



Årsregnskap for regnskapsåret 2017

Organisasjonsnr: 915 422 950
Navn/foretaksnavn: VISOLIT TOPCO AS
Forretningsadresse: Drengsrudbekken 12
1383 ASKER

Brønnøysundregistrene
20.11.2020

Brønnøysundregistrene

Postadresse: 8910 Brønnøysund

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Organisasjonsnummer: 974 760 673



Brønnøysundregistrene - Regnskapsregisteret



VEDLEGG TIL ÅRSREGNSKAP 2017



TELECOMPUTING TOPCO AS Postboks 7 1371 ASKER	Organisasjonsnr. 915 422 950	AS
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Registrerte opplysninger per 28.08.2018		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2017	Avslutningsdato 31.12.2017	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap JA	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap	

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføring eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av IFRS selskap IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den _____ Dato

Sted/dato, Underskrift av representant for enheten

Emot

Bare til bruk for Regnskapsregisteret **LBS**

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s

ov.b årsb res bal e.bal gj.bal rev i-rev k-res k-bal k-n k-rev i-k-rev n

k-regn kto d.k ik-fv konsf ifrs fr-rev funk u.off brev

BR-1001-11



2018 . 100655



Organisasjonsnr: 915 422 950
TELECOMPUTING TOPCO AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	2	2 426 000	565 000
Sum kostnader		2 426 000	565 000
Driftøresultat		-2 426 000	-565 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	3, 8	192 295 000	
Annen renteinntekt	8	13 000	2 528 000
Annen finansinntekt	3	4 030 000	
Sum finansinntekter		196 338 000	2 528 000
Annen rentekostnad	3, 8	690 000	
Annen finanskostnad	3	176 000	
Sum finanskostnader		866 000	
Netto finans		195 472 000	2 528 000
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat		208 000	491 000
Ordinært resultat etter skattekostnad		192 838 000	1 472 000
Årsresultat		192 838 000	1 472 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		192 839 000	1 472 000
Sum overføringer og disponeringer		192 839 000	1 472 000



Organisasjonsnr: 915 422 950
TELECOMPUTING TOPCO AS

BALANSE

Beløp i: NOK

Note	2017	2016
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BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Finansielle anleggsmidler		
Investering i datterselskap 4	535 202 000	704 535 000
Sum finansielle anleggsmidler	535 202 000	704 535 000
Sum anleggsmidler	535 202 000	704 535 000

Omløpsmidler Varer

Fordringer		
Other short term receivables	209 000	
Konsernfordringer 8	1 000	2 475 000
Sum fordringer	210 000	2 475 000

Bankinnskudd, kontanter og lignende		
Bankinnskudd, kontanter og lignende 5	206 719 000	24 902 000
Sum bankinnskudd, kontanter og lignende	206 719 000	24 902 000

Sum omløpsmidler 206 929 000 27 377 000

SUM EIENDELER 742 131 000 731 912 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital		
Innskutt egenkapital		
Selskapskapital 6	74 186 000	72 806 000
Beholdning av egne aksjer 6	-1 503 000	
Overkurs 6	454 126 000	655 257 000
Sum innskutt egenkapital	526 809 000	728 063 000

Opptjent egenkapital		
Annen egenkapital	194 311 000	1 472 000
Sum opptjent egenkapital	194 311 000	1 472 000

Sum egenkapital 6 721 120 000 729 535 000

Gjeld



Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	8	17 191 000	
Sum annen langsiktig gjeld		17 191 000	
Sum langsiktig gjeld		17 191 000	0
Kortsiktig gjeld			
Leverandørgjeld		1 045 000	415 000
Annen kortsiktig gjeld	8	2 775 000	1 963 000
Sum kortsiktig gjeld		3 820 000	2 378 000
Sum gjeld		21 011 000	2 378 000
SUM EGENKAPITAL OG GJELD		742 131 000	731 913 000



Organisasjonsnr: 915 422 950
TELECOMPUTING TOPCO AS

KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		1 383 473 000	1 089 045 000
Annen driftsinntekt	4, 22	42 794 000	
Sum inntekter	13	1 426 267 000	1 089 045 000
Kostnader			
Varekostnad		466 524 000	353 573 000
Lønnskostnad		493 793 000	375 506 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		137 975 000	117 873 000
Annen driftskostnad		200 096 000	211 128 000
Sum kostnader		1 298 388 000	1 058 080 000
Drifteresultat		127 879 000	30 965 000
Finansinntekter og finanskostnader			
Annen finansinntekt		6 280 000	18 627 000
Sum finansinntekter		6 280 000	18 627 000
Annen finanskostnad		75 521 000	40 201 000
Sum finanskostnader		75 521 000	40 201 000
Netto finans		-69 241 000	-21 574 000
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat		1 185 000	9 081 000
Ordinært resultat etter skattekostnad		57 453 000	310 000
Profit from discontinued operation			
Årsresultat		1 768 000	7 717 000
Årsresultat		59 221 000	8 027 000
Translation effects foreign currency			
Reclassification of foreign currency differences on loss of control		6 935 000	
Totalresultat		101 563 000	-44 262 000
Overføringer og disponeringer			
Utbytte		200 000 000	
Profit for the period		59 221 000	8 027 000



Other comprehensive income for the period	42 341 000	-52 289 000
Sum overføringer og disponeringer	301 562 000	-44 262 000



Organisasjonsnr: 915 422 950
TELECOMPUTING TOPCO AS

KONSERNBALANSE

Beløp i: NOK	Note	2017	2016
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Customer contracts	9	79 332 000	104 272 000
Customer Relationship	9	256 316 000	266 517 000
Software & licences	9	26 727 000	15 151 000
Trademarks	9	82 292 000	111 220 000
Technology	9	52 896 000	58 227 000
Utsatt skattefordel	11		16 313 000
Goodwill	9	850 324 000	1 051 739 000
Sum immaterielle eiendeler		1 347 887 000	1 623 439 000
Varige driftsmidler			
IT equipment	8	167 011 000	137 947 000
Other equipment	8	2 145 000	3 476 000
Capitalized cost rented premises	8	1 017 000	852 000
Sum varige driftsmidler		170 173 000	142 275 000
Finansielle anleggsmidler			
Capitalized contract costs		3 010 000	
Sum finansielle anleggsmidler		3 010 000	
Sum anleggsmidler		1 521 070 000	1 765 714 000
Omløpsmidler			
Varer			
Varer		911 000	911 000
Sum varer		911 000	911 000
Fordringer			
Trade receivables	15, 17, 1	189 949 000	216 585 000
Other short-term receivables	15	20 962 000	29 313 000
Sum fordringer		210 911 000	245 898 000
Investeringer			
Finance lease asset	10	2 032 000	6 232 000
Financial derivative contracts	19	84 000	1 940 000
Other financial assets		73 000	73 000
Sum investeringer		2 189 000	8 245 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	5	311 178 000	121 580 000
Sum bankinnskudd, kontanter og lignende		311 178 000	121 580 000



Sum omløpsmidler		525 189 000	376 634 000
SUM EIENDELER		2 046 259 000	2 142 348 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital			72 806 000
Beholdning av egne aksjer	14	74 186 000	
Overkurs	14	-1 503 000	
Sum innskutt egenkapital		526 809 000	728 063 000
Opptjent egenkapital			
Annen egenkapital		57 300 000	-44 262 000
Sum opptjent egenkapital		57 300 000	-44 262 000
Sum egenkapital		584 109 000	683 801 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		333 000	333 000
Utsatt skatt	11	120 596 000	163 475 000
Sum avsetninger for forpliktelser		120 929 000	163 808 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	16, 19, 2	1 033 127 000	965 739 000
Other non-current liabilities	10	2 032 000	6 232 000
Sum annen langsiktig gjeld		1 035 159 000	971 971 000
Sum langsiktig gjeld		1 156 088 000	1 135 779 000
Kortsiktig gjeld			
Current portion of interest-bearing debt	16, 21	28 000 000	20 000 000
Leverandørgjeld	18	84 746 000	77 858 000
Betalbar skatt	11	19 884 000	12 097 000
Skyldige offentlige avgifter	18	60 126 000	65 275 000
Annen kortsiktig gjeld	18	113 306 000	147 537 000
Sum kortsiktig gjeld		306 062 000	322 767 000
Sum gjeld		1 462 150 000	1 458 546 000
SUM EGENKAPITAL OG GJELD		2 046 259 000	2 142 347 000



Skattedirektoratet

Saksbehandler Rune Tystad	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:

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Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: 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



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Journalnummer: 2018 472375

Enheten

Organisasjonsnummer: 915 422 950
Organisasjonsform: Aksjeselskap
Foretaksnavn: TELECOMPUTING TOPCO AS
Forretningsadresse: Drøngsrudbekken 12
1383 ASKER

Regnskapsår

Årsregnskapets periode: 01.01.2017 - 31.12.2017

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskaperegler

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: Thomas Astrup Klitbo
Dato for fastsettelse av årsregnskapet: 26.04.2018

Grunnlag for avgivelse

År 2017: Årsregnskap er elektronisk innlevert.
År 2016: Tall er hentet fra elektronisk innlevert årsregnskap fra 2017.

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, 15.06.2018



TeleComputing Topco Group

ANNUAL REPORT 2017



- helping customers create business value through IT



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Highlights

TeleComputing has continued its positive trajectory in 2017 and concluded the year with growth in both revenue and earnings due to positive development across in geographies. A substantial number of initiatives were carried out during the year to strengthen the development of the business and additional resources were recruited to reinforce the foundation for continued growth and increased profitability going forward:

- Improved platform stability and reliability
- Launched hybrid cloud solutions and Azure stack
- Established Advisory services
- Strengthened senior management team
- Hired additional resources into Customer Care teams
- Increased sales capacity

In addition to a number of operational measures, TeleComputing has carried out several structural initiatives to further focus the business and drive growth:

- Divested Kentor, TeleComputing's former systems development unit, as well as AtLan and ConsIT to focus on core business
- Acquired Doorway to drive scale and increase geographical presence

Below we have included proforma financial information to adjust for structural changes. The 2016 numbers are adjusted to represent full-year performance as well as adjusting for the 2017 divestment of Kentor. The 2017 proforma financial information is adjusted for the Kentor divestment as well as including full-year effects of the Doorway acquisition.

In Q1 2018 TeleComputing has acquired iBiz Solutions in Sweden and Digisys in Norway with total 2017 revenues of approximately NOK 177 million. These acquisitions support the growth agenda and will strengthen the Advisory services.

The Board of Directors firmly believe that the investments and actions undertaken in 2017 will continue to drive growth in the coming years and to further establish TeleComputing as a leading Nordic end-to-end IT and Hybrid Cloud provider in the SME sector.

2017 Financial Summary

NOK million	2017 Topco Group Cont'd operations	2017 Proforma
Revenue	1 426	1 450
Cost of goods sold	-467	-468
Payroll expenses	-494	-514
Other operating expenses	-200	-200
EBITDA	266	268
Depreciation	-82	-86
EBITA	183	181
Amortization	-56	-56
Operating profit (EBIT)	128	126

2016 Financial Summary

NOK million	2016 Topco Group Accounts	2016 Proforma
Revenue	1 341	1 279
Cost of goods sold	-363	-404
Payroll expenses	-566	-431
Other operating expenses	-241	-192
EBITDA	172	252
Depreciation	-71	-85
EBITA	101	167
Amortization	-54	-49
Operating profit (EBIT)	47	119



TeleComputing Topco Group

FINANCIAL STATEMENT 2017



- helping customers create business value through IT



DIRECTORS REPORT

TeleComputing Topco AS

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

The Market

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

The ongoing digitalization is driving the demand for the Group's services. TeleComputing is well positioned to benefit from this trend and have a positive market view for 2018. In the longer term, the Group has a strong strategic foundation in the growing market for IT services, primarily in the SME segment.

To take advantage of market opportunities, TeleComputing is driving its development of hybrid cloud solutions supported by an increasing focus on advisory capabilities as means for additional growth in its core business, hybrid cloud operations.

The IT-outsourcing market is characterized by a high number of small and mid-sized players which currently are undergoing a consolidation where TeleComputing Group is taking an active part.

In 2017, TeleComputing acquired Doorway AS in Arendal, Norway to increase the scale of its Norwegian operations. To further focus the business, the subsidiary Kentor was divested in 2017 as well as the subsidiaries AtLan AB and ConsIT AS (part of the Doorway AS acquisition).

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

Operations

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

TeleComputing provides IT outsourcing services for effective and centralized IT operations and integration 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 IT outsourcing 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.

Financials

The business continued to make good progress as one of the leading players in the IT outsourcing market in Norway and Sweden. Total revenue for the Group was NOK 1.426 million. Operating profit was NOK 127.9 million, and net profit was NOK 59.2 million. Overall, the Group's businesses show good earnings from operations in 2017.

The 2017 annual accounts show positive growth and increased profitability in line with the 2016 Directors Report's outlook.

Operations have shown satisfactory growth and profitability, and measures to further improve growth and profitability will continue throughout the Group in 2018.

The Doorway AS acquisition was completed in June 2017, and business has been consolidated into the group accounts as of July 2017.

Cash flow, balance sheet and liquidity

The Group achieved a positive cash flow from operations of NOK 150.2 million, net cash flow from investing activities was NOK 161.9 million. At year end, cash and equivalents was NOK 311.2 million.



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

The equity of Telecomputing Topco Group was NOK 584.1 million corresponding to an equity ratio of 28.5 %.

Telecomputing Topco – parent company

Telecomputing Topco had in 2017 an operating profit of NOK -2.4 million and net profit of NOK 192.8 million. As of 31 December 2017 equity amounted to NOK 721.1 million.

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.

Financial risk

Currency risk

The Group has currency exposure in NOK, SEK and USD. The Group is actively working on reducing its currency risk by hedging currency exposure.

The consolidated financial statements are presented in NOK. In converting the accounts of foreign subsidiaries, the Group's currency exposure relates to SEK. Further, the carrying value of parts of the group accounts' 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. Parts of the Group's financing are based on floating rates, but separate fixed rate contracts (swap and CAP) have been entered into in order to reduce the interest rate risk. The Group's loan agreements require hedging of a certain

proportion of the interest rate risk. This obligation is fulfilled.

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 well 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 good liquidity and continuous focus on cash management ensures sufficient liquidity to meet the Group's obligations when they mature.

The Group's long-term external financing is governed by a number of conditions customary for this kind of financing arrangements. The Group performs well within these requirements.

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 operations in Norway in 2017 was 3.4 %. In Sweden, sick leave was 4.2 %. There was not any major injuries or accidents associated with the company's operations in 2017.



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

Equal opportunities

Of the Group's 627 employees at year-end 2017, 287 employees work in Norway and 340 in Sweden. The Group has a majority of male employees. In total, 624 men and 78 women are employed by the Group. At the end of the year, there was one female member of the corporate management. Corporate management currently consists of two female members out of seven.

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

The Group 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 female candidates.

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

TeleComputing 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 because of lower energy consumption and reduced travel.

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

Going concern

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

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



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 cloud-based IT services has continued during 2017. TeleComputing has been in the front of the development of private cloud since 1997 and

is well positioned to increase our market share going forward.

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

Asker, 26 April 2018

The Board of Directors of TeleComputing Topco AS

Dag Mejdell
Chairman of the Board

Johan Lindqvist
Vice Chairman of the Board

Thomas Astrup Klitbo
Board member

Alireza Etemad
Board member

Sven Tore Kaasa
Board member

Terje Mjøs
CEO



TeleComputing Topco Group

INCOME STATEMENT

(Amounts in NOK 1000)

	Note	2017	3 March - 31 December 2016
Continuing operations			
Operating revenue		1 383 473	1 089 045
Other revenue	4, 22	42 794	-
Total operating revenue	13	1 426 267	1 089 045
Operating expenses			
Cost of goods sold		466 524	353 573
Payroll expenses	6	493 793	375 506
Other operating expenses	6, 10	200 096	211 128
Depreciation and amortization	8, 9	137 975	117 873
Total operating expenses		1 298 388	1 058 080
Operating profit		127 879	30 965
Financial items			
Financial income	7	6 280	18 627
Financial expenses	7	75 521	40 201
Net financial income (-cost)		-69 241	-21 574
Profit before income tax		58 637	9 391
Income tax expense	11	1 185	9 081
Profit from continuing operations	12	57 453	309
Discontinued operation			
Profit (loss) from discontinued operations, net of tax	22	1 769	7 718
Profit for the period		59 221	8 027
Other comprehensive income			
Items that are or may be reclassified subsequently to profit and loss			
Translation effects foreign currency		35 407	-52 290
Reclassification of foreign currency differences on loss of control		6 935	-
Other comprehensive income for the period, net of tax		42 341	-52 290
Total comprehensive income for the period		101 563	-44 262



TeleComputing Topco Group

BALANCE SHEET

(Amounts in NOK 1000)

ASSETS	Note	2017	2016
Intangible assets			
Deferred tax assets	11	-	16 313
Goodwill	9	850 323	1 051 739
Customer Contracts	9	79 332	104 272
Customer Relationship	9	256 316	266 517
Software & licences	9	26 727	15 151
Trademarks	9	82 292	111 220
Technology	9	52 896	58 227
Total intangible assets		1 347 887	1 623 438
Property, plant and equipment			
IT equipment	8	167 011	137 947
Other equipment	8	2 145	3 476
Capitalized cost rented premises	8	1 016	852
Total property, plant and equipment		170 173	142 275
Capitalized contract costs		3 010	-
Finance lease asset	10	2 032	6 232
Financial derivative contracts	19	84	1 940
Other financial assets		73	73
Total financial assets		2 189	8 245
TOTAL NON CURRENT ASSETS		1 523 259	1 773 958
Inventory		911	911
Receivables			
Trade receivables	15, 17, 19	189 949	216 585
Other short-term receivables	15	20 962	29 313
Total receivables		210 911	245 898
Cash and cash equivalents	5	311 178	121 580
TOTAL CURRENT ASSETS		523 000	368 389
TOTAL ASSETS		2 046 259	2 142 347



TeleComputing Topco Group

BALANCE SHEET

(Amounts in NOK 1000)


EQUITY AND LIABILITIES	Note	2017	2016
Equity			
Share capital	14	74 186	72 806
Own shares	14	-1 503	-
Share premium	14	454 126	655 257
Total paid-in equity		526 809	728 063
Other equity		57 300	-44 262
Total retained earnings		57 300	-44 262
TOTAL EQUITY		584 109	683 801
Provisions			
Pension liabilities		333	333
Deferred tax	11	120 595	163 475
Total provisions		120 929	163 808
Other non-current liabilities			
Interest-bearing debt	16, 19, 21	1 033 127	965 739
Other non-current liabilities	10	2 032	6 232
Total other non-current liabilities		1 035 159	971 972
Current liabilities			
Current portion of interest-bearing debt	16, 21	28 000	20 000
Trade payable	18	84 746	77 858
Tax payable	11	19 884	12 097
Public duties payable	18	60 126	65 275
Other short-term liabilities	18	113 305	147 537
Total current liabilities		306 062	322 767
TOTAL LIABILITIES		1 462 150	1 458 546
TOTAL EQUITY AND LIABILITIES		2 046 259	2 142 347



Asker, 26 April 2018
The Board of Directors of TeleComputing Topco AS



Dag Mejdell
Chairman of the Board



Johan Lindqvist
Vice Chairman of the Board



Thomas Astrup Klitbo
Board member



Alireza Etemad
Board member



Sven Tore Kaasa
Board member



Terje Mjås
CEO



TeleComputing Topco Group
CASH FLOW STATEMENT

(Amounts in NOK 1000)

		2017
Cash flow from operating activities		
Profit before interest and income taxes	7	108 600
<i>Adjustments for:</i>		
Depreciation	8	84 178
Amortization	9	53 798
<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	4, 22	-30 782
Gain on sale of other operations	4	-9 805
<i>Changes in:</i>		
- trade receivables		26 636
- trade payables		6 888
- inventory		1
- other working capital elements		-30 974
Cash generated from operating activities		211 655
Taxes paid in the period		-14 640
Interest paid in the period		-46 845
Net cash flows from operating activities		150 169
Cash flows from investment activities		
Proceeds from sale of property, plant and equipment		535
Proceeds from sale of shares and investments in other companies	4	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		-85 199
Acquisition of property, plant and equipment	8	-114 813
Net cash flows from investment activity		161 884
Cash flows from financing activities		
Proceeds from non-current liabilities	16	70 000
Proceeds from issuance of equity		15 509
Repayment of borrowings	16	-29 101
Transaction costs related to loans and borrowings	16	-1 253
Dividends paid		-200 000
Other changes		1 149
Repayment of leasing	10	-4 200
Net cash flows from financing activities		-147 896
Exchange gains/(losses) on cash and cash equivalents		25 441
Net change in cash and cash equivalents		189 598
Cash and cash equivalents at the start of period		121 580
Cash and cash equivalents at the end of the period		311 178



TeleComputing Topco Group STATEMENT OF CHANGES IN EQUITY

(Amounts in NOK 1000)

	Share capital	Share premium reserve	Translation reserve	Retained earnings	Total
Total comprehensive income for the period					-
Profit for the period	-	-	-	8 027	8 027
Other comprehensive income for the period	-	-	-52 290	-	-52 290
Total comprehensive income for the period	-	-	-52 290	8 027	-44 262
Transactions with the owner of the Company					
Capital increase 12.03.16	66 500	598 500	-	-	665 000
Capital increase 07.07.16	2 650	23 850	-	-	26 500
Capital increase 07.07.16	1 350	12 150	-	-	13 500
Capital increase 28.12.16	2 306	20 757	-	-	23 063
Total contribution and distributions	72 806	655 257	-	-	728 063
Balance at 31 December 2016	72 806	655 257	-52 290	8 027	683 801
At 1 January 2017	72 806	655 257	-52 290	8 027	683 801
Total comprehensive income for the period					-
Profit for the period	-	-	-	59 221	59 221
Other comprehensive income for the period	-	-	42 341	-	42 341
Other	-	-	-	-	-
Total comprehensive income for the period	-	-	42 341	59 221	101 563
Transactions with the owner of the Company					
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
Total contribution and distributions	-123	-201 131	-	-	-201 254
Balance at 31 December 2017	72 683	454 126	-9 948	67 249	584 109



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NOTES

Note 1 – General information

TeleComputing Topco AS is domiciled in Norway. The Company's registered office is at Drengsrudbekken 12, Asker, Norway. 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 IT management solutions to small and medium-sized businesses in Norway and Sweden.

These consolidated 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 2017. They were approved by the Board of Directors on 26 April 2018.

This is the first set of consolidated financial statements for TeleComputing Topco Group prepared in accordance with IFRS and therefore IFRS 1 *First-time Adoption of International Financial Reporting Standards* has been applied.

The date of transition where the Group was formed was 3 March 2016. Due to this, 2016 figures are not completely comparative to 2017. The Group's monthly income and cost base are relatively stable, so calculating an average income for 2016 used to give a total result for 2016 can be done to give an estimate for comparable full year numbers.

In accordance with IFRS 1, TeleComputing Topco Group has prepared an IFRS consolidated balance sheet as of 31 December 2016 and 31 December 2017, respectively. An explanation of how the transition to IFRSs has affected the reported financial position, financial performance and cash flows of the Group is provided in note 23.

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 TeleComputing Topco Group, whilst "the Company" is used for the parent company itself.

Note 2 - Accounting principles

Basis for preparation

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

Use of 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 and 22 – 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 re-presented 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 unrealised 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 2017 or 2016. 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.

Revenues Goods

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

Services

Outsourcing revenues from the sale of services are recognized based on the consumption of the service for the customers.

The costs incurring in the implementation phase is recognised as an asset on the balance sheet and amortised monthly over profit and loss over the lifetime of the contract.

Revenues from software sales are separated from outsourcing contracts. The revenue is recognised in the income statement based on the consumption of the customer each month.

Consulting Revenue is recognized in the income statement in relation to the project progress on the closing date provided that the outcome of the project can be estimated reliably. The degree of completion is calculated based on the actual work done in percent of budgeted total time. When the project's outcome cannot be reliably estimated, only income corresponding to 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.

Leasing

Finance leases

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

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

Operating leases

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

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as 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 with an indefinite economic life 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).

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

R&D expenses are 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 implementation 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.

Liabilities

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

Contingent liabilities and assets

Contingent liabilities are not recognised in the annual financial statements. Significant contingent liabilities are disclosed, with the exception of contingent liabilities where the probability of 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 TeleComputing 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. Deferred tax and tax benefits which may be shown in the balance sheet are presented net in 2017. In 2016 the deferred tax and tax benefits were presented gross.

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.

New standards and interpretations not yet adopted

A series of new standards, amendments of standards and interpretations of existing standards are mandatory for future financial statements. Among those the Group has decided not to implement early. For further assessment, see note 24.

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

Telecomputing Topco Group consisted of the following entities in 2017

Company	Acquisition date	Derecognition date	Registered office	Ownership	Voting share
TeleComputing Finco AS ⁽¹⁾	mar.16		Asker	100 %	100 %
TeleComputing AS ⁽²⁾	mar.16		Asker	100 %	100 %
TeleComputing Norway AS ⁽³⁾	mar.16		Asker	100 %	100 %
TeleComputing Inc. ⁽³⁾	mar.16		Houston	100 %	100 %
TeleComputing Sweden AB ⁽³⁾	mar.16		Stockholm	100 %	100 %
Doorway AS ⁽³⁾	jul.17		Arendal	100 %	100 %
Atlan AB ⁽⁹⁾	mai.16	jun.17	Gothenburg	100 %	100 %
H.C.Advance AB ⁽¹⁰⁾	mai.16		Gothenburg	100 %	100 %
Kentor Holding AB ⁽⁴⁾	feb.07	aug.17	Stockholm	100 %	100 %
Kentor IT AB ⁽⁵⁾	feb.07	aug.17	Stockholm	100 %	100 %
Kentor AB ⁽⁶⁾	feb.07	aug.17	Stockholm	100 %	100 %
Kentor East AB ⁽⁷⁾	feb.07	aug.17	Stockholm	100 %	100 %
Kentor ooo ⁽⁸⁾	feb.07	aug.17	St.Petersburg	100 %	100 %

⁽¹⁾ Owned by TeleComputing Topco AS

⁽²⁾ Owned by TeleComputing Finco AS

⁽³⁾ Owned by TeleComputing AS

⁽⁴⁾ Formerly owned by TeleComputing AS

⁽⁵⁾ Owned by Kentor Holding AB

⁽⁶⁾ Owned by Kentor IT AB

⁽⁷⁾ Owned by Kentor AB

⁽⁸⁾ Owned by Kentor East AB

⁽⁹⁾ Formerly owned by TeleComputing Sweden AB

⁽¹⁰⁾ Formerly owned by TeleComputing Sweden AB, merged with TeleComputing Sweden AB in 2017

Changes in the group in 2017

Telecomputing AS acquired all shares in Doorway AS in July 2017. Doorway's subsidiary Consit AS was then sold in July 2017.

The following entities have been sold during 2017:

June: Atlan AB: total gain of NOK 5 082 thousand

July: Consit AS: total gain of NOK 4 723 thousand

August: Kentor Holding AB with all subsidiaries (Kentor IT AB, Kentor AB, Kentor East AB and Kentor ooo): total gain of NOK 30 782 thousand

The gains are classified as other revenue.

H.C.Advance AB was merged with TeleComputing Sweden AB the 31. of August 2017

Further information about the Group's acquisitions is included in note 20 Business combinations and note 22 for further information about the discontinued operations.



Note 5 Cash and cash equivalents

Cash and cash equivalents	2017	2016
Other cash and bank deposits	311 178	121 580
Total	311 178	121 580

Cash pool agreement

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

Employees' tax deduction

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



Note 6 Payroll, fees, number of employees etc.

Payroll expenses	2017	2016*
Salaries/wages	364 912	285 350
Social security fees	85 484	56 894
Pension expenses	25 699	20 032
Other remuneration	17 697	13 231
Total	493 793	375 506

Average number of employees	2017	2016
Norway	365	275
Sweden	338	330
Total	703	605

*2016 figures has been restatet as a result of the disposal of Kentor Group

Defined contribution based pension scheme

The Norwegian companies in the group have a defined contribution based pension scheme which covers all full- time and part-time employees (20 %). The scheme amounts to between 4.37 % and 6 % of salary. Companies in Sweden have defined contribution plans with the deposit of 7-15 % of the salary in Kentor and 4.5-30 % of the salary in TeleComputing Sweden.

Remuneration to executives	CEO	Board
Salaries/board fee	2 134	1 325
Bonus	-	-
Pension expenses	52	-
Other remuneration	184	-
Total	2 370	1 325



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. These schemes are 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. The first bonus will be paid 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.

Expensed audit fee	2017	2016
Statutory audit	1 360	768
Other assurance services	684	-
Tax advisory fee	27	-
Other assistance	864	109
Total	2 935	876

2016 expensed audit fee does not include NOK 423.4 thousand to EY fees.



Note 7 Financial items

Financial income	2017	2016
Other interest income	6 280	-868
Net change in fair value of derivatives	-	539
Net foreign exchange gain	-	18 956
Total financial income	6 280	18 627

Financial expenses	2017	2016
Interest expense on bank borrowings and leasing	56 242	40 174
Net foreign exchange loss	18 898	27
Other financial expenses	381	-
Total financial expenses	75 521	40 201



Note 8 Property, plant and equipment

Fixed assets	IT equipment	Other equipment	Capitalized cost rented premises	Total
Acquisitions through business combinations TC AS	156 795	4 918	1 340	163 053
Acquisitions through business combinations Advance Group	530	-	-	530
Additions	49 931	-	-	49 931
Disposals	-	-	-	-
Purchase cost 31 December 2016	207 256	4 918	1 340	213 514
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	-	-	1 083
Disposals	-5 240	-1 406	-	-6 646
Purchase cost 31 December 2017	300 103	5 495	2 238	307 836
Depreciation	64 883	1 540	485	66 907
Impairment loss	-	-	-	-
Disposals	-	-	-	-
Accumulated depreciation 31 December 2016	64 883	1 540	485	66 907
Depreciation	69 203	2 126	735	72 064
Impairment loss	-	-	-	-
Disposals	-2 519	-137	-	-2 656
Accumulated depreciation 31 December 2017	131 566	3 529	1 220	136 315
Translation differences 31 December 2016	-4 426	98	-4	-4 331
Translation differences 31 December 2017	2 900	81	2	2 983
Carrying amount 31 December 2016	137 947	3 476	852	142 275
Carrying amount 31 December 2017	167 011	2 145	1 017	170 173
Expected useful life	3-5 years	3-7 years	3-5 years	
Depreciation plan	Straight line	Straight line	Straight line	

Depreciation of total NOK 4.2 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	Sum
Acquisitions through business combinations TC AS	1 031 788	123 200	265 000	7 169	120 566	65 288	1 613 011
Acquisitions through business combinations Doorway Group	61 305	6 935	29 346	-	-	-	97 586
Additions	-	-	-	13 205	-	-	13 205
Disposals	-	-	-	-	-	-	-
Purchase cost 31 December 2016	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
Purchase cost 31 December 2017	867 705	130 135	291 339	37 238	92 518	65 288	1 484 222
Amortization	-	21 689	17 730	4 786	4 777	5 247	54 230
Impairment loss	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Accumulated depreciation 31 December 2016	-	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
Accumulated depreciation 31 December 2017	-	46 831	30 731	10 461	8 085	11 642	107 750
Translation differences 31 December 2016	-41 354	-4 173	-10 099	-436	-4 570	-1 814	-62 447
Translation differences 31 December 2017	23 972	202	5 808	387	2 429	1 065	33 863
Carrying amount 31 December 2016	1 051 739	104 272	266 517	15 151	111 219	58 227	1 607 125
Carrying amount 31 December 2017	850 323	79 332	256 317	26 728	82 292	52 896	1 347 887

Estimated useful life	5 Years	15 Years	3-4 Years	20 Years	10 Years
Depreciation plan	Straight line	Straight line	Straight line	Straight line	Straight line
Remaining useful life	3	13	3	18	8

TeleComputing Sweden AB and TeleComputing Norway AS both have considerable customer contracts lasting up to five years and long standing customer relationships. Doorway also has long lasting customer relationships

TeleComputing Group held two trademarks in 2016; TeleComputing and Kentor. Kentor was disposed of in 2017 and is no longer a part of the group. 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. TeleComputing allocates goodwill to the business units per country where the operations are located.

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

2016	3 March	Additions	Impairment	Exchange difference	31 December
IT Outsourcing Norway	464 264	-	-	-	464 264
IT Outsourcing Sweden	280 082	61 305	-	-22 071	319 317
IT Solutions Sweden	287 441	-	-	-19 283	268 158
Total	1 031 788	61 305	-	-41 354	1 051 739



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") TeleComputing Norway and TeleComputing Sweden has been estimated for the period of 2018-2022. The 2018 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 outsourcing revenues. Key assumptions are related to sales to drive new revenue streams as well as churn assumptions for revenue stream losses. Consulting and HW&SW revenues can be looked upon as add-on revenues to the core outsourcing revenues. Estimated growth for both units are above market expectations, as a consequence of a strengthened New Business sales team, and reduced churn levels due to investments done in key programs ("improve the basics") done in 2017 continuing in 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)	2017	2016
IT Outsourcing Norway	7.8%	8.7%
IT Outsourcing Sweden	7.2%	7.7%

For both TCN and TCS 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

Operational lease contracts

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

Overview of future minimum operating leases	2017	2016
Less than one year	44 838	44 287
Between one and five years	87 941	59 435
More than five years	36 934	39 141
Total	169 713	142 864

Amounts recognised in profit or loss	2017	2016
Lease expense	32 214	53 992

Finance lease contracts

The group has financed a limited amount of the purchases of new IT equipment and vehicles by entering into financial leasing contracts. The company has an option to buy the assets at the end of the lease contracts. The overview of the company's future minimum lease payments and the present value of future minimum lease payments are as follows.

Overview of future minimum financial lease payments	Future minimum	
	2017	2016
Less than one year	1 072	4 200
Between one and five years	960	2 032
More than five years	-	-
Total	2 032	6 232

Carrying amounts of leased assets and commitments	2017	2016
Carrying amount of leased assets	2 032	6 232
Carrying amount of lease commitment	2 032	6 232

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



Note 11 Taxes

	2017	2016
Tax expense recognised in profit and loss		
Current tax expense from continuing operations	1 185	9 081
Current tax expense from discontinued operations	496	4 188
Total tax expense	1 680	13 270

	2017			2016		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Tax expense recognised in OCI						
Foreign operations - foreign currency translation differences	42 341	-	42 341	-52 290	-	-52 290
Tax expense recognised directly in equity						
Periodiseringsfond in Sweden	63 035	13 868	49 167	75 999	16 720	59 279

	2017 (%)	2017	2016 (%)	2016*
Reconciliation of effective tax rate Group				
Income before tax	100 %	58 637	100 %	9 391
Calculated tax (24%/25%)	24 %	14 073	25 %	2 348
Permanent differences (24%/25% and 22% in SE)	-11 %	-6 743	101 %	9 500
Effect of change in tax rate in Norway	-9 %	-5 194	-1 %	-93
Differences in tax rates amongst the Group and subsidiaries	-1 %	-486	-9 %	-831
Adjustment for prior years	-1 %	-466	-20 %	-1 843
Tax expense on continuing operations	2 %	1 185	97 %	9 081
Current tax payable				
Tax payable Norway		14 842		-417
Tax payable Sweden		5 043		12 514
Payable tax in the balance sheet		19 884		12 097

Movement in deferred tax balances in 2017

	Net balance at 1 January	Recognised in profit and loss	Recognised in OCI/equity	Acquired in business combinations	Other	Balance at 31 December
Specification of deferred tax assets:						
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	-40 533
Losses carried forward	-3 404	511	-	-	-	-2 893
Basis for deferred tax	-71 954	27 137	-	2 216	-824	-43 426
Effect change in tax rate		435				435
Deferred tax assets in the balance sheet	16 313	-5 806	-	-510	185	10 182

Specification of deferred tax liabilities						
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
Basis for deferred tax	699 954	-107 463	14 320	38 401	-64 349	580 863
Effect change in tax rate		-5 629				-5 629
Deferred tax liabilities in the balance sheet	163 475	-30 345	3 294	8 832	-14 479	130 777
Net deferred tax liabilities in the balance sheet**						120 595



Movement in deferred tax balances in 2016

Specification of deferred tax assets:	Net balance at 31 March	Recognised in profit an loss	Recognised in OCI/equity	Acquired in business combinations	Other	Balance at 31 December
Tangible assets	-21 124	-26 725	-	-	-	-47 849
Receivables	-2 616	-96	-	-	-	-2 712
Deferred revenue	-5 357	-213	-	-	-	-5 570
Other	-	-	-	-9 152	-2 933	-12 085
Pension liabilities	-333	-	-	-	-	-333
Net temporary differences	-29 429	-27 034	-	-9 152	-2 933	-68 550
Losses carried forward	-	3 615	-	-7 019	-	-3 404
Basis for deferred tax	-29 429	-23 420	-	-16 171	-2 933	-71 954
Deferred tax assets in the balance sheet	7 515	5 621	-	3 881	-704	16 313

Specification of deferred tax liabilities

Intangible assets acquired through business combinations	570 742	-48 070	-	36 281	-18 716	540 236
Intangible assets	7 169	-3 838	-	5 539	6 281	15 151
Other	66 685	-	9 315	-	-171	75 788
Non-current receivables in foreign exchange	-	29 517	-	-	-	29 517
Capitalized financing fee	45 106	-6 014	-	-	-	39 092
Basis for deferred tax	689 701	-28 405	9 315	41 820	-12 606	699 783
Deferred tax liabilities in the balance sheet	161 045	-6 817	2 236	10 037	-3 025	163 475

Change in deferred tax

	2017	2016
Change deferred asset	-6 131	8 797
Change deferred tax liabilities	-32 698	2 430
Net change in deferred tax	-38 829	11 227

* The income tax expense of 2016 represents the Group's tax expenses for the ten months after the establishment of the Group. In the opening balance income tax expense of NOK 6.073 thousand was identified. Tax expenses for 2016 is excluding discontinued operations. For total result before tax, see note 22 in addition to the income statement.

** 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:

	2017	2016
Basis for calculation of earnings per share in NOK		
Earnings for the year continuing operations	57 452 550	309 298
Earnings for the year discontinued operations	1 768 797	7 718 183
Weighted number of outstanding shares during	7 418 610	6 674 037
Earnings per share total	7.98	1.20
Earnings per share continued operations	7.74	0.05



Note 13 Revenue

2017

Continued operations	IT		IT Services Sweden	Holding	Eliminations/ other	Group
	Outsourcing Norway	Outsourcing Sweden				
Outsourcing	608 041	423 152	-	-	-19 135	1 012 058
Consulting	94 225	94 525	-	-	-3 047	185 703
Hardware/software	103 544	82 956	-	-	-789	185 711
Other	-	2 713	-	64 894	-24 813	42 794
Total revenue	805 810	603 346	-	64 894	-47 784	1 426 267

2016

Continued operations	IT		IT Services Sweden	Holding	Eliminations	Group
	Outsourcing Norway	Outsourcing Sweden				
Outsourcing	465 860	342 982	-	-	-13 694	795 148
Consulting	77 639	77 344	-	-	-1 221	153 761
Hardware/software	71 166	69 427	-	-	-	140 593
Other	-	202	-	30 166	-30 826	-457
Total revenue	614 665	489 954	-	30 166	-45 741	1 089 045

2017

Discontinued operations	IT		IT Services Sweden	Holding	Eliminations	Group
	Outsourcing Norway	Outsourcing Sweden				
Outsourcing	-	-	-	-	-2 365	-2 365
Consulting	-	-	194 581	-	-6 327	188 254
Subcontractors	-	-	7 245	-	-	7 245
Hardware/software	-	-	7 463	-	-907	6 556
Other	-	-	1 828	-	-57	1 771
Total revenue	-	-	211 116	-	-9 655	201 461

2016

Discontinued operations	IT		IT Services Sweden	Holding	Eliminations	Group
	Outsourcing Norway	Outsourcing Sweden				
Outsourcing	-	-	-	-	-1 042	-1 042
Consulting	-	-	243 840	-	-7 741	236 099
Subcontractors	-	-	12 947	-	-	12 947
Hardware/software	-	-	4 278	-	-1 379	2 899
Other	-	-	1 179	-	-	1 179
Total revenue	-	-	262 245	-	-10 163	252 082



Note 14 Share capital and share information

At 31st of December 2017 the share capital of Telecomputing Topco AS consisted of 7.418.610 shares of nominal value 10.

The share capital consists of the following share classes	Number of shares	Nominal	Carrying amount
Preference Shares	5 941 527	10	59 415 270
Common Shares	1 477 083	10	14 770 830
Total	7 418 610		74 186 100

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.

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
Sven Tore Kaasa	Board member	-	65 000	65 000
Terje Mjøs	CEO	-	65 000	65 000

Terje Mjøs started as CEO of TeleComputing Topco in April 3rd, 2017

Dividend

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

	2017	2016
NOK 0 per ordinary share (2016: 0)	-	-
NOK 34,3565 per preference share (2016: 0)	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	2017	2016
Trade receivables from customers	189 949	216 585
Prepayments	19 607	19 947
Other trade receivables	1 355	9 366
Total trade and other receivables	210 911	245 898

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 120 million of the acquisition facility of totally NOK 130 million.

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

Non-current liabilities	2017	2016
Secured bank loans	1 101 472	1 024 831
Capitalised financing fee	-40 345	-39 092
Net non-current liabilities	1 061 127	985 739

Current interest-bearing liabilities	2017	2016
Current portion of secured bank loans	28 000	20 000
Net current liabilities	28 000	20 000

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	Interest rate swap and CAP contracts used for hedging - liabilities	Share capital/premium	Retained earnings	
Balance as of 1 January 2017	985 739	6 232	1 940	728 063	-44 262	1 677 713
Changes from financing cash flows						
Proceeds from issue of equity	-	-	-	15 509	-	15 509
Purchase of own shares	-	-	-	-16 787	-	-16 787
Proceeds from long term loans	70 000	-	-	-	-	70 000
Transaction costs related to long term loans	-1 253	-	-	-	-	-1 253
Repayment of long term loans	-29 101	-	-	-	-	-29 101
Payment of finance lease liabilities	-	-4 200	-	-	-	-4 200
Dividend paid	-	-	-	-200 000	-	-200 000
Total changes from financing cash flows	39 646	-4 200	-	-201 278	-	-165 832
Changes arising from obtaining or losing control of subsidiaries or other business	-	-	-	-	30 782	30 782
The effect of changes in foreign exchange rates	26 372	-	-	175	42 993	69 540
Changes in fair value	-	-	-1 856	-	-	-1 856
Other changes	1 149	-	-	-	-	1 149
Liability-related						
Capitalised borrowing cost	8 221	-	-	-	-	8 221
Interest expense (incl. discount'd operations)	-	-	-	-	74 426	74 426
Interest paid (incl. discount'd operations)	-	-	-	-	-46 845	-46 845
Total liability-related other changes	8 221	-	-	-	27 581	35 802
Total equity-related other changes	-	-	-	-	-	-
Balance at 31 December 2017	1 061 128	2 032	84	526 961	57 093	1 647 298



Note 17 Related parties

Members of the board and CEO of the parent company, including their related parties, are 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

TeleComputing Topco AS is the parent in TeleComputing Topco Group. The ultimate controlling party for the group is TeleComputing International S.à.r.l. with 90 % of the voting rights for the group.

Transactions with subsidiaries

Disclose related party relationships between parent and subsidiaries irrespective of whether transactions have taken place between those related parties.

	Transaction values for the year end ended 31 December		Balance outstanding as at 31 December	
	2017	2016	2017	2016
TeleComputing Finco AS				
Group contribution 2016	-	-1 962	-1 962	-1 962
Group contribution 2017	-867	-	-867	-
Total	-867	-1 962	-2 829	-1 962



Note 18 Trade and other payables

Overview of trade and other payables	2017	2016
Trade payables to vendors	84 746	77 858
Accrued expenses	113 305	65 275
Other payables	60 126	147 537
Total trade and other payables	258 177	290 669

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 TeleComputing 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 TeleComputing 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 TeleComputing 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 2017

Non-derivative financial liabilities

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	2-3 years	4-5 years	More than 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	-	-	-	-
Total:	1 339 244	1 378 338	291 491	13 375	62 000	74 000	937 472

Derivative financial liabilities

Interest rate swap used for hedging	48	48	-	-	-	48	-
CAP instrument used for hedging	37	37	-	-	-	37	-
Total:	84	84	-	-	-	84	-

31 December 2016

Non-derivative financial liabilities

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	2-3 years	4-5 years	More than 5 years
Secured bank loans	965 739	1 004 831	-	-	58 000	106 000	840 831
Current portion of interest-bearing debt	20 000	20 000	10 000	10 000	-	-	-
Trade payable	77 858	77 858	77 858	-	-	-	-
Tax payable	12 097	12 097	6 608	-203	5 693	-	-
Public duties payable	65 275	65 275	65 275	-	-	-	-
Other short-term liabilities	147 537	147 537	142 001	2 768	2 768	-	-
Total:	1 288 506	1 327 598	301 741	12 565	66 461	106 000	840 831

Derivative financial liabilities

Interest rate swap used for hedging	1 438	1 438	-	-	-	1 438	-
CAP instrument used for hedging	502	502	-	-	-	502	-
Total:	1 940	1 940	-	-	-	1 940	-

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 2017	31 December 2016
	SEK thousand*	SEK thousand**
Secured bank debt	-539 661	-549 641
Trade receivables	92 028	73 125
Trade payables	-42 540	-40 867
Net statement of financial position exposure	-490 172	-517 383

*Currency rate in balance sheet 31.12.17: 0.9996 NOK/SEK

**Currency rate in balance sheet 31.12.16: 0.9512 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.

	Profit before income tax		Equity	
	Strengthening	Weakening	Strengthening	Weakening
31 December 2017				
SEK (2.5 % movement)	-12 249	11 951	-9 310	9 082
SEK (5 % movement)	-24 499	23 332	-18 619	17 732
31 December 2016				
SEK (2.5 % movement)	-12 303	12 003	-9 351	9 122
SEK (5 % movement)	-24 607	23 435	-18 701	17 811

Sensitivity analysis related to foreign operations

The Group's financial statements are presented in NOK. Operations in Sweden have SEK as functional currency and due to this the Group recognizes translation differences due to changes in exchange rates. The table below shows TeleComputing's exposure and sensitivities to changes in SEK against NOK currency rate.

	2017			2016		
	Operating revenue	Profit before income tax	Equity	Operating revenue	Profit before income tax	Equity
Effect on TeleComputing Group if SEK/NOK increases by 5 %	30 163	1 212	33 152	24 757	1 328	30 366
Effect on TeleComputing Group if SEK/NOK decreases by 10 %	-54 841	-2 203	-60 276	-45 014	-2 414	-55 210

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	2017	2016
Financial assets	157	2 013
Financial liabilities	1 061 127	985 739
Effect of interest rate swaps	-1 856	539
Net variable financial instruments	1 059 114	984 265



Sensitivity analysis related to interest rates

Interest bearing long term debt expose the group to cash flow interest rate risk. At year-end 2017 the Group has NOK 1.101 million (NOK 1.025 million at year-end 2016) in net variable rate instruments. An increase in NIBOR by 100 basis points would increase the Group's annual net interest expense approx. NOK 5.2 million (approx. NOK 5.6 million at year end 2016) and an increase in STIBOR rate of 100 basis points would increase the Group's annual net interest expense of NOK 5.3 million (NOK 5.4 million at year end 2016).

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 %. The

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	19.03.19	48
CAP	251 798	SEK	0%	-		19.03.19	37
Total							84

The following table shows the Group's interest rate swap and CAP agreements in kNOK as at 31 December 2016:

Instrument	Principal	Currency	Strike	Fixed rate	Basis of floating rate	Duration	Market value (NOK)
Swap	318 000	NOK	-	0.9%	NIBOR3M	19.03.19	1 438
CAP	251 798	SEK	0%	-		19.03.19	502
Total							1 940

Credit risk

The Group has credit risk related to trade receivables. At year-end 2017, maximum credit risk related to trade receivables was NOK 189.9 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 2017, the Group's maximum credit risk related to derivatives is equivalent to NOK 84 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 rating. TeleComputing does not expect Nordea to fail to meets its obligations.

Exposure to credit risk	Note	2017			Total
		Receivables at amortized cost	Cash and cash equivalent	Financial instruments at FVTPL	
Trade receivables	18	189 949	-	-	189 949
Financial derivative contracts		-	-	84	84
Cash and cash equivalents	5	-	311 178	-	311 178
Total		189 949	311 178	84	501 212

	Note	2016			Total
		Receivables at amortized cost	Cash and cash equivalent	Financial instruments at FVTPL	
Trade receivables	21	216 585	-	-	216 585
Financial derivative contracts		-	-	1 940	1 940
Cash and cash equivalents	5	-	121 580	-	121 580
Total		216 585	121 580	1 940	340 106

Age break-down of accounts receivable 2017

	Net trade receivables 2017	Net trade receivables 2016
Not past due	147 127	175 695
0-30 days	35 178	34 392
30-60 days	3 539	1 968
60-90 days	1 719	1 260
Over 90 days	2 385	3 270
Total	189 949	216 585



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:

	2017	2016
Balance Jan. 2017 and 3rd of March 2016	5 044	4 000
Movement in the allowance for impairment	-2 724	569
Changes due to acquisitions and disposals	217	475
Balance 31 December	2 536	5 044

The net effect over profit and loss was in total NOK 60 thousand in 2017 and NOK 628 thousand in 2016



Note 20 Business Combinations

(Amounts in NOK 1000)

Acquisitions in 2017

TeleComputing AS has a clear growth strategy through acquisitions and aim to be a consolidator in the market for IT professional services focusing on hybrid cloud solutions, centralized IT operations, outsourcing, digitalization and system integration for small and medium enterprises (SMEs) in the Nordic region.

TeleComputing Topco AS via its subsidiaries made one acquisitions during 2017. TeleComputing AS acquired 100 % of the shares in Doorway AS. Doorway AS has been consolidated into the group accounts as of acquisition.

Doorway AS

TeleComputing AS acquired Doorway AS in July 2017. The acquisition will contribute to TeleComputing's growth strategy by giving TeleComputing Topco a solid foothold into the market for IT professional services focusing on hybrid cloud solutions and digitalization in the South region in Norway.

Doorway profit & loss 2017	July-Dec. 2017	2017
Revenue	49 659	103 420
Expenses	44 610	85 782
Result from operating activities	5 048	17 639
Net finance	4 815	4 401
Income tax	581	3 823
Result from operating activities, net of tax	9 282	18 216

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.



Note 21 Fair value

Accounting classifications and fair values

Fair value information for financial assets and financial liabilities 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 2017	Carrying amount			Fair value				
	Note	Designated at fair value	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Financial derivate contracts	19	84	-	84	-	84	-	84
		84	-	84	-	84	-	84
Financial liabilities not measured at fair value								
Secured bank loans	19	-	1 061 127	1 061 127	-	-	1 101 472	1 101 472
Total		-	1 061 127	1 061 127	-	-	1 101 472	1 101 472

For further information, see also note 19 Financial risk.

31 December 2016	Carrying amount			Fair value				
	Note	Designated at fair value	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Financial derivate contracts	19	1 940	-	1 940	-	1 940	-	1 940
		1 940	-	1 940	-	1 940	-	1 940
Financial liabilities not measured at fair value								
Secured bank loans	19	-	985 739	985 739	-	-	1 024 831	1 024 831
Total		-	985 739	985 739	-	-	1 024 831	1 024 831

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. as prices derived from other observable market data).
- 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 IT Outsourcing 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

	2017	2016
Revenue	211 116	262 245
Expenses	203 667	246 043
Result from operating activities	7 449	16 202
Net finance	5 185	4 296
Income tax	496	4 188
Result from operating activities, net of tax	1 769	7 718
Gain on sale of discontinued operation	30 782	-
Income tax on gain on sale of discontinued operation	-	-
Profit (loss) from discontinued operations, net of tax	32 551	7 718

Cash flow from (used in) discontinued operations

	2017	2016
Net cash used in operating activities	18 346	9 431
Net cash from investing activities	-1 077	-1 768
Net cash flows for the year	17 268	7 663

Effect of disposal on the financial position of the Group

	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
Net assets and liabilities	-172 997
Consideration received, satisfied in cash	203 779
Cash and cash equivalents disposed of	156 561
Net cash inflows	360 341



Note 23 First time adoption of IFRS

Transition to IFRS: No material changes to accounting policies and financial statements reported in 2017.

The following is an explanation of any significant differences between Accounting Act § 3-9 and regulations regarding simplified IFRS issued by the Ministry of Finance 21 January 2008 ("Simplified IFRS") and IFRS upon conversion of the Group's consolidated financial statements as of, and for the years ended, 31 December 2017 and 2016 to IFRS.

The group was formed 3 March 2016 and the consolidated statements were prepared in accordance with Simplified IFRS. According to this, all assets and liabilities assumed were measured and accounted for at fair value on the date of acquisition. Costs related to the acquisition was charged over profit and loss for the group.

There were no deviations between the measurement done according to IFRS and the regulations regarding Simplified IFRS, and the Group has used accounting principles for recognizing and measuring according to IFRS as of the recognition date. Consequently there is no need to restate the balance sheet, the profit and loss or the cash flow statement accordingly.



Note 24 Standards issued but not yet effective

IFRS 9 Financial Instruments

IFRS 9 contains a new classification and measurement approach, impairment and hedge accounting rules for financial assets and liabilities. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. Based on the financial assets and liabilities currently held by the company this is not expected to have a significant impact on TeleComputing's financial statements.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes 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 Group have started to analyse each type of contracts through the five-step model in IFRS 15.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018.

Sale of goods

The TeleComputing Group sells hardware to existing 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 TC Group.

IT Operation Contracts:

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

The implementation does not transfer any goods or services to the customer. According to IFRS 15, costs incurred to fulfil the contract during the implementation 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.

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.

IT 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.

IFRS 15 is not expected to have a material impact on these contracts.



Incremental costs of obtaining a contract:

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 amortised over the contract term if they meet the criteria in the standard.

IFRS 16 Leases

IFRS 16 establishes new principles for recognition, measurement, presentation and disclosure of leases. The new standard requires lessees to recognise nearly all leases on the balance sheet, which will reflect their right to use an asset for a period of time and the associated liability to pay rentals.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019.

The Group has completed an initial assessment of the potential impact on its consolidated financial statements but has not yet completed its detailed assessment. The actual impact of applying IFRS 16 on the financial statements in the period of initial application will depend on future economic conditions at 1 January 2019, the composition of the Group's lease portfolio at that date and the extent to which the Group chooses to use practical expedients and recognition exemptions. So far, the most significant impact identified is that the Group will recognise new assets and liabilities for its operating leases of office and warehouse facilities. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Determining whether an arrangement contains a lease

The Group has made an assessment whether or not the different contracts contains a lease. The method includes to see if there is an asset identified, if the Group has the right to all of the economic benefits from use of the asset throughout the period of use and has the right to direct how and for what purpose the asset is used throughout the period.

Transition

Based on all contracts for the Group, it's the rental contracts that will impact most:

After establishing the discount rates for each lease contract, the present value of the lease payments and the value of the assets will be recognised in the balance sheet. This will be the most significant impact of IFRS 16, since these contracts are recognised as operating leases, hence no assets is currently recognised in respect of the lease contracts. The impact on the balance sheet and EBITA is not concluded.



Note 25 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.



TeleComputing Topco AS

FINANCIAL STATEMENT 2017



- helping customers create business value through IT



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TeleComputing Topco AS
INCOME STATEMENT

(Amounts in NOK 1000)

	Note	2017	2016
Operating expenses			
Other operating expenses	2	2 426	565
Total operating expenses		2 426	565
Operating profit		-2 426	-565
Financial items			
Income from subsidiaries	3, 8	192 295	-
Other interest income	8	13	2 528
Other financial income	3	4 030	-
Other interest expense	3, 8	690	-
Other financial expense	3	176	-
Net financial income (-cost)		195 473	2 528
Profit before income tax		193 047	1 963
Income tax expense	9	208	491
Net profit or loss for the year		192 839	1 472
Allocation of net profit			
Transferred to other equity		192 839	1 472
Sum allocation		192 839	1 472



TeleComputing Topco AS

BALANCE SHEET

(Amounts in NOK 1000)

ASSETS	Note	2017	2016
Fixed assets			
Investments in subsidiaries	4	535 202	704 535
Total financial fixed assets		535 202	704 535
TOTAL FIXED ASSETS		535 202	704 535
Current assets			
Loans to group companies	8	1	2 475
Other short term receivables		209	-
Cash and bank deposits	5	206 719	24 902
TOTAL CURRENT ASSETS		206 929	27 377
TOTAL ASSETS		742 130	731 913

EQUITY AND LIABILITIES	Note	2017	2016
Equity			
Share capital	6	74 186	72 806
Own shares	6	-1 503	-
Share premium	6	454 126	655 257
Total paid-in equity		526 809	728 063
Other equity		194 311	1 472
Total retained earnings		194 311	1 472
TOTAL EQUITY	6	721 120	729 535
Other non-current liabilities			
Other non-current liabilities	8	17 191	-
Total non-current liabilities		17 191	-
Current liabilities			
Trade payables		1 045	415
Other short-term liabilities	8	2 775	1 963
Total current liabilities		3 820	2 377
TOTAL LIABILITIES		21 010	2 377
TOTAL EQUITY AND LIABILITIES		742 130	731 913



Asker, 26. April 2018
The Board of Directors of TeleComputing Topco AS



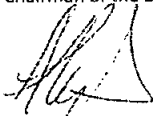
Dag Mejdell
Chairman of the Board



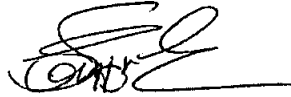
Johan Lindqvist
Vice Chairman of the Board



Thomas Astrup Klitbo
Board member



Alireza Etemad
Board member



Sven Tore Kaasa
Board member



Terje Mjøs
CEO



TeleComputing Topco AS

CASH FLOW STATEMENT

(Amounts in NOK 1000)

	2017
Cash flow from operating activities	
Profit before income tax	193 047
+/- Change in trade payables	-630
+/- Change in other accrual items	3 898
= Net cash flows from operating activities	196 315
Cash flows from investment activities	
= Net cash flows from investment activity	-
Cash flows from financing activities	
+ Received dividends not recognized in revenue	185 501
- Dividends paid	-200 000
= Net cash flows from financing activities	-14 499
= Net change in cash and cash equivalents	181 816
+ Cash and cash equivalents at the start of period	24 902
Cash and cash equivalents at the end of the period	206 719



NOTES

Note 1 - Accounting principles

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

Use of estimates

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

Classification of balance sheet items

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

Investments in subsidiaries

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

Foreign currencies

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

Liabilities

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

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.



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

	2017	2016
Expensed audit fee		
Statutory audit (incl. technical assistance with financial statements)	438	112
Other assurance assistance	15	-
Other assistance	800	-
Total	1 253	112

In addition, it is expensed NOK 42.000 in fees to former auditor which is related to Other assurance services in 2016.

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

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

Note 3 Financial items

	2017	2016
Financial income		
Other interest income	13	10
Interest intragroup	-	2 518
Dividend from subsidiaries	192 295	-
Net foreign exchange gain	4 030	-
Total financial income	196 338	2 528

	2017	2016
Financial expenses		
Other interest expense	317	-
Interest expense intragroup	373	-
Net foreign exchange loss	176	-
Total financial expenses	866	-

Note 4 Investments in subsidiaries

2017						
Subsidiaries	Acquisition date	Location	Ownership/ voting right	Equity 2017	Result 2017	Balance sheet value
TeleComputing Finco AS	03.03.16	Asker	100 %	580 243	192 089	535 202

2016						
Subsidiaries	Acquisition date	Location	Ownership/ voting right	Equity 2016	Result 2016	Balance sheet value
TeleComputing Finco AS	03.03.16	Asker	100 %	748 427	43 872	704 535

Note 5 Bank deposits

The company has no restricted funds.

Note 6 Share capital and share information

At December 31st, 2017 the share capital of Telecomputing Topco AS consisted of 7,418,610 shares of nominal value 10.

The share capital consists of the following share classes	Number of shares	Nominal	Carrying amount
Preference Shares	5 941 527	10	59 415 270
Common Shares	1 477 083	10	14 770 830
Total	7 418 610		74 186 100

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.



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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
Sven Tore Kaasa	Board member		65 000	65 000
Terje Mjøs	CEO		65 000	65 000

Terje Mjøs started as CEO of TeleComputing Topco April 3rd, 2017

Dividend

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

	2017	2016
NOK 0 per ordinary share (2016: 0)	-	-
NOK 34,3565 per preference share (2016: 0)	200 000	-
	200 000	-

Note 7 Shareholders' equity

2017

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 01.01.	72 806	655 257	1 472	729 536
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 period	-	-	192 839	192 839
Equity 31.12.17	72 683	454 126	194 311	721 121

2016

Equity changes in the year	Share capital	Share premium	Other equity	Total
Equity 01.01.	30	-	-	30
Capital decrease 12.03.16	-30	-	-	-30
Capital increase 12.03.16	66 500	598 500	-	665 000
Capital change 07.07.16	2 650	23 850	-	26 500
Capital change 07.07.16	1 350	12 150	-	13 500
Capital change 28.12.16	2 306	20 757	-	23 063
Profit for the year	-	-	1 472	1 472
Equity 31.12.16	72 806	655 257	1 472	729 536



TeleComputing Topco AS
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Note 8 Related parties

Intercompany balance with group companies		Loans to group companies		Other short term liabilities	
		2017	2016	2017	2016
TeleComputing Finco AS	Subsidiary	1	2 475	2 830	1 963
Total		1	2 475	2 830	1 963
Non-current liabilities		2017	2016		
TeleComputing Sweden AB		17 191	-		
Total		17 191	-		
Intercompany transactions with group companies		Dividend received		Other interest income	
		2017	2016	2017	2016
TeleComputing Finco AS	Subsidiary	192 295	-	-	2 518
Total		192 295	-	-	2 518
				Other interest expense	
				2017	2016
TeleComputing Sweden AB	Subsidiary			373	-
Total				373	-

Note 9 Taxes

Basis for income tax expense, changes in deferred tax and tax payable	2017	2016
Income before taxes	193 047	1 963
Permanent differences	-192 180	-
Basis for the tax expense for the year	867	1 963
Change in temporary differences	-	-
Basis for payable taxes in the income statement	867	1 963
+/- Group contributions received/given	-867	-1 963
Taxable income (basis for payable taxes in the balance sheet)	-	-
Components of the income tax expense	2017	2016
Payable tax on this year's result	208	491
Adjustment in respect of priors	-	-
Total payable tax	208	491
Change in deferred tax based on original tax rate	-	-
Change in deferred tax based on original tax rate	-	-
Change in deferred tax due to change in tax rate	-	-
Tax expense	208	491
Reconciliation of the tax expense	2017	2016
Result before taxes	193 047	1 963
Calculated tax	46 331	491
Permanent differences	-46 123	-
Tax expense	208	491
Difference	-	-
Payable taxes in the balance sheet	2017	2016
Payable tax in the tax charge	208	491
Tax effect of group contribution	-208	-491
Payable tax in the balance sheet	-	-



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To the General Meeting of TeleComputing Topco AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company TeleComputing Topco AS (the Company), which comprise the balance sheet as at 31 December 2017, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of TeleComputing Topco AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2017 and income statement, statement of changes in equity, cash flow 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 2017, 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 2017, 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.
Statbudsjettskrevet for 2017 godkjent av Den norske Revisorforening

Offices in

Oslo	Florensm	Abs-Rana	Stord
Ålesund	Fosnes	Aside	Stroune
Arendal	Hamar	Bien	Trondheim
Bergen	Haugesund	Bandsjvora	Trondheim
Bodo	Kjeller	Sandnessjøen	Tvedestrand
Hammer	Kristiansund	Siljan	Ålesund



Other information

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

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

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

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

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

The Board of Directors and the Chief Executive Officer (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the financial statements of the Group in accordance with 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 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.



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TeleComputing 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, 26 April 2018

KPMG AS

Lars Inge Pettersen
State Authorized Public Accountant



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To the General Meeting of TeleComputing Topco AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company TeleComputing Topco AS (the Company), which comprise the balance sheet as at 31 December 2017, and the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of TeleComputing Topco AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2017 and income statement, statement of changes in equity, cash flow 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 2017, 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 2017, 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.

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Stattdokument nr. 10-2017 - medlemmer av Delstatene Næringsforening

Offices in

Oslo	Flughafen	Montevideo	Stord
Akkara	Kyiv	Norde	Stromme
Arendal	Hongkong	Oslo	Tromsø
Bergen	Haugesund	Sandefjord	Tromsø
Bodo	Kbenhavn	Sandnessjøen	Trondheim
Edinburgh	Kristiansund	Silkeborg	Trondheim
		Singapore	Trondheim
			Ålesund



Other information

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

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

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

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

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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 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.

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- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 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.
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Oslo, 26 April 2018
KPMG AS

Lars Inge Pettersen
State Authorized Public Accountant