



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

### Enheten

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

### Regnskapsår

Årsregnskapets periode: 01.01.2018 - 31.12.2018

### 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: IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Hilde Marie Breivik  
Dato for fastsettelse av årsregnskapet: 14.05.2019

### Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert  
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

*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	2018	2017
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Lønnskostnad	2	1 854 000	0
Annen driftskostnad	2	17 518 000	2 426 000
<b>Sum kostnader</b>		<b>19 372 000</b>	<b>2 426 000</b>
<b>Driftsresultat</b>		<b>-19 372 000</b>	<b>-2 426 000</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap og tilknyttet selskap	3, 8	18 064 000	192 295 000
Annen renteinntekt	8	10 000	13 000
Annen finansinntekt	3	0	4 030 000
<b>Sum finansinntekter</b>		<b>18 074 000</b>	<b>196 338 000</b>
Annen rentekostnad	3, 8	1 545 000	690 000
Annen finanskostnad	3	6 827 000	176 000
<b>Sum finanskostnader</b>		<b>8 372 000</b>	<b>866 000</b>
<b>Netto finans</b>		<b>9 702 000</b>	<b>195 472 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-9 670 000</b>	<b>193 046 000</b>
Skattekostnad på ordinært resultat			208 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-9 670 000</b>	<b>192 838 000</b>
<b>Årsresultat</b>		<b>-9 670 000</b>	<b>192 838 000</b>
<b>Overføringer og disponeringer</b>			
Overføringer til/fra annen egenkapital		-9 670 000	192 838 000
<b>Sum overføringer og disponeringer</b>		<b>-9 670 000</b>	<b>192 838 000</b>



## Balanse

Beløp i: NOK	Note	2018	2017
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4	664 070 000	535 202 000
<b>Sum finansielle anleggsmidler</b>		<b>664 070 000</b>	<b>535 202 000</b>
<b>Sum anleggsmidler</b>		<b>664 070 000</b>	<b>535 202 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer		125 000	209 000
Konsernfordringer		24 796 000	1 000
<b>Sum fordringer</b>		<b>24 921 000</b>	<b>210 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	5	172 365 000	206 719 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>172 365 000</b>	<b>206 719 000</b>
<b>Sum omløpsmidler</b>		<b>197 286 000</b>	<b>206 929 000</b>
<b>SUM EIENDELER</b>		<b>861 356 000</b>	<b>742 131 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	6	82 467 000	74 186 000
Beholdning av egne aksjer	6, 7	-1 551 000	-1 503 000
Overkurs	6, 7	574 562 000	454 126 000
<b>Sum innskutt egenkapital</b>		<b>655 478 000</b>	<b>526 809 000</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	7	185 806 000	194 311 000
<b>Sum opptjent egenkapital</b>		<b>185 806 000</b>	<b>194 311 000</b>
<b>Sum egenkapital</b>		<b>841 284 000</b>	<b>721 120 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	8	17 835 000	17 191 000
<b>Sum annen langsiktig gjeld</b>		<b>17 835 000</b>	<b>17 191 000</b>
<b>Sum langsiktig gjeld</b>		<b>17 835 000</b>	<b>17 191 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		782 000	1 045 000
Annen kortsiktig gjeld		1 456 000	2 775 000
<b>Sum kortsiktig gjeld</b>		<b>2 238 000</b>	<b>3 820 000</b>
<b>Sum gjeld</b>		<b>20 073 000</b>	<b>21 011 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>861 357 000</b>	<b>742 131 000</b>



## Konsernets resultatregnskap

Beløp i: NOK	Note	2018	2017
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		1 895 348 000	1 383 473 000
Annen driftsinntekt		3 035 000	42 794 000
<b>Sum inntekter</b>	13	<b>1 898 383 000</b>	<b>1 426 267 000</b>
<b>Kostnader</b>			
Varekostnad		724 255 000	466 524 000
Lønnskostnad	6	673 704 000	493 793 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	8 ,9, 10	236 740 000	137 975 000
Annen driftskostnad	6, 10	206 888 000	200 096 000
<b>Sum kostnader</b>		<b>1 841 587 000</b>	<b>1 298 388 000</b>
<b>Driftsresultat</b>		<b>56 796 000</b>	<b>127 879 000</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	7, 10	12 186 000	6 280 000
<b>Sum finansinntekter</b>		<b>12 186 000</b>	<b>6 280 000</b>
Financial expenses	7, 10	80 216 000	75 521 000
<b>Sum finanskostnader</b>		<b>80 216 000</b>	<b>75 521 000</b>
<b>Netto finans</b>		<b>-68 030 000</b>	<b>-69 241 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-11 234 000</b>	<b>58 638 000</b>
Skattekostnad på ordinært resultat	11	-3 609 000	1 185 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-7 625 000</b>	<b>57 453 000</b>
Profit (loss) from discontinued operations, net of tax		0	1 768 000
<b>Årsresultat</b>		<b>-7 625 000</b>	<b>59 221 000</b>
Translation effects foreign currency		-18 721 000	35 407 000
Reclassification of foreign currency differences on loss of control		0	6 935 000
Sum resultatkomponenter for IFRS-foretak		-18 721 000	42 342 000
<b>Totalresultat</b>		<b>-26 346 000</b>	<b>99 795 000</b>



## Konsernets resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
<b>Overføringer og disponeringer</b>			
Tilleggsutbytte			200 000 000
Profit for the period		-7 625 000	59 221 000
Other comprehensive income for the period		-18 721 000	42 341 000
Other		2 798 000	0
<b>Sum overføringer og disponeringer</b>		<b>-23 548 000</b>	<b>301 562 000</b>



## Konsernets balanse

Beløp i: NOK	Note	2018	2017
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Customer contracts	9	64 696 000	79 332 000
Customer relationships	9	370 212 000	256 316 000
Software / Licences	9	41 435 000	26 727 000
Trademarks	9	76 818 000	82 292 000
Technology	9	45 873 000	52 896 000
Asset under construction	9	3 405 000	0
Utsatt skattefordel	11	0	0
Goodwill	9	1 345 731 000	850 324 000
<b>Sum immaterielle eiendeler</b>		<b>1 948 170 000</b>	<b>1 347 887 000</b>
<b>Varige driftsmidler</b>			
IT equipment	8	190 487 000	167 011 000
Other equipment	8	4 067 000	2 145 000
Capitalized cost rented premises	8	1 357 000	1 017 000
<b>Sum varige driftsmidler</b>		<b>195 911 000</b>	<b>170 173 000</b>
<b>Finansielle anleggsmidler</b>			
Capitalized contract costs	13	21 976 000	3 010 000
<b>Sum finansielle anleggsmidler</b>		<b>21 976 000</b>	<b>3 010 000</b>
<b>Sum anleggsmidler</b>		<b>2 166 057 000</b>	<b>1 521 070 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer		7 411 000	911 000
<b>Sum varer</b>		<b>7 411 000</b>	<b>911 000</b>
<b>Fordringer</b>			
Kundefordringer	15, 17, 19	340 141 000	189 949 000
Andre fordringer	15	69 289 000	20 962 000
<b>Sum fordringer</b>		<b>409 430 000</b>	<b>210 911 000</b>



### Konsernets balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
<b>Investeringer</b>			
Capitalized leases / Right of use assets	10	253 241 000	2 032 000
Net Investment in lease	10	30 364 000	0
Financial derivative contracts	16, 19	282 000	84 000
Other financial assets		44 000	73 000
<b>Sum investeringer</b>		<b>283 931 000</b>	<b>2 189 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	5	256 674 000	311 178 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>256 674 000</b>	<b>311 178 000</b>
<b>Sum omløpsmidler</b>		<b>957 446 000</b>	<b>525 189 000</b>
<b>SUM EIENDELER</b>		<b>3 123 503 000</b>	<b>2 046 259 000</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Selskapskapital	14	82 467 000	74 186 000
Beholdning av egne aksjer	14	-1 551 000	-1 503 000
Overkurs	14	574 562 000	454 126 000
<b>Sum innskutt egenkapital</b>		<b>655 478 000</b>	<b>526 809 000</b>

##### Opptjent egenkapital

Annen egenkapital		34 917 000	57 300 000
<b>Sum opptjent egenkapital</b>		<b>34 917 000</b>	<b>57 300 000</b>

<b>Sum egenkapital</b>		<b>690 395 000</b>	<b>584 109 000</b>
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#### Gjeld

##### Langsiktig gjeld

Pensjonsforpliktelser		0	333 000
Utsatt skatt		139 867 000	120 595 000
<b>Sum avsetninger for forpliktelser</b>		<b>139 867 000</b>	<b>120 928 000</b>

##### Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	16, 19,	1 490 138 000	1 033 127 000
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## Konsernets balanse

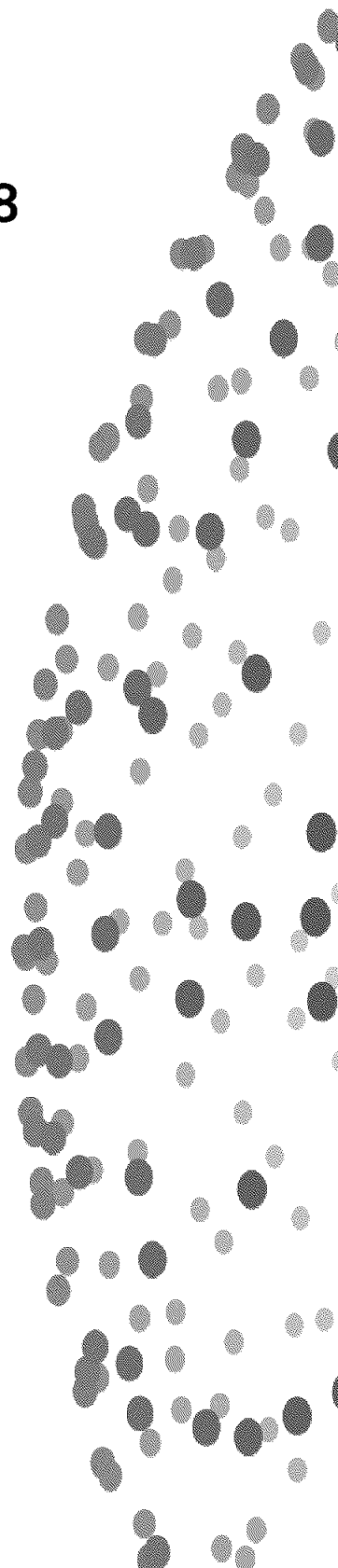
<b>Beløp i: NOK</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
	21		
Financial leasing	10, 16	290 671 000	2 032 000
<b>Sum annen langsiktig gjeld</b>		<b>1 780 809 000</b>	<b>1 035 159 000</b>
<b>Sum langsiktig gjeld</b>		<b>1 920 676 000</b>	<b>1 156 087 000</b>
<b>Kortsiktig gjeld</b>			
Current portion of interest-bearing debt	16, 21	31 250 000	28 000 000
Leverandørgjeld	18	160 487 000	84 746 000
Betalbar skatt	11	16 662 000	19 884 000
Skyldige offentlige avgifter	18	93 461 000	60 126 000
Annen kortsiktig gjeld	18	210 572 000	113 306 000
<b>Sum kortsiktig gjeld</b>		<b>512 432 000</b>	<b>306 062 000</b>
<b>Sum gjeld</b>		<b>2 433 108 000</b>	<b>1 462 149 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>3 123 503 000</b>	<b>2 046 258 000</b>



Visolit Topco Group  
ANNUAL REPORT 2018

**Visolit**

Every challenge **needs a partner.**





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## Highlights



Visolit has continued its positive trajectory in 2018 and concluded the year with growth in both revenue and EBITDA. During 2018 Visolit has completed a successful transformation program to create a fully invested scalable growth platform. The key areas of the transformation were organized around the following objectives:

- Transform, professionalise and enhance governance of organization
  - Strengthened management team with multiple senior hires
- Enhance sales
  - Strengthened sales and marketing organization
  - Enhanced service catalogue and delivery model
  - Increased advisory capabilities and verticalization
- Enhance core
  - Professionalised processes and workflow
  - Invested to improve service quality
  - Consolidated infrastructure operations
- Expand business through strategic M&A
  - Acquisition and integration of Digisys, g9x and Keystep in Norway and iBiz, Excanto and LanTeam in Sweden

The table below shows the Visolit Topco Group Accounts as well as the pro forma financial summary of Visolit Topco Group adjusted for costs related to transformation program, transactions, integrations, structural changes, as well as full-year effects of acquired companies.

<b>2018 Financial Summary</b> <b>NOK million</b>	<b>2018 Topco Group Cont'd</b> <b>operations</b>	<b>2018 Pro forma</b>
Revenue	1 898	2 418
Cost of goods sold	-724	-1 115
Payroll expenses	-674	-657
Other operating expenses	-207	-194
<b>EBITDA</b>	<b>294</b>	<b>452</b>

<b>2017 Financial Summary</b> <b>NOK million</b>	<b>2017 Topco Group Cont'd</b> <b>operations</b>	<b>2017 Pro forma</b>
Revenue	1 426	2 378
Cost of goods sold	-467	-1 096
Payroll expenses	-494	-645
Other operating expenses	-200	-200
<b>EBITDA</b>	<b>266</b>	<b>438</b>



**Visolit Topco Group**

**FINANCIAL STATEMENT**

**2018**



## DIRECTORS REPORT

### Visolit Topco AS

TeleComputing Topco AS changed name to Visolit Topco AS January 21<sup>st</sup> 2019 together with all its subsidiaries. Visolit Topco is the parent company of Visolit Group ("the Group"). The Group was established in 2016 when Visolit Topco via subsidiaries acquired all the shares in Visolit AS (formerly TeleComputing AS).

### The Market

The Hybrid Cloud managed services market is dynamic with changes among customers, technology, business models and competitors. The high degree of innovation creates a dynamic environment and offers opportunities for new services and customer relationships. Visolit has the necessary competencies and strengths to utilize the opportunities the current market trends offer.

The Group has a strong strategic foundation in the growing market for Hybrid Cloud managed services in the SME segment. The ongoing digitalization is driving the demand for the Group's services. Visolit is well positioned to benefit from this trend and have a positive market view for both 2019 and the future.

To take advantage of market opportunities, Visolit is driving its development of Hybrid Cloud managed services supported by an increasing focus on advisory capabilities as means for additional growth in its core business, Hybrid Cloud operations.

The Hybrid Cloud managed services market is characterized by a high number of small and mid-sized players and is currently undergoing a consolidation where Visolit Group is playing an active role as the dominant market player.

Visolit has strengthened its market position by both developing new services and capabilities internally, but also by carrying out several acquisitions during 2018.

To further strengthen the Group's advisory capabilities, iBiz and Digisys were acquired in Q1 2018. In Q3 2018 the Group made several

acquisitions: Excanto AB in Sweden adding scale as well as strengthening the presence within the Property Management vertical, 99X.no AS and Keystep AS in Norway to add scale, strengthening the Group's consulting offering as well as adding security advisory capabilities and LanTeam AB to add new products capabilities and service wraps as well as knowledge about the public sector.

In the beginning of 2019, the Group has completed the acquisition of IT Mästaren Mitt AB to further strengthen the position in Sweden by adding scale and extending the network of offices. Additional acquisition possibilities are identified and worked upon.

### Operations

The Group operates through the business units Visolit Norway and Visolit Sweden (formerly TeleComputing Norway and TeleComputing Sweden), both being market leaders in their respective SME markets.

Visolit provides Hybrid Cloud managed services for effective and centralized IT operations and transformation services based on Hybrid Cloud solutions with a high level of security, predictable costs and allowing users access to information regardless of time, place or type of user device.

The Group is providing services to a large number of customers, and operational incidents represent a risk to the business. However, routines and processes are in place to limit such risk.

### 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. In addition, the Group is putting considerable resources into service development to take advantage of the new opportunities market changes are creating.



## Financials

The business continued to make good progress as one of the leading players in the Hybrid Cloud managed services market in Norway and Sweden. Total revenue for the Group was NOK 1.898 million, operating profit was NOK 56.8 million with a net profit of NOK -7.6 million. Overall, the Group's underlying performance was strong in 2018 and the businesses shows good earnings from operations.

The 2018 annual accounts show revenue growth in both Norway and Sweden, maintaining margins in both countries in line with the 2017 Director's report's outlook.

The implementation of IFRS 16 has caused the fixed assets as well as liabilities to increase as future lease payments primarily related to data center and office rent is being capitalized as "Right of Use Assets" and the corresponding "Lease Obligations". For the Profit and Loss accounts this increases depreciation and interest charges and reduces primarily other operating expenses.

The Group has carried out a transformation improving both the operations of the business as well as strengthened the commercial powers of the organization by improving service offerings, increasing sales capacity and adding marketing skills. This transformation has driven cost primarily in 2018 to benefit future years' performance.

The transformation has been successful and Visolit has seen increasing customer satisfaction and sales particularly in second half of 2018 and into 2019. In addition to the transformation carried out, the high number of acquisitions are driving cost charged to the 2018 accounts.

All acquisitions carried out have been consolidated into the group accounts as of the month they were completed.

### Cash flow, balance sheet and liquidity

The Group achieved a positive cash flow from operations of NOK 176.0 million, an improvement of 25.8 million, net cash flow from investing activities was NOK -733.9 million. At year end, cash and cash equivalents was NOK 256.7 million, a total reduction

of NOK 54.5 million mostly due to investing in other companies to expand the business.

The Group still has a strong cash flow from operations, which is an important source of financing for both operational investment as well as acquisitions.

The equity of Visolit Topco Group was NOK 690.4 million corresponding to an equity ratio of 22.1% at year-end 2018.

### Visolit Topco – parent company

Visolit Topco had in 2018 an operating profit of NOK -19.4 million and net profit of NOK -9.7 million. As of 31 December 2018, equity amounted to NOK 841.3 million.

## Financial risk

### Currency risk

The Group has currency exposure primarily in NOK, SEK and USD. The Group is actively monitoring the currency risk.

The consolidated financial statements are presented in NOK. In converting the accounts of foreign subsidiaries, the Group's currency exposure relates primarily to SEK. Further, the carrying value of parts of the group accounts' intangible assets are stated 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 financial debt. The main parts of the Group's financing are based on floating rates. Separate fixed rate contracts (swap and CAP) have been entered into for parts of the debt to reduce the interest rate risk, and to be compliant with the Group's loan agreements. This requirement will end in 2019.

The Group's long-term financing is divided into NOK and SEK tranches to largely reflect the Group's exposure to the two currencies. The interest rates on the loans are 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 within these covenants and is expected to continue being so going forward. 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 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 counterparty risk before entering new agreements.

#### Liquidity risk

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

### Environment, Social and Governance (ESG)

#### 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 total for the Group was 3.9 % in 2018 compared to 3.8 % in 2017. For the operations in Norway it was 4.2 % in 2018 compared to 3.4 % in 2017. In Sweden, sick leave was 3.6 % in 2018 compared to 4.2 % in 2017. There was not any major injuries or accidents associated with the company's operations in 2018.

The Group has an ongoing focus on reducing sick leaves and Visolit Norway was in 2018 part of the cooperation with NAV regarding Inclusive Workplace ("IA"). The company has actively strived 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

leave. It also carried out a number of health-related initiatives among employees to limit sick leave.

#### Equal opportunities

Of the Group's 1029 employees, 520 works in Norway, 474 works in Sweden and 35 works in Sri Lanka (increased from 627 employees at year-end 2017 with 287 employees work in Norway and 340 in Sweden). The Group has a majority of male employees. In total, 881 men and 148 women are employed by the Group. At the end of the year, there was one female member of the corporate management out of six.

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

The Group is actively working towards increasing the share of female employees in order to improve the balance between the genders. Further, when external recruiters are used hiring new personnel, they are required to identify candidates of both genders.

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.

#### Corporate Governance

Visolit Topco AS has two share classes, Preference Shares and Common Shares. The Preference Shares have a preference for payments of any proceeds from the company through the reduction of share capital, dividend payments, liquidation or otherwise.

The Group puts emphasis on the principle of neutrality and independence in relation to different interest groups such as customers, suppliers, banks and other relationships.

The Board of Directors has three sub-committees; Audit and ESG Committee, Compensation Committee and Investment Committee.



The Board of Directors monitors development of the Group via monthly reports in addition to Board meetings.

## 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 due to lower energy consumption. The Group is also working on reducing travel to limit the environmental impact of our activities.

Internally, the company seeks to exploit organized recycling of waste, including paper. Via partners, we offer customers environmentally certified recycling of used IT equipment. Furthermore, we have a clear environmental strategy for all purchases and for our key data centers and offices. The Group is ISO 14001 environmentally certified and has during the year successfully decommissioned data centers to move services to more secure and energy efficient locations.

## 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 adjusted for M&A and transformation costs give a true and fair view of the profit and loss statement, cash flows and economic situation for the company and the Group, as well as a description of the most central risk- and uncertainty factors the company and the Group faces. No events have taken place after the balance sheet date, which significantly would affect the accounts.

## Outlook

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

The trend of Hybrid Cloud managed services has continued during 2018. Visolit has been in the front of the development of private cloud since 1997, back then called ASP, 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 commercial performance and thus contribute to strong profitability and growth in the Group.

Asker, 14 May 2019

The Board of Directors of Visolit Topco AS

**Dag Mejdell**  
Chairman of the Board

**Alireza Etemad**  
Board member

**Johan Lindqvist**  
Vice Chairman of the Board

**Eva Maria Harström**  
Board member

**Thomas Astrup Klitbo**  
Board member

**Terje Vjos**  
CEO



## Visolit Topco Group CONSOLIDATED STATEMENT OF INCOME

(Amounts in NOK 1000)

	Note	2018	2017
Continuing operations			
<b>Operating revenue</b>		1 895 348	1 383 473
<b>Other revenue</b>		3 035	42 794
<b>Total operating revenue</b>	13	<b>1 898 383</b>	<b>1 426 267</b>
<b>Operating expenses</b>			
Cost of goods sold		724 255	466 524
Payroll expenses	6	673 704	493 793
Other operating expenses	6, 10	206 889	200 096
Depreciation and amortization	8, 9, 10	236 740	137 975
<b>Total operating expenses</b>		<b>1 841 587</b>	<b>1 298 388</b>
<b>Operating profit</b>		<b>56 796</b>	<b>127 879</b>
<b>Financial items</b>			
Financial income	7, 10	12 186	6 280
Financial expenses	7, 10	80 217	75 521
<b>Net financial income (-cost)</b>		<b>-68 030</b>	<b>-69 241</b>
<b>Profit before income tax</b>		<b>-11 234</b>	<b>58 637</b>
Income tax expense	11	-3 610	1 185
<b>Profit from continuing operations</b>	12	<b>-7 625</b>	<b>57 453</b>
Discontinued operation			
Profit (loss) from discontinued operations, net of tax	22	-	1 769
<b>Profit for the period</b>		<b>-7 625</b>	<b>59 221</b>
Other comprehensive income			
<b>Items that are or may be reclassified subsequently to profit and loss</b>			
Translation effects foreign currency		-18 721	35 407
Reclassification of foreign currency differences on loss of control		-	6 935
<b>Other comprehensive income for the period, net of tax</b>		<b>-18 721</b>	<b>42 341</b>
<b>Total comprehensive income for the period</b>		<b>-26 346</b>	<b>101 563</b>



## Visolit Topco Group CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK 1000)

ASSETS	Note	2018	2017
Deferred tax assets	11	-	-
Goodwill	9	1 345 731	850 323
<b>Intangible assets</b>			
Customer Contracts	9	64 696	79 332
Customer Relationship	9	370 212	256 316
Software & licences	9	41 435	26 727
Trademarks	9	76 818	82 292
Technology	9	45 873	52 896
Asset under Construction	9	3 405	-
<b>Total intangible assets</b>		<b>602 439</b>	<b>497 564</b>
<b>Property, plant and equipment</b>			
IT equipment	8	190 487	167 011
Other equipment	8	4 067	2 145
Capitalized cost rented premises	8	1 357	1 016
<b>Total property, plant and equipment</b>		<b>195 911</b>	<b>170 173</b>
Capitalized contract costs	13	21 976	3 010
Capitalized leases / Right of Use Assets	10	253 241	2 032
Net investment in lease	10	30 364	-
Financial derivative contracts	16, 19	282	84
Other financial assets		44	73
<b>Total financial assets</b>		<b>30 690</b>	<b>157</b>
<b>TOTAL NON CURRENT ASSETS</b>		<b>2 449 987</b>	<b>1 523 259</b>
Inventory		7 411	911
<b>Receivables</b>			
Trade receivables	15, 17, 19	340 141	189 949
Other short-term receivables	15	69 290	20 962
<b>Total receivables</b>		<b>409 431</b>	<b>210 911</b>
Cash and cash equivalents	5	256 674	311 178
<b>TOTAL CURRENT ASSETS</b>		<b>673 516</b>	<b>523 000</b>
<b>TOTAL ASSETS</b>		<b>3 123 503</b>	<b>2 046 259</b>



Visolit Topco Group  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in NOK 1000)

EQUITY AND LIABILITIES	Note	2018	2017
<b>Equity</b>			
Share capital	14	82 467	74 186
Own shares	14	-1 551	-1 503
Share premium	14	574 562	454 126
<b>Total paid-in equity</b>		<b>655 478</b>	<b>526 809</b>
Other equity		34 917	57 300
<b>Total retained earnings</b>		<b>34 917</b>	<b>57 300</b>
<b>TOTAL EQUITY</b>		<b>690 395</b>	<b>584 109</b>
<b>Provisions</b>			
Pension liabilities		-	333
Deferred tax	11	139 867	120 595
<b>Total provisions</b>		<b>139 867</b>	<b>120 929</b>
<b>Other non-current liabilities</b>			
Interest-bearing debt	16, 19, 21	1 490 138	1 033 127
Financial leasing	10, 16	290 671	2 032
<b>Total other non-current liabilities</b>		<b>1 780 809</b>	<b>1 035 159</b>
<b>Current liabilities</b>			
Current portion of interest-bearing debt	16, 21	31 250	28 000
Trade payable	18	160 487	84 746
Tax payable	11	16 662	19 884
Public duties payable	18	93 461	60 126
Other short-term liabilities	18	210 572	113 305
<b>Total current liabilities</b>		<b>512 432</b>	<b>306 062</b>
<b>TOTAL LIABILITIES</b>		<b>2 433 109</b>	<b>1 462 150</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3 123 503</b>	<b>2 046 259</b>



Asker, 14 May 2019  
The Board of Directors of Visolit Topco AS

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CEO



## Visolit Topco Group CONSOLIDATED STATEMENT OF CASH FLOW

(Amounts in NOK 1000)

		2018	2017
<b>Cash flow from operating activities</b>			
Profit before interest and income taxes	7	65 084	108 600
<i>Adjustments for:</i>			
Depreciation	8	168 831	84 178
Amortization	9	67 908	53 798
Capitalized contract costs	13	-18 675	-
<i>Adjustments for discontinued operations:</i>			
Profit before interest and income taxes		-	-2 617
Depreciation and amortization		-	5 732
Gain on sale of discontinued operations	22	-	-30 782
Gain on sale of other operations		-	-9 805
<i>Changes in:</i>			
- net working capital		41 499	2 551
- adj. for non-cash working capital		8 190	-
<b>Cash generated from operating activities</b>		<b>332 837</b>	<b>211 655</b>
Taxes paid in the period		-40 343	-14 640
Interest paid in the period		-76 318	-46 845
<b>Net cash flows from operating activities</b>		<b>216 176</b>	<b>150 169</b>
<b>Cash flows from investment activities</b>			
Proceeds from sale of property, plant and equipment		-	535
Proceeds from sale of shares and investments in other companies	4	50	10 437
Net effect of cash and cash effects from sale of shares in other companies		-	-9 417
Disposal of discontinued operation, net of cash and cash effects disposed of	22	-	360 341
Acquisition of subsidiary, net of cash acquired		-519 821	-85 199
Acquisition of property, plant and equipment	8	-122 563	-114 813
<b>Net cash flows from investment activity</b>		<b>-642 334</b>	<b>161 884</b>
<b>Cash flows from financing activities</b>			
Proceeds from non-current liabilities	16	492 306	70 000
Proceeds from issuance of equity		-	15 509
Sale of own shares		1 705	-
Acquisition of own shares		-3 570	-
Repayment of borrowings	16	-32 348	-29 101
Transaction costs related to loans and borrowings	16	864	-1 253
Dividends paid		-	-200 000
Other changes		-197	1 149
Repayment of leasing	10	-69 598	-4 200
<b>Net cash flows from financing activities</b>		<b>389 161</b>	<b>-147 896</b>
<b>Exchange gains/(losses) on cash and cash equivalents</b>		<b>-17 508</b>	<b>25 441</b>
<b>Net change in cash and cash equivalents</b>		<b>-54 505</b>	<b>189 598</b>
Cash and cash equivalents at the start of period		311 178	121 580
<b>Cash and cash equivalents at the end of the period</b>		<b>256 673</b>	<b>311 178</b>



## Visolit Topco Group STATEMENT OF CHANGES IN EQUITY

(Amounts in NOK 1000)

	Share capital	Share premium reserve	Translation reserve	Retained earnings	Total
At 1 January 2017	72 806	655 257	-52 290	8 027	683 801
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	59 221	59 221
Other comprehensive income for the period	-	-	42 341	-	42 341
<b>Total comprehensive income for the period</b>	<b>72 806</b>	<b>655 257</b>	<b>-9 948</b>	<b>67 248</b>	<b>785 363</b>
<b>Transactions with the owner of the Company</b>					
Issue of ordinary shares related to business combinations	1 380	14 129	-	-	15 508
Dividends	-	-204 130	-	-	-204 130
Bought own shares	-1 503	-11 130	-	-	-12 633
<b>Total contribution and distributions</b>	<b>-123</b>	<b>-201 131</b>	<b>-</b>	<b>-</b>	<b>-201 254</b>
<b>Balance at 31 December 2017</b>	<b>72 683</b>	<b>454 126</b>	<b>-9 948</b>	<b>67 248</b>	<b>584 109</b>
At 1 January 2018	72 683	454 126	-9 948	67 248	584 109
<b>Total comprehensive income for the period</b>					
Profit for the period	-	-	-	-7 625	-7 625
Other comprehensive income for the period	-	-	-18 721	-	-18 721
Other	-	-	-	2 798	2 798
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-18 721</b>	<b>-4 827</b>	<b>-23 548</b>
<b>Transactions with the owner of the Company</b>					
Issue of ordinary shares related to business combinations	8 281	123 418	-	-	131 699
Sold own shares	30	510	-	1 165	1 705
Bought own shares	-79	-3 492	-	-	-3 570
<b>Total contribution and distributions</b>	<b>8 232</b>	<b>120 436</b>	<b>-</b>	<b>1 165</b>	<b>129 834</b>
<b>Balance at 31 December 2018</b>	<b>80 916</b>	<b>574 562</b>	<b>-28 670</b>	<b>63 586</b>	<b>690 395</b>



## Notes



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## NOTES

### Note 1 – General information

Visolit Topco AS (formerly known as TeleComputing Topco AS) is domiciled in Norway. The Company's registered office is at Drengsrudbekken 12, Asker, Norway. In January 2019 TeleComputing Topco Group changed name to Visolit Topco Group after a numerous of acquisitions from 2016-2018 that made the Group the leading company in the Nordic region. Following the expansion of the company with important new skills and more resources, as well as an enhanced portfolio, changing name was a natural next step. These consolidated financial statements comprise of the company and its subsidiaries (together referred to as the 'Group'). The Group is primarily providing flexible and scalable Hybrid Cloud solutions to small and medium-sized businesses in Norway and Sweden.

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as approved by the European Union, their interpretations adopted by the International Accounting Standards Board (IASB) and the additional requirements of the Norwegian Accounting Act as of 31 December 2018. They were approved by the Board of Directors on 15 May 2019.

These consolidated financial statements are presented in Norwegian kroner, which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise indicated.

In the following, "Group" is used to describe information related to the Visolit 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, except for certain assets, liabilities and financial instruments which are measured at fair value.

#### Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 20 – consolidation: whether the Group has control and recognises the subsidiary or loses control and derecognizes the subsidiary.

Areas which to a great extent contain assessments and estimation uncertainties, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes as follows:

Note 9 – impairment test: key assumptions underlying recoverable amounts, including annual impairment tests.



Note 11 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

Note 20 – acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed.

## Consolidation principles

Subsidiaries are all entities controlled by the Group. 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. When the group loses control over a subsidiary it derecognizes all assets and liabilities and Non-Controlling Interest (“NCI”) in the subsidiary, including any components of Other Comprehensive Income (“OCI”) attributable to them. Profit or loss is recognised as other income. This includes any OCI directly attributable to the subsidiary.

A subsidiary is classified as a discontinued operation if the operation and cash flows can be clearly distinguished from the rest of the group, and it represents a separate major line of business or a geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to re-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is represented as if the operation had been discontinued from the start of the comparative year.

The acquisition method of accounting is used for acquisitions. The cost of an acquisition is measured as the fair value of the identified assets and liabilities assumed. The cost also includes the fair value of contingent liabilities taken over by

agreement. Identifiable assets, debt and contingent liabilities are accounted for at fair value on the date of Acquisition.

Costs related to acquisitions are charged as they arise.

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

## Management reporting

For management purposes, the Group is organized into two business areas by product/service. Business areas form the basis for the management reporting. Reporting by business areas 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 management reporting sales between the various business areas 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 goodwill allocated to the foreign operations is converted to reporting currency at exchange rates 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 and bank deposits.

## Financial derivatives

The Group uses financial derivative instruments to hedge its exposure to interest rate risk. No hedge accounting has been applied in 2018 or 2017. Derivatives are recognized initially at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in the profit and loss.

## IFRS 15 Revenue from Contracts with Customers

IFRS 15 established new principles for recognition, measurement, presentation and disclosure of revenue. The new standard requires all entities to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduces a new five-step model in this regard. When reviewing the Group's revenue streams, no bundled products or services, bonuses or discount arrangements which would lead to changes according to IFRS 15 have been identified.

IFRS 15 was effective for annual periods beginning on or after 1 January 2018. The Group has chosen to implement the standard using a modified retrospective method that does not involve conversion of comparative figures, and the standard has not lead to any implementation effects on the figures as of 1st of January 2018.

## Sale of Goods and licenses

Revenue from sales of managed products are recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually upon delivery. Hardware sales are separate performance obligations and should be recognised at the point in time at which control of the good is transferred to the customer. The customer will obtain control of the goods sold at the time of delivery. This is consistent with current accounting principles for Visolit Group.

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.

## IT Services

### Hybrid Cloud Contracts

This service includes among others infrastructure and platform services. There are two activities in these contracts: an transformation phase and the actual operation.

The transformation does not transfer any goods or services to the customer. According to IFRS 15, costs incurred to fulfil the contract during the transformation phase will be capitalized and amortized over the contract term if they meet the criteria in the standard. Set up fees paid up front by the customers will be recognized as a contract liability until services are delivered.

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that would not have incurred if the contract had not been obtained (for example sales commission). Sales employees might receive contract bonuses. These costs are directly attributable to obtaining the contract and will be recognised as an asset and amortized over the contract term if they meet the criteria in the standard.

For the operation phase, the rendering of services in a contract are assessed to meet the series guidance and accounted for as a single performance obligation for which revenue is recognized over time in accordance with IFRS 15. As there is a right to bill the customer for services delivered each month, which corresponds directly with the value to the customer for the performance completed to date, the practical expedient in B16 is used when measuring progress and revenue is recognized in the amount to which the entity has a right to invoice. This is consistent with the current revenue recognition principle for the Group, hence no changes in the revenue recognition principles.

## Digital transformation and Consulting

For smaller consulting projects, for instance changes



to customers' IT set-up, the goods and services are transferred to the customers control when carried out and recognised at that time.

Where there are larger projects where the customer receives the benefit provided by the Group over time, the revenues are recognised over time. These projects are recognised using the percentage of completion method based on hours incurred. When the project's outcome cannot be reliably estimated, only income corresponding to incurred 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.

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.

#### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as non-current 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 balance sheet date. Similar criteria apply to liabilities.

#### Accounts receivable

Accounts receivable are generated from trading of services and sale of goods 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. The additional provision is calculated for past due accounts receivables and it is based on historical 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 individually written down. The amount of the provision is recognised in the income statement under other operating expenses.

#### Borrowing costs

Borrowing costs attributable to an acquisition, construction or production of a qualifying asset is recognized as part of the acquisition cost of the asset. Other borrowing costs are expensed.

#### Intangible assets

Goodwill has an indefinite economic life and are subject to annual impairment tests. Impairment tests are performed more frequently if indications of impairment exist. The test is performed on the lowest level at which independent cash flows can be identified, referred to as a cash generating unit (CGU).

Amortized licenses are tested for impairment only if there are indications that future earnings do not recover the asset's balance sheet value.

R&D expenses are capitalized only if the expenditure can be measured reliably, the product or process are technically and commercially plausible and a future economic benefit relating to the development is probable. 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 contracts, - relations, trademarks, technology and computer software & licenses are capitalized at fair value at the date of acquisition and amortized over their estimated useful lives. Amortization is calculated using the straight-line method.

Capitalized contract costs are recognized when the transformation project is finished. The amortization is included in other operating expenses. It's calculated over the life of the corresponding customer contract using the straight-line method.

#### Property, plant and equipment

Property, plant and equipment 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.

Property, plant and equipment are stated at purchase cost, less accumulated depreciation and accumulated impairment losses. When assets are sold or disposed of, 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 property, plant and equipment 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 property, plant and equipment and for all intangible assets except for goodwill, and are charged as an expense in the income statement. The estimated useful life equals the expected life of the assets. 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 only carried out if there is any indication of the carrying amount of an asset exceeds the recoverable amount. Typical indication factors are obsolescence or physical damage, significant changes in the extent or manner in which the asset is used that have an adverse effect on the entity, plans to dispose of an asset before the previously expected

date of disposal, performance of the asset worse than expected, declines in market values, increasing market interest rates, adverse effects in the technological, market or legal environment or cash flow and operating profits are lower than expected. The test is performed on each asset. If the carrying amount is higher than the recoverable amount, the carrying amount of the asset is reduced to its recoverable amount. The reduction is an impairment loss which is recognized in profit or loss.

#### 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

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 write-down 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.

## Provisions

Provisions are recognised when Visolit has a present obligation (legal or constructive) as a result of a past event, it is probable (more likely than not) that Visolit will be required to settle the obligation, and a reliable estimate can be made of the amount. The provision is measured as the present value of the cash flows

estimated to settle the obligation taking into account the risks and uncertainties.

## 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 an outflow of resources of economic benefits 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 inflow of economic benefits to the Group is probable.

## Pensions

The pension obligations of Visolit Topco Group are based on a defined contribution based scheme 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.

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 and bank deposits.

Changes in accounting principles, 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 to implement IFRS 16 Leasing early from 1<sup>st</sup> of January 2018. For further assessment on the other new standards and changes phase, see note 23.

#### IFRS 16 Leases

Visolit Group has decided to implement IFRS 16 Leases from the financial year 2018. The standard takes mandatory effect on 1<sup>st</sup> of January 2019.

IFRS 16 is adopted by the IASB and replaces IAS 17 Leases. IFRS 16 states the same principles for recognition, measurement, presentation and disclosure of both operational and financial leases. The main rule of the new standard is that the lessee must recognize the lease liability and the associated "right-of-use asset" for the use of the underlying asset over the lease term. All leases that transfer the right to control the use of an identifiable asset, where the lessee decides the use and receives the financial benefit are recognized. There will no longer be a distinction between financial and operating leases for the lessee.

Calculating the effects from the implementation, the Group used a modified retrospective approach without recalculation of comparative figures. The

implementation effect is taken against the opening balance on 1<sup>st</sup> of January 2018, by recognizing the value of the right-of-use asset equal to the equivalent value of the lease obligations. For leases classified as financial leases in accordance with IAS 17, the Group has continued using the carrying amount on the lease liability and "right-of-use assets".

The largest impact for Visolit Group is a result of rental of office space, data centers and IT equipment. The lease liability is measured as present value of future fixed lease payments. Payments that depend on an index or a rate is based on the circumstances at the recognition date. When calculating the implementation effect for leases that existed on 1<sup>st</sup> of January 2018, the discount rate is determined using a marginal borrowing rate for the Group adjusted for country differences, and the "right-of-use asset" and duration as of 01.01.2018. For lease agreements entered after the time of implementation, the discount rate equivalent to the interest rate in the lease agreement is used, if present. Alternatively, the marginal borrowing rate will be used - following the same rules as at implementation.

The Group has chosen to apply the exemption rule for leases which the underlying asset is of low value, but not for short-term leases up to twelve months durations. For contracts that also include other products or service deliveries, the Group has chosen to include all the that is reasonable. Other "non-lease components" that is not accepted to recognize as part of a lease liability is expensed as operating expenses separately from the lease component.

In determining the lease period, the regular lease period is adjusted for extension options and termination rights, which with reasonable certainty is assessed that the Group will exercise.

When determining the lease period for the individual contract, the Group must continuously assess whether there are extension options and termination rights that must be taken into account when determining the lease term. These assessments involve a great deal of discretion as



extension options and termination rights that it is reasonably certain that the group will use will be included.

The Right-of-use assets are assessed for impairments in accordance with IAS 36 with specific judgement on how the corresponding liability is to be handled.

Implementation of the standard has resulted in a significantly increased value of both total assets and liabilities. See more detailed information in note 10 in the accounts.

## 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 licenses 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

Visolit Topco Group (formerly known as Telecomputing Topco Group) consisted of the following entities in 2018

Company	Acquisition date	Derecognition date	Registered office	Ownership	Voting share
Visolit Finco AS <sup>(1)</sup>	mar.16		Asker	100 %	100 %
Visolit AS <sup>(2)</sup>	mar.16		Asker	100 %	100 %
Visolit Norway AS <sup>(3)</sup>	mar.16		Asker	100 %	100 %
TeleComputing Inc <sup>(3)</sup>	mar.16		Houston	100 %	100 %
Visolit Sweden AB <sup>(3)</sup>	mar.16		Stockholm	100 %	100 %
Doorway AS <sup>(8)</sup>	jul.17		Arendal	100 %	100 %
Intelligent Business Solution i Norden AB <sup>(4)</sup>	feb.18		Stockholm	100 %	100 %
Intelligent Business Solution i Norge AS <sup>(5)</sup>	feb.18		Oslo	100 %	100 %
Visolit Norway 12 AS (former Digisys AS) <sup>(3)</sup>	mar.18		Oslo	100 %	100 %
Digisys Drift24 AS <sup>(6)</sup>	mar.18		Skedsmo	100 %	100 %
Visolit Sweden 82 AB (former Excanto AB) <sup>(4)</sup>	jul.18		Stockholm	100 %	100 %
Visolit Sweden 91 AB (former LanTeam Consulting AB) <sup>(4)</sup>	aug.18		Gothenburg	100 %	100 %
Visolit Norway 16 AS (former Keystep AS) <sup>(3)</sup>	aug.18		Skullerud	100 %	100 %
Visolit Norway 16 AS (former Keystep AB) <sup>(9)</sup>	aug.18	des.18	Stockholm	100 %	100 %
Visolit Norway 79 AS (former 99x.no AS) <sup>(3)</sup>	aug.18		Oslo	100 %	100 %
99x Services Ltd <sup>(7)</sup>	aug.18		Sri Lanka	100 %	100 %

(1) Owned by Visolit Topco AS

(2) Owned by Visolit Finco AS

(3) Owned by Visolit AS

(4) Owned by Visolit Sweden AB

(5) Owned by Intelligent Business Solution i Norden AB

(6) Owned by Visolit Norway 12 AS

(7) Owned by Visolit 79 AS

(8) Formerly owned by Visolit AS, merged with Visolit Norway AS in 2018

(9) Formerly owned by Visolit Norway 16 AS

### Changes in the group in 2018

Doorway AS was merged with Visolit Norway AS the 1st of January 2018

### The following entities have been acquired during 2018 in Norway:

March:

Visolit AS acquired all shares in Digisys AS in March 2018. Digisys owns 100% of the shares in Digisys Drift24 AS

August:

Visolit AS acquired all shares in Keystep AS

Visolit AS acquired all shares in 99x.no AS. 99x.no owns 100% of the shares in 99x Services Ltd stationed in Sri Lanka

### The following entities have been acquired during 2018 in Sweden:

February:

Visolit Sweden AB acquired all shares in Intelligent Business Solution i Norden AB (iBiz). iBiz owns 100% of the shares in Intelligent Business Solution i Norge AS

July:

Visolit Sweden AB acquired all shares in Excanto AB.

August:

Visolit Sweden AB acquired all shares in LanTeam Consulting AB.

December:

Keystep AB was closed down.

Further information about the Group's acquisitions is included in note 20 Business combinations



## Note 5 Cash and cash equivalents

<b>Cash and cash equivalents</b>	<b>2018</b>	<b>2017</b>
Restricted deposits related to employees' tax deduction	5 666	-
Other cash and bank deposits	251 007	311 178
<b>Total</b>	<b>256 674</b>	<b>311 178</b>

### Cash pool agreement

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

### Employees' tax deduction

Visoitt Norway AS has guarantees of NOK 18 million for the payment of employees' tax.

## Note 6 Payroll, fees, number of employees etc.

<b>Payroll expenses</b>	<b>2018</b>	<b>2017</b>
Salaries/wages	484 255	364 912
Social security fees	114 365	85 484
Pension expenses	39 850	25 699
Other remuneration	35 233	17 697
<b>Total</b>	<b>673 704</b>	<b>493 793</b>

<b>Average number of employees</b>	<b>2018</b>	<b>2017</b>
Norway	561	365
Sweden	475	338
<b>Total</b>	<b>1 036</b>	<b>703</b>

### 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 4.5-30 % of the salary.

<b>Remuneration to executives</b>	<b>CEO</b>	<b>Board</b>
Salaries/board fee	3 038	1 800
Bonus	2 588	-
Pension expenses	53	-
Other remuneration	281	-
<b>Total</b>	<b>5 960</b>	<b>1 800</b>

### Remuneration of the senior management

The Board of Directors has established a separate Compensation Committee managing guidelines on salary and other remuneration to key management personnel. The Compensation Committee reports to the Board of Directors, and is authorized to be the deciding body on senior management other than the Chief Executive Officer. For the Chief Executive Officer, the Compensation Committee recommends to the Board of Directors who in turn is the deciding body.

The compensation scheme for the Group's senior management is based on a fixed salary and performance related bonus. As a guiding principle the financial interests of the senior management and the shareholders are aligned, and the Board of Directors aims to ensure that performance-related remuneration of the senior management is linked to value creation for shareholders and the Group's earnings performance over time. Furthermore, the Board of Directors aims to ensure that such arrangements are based on quantifiable factors which the employee in question can influence.

The base salary is the key element of the senior managers' remuneration. Additional and variable remuneration elements are, at time of grant, subject to determination of specific maximum amounts depending on position.

The Company has established a bonus scheme for senior management. This scheme is reviewed at least annually. Bonus schemes are tied to achievement of operational and financial goals for the Group laid down by the Board of Directors. The Chief Executive Officer assumed the position on April 3, 2017 and received his first bonus payment in 2018.

Senior managers participate in the Group's ordinary pension scheme. The Company compensates the senior management for health and life insurance plans in line with standard conditions for employees and in accordance with Norwegian and Swedish law.



Senior managers are given the benefits in kind that are common market practice, i.e., telephone expenses, a laptop, free broadband connection and use, newspapers and car allowance.

No loans are granted, nor any security provided for members of the senior management team, the board of directors, employees or other persons in elected corporate bodies.

The Chief Executive Officer is exempt from the rules regarding termination of employment in the Employment Act, including chapter 15, see section 15-16 subsection 2. The Chief Executive Officer's notice period is six months. If the employment is terminated by the Board of Directors, the Chief Executive Officer is entitled to 12 months of severance pay after expiry of the termination period. The severance pay shall not form the basis for holiday pay or pension benefits. The severance pay requires the Chief Executive Officer is not in breach with the employment contract. The Chief Executive Officer is entitled to 30 working days of holiday per calendar year.

The Chief Executive Officer has entered a non-compete agreement for the duration of his employment by the Group and thereafter for a period of 12 months commencing on the date upon which the employment ceases. Further, the Chief Executive Officer has entered a non-solicitation agreement for a period of 12 months commencing on the date upon which the employment ceases.

<b>Expensed audit fee</b>	<b>2018</b>	<b>2017</b>
Statutory audit	2 158	1 360
Other assurance services	422	684
Tax advisory fee	99	27
Other assistance	1 728	864
<b>Total</b>	<b>4 407</b>	<b>2 935</b>

## Note 7 Financial items

<b>Financial income</b>	<b>2018</b>	<b>2017</b>
Other interest income	3 899	6 280
Net change in fair value of derivatives	-	-
Net foreign exchange gain	8 192	-
Other financial income	96	-
<b>Total financial income</b>	<b>12 186</b>	<b>6 280</b>

<b>Financial expenses</b>	<b>2018</b>	<b>2017</b>
Interest expense on bank borrowings and leasing	80 217	56 242
Net foreign exchange loss	-	18 898
Other financial expenses	-	381
<b>Total financial expenses</b>	<b>80 217</b>	<b>75 521</b>



## Note 8 Property, plant and equipment

Fixed assets	IT equipment	Other equipment	Capitalized cost rented premises	Total
<b>Purchase cost 31 December 2016</b>	<b>207 256</b>	<b>4 918</b>	<b>1 340</b>	<b>213 514</b>
Acquisitions through business combinations (Doorway)	6 063	1 055	899	8 016
Additions continued operations	90 942	928	-	91 870
Additions discontinued operations	1 083	0	-	1 083
Disposals	-5 240	-1 406	-	-6 646
<b>Purchase cost 31 December 2017</b>	<b>300 103</b>	<b>5 495</b>	<b>2 238</b>	<b>307 836</b>
Acquisitions through business combinations iBiz AB	-	-	-	-
Acquisitions through business combinations Excanto AB	4 376	2 393	-	6 769
Acquisitions through business combinations Keystep AS	15 803	1 325	1 110	18 238
Acquisitions through business combinations 99X.no AS	4 944	1 267	324	6 535
Acquisitions through business combinations LanTeam AB	-	3 285	-	3 285
Acquisitions through business combinations Digisys AS	-	265	-	265
Additions continued operations	91 454	1 635	-	93 089
Disposals	3 088	-3 109	-	-22
<b>Purchase cost 31 December 2018</b>	<b>419 768</b>	<b>12 555</b>	<b>3 672</b>	<b>435 996</b>
Ingoing balance accumulated depreciation 2017	64 883	1 540	485	66 907
Depreciation	66 683	1 989	735	69 408
Impairment loss	-	-	-	-
Disposals	-	-	-	-
<b>Accumulated depreciation 31 December 2017</b>	<b>131 566</b>	<b>3 529</b>	<b>1 220</b>	<b>136 315</b>
Ingoing balance acc.depr. through business combinations	17 901	5 343	-	23 244
Depreciation	73 774	1 930	1 091	76 796
Impairment loss	-	-	-	-
Disposals	2 122	-2 215	-	-94
<b>Accumulated depreciation 31 December 2018</b>	<b>225 363</b>	<b>8 587</b>	<b>2 311</b>	<b>236 261</b>
Translation differences 31 December 2017	-1 526	179	-2	-1 349
Translation differences 31 December 2018	-2 391	-81	-2	-2 474
<b>Carrying amount 31 December 2017</b>	<b>167 011</b>	<b>2 145</b>	<b>1 017</b>	<b>170 173</b>
<b>Carrying amount 31 December 2018</b>	<b>190 488</b>	<b>4 067</b>	<b>1 357</b>	<b>195 911</b>
Expected useful life	3-5 years	3-7 years	3-5 years	
Depreciation plan	Straight line	Straight line	Straight line	

Additional depreciation of total NOK 77.6 million is due to financial leasing, see note 10 for further information.



## Note 9 Intangible assets

	Goodwill	Customer Contracts	Customer Relationship	Software & licences	Trademarks	Technology	Asset under construction	Sum
Purchase cost ingoing balance 2017	1 093 093	130 135	294 346	20 374	120 566	65 288	-	1 723 801
Acquisitions through business combinations Doorway	50 495	-	36 920	1 481	-	-	-	88 896
Additions	-	-	-	22 943	-	-	-	22 943
Disposals	-275 882	-	-39 927	-7 560	-28 049	-	-	-351 419
<b>Purchase cost 31 December 2017</b>	<b>867 705</b>	<b>130 135</b>	<b>291 339</b>	<b>37 238</b>	<b>92 518</b>	<b>65 288</b>	<b>-</b>	<b>1 484 222</b>
Acquisitions through business combinations iBiz AB	52 168	-	19 721	-	-	-	-	71 889
Acquisitions through business combinations Digisys AS	26 871	-	10 700	-	-	-	-	37 571
Acquisitions through business combinations Excanto AB	107 669	13 558	27 206	2 091	-	-	-	150 523
Acquisitions through business combinations Keystep AS	96 346	-	12 800	454	-	-	-	109 600
Acquisitions through business combinations 99X.no AS	135 800	-	22 800	4 632	-	-	-	163 232
Acquisitions through business combinations LanTeam AB	71 065	-	49 078	1 157	-	-	-	121 300
Additions	4 211	-	-	26 069	-	-	3 405	33 685
Disposals	-	-	-	-7 043	-	-	-	-7 043
<b>Purchase cost 31 December 2018</b>	<b>1 361 835</b>	<b>143 692</b>	<b>433 643</b>	<b>64 599</b>	<b>92 518</b>	<b>65 288</b>	<b>3 405</b>	<b>2 164 980</b>
Ingoing balance accumulated depreciation 2017	-	21 689	17 730	4 786	4 777	5 247	-	54 230
Amortization	-	25 142	17 731	7 972	4 471	6 395	-	61 711
Amortization from discontinued operations	-	-	3 737	-	919	-	-	4 656
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-8 467	-2 297	-2 082	-	-	-12 846
<b>Accumulated depreciation 31 December 2017</b>	<b>-</b>	<b>46 831</b>	<b>30 731</b>	<b>10 461</b>	<b>8 085</b>	<b>11 642</b>	<b>-</b>	<b>107 750</b>
Ingoing balance acc.depr. through business combinations	-	-	-	5 193	-	-	-	5 193
Amortization	-	27 541	29 309	14 784	4 412	6 314	-	82 359
Impairment loss	-	-	-	-	-	-	-	-
Disposals	-	-	-	-7 043	-	-	-	-7 043
<b>Accumulated depreciation 31 December 2018</b>	<b>-</b>	<b>74 372</b>	<b>60 040</b>	<b>23 395</b>	<b>12 497</b>	<b>17 956</b>	<b>-</b>	<b>188 260</b>
Acc.Translation differences 31 December 2017	-17 382	-3 971	-4 292	-50	-2 141	-749	-	-28 585
Translation differences 31 December 2018	1 277	-652	901	281	-1 062	-710	-	35
<b>Carrying amount 31 December 2017</b>	<b>850 323</b>	<b>79 332</b>	<b>256 316</b>	<b>26 727</b>	<b>82 292</b>	<b>52 896</b>	<b>-</b>	<b>1 347 887</b>
<b>Carrying amount 31 December 2018</b>	<b>1 345 731</b>	<b>64 696</b>	<b>370 212</b>	<b>41 435</b>	<b>76 818</b>	<b>45 873</b>	<b>3 405</b>	<b>1 948 170</b>
Estimated useful life		2,5-5 Years	7-15 Years	3-4 Years	5 Years	10 Years		
Depreciation plan		Straight line	Straight line	Straight line	Straight line	Straight line		
Remaining useful life		2	6-12	3	5	7		

Visolit Sweden (VS) and Visolit Norway (VN) both have considerable customer contracts lasting up to five years and long standing customer relationships. Visolit Group held one trademark in 2017; TeleComputing. In 2019 after a number of acquisitions TeleComputing changed name to Visolit. Due to this, the group decided to reduce the estimated useful life from 20 years - 5 years for the TeleComputing brand. Due to this, the following amortization will increase from 2019. The reason for not performing a total write down in 2018, is that TeleComputing still has an expected value in the B2B market.

Technology is defined as the in house developed IT applications.

All intangible assets are capitalized at fair value.



## Impairment testing for CGUs containing goodwill

Goodwill and other assets are allocated to the Group's cash generating units. Visolit allocates goodwill to the business units per country where the operations are located.

2018	1 January	Additions	Disposals	Exchange	
				difference	31 December
Intelligent Cloud Norway	514 759	263 229	-		777 988
Intelligent Cloud Sweden	335 564	230 902	-	1 277	567 744
<b>Total</b>	<b>850 324</b>	<b>494 130</b>	<b>-</b>	<b>1 277</b>	<b>1 345 731</b>

2017	1 January	Additions	Impairment	Exchange	
				difference	31 December
Intelligent Cloud Norway	464 264	50 495	-	-	514 759
Intelligent Cloud Sweden	319 317	-	-	16 248	335 564
IT Solutions Sweden	268 158	-	-275 882	7 724	-
<b>Total</b>	<b>1 051 739</b>	<b>50 495</b>	<b>-</b>	<b>23 972</b>	<b>850 324</b>

Goodwill has an indefinite useful life and is not amortized, but impairment losses are recognized if the recoverable amount is less than the carrying amount. Recoverable amounts for cash-generating units are estimated based on calculating the asset's value in use. The group has applied a standard methodology to estimate the carrying values as the net present value of future estimated cash flows by discounting them with a Weighted Average Cost of Capital (WACC) estimated by applying the Capital Asset Pricing Model.

The future performance for the two Cash Generating Units ("CGU") Visolit Norway and Visolit Sweden has been estimated for the period of 2019-2023, and the 2018 acquired entities have been included in the two CGU's (Keystep, 99X, and Digisys in Visolit Norway and Excanto, LanTeam and Ibiz in Visolit Sweden). The 2019 estimates are based on budgeted numbers for both cash generating units. Overhead cost on the level above the CGUs are estimated and allocated to the two CGUs based on share of revenues.

In estimating future cash flows, the financial model for business planning purposes has been utilized. This model is driven by the revenue projections, primarily the Intelligent Cloud revenues. Key assumptions are related to sales to drive new revenue streams as well as churn assumptions for revenue stream losses. Digital Transformation and Managed Products revenues can be looked upon as add-on revenues to the core Intelligent Cloud revenues. Estimated growth in 2019 will be a bit lower than for the rest of the time period due to some larger customers leaving Visolit Sweden during 2019. Post 2019 growth rates are above market expectations, as a consequence of a strengthened New Business sales, and reduced churn levels due to investments done in key programs ("improve the basics") done in 2017 and 2018.

On the cost side, Cost of Goods Sold are estimated per revenues stream as indicated above. Personnel cost is estimated based on a growth factor. Other operating expenses are estimated per key component based on growth rates on individual items.

Discount rates represent the current market assessment of the risks specific to each cash-generating unit, taking into consideration the time value of money and systematic risks of the underlying assets. The discount rate calculation is based on the specific circumstances of the Group and its operating segments, and is derived from its WACC. The WACC takes into account both debt and equity. The cost of equity is derived from an expected return on investment based on a peer group of listed companies similar to the cash-generating units. A small-size premium has been added to arrive at the estimated cost of equity. The cost of debt is based on 10-year swap rates in Norway and Sweden respectively.

WACC (Weighted Average Cost of Capital)	2018	2017
Intelligent Cloud Norway	8.2%	7.8%
Intelligent Cloud Sweden	7.2%	7.2%

For both VN and VS we have conducted a sensitivity analysis for the key assumptions related to EBIT, WACC and sales. Further, we have tested the net present value impact of reducing the terminal period growth from the assumed 2.5% to a zero-growth scenario. None of the scenarios for the countries give a net present value below the value of the carrying amount, which gives comfort to the test and the conclusion.



## Note 10 Lease contracts

Specification of changes in the period	Net investment in lease	RoU Assets	Lease Liability
Opening balance Opening Balance leases earlier classified as financial lease (IAS 17)	-	2 032	2 032
Opening balance implementation effects leasing earlier classified as operational lease	-	201 433	201 433
<b>Total opening balance right-to-use assets / lease obligations</b>	<b>-</b>	<b>203 466</b>	<b>203 466</b>
Lease payments	-	-	-77 966
Depreciations	-	-77 585	-
Received downpayment on net investment in lease	-7 937	-	-
Additions due to acquisitions	37 940	129 744	166 144
Other / currency effects	361	-2 384	-972
<b>Total closing balance right-to-use assets / lease obligations</b>	<b>30 364</b>	<b>253 241</b>	<b>290 671</b>

Interest expenses lease obligation amounted to 9972 TNOK in 2018.

Maturity analysis - contractual undiscounted cash flows including sub lease	2018	2017
<i>Short-term liability</i>		
- Less than one year	122 978	55 621
<i>Long-term liability</i>		
- One to five years	192 968	146 159
- More than five years	3 880	25 893
<b>Total</b>	<b>319 826</b>	<b>227 673</b>

Reconciliation of the opening balance lease obligation	<b>2018</b>
<b>Gross lease liability 1st of January 2018</b>	<b>227 673</b>
Discounting effects	26 343
<b>Lease liability 1st of January 2018</b>	<b>201 330</b>

Weighed average of the discount rate as 1st January 2018 was 4.1 %

Amounts recognised in profit or loss	<b>2018</b>
Interest income on sub-lease	346
Interest cost on lease liabilities	9 972
Income from sub-leasing net investment in lease	8 180
<b>Total net</b>	<b>-1 447</b>

Amounts recognised in the statement of cash flow	<b>2018</b>
<b>Total cash outflow for leases</b>	<b>79 225</b>

### Right of use assets

All figures in TNOK	Buildings	Data Centers	Furniture and fixtures	Motor vehicles	IT equipment*	Other	Total
Balance at January 1	124 751	71 943	1 091	3 648	-	2 032	203 466
Depreciations	-32 153	-27 755	-370	-2 764	-13 472	-1 072	-77 585
Additions	37 228	26 124	-	4 981	61 410	-	129 744
Other / currency effects	-	-	-	-	-	-	-2 384
<b>Balance at December 31</b>	<b>129 827</b>	<b>70 312</b>	<b>721</b>	<b>5 865</b>	<b>47 939</b>	<b>960</b>	<b>253 241</b>

\*Net Investment in lease is also IT equipment, but is not included in the right of use asset overview

Approx. 100 TNOK of other small leases is considered immaterial and hence not recognized according to IFRS 16.

For more information on the Group's handling of leases, refer to the principles.



## Note 11 Taxes

	2018	2017
<b>Tax expense recognised in profit and loss</b>		
Current tax expense from continuing operations	-3 610	1 185
Current tax expense from discontinued operations		496
<b>Total tax expense</b>	<b>-3 610</b>	<b>1 680</b>

	2018			2017		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
<b>Tax expense recognised in OCI</b>						
Foreign operations - foreign currency translation differences	-18 721	-	-18 721	42 341	-	42 341
<b>Tax expense recognised directly in equity</b>						
Periodiseringsfond in Sweden	35 890	7 680	28 210	63 035	13 868	49 167

Reconciliation of effective tax rate Group	2018 (%)	2018	2017 (%)	2017
	Income before tax	100 %	-11 234	100 %
Calculated tax (23%/24%)	23 %	-2 584	24 %	14 073
Permanent differences (23%/24% and 22% in SE)	-36 %	4 036	-11 %	-6 743
Effect of change in tax rate in Norway	24 %	-2 711	-9 %	-5 194
Effect of change in tax rate in Sweden	19 %	-2 158	-1 %	-486
Differences in tax rates amongst the Group and subsidiaries	-3 %	339	0 %	-
Effect of not recognised deferred tax	-3 %	319	0 %	-
Adjustment for prior years	8 %	-851	-1 %	-466
<b>Tax expense on continuing operations</b>	<b>32 %</b>	<b>-3 610</b>	<b>2 %</b>	<b>1 185</b>

<b>Current tax payable</b>			
Tax payable Norway		9 019	14 842
Tax payable Sweden		7 329	5 043
Tax payable Sri Lanka		314	-
<b>Payable tax in the balance sheet</b>		<b>16 662</b>	<b>19 884</b>

Visolit Sweden AB has a current tax receivable of 8.4 MSEK and Visolit Norway AS one of 4 MNOK

### Movement in deferred tax balances in 2018

Specification of deferred tax assets:	Net balance at	Recognised in	Recognised in	Acquired in	Other	Balance at 31
	1 January	profit and loss	OCI/equity	business combinations		December
Tangible assets	-29 573	-7 647	-	4 876	-	-32 345
Receivables	-1 956	-1 807	-	-265	-	-4 028
Deferred revenue	-4 812	-2 207	-	-	-	-7 019
Other	-3 858	-13 218	-5 541	-2 318	-	-24 935
Pension liabilities	-333	333	-	-	-	0
Net temporary differences	-40 533	-24 546	-5 541	2 293	0	-68 326
Losses carried forward	-2 893	-	-	-	-	-2 893
<b>Basis for deferred tax</b>	<b>-43 426</b>	<b>-24 546</b>	<b>-5 541</b>	<b>2 293</b>	<b>0</b>	<b>-71 220</b>
Deferred tax assets not recognised in the balance sheet		2 538	-	-4 603	-7 627	-9 692
Translation difference		-	-	-	85	85
Effect change in tax rate	435	99	55	23	-	613
<b>Deferred tax assets in the balance sheet</b>	<b>10 182</b>	<b>4 963</b>	<b>1 219</b>	<b>508</b>	<b>1 754</b>	<b>17 997</b>

<b>Specification of deferred tax liabilities</b>						
Intangible assets acquired through business combinations	470 838	-67 663	-	155 382	-	558 556
Intangible assets	26 727	8 976	-	-	-14 624	21 079
Other	39 722	-19	20 943	11 350	23 407	95 402
Non-current receivables in foreign exchange	3 231	4 038	-	-	-	7 269
Capitalized financing fee	40 345	-1 099	-	-	-	39 246
<b>Basis for deferred tax</b>	<b>580 863</b>	<b>-55 767</b>	<b>20 943</b>	<b>166 732</b>	<b>8 783</b>	<b>721 553</b>
Translation difference	-1 007	-	-	-	-251	-1 257
Effect change in tax rate	-4 622	539	-137	-1 224	-45	-5 489
<b>Deferred tax liabilities in the balance sheet</b>	<b>130 777</b>	<b>-12 288</b>	<b>4 817</b>	<b>38 348</b>	<b>1 976</b>	<b>157 865</b>
<b>Net deferred tax liabilities in the balance sheet*</b>	<b>120 595</b>					<b>139 868</b>



## Movement in deferred tax balances in 2017

Specification of deferred tax assets:	Net balance at 1 January	Recognised in profit an loss	Recognised in OCI/equity	Acquired in business combinations	Other	Balance at 31 December
Tangible assets	-47 849	15 599	-	2 677	-	-29 573
Receivables	-2 712	1 117	-	-361	-	-1 956
Deferred revenue	-5 570	758	-	-	-	-4 812
Other	-12 085	9 152	-	-100	-824	-3 858
Pension liabilities	-333	-	-	-	-	-333
Net temporary differences	-68 550	26 626	-	2 216	-824	-40 532
Losses carried forward	-3 404	511	-	0	-	-2 893
<b>Basis for deferred tax</b>	<b>-71 954</b>	<b>27 137</b>	<b>-</b>	<b>2 216</b>	<b>-824</b>	<b>-43 426</b>
Effect change in tax rate		435				435
<b>Deferred tax assets in the balance sheet</b>	<b>16 313</b>	<b>-6 513</b>	<b>-</b>	<b>-532</b>	<b>-198</b>	<b>10 182</b>
<b>Specification of deferred tax liabilities</b>						
Intangible assets acquired through business combinations	540 236	-58 470	-	36 920	-47 849	470 838
Intangible assets	15 151	-5 288	-	1 481	15 383	26 727
Other	75 958	-10 452	14 320	-	-40 104	39 722
Non-current receivables in foreign exchange	29 517	-26 285	-	-	-	3 231
Capitalized financing fee	39 092	-6 968	-	-	8 220	40 345
<b>Basis for deferred tax</b>	<b>699 954</b>	<b>-107 463</b>	<b>14 320</b>	<b>38 401</b>	<b>-64 349</b>	<b>580 863</b>
Effect change in tax rate		-5 629				-5 629
<b>Net deferred tax liabilities in the balance sheet*</b>	<b>147 162</b>					<b>120 595</b>

Change in deferred tax	2018	2017
Change deferred asset	7 815	6 130
Change deferred tax liabilities	27 088	-32 698
<b>Net change in deferred tax</b>	<b>19 273</b>	<b>-26 568</b>

\* Deferred tax assets presented as net of assets within same jurisdiction

## Note 12 Earnings per share

Calculation of profit from continued operations to equity holders:

Basis for calculation of earnings per share in NOK	2018	2017
Earnings for the year continuing operations (NOK)	-7 624 818	57 452 550
Earnings for the year discontinued operations (NOK)	-	1 768 797
Weighted number of outstanding shares during (NOK)	8 246 670	7 418 610
<b>Earnings per share total</b>	<b>-0.92</b>	<b>7.98</b>
<b>Earnings per share continued operations</b>	<b>-0.92</b>	<b>7.74</b>



## Note 13 Revenue

### Revenue Streams

	Continuing operations		Discontinued operations		Total	
	2018	2017	2018	2017	2018	2017
Revenue from contracts with customers	1 895 348	1 383 473	-	201 461	1 895 348	1 584 934
Other revenue:	3 035	9 805	-	32 989	3 035	42 794
Other revenue	3 035	-	-	2 207	3 035	2 207
Gain/Loss from sale of assets	-	9 805	-	30 782	-	40 587
<b>Total revenue</b>	<b>1 898 383</b>	<b>1 393 278</b>	<b>-</b>	<b>234 450</b>	<b>1 898 383</b>	<b>1 627 728</b>

### Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of goods and services mainly at a point in time in the following major product lines and geographical regions:

2018	Intelligent Cloud	Intelligent Cloud	Eliminations/ other	Discontinued Operations	Group
	Norway	Sweden			
Intelligent Cloud	741 296	457 383	-	-24 384	1 174 296
Contracted ad-hoc services	115 017	114 338	-	-3 735	225 620
Consulting	33 917	61 119	-	-	95 036
Managed Products	185 981	222 618	-	-8 204	400 395
Other	3 626	888	25 585	-27 063	3 035
<b>Total revenue</b>	<b>1 079 838</b>	<b>856 346</b>	<b>25 585</b>	<b>-63 385</b>	<b>1 898 383</b>

2017	Intelligent Cloud	Intelligent Cloud	Eliminations/ other	Discontinued Operations	Group
	Norway	Sweden			
Intelligent Cloud	608 041	423 152	-	-19 135	1 009 693
Contracted ad-hoc services	94 225	94 525	-	-3 047	185 703
Consulting	-	-	-	-	195 499
Managed Products	103 544	82 956	-	-789	192 267
Other	-	2 713	64 894	-24 813	44 565
<b>Total revenue</b>	<b>805 810</b>	<b>603 346</b>	<b>64 894</b>	<b>-47 784</b>	<b>1 627 727</b>

### Contract Balances

in TNOK	31 December	
	Note	2018 January 2018
Trade and other receivables	15	409 431 210 911
Contract assets		27 497 3 010
Contract liabilities		5 521 -
		<b>21 976 3 010</b>

Visolite recognizes trade receivables and other receivables when the right to consideration is considered unconditional.

Contract assets is Visolite's conditional right to consideration for the completed parts of customers contracts. For Visolite, contract assets mainly relates to implementation projects where the customers have not yet been invoiced.

Contract liabilities relates to prepayments from customers in relations to the implementation projects for work that has not yet been completed.

No information is provided about remaining performance obligations at 31 December 2018 that have an original expected duration of one year or less, as allowed by IFRS 15



## Performance obligations and revenue recognition policies

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15 (applicable from 1 January 2018)	Revenue recognition under IAS 18 (applicable before 1 January 2018)
Intelligent Cloud	<p>These services includes among others infrastructure and platform services. There are two activities in these contracts: an transformation phase and the actual operation.</p> <p>Invoices for Intelligent Cloud are issued on a monthly basis and are usually payable within 30 days</p>	<p>The transformation does not transfer any goods or services to the customer. All costs incurred to fulfil the contract during the transformation phase, is capitalized and amortized over the contract term if they meet the criterias of IFRS 15. Set up fees paid up front by the customers is recognized as a contract liability until services are delivered.</p> <p>For the operational phase, the rendering of services in a contract are assessed to meet the series guidance and is accounted for as a single performance obligation for which revenue is recognized over time. The revenue is recognized when the service is delivered and hence the value is transferred to the customer.</p>	<p>The costs incurring in the transformation phase is recognised as an asset on the balance sheet and amortised monthly over profit and loss over the lifetime of the contract.</p> <p>Intelligent Cloud revenues from the sale of services were recognized based on the consumption of the service for the customers.</p>
	<p>Consulting services for both Intelligent Cloud customers as well as customers only receiving consulting service.</p> <p>Invoices for consulting are issued on a monthly basis and are usually payable within 30 days</p>	<p>The performance obligation within the consulting services are typically consulting hours which are performed over time.</p> <p>Where there are larger projects where the customer receives the benefit provided by the Group over time, the revenues are recognised over time. These projects are recognised using the percentage of completion method based on hours incurred. For consulting services with fixed prices, the revenue recognition will be made linearly over the contract period.</p> <p>For smaller consulting projects, for instance changes to customers' IT set-up, the services are transferred to the customers control when carried out and recognised at that time.</p> <p>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.</p>	<p>Consulting Revenue was 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 incurred project costs will be recognized.</p> <p>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.</p>
Managed Products	<p>Customer obtain control of the hardware and the software upon delivery.</p> <p>Invoices are issued on a monthly basis and are usually payable within 30 days</p>	<p>The Group sells hardware to Intelligent Cloud - and consulting customers. Hardware sales are separate performance obligations and should be recognised at the point in time at which control of the good is transferred to the customer. The customer will obtain control of the goods sold at the time of delivery. This is consistent with current accounting principles for Visolit Group.</p> <p>Software sales will be recognized upon delivery, which also corresponds to the time the software is made available and can be used by the customer.</p>	<p>Revenue was recognised when the goods were delivered to the customers' premises, which was taken to be the point in time at which the customer accepted the goods and the related risks and rewards of ownership of the goods had been transferred.</p> <p>Revenues from software sales are separated from Intelligent Cloud contracts. The revenue is recognised in the income statement based on the consumption of the customer each month.</p>
Other	<p>Invoices are issued on a monthly basis and are usually payable within 30 days</p>	<p>The Group reinvoices some costs received on behalf of services agreements made on behalf for the customers. This is recognized and invoiced to the customers when the Group receives the invoice from the vendors.</p>	<p>The Group reinvoices some costs received on behalf of services agreements made on behalf for the customers. This is recognized and invoiced to the customers when the Group receives the invoice from the vendors.</p>



## Note 14 Share capital and share information

At 31st of December 2018 the share capital of Visolit Topco AS consisted of 8.246.670 shares of nominal value 10.

	Number of shares	Nominal (NOK)	Carrying amount (NOK)
<b>The share capital consists of the following share classes</b>			
Preference Shares	6 685 680	10	66 856 800
Common Shares	1 560 990	10	15 609 900
<b>Total</b>	<b>8 246 670</b>		<b>82 466 700</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 December	Preference shares	Common shares	Total shares	Ownership	Voting shares
Telecomputing International S.à.r.l.	5 640 000	1 010 000	6 650 000	81 %	65 %
TC Manco AS	-	402 350	402 350	5 %	26 %
HC Cucumeries AB	64 293	16 073	80 366	1 %	1 %
Tallship Invest AS	268 624	47 709	316 333	4 %	3 %
RHN Invest AB	184 031	32 481	216 512	3 %	2 %
ICT Holding AB	408 518	24 673	433 191	5 %	2 %
Visolit Topco AS (own shares)	120 214	27 704	147 918	2 %	2 %
<b>Total number of shares</b>	<b>6 685 680</b>	<b>1 560 990</b>	<b>8 246 670</b>	<b>100 %</b>	<b>100 %</b>

### Shares owned directly and indirectly by Board members and the CEO

Name	Position	Preferred stock	Common stock	Total number of shares
Dag Mejdell	Chairman of the Board	-	20 000	20 000
Johan Lindqvist	Vice chairman of the Board	-	50 000	50 000
Eva Harström	Board member	-	195	195
Terje Mjøs	CEO	-	65 000	65 000

### Dividend

The following dividends were declared and paid by the Company for the year (numbers in 1000)

	2018	2017
NOK 0 per ordinary share (2017: 0)	-	-
NOK 0 per preference share (2017: NOK 34,3565)	-	200 000
	-	200 000

## Note 15 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:

Overview of trade receivables and prepayments	2018	2017
Trade receivables from customers	340 141	189 949
Prepayments	45 509	19 607
Other trade receivables	23 781	1 355
<b>Total trade and other receivables</b>	<b>409 431</b>	<b>210 911</b>

Information about the Group's exposure to credit and market risks, and impairments losses for trade and other receivables is included in note 19. See accounting policies in Note 2.



## Note 16 Debt to credit institutions

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 NOK 618 million of the acquisition facility of totally NOK 930 million.

As security for the long-term debt, shares in Visolit Finco AS, Visolit AS, Visolit Norway AS and Visolit Sweden AB are pledged. In addition, Visolit Finco AS has pledged bank accounts and claims under the SPA. Visolit AS and Visolit Norway AS has pledged bank accounts, accounts receivable, inventory, intra-group loans in excess of NOK 5 million and operating assets. Visolit Sweden AB has pledged bank accounts, floating charges and intra-group loans in excess of NOK 5 million. Visolit Finco AS, Visolit AS, Visolit Norway AS, Visolit Norway 12 AS, Visolit Norway 79 AS, Visolit Norway 16 AS, Visolit Sweden 91 AB, Visolit Sweden 82 AB and Visolit Sweden AB have all jointly and severally guaranteed for up to NOK 2.100 million for Visolit Finco AS' fulfilment of the loan agreement.

<b>Non-current liabilities</b>	<b>2018</b>	<b>2017</b>
Secured bank loans	1 560 634	1 101 472
Capitalised financing fee	-39 246	-40 345
<b>Net non-current liabilities</b>	<b>1 521 388</b>	<b>1 061 127</b>

<b>Current interest-bearing liabilities</b>	<b>2018</b>	<b>2017</b>
Current portion of secured bank loans	31 250	28 000
<b>Net current liabilities</b>	<b>31 250</b>	<b>28 000</b>

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is include in Note 19.

## Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Derivatives assets/liabilities held to hedge long-term borrowings	Equity		Total
	Other loans and borrowings	Finance lease liabilities	Int. rate swap and CAP for hedging - liabilities	Share capital/ premium	Retained earnings	
<b>Balance as of 1 January 2018</b>	<b>1 061 127</b>	<b>2 032</b>	<b>84</b>	<b>526 809</b>	<b>57 300</b>	<b>1 647 353</b>
<b>Changes from financing cash flows</b>						
Proceeds from issue of equity	-	-	-	131 699	-	131 699
Purchase of own shares	-	-	-	-3 570	-	-3 570
Sale of own shares	-	-	-	540	1 165	1 705
Proceeds from long term loans	492 306	-	-	-	-	492 306
Transaction costs related to long term loans	-	-	-	-	-	-
Repayment of long term loans	-32 348	-	-	-	-	-32 348
Payment of finance lease liabilities	-	-69 598	-	-	-	-69 598
Dividend paid	-	-	-	-	-	-
<b>Total changes from financing cash flows</b>	<b>459 958</b>	<b>-69 598</b>	<b>-</b>	<b>128 669</b>	<b>1 165</b>	<b>520 194</b>
Changes arising from obtaining or losing control of subsidiaries or other business	3 750	-	-	-	-	3 750
The effect of changes in foreign exchange rates	-5 071	287	-	-	-18 721	-23 505
Changes in fair value	-	-	197	-	-	197
Other changes	759	-	-	-	-4 827	-4 068
<b>Liability- related</b>						
New finance leases	-	367 577	-	-	-	367 577
Capitalised borrowing cost	864	-	-	-	-	864
Interest expense	-	-	-	-	-	-
Interest paid	-	-9 627	-	-	-	-9 627
<b>Total liability-related other changes</b>	<b>864</b>	<b>357 950</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>358 814</b>
<b>Total equity-related other changes</b>						<b>-</b>
<b>Balance at 31 December 2018</b>	<b>1 521 388</b>	<b>290 671</b>	<b>281</b>	<b>655 478</b>	<b>34 917</b>	<b>2 502 735</b>



Terms and repayment schedule				31 December 2018		31 December 2017	
Loan facility	Currency	Nominal interest rate	Year of maturity	Face value	Carrying amount	Face value	Carrying amount
Secured bank loan	NOK/SEK	IBOR + 3.25 - 4 %	2023-2024	1 560 634	1 521 388	1 101 472	1 061 127
<b>Undrawn facilities</b>						<b>2018</b>	<b>2017</b>
Undrawn acquisition facility						NOK 0 million	NOK 10 million
Undrawn revolving credit facility						NOK 34 million	NOK 100 million
Undrawn accordion facility						NOK 312 million	NOK 500 million
<b>Liabilities secured by mortgage</b>						<b>2018</b>	<b>2017</b>
Liabilities to credit institutions						1 560 634	1 061 127
<b>Balance sheet value of assets placed as security:</b>							
Cash						256 674	311 178
Trade receivables						340 141	189 949
Operating assets						195 911	170 173
Inventory						7 411	911
<b>Total</b>						<b>800 137</b>	<b>672 211</b>

Pledges include shares in subsidiaries and intra-group loans in excess of NOK 5 million each. The carrying amount of shares in subsidiaries is eliminated in the consolidated accounts.

#### Covenants

The Group was in compliance with the covenants at year-end 2018.

#### Guarantees

In addition to the guarantees related to the financing agreements, Visolit has acquired four bank guarantees; all in Norway.

In Norway there are three lease guarantees for rented premises in Oslo, Bergen and Stavanger at and Stavanger at NOK 11.7 million, as well as a guarantee of NOK 18 million for the payment of employees' tax.

## Note 17 Related parties

Members of the board and CEO of the parent company, including their related parties, are together with companies in the Group considered as closely related parties. Transactions and intra-group 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. For further information regarding salaries, bonuses and stocks for the board and CEO of the parent company, see note 6 and 14.

#### Parent and ultimate controlling party

Visolit Topco AS is the parent in Visolit Topco Group. The ultimate controlling party for the group is TeleComputing International S.à.r.l. with 65 % of the voting rights for the group.

#### Transactions with related parties

	Transaction values for the		Balance outstanding as at	
	year end ended		31 December	
	2018	2017	2018	2017
<b>Tallship Invest AS</b>				
Paid dividend 2018	-	-	4 001	-
<b>Total</b>	-	-	<b>4 001</b>	-

	Transaction values for the		Balance outstanding as at	
	year end ended		31 December	
	2018	2017	2018	2017
<b>TC Manco AS</b>				
Sale of shares	1 705	-	-	-
Purchase of shares	-3 570	-	-	-
<b>Total</b>	<b>-1 865</b>	-	-	-



## Note 18 Trade and other payables

<b>Overview of trade and other payables</b>	<b>2018</b>	<b>2017</b>
Trade payables to vendors	160 487	84 746
Accrued expenses	210 572	113 305
Other payables	93 461	60 126
<b>Total trade and other payables</b>	<b>464 520</b>	<b>258 177</b>

Accrued expenses consists of accrued costs and - holiday pay and bonuses for employees.

Other payables consists of government fees like social securities, VAT and incurred payroll tax.

## Note 19 Financial risk

The Visolit Group is exposed to different types of financial risks including liquidity, market- and credit risk. The Group is carrying out operations mainly in Sweden in addition to Norway creating currency exposure, particularly against SEK. The Group utilizes financial instruments to actively manage financial risk exposure. The Group monitors and reports on financial risk exposure through the Group finance unit.

Responsibility for managing financial risk is placed with the management of the company, including financing, interest rate and currency management as well as risk within the business areas and the risk associated with the company's business processes. Financial risk is also monitored by the Board of Directors.

The central finance department in cooperation with the Board of Directors works to ensure the Group's financial freedom to act both long and short term, and to monitor and manage financial risk in collaboration with the individual business units within the company. The central finance department maintains communication with the Group's bank connections, and carries out hedging transactions regarding interest. Required authorizations for borrowing and entering into derivative agreements are granted by the Board of Directors.

### Liquidity risk

A main objective of The Visolit Group's financial policy is to ensure that the company has the financial freedom to act both short and long term to achieve strategic and operational goals. The Visolit Group is to have sufficient funds to cover known capital requirements during the forthcoming periods in addition to a strategic reserve. The Company monitors the cash flows on long and short term through planning and reporting. The Group uses a multi-currency consolidated accounts system that provides flexibility in relation to drawing on multiple currencies.

Liquidity risk is the risk that the Group is not able to meet its financial obligations at due date. 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.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

#### 31 December 2018

	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>6 months or less</b>	<b>6-12 months</b>	<b>2-3 years</b>	<b>4-5 years</b>	<b>Over 5 years</b>
<b>Non-derivative financial liabilities</b>							
Secured bank loans	1 490 138	1 529 384	-	-	70 000	1 459 384	-
Current portion of interest-bearing debt	31 250	31 250	17 250	14 000	-	-	-
Trade payable	160 487	160 487	160 487	-	-	-	-
Tax payable	16 662	16 662	11 570	5 092	-	-	-
Public duties payable	93 461	93 461	93 461	-	-	-	-
Other short-term liabilities	210 572	210 572	207 712	2 860	-	-	-
<b>Total:</b>	<b>2 002 570</b>	<b>2 041 816</b>	<b>490 480</b>	<b>21 952</b>	<b>70 000</b>	<b>1 459 384</b>	<b>-</b>
<b>Derivative financial liabilities</b>							
Interest rate swap	282	282	282	-	-	-	-
CAP instrument	-	-	-	-	-	-	-
<b>Total:</b>	<b>282</b>	<b>282</b>	<b>282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## 31 December 2017

Non-derivative financial liabilities	Carrying amount	Contractual cash flows	6 months or less				
			6-12 months	2-3 years	4-5 years	Over 5 years	
Secured bank loans	1 033 127	1 073 472	-	-	62 000	74 000	937 472
Current portion of interest-bearing debt	28 000	28 000	14 000	14 000	-	-	-
Trade payable	84 746	84 746	84 746	-	-	-	-
Tax payable	19 884	18 634	19 259	-625	-	-	-
Public duties payable	60 126	60 126	60 126	-	-	-	-
Other short-term liabilities	113 360	113 360	113 360	-	-	-	-
<b>Total:</b>	<b>1 339 244</b>	<b>1 378 338</b>	<b>291 491</b>	<b>13 375</b>	<b>62 000</b>	<b>74 000</b>	<b>937 472</b>
<b>Derivative financial liabilities</b>							
Interest rate swap	48	48	-	-	-	48	-
CAP instrument	37	37	-	-	-	37	-
<b>Total:</b>	<b>84</b>	<b>84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84</b>	<b>-</b>

The inflows/outflows disclosed in the table above represents the contractual undiscounted cash flows relating to derivative financial liabilities for risk management purposes and which are unusually closed out before contractual maturity. The disclosure shows net cash flow amounts as the derivatives are net cash settled.

As disclosed in note 16, the Group has secured bank loans that contains loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as the market interest rates changes.

### Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### Currency risk

Foreign exchange risk arises when transactions, recognized assets or liabilities are in currencies other than company's functional currency. The Group operates internationally and is exposed in foreign exchange risk arising from various currency exposures, mainly SEK. 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.

### Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk as reported to management of the Group is as follows:

	31 December 2018 SEK thousand*	31 December 2017 SEK thousand**
Secured bank debt	-733 383	-539 661
Trade receivables	155 026	92 028
Trade payables	-78 820	-42 540
<b>Net statement of financial position exposure</b>	<b>-657 176</b>	<b>-490 172</b>

\*Currency rate in balance sheet 31.12.18: 0,9701 NOK/SEK

\*\*Currency rate in balance sheet 31.12.17: 0,9996 NOK/SEK

### Sensitivity analysis for financial instruments

A reasonable potential strengthening (weakening) of SEK against NOK at 31 December would have affected the measurement of financial instruments denominated in SEK and affected profit of loss and equity by the amounts below.

31 December 2018	Profit before income tax		Equity	
	Strengthening	Weakening	Strengthening	Weakening
SEK (2.5 % movement)	-15 938	15 549	-12 432	12 129
SEK (5 % movement)	-31 876	30 358	-24 864	23 680
<b>31 December 2017</b>				
SEK (2.5 % movement)	-12 249	11 951	-9 310	9 082
SEK (5 % movement)	-24 499	23 332	-18 619	17 732



## 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.

### Exposure to interest rate risk

Variable-rate instruments	2018	2017
Financial assets	157	157
Financial liabilities	1 521 388	1 061 127
Effect of interest rate swaps	197	-1 659
Net variable financial instruments	1 521 429	1 059 312

### Sensitivity analysis related to interest rates

Interest bearing long term debt exposes the group to cash flow interest rate risk. At year-end 2018 the Group has NOK 1.561 million (NOK 1.101 million at year-end 2017) in net variable rate instruments. An increase in NIBOR by 100 basis points would increase the Group's annual net interest expense approx. NOK 8.4 million (approx. NOK 5.2 million at year end 2017) and an increase in STIBOR rate of 100 basis points would increase the Group's annual net interest expense of NOK 7.0 million (NOK 5.3 million at year end 2017).

### The terms of the 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 at least 50 % for the period until March 2019. 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 December 2018:

Instrument	Principal	Currency	Strike	Fixed rate	Basis of floating rate	Duration	Market
							value (NOK)
Swap	304 000	NOK	-	0.9%	NIBOR3M	29.03.2019	282
CAP	237 868	SEK	0%	-		29.03.2019	-
Total							282

The following table shows the Group's interest rate swap and CAP agreements in kNOK as at 31 December 2017:

Instrument	Principal	Currency	Strike	Fixed rate	Basis of floating rate	Duration	Market
							value (NOK)
Swap	318 000	NOK	-	0.9%	NIBOR3M	19.03.2019	48
CAP	251 798	SEK	0%	-		19.03.2019	37
Total							84

## Credit risk

The Group has credit risk related to trade receivables. At year-end 2018, maximum credit risk related to trade receivables was NOK 340.1 million. This risk relates to the risk that counterparties do not have financial ability to meet their obligations. Management consider this risk to be lower due to solid customers and processes to assess credit risk prior to entering into new customer contracts. Historically there has been small losses on trade receivables, please see note 21 for further details.

At year-end 2018, the Group's maximum credit risk related to derivatives is equivalent to NOK 282 thousand. The counterparties are within financial institution with solid credit ratings, thus this risk is considered limited.

Cash and cash equivalents are held with Nordea bank which has high credit ratings. Visolit does not expect Nordea to fail to meet its obligations.



2018					
<i>Exposure to credit risk</i>	Note	Receivables at amortized cost	Cash and cash equivalent	Financial instruments at FVTPL	Total
Trade receivables	15	340 141	-	-	340 141
Financial derivative contracts		-		282	282
Cash and cash equivalents	5	-	256 674	-	256 674
<b>Total</b>		<b>340 141</b>	<b>256 674</b>	<b>282</b>	<b>597 096</b>

2017					
<i>Exposure to credit risk</i>	Note	Receivables at amortized cost	Cash and cash equivalent	Financial instruments at FVTPL	Total
Trade receivables	15	189 949	-	-	189 949
Financial derivative contracts		-		84	84
Cash and cash equivalents	5	-	311 178	-	311 178
<b>Total</b>		<b>189 949</b>	<b>311 178</b>	<b>84</b>	<b>501 212</b>

<b>Age break-down of accounts receivable</b>	Net trade receivables	Net trade receivables
	2018	2017
Not past due	284 684	147 127
0-30 days	47 665	35 178
30-60 days	3 836	3 539
60-90 days	1 818	1 719
Over 90 days	2 138	2 385
<b>Total</b>	<b>340 141</b>	<b>189 949</b>

The Group has historically small losses on receivables. This is therefore not assessed to be a material risk. The provisions are based on historically losses and are calculated as a percentage of the expected losses.

The total provision for impairment loss and the movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	2018	2017
Balance Jan. 2019 and Jan. 2018	2 536	5 044
Movement in the allowance for impairment	2 302	-2 724
Changes due to acquisitions and disposals	326	217
<b>Balance 31 December</b>	<b>5 165</b>	<b>2 536</b>

The net effect over profit and loss was in total NOK 1.147 thousand in 2018 and NOK 60 thousand in 2017



## Note 20 Business Combinations

(Amounts in NOK 1000)

### Acquisitions in 2018

Visolit Group has a clear growth strategy through acquisitions and aim to be a consolidator in the market for Hybrid Cloud services in the Nordic region.

Visolit Topco AS via its subsidiaries made six acquisitions during 2018. Visolit AS acquired 100 % of the shares in Intelligent Business Solutions i Norden AB (iBiz AB). iBiz AB and its subsidiary iBiz AS has been consolidated into the group accounts as of acquisition.

### Intelligent Business Solutions i Norden AB (iBiz AB)

Visolit Sweden AB acquired iBiz AB in February 2018. The acquisition will contribute to Visolit's growth strategy by strengthening Visolit Topco within consulting focusing on systems integration.

iBiz AB og AS profit & loss 2018	Figures in TSEK		Figures in TNOK*	
	March-Dec. 2018	2018	March-Dec. 2018	2018
Revenue	65 461	78 498	60 751	73 500
Expenses	54 858	64 247	50 911	60 157
Result from operating activities	10 603	14 251	9 840	13 343
Net finance	800	752	742	704
Income tax	2 525	3 329	2 344	3 117
Result from operating activities, net of tax	8 877	11 674	8 239	10 930

\*) Average currency for 2018 and March-Dec.2018

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

Acquiring company	Visolit Sweden AB
Acquisition date	27.02.2018
Country	Sweden
Currency	SEK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	85 000
Total identifiable net assets acquired (see table below)	30 242
<b>Consideration transferred</b>	<b>TSEK</b>
Cash	73 270
Equity instruments (12 691 total voting shares)	11 730
<b>Total consideration transferred</b>	<b>85 000</b>

Identified assets acquired and liabilities assumed	Consolidated	
	TSEK	in TNOK
Customer relationships	20 700	19 721
Trade receivables	10 518	10 021
Other short-term receivables	6 420	6 116
Cash and cash equivalent	9 171	8 737
<b>Total assets</b>	<b>46 809</b>	<b>44 595</b>
Current liabilities	-12 013	-11 444
Deferred tax	-4 554	-4 339
<b>Total liabilities</b>	<b>-16 567</b>	<b>-15 783</b>
<b>Total identifiable net assets acquired</b>	<b>30 242</b>	<b>28 812</b>
Consideration transferred	85 000	80 980
Fair value of identifiable net assets	30 242	28 812
<b>Goodwill</b>	<b>54 758</b>	<b>52 168</b>



## Note 20 Business Combinations

(Amounts in NOK 1000)

### Digisys AS

Visolit AS acquired Digisys AS in March 2018. The acquisition will contribute to Visolit's growth strategy by particularly strengthening Visolit Topco within infrastructure related consulting and products.

<b>Digisys AS including DD24 profit &amp; loss 2018</b>	<b>April-Dec. 2018</b>	<b>2018</b>
Revenue	93 007	119 602
Expenses	83 996	108 941
Result from operating activities	9 010	10 662
Net finance	-51	-73
Income tax	2 058	2 433
Result from operating activities, net of tax	6 901	8 156

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

<b>Acquiring company</b>	<b>Visolit AS</b>
Acquisition date	23.03.2018
Country	Norway
Currency	NOK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	47 990
Total identifiable net assets acquired (see table below)	21 119

### Consideration transferred

Cash	34 209
Equity instruments (14 990 total voting shares)	13 781
<b>Total consideration transferred</b>	<b>47 990</b>

### Identified assets acquired and liabilities assumed

	<b>TNOK</b>
Customer relationships	10 700
Deferred tax assets	6
IT equipment	124
Inventories	17
Trade receivables	17 297
Other short-term receivables	699
Cash and cash equivalent	10 346
<b>Total assets</b>	<b>39 188</b>
Current liabilities	-15 609
Deferred tax	-2 461
<b>Total liabilities</b>	<b>-18 070</b>
<b>Total identifiable net assets acquired</b>	<b>21 119</b>
Consideration transferred	47 990
Fair value of identifiable net assets	21 119
<b>Goodwill</b>	<b>26 871</b>



## Note 20 Business Combinations

(Amounts in NOK 1000)

### Excanto AB

Visolit Sweden AB acquired Excanto AS in July 2018. The acquisition will contribute to Visolit's growth strategy particularly by adding scale to hybrid cloud operation as well as strengthening the presence within the Property Management vertical.

	Figures in TSEK		Figures in TNOK*	
	July-Dec. 2018	2018	July-Dec. 2018	2018
<b>Excanto AB profit &amp; loss 2018</b>				
Revenue	64 526	124 543	59 829	116 613
Expenses	55 489	109 748	51 450	102 760
Result from operating activities	9 037	14 795	8 379	13 853
Net finance	-330	-97	-306	-91
Income tax	2 083	3 314	1 932	3 103
Result from operating activities, net of tax	6 624	11 384	6 142	10 659

\*) Average monthly currency for 2018 and July-Dec.2018

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

Acquiring company	Visolit Sweden AB
Acquisition date	18.07.2018
Country	Sweden
Currency	SEK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	170 502
Total identifiable net assets acquired (see table below)	52 172

### Consideration transferred

Cash	104 578
Equity instruments (24 673 total voting shares)	65 924
<b>Total consideration transferred</b>	<b>170 502</b>

Identified assets acquired and liabilities assumed	Consolidated	
	TSEK	in TNOK
Trademark	-	-
Customer relationships	29 900	27 206
Deferred tax assets	-	-
IT equipment	2 006	1 826
Other equipment	560	509
Capitalized Leases	17 438	15 867
Capitalized cost rented premises	-	-
Trade receivables	17 378	15 812
Other short-term receivables	8 418	7 660
Cash and cash equivalent	9 761	8 882
<b>Total assets</b>	<b>101 946</b>	<b>92 761</b>
Interest-bearing debt	0	-
Current liabilities	-22 480	-20 455
Deferred tax	-9 856	-8 968
<b>Total liabilities</b>	<b>-49 774</b>	<b>-45 290</b>
<b>Total identifiable net assets acquired</b>	<b>52 172</b>	<b>47 471</b>
Asset held for sale	-	-
Fair value of identifiable net assets	52 172	47 471
<b>Goodwill</b>	<b>118 330</b>	<b>107 669</b>



## Note 20 Business Combinations

(Amounts in NOK 1000)

### 99X.no AS

Visolit AS acquired 99X.no AS in August 2018. The acquisition will contribute to Visolit's growth strategy particularly by adding scale to hybrid cloud operation.

99X.no AS profit & loss 2018	August-Dec.	
	2018	2018
Revenue	77 816	190 641
Expenses	73 966	189 407
Result from operating activities	3 849	1 234
Net finance	-308	-972
Income tax	724	2 029
Result from operating activities, net of tax	2 817	-1 768

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

Acquiring company	Visolit Norge AS
Acquisition date	06.08.2018
Country	Norway
Currency	NOK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	182 016
Total identifiable net assets acquired (see table below)	46 216

### Consideration transferred

Cash	182 016
<b>Total consideration transferred</b>	<b>182 016</b>

### Identified assets acquired and liabilities assumed

	TNOK
Customer relationships	22 800
Software & Licenses	663
IT equipment	1 553
Other equipment	362
Capitalized Leases	48 576
Inventories	73
Trade receivables	25 425
Other short-term receivables	24 766
Cash and cash equivalent	23 252
<b>Total assets</b>	<b>147 469</b>

Interest-bearing debt	
Non-current liabilities	-48 791
Current liabilities	-47 158
Deferred tax	-5 304
<b>Total liabilities</b>	<b>-101 253</b>

<b>Total identifiable net assets acquired</b>	<b>46 216</b>
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Consideration transferred	182 016
Fair value of identifiable net assets	46 216
<b>Goodwill</b>	<b>135 800</b>



## Note 20 Business Combinations

(Amounts in NOK 1000)

### Keystep AS

Visolit AS acquired Keystep AS in August 2018. The acquisition will contribute to Visolit's growth strategy particularly by adding scale to hybrid cloud operation. Further, this acquisition has strengthened the consulting offering as well as the public cloud and security capabilities.

<b>Keystep AS profit &amp; loss 2018</b>	<b>August-Dec.</b>	
	<b>2018</b>	<b>2018</b>
Revenue	44 183	114 647
Expenses	41 628	107 261
Result from operating activities	2 554	7 386
Net finance	-38	-139
Income tax	473	1 716
Result from operating activities, net of tax	2 043	5 532

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

<b>Acquiring company</b>	<b>Visolit AS</b>
Acquisition date	13.08.2018
Country	Norway
Currency	NOK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	114 940
Total identifiable net assets acquired (see table below)	18 594

### Consideration transferred

Cash	97 691
Equity instruments (11 763 total voting shares)	17 249
<b>Total consideration transferred</b>	<b>114 940</b>

### Identified assets acquired and liabilities assumed

	<b>TNOK</b>
Customer relationships	12 800
Software & Licenses	383
IT equipment	4 005
Other equipment	245
Capitalized contract cost	1 257
Capitalized cost rented premises	1 110
Trade receivables	14 806
Other short-term receivables	2 403
Cash and cash equivalent	3 287
<b>Total assets</b>	<b>40 296</b>
Interest-bearing debt	-3 750
Current liabilities	-14 850
Deferred tax	-3 103
<b>Total liabilities</b>	<b>-21 703</b>
<b>Total identifiable net assets acquired</b>	<b>18 594</b>
Consideration transferred	114 940
Fair value of identifiable net assets	18 594
<b>Goodwill</b>	<b>96 346</b>



## Note 20 Business Combinations

(Amounts in NOK 1000)

### LanTeam AB

Visolit Sweden AB acquired LanTeam AB in August 2018. The acquisition will contribute to Visolit's growth strategy by adding new products capabilities and service wrap as well as knowledge about the public sector.

LanTeam AB profit & loss 2018	Figures in TSEK		Figures in TNOK*	
	Aug-Dec. 2018	2018	Aug-Dec. 2018	2018
Revenue	154 075	210 369	143 038	196 975
Expenses	140 681	195 814	130 604	183 346
Result from operating activities	13 394	14 556	12 435	13 629
Net finance	-219	-262	-203	-245
Income tax	3 027	3 274	2 810	3 065
Result from operating activities, net of tax	10 148	11 021	9 421	10 319

\*) Average currency for 2018 and August-Dec.2018

### Allocation of purchase price

Due to relatively low capital intensity in 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 of the acquired company.

### Transaction in numbers:

Acquiring company	Visolit Sweden AB
Acquisition date	15.08.2018
Country	Sweden
Currency	SEK
Voting rights / ownership interest	100 %
Consideration transferred (see table below)	137 132
Total identifiable net assets acquired (see table below)	60 677
<b>Consideration transferred</b>	
Cash	105 279
Equity instruments (19 790 total voting shares)	31 853
<b>Total consideration transferred</b>	<b>137 132</b>

Identified assets acquired and liabilities assumed	Consolidated	
	TSEK	in TNOK
Customer relationships	52 800	49 078
Software & Licenses	681	633
Other equipment	1 948	1 811
Inventories	38 958	36 212
Trade receivables	22 458	20 875
Other short-term receivables	4 056	3 770
Cash and cash equivalent	2 591	2 409
<b>Total assets</b>	<b>123 493</b>	<b>114 787</b>
Current liabilities	-51 200	-47 591
Deferred tax	-11 616	-10 797
<b>Total liabilities</b>	<b>-62 816</b>	<b>-58 388</b>
<b>Total identifiable net assets acquired</b>	<b>60 677</b>	<b>56 399</b>
Consideration transferred	137 132	127 464
Fair value of identifiable net assets	60 677	56 399
<b>Goodwill</b>	<b>76 455</b>	<b>71 065</b>



## Note 21 Fair value

### Accounting classifications and fair values

The fair value information for financial assets and financial liabilities is not disclosed if the carrying amount is a reasonable approximation of fair value. The carrying amount and fair value estimates are as follows:

31 December 2018	Carrying amount			Fair value				
	Note	Designated at fair value	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Financial derivate contracts	19	282	-	282	-	282	-	282
		<b>282</b>	<b>-</b>	<b>282</b>	<b>-</b>	<b>282</b>	<b>-</b>	<b>282</b>
<b>Financial liabilities not measured at fair value</b>								
Secured bank loans	19	-	1 521 388	1 521 388	-	-	1 560 634	1 560 634
<b>Total</b>		<b>-</b>	<b>1 521 388</b>	<b>1 521 388</b>	<b>-</b>	<b>-</b>	<b>1 560 634</b>	<b>1 560 634</b>

For further information, see also note 19 Financial risk.

31 December 2017	Carrying amount			Fair value				
	Note	Designated at fair value	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Financial derivate contracts	19	84	-	84	-	84	-	84
		<b>84</b>	<b>-</b>	<b>84</b>	<b>-</b>	<b>84</b>	<b>-</b>	<b>84</b>
<b>Financial liabilities not measured at fair value</b>								
Secured bank loans	19	-	1 061 127	1 061 127	-	-	1 101 472	1 101 472
<b>Total</b>		<b>-</b>	<b>1 061 127</b>	<b>1 061 127</b>	<b>-</b>	<b>-</b>	<b>1 101 472</b>	<b>1 101 472</b>

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: input for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change is occurred.



## Note 22 Discontinued operation

In August 2017, the Group sold its IT Consultancy Services segment, Kentor. A strategic decision to divest of Kentor was made in early 2017. The business unit was assessed to be non-core to the TeleComputing business of Hybrid Cloud Operations and related support services.

When a foreign operation is disposed of in its entirety such that control is lost, the cumulative amount of translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Kentor was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of profit or loss and OCI has been re-presented to show the discontinued operation separately from continuing operations.

To achieve this presentation, management has eliminated from the results of the discontinued operation the Kentor intra-group transactions.

Result of discontinued operation

	2018	2017
Revenue		211 116
Expenses		203 667
Result from operating activities	-	7 449
Net finance		5 185
Income tax		496
Result from operating activities, net of tax	-	1 769
Gain on sale of discontinued operation	-	30 782
Income tax on gain on sale of discontinued operation	-	-
<b>Profit (loss) from discontinued operations, net of tax</b>	<b>-</b>	<b>32 551</b>

Cash flow from (used in) discontinued operations

	2018	2017
Net cash used in operating activities	-	18 346
Net cash from investing activities	-	-1 077
<b>Net cash flows for the year</b>	<b>-</b>	<b>17 268</b>

Effect of disposal on the financial position of the Group

	2018	2017
Intangible assets	-	-57 317
Goodwill	-	-275 882
Tangible assets	-	-4 282
Inventory	-	-
Trade and other receivables	-	-43 526
Cash and cash equivalents	-	156 561
Deferred tax liability	-	19 992
Trade and other payables	-	38 330
Translation difference	-	-6 873
<b>Net assets and liabilities</b>	<b>-</b>	<b>-172 997</b>
Consideration received, satisfied in cash	-	203 779
Cash and cash equivalents disposed of	-	156 561
<b>Net cash inflows</b>	<b>-</b>	<b>360 341</b>



## Note 23 Standards issued but not yet effective

### **IFRS 17 Insurance Contracts**

IFRS 17 is adopted by the IASB and replaces IFRS 4 Insurance Contracts. IFRS 17 states principles for recognition, measurement, presentation and disclosure of insurance contracts. The new standard is not considered to be of importance to the Group's operations. The standard takes mandatory effect on 1st of January 2021.

### **Other**

IASB has also adopted som minor changes and clarifications in different standards. These intepretations have not been assesed to have any material effect for the Group.

## Note 24 Subsequent events

No adjusting or non-adjusting events have occurred between the end of the reporting period and the date when the financial statements are authorised for issue.



**Visolit Topco AS**

**FINANCIAL STATEMENT**

**2018**



Visolit Topco AS  
INCOME STATEMENT

(Amounts in NOK 1000)

<b>Operating expenses</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
Payroll expenses	2	1 854	-
Other operating expenses	2	17 518	2 426
<b>Total operating expenses</b>		<b>19 372</b>	<b>2 426</b>
<b>Operating profit</b>		<b>-19 372</b>	<b>-2 426</b>
<b>Financial items</b>			
Income from subsidiaries	3, 8	18 064	192 295
Other interest income	8	10	13
Other financial income	3	-	4 030
Other interest expense	3, 8	1 545	690
Other financial expense	3	6 827	176
<b>Net financial income (-cost)</b>		<b>9 703</b>	<b>195 473</b>
<b>Profit before income tax</b>		<b>-9 670</b>	<b>193 047</b>
Income tax expense	9	-	208
<b>Net profit or loss for the year</b>		<b>-9 670</b>	<b>192 839</b>
<b>Allocation of net profit</b>			
Transferred to other equity		-9 670	192 839
Sum allocation		-9 670	192 839



Visolit Topco AS

BALANCE SHEET

(Amounts in NOK 1000)

ASSETS	Note	2018	2017
<b>Fixed assets</b>			
Investments in subsidiaries	4	664 070	535 202
<b>Total financial fixed assets</b>		<b>664 070</b>	<b>535 202</b>
<b>TOTAL FIXED ASSETS</b>		<b>664 070</b>	<b>535 202</b>
<b>Current assets</b>			
Short term loans to group companies	8	24 796	1
Other short term receivables		125	209
Cash and bank deposits	5	172 365	206 719
<b>TOTAL CURRENT ASSETS</b>		<b>197 287</b>	<b>206 929</b>
<b>TOTAL ASSETS</b>		<b>861 357</b>	<b>742 130</b>

EQUITY AND LIABILITIES	Note	2018	2017
<b>Equity</b>			
Share capital	6	82 467	74 186
Own shares	6, 7	-1 551	-1 503
Share premium	6, 7	574 562	454 126
<b>Total paid-in equity</b>		<b>655 478</b>	<b>526 809</b>
Other equity	7	185 806	194 311
<b>Total retained earnings</b>		<b>185 806</b>	<b>194 311</b>
<b>TOTAL EQUITY</b>	6, 7	<b>841 284</b>	<b>721 120</b>
<b>Other non-current liabilities</b>			
Other non-current liabilities	8	17 835	17 191
<b>Total non-current liabilities</b>		<b>17 835</b>	<b>17 191</b>
<b>Current liabilities</b>			
Trade payables		782	1 045
Other short-term liabilities		1 456	2 775
<b>Total current liabilities</b>		<b>2 238</b>	<b>3 820</b>
<b>TOTAL LIABILITIES</b>		<b>20 073</b>	<b>21 010</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>861 357</b>	<b>742 130</b>



Asker, 14 May 2019  
The Board of Directors of Visolit Topco AS

**Dag Mejdell**  
Chairman of the Board

**Johan Lindqvist**  
Vice Chairman of the Board

**Thomas Astrup Klitbo**  
Board member

**Alireza Etemad**  
Board member

**Eva Maria Harström**  
Board member

**Terje Mjøs**  
CEO



Visolit Topco AS  
CASH FLOW STATEMENT  
(Amounts in NOK 1000)

	2018	2017
<b>Cash flow from operating activities</b>		
Profit before income tax	-9 670	193 047
+/- Change in trade payables	-263	-630
+/- Change in other accrual items	-23 200	3 898
<b>= Net cash flows from operating activities</b>	<b>-33 132</b>	<b>196 315</b>
<b>Cash flows from investment activities</b>		
<b>= Net cash flows from investment activity</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
+ Increase long term debt	645	-
- Payments for purchase of own shares	-3 570	-
+ Payments for sale of own shares	1 705	-
+ Received dividends not recognized in revenue	-	185 501
- Dividends paid	-	-200 000
<b>= Net cash flows from financing activities</b>	<b>-1 221</b>	<b>-14 499</b>
Transferred to other equity	-	1 472
<b>= Net change in cash and cash equivalents</b>	<b>-34 353</b>	<b>181 817</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>172 365</b>	<b>206 719</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 is 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.

### 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 and bank deposits.



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

<b>Remuneration to executives</b>	<b>Board</b>
Salaries/board fee	1 625
Social security fee	229
Other remuneration	-
<b>Total</b>	<b>1 854</b>

<b>Expensed audit fee</b>	<b>2018</b>	<b>2017</b>
Statutory audit (incl. technical assistance with financial statements)	1 005	438
Other assurance assistance	91	15
Other assistance	817	800
<b>Total</b>	<b>1 914</b>	<b>1 253</b>

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

Visolit Topco does not have employees, and thus the company has no pension related costs.

Note 3 Financial items

<b>Financial income</b>	<b>2018</b>	<b>2017</b>
Other interest income	10	13
Interest intragroup	-	-
Group Contribution	18 064	-
Dividend from subsidiaries	-	192 295
Net foreign exchange gain	-	4 030
<b>Total financial income</b>	<b>18 074</b>	<b>196 338</b>

<b>Financial expenses</b>	<b>2018</b>	<b>2017</b>
Other interest expense	900	317
Interest expense intragroup	645	373
Net foreign exchange loss	6 827	176
<b>Total financial expenses</b>	<b>8 372</b>	<b>866</b>
<b>Net financial income</b>	<b>9 703</b>	<b>195 473</b>

Note 4 Investments in subsidiaries

<b>Subsidiaries 2018</b>	<b>Acquisition date</b>	<b>Location</b>	<b>Ownership/ voting right</b>	<b>Equity 2018</b>	<b>Result 2018</b>	<b>Balance sheet value</b>
Visolit Finco AS	03.03.2016	Asker	100 %	717 193	2 342	664 070

<b>Subsidiaries 2017</b>	<b>Acquisition date</b>	<b>Location</b>	<b>Ownership/ voting right</b>	<b>Equity 2017</b>	<b>Result 2017</b>	<b>Balance sheet value</b>
Visolit Finco AS	03.03.2016	Asker	100 %	580 243	192 089	535 202

Note 5 Bank deposits

The company has no restricted funds.



## Note 6 Share capital and share information

At December 31st, 2018 the share capital of Visolit Topco AS consisted of 8.246.670 shares of nominal value 10.

The share capital consists of the following share classes (NOK)	Number of shares	Nominal	Carrying amount
Preference Shares	6 685 680	10	66 856 800
Common Shares	1 560 990	10	15 609 900
<b>Total</b>	<b>8 246 670</b>		<b>82 466 700</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.

### Shares owned directly and indirectly by Board members and the CEO

Name	Position	Preferred stock	Common stock	Total number of shares
Dag Mejdell	Chairman of the Board	-	20 000	20 000
Johan Lindqvist	Vice chairman of the Board	-	50 000	50 000
Eva Harström	Board member	-	195	195
Terje Mjøs	CEO	-	65 000	65 000

### Dividend

The following dividends were declared and paid by the Company for the year (numbers in 1000)

	2018	2017
NOK 34,3565 per preference share (2018: 0)	0	200 000
<b>Total</b>	<b>0</b>	<b>200 000</b>

## Note 7 Shareholders' equity

### 2018

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 01.01.	72 683	454 126	194 311	721 121
Issue of ordinary shares related to business combinations	8 281	123 418	-	131 699
Sold own shares	30	510	1 165	1 705
Bought own shares	-79	-3 492	-	-3 570
Profit for the period	-	-	-9 670	-9 670
<b>Equity 31.12.18</b>	<b>80 916</b>	<b>574 562</b>	<b>185 806</b>	<b>841 284</b>

### 2017

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 01.01.	72 806	655 257	1 472	729 535
Issue of ordinary shares related to business combinations	1 380	14 129	-	15 509
Dividends	-	-204 130	-	-204 130
Bought own shares	-1 503	-11 130	-	-12 633
Profit for the year	-	-	192 839	192 839
<b>Equity 31.12.17</b>	<b>72 683</b>	<b>454 126</b>	<b>194 311</b>	<b>721 121</b>



## Note 8 Related parties

Intercompany balance with group companies and shareholders		Short term loans to group		Other short term liabilities group	
		2018	2017	2018	2017
Visolit Finco AS (former TeleComputing Finco AS)	Subsidiary	2 830	1	-	2 830
Visolit Norway 12 AS (former Digisys AS)	Subsidiary	7 747	-	-	-
Visolit Norway AS (former TeleComputing Norway AS)	Subsidiary	10 317	-	99	-
Tailship AS	Shareholder	4 001	-	-	-
<b>Total</b>		<b>24 896</b>	<b>1</b>	<b>99</b>	<b>2 830</b>

Non-current liabilities		2018	2017
Visolit Sweden AB (former Visolit Sweden AB)		17 835	17 191
<b>Total</b>		<b>17 835</b>	<b>17 191</b>

Intercompany transactions with group companies		Dividend received		Group contribution received	
		2018	2017	2018	2017
Visolit Finco AS (former Visolit Finco AS)	Subsidiary	-	192 295	-	-
Visolit Norway 12 AS (former Digisys AS)	Subsidiary	-	-	7 747	-
Visolit Norway AS (former Visolit Norway AS)	Subsidiary	-	-	10 317	-
<b>Total</b>		<b>-</b>	<b>192 295</b>	<b>18 064</b>	<b>-</b>

		Other interest expense	
		2018	2017
Visolit Sweden AB (former Visolit Sweden AB)	Subsidiary	645	373
<b>Total</b>		<b>645</b>	<b>373</b>

## Note 9 Taxes

Basis for income tax expense, changes in deferred tax and tax payable	2018	2017
Income before taxes	-9 670	193 047
Permanent differences	-8 394	-192 180
Basis for the tax expense for the year	<b>-18 064</b>	<b>867</b>
Change in temporary differences	-	-
<b>Basis for payable taxes in the income statement</b>	<b>-18 064</b>	<b>867</b>
+/- Group contributions received/given	18 064	-867
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>-</b>	<b>0</b>

Components of the income tax expense	2018	2017
Payable tax on this year's result	-	208
Adjustment in respect of priors	-	-
<b>Total payable tax</b>	<b>-</b>	<b>208</b>
Change in deferred tax based on original tax rate	-	-
<b>Tax expense</b>	<b>-</b>	<b>208</b>

Reconciliation of the tax expense	2018	2017
Result before taxes	-9 670	193 047
Calculated tax	-2 224	46 331
Permanent differences	2 224	-46 123
Tax expense	-	208
Difference	0	-0

Payable taxes in the balance sheet	2018	2017
Payable tax in the tax charge	-	208
Tax effect of group contribution	-	-208
Other differences	-	-
Sum explained differences	-	0



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Enterprise 935 174 627 MVA

To the General Meeting of Visolit Topco AS

## Independent auditor's report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Visolit Topco AS, which comprise:

- The financial statements of the parent company Visolit Topco AS (the Company), which comprise the balance sheet as at 31 December 2018, 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 consolidated financial statements of Visolit Topco AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2018, the income statement, statement of changes in equity and statement of cash flows 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 Company as at 31 December 2018, 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 consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

#### 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.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

#### Offices in:

Oslo	Elverum	Mo i Rana	Stord
Ålta	Finnsnes	Molde	Straume
Arendal	Hamar	Skien	Trondheim
Bergen	Haugesund	Sandnessjøen	Tynset
Bodo	Kristiansund	Stavanger	Ålesund
Drammen			



Visolit Topco AS

## Other information

Management is responsible for the other information. The other information comprises information in the annual report, except 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 Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the 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 consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated 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 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.



Visolit Topco AS

- 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 and the Group'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 and the Group 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 and the going concern assumption 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, 14 May 2019  
KPMG AS

Lars Inge Pettersen  
State Authorised Public Accountant



## 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*