



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 935 374 324
Organisasjonsform: Aksjeselskap
Foretaksnavn: JACOBSEN ELEKTRO HOLDING AS
Forretningsadresse: Sankt Hallvards vei 3
3414 LIERSTRANDA

Regnskapsår

Årsregnskapets periode: 01.01.2017 - 31.12.2017

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Geir Gjersdal
Dato for fastsettelse av årsregnskapet: 23.11.2018

Grunnlag for avgivelse

År 2017: Årsregnskapet 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, 06.10.2019



Resultatregnskap

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	17,20	46 425 000	46 981 000
Sum inntekter		46 425 000	46 981 000
Kostnader			
Lønnskostnad	15,19	20 535 000	19 141 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	3	427 000	426 000
Annen driftskostnad	3,11,1 9	21 142 000	48 095 000
Sum kostnader		42 104 000	67 662 000
Driftsresultat		4 321 000	-20 681 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		7 000	8 000
Annen renteinntekt		1 000	
Annen finansinntekt	21	17 000	1 377 000
Sum finansinntekter		25 000	1 385 000
Nedskrivning av finansielle eiendeler	4		2 630 000
Annen rentekostnad	18	1 009 000	573 000
Annen finanskostnad	21	1 529 000	2 251 000
Sum finanskostnader		2 538 000	5 454 000
Netto finans		-2 513 000	-4 069 000
Ordinært resultat før skattekostnad		1 808 000	-24 750 000
Skattekostnad på ordinært resultat	16	452 000	1 671 000
Ordinært resultat etter skattekostnad		1 356 000	-26 421 000
Årsresultat		1 356 000	-26 421 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	12	1 356 000	-26 421 000
Sum overføringer og disponeringer		1 356 000	-26 421 000



Resultatregnskap

Beløp i: NOK	Note	2017	2016
---------------------	-------------	-------------	-------------



Balanse

Beløp i: NOK	Note	2017	2016
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	3	37 000	81 000
Utsatt skattefordel	16	28 000	10 000
Sum immaterielle eiendeler		65 000	91 000
Varige driftsmidler			
Maskiner og anlegg	3	382 000	658 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	3	49 000	156 000
Sum varige driftsmidler		431 000	814 000
Finansielle anleggsmidler			
Investering i datterselskap	4	67 339 000	65 850 000
Lån til foretak i samme konsern		16 448 000	3 357 000
Sum finansielle anleggsmidler		83 787 000	69 207 000
Sum anleggsmidler		84 283 000	70 112 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	9,11	9 328 000	3 090 000
Andre fordringer	9	1 260 000	1 034 000
Aktiverte kontraktskostnader			605 000
Konsernfordringer	9,11	34 949 000	7 936 000
Sum fordringer		45 537 000	12 665 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9,10	1 158 000	1 095 000
Sum bankinnskudd, kontanter og lignende		1 158 000	1 095 000
Sum omløpsmidler		46 695 000	13 760 000



Balanse

Beløp i: NOK	Note	2017	2016
SUM EIENDELER		130 978 000	83 872 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	12,13	200 000	200 000
Overkurs	12	26 957 000	26 957 000
Sum innskutt egenkapital		27 157 000	27 157 000
Opptjent egenkapital			
Annen egenkapital	12	1 357 000	
Sum opptjent egenkapital		1 357 000	
Sum egenkapital		28 514 000	27 157 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	9	12 912 000	
Langsiktig konserngjeld	11	1 798 000	5 733 000
Sum annen langsiktig gjeld		14 710 000	5 733 000
Sum langsiktig gjeld		14 710 000	5 733 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	9,10	330 000	14 562 000
Leverandørgjeld	11	10 104 000	3 870 000
Skyldige offentlige avgifter	9	1 707 000	1 847 000
Kortsiktig konserngjeld	11	73 269 000	27 536 000
Annen kortsiktig gjeld	8	2 344 000	3 170 000
Sum kortsiktig gjeld		87 754 000	50 985 000
Sum gjeld		102 464 000	56 718 000
SUM EGENKAPITAL OG GJELD		130 978 000	83 875 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2017	2016
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	17,20	532 189 000	1 266 440 000
Annen driftsinntekt	17		296 000
Sum inntekter		532 189 000	1 266 736 000
Kostnader			
Varekostnad		170 786 000	104 669 000
Prosjektkostnader	18	254 193 000	988 396 000
Lønnskostnad	15,19	70 888 000	61 819 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	3	4 981 000	8 299 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler		668 000	791 000
Annen driftskostnad	3,11,1 9	88 058 000	58 558 000
Sum kostnader		589 574 000	1 222 532 000
Driftsresultat		-57 385 000	44 204 000
Finansinntekter og finanskostnader			
Annen renteinntekt		8 000	101 000
Annen finansinntekt	21	24 448 000	10 156 000
Sum finansinntekter		24 456 000	10 257 000
Annen rentekostnad	18	44 168 000	48 004 000
Annen finanskostnad	21	24 803 000	15 279 000
Sum finanskostnader		68 971 000	63 283 000
Netto finans		-44 515 000	-53 026 000
Ordinært resultat før skattekostnad		-101 900 000	-8 822 000
Skattekostnad på ordinært resultat	16	-5 563 000	8 832 000
Ordinært resultat etter skattekostnad		-96 337 000	-17 654 000
Årsresultat		-96 337 000	-17 654 000
Minoritetsinteresser	12	-5 309 000	769 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2017	2016
Årsresultat etter minoritetsinteresser		-91 028 000	-18 423 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	12	-96 337 000	-17 654 000
Sum overføringer og disponeringer		-96 337 000	-17 654 000



Konsernets balanse

Beløp i: NOK	Note	2017	2016
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	3	240 000	271 000
Utsatt skattefordel	16	567 000	567 000
Sum immaterielle eiendeler		807 000	838 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	3	5 512 000	23 275 000
Maskiner og anlegg	3	27 207 000	36 237 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	3	933 000	1 280 000
Sum varige driftsmidler		33 652 000	60 792 000
Finansielle anleggsmidler			
Finansielle eiendeler	5	105 861 000	136 140 000
Andre fordringer	9	1 699 000	1 991 000
Sum finansielle anleggsmidler		107 560 000	138 131 000
Sum anleggsmidler		142 019 000	199 761 000
Omløpsmidler			
Varer			
Varer	6,9	5 067 000	6 684 000
Sum varer		5 067 000	6 684 000
Fordringer			
Kundefordringer	9,11	425 139 000	675 138 000
Andre fordringer	9	195 555 000	213 329 000
WIP	8	152 699 000	290 726 000
Aktiverte kontraktskostnader	7	154 172 000	179 069 000
Konsernfordringer	9,11	11 806 000	9 258 000
Sum fordringer		939 371 000	1 367 520 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9,10	19 254 000	24 330 000



Konsernets balanse

Beløp i: NOK	Note	2017	2016
Sum bankinnskudd, kontanter og lignende		19 254 000	24 330 000
Sum omløpsmidler		963 692 000	1 398 534 000
SUM EIENDELER		1 105 711 000	1 598 295 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Selskapskapital	12,13	200 000	200 000
Overkurs	12	26 957 000	26 957 000
Sum innskutt egenkapital		27 157 000	27 157 000

Opptjent egenkapital

Annen egenkapital	12	-51 158 000	35 754 000
Minoritetsinteresser	12	-13 607 000	-9 627 000
Sum opptjent egenkapital		-64 765 000	26 127 000

Sum egenkapital

-37 608 000 **53 284 000**

Gjeld

Langsiktig gjeld

Utsatt skatt	16	28 867 000	42 523 000
Sum avsetninger for forpliktelser		28 867 000	42 523 000

Annen langsiktig gjeld

Gjeld til kredittinstitusjoner	9,10	231 399 000	242 498 000
Øvrig langsiktig gjeld			533 000
Sum annen langsiktig gjeld		231 399 000	243 031 000

Sum langsiktig gjeld

260 266 000 **285 554 000**

Kortsiktig gjeld

Gjeld til kredittinstitusjoner	9,10	114 435 000	190 727 000
Leverandørgjeld	11	451 284 000	553 249 000
Betalbar skatt	16	-84 000	919 000
Skyldige offentlige avgifter	9	146 670 000	155 422 000



Konsernets balanse

Beløp i: NOK	Note	2017	2016
WIP, fakturert	8	12 719 000	13 090 000
Annen kortsiktig gjeld	8	158 028 000	346 050 000
Sum kortsiktig gjeld		883 052 000	1 259 457 000
Sum gjeld		1 143 318 000	1 545 011 000
SUM EGENKAPITAL OG GJELD		1 105 710 000	1 598 295 000



Annual Report for 2017

Jacobsen Elektro Group

- **Board of Directors Report**
- **Profit & Loss Accounts**
- **Balance Sheet**
- **Cash Flow Statement**
- **Notes**
- **Auditor's Report**



THE BOARD OF DIRECTORS' REPORT 2017

1. Operations

Jacobsen Elektro Holding AS

Jacobsen Elektro Holding AS is a holding and investment company, and the parent company in the Jacobsen Group. Jacobsen Elektro Holding AS currently consists of the following operating subsidiaries: Jelco AS, Jacobsen Elektro AS, Jarlsø AS and Jelcem AS.

The Company's head office is in Lier, Norway.

Jelco AS

Jelco AS main activity is the ownership and operation of power plants through special purpose subsidiaries. In addition, it provides intercompany services related to development of new Independent Power Producer (IPP) projects. Jelco AS is majority owner of Jacobsen Uganda Power Plant Company Ltd (JUPPCL) with 92% ownership and Jacobsen Jelco Ghana Limited (JJG) with 86% ownership.

Jelco AS is a 100% owned subsidiary of Jacobsen Elektro Holding AS.

Jacobsen Elektro AS

Jacobsen Elektro AS is a project-based company located in Norway but with market focus areas within Sub-Saharan Africa, Asia and Eastern Europe together with our home market. The Company specializes in the turnkey supply of new or refurbished transformer stations, and complete power plants. The Company actively works to strengthen its position in the field of renewable energy. In addition, the Company has a strong focus on the sale of expertise through its consulting department for relay planning and services, including training activities in both domestic and international markets.

The Company's customer base consists mainly of utilities. For the international customers, the supply contracts are often combined with customer finance solutions involving guarantees from Export Credit Agencies and financing from international banks as well as Development Finance Institutions. The ability to offer attractive financing to its customers in this manner is an integral part of the total value offered by the Company.

The Norwegian Energy market is in growth, and the Company has increased the focus on the Norwegian market, especially for turnkey projects for sub stations and projects related to Protection and Control, to supplement its already leading position in the consultancy market for relay planning and service in Norway.

The Company has experienced a reduction in its project activity in 2017 in the market outside Norway compared to 2016 which was an historic record year with the highest ever revenues. During 2017, the Company has been engaged in the following projects:



- Kinyerezi 1 Extension: The extension of the 150 MW Kinyerezi 1 project (finalized in 2016) by adding another 185 MW at the same area. The project was effective in 2016 and is scheduled to be finalized in 2019.
- Kupang, Indonesia, a 40MW power plant.
- Fløytvika EPC a transformer station project.
- The company has been working on several call offs of the valid Frame Agreement with Statnett for Protection and Control Systems in new and existing substations. In Q4 2016 the Company won the pilot project for Digital Substations with Statnett. This is the pilot for the future control and protection solutions within Statnett and highlight the Company's strong technical position in Norway. The project has been delivered.
- EPC contract for Skillemoen and Balsfjord to build one new and upgrade one transformer station.
- EPC contract for Sylling to rehabilitate the transformer station and protection and control during a four years period while the station is on operation.

Jarlsø AS

Jarlsø AS with subsidiaries ('the Group') forms a group of companies engaged in the Engineering, Procurement and Construction (EPC) and installation of telecommunication equipment and services. The company operates through two divisions:

- Tower Sales, through which Jarlsø AS provides complete EPC deliveries of telecom and network towers through Jarlsø AS and JTS Shanghai
- Telecom Services, which delivers EPC and tower maintenance services to customers in the telecommunication and power sectors through six subsidiaries of Jarlsø AS located in Kenya, Tanzania, Uganda, DRC, Congo Brazzaville and Ghana.

Jarlsø AS is a subsidiary 100% owned by Jacobsen Elektro Holding AS.

Jelcem AS

Jelcem AS is an operating company for independent production units of ready-mixed concrete (RMC). The two production units is owned and operated by majority-owned subsidiaries in Ghana. Jelcem AS is a subsidiary 100% owned by Jacobsen Elektro Holding AS.

2. Financials

Profit & Loss Accounts, Balance Sheet and Cash Flow Statement

In 2017, the Group had operating revenues of 532,1 MNOK, down from 1.266,7 MNOK in 2016. The decrease in revenue in 2017 is mainly due to low progress of the Kinyerezi 1 Extension project. The loss before tax was 101,9 MNOK compared to a loss of 8,8 MNOK in 2016. The loss for the year after tax was 96,3 MNOK compared to a loss of 17,7 MNOK in 2016.

The total balance per 31.12.2017 was 1.105 MNOK compared to 1.598 MNOK for 2016.



The Group's equity per 31.12.2017 was -37,6 MNOK, compared to 53,3 MNOK in 2016. See also item 9 below for more information.

Current assets were 963 MNOK and thus 87,2% of the total balance. Short-term liabilities were 883 MNOK. Long-term liabilities at year-end were 231 MNOK.

Net cash flow from operational activities was 36.2MNOK compared to -25,3 MNOK in 2016. The cash flow from investments was — 2,9 MNOK and the cash flow from financing activities was -28.3 MNOK. The net change in liquid assets was -5.1 MNOK, compared to 12 MNOK in the previous year.

At the close of the year, the Group's holdings of bank deposits and liquid assets were 24,3 MNOK, compared to 24,3 MNOK in 2016.

The Group has experienced a number of late payments from one of their major customers and as a consequence, the liquidity has been tight.

The Board of Directors is of the opinion that the Annual Accounts and Annual Report provide a true and correct picture of the Group's assets and liabilities, financial position and the profit/loss at the close of the accounting year 2017.

3. Order backlog, market situation and future prospects

Jelco AS

JUPPCL holds a Power Purchase Agreement (PPA) with the Uganda Electricity and Transmission Company Ltd (UETCL) for the sale of electric power and capacity. The PPA has been extended to the 15th of September 2019 and is subject for annual renewal. The operating license was extended in 2017 and 2018 and is valid until 15th of September 2019. It will be annually renewed and will enable the operating license to match with the PPA agreement. The license allows for a minimum production by one unit, i.e. 15% of the capacity to be produced and sold as electricity to UETCL.

Jacobsen Elektro AS

Norway

The company's consulting and service activities, which are mainly focused on the Norwegian market, has had a very satisfactory influx of orders, and the positive trend has continued in 2018.

The renewed Frame Agreement with Statnett for control and protection systems in Norway was effective by June 2015 (by completing the pilot station) and has an estimated remaining value of 150-200 MNOK over the remaining 2-year period ending January 1st. 2020. The company has won the pilot project for 'Digital Substation' with Statnett. This is the pilot for the future control and protection solutions within Statnett. The project has been delivered.

The company has during 2017 given offers to several EPC substations both to Statnett and other grid owners and we are in a good position to win new orders both with Statnett and other grid owners.

Export Market

The major order backlog consists of the following:
Kinyerezi 1 Extension project 185MW Power plant (Tanzania): 755 MNOK.



At the close of the year, the Company had a total order backlog of approximately 828 MNOK.

Market and future prospects

The Norwegian market was satisfactory in 2017 and continues this trend into 2018, with good activity for the Company within its consultancy business in particular. Also, the Framework Agreement with Statnett has developed in accordance with expectations in 2017.

The Norwegian EPC market was very competitive in 2017 and this trend has continued in 2018;

The Company continues to work to secure new contracts in Norway and internationally and has a pipeline of potential new projects.

Although expectations of future earnings and growth imply some uncertainty, the Board of Directors' assessment is that the market in which the Company operates is good and represents a potential for further growth and development of the Company.

Jarlsø AS

The general market outlook is considered challenging as the Company supplies telecom infrastructure equipment and solutions mainly to emerging markets and the investments are lower than previous years as we see main players are looking into M&A.

Jelcem AS

The market for high quality Ready Mixed Concrete (RMC) in Africa is growing and Jelcem Ghana has gained the position as a supplier of high-quality RMC.

The construction industry in Ghana has become aware of the RMC advantages and the corresponding quality requirements. Jelcem Ghana is known for their high quality.

4. Financial risk

The Group is exposed to currency risk as a portion of the Group's expenses are in NOK, while a larger portion of the Group's income is in other currencies like USD and EUR. The Group seeks to eliminate the exposure to exchange rate fluctuations that arise because of having different income and expense currencies in the projects, through contractual changes and the currency risk can, thus, be considerably reduced for the individual projects. Further, the Group makes every effort to reduce the sum of currency fluctuation exposure in the individual projects by adapting the income and cost currencies to the highest degree possible.

The Group had no currency hedging contracts per 31.12.2017.



5. Going concern, liquidity risk and financial situation

The financial statements for the year ended 31 December 2017 have been prepared under the going concern assumption.

The Group's main focus in the year ahead are:

- a) Successful contract awards for Jacobsen Elektro AS
- b) Strengthening the liquidity position for Jacobsen Elektro AS in particular
- c) Improved solidity by restructuring of The Jacobsen Elektro Group
- d) Handling of the present company guarantee

Ref a) For Jacobsen Elektro AS several new projects in Norway and abroad have been identified and a revised strategy plan has been developed to win these projects. The necessary guarantees have been secured in 2018 to support the corresponding tenders and contracts. A high award rate in the coming months and year is urgent for both increasing the revenue and for strengthening the weak liquidity position. For further comments related to contract awards 2018, ref point 4 below.

Ref b) Constraints related to Jacobsen Elektro AS liquidity position are mainly caused by late payments of trade receivables: The risk of not receiving any payment against trade receivables is deemed to be minor. The Norwegian trade receivables have an excellent payment record in this regard. In respect of the international projects and the Kinyerezi projects in particular, delayed payments from this latter client has had a negative impact on the Jacobsen Elektro AS' liquidity position, at times, and on its ability to make thorough liquidity forecasts. The Kinyerezi trade receivable is amounting to 347,5 MNOK.

Ref c) The Board of Directors of the Jacobsen Elektro Group has initiated several processes, incl sale of assets in order to improve the Group's solidity. For further comments related to sale of assets, ref point 10 below.

Ref d) Jacobsen Elektro AS is guaranteeing for a loan to a sister company. Up until recently the sister company, Jelcem, has not been able to honour its local debt, utilized for investments in building up its facility in Ghana. Jacobsen Elektro AS has therefore supported Jelcem in its effort to make payments under the loan agreement due to Jacobsen Elektro AS' guarantee obligation. Jelcem has in 2018 started to pay down minor installments of the said loan. The loan is amounting to approximately 11 MUSD.

6. The working environment

The Group has an excellent working environment with little distance between management and the employees characterized by the high level of teamwork, informal and effective decision-making processes and procedures. No accidents have occurred in the Group during 2016. The Group had a total of 1.6% absence due to illness.

7. Equal opportunity

The Group had 261 employees at the close of the year. Of these, 30 were women and 231 were men. The Group's policy is that equal salaries shall be paid for equal work. The Group's Board of Directors consists of 2 men.



8. The external environment

The Group generates low volumes of waste products in the form of waste oils and metals. Return arrangements have been established for metals, while environmental waste is sent to a receiving depot. Electronic equipment is returned in accordance with the applicable recycling arrangement. There is a requirement in connection with the financing of certain projects that an environmental study is prepared and approved with the subsequent requirements that are to be incorporated in HES routines in the individual projects. The Group hires external consultants to prepare the environmental studies. Jacobsen Elektro AS has during June 2017 been awarded the Certificate for ISO 14001 in order to comply with environmental requirements stipulated by the authorities, customers and suppliers.

Our Environmental Policy:

- We commit to involve our suppliers in our Environmental Policy
- We commit to identify, and evaluate how to prioritize, our environmental aspects
- We shall work continually to identify environmental aspects, and to avoid and reduce negative environmental impact

9. Events after 31.12.2017

Jacobsen Elektro Holding AS has entered into a Letter of Intent (LOI) with an international reputable industrial investor to sell all its shares in Jelco AS, including its subsidiaries. The sales include the transfer of all thermal power plant projects that are under development in Jacobsen Elektro AS and Jelco AS. The purchasing party is at its final stage of due diligence and the transaction is expected to be concluded within 2018/2019.

The major part and value of the LOI is related to the Ghana 360 IPP power plant project. The EPC contract under this project has a value of approximately 415 MUSD and the Group is expected to book a total revenue under a sub contract with a value of approximately 250 – 300 MNOK and a gross margin of approximately 50 MNOK. The net value for the Group, of the sale of Jelco AS and its project portfolio, is estimated to be 100 MNOK while the accrued development cost under the project is 77 MNOK.

As a consequence of continued low sales, negative results and negative equity in the Jarlsø Group, the Board has initiated a sale of the shares. In this respect, Jacobsen Elektro Holding AS have entered into a Letter of Intent (LOI) with an international reputable industrial investor to sell all its shares in Jarlsø AS, including its subsidiaries. The purchasing party is at its final stage of due diligence and the transaction is expected to be concluded within 2018/2019. The sales price for the shares is 1 NOK while the corresponding debt will be transferred to the Group.

The share in Jelcem are to be sold to Svetek and this is planned to be concluded within 2018. The sales price for the shares is 1 NOK. The said transaction will improve the Group's equity.

10. Appropriation of profit/loss for the year

The Board of Directors proposes that the result for the year of -96,3 MNOK is taken from the retained earnings.



Lierstranda, 23rd November 2018

Johan Svendsen

Chairman of the Board

Clas-Eirik Strand

Member of the board

Geir Gjersdal

CEO

**Jacobsen Elektro Holding AS**

INCOME STATEMENT

(Amounts in NOK 1000)

Parent				Group	
2017	2016		Note	2017	2016
46 425	46 981	Revenues	17,20	532 189	1 266 440
0	0	Other revenues	17	0	296
46 425	46 981	Total revenue		532 189	1 266 736
0	0	Project expenses	18	254 193	988 396
0	0	Raw materials and consumables used		170 786	104 669
20 535	19 141	Employee expenses	15,19	70 888	61 819
427	426	Depreciation	3	4 981	8 299
0	0	Impairment charges		668	791
21 142	48 095	Other operating expenses	3,11,19	88 058	58 558
42 103	67 661	Total operating expenses		589 574	1 222 532
4 322	-20 681	Operating profit		-57 385	44 204
0	0	Income from subsidiaries and associated companies		0	0
7	8	Interest from group companies		0	0
1	0	Interest income		8	101
17	1 377	Other financial income	21	24 448	10 156
0	2 630	Write-downs financial assets	4	0	0
0	0	Interest to group companies		0	0
1 009	573	Interest expense	18	44 168	48 004
1 529	2 251	Other financial expense	21	24 803	15 279
-2 512	-4 070	Total financial income (loss)		-44 515	-53 026
1 809	-24 750	Profit before tax		-101 899	-8 822
452	1 671	Income Tax expense	16	-5 563	8 832
1 357	-26 421	Net profit or loss for the year	12	-96 336	-17 655
		Minor interests	12	-5 309	769
		Majority interests	12	-91 027	-18 424
1 357	-26 421	Transferred from retained earnings	12	-96 336	-17 655
0	0	Transferred to retained earnings	12	0	0
0	0	Group Contribution	12	0	0



Jacobsen Elektro Holding AS

BALANCE SHEET AT 31.12.2017

(Amounts in NOK 1000)

Parent				Group	
2017	2016	ASSETS	Note	2017	2016
37	81	Intangibles	3	240	271
28	10	Deferred tax / Incurred withholding tax	16	567	567
65	91	Total intangible assets		807	837
0	0	Land, buildings and property	3	5 512	23 275
382	658	Machinery and movables	3	27 207	36 237
49	156	Fixtures and fittings, tools, office machinery and equipment	3	933	1 280
431	814	Total tangible assets		33 652	60 792
67 339	65 850	Investments in subsidiaries	4	0	0
16 448	3 357	Loans to group companies		0	0
0	0	Financial assets	5	105 861	136 140
0	0	Other long term receivables	9	1 699	1 991
83 787	69 207	Total financial fixed assets		107 561	138 131
84 283	70 112	TOTAL FIXED ASSETS		142 019	189 760
0	0	Inventories	6,9	5 087	6 684
9 328	3 090	Trade receivables	9,11	425 139	675 138
1 260	1 034	Other receivables	8	195 555	213 329
0	0	Work in progress not invoiced	8	152 699	290 726
34 949	7 936	Other receivables, group Companies	9,11	11 806	9 258
0	605	Activated contractual cost	7	154 172	179 072
45 537	12 665	Total receivables		939 371	1 367 521
1 158	1 095	Cash and bank deposits	9,10	19 254	24 330
46 695	13 760	TOTAL CURRENT ASSETS		963 693	1 388 535
130 978	83 872	TOTAL ASSETS		1 106 712	1 598 295



Jacobsen Elektro Holding AS

BALANCE SHEET AT 31.12.2017

(Amounts in NOK 1000)

Parent				Group	
2017	2016	EQUITY AND LIABILITIES	Note	2017	2016
200	200	Share capital	12,13	200	200
26 957	26 957	Share premium	12	26 957	26 957
0	0	Other paid in equity	12	0	0
27 157	27 157	Total paid-in equity		27 157	27 157
1 357	0	Retained earnings	12	-51 158	35 754
1 357	0	Total retained earnings		-51 158	35 754
		Minority interests	12	-13 607	-9 627
28 514	27 167	TOTAL EQUITY	12	-37 608	53 284
0	0	Pension liabilities	15	0	0
0	0	Deferred tax	16	28 867	42 523
0	0	Total provisions		28 867	42 523
12 912	0	Liabilities to financial institutions	9	231 399	242 498
1 798	5 733	Other long-term liabilities group companies	11	0	0
0	0	Other long-term liabilities		0	533
14 710	5 733	Other long term liabilities		231 399	243 031
330	14 562	Liabilities to financial institutions	9,10	114 435	190 727
10 104	3 870	Trade creditors	11	451 284	553 249
0	0	Tax payable	16	-84	919
1 707	1 847	Public duties payable	9	146 670	155 422
0	0	Dividends		0	0
73 269	27 536	Short term liabilities to group companies	11	0	0
0	0	Invoiced, work in progress	8	12 719	13 090
2 346	3 170	Short term liabilities	8	158 028	346 049
87 756	50 984	Other short term liabilities		863 052	1 259 456
102 466	56 716	TOTAL LIABILITIES		1 143 319	1 545 010
130 978	83 872	TOTAL EQUITY AND LIABILITIES		1 105 712	1 598 295

Lierstranda, 23 November 2018

The Board of Directors


 Clas-Erik Strand
 Member of the Board


 Johan Svendsen
 Chairman of the Board


 Geir Gjerdsdal
 Managing director



Jacobsen Elektro Holding AS

CASH FLOW STATEMENT

(Amounts in NOK 1000)

Parent			Group	
2017	2016		2017	2016
1 809	-24 750	Cash flow from operations		
0	0	Profit before income taxes	-101 899	-8 822
0	0	Taxes paid in the period	-919	-2 560
427	426	Profit / loss sale of fixed assets	6 553	3 094
0	2 630	Depreciation	4 981	8 299
0	0	Impairment of fixed assets	668	791
0	0	Change in inventories	1 816	-3 813
-6 238	8 925	Change in trade debtors	249 999	-343 122
6 234	-74	Change in trade creditors	-101 965	308 146
-850	-4 354	Change in other provisions	-160 465	273 737
0	0	Net change work in progress	137 650	-260 947
1 382	-17 197	Net cash flow from operations	36 219	-25 196
		Cash flow from investments		
0	0	Proceeds from sale of fixed assets	0	0
0	-57	Purchase of fixed assets	-2 983	-6 900
0	0	Proceeds from sale of shares and investments in other companies	0	0
0	-92	Purchase of shares and investments in other companies	0	0
0	-149	Net cash flow from investments	-2 983	-6 900
		Cash flow from financing		
0	0	Net payment from long term loans	-11 099	-11 018
12 912	9 233	Net payment of short and long term loans group companies	39	4 781
-14 231	8 178	Net change in bank overdraft	-27 252	50 385
-1 319	17 411	Net cash flow from financing	-38 311	44 148
0	0	Exchange gains / (losses) on cash and cash equivalents	0	0
63	65	Net change in cash and cash equivalents	-5 076	12 052
1 095	1 030	Cash and cash equivalents at the beginning of the period	24 330	12 278
1 158	1 095	Cash and cash equivalents at the end of the period	19 254	24 330



21 MARS 2014



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 13.03.2014	Vår dato 19.03.2014
Telefon 977 59 464	Deres referanse SBR	Vår referanse 2014/179175

ADVOKATFIRMAET PRICEWATERHOUSECOOPERS AS
Postboks 748 Sentrum
0106 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Jacobsen Elektro Holding AS med datterselskaper

Vi viser til deres brev av 13. mars 2014 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Jacobsen Elektro Holding AS,	org.nr. 935 374 324
Jacobsen Elektro AS,	org.nr. 942 542 887
Jelcem AS,	org.nr. 997 761 391
Jarlsø AS,	org.nr. 996 804 623
Jelco AS,	org.nr. 973 194 607
JEL Oil & Gas AS,	org.nr. 989 127 829
JJG Holding AS,	org.nr. 912 748 529.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskapene tillatelse til å utarbeide årsregnskap og årsberetning på engelsk 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

Jacobsen Elektro Holding AS med datterselskaper (heretter Jacobsen Elektro) er et norskeiet konsern med fem forretningsområder organisert som datterselskaper: Jacobsen Elektro AS, Jelcem AS, Jarlsø AS, Jelco AS, med datterselskapet JJG Holding AS, og JEL Oil & Gas AS. Jacobsen Elektro Holding AS er eiet med 99,5 % av Svetek Holding AS. Konsernets hovedaktivitet er leveranse av nøkkelferdige elektrotekniske løsninger, herunder transformator- og kraftstasjoner. Selskapets forretningsidé er å levere løsningene i utviklingsland som har et stort behov for elektroteknisk infrastruktur. I dag er 90 % av selskapets kunder utenlandske - primært afrikanske private- og offentlige aktører. Selskapets leveranser, herunder oppføringen av kraftstasjoner og transformatorer, skjer således primært til- og i utlandet. Ettersom selskapet i hovedsak opererer i utlandet, er 95 % av selskapets leverandører også utenlandske. Utenlandske finansieringsinstitusjoner finansierer mesteparten av konsernets prosjekter i utlandet. Av selskapets 140 ansatte er 70 utenlandske. For øvrig leies det også inn lokal arbeidskraft der de tekniske anleggene bygges. Ettersom Jacobsen Elektro i hovedsak driver virksomhet i utlandet, og de aller fleste regnskapsbrukerne ikke snakker eller leser norsk, må selskapet i tillegg til de norske-, utarbeide engelske versjoner av årsregnskapet og årsberetningen.

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse: Sentralbord
Se www.skatteetaten.no 800 80 000
Org.nr: 996250318 Telefaks
E-post: skatteetaten.no/sendepost 22 17 08 60



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:

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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernet er eiet med 99,5 % av et annet norsk selskap og at eierkretsen dermed er begrenset. Videre er det vektlagt at 90 % av selskapets kunder er utenlandske og at selskapet i hovedsak opererer i utlandet.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad



To the General Meeting of Jacobsen Elektro Holding AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jacobsen Elektro Holding AS showing a profit of NOK 1 357 000 in the financial statements of the parent company and loss of NOK 96 336 000 in the financial statements of the group. The financial statements comprise:

- The financial statements of the parent 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 financial statements of the group, 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.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 December 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 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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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.

Material Uncertainty Related to Going Concern

We draw attention to the Board of Directors' report and note «Going Concern» in the consolidated financial statements which indicate that the group incurred a loss of NOK 96 mill. during the year

PricewaterhouseCoopers AS, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Jacobsen Elektro Holding AS

ended 31 December 2017. In the event the company should be forced to realize its assets, no assurance can be given that these will not be realized at a significantly lower value than their carrying value. These conditions, along with other matters as set forth in the Board of Directors' report, indicate the existence of a material uncertainty that may cast doubt about the company and group's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

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 Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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.

(2)



Independent Auditor's Report - Jacobsen Elektro Holding AS

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 and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company or 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 or 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, the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

(3)



Independent Auditor's Report - Jacobsen Elektro Holding AS



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 and the Group's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Other Matters

The Company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

This audit report replaces our previous audit report as of 30.06.2018, which was issued at the statutory deadline for holding the annual shareholders meeting. Complete annual financial statements and Board of Directors report were at this point in time not submitted by the Board of Directors and Managing Director.

Oslo, 23 November 2018
PricewaterhouseCoopers AS

Bjørn Rydland
State Authorised Public Accountant



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Accounting principles

(Amounts in NOK 1 000)

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

Consolidation principles

Jacobsen Elektro Holding AS is a sub-group in the Svetek Holding Group. The consolidated accounts for Jacobsen Elektro Holding AS include all the companies in which Jacobsen Elektro Holding AS has a direct or indirect controlling interest. Controlling interest is normally achieved when the Group owns more than 50 % of the shares in a company, and the Group is actually able to exercise control of the company.

Minority interests are included in the Group's equity. Minority interests include the minority's share of the value of subsidiary companies recognised in the balance sheet.

The acquisition method is used when recording combined businesses in the accounts. Companies that are purchased or sold during the year are included in the consolidated accounts from the time control is achieved until such control ends.

The consolidated accounts have been prepared as if the Group was one economic unit. Transactions and inter-company balances between companies in the Group have been eliminated. The consolidated accounts have been prepared according to uniform principles, by requiring our subsidiaries to follow and comply with the same accounting principles as those used by the parent company. Subsidiaries are entered in the consolidated accounts based on the Group's acquisition cost.

Subsidiaries

Subsidiaries and other associated and affiliated companies are assessed using the cost method in the accounting year. The investment is assessed at cost of acquisition of the shares unless write-downs were necessary. Write-down to fair value has been implemented when the reduction in value was caused by circumstances that cannot be deemed to be of a temporary nature, and write-down must be deemed to be necessary in accordance with good accounting principles. Write-downs are reversed when the grounds for this process no longer apply.

Dividends and other distributed funds are recognised in the same year as the respective provision is made in the subsidiary. If dividends exceed the share of the retained result after the acquisition, the excess amount represents repayment of invested capital, and distributed funds are deducted from the value of the investment in the balance.

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.

Revenue recognition - long term contracts

The Company's activities consist primarily of the execution of turnkey projects including design, engineering, procurement and construction. Most of the construction is conducted by subcontractors. Construction contracts are accounted for in accordance with NRS 2.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

On the balance sheet, the group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Revenue recognition - other

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Provisions for expected guarantee work are recognised as expenses and provisions for liabilities upon sh. Services are recognised in proportion to the work performed.

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. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Purchase costs

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

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

Interest expense incurred in connection with the production of fixed assets is expensed.

Fixed assets

Land is not depreciated. Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Leased assets are reflected in the balances sheet as assets if the leasing contract is considered a financial lease.

Investments in other companies

Except for short term investments in listed shares, 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.

Asset impairments

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

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Inventories

Inventories are valued at the lower of purchase cost (according to the FIFO principle) and fair value. Recoverable amount has been used as approximation to net realisable value for raw materials and work in progress. For finished goods and work in progress purchase cost comprises cost of product design, material consumption, direct payroll expenses and other direct and indirect production expenses (based on normal capacity). Fair value is estimated sales costs less expenses for completion and sale. Only variable expenses are considered necessary to sell finished goods, whilst fixed production expenses are also included as necessary for not finished goods.

Capitalised contract costs

Capitalised contract costs are recognised in accordance with NRS 2. Costs incurred in connection with projects where the management deems there is a more than 50 % probability that the company will sign a contract with the customer are capitalised at cost price.

Debtors

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

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

Investments in quoted shares

Short term investments in listed companies the fair value principle is used. The value in the balance sheet corresponds to the market value of the investments at the period end. Dividends received, and both realised and unrealised gains/losses are recognised as other financial income.

Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold.

Financial assets

Financial assets are defined as the value of delivered power plants for which payment will be made according to contract in cash or other financial assets.

Liabilities

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

Guarantee commitments/complaints

Guarantee commitments relating to completed sales are valued at the estimated cost of such work. The estimate is made on the basis of historical figures for guarantee work, but adjusted for expected differences due to, for instance, changes in quality assurance routines and changes in product range. The provision is recognised under 'Other short term liabilities' and changes in the provision are recognised in income.

Pensions

The company's pension plan is contribution based. In addition the company has AFP arrangement. The pension premium for AFP is considered as a pension cost and is classified with labour cost



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Taxes

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

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

Deferred tax is reflected at nominal value.

Cash flow statement

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



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Going Concern

The consolidated financial statements indicate that the group incurred a net loss of NOK 96 mill. during the year ended 31 December 2017 and, as of that date. In the event the group should be forced to realize its assets, it might be that these will be realized at a significantly lower value than their carrying value. These conditions, along with other matters as set forth in the Board of Directors' report, indicate the existence of a material uncertainty that may cast doubt about the group's ability to continue as a going concern

Note 1 Group Overview

The group consists of the following companies:

	Ownership/ Voting
Jacobsen Elektro Holding AS (parent)	
Jacobsen Elektro AS	99,9 %
Jarlsø AS	100,0 %
Jelcem AS	100,0 %
Jelco AS	100,0 %
Jel Oil & Gas	100,0 %
Jel Oil & Gas Ghana Ltd - inactive	86,0 % *)
Jel Oil & Gas Uganda - inactive	92,0 % *)
JJG Holding AS	100,0 %
Jelcem Ghana	80,0 %
Jarlsø Telecom Solutions Tanzania Ltd	97,00 %
Jarlsø Telecom Solutions Kenya Ltd	99,98 %
Jarlsø Telecom Solutions DRC Ltd	99,90 %
Jarlsø Telecom Solutions Brazzaville Ltd	99,00 % *)
Jarlsø Telecom Solutions Ghana Ltd	100,00 %
Jarlsø Telecom Solutions Uganda Ltd	90,00 %
Jarlsø Telecom Solutions Shanghai Ltd	100,00 %
JUPPCL Uganda	92,0 %
Jelben Ltd	99,6 % *)
Jacobsen Jelco Ghana Ltd	86,0 % *)
Metpower Technologies	100,0 % *)
Jelco Power Albania 1	100,0 % *)
Jelco Power Albania 2	100,0 % *)
Jelco Nengo Hydro Power Co.	90,0 % *)
Central Power Co.	70,0 % *)
Jacobsen Albertine Power Co. Ltd	90,0 % *)
Jeltrans Ltd	75,0 % *)
Jacobsen Elektro Italia SRL	85,0 % *)

*) These companies are not consolidated as the values in the companies are not material in 2017.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 2 Consolidation of Jacobsen Uganda Power Plant Company Limited (JUPPCL)

An agreement has been entered into to build and operate a power plant in Uganda. In connection with this, Jacobsen Elektro AS has established a Special Purpose Entity (SPE) in Uganda called JUPPCL (Jacobsen Uganda Power Plant Company Limited).

The framework of agreements describes three phases:

1. The construction contract
2. The operational phase
3. The Ugandan Government's obligations on conclusion of the operational phase.

Phase 1 is completed. Phase 2 is operative.

The system of agreements encompasses two main contracts:

1. Implementation Agreement (IA) that describes the Government of Uganda's (GoU) obligations and rights.
2. A Power Purchase Agreement (PPA) that describes JUPPCL's obligations to sell power and UETCL's (Uganda Electricity Transmission Company Limited) obligation to purchase and pay for power.

Principles:

Ownership. In 2007 Jacobsen Elektro AS won a license in an international competition to Build, Own, Operate and later on Transfer (BOOT) the ownership of a power plant in Kampala Uganda, as part of the agreement and license structure the ownership of the Power plant shall be transferred to the Government of Uganda (GoU) at the expiry date of the Implementation Agreement (IA) which is valid for 13 years (one year of construction and 12 years of loan repayment) under the condition that outstanding financial commitments have been fully repaid. Furthermore GoU have under the IA the right to buyout the ownership of the power plant under the condition that GoU pay, in a lump-sum, all remaining financial obligations (principal amount plus any accrued outstanding interest payments).

The financial costs for the power plant are repaid under the IA by JUPPCL invoicing GoU, through UETCL, an Installed Capacity Charge (ICC) that is regulated every 6 months by the changes in the 6 months Euribor interest rate. The ICC is charged and paid regardless if the power plant is operating or not. All ICC payments are fully guaranteed by GoU under a sovereign guarantee. The structure works similar to a financial lease arrangement

The Power Plant operations are regulated under a Power Purchase Agreement (PPA). The PPA regulates the commercial and operational risk elements that describes JUPPCL's obligation to provide capacity and produce electricity, and furthermore be paid for such services. The income is based on how much JUPPCL is able to declare available capacity and how much electricity UETCL would like to purchase. The PPA tariffs are independent from the ICC tariff under the IA. Under the PPA arrangement JUPPCL is responsible to source and secure fuel deliveries to the Power Plant, as well as the regular Operation and Maintenance of the Power Plant.

The plant is recognized as a financial asset and the reduction in book value will be equal to the outstanding balance of the loan at take over. Payment of the ICC will thus have no consequences to bookkeeping or taxes for JUPPCL in relation to the full period of contract. As stated above the IA has a validity of 13 years from the Commercial Operation Date (15th of September 2008) of the Power Plant.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 3 Intangible and fixed assets

Parent	Intangibles	Machinery and trans- portation	Operating equipment, inventory, tools, etc	Total intangible and fixed assets
Purchase cost 01.01.	132	1 379	367	1 878
Additions	0	0	0	0
Disposals	0	0	0	0
Purchase cost 31.12.	132	1 379	367	1 878
Accumulated depreciation 31.12.	94	997	319	1 410
Net book value 31.12.	37	382	49	468
Depreciation in the year	43	276	107	427
Expected useful life	10 years	5 years	3- 5 years	
Depreciation plan	Straight line	Straight line	Straight line	

Group	Intangibles	Buildings and plant	Machinery and trans- portation	Operating equipment, inventory, tools, etc	Total fixed assets
Purchase cost 01.01.	718	32 722	64 637	3 626	101 704
Changes in currency					0
Additions					0
Disposals					0
Purchase cost 31.12.	718	32 722	64 637	3 626	101 704
Accumulated depreciation 1.1	447	9 448	28 400	2 347	40 642
Changes in currency					0
Accumulated depreciation 31.12.					0
Net book value 31.12.	718	32 722	64 637	3 626	101 705
Depreciation in the year	215	144	7 235	848	8 442
Project related cost					-142
Depreciation total					8 299
Expected useful life	3 years	0 - 50 years	5-10 years	3-10 years	
Depreciation plan	Straight line	Straight line	Straight line	Straight line	



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 3 Intangible and fixed assets - continuance

Capitalized leasing and future commitment

Future commitments:

	Capital leases	Operating leases	Rent of property
2 018	1 944	150	438
2 019	0	0	239
2 020	0	0	239
2 021	0	0	955

Annual rental of non-financial assets

Parent

Non-financial assets

Buildings, Lier - Norway (parent)

Rental period

01.01.14 - 30.06.2018

Annual rent

1 224

Lease agreements have been entered into for Ringeriksveien 16 and 20, Lierstranda up to and including 30.06.2018.

At 31.12.2017 this represents a non-recognised lease commitment of NOK 1 224



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 4 Subsidiaries, associated companies and joint ventures

Parent

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Ownership/ voting right	Location	Equity last year (100%)	Result last year (100%)	Cost	Balance sheet value
Jacobsen Elektro AS	99,9 %	Lierstranda	140 191	-39 041	67 013	65 524
Jelco AS	100,0 %	Lierstranda	2 283	-2 484	300	300
Jel Oil & Gas	100,0 %	Lierstranda	935	-46	1 106	996
Jelcem AS	100,0 %	Lierstranda	-15 053	-19 732	2 630	0
Jarlsø AS	100,0 %	Lierstranda	-9 919	-13 265	10 723	518
Balance sheet value 31.12.					81 773	67 339

Note 5 Financial Asset

The financial asset is related to the contractual right to receive an ongoing settlement from the Government of Uganda for constructing an oil-burning power station, established as a PPA contract. The value of the financial asset corresponds to historical costs of the investment. The change in value of the financial assets is booked as raw materials and consumables used.

	2017	2016
Value of the financial asset	105 861	136 140

Note 6 Inventories

Parent			Group	
2017	2016		2017	2016
0	0	Raw materials	5 067	6 684
0	0	Sum	5 067	6 684
0	0	Obsolete inventory	0	0



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 7 Capitalised contract costs

	2017	2016
Capitalised Contract Costs	154 172	179 072

In 2017 we wrote down Namawe Conversion with tnok 5460 and another with tnok 40.

Contracts	Country	2017	2016
Power plant (UETCL)	Uganda	27 500	27 500
Substations (YESB)	Myanmar	9 717	9 365
Substations (EDM)	Mozambique	0	0
Namawe Conversion (UETCL)	Uganda	5 460	5 460
Nengo bridge HEPP (UETCL)	Uganda	7 030	7 030
Substation and transmission (OST)	Albania	869	869
Substations - phase III in Ghana (ECG, GRIDCo)	Ghana	2 436	2 215
Substation (Statnett)	Norway	1 389	574
Power plant	Benin	20 159	18 865
Power plant 360 MW	Ghana	75 906	96 813
Kinyerezi Extention (Tanesco)	Tanzania	0	0
Ubungo Extension (Tanesco)	Tanzania	7 350	7 350
Purchase of land for power plant (Rockinol Uganda)	Uganda	957	957
Hydro power plant (Langonan Holdings Corp)	Philippines	899	899
PLN Kupang	Indonesia	0	569
Capitalised contract costs in Jacobsen Elektro Holding AS	Uganda	335	605
SUM		160 008	179 071



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 8 Long term contracts

Parent			Group	
2017	2016	Balance sheet value of projects	2017	2016
0	0	Accrued income, not invoiced	152 699	290 726
0	0	Retained payments according to contract	0	0
0	0	Deferred income, invoiced amount in excess of earned	12 719	13 090
		Result items relating to long term contracts	2017	2016
2017	2016	Result of work in progress (Accumulated)		
0	0	Total income in the income statement	1 182 884	2 076 036
0	0	Estimated contract profit	40 561	230 918
		Loss-making long term contracts		
0	0	Remaining production	1 331	0

All ongoing projects at 31.12.2017 have recognised profits except for one project with a loss of 1331. The degree of completion of all current projects at 31.12.2017 is calculated on the basis of the relationship between accrued project costs and estimated total project costs.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 9 Receivables and liabilities

Parent			Group	
2017	2016	Trade receivables	2017	2016
9 328	3 090	Trade receivables at nominal value	427 581	677 592
0	0	Bad debts provision	-2 442	-2 454
9 328	3 090	Trade receivables in the balance sheet	425 139	675 138

2017	2016	Receivables which fall due later than one year	2017	2016
16 448	0	Other long term receivables	1 699	1 991
16 448	0	Total	1 699	1 991

2017	2016	Long term liabilities which fall due later than 5 years	2017	2016
0	0	Liabilities to credit institution	0	0
0	0	Total	0	0

2017	2016		2017	2016
13 242	14 562	Liabilities secured by mortgage	345 834	433 225

		<i>Balance sheet value of assets placed as security:</i>		2017	2016
9 328	3 090	Trade receivables	425 139	675 138	
0	0	Inventory and proprietary projects	5 067	6 684	
36 209	12 932	Other receivables, incl. Receivables in group	11 806	31 400	
0	0	Work in progress, not invoiced production	152 699	290 726	
0	0	Fixed assets	139 753	202 019	
1 157	1 095	Bank deposits	19 254	20 789	
46 694	17 117	Total	753 718	1 226 756	

		<i>The assets are pledged as collateral for the following:</i>		2017	2016
330	14 562	Bank overdraft	24 306	76 743	
330	14 562	Total	24 306	76 743	

		<i>Off balance sheet commitments</i>		2017	2016
0	0	Contractual guarantees	98 538	112 821	
54 446	183 493	Loan guarantees to group companies	0	0	
54 446	183 493	Total	98 538	112 821	

Assets in Jacobsen Elektro Holding AS are pledged as security for liabilities in Jacobsen Elektro AS. Liabilities in subsidiaries (Jacobsen Elektro AS, Jarlsø AS, JTS Tanzania Ltd, JTS DCR Ltd and Jelcem Ghana Ltd) are secured by an corporate guarantees from Jacobsen Elektro Holding AS with a total of TNOK 54 446.

Reclaimable Value Added Tax

Included in Other receivable is a receivable for Value Added tax of TNOK 182 882. This receivable is related to previous years invoiced amounts to The Uganda Electricity Company Ltd. The company also has a VAT payable to the Ugandan Revenue Authority which relates to the same invoices. This amount is included in Public duties payable.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 10 Restricted bank deposits

Parent		Restricted bank deposits	Group	
2017	2016		2017	2016
1 035	1 095	Withheld employee taxes	5 029	4 852
0	0	Other restricted cash		1 076
1 035	1 095	Total	5 029	5 928
Overdraft facilities granted				
0	438	Unused bank overdraft	4 217	6 665
0	0	Unused loan facility CRDB Bank (facility 15 mUSD)	53 760	15 316
0	438	Total	57 977	21 981

Note 11 Balance with group companies

Parent	Trade receivables		Short term receivables	
	2017	2016	2017	2016
Group companies	9 328	3 090	36 209	7 936
	Long term receivables		Trade creditors	
	2017	2016	2017	2016
Group companies	16 448	0	1 508	0
	Short term creditors		Long term creditors	
	2017	2016	2017	2016
Group companies	75 613	27 536	1 798	5 733

In 2017 Jacobsen Elektro AS wrote down receivables to group companies with TNOK 3 652. The loss is recognized as other operating expenses.

Group	Trade receivables		Other short term receivables	
	2017	2016	2017	2016
Svetek Holding AS	0	0	11 806	9 258
	Other long term receivables		Trade creditors	
	2017	2016	2017	2016
Svetek Holding AS	0	0	0	0
	Other short term creditors		Other long term creditors	
	2017	2016	2017	2016
Svetek Holding AS	0	0	0	0



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 12 Shareholders Equity

Parent

Equity changes in the year	Share capital	Share premium	Othe paid-in equity	Other equity	Total
Equity 01.01.	200	26 957	0	0	27 157
Profit for the year	0		0	1 357	1 357
Equity 31.12.	200	26 957	0	1 357	28 514

Group

Equity changes in the year	Share capital	Share premium and other paid in equity	Other equity	Minority interests	Total
Equity 01.01.	200	39 993	22 718	-9 627	53 284
Profit for the year	0	0	-91 027	-5 309	-96 336
Capital increase	0	0		213	213
Change of minority	0	0			0
Exchange differences subsidiaries	0	0	4 115	1 116	5 231
Equity 31.12.	200	39 993	-64 194	-13 607	-37 608

Note 13 Share capital and shareholder information

Parent

The share capital of NOK 200 000 consists of 200 shares with nominal value of NOK 1.000 each.

Shares are owned by Svetek Holding AS with 995 (99,5 %) shares and by Varnamoss AS with 5 (0,5 %) shares

The parent company Svetek Holding AS has its registered offices in Ringeriksveien 16, 3414 Lierstranda, where the consolidated accounts which include the company can be obtained.

The Chairman of the Board of Directors, Johan Svendsen with family, owns all the shares in Svetek Holding AS

Note 14 Covenants

The company has an Overdraft Facility with Swedbank. The Company and Swedbank have agreed to gradually reduce the existing Overdraft Facility. As per 31.12.2017 the drawings under the facility was 23.4MNOK.

Developments in 2018:

The facility has been further reduced in 2018, and drawings under the facility is 5.1MNOK as of 31.10.2018.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 15 Pensions

A number of group companies are required to provide an occupational pension scheme according to the Norwegian Mandatory Occupational Pension Act for activities that involve Norway. Pension schemes within these group companies are contribution-based schemes and satisfy all legal requirements. Pension costs for the year were TNOK 3.096. One company in the group also has a Contractual Pension (CP) arrangement, see below.

CP

The Company participates in an LO/NHO arrangement that results in that all employees can choose to take early retirement from the age of 62.

The CP arrangement provides a life-long addition to the ordinary pension. Employees can choose to take out the new CP arrangement from reaching 62 years, including while remaining in employment, which will provide further accrual until the age of 67. The new CP arrangement is a contribution-based multi-company arrangement and is financed through premiums calculated as a percentage of wages. The arrangement is dealt with in the accounts as a contribution-based pension scheme where the premium is recognised as incurred and no provisions are made in the accounts.

Annual premium fees for the CP arrangements total TNOK 878.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 16 Tax

Calculation of deferred tax/deferred tax benefit

Parent		Temporary differences	Group	
2017	2016		2017	2016
-122	-42	Operating equipment, incl goodwill	-20 304	-1 837
0	0	Construction contracts work in progress	155 551	231 901
0	0	Long term assets	2 819	2 393
0	0	Current assets	-1 624	60 443
0	0	Provisions	49 712	-8 409
0	0	Other	-94	-228
-122	-42	Net temporary differences	186 060	284 263
0	0	Tax losses carried forward	-203 069	-131 398
-122	-42	Basis for deferred tax	-17 009	152 865
-28	-10	Deferred tax rate 23 % - Norway	4 455	24 431
0	0	Deferred tax rate - other tax rate	-6 572	9 440
0	0	Deferred tax benefit not shown in the balance sheet	30 984	8 652
-28	-10	Deferred tax in the balance sheet	28 867	42 523
The balance sheet consists of				
0	0	Incurred withholding tax	-567	-567
-28	-10	Deferred tax (liability)	28 867	42 523
Basis for income tax expense, changes in deferred tax and tax payable				
1 809	-24 750	Result before taxes	-101 899	-8 822
71	32 079	Permanent differences	21 604	35 891
0	0	This year's income - Togo	0	7 251
0	0	Reduction result before taxes - Togo	0	8 426
1 880	7 329	Basis for the tax expense for the year	-80 295	42 746
0	0	Exch differences	-4 355	0
79	248	Change in temporary differences	98 203	-86 568
1 959	7 577	Basis for payable taxes in the income statement	13 553	-43 822
-1 959	-6 930	+/- Group contributions received/given	0	0
0	-648	Change in loss carryforward	-71 671	47 535
0	0	Taxable income (basis for payable taxes in the balance sheet)	-58 118	3 713



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 16 Tax - continuance

Parent		Components of the income tax expense	Group	
2017	2016		2017	2016
470	1 732	Payable tax on this year's result	3 054	3 799
0	0	Payable tax on this years income - Togo	0	73
0	0	Adjustment in respect of priors	1 155	10
470	1 732	Total payable tax	4 209	3 882
-19	-61	Change in deferred tax based on original tax rate	-9 053	6 796
1	0	Change in deferred tax due to change in tax rate	-1 442	-1 363
0	0	Source tax	308	-316
0	0	Currency effect deferred tax	415	-167
452	1 671	Tax expense	-5 563	8 832
Payable taxes in the balance sheet				
490	1732	Payable tax in the tax charge	79	1114
-490	-1732	Tax effect of group contribution	0	0
0	0	Advance tax payment	-163	-195
0	0	Payable tax in the balance sheet	-84	919

Tax rates:

35 % - Democratic Republic of the Congo

30 % - Uganda, Kenya and Tanzania

24 % - Norway (23 % on deferred tax)

25 % - Ghana and China

Tax calculation in Togo are based on 1 % of this year's income.



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 17 Operating income

Parent			Group	
2017	2016		2017	2016
0	0	Sales income	532 189	1 266 440
46 425	46 981	Other operational income	0	296
46 425	46 981	Total	532 189	1 266 737
Activity distribution				
2017	2016		2017	2016
0	0	Building contracts	234 727	1 022 103
0	0	Revenue of electricity	133 024	35 930
0	0	Sales of goods	59 079	105 634
0	0	Services	103 352	93 013
0	0	Gains from sale of land	0	0
46 425	46 981	Other operating income	2 007	10 057
46 425	46 981	Total	532 189	1 266 737
Geographical distribution				
2017	2016		2017	2016
Europe				
46 425	46 981	Norway	137 219	119 580
0	0	Sweden	2 774	9 979
Africa				
0	0	Uganda	136 103	41 827
0	0	Tanzania	128 621	914 138
0	0	Ghana	53 266	85 210
0	0	Democratic Republic of the Congo	27 805	29 787
0	0	Indonesia	39 540	0
0	0	Zambia	0	193
0	0	Zimbabwe	0	317
0	0	Cameroon	1 382	0
0	0	Togo	0	7 251
0	0	Liberia	1 772	37 283
0	0	Rwanda	3 368	3 574
Asia				
0	0	China	339	17 310
0	0	Kuwait	0	287
46 425	46 981	Total	532 189	1 266 736



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 18 Project costs

Group

Project costs consist of the following costs:	2017	2016
Cost of goods	123 859	818 795
Labour cost	55 223	62 528
Depreciation	162	142
Other operating cost	74 949	106 931
Total	254 193	988 396

Note 19 Payroll expenses, number of employees, remunerations, loans to employees, etc

Parent		Payroll expenses	Group	
2017	2016		2017	2016
15 943	14 933	Salaries/wages	105 503	104 364
2 489	2 526	Social security fees	13 066	13 302
520	597	Pension expenses	4 296	4 839
1 583	1 085	Other remuneration	5 430	2 426
0	0	Activated sales cost	-1 676	-4 572
0	0	Payroll expenses classified as project cost	-55 731	-58 540
20 535	19 141	Sum	70 888	61 819

12	11	Average number of employees	280	263
----	----	-----------------------------	-----	-----

Remuneration to executives	Managing director	The Board of Directors
Salaries	2 902	2 397
Board of directors fee	0	1 470
Pension expenses	25	22
Other remuneration	204	448

The managing director is a part of the Company's ordinary pension arrangements. The Managing Director has a bonus agreement for the achievement of results over budget, upwardly limited to 6-months' salary. The Managing director has been paid a bonus of NOK 275 921 for the accounting year 2017. The Managing Director has a period of notice of 6 months and an agreement of severance pay for 6 months in addition to the period of notice if notice is invoked by the Company. In addition the Managing director has a stay-on bonus agreement.

No loans/sureties have been granted to the general manager, the Chairman of the Board of Directors or other related parties.

Expensed audit fee	Parent	Group
Statutory audit (incl. technical assistance with financial statements)	380	1 836
Other assurance services	0	25
Tax advisory fee (incl. technical assistance with tax return)	15	213
Other assistance	0	0
Total audit fees	395	2 074



Jacobsen Elektro Holding AS

Notes to the accounts for 2017

Note 20 Related party transactions

Related-party transactions:	Parent	Group
a) Sales of goods and services		
Sales of services:		
- Component	46 462	0
b) Purchases of goods and services		
Purchases of services		
- Component	1 508	0

Note 21 Specification of financial income and expenses

Financial income	Parent	Group
Foreign exchange gains	17	24 448
Other financial income	0	0
Total financial income	17	24 448
Financial expenses	Parent	Group
Foreign exchange losses	1 529	24 803
Other financial expenses	0	0
Total financial expenses	1 529	24 803

Note 22 Subsequent Events

Benin 120 MW.

The implementation of the first IPP project has been delayed, and the final signing between government and the project is still outstanding. The Company has maintained close contact with government and expect to re-engage during first half of 2019.

Ghana 360 MW.

On March 1, 2018, we received a letter from Electricity Company Ghana (ECG), our counterparty on the Power Purchase Agreement, confirming their intent to continue the PCOA/PPA negotiations with us. A revised commercial offer was sent to the GoG team on June 8, 2016, to which the GoG team responded on June 29, 2018 with certain comments and feedback. We will meet the GoG team for negotiations mid-December 2018.

In early June 2018, Jacobsen Elektro Holding AS entered into a Letter of Intent with a reputable international company in relation to among other the Ghana 360 Project. If the LoI leads to a firm agreement Jacobsen Elektro AS will be entitled to a staged and success-based compensation for the Ghana 360 project and will also have the right to bid for the sub-station part of the EPC contract. The sub-station contract is estimated at 35-40 MUS\$.