Net book value pr. 31.12.</b>	<b>1 051 739</b>	<b>104 272</b>	<b>266 517</b>	<b>15 151</b>	<b>111 220</b>	<b>58 227</b>	<b>1 607 126</b>
Depreciation in the year	-	21 689	17 730	4 786	4 777	5 247	54 230
Estimated useful life	5 Years	7-15 Years	3-4 Years	20 Years	10 Years		
Depreciation plan	Straight line	Straight line	Straight line	Straight line	Straight line		

### Goodwill impairment test

Goodwill and other assets are allocated to the Group's cash-generating units. TeleComputing allocates goodwill to the business units per country (segment) where the operations are located.

Goodwill has an indefinite useful life and is not amortized, but impairment losses are recognized if the recoverable amount is less than the book value.

Recoverable amounts for cash-generating units are estimated based on calculating the asset's value in use. Cash flow forecasts are used based on the budget for revenues, profit margins, investments and working capital developments. The 2017 assumptions are based on the budget approved by the Board of Directors.

WACC (Weighted Average Cost of Capital)	2016
IT Outsourcing Norway	8,7 %
IT Outsourcing Sweden	7,7 %
IT Services Sweden	7,3 %



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## Note 10 Lease contracts

### Operational lease contracts

The group has entered into operational leasing contracts in regards to rental of office space, inventory and data centers. All material leasing contracts contain clauses on annual adjustment of lease payments in accordance with current price index. The interest rate is based on the lease contract. The tenancy agreements have options for renewal at the same terms. The option must be exercised before the expiry of the current lease contract.

<b>Operating lease expenses recognised in the year</b>	<b>53 992</b>
<hr/>	
<b>Overview of future minimum operating leases</b>	<b>2016</b>
Lease amount within a year	44 287
Subsequently	98 576
<b>Total</b>	<b>142 864</b>

### Financial lease contracts

The group has financed a limited amount of the purchases of new IT equipment and vehicles by entering into financial leasing contracts. The company has an option to buy the assets at the end of the lease contracts. The overview of the company's future minimum lease payments and the present value of future minimum lease payments are as follows. In calculating the present value of minimum lease payments an interest rate of 5% is used and is based on the leasing contract.

Overview of future lease amounts - finance leases	kNOK	kSEK	SUM kNOK
Payable obligation 2017	-	2 690	2 559
Payable obligation 2018	-	1 215	1 155
Payable obligation 2019	-	432	411
Payable obligation 2020	-	188	179
Thereafter	-	-	-
<b>Total payable leasing rent</b>	-	<b>4 525</b>	<b>4 305</b>

Book value of leased assets	6 232
Book value of lease commitment	6 232

Carrying amount of commitment by financial leasing is classified as other long-term liabilities in the balance sheet.



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## Note 11 Taxes

<b>Tax expense for the year</b>			
Income tax expense*	<b>13 270</b>		
<b>Reconciliation of the tax expense</b>			
Income before tax	21 297		
Calculated tax (25%)	5 324		
Permanent differences (25%/22%)	9 474		
Differences in tax rates amongst the Group and subsidiaries	-1 529		
<b>Tax expense</b>	<b>13 270</b>		
<b>Current tax payable</b>			
Tax payable Norway	-417		
Tax payable Sweden	12 514		
<b>Payable tax in the balance sheet</b>	<b>12 097</b>		
<b>Spesification of deferred tax assets: 2016</b>			
Tangible assets	-47 849		
Receivables	-2 712		
Deferred revenue	-5 570		
Other	-9 152		
Pension liabilities	-333		
Net temporary differences	-65 616		
Losses carried forward	-3 404		
Basis for deferred tax	-69 020		
<b>Deferred tax assets in the balance sheet</b>	<b>16 313</b>		
<b>Spesification of deferred tax liabilities</b>			
Intangible assets acquired through business combinations	538 554		
Intangible assets	15 516		
Other	79 352		
Non-current receivables in foreign exchange	29 517		
Capitalized financing fee	39 092		
Basis for deferred tax	702 031		
<b>Deferred tax liabilities in the balance sheet</b>	<b>163 475</b>		
	<b>Business combination</b>	<b>Change in 2016</b>	<b>Balance 31 December 2016</b>
Deferred asset	7 515	8 797	16 313
Deferred tax liabilities	-150 282	-13 192	-163 475
Exchange rate effect	-	5 567	-
<b>Net change in deferred tax</b>	<b>-142 767</b>	<b>1 172</b>	<b>-147 162</b>

\* The income tax expense represents the Group's tax expenses for the ten months after the establishment of the Group. In the opening balance inc



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## Note 12 Earnings per share

Basis for calculation of earnings per share	2016
Earnings for the year	8 027 480
Weighted number of outstanding shares during 2016	6 674 037
<b>Earnings per share</b>	<b>1,20</b>

## Note 13 Revenue per segment

Geographical and activity distribution	IT Outsourcing		IT Services	Eliminations	Group
	Norway	Sweden	Sweden		
Outsourcing	465 860	342 982	0	-14 736	794 106
Consulting	77 639	77 344	243 840	-8 962	389 860
Subcontractors	-	-	12 947	-	12 947
Hardware/software	71 166	69 427	4 278	-1 379	143 492
Other	0	202	1 179	-659	722
<b>Total revenue</b>	<b>614 665</b>	<b>489 954</b>	<b>262 245</b>	<b>-25 737</b>	<b>1 341 128</b>

## Note 14 Share capital and share information

At 31st of December 2016 the share capital of Telecomputing Topco AS consisted of 7.280.634 shares of nominal value 10.

The share capital consists of the following share classes	Number of shares	Nominal	Book value
Preference Shares	5 824 507	10	58 245 070
Common Shares	1 456 127	10	14 561 279
<b>Total</b>	<b>7 280 634</b>		<b>72 806 340</b>

The Preference Shares have no voting rights. The Preference Shares have a preference for payments of any proceeds from the company through reduction of share capital, dividend payments, liquidation or otherwise.

### Ownership structure

List of shareholders at 31.12.	Preferred stock		Common stock	Total shares	Ownership	Voting shares
Telecomputing International S.à.r.l.	5 640 000	1 010 000		6 650 000	91 %	69 %
TC Manco AS	-	400 000		400 000	5 %	27 %
HC Cucumeries AB	184 507	46 127		230 634	3 %	3 %
<b>Total number of shares</b>	<b>5 824 507</b>	<b>1 456 127</b>		<b>7 280 634</b>	<b>100 %</b>	<b>100 %</b>



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## Shares owned directly and indirectly by Board members

Name	Position	Preferred stock	Common stock	Total number of shares
Johan Lindqvist	Chairman of the Board	45 191	61 298	106 489
Dag Mejdell	Board member		10 000	10 000
Sven Tore Kaasa			130 000	130 000

Sven Tore Kaasa was the CEO of TeleComputing Topco until April 3rd, 2017.

## Note 15 Equity

	Share capital	Share premium reserve	Other equity	Sum
Capital increase 12.03.16	66 500	598 500	-	665 000
Capital change 07.07.16	2 650	23 850	-	26 500
Capital change 07.07.16	1 350	12 150	-	13 500
Capital change 28.12.16	2 306	20 757	-	23 063
Profit for the year	-	-	8 027	8 027
Currency translation differences	-	-	-52 290	-52 290
<b>Equity as of 31.12.16</b>	<b>72 806</b>	<b>655 257</b>	<b>-44 262</b>	<b>683 801</b>

## Note 16 Debt to credit institutions, assets pledged as securities and guarantees

The majority of the Group's funding is done by a term and multicurrency revolving facilities agreement. The agreement consists mainly of a term loan with repayment profile as shown below. Further, the Group has access to an acquisition and a revolving facility. The Group has drawn MNOK 48 of the acquisition facility of totally MNOK 130.

As security for the long-term debt, shares in TeleComputing Finco AS, TeleComputing AS, TeleComputing Norway AS, TeleComputing Sweden AB, Kentor Holding AB and Kentor IT AB are pledged. In addition, TeleComputing Finco AS has pledged bank accounts and claims under the SPA. TeleComputing AS and TeleComputing Norway AS has pledged bank accounts, accounts receivable, inventory, intra-group loans in excess of MNOK 5 and operating assets. TeleComputing Sweden AB, Kentor Holding AB and Kentor IT AB have pledged bank accounts, floating charges and intra-group loans in excess of MNOK 5. TeleComputing Finco AS, TeleComputing AS, TeleComputing Norway AS, Kentor Holding AB, Kentor IT AB and TeleComputing Sweden AB have all jointly and severally guaranteed for up to MNOK 1.500 for Telecomputing Finco AS' fulfillment of the loan agreement.

Specification non-current liabilities	2016
Liabilities to credit institutions	1 004 831
Capitalized financing fee	39 092
<b>Non-current liabilities</b>	<b>965 739</b>
<b>Current interest-bearing liabilities</b>	
Current portion of interest-bearing debt	20 000
<b>Total interest bearing liabilities</b>	<b>985 739</b>

## Maturity profile - liabilities to credit institutions

	MNOK	MSEK	SUM MNOK
2017	10	11	20
2018	14	15	28
2019	15	16	30
2020	23	24	46
2021	30	31	60
Thereafter	410	452	841
<b>Total</b>	<b>502</b>	<b>549</b>	<b>1 025</b>



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Liabilities secured by mortgage	2016
Liabilities to credit institutions	985 739

**Balance sheet value of assets placed as security:**

Cash	96 678
Trade receivables	196 688
Operating assets	136 538
Inventory	932
<b>Total</b>	<b>430 836</b>

Pledges include shares in subsidiaries and intra-group loans in excess of NOK 5m each. The book value of shares in subsidiaries is 0 in the consolidated accounts.

**Undrawn facilities**

**2016**

Undrawn acquisition facility	MNOK 82
Undrawn revolving credit facility	MNOK 100

**Covenants**

The term and multicurrency revolving facilities agreement is governed by a number of conditions customary for this kind of financing arrangements and includes three different financial covenants; 1) Cashflow Cover measuring the ratio of cashflow to debt service, 2) Leverage measuring the adjusted leverage ratio defined as Net Debt to adjusted EBITDA and 3) Capital Expenditure. The Group has met the term and multicurrency revolving facilities agreement's financial covenant commitments throughout the year and has a satisfactory headroom to the covenants going forward.

**Interest rate swap and CAP agreements**

The Group's term and multicurrency revolving facilities agreement requires that interest hedging arrangements are entered into covering exposures of atleast 50 %. The SEK tranches are hedged by a CAP arrangement limiting the interest rate at 0,00 %. The NOK interest rate exposure is limited by a Swap fixing the interest rate at 0,90 %.

The following table shows the Group's interest rate swap and CAP agreements in kNOK as at 31.12.16

Instrument	Principal	Currency	Strike	Fixed rate	Basis of floating rate	Duration	Market value (NOK)
Swap	318 000	NOK		0,9%	NIBOR3M	19.03.2019	1 438
CAP	251 798	SEK	0%			19.03.2019	502
							1 940

**Guarantees**

In addition the the guarantees related to the financing agreements, TeleComputing Norway has acquired three bank guarantees; two lease guarantees for their rented premises in Asker and Stavanger at MNOK 7.9, as well as a guarantee of NOK 18 million for the payment of employees' tax.

**Cash pool agreement**

The Group has entered into a corporate account agreement with Nordea. All group companies are jointly and severally liable to the financial institutions for the total liability under the scheme.

**Note 17 Related parties**

Members of the board and managing director of the parent company, including their related parties, are with companies in the Group considered as closely related parties. Transactions and intercompany balances with group companies are eliminated in the Group accounts. Transactions with related parties are governed by market terms and conditions in accordance with the arms length principle.



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## Note 18 Subsequent events

No events have taken place after the balance sheet date, which significantly would affect the accounts.

## Note 19 Financial risk

The Group is exposed to a range of financial risks, including interest rate risk, credit risk and liquidity risk. The Group is carrying out operations in mainly Sweden in addition to Norway creating currency exposure, particularly SEK. The Group uses a limited amount of financial derivatives to manage parts of its interest rate risk.

The Group is monitoring and reporting the financial risk exposure via the central finance unit.

### Liquidity risk

Rational liquidity risk management implies maintaining sufficient cash, and the availability of funding through sufficient credit facilities. The Group's strong liquidity, the available and undrawn financing facilities and cash management ensures sufficient liquidity to meet its obligations when they mature.

### Interest rate risk

Interest rate risk arises as a result of the company's debt which has been entered into on terms on variable interest rates. A change in interest rates will result in either an increase or a reduction of the financing cost. The Group's strategy is to employ a certain level of hedging using interest rate swap and CAP agreements to establish greater stability for the Group's loan interest expenses. Gains and losses arising from interest rate swap and CAP arrangements are recognised in the same period as the related interest expense.

### Credit risk

The Group's credit risk that counterparties do not have financial ability to meet their obligations is considered to be relatively low due to solid customers and processes to assess credit risk prior to entering into new customer contracts. Historically there has been small losses on receivables, please see note 21 for further details. In principle maximum credit risk related to derivatives is equivalent to MNOK 1,9. However this risk is considered very limited.

### Foreign exchange risk

The Group operates internationally and is exposed in foreign exchange risk arising from various currency exposures, mainly SEK. Foreign exchange risk arises when transactions, recognized assets or liabilities are in currencies other than company's functional currency. The Group's main focus in relation to foreign exchange hedging is to ensure that costs and liabilities are denominated in the same currency as revenues and assets. As part of this strategy the Group's bank financing is split in NOK and SEK tranches.

## Note 20 Business Combinations

### Acquisitions in 2016

TeleComputing Topco via its subsidiaries made two acquisitions during 2016. TeleComputing Finco acquired TeleComputing AS. TeleComputing AS and subsidiaries has been consolidated into the group accounts as of acquisition. TeleComputing Sweden acquired H.C. Advance Group AB. H.C. Advance Group AB and subsidiaries have been consolidated into the group accounts as of acquisition.

#### TeleComputing AS:

TeleComputing Finco acquired TeleComputing AS in March 2016. The acquisition will give TeleComputing Topco a solid foothold into the Nordic market for IT professional services focusing on hybrid cloud solutions and digitalization.

#### H.C. Advance Group AB

TeleComputing Sweden AB acquired H.C. Advance Group in May 2016. The acquisition will strengthen TeleComputing Topco's position in the Swedish market for hybrid cloud solutions for SMEs.



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## Allocation of purchase price

Due to the relatively low capital intensity in both acquisitions and the high knowledge requirements for operating professional services within IT, acquisitions within this sector will typically result in a relatively large goodwill balance. This goodwill balance represents the surplus of the purchase price compared with the accounting value of the net fixed and intangible assets for the acquired company.

Breakdown of the acquired net assets and goodwill in 2016 is as follows:

Million	TeleComputing AS	H.C. Advance Group AB
Acquisition date	03.03.2016	02.05.2016
Country	Norway	Sweden
Currency	NOK	SEK
Voting rights / ownership interest	100 %	100 %
Acquisition cost:	1 496	99
Book value of equity (see table below)	28	9
<i>Identification of excess values:</i>		
Trademark	121	0
Technology	65	0
Customer contracts	120	7
Customer relationships	265	29
Deferred tax	-135	-8
Net excess value	436	28
Acquisition cost	1 496	99
Fair value of net assets acquired, excluding goodwill	465	38
Goodwill	1 032	61

Assets and liabilities associated with the acquisitions in 2016 are as follows

Million	TeleComputing AS	H.C. Advance Group AB
<b>Assets</b>		
Deferred tax assets	8	2
Customer Contracts	3	-
Software & Licenses	7	7
IT equipment	157	0
Capitalized leases	3	-
Other equipment	5	1
Other financial assets	-	9
Capitalized cost rented premises	1	8
Inventories	-	1
Trade receivables	188	24
Other short-term receivables	19	8
Cash and cash equivalent	32	1
Total assets	424	59
<b>Liabilities</b>		
Non-current liabilities	-19	-13
Current liabilities	-376	-37
Total liabilities	-395	-50
Net assets	28	9

Trade receivables comprise net amounts after deductions of MNOK 17.1 in estimated uncollectible trade receivables at the date of acquisition.

At the time of acquisition TeleComputing Sweden AB held MSEK 12,6 in tax deductible goodwill, TeleComputing Norway AS MNOK 2.



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## Note 21 Trade receivables

### Maximum credit risk

The company's maximum credit risk associated with financial instruments corresponds to gross receivables. In a hypothetical situation, where no receivables are actually paid, this would correspond to:

Amounts in MNOK	31.12.2016
Trade receivables	216 585

Age break-down of accounts receivable	Not yet due	0-30 days	30-60 days	60-90 days	Over 90 days	Total
Trade receivables	175 695	34 392	1 968	1 260	3 270	216 585

## Note 22 Fair value

The table below analyses financial assets recognised in the balance sheet at fair value according to the valuation method.

The different levels has been defined as follows:

### Level 1

Noted prices in active markets for corresponding assets or liabilities

### Level 2

Available value measurements other than the noted prices classified as Level 1, either directly observable in the form of agreed prices or indirectly as derived from the price of equivalent.

### Level 3

Value measurements of assets or liabilities that are not based on observed market values

Market value hierarchy	Level 1	Level 2	Level 3	Total
Financial instruments	-	1 940	-	1 940



## TeleComputing Topco AS

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Cash flow statement	p. 34
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TeleComputing Topco AS

INCOME STATEMENT

(Amounts in NOK 1000)

<b>Operating expenses</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
Other operating expenses	2	565	0
<b>Total operating expenses</b>		<b>565</b>	<b>0</b>
<b>Operating profit</b>		<b>-565</b>	<b>0</b>
<b>Financial items</b>			
Other interest income	7	2528	0
Other financial expense		0	0
<b>Profit before income tax</b>		<b>1 963</b>	<b>0</b>
Income tax expense	8	491	0
<b>Net profit and loss for the year</b>		<b>1 472</b>	<b>0</b>
<b>Allocation of net profit</b>			
Transferred to other equity		1 472	0
Sum allocation		1 472	0



TeleComputing Topco AS  
BALANCE SHEET  
(Amounts in NOK 1000)

ASSETS	Note	2016	2015
<b>Fixed assets</b>			
Investments in subsidiaries	3	704 535	0
<b>Total financial fixed assets</b>		<b>704 535</b>	<b>0</b>
<b>TOTAL FIXED ASSETS</b>		<b>704 535</b>	<b>0</b>
<b>Current assets</b>			
Loans to group companies	7	2 475	0
Cash and bank deposits	4	24 902	30
<b>TOTAL CURRENT ASSETS</b>		<b>27 377</b>	<b>30</b>
<b>TOTAL ASSETS</b>		<b>731 913</b>	<b>30</b>
Transferred to other equity		1 472	
<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2016</b>	<b>2015</b>
<b>Equity</b>			
Share capital	5	72 806	30
Share premium	5	655 257	0
<b>Total paid-in equity</b>		<b>728 063</b>	<b>30</b>
Other equity		1 472	0
<b>Total retained earnings</b>		<b>1 472</b>	<b>0</b>
<b>TOTAL EQUITY</b>	<b>6</b>	<b>729 535</b>	<b>30</b>
<b>Liabilities</b>			
Trade creditors		415	0
Tax payable	8	0	0
Other short-term liabilities	7	1 963	0
<b>Total current liabilities</b>		<b>2 377</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>		<b>2 377</b>	<b>0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>731 913</b>	<b>30</b>



Asker, 6. April 2017  
The Board of Directors of TeleComputing Topco AS



**Johan Lindqvist**  
Chairman of the Board



**Thomas Astrup Klitbo**  
Vice Chairman of the Board



**Steffen Melgaard**  
Board member



**Alireza Etemad**  
Board member



**Dag Mejdell**  
Board member



**Terje Mjøs**  
CEO



TeleComputing Topco AS

CASH FLOW STATEMENT

(Amounts in NOK 1000)

	2016	2015
<b>Cash flow from operating activities</b>		
Profit/loss before tax	1 963	0
+/- Change in accounts payable	415	0
+/- Change in other accrual items	-2 475	0
<b>= Net cash flows from operating activities</b>	<b>-98</b>	<b>0</b>
<b>Cash flows from investment activities</b>		
- Payments for the purchase of shares	703 063	0
<b>= Net cash flows from investment activity</b>	<b>-703 063</b>	<b>0</b>
<b>Cash flows from financing activities</b>		
+ Proceeds from equity	728 033	30
<b>= Net cash flows from financing activities</b>	<b>728 033</b>	<b>30</b>
Transferred to other equity	1 472	
<b>= Net change in cash and cash equivalents</b>	<b>24 872</b>	<b>30</b>
+ Cash and cash equivalents at the start of period	30	0
<b>Cash and cash equivalents at the end of the period</b>	<b>24 902</b>	<b>30</b>



## NOTES

### Note 1 - Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

#### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

#### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities.

#### Investments in subsidiaries

The cost method is applied to investments in subsidiaries. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

#### Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date.

#### Liabilities

Liabilities, with the exception of certain liability provisions, are recognized in the balance sheet at nominal amount.

#### Debtors

Trade debtors are recognized in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses.

#### Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes). Deferred tax is reflected at nominal value.

#### Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



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Note 2 Payroll expenses, number of employees, remunerations, loans to employees, etc.

Expensed audit fee	2016
Statutory audit (incl. technical assistance with financial statements)	111
Other assistance	-
<b>Total</b>	<b>111</b>

In addition, it is expensed NOK 42.000 in fees to former auditor which is related to Other assurance services.

The CEO is employed in TeleComputing AS and receives remuneration from the company where he is employed.

Note 3 Investments in subsidiaries

Subsidiaries	Acquisition date	Location	Ownership/ voting right	Equity 2016	Result 2016	Balance sheet value
TeleComputing Finco AS	03.03.2016	Asker	100 %	748 427	43 872	704 535

Note 4 Bank deposits

The company has no restricted funds.

Note 5 Share capital and share information

Transferred to other equity 1472

At December 31st, 2016 the share capital of Telecomputing Topco AS consisted of 7.280.634 shares of nominal value 10.

Class	Number of shares	Nominal	Book value
Preference Shares	5 824 507	10	58 245 070
Common Shares	1 456 127	10	14 561 279
<b>Total</b>	<b>7 280 634</b>		<b>72 806 340</b>

The Preference Shares have no voting rights. The Preference Shares have a preference for payments of any proceeds from the company be it through reduction of share capital, dividend payments, liquidation or otherwise.

Ownership structure

List of shareholders at 31.12.	Preferred stock	Common stock	Total shares	Ownership	Voting shares
Telecomputing International S.à.r.l.	5 640 000	1 010 000	6 650 000	91 %	69 %
TC Manco AS	-	400 000	400 000	5 %	27 %
HC Cucumeries AB	184 507	46 127	230 634	3 %	3 %
<b>Total number of shares</b>	<b>5 824 507</b>	<b>1 456 127</b>	<b>7 280 634</b>	<b>100 %</b>	<b>100 %</b>

Shares and options owned by Board members and the CEO

Name	Position	Preferred stock	Common stock	Total number of shares
Johan Lindqvist	Chairman of the Board	45 191	61 298	106 489
Dag Mejdell	Board member		10 000	10 000
Sven Tore Kaasa			130 000	130 000

Sven Tore Kaasa was the CEO of TeleComputing Cop Group until March 31st, 2017



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## Note 6 Shareholders' equity

Equity changes in the year	Share capital	Share premium	Other paid-in		Total
			equity	Other equity	
Equity 01.01.	30	-	-	0	30
Capital decrease 12.03.16	-30	-	-	-	-30
Capital increase 12.03.16	66 500	598 500	-	-	665 000
Capital change 07.07.16	2 650	23 850	-	-	26 500
Capital change 07.07.16	1 350	12 150	-	-	13 500
Capital change 28.12.16	2 306	20 757	-	-	23 063
Profit for the year	-	-	-	1 472	1 472
<b>Equity 31.12.</b>	<b>72 806</b>	<b>655 257</b>	<b>-</b>	<b>1 472</b>	<b>729 535</b>

## Note 7 Related parties

Intercompany balance with group companies		Loans to group companies		Other short term liabilities	
		2016	2015	2016	2015
TeleComputing Finco AS	Subsidiary	2 475	-	1 963	0
<b>Total</b>		<b>2 475</b>	<b>-</b>	<b>1 963</b>	<b>0</b>

Intercompany transactions with group companies		Other interest income	
		2016	2015
TeleComputing Finco AS	Subsidiary	2 518	0
<b>Total</b>		<b>2 518</b>	<b>0</b>

## Note 8 Taxes

Basis for income tax expense, changes in deferred tax and tax payable	2016	2015
Result before taxes	1 963	0
Permanent differences	0	0
Basis for the tax expense for the year	1 963	0
Change in temporary differences	0	0
<b>Basis for payable taxes in the income statement</b>	<b>1 963</b>	<b>0</b>
+/- Group contributions received/given	-1 963	0
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>0</b>	<b>0</b>

Components of the income tax expense	2016	2015
Payable tax on this year's result	491	-
<b>Total payable tax</b>	<b>491</b>	<b>-</b>
Change in deferred tax based on original tax rate	-	-
Change in deferred tax due to change in tax rate	-	-
<b>Tax expense</b>	<b>491</b>	<b>-</b>

Reconciliation of the tax expense	2016	2015
Result before taxes	1 963	0
Calculated tax	491	5
<b>Tax expense</b>	<b>491</b>	<b>5</b>
Difference	0	-

Payable taxes in the balance sheet	2016	2015
Payable tax in the tax charge	491	-
Tax effect of group contribution	-491	-
<b>Payable tax in the balance sheet</b>	<b>0</b>	<b>-</b>



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To the General Meeting of TeleComputing Topco AS

## Independent Auditor's Report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of TeleComputing Topco AS. The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2016, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2016, and income statement, statement of other comprehensive income, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

#### In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to § 3-9 of the Norwegian Accounting Act.

#### Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Statautoriserede revisorer - medlemmer av Den norske Revisorsforening

#### Offices in

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Aix	Geneva	Stellenbosch	Strasbourg
Arendal	Hong Kong	Sydney	Toronto
Bergen	Houston	Szabolcs	Tromsø
Bodo	Kaohsiung	Szombathely	Tyngdal
Drammen	Kristiansund	Stavanger	Ålesund



## Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Chief Executive Officer for the Financial Statements

The Board of Directors and the Chief Executive Officer (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the parent company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the group in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the parent company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

#### Report on Other Legal and Regulatory Requirements

##### Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

##### Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 7 April 2017  
KPMG AS

Lars Inge Pettersen  
State Authorised Public Accountant