



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2017 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	918 124 926
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	LAST LION HOLDCO AS
Forretningsadresse:	7.etg Fridtjof Nansens plass 5 0160 OSLO

### Regnskapsår

Årsregnskapets periode:	01.01.2017 - 31.12.2017
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### Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Martez Romondo Moore
Dato for fastsettelse av årsregnskapet:	18.04.2018

### 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, 02.11.2020



## Resultatregnskap

Beløp i: USD	Note	2017	2016
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Depreciation and amortization		0	0
Other operating expenses	2,3	553 000	7 603 000
<b>Sum kostnader</b>		<b>553 000</b>	<b>7 603 000</b>
<b>Driftsresultat</b>		<b>-553 000</b>	<b>-7 603 000</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	4,6	11 261 000	14 000
<b>Sum finansinntekter</b>		<b>11 261 000</b>	<b>14 000</b>
Interest expense	4	11 742 000	368 000
<b>Sum finanskostnader</b>		<b>11 742 000</b>	<b>368 000</b>
<b>Netto finans</b>		<b>-481 000</b>	<b>-354 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-1 034 000</b>	<b>-7 957 000</b>
Income tax expense	5	-1 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>-1 033 000</b>	<b>-7 957 000</b>
<b>Årsresultat</b>		<b>-1 033 000</b>	<b>-7 957 000</b>



### Balanse

Beløp i: USD	Note	2017	2016
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	5	1 000	
<b>Sum immaterielle eiendeler</b>		<b>1 000</b>	
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	8	98 960 000	113 310 000
Other non-current assets			570 000
<b>Sum finansielle anleggsmidler</b>		<b>98 960 000</b>	<b>113 880 000</b>
<b>Sum anleggsmidler</b>		<b>98 961 000</b>	<b>113 880 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Other receivables	6	11 734 000	
<b>Sum fordringer</b>		<b>11 734 000</b>	
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents		3 131 000	
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>3 131 000</b>	
<b>Sum omløpsmidler</b>		<b>14 865 000</b>	<b>0</b>
<b>SUM EIENDELER</b>		<b>113 826 000</b>	<b>113 880 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	7	368 000	4 000
Overkurs		4 636 000	
<b>Sum innskutt egenkapital</b>		<b>5 004 000</b>	<b>4 000</b>



## Balanse

Beløp i: USD	Note	2017	2016
<b>Opptjent egenkapital</b>			
Retained earnings and other reserves		-8 989 000	-7 957 000
<b>Sum opptjent egenkapital</b>		<b>-8 989 000</b>	<b>-7 957 000</b>
<b>Sum egenkapital</b>		<b>-3 985 000</b>	<b>-7 953 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	5	0	0
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	4	84 670 000	82 907 000
Other non-current liabilities	6	24 195 000	28 590 000
<b>Sum annen langsiktig gjeld</b>		<b>108 865 000</b>	<b>111 497 000</b>
<b>Sum langsiktig gjeld</b>		<b>108 865 000</b>	<b>111 497 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		4 000	
Other current liabilities	6	8 943 000	10 336 000
<b>Sum kortsiktig gjeld</b>		<b>8 947 000</b>	<b>10 336 000</b>
<b>Sum gjeld</b>		<b>117 812 000</b>	<b>121 833 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>113 827 000</b>	<b>113 880 000</b>



## Konsernets resultatregnskap

Beløp i: USD	Note	2017	2016
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	4	39 952 000	1 162 000
Other operating income		0	0
<b>Sum inntekter</b>		<b>39 952 000</b>	<b>1 162 000</b>
<b>Kostnader</b>			
Payroll and related expenses	5	13 158 000	616 000
Depreciation and amortization	9,10	6 176 000	216 000
Other operating expenses	6	6 583 000	7 905 000
<b>Sum kostnader</b>		<b>25 917 000</b>	<b>8 737 000</b>
<b>Driftsresultat</b>		<b>14 035 000</b>	<b>-7 575 000</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	7	1 325 000	30 000
<b>Sum finansinntekter</b>		<b>1 325 000</b>	<b>30 000</b>
Financial expense	7	11 831 000	372 000
<b>Sum finanskostnader</b>		<b>11 831 000</b>	<b>372 000</b>
<b>Netto finans</b>		<b>-10 506 000</b>	<b>-342 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>3 529 000</b>	<b>-7 917 000</b>
Income tax expense	8	348 000	12 000
<b>Ordinært resultat etter skattekostnad</b>		<b>3 181 000</b>	<b>-7 929 000</b>
<b>Årsresultat</b>		<b>3 181 000</b>	<b>-7 929 000</b>
Foreign currency translation differences		178 000	-19 000
<b>Totalresultat</b>		<b>3 359 000</b>	<b>-7 948 000</b>



## Konsernets balanse

Beløp i: USD	Note	2017	2016
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Intangible assets	10,11	22 721 000	27 687 000
Utsatt skattefordel	8,11	820 000	798 000
Goodwill	10,11	76 955 000	73 308 000
<b>Sum immaterielle eiendeler</b>		<b>100 496 000</b>	<b>101 793 000</b>
<b>Varige driftsmidler</b>			
Property and equipment	9	1 265 000	170 000
<b>Sum varige driftsmidler</b>		<b>1 265 000</b>	<b>170 000</b>
<b>Finansielle anleggsmidler</b>			
Other non-current assets		136 000	195 000
<b>Sum finansielle anleggsmidler</b>		<b>136 000</b>	<b>195 000</b>
<b>Sum anleggsmidler</b>		<b>101 897 000</b>	<b>102 158 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Investeringer</b>			
Trade and other receivables	3	12 640 000	9 375 000
Tax receivable	8	651 000	
<b>Sum investeringer</b>		<b>13 291 000</b>	<b>9 375 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	3	12 439 000	13 431 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>12 439 000</b>	<b>13 431 000</b>
<b>Sum omløpsmidler</b>		<b>25 730 000</b>	<b>22 806 000</b>
<b>SUM EIENDELER</b>		<b>127 627 000</b>	<b>124 964 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			



## Konsernets balanse

Beløp i: USD	Note	2017	2016
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	15	368 000	4 000
Overkurs		4 636 000	0
<b>Sum innskutt egenkapital</b>		<b>5 004 000</b>	<b>4 000</b>
<b>Opptjent egenkapital</b>			
Retained earnings and other reserves		-4 588 000	-7 947 000
<b>Sum opptjent egenkapital</b>		<b>-4 588 000</b>	<b>-7 947 000</b>
<b>Sum egenkapital</b>		<b>416 000</b>	<b>-7 943 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	8,11	5 013 000	6 547 000
<b>Sum avsetninger for forpliktelser</b>		<b>5 013 000</b>	<b>6 547 000</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	14	84 670 000	82 907 000
Other non-current liabilities	17	24 282 000	28 590 000
<b>Sum annen langsiktig gjeld</b>		<b>108 952 000</b>	<b>111 497 000</b>
<b>Sum langsiktig gjeld</b>		<b>113 965 000</b>	<b>118 044 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		2 134 000	6 296 000
Taxes payable	8	0	3 012 000
Public duties payable		519 000	274 000
Prepaid customers	1	4 149 000	3 734 000
Other current liabilities		6 445 000	1 547 000
<b>Sum kortsiktig gjeld</b>		<b>13 247 000</b>	<b>14 863 000</b>
<b>Sum gjeld</b>		<b>127 212 000</b>	<b>132 907 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>127 628 000</b>	<b>124 964 000</b>



## Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Jeanette Munkvold Skovholt	15.03.2017	30.03.2017
Telefon	Deres referanse	Vår referanse
90076012	Einar Søsnes	2017/294351

LAST LION HOLDCO AS  
Postboks 1400  
0115 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Last Lion Holdco AS, org.nr. 918 124 926

Vi viser til deres søknad sendt i brev av 15. mars 2017 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Last Lion Holdco AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Last Lion Holdco 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:

*Selskapet er et holding selskap for Opera TV som selger software som implementeres i TV'er i forbindelse med produksjon av en TV. Kundene av Opera TV er TV produsenter i et internasjonalt marked over hele verden. Hovedandelen av kundene er lokalisert i Asia og Amerika. Arbeidsspråket i Last Lion Holdco AS er på engelsk, da styremedlemmer er engelsktalende.*

*Brukere av regnskapet:*

*Selskapet ble stiftet av amerikanere (gjennom Last Lion Holdings LTD) i desember 2016. Selskapet har kun en aksjepost i datterselskapet Opera TV og et banklån fra en amerikansk bank. Det legges til grunn at bank og eiere vil være de mest aktive brukerne av regnskapet til Last Lion Holdco AS. For at brukerne skal kunne lese regnskapet må regnskapsspråket være på engelsk.*

En norsk oversettelse vil kun ha til formål å tilfredsstille lovens språkkrav.

### 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

Postadresse	Besøksadresse:	Sentralbord
Postboks 9200 Grønland	Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>	800 80 000
0134 Oslo	Org.nr: 996250318	Telefaks
	E-post:	22 17 08 60
	<a href="mailto:skatteetaten.no/sendepost">skatteetaten.no/sendepost</a>	



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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet vektlagt at selskapets eiere og styremedlemmer er utenlandske. Eierkretsen er begrenset. Videre er det vektlagt at selskapet opererer i et internasjonalt marked, og at selskapets lånefinansiering er i en utenlandsk bank. Skattedirektoratet legger også vekt på at de øvrige regnskapsbrukerne sannsynligvis ikke vil bli negativt berørt ved at årsregnskapet og årsberetningen blir avlagt på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Jeanette Munkvold Skovholt



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



BDO AS  
Munkedamsveien 45  
Postboks 1704 Vikå  
0121 Oslo

## Independent Auditor's Report

To the General Meeting of Last Lion Holdco AS

Report on the Audit of the Financial Statements

### Opinion

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We have audited the financial statements of Last Lion Holdco AS. The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2017, and income statement, statement of comprehensive income, 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, and
- The financial statements of 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 present fairly, in all material respects, 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 simplified application of international accounting standards according to § 3-9 of the Norwegian Accounting Act.
- The accompanying financial statements present fairly, in all material respects, 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

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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.

### Other information

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Management is responsible for the other information. The other information comprises the Board of Directors' report.

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

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

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

#### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the parent company in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, 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 and using 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 Company's 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 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

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

Oslo, 19 April 2018  
BDO AS

Yngve Gjethammer  
State Authorised Public Accountant



## Last Lion Holdco AS

### Annual report for 2017

#### **Nature of the business activities and where these are conducted**

Last Lion Holdco AS is the parent company of the Last Lion Holdco Group, with business mainly in Norway. Last Lion Holdco AS is headquartered in Oslo, Norway. The company was established in 2016 as a result of a carve-out acquisition of Vewd Software AS from its parent Otello Corporation ("Transaction").

#### **Analysis of the annual accounts and key risks and uncertainties**

In 2017, Last Lion Holdco AS did not have operating revenue.

In 2017, other operating expenses decreased 7.1 MUSD due to decreased transaction costs.

Net Working Capital ("NWC") at 31 December 2017 was 2.8 MUSD. Our NWC definition includes bank deposits, cash, and cash equivalents, other current receivables, less accounts payable, and other current liabilities. NWC fluctuates at times because of the intercompany activities between the Company and other Last Lion Holdco Group companies. Specifically, the Company has a higher NWC from November to March, associated with customer instalments.

#### **Cash Flows**

In 2017, operating activities resulted in a reduction 2,7 MUSD in cash as a result of loss before income taxes of 1,0 MUSD, decreased by 17,7 MNOK for cash taxes paid and of 1.1 MNOK in our net operating assets and liabilities including non-cash depreciation. The increase in operating assets and liabilities is the result of increase in accounts trade debtors of 14,7 MNOK due to both the growth in business and the timing of payments and trade creditors of 23,8 MNOK as a result of improved collections, offset by a decrease in other provisions of 42,2 MNOK associated with Group intercompany activity.

#### **Research and Development**

In 2017, Last Lion Holdco AS did not incur any costs related to research and development.

#### **Business outlook**

Last Lion Holdco AS will continue as the holding company for Last Lion Holdco Group and its credit agreement with Wilmington Trust associated with funding the Transaction. The Company does not generate revenue or have any employees.

#### **Financial risk**

Financial and credit risk is deemed to be low, as the Company acts as a holding company for Last Lion Holdco Group and its credit agreement with Wilmington Trust associated with funding the Transaction. The Company does not generate revenue or have any employees.



Last Lion Holdco AS

## Annual report for 2017

### Going concern

The Board of Directors and the General Manager confirm that the going concern assumption has been applied in preparing the annual accounts. The parent company and the group have been characterised by favorable sales developments and adequate equity for several years and are well placed to continue such positive developments.

### Equal opportunities

The personnel policy of the company is deemed to be gender neutral in all respects. We are of the view that equal opportunities issues have been adequately accommodated, and no specific measures have been initiated or planned with regard thereto. No feedback has been received to the effect that the personnel policy of the company is considered to discriminate on the basis of gender.


### Non-discrimination and accessibility

We believe that no differential treatment of employees, or upon recruitment, takes place on the basis of ethnicity, national origin, extraction, color, language, religion or faith.

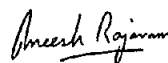
### External environment

It is the Board of Directors' opinion that the external environment is not particularly polluted or affected by Vewd's activities.

Oslo, 18 April 2018.



Martez Roberto Moore  
Chairman of the board



Aneesh Rajaram  
Chief executive officer/member of the board



Last Lion HoldCo AS

Statements of comprehensive income

Numbers in \$ thousand	Note	01.01.2017-31.12.2017	19.12.2016-31.12.2016
Revenue		-	-
Depreciation and amortization		-	-
Other operating expenses	2,3	553	7,603
<b>Total operating expenses</b>		<b>553</b>	<b>7,603</b>
<b>Profit (loss) from operations</b>		<b>-553</b>	<b>-7,603</b>
Interest expense	4	11,742	14
Financial income	4,6	11,261	368
<b>Profit (loss) before income taxes</b>		<b>-1,034</b>	<b>-7,957</b>
Income tax expense	5	-1	
<b>Profit (loss)</b>		<b>-1,032</b>	<b>-7,957</b>
<b>Items that may or will be transferred to profit (loss)</b>			
Foreign currency translation differences		-	-
<b>Total comprehensive income (loss)</b>		<b>-1,032</b>	<b>-7,957</b>



Last Lion HoldCo AS

Statements of financial position

## Assets

Numbers in \$ thousand	Note	12/31/2017	12/31/2016
<b>Non-current assets</b>			
Deferred tax assets	5	1	-
Shares in subsidiaries	8	98,960	113,310
Other non-current assets		-	570
<b>Total non-current assets</b>		<b>98,961</b>	<b>113,880</b>
<b>Current assets</b>			
Other receivables	6	11,734	-
Cash and cash equivalents		3,131	-
<b>Total current assets</b>		<b>14,865</b>	<b>-</b>
<b>Total assets</b>		<b>113,826</b>	<b>113,880</b>



Last Lion HoldCo AS

Statements of financial position

## Equity and liabilities

Numbers in TUSD	Note	12/31/2017	12/31/2016
<b>Shareholders equity and liabilities</b>			
Share capital	7	368	4
Other paid in equity		4,636	
Retained earnings and other reserves		-8,989	-7,957
<b>Total equity</b>		<b>-3,985</b>	<b>-7,953</b>
<b>Non-current liabilities</b>			
Loans and borrowings	4	84,670	82,907
Deferred tax liabilities	5	0	
Other non-current liabilities	6	24,195	28,590
<b>Total non-current liabilities</b>		<b>108,865</b>	<b>111,497</b>
<b>Current liabilities</b>			
Accounts payable		4	
Other current liabilities	6	8,944	10,336
<b>Total current liabilities</b>		<b>8,947</b>	<b>10,336</b>
<b>Total equity and liabilities</b>		<b>113,826</b>	<b>113,880</b>

Oslo/New York, 18.04.2018

**Chairman of the board**  
Martez Romondo Moore

**Member of the board / CEO**  
Aneesh Rajaram



Last Lion HoldCo AS

Statements of changes in equity

Numbers in \$ thousand	Share capital	Other paid in equity	Retained earnings	Total equity
Balance as of 19.12.2016	4			4
<b>Comprehensive income for the period</b>				
Profit (loss)			-7,957	-7,957
<b>Total comprehensive income for the period</b>			-7,957	-7,957
<b>Balance as of 31.12.2016</b>	<b>4</b>	<b>-</b>	<b>-7,957</b>	<b>-7,953</b>
<b>Comprehensive income for the period</b>				
Profit (loss)			-1,032	-1,032
<b>Total comprehensive income for the period</b>			-1,032	-1,032
<b>Contributions by and distribution to owners</b>				
Issuance of shares	364	4,636	-	5,000
Share based transactions			-	-
<b>Total contributions by and distributions to owners</b>	<b>364</b>	<b>4,636</b>	<b>-</b>	<b>5,000</b>
<b>Balance as of 31.12.2017</b>	<b>368</b>	<b>4,636</b>	<b>-8,989</b>	<b>-3,985</b>



Last Lion HoldCo AS

Consolidated statement of cash flow

Numbers in \$ thousand	Note	12/31/2017	12/31/2016
<b>Cash flows from operating activities</b>			
Profit (loss) for the year	-	1,032	- 7,957
Net finance, excluding group contribution		11,409	
Impairment losses		-	-
Changes other receivables	-	11,734	-
Changes in accounts payable		4	-
Changes in other liabilities and receivables, net	-	1,392	8,243
<b>Net cash flow from operating activities</b>	-	<b>2,746</b>	<b>286</b>
<b>Cash flow from investment activities</b>			
Purchases of subsidiaries and associated companies, net of cash acquired	-	3,037	- 113,310
<b>Net cash flow from investment activities</b>	-	<b>3,037</b>	<b>- 113,306</b>
<b>Cash flow from financing activities</b>			
Proceeds from dividends and group contribution	8	17,387	
Paid interest	-	9,041	
Proceeds from loans and borrowings		570	113,020
<b>Net cash flow from financing activities</b>		<b>8,916</b>	<b>113,020</b>
Net change in cash and cash equivalents		3,131	-
Cash and cash equivalents at beginning of the period		-	-
<b>Cash and cash equivalents at the end of the period</b>		<b>3,131</b>	<b>-</b>



## 1. General information, basis for preparation

### General information

Last Lion Holdco AS (the "Company") is a company domiciled in Norway. The Company's principal offices are located at Gjerdrums vei 19, Oslo, Norway.

Last Lion Holdco AS is the parent company of the Last Lion Holdco Group, with business mainly in Norway.

The financial statements for the company Last Lion Holdco AS have been prepared and presented in accordance with simplified IFRS pursuant to § 3-9 in the Norwegian Accounting Act. For the accounting principles used to prepare and present the financial statements refer to note 1 Accounting principles in the Group financial statement.

Accounting principles applicable to the company not present in the group financial statements:

### Shares in subsidiaries

Subsidiaries are all entities controlled, either directly or indirectly, by Last Lion Holdco AS. Last Lion Holdco AS controls an entity when it is exposed to, or has rights to, variable returns from the involvement with the entity and has the ability to affect those returns through power over the entity. Power over an entity exists when Last Lion Holdco AS have power to direct the activities in which significantly affect the entity's returns. Generally, there is a presumption that a majority of voting rights result in control. Last Lion Holdco AS considers all relevant facts and circumstances in assessing whether control exist, including contractual arrangements and other potential voting rights to the extent that these are substantive.

Shares are classified as investment in subsidiaries from the date Last Lion Holdco AS effectively obtains control of the subsidiary (acquisition date).

Shares are measured at cost, and impairment loss is recognised if the carrying amount exceeds the recoverable amount. The impairment is reversed if the basis for the write-down is no longer present.

Group contributions received are included in financial income provided that it does not represent a repayment of capital invested. Group contributions that represent a repayment of capital are accounted for as a reduction in the cost of investments. Net group contributions payable (gross group contributions less tax effect) are accounted for as cost of investments in subsidiaries.

Dividends from subsidiaries are included in financial income if not otherwise is stated in notes



## 2. Payroll and related expenses

### Salaries

The Company have no employees and have not had any salary costs in 2017. The CEO of Last Lion Holdco AS is employed in, and receives his salary from the subsidiary, Vewd Software AS.

For more information, se note 5 in the Group financial statement.

### Remuneration to auditor

Remunerations to the auditor	12/31/2017	12/31/2016
Statutory audit	33	-
Tax advice	5	-
Other services	71	-
<b>Total</b>	<b>109</b>	<b>-</b>



### 3. Other operating expenses

The following table illustrates the relative distribution of other operating expenses divided into activities for the Company for the period from 19.12.2016 to 31.12.2012 and 01.01.2017 to 31.12.2017:

Other operating expenses TUSD	01.01.2017 - 31.12.2017	19.12.2016 - 31.12.2016
Audit, legal and other advisory services	553	7,599
Travel and other expenses		4
<b>Total</b>	<b>553</b>	<b>7,603</b>



## 4. Financial income and expenses

Recognized in profit or loss

Financial income TUSD	01.01.2017 - 31.12.2017	19.12.2016 - 31.12.2016
Other interest income	11,261	14
Foreign exchange gains	-	-
<b>Total</b>	<b>11,261</b>	<b>14</b>

Financial expenses TUSD	01.01.2017 - 31.12.2017	19.12.2016 - 31.12.2016
Interest expenses on long term borrowings *	11,731	368
Foreign exchange losses	11	-
<b>Total</b>	<b>11,742</b>	<b>368</b>

<b>Net financial items</b>	<b>481</b>	<b>354</b>
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\* See note 14 in the Group consolidated financial statement for further information about the long term borrowing.



## 5. Income tax

TUSD	2017	2016
Current tax - income tax	0	0
Change in deferred tax/tax liabilities	- 1	-
<b>Tax expense/income</b>	<b>-1</b>	<b>0</b>

### Specification of tax effects of temporary differences

TUSD	Assets	Liabilities
Tangible and intangible assets	-	-
Accounts receivable	-	-
Accrued expenses	-	-
Unused credit deductions	-	-
Deferred gain on assets sold	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Changes in net deferred tax assets/liabilities

#### Movement in temporary differences during the period

TUSD	12/19/2016	12/31/2016	12/31/2017	Change
Tangible and intangible assets	-	-	-	-
Accounts receivable	-	-	-	-
Accrued expenses	-	-	-	-
	-	-	-	-

### Reconciliation of effective tax rate:

TUSD			
Profit before tax	-	1,034	- 7,916
<b>Effective tax rate</b>	<b>0.1 %</b>	<b>0.0 %</b>	

	2017	2016	
Profit before tax	-	1,034	-7,957
Expected tax expense at 24%/25%	-	248	-1,989
Non deductible expenses / permanent diff.	247	1,162	
Tax effects Group contribution			827
Other changes	0		
<b>Income tax expense/income</b>	<b>-1</b>	<b>-0</b>	

Last Lion Holdco AS has received group contribution of TUSD 11 261 from Vevd Software AS. According to simplified IFRS the group contribution is recorded as finance income due to the fact that Last Lion Holdco AS is the parent company of Vevd Software AS. This has in the FY of 2017 reduced the negative profit before in tax. On the basis of that it while not be relevant to include any tax effect of group contribution in the table above.



## 6. Related party transactions

The following companies are considered as a related parties to the Company:

Company	Relation
Last Lion Holdings Ltd.	100% ownership in Last Lion Holdco AS
Moore Frères & Company	70% ownership in Last Lion Holdings Ltd.
Otello Corporation ASA	30% ownership in Last Lion Holdings Ltd.
Vewd Software AS	100% owned subsidiary

Company	Moore Freres & Company	Last Lion Holdings Ltd.	Vewd Software AS	Sum
Expenses	350	-	-	350
Interest	-	605	-	-
Dividends	-	-	14,768	14,768
Group Contribution received	-	-	13,880	13,880
Net result	-	350	28,648	28,903

### Balance at 31.12.17

Other non-current receivables	-	-	-	-
Current receivables	-	-	11,261	11,261
Other non-current liabilities	-	24,195	-	24,195
Current liabilities	-	-	3,570	3,570

### Transactions with key management personnel

The Company has not provided any loans to directors or Executive Team members as of December 31, 2017. Compensation for Executive Team members can be found in note 2.

### Transactions with Last Lion Holdings Ltd.

The interest rate is based on a three months NIBOR plus 130 basis points(1,3 %)



## 7. Share capital and shareholder information

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the General Meeting.

The share capital consist of 300 shares at a total of TUSD 368.

### Ownership structure

Name	Shares	Nominal value (NOK)	Owner's share	Voting share
Last Lion Holdings Ltd.	300	10,000	100%	100%



## 8. Subsidiaries

The principal subsidiaries of Last Lion Holdco AS are as follows:

Name	Country of incorporation	Proportion of interest as of 31.12.2016	Book value	Equity as of 31.12.2016	Net result as of 31.12.2016
Vevd Software AS (including Taiwan branch)	Norway	100%	113,310	\$ 23,003	\$ 12,521

Name	Country of incorporation	Proportion of interest as of 31.12.2017	Equity as of 31.12.2017	Net result as of 31.12.2017	
Vevd Software AS (including Taiwan branch)	Norway	100%	98,960	\$ 10,919	\$ 12,313

### Change in book value

Beginning balance	113,310
Group contribution 2016	- 2,619
Dividends	- 14,768
Cash settlement	3,037
Book value 31.12.17	98,960

Dividends from Vevd Software AS has in FY 2017 reduced book value due to the fact that they at the time for distribution was not earned in the holding period. The same applies for group contribution in 2016



## Last Lion Holdco Group Annual report for 2017

### **Nature of the business activities and where these are conducted**

Last Lion Holdco AS ("Parent") and subsidiaries (combined represent the "Last Lion Holdco Group" or "Group") is a company domiciled in Norway. The Parent's principal offices are located at Gjerdrums vei 19, Oslo, Norway. Subsidiaries include, Vewd Software AS (including Taiwan branch), Vewd Software Technology AS, Vewd Software Poland Sp. Z.o.O, Vewd Software Sweden AB, Vewd Software Japan GK, Vewd Software USA, LLC, and Opera TV Servicios de Marketing Limitada. The Group primarily conducts business under the brand Vewd Software ("Vewd"). Vewd Software AS was established in 2016 in part by a carve-out and drop-down merger from its parent Otello Corporation.

Vewd is the market leader in enabling the transition to OTT. Vewd's suite of OTT solutions enable our customers and partners to reliably, seamlessly and efficiently reach connected device viewers. We help companies like Sony, Verizon, Samsung and TiVo benefit from the growing number of consumers who watch content on connected devices.

With over 15 years experience in the connected TV device and OTT industry, we boast technological expertise to continuously satisfy the ever-evolving demands of the marketplace. Our market-leading products help enable the best streaming video services and unparalleled user experiences on all types of devices for audiences around the world.

Vewd offers proven and flexible solutions for overcoming the difficult challenges and escalating costs associated with the rapidly evolving OTT space. As experts in developing software solutions spanning client to cloud, we provide customers and partners the products they need to connect consumers with the content they love. The company's three major service and product lines are:

- Vewd OS elevates the smart TV experience to bring everyone a better way of watching what they love with simple yet powerful viewing features. From cohesive integration of content from multiple sources to cloud-based app access, Vewd OS changes the way users watch TV forever.
- The Vewd Core is a Software Development Kit (SDK) that provides a HTML5 rendering engine, an ideal foundation for enabling OTT and advanced user experiences on all profiles of connected devices.
- Vewd Software Snap allows content owners to create and submit a beautifully designed TV app in minutes, for instant distribution to millions of connected TV devices.
- Vewd Core Modules is a suite of innovative modules that integrate with Vewd Core APIs to satisfy various market-specific requirements.



Last Lion Holdco Group  
**Annual report for 2017**

**Analysis of the annual accounts and key risks and uncertainties**

Note: The Group was established in December 19, 2016 in part by a carve-out and drop-down merger ("Transaction") from its parent Otello Corporation ("Parent"), as such there was only 12 days of business activity conducted in 2016.

In 2017, operating revenue increased 38.9 MUSD due to license revenue gains with several key clients and unit demand growth for Software Development Kit ("SDK") technology. With Vewd Software's SDK software, device manufacturers and operators are able to render their own TV user experience in HTML 5 while enabling popular TV Apps (also written in HTML 5) to be accessed by their consumers. This greatly accelerates time-to-market for Original Equipment Manufacturers ("OEM") and operators that choose the Vewd Software SDK software. The Vewd Software SDK software powers the experience on tens of millions of devices each year made by over 50 OEM and operators.

In 2017, payroll expenses increased 12.5 MUSD due to headcount and average salary increases of 3.5%. Total FTEs at 31 December, 2017 was 203. Staffing levels were raised slightly in 2017 due to increased demand, expansion of the finance department, and planned geographic market expansions.

In 2017, other operating expenses decreased 1.3 MUSD due to professional fees associated with the Transaction. These costs historically trend in proportion to operating income, however with Transaction occurring on December 19, 2016 we experienced significant professional and consulting fees in 2016.

Net Working Capital ("NWC") at 31 December 2017 was 12.5 MUSD. Our NWC definition includes cash and cash equivalents, trade and other receivables, tax receivable, less accounts payable, taxes payable, public duties payable, prepaid customers and other current liabilities. NWC fluctuates at times because of the seasonality of larger contracts and contractual terms. Specifically, the Group has a higher NWC from November to March, associated with customer instalments. The Group is actively working to optimize its operating working capital requirements. The Group accepts considerable sales in Euros and US Dollar, as such developments in foreign exchange markets are of importance. Any potential depreciation or appreciation in Norwegian kroner and/or Euro against the US Dollar could result in unfavorable or favorable translation gains or losses. USD has weakened compared to Norwegian Kroners and weakened compared to Euro, hence leading to a favorable translation effect, respectively.



## Last Lion Holdco Group

### Annual report for 2017

#### Cash Flows

In 2017, operating activities generated 13,3 MUSD in cash as a result of profit before income taxes of 3,1MUSD, increased by 11,5 MUSD in interest expenses and 6,2M in our net operating assets and liabilities including non-cash depreciation. The decrease in operating assets and liabilities is the result of a decrease in accounts trade debtors of 4.1 MUSD due to improved processes around managing outstanding vendor balances to incoming cash flow and trade creditors of 3.2M, offset by an increase in other liabilities and receivables.

#### Business outlook

The number of TV sets connected to the internet grew on average 20% per year the past 5 years globally and is forecasted to continue that pace through 2020. Vewd Software's suite of products play in the middle of the consumer video ecosystem providing services for both content creators/owners and OEMS.

As OEMs and operators seek to enhance their relationships with and provide compelling applications and services to their consumers, they are increasingly developing and deploying internet-connected devices. As more original video content makes itself available for digital distribution via the Internet, the television industry is going through rapid change where traditional content delivery models are being substituted with direct-to-consumer models. The growth of this industry has been further spurred by increased consumer demand for popular TV Apps such as Netflix, YouTube and regional broadcaster catch-up TV services, directly on their TVs or through settop boxes. OEMs and Operators compete with one another for consumer attention in the living room and require to enable such complex functionality to sell their products. These trends play in beautifully to the strengthened product portfolio provided by Vewd's products.

#### Market Risks

The market for streaming media is continuing to grow and evolve. The Group faces substantial competition from large technology and consumer electronics companies, including Roku, Amazon, Apple and Google. These competitors have increased consumer awareness of TV streaming and contributed to the growth of the overall market, but their resources and brand recognition pose significant competitive challenges. Our success in capitalizing on the expanding opportunities in the streaming market will depend on our ability to continue to deliver high quality devices at competitive prices, in the face of this competition.



Last Lion Holdco Group  
**Annual report for 2017**

**Research and development**

The Group invested in existing and new products in 2017. The Group invests between 15 to 21% of sales in research and development. In 2017, 8,0 MUSD was invested at the Group level, which is 20.5 % of sales of own products at the Group level. Vevd Software AS (Subsidiary of the Group) also applied for Skattefunn in 2017 for a budget that was based on internal cost (personnel costs) of 720 KUSD and purchase of services and goods from subsidiaries of 6.5 MUSD.

**Financial risk**

Financial risk in the Group is primarily related to exchange rate fluctuations. Approximately, 46% of Group's receivables are paid in Euros. The Group's foreign exchange strategy calls for a continual assessment of the need for foreign exchange hedging, especially when Euros are acquired in connection with sales contracts.

Credit risk in relation to regular customers is deemed to be low, since the group has no dominant customers. Customers for major tenders are large and solvent contractors. Liquidity risk is also considered to be very low. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities, when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days. The Group's bank deposits, cash and cash equivalent's balance at 31 December 2017 was 12,4 MUSD compared to a current liabilities balance of 13,3 MUSD.

**Going concern**

The Board of Directors and the General Manager confirm that the going concern assumption has been applied in preparing the annual accounts. The parent company and the group have been characterised by favorable sales developments and adequate equity for several years and are well placed to continue such positive developments.



Last Lion Holdco Group  
**Annual report for 2017**

**Working environment**

357 days off sick were registered in the Group in 2017. This represents less than 1% of total working hours over the financial year. No serious occupational accidents or incidents have been experienced over the year, whether at Vewd or in the subsidiaries.

The Board of Directors and the CEO are of the view that the working environment of Vewd is satisfactory, but considers the need for implementing improvement measures on a continual basis. The various workplace environment committees the Group has held meetings on a regular basis during 2017. Several matters have been deliberated, and proposed solutions have been submitted to the affected departments.

The Group has a stable and well-qualified staff and is recognised as an attractive employer. Hence, we normally experience no difficulties in recruiting qualified personnel for vacancies.

**Equal opportunities**

The personnel policy of the company is deemed to be gender neutral in all respects. We are of the view that equal opportunities issues have been adequately accommodated, and no specific measures have been initiated or planned with regard thereto. No feedback has been received to the effect that the personnel policy of the company is considered to discriminate on the basis of gender.

**Non-discrimination and accessibility**

We believe that no differential treatment of employees, or upon recruitment, takes place on the basis of ethnicity, national origin, extraction, colour, language, religion or faith.


**External environment**

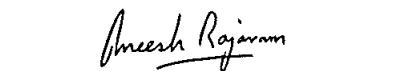
It is the Board of Directors' opinion that the external environment is not particularly polluted or affected by the Group's activities.



Last Lion Holdco Group  
**Annual report for 2017**

Oslo, 18 April 2018.

  
Marte Rondo Moore  
Chairman of the board

  
Aneesh Rajaram  
Chief executive officer/member of the board



Last Lion HoldCo AS

Consolidated statements of comprehensive income

Numbers in \$ thousand	Note	01.01.2017-31.12.2017	19.12.2016-31.12.2016
Revenue	4	39,952	1,162
Other operating income		-	-
<b>Total operating revenue</b>		<b>39,952</b>	<b>1,162</b>
Payroll and related expenses	5	13,158	616
Depreciation and amortization	9,10	6,176	216
Other operating expenses	6	6,583	7,905
<b>Total operating expenses</b>		<b>25,917</b>	<b>8,737</b>
<b>Profit (loss) from operations</b>		<b>14,035</b>	<b>-7,574</b>
Financial income	7	1,325	30
Financial expense	7	11,831	372
<b>Profit (loss) before income taxes</b>		<b>3,529</b>	<b>-7,916</b>
Income tax expense	8	-348	-12
<b>Profit (loss)</b>		<b>3,181</b>	<b>-7,928</b>
<b>Items that may or will be transferred to profit (loss)</b>			
Foreign currency translation differences		178	-19
<b>Total comprehensive income (loss)</b>		<b>3,359</b>	<b>-7,947</b>



Last Lion HoldCo AS

Consolidated statements of financial position

## Assets

Numbers in \$ thousand	Note	12/31/2017	12/31/2016
<b>Non-current assets</b>			
Deferred tax assets	8,11	820	798
Property and equipment	9	1,265	170
Goodwill	10,11	76,955	73,308
Intangible assets	10,11	22,721	27,687
Other non-current assets		136	195
<b>Total non-current assets</b>		<b>101,897</b>	<b>102,158</b>
<b>Current assets</b>			
Trade and other receivables	3	12,640	9,375
Tax receivable	8	651	-
Cash and cash equivalents	3	12,439	13,431
<b>Total current assets</b>		<b>25,730</b>	<b>22,806</b>
<b>Total assets</b>		<b>127,627</b>	<b>124,964</b>



Last Lion HoldCo AS

Consolidated statements of financial position

## Equity and liabilities

Numbers in \$ thousand	Note	12/31/2017	12/31/2016
<b>Shareholders equity and liabilities</b>			
Share capital	15	368	4
Other paid in equity		4,636	-
Retained earnings and other reserves		-4,588	-7,947
<b>Total equity</b>		<b>416</b>	<b>-7,943</b>
<b>Non-current liabilities</b>			
Loans and borrowings	14	84,670	82,907
Deferred tax liabilities	8,11	5,013	6,547
Other non-current liabilities	17	24,282	28,590
<b>Total non-current liabilities</b>		<b>113,964</b>	<b>118,044</b>
<b>Current liabilities</b>			
Accounts payable		2,134	6,296
Taxes payable	8	-	3,012
Public duties payable		519	274
Prepaid customers	1	4,151	3,734
Other current liabilities		6,448	1,547
<b>Total current liabilities</b>		<b>13,252</b>	<b>14,863</b>
<b>Total equity and liabilities</b>		<b>127,627</b>	<b>124,964</b>

*Martez R. Moore*

**Chairman of the board**  
Martez Romondo Moore

Oslo / New York, 18.04.2018

*Aneesh Rajaram*

**Member of the board / CEO**  
Aneesh Rajaram



Last Lion HoldCo AS

Consolidated statements of changes in equity

Numbers in \$ thousand	Share capital	Other paid in equity	Retained earnings	Total equity
<b>Balance as of 19.12.2016</b>	4		-	4
<b>Comprehensive income for the period</b>				
Profit (loss)			-7,928	-7,928
<b>Other comprehensive income</b>				
Foreign currency translation difference			-19	-19
<b>Total comprehensive income for the period</b>			-7,947	-7,947
<b>Contributions by and distribution to owners</b>				
Dividends	-		-	-
Issuance of shares	-		-	-
Share based transactions	-		-	-
Total contributions by and distributions to owners	-		-	-
<b>Balance as of 31.12.2016</b>	4		-7,947	-7,943
<b>Comprehensive income for the period</b>				
Profit (loss)			3,181	3,181
<b>Other comprehensive income</b>				
Foreign currency translation difference			178	178
<b>Total comprehensive income for the period</b>			3,359	3,359
<b>Contributions by and distribution to owners</b>				
Dividends	-		-	-
Issuance of shares	364	4,636	-	5,000
Share based transactions	-		-	-
Total contributions by and distributions to owners	364	4,636	-	5,000
<b>Balance as of 31.12.2017</b>	368	4,636	-4,588	416



Last Lion HoldCo AS

Consolidated statements of cash flow

Numbers in \$ thousand	Note	12/31/2017	12/31/2016
<b>Cash flows from operating activities</b>			
Profit (loss) for the year		3,181	-7,916
Income taxes paid		-2,151	-
Depreciation and amortization expense	9, 10	6,176	216
Net finance		11,494	-
Changes in trade and other receivables		-3,265	3,755
Changes in accounts payable		-4,162	-144
Changes in other liabilities and receivables, net		2,088	2,532
<b>Net cash flow from operating activities</b>		<b>13,361</b>	<b>-1,557</b>
<b>Cash flow from investment activities</b>			
Purchases of property & equipment	9	-1,260	-
Capitalized development costs	9	-989	4
Purchases of subsidiaries and associated companies, net of cash acquired	11	-3,063	-79,220
<b>Net cash flow from investment activities</b>		<b>-5,312</b>	<b>-79,216</b>
<b>Cash flow from financing activities</b>			
Paid interest	3	-9,041	-
Proceeds from loans and borrowings	14	-	83,431
<b>Net cash flow from financing activities</b>		<b>-9,041</b>	<b>83,431</b>
Net change in cash and cash equivalents		-992	2,658
Cash and cash equivalents at beginning of the period		13,431	10,773
<b>Cash and cash equivalents at the end of the period</b>	<b>3</b>	<b>12,439</b>	<b>13,431</b>



## 1. Accounting policies

### **General information**

Last Lion Holdco AS and subsidiaries (combined represent the "Company") is a company domiciled in Norway. The Company's principal offices are located at Gjerdrums vei 19, Oslo, Norway.

### **Background for these financial statements**

Last Lion Holdco AS was incorporated 16th November 2016.

The consolidated financial statements comprise of Last Lion Holdco AS and Vevd Software AS ("subsidiaries"). The Company was founded on the 19th of December 2016, as Last Lion Holdco AS acquired 100% of the shares in Vevd Software AS. As a result, the consolidated financial statements contain financial information for the period from December 19th, 2016 to December 31st, 2017 for the Company.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the EU and the interpretations adopted by the International Accounting Standards Board (IASB).

### **Basis of preparation**

The consolidated financial statements are presented in US Dollars, rounded to the nearest thousand.

The preparation of consolidated financial statements, in conformity with IFRS, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgments made by management in the application of IFRS with a significant risk of material adjustment in the next year are discussed in note 2.

The accounting policies have been applied consistently by the Company.

### **Basis of consolidation**

Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, it is classified as a subsidiary. The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between the Company and its subsidiaries are therefore eliminated at consolidation.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

### **Foreign currency**

#### *Foreign currency transactions*

Transactions in foreign currencies are translated at the foreign exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to functional currency at the foreign exchange rate prevailing on that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate prevailing on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies recognized at fair value are translated to USD at foreign exchange rates prevailing on the date the fair value was determined.



#### ***Foreign operations***

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from consolidation, are translated to USD at foreign exchange rates prevailing on the balance sheet date. Revenues and expenses of foreign operations are translated to USD using the approximate foreign exchange rates prevailing on the transaction date.

#### ***Provisions***

A provision is recognized in the statement of financial position when the Company has a existing legal or constructive obligation as a result of a past event, and it is probable that a future outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The fair value of a contingent consideration is calculated using the income approach based on the expected payment amounts and their associated probabilities (i.e., probability weighted). If any portion of the contingent consideration is long-term in nature, it is discounted to present value.

#### ***Onerous contracts***

A provision for onerous contracts is recognized when benefits are derived by the Company from a contract is lower than the unavoidable cost of meeting its obligations under the contract.

#### ***Trade and other payables***

Trade and other payables are recognized at cost.



## **Revenue**

Revenues are derived primarily from the licensing of software, royalties, development services, and software maintenance, support and hosting. Inherent to software revenue recognition are significant management estimates and judgments in the interpretation and practical application of the complex rules to individual contracts. These interpretations generally would not influence the amount of revenue recognized, but could influence the timing of such revenues.

Provided that evidence of an arrangement exists, fees are fixed or determinable, collection of the related receivable is probable, and there are no other contract considerations resulting in the deferral of revenue, the Company typically recognize revenue in the following manner:

Software license revenues are recognized when control over the license is transferred to the customer and there is no obligation to transfer additional services and the consideration received is nonrefundable. Generally, the customer prepays for a minimum number of copies of software. The Company receives this license fee irrespective of whether the customer actually uses or ships the number of minimum licenses. These prepaid license fees are recognized as revenue when the when control over the license is transferred to the customer and there is no obligation to transfer additional services and the consideration received is nonrefundable.

Royalty revenues are recognized as reported by the customer (generally 45 days after the period close). If the customer reports are unavailable at the time of close, management estimates the royalties based on the most likely outcome from the contract. The estimated amount of royalties is updated at each reporting date to reflect the position at that date, and any changes in circumstances since the last reporting date.

Development service revenues are recognized over time using either the output (e.g. achievements of defined milestones) or input (e.g. labor hours incurred relative to total estimated labor hours and/or materials used) methods. Total estimated labor hours are based on management's best estimate of the total amount of time it will take to complete a project. These estimates require the use of judgment. A significant change in one or more of these estimates could affect the profitability of one or more of our contracts. The Company reviews our contract estimates periodically to assess the possible need for revisions in contract values and estimated labor hours, and reflect changes in estimates in the period that such estimates are revised. When estimates indicate a loss, such loss is recognized in the current period in its entirety. Because of the inherent uncertainties in estimating total labor hours, it is possible that the estimates will change and could result in a material change of revenue recognized in the applicable period. The Company records a loss for any contract at the point it is determined that the total estimated contract costs will exceed management's estimates of contract revenues or we issue a new development contract for the extended services. As of December 31, 2017, we have not experienced any material losses on uncompleted contracts.

Software maintenance, support and hosting is recognized ratably over the period in which the services are performed. This is the primary method used for sales of software products which are typically fully functional upon delivery and do not require significant modification or alteration.

The Company assesses collectability based on many factors, including past transaction history with the customer and the credit worthiness of the customer. Management exercises judgment when the probability of collection and the current credit worthiness of each customer is assessed. The Company provides for an allowance for bad debts based on historical experience of the customer base.

Deferred revenue is comprised of deferrals for development services and software maintenance, support and hosting. Deferred revenue as of December 31, 2016 and 2017 represents development services and software maintenance, support and hosting services to be earned or provided within a year.

Revenue recognized that has not yet been billed to a customer results in an asset as of the end of the period.

The Company records reimbursable out-of-pocket expenses including travel, shipping and handling costs in development and software maintenance, support and hosting net sales and the associated cost as other operating expenses. Sales and withholding tax, if any, is passed on to our customers.



## **Property and Equipment**

Equipment leasehold improvements, furniture and fixtures and other movables are recognized at cost, less accumulated depreciation. Improvements are capitalized and maintenance and repairs are charged to operations as incurred. When a depreciable asset is retired from service, the cost and accumulated depreciation is removed from the respective account.

### **Depreciation**

Depreciation is recorded on a straight-line basis over the estimated useful lives of the related asset.

The estimated useful lives are as follows:

* Leasehold improvements	Up to 5 years
* Equipment	Up to 3 years
* Furnitures and fixtures	Up to 5 years

The residual value, if not insignificant, is reassessed annually.

### **Goodwill**

Goodwill that arises upon the acquisition of subsidiaries. The Company measures goodwill at acquisition date as: Fair value of the consideration transferred plus the recognized amount of any non-controlling interests in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

The Company is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. Goodwill is recognized at cost, less any accumulated impairment losses.

### **Intangible assets**

#### **Research and development**

Expenses related to research activities, which are expected to lead to scientific or technological knowledge and understanding, are recognized as costs in the statement of income in the period they are incurred. The Company develops specifically designed software for use in its customers' products. A fee is paid to the Company for this service, and this fee should cover the costs related to the development of the software. As the customer's payment covers the development costs, these costs are not reported in the statement of income. Cost of building new features, together with significant and pervasive improvements of the core platform, provided that the significant and pervasive improvements of parts or main components of the core platform will generate probable future economic benefits, are capitalized as development costs and amortized on a straight-line, 2-year basis.

A significant portion of the work that engineering performs (beyond specifically designed software) is related to the implementation of the ongoing updates that are required to maintain the software's functionality. Examples of updates include "bug fixes", updates made to comply with changes in laws and regulations, and updates made to keep pace with the latest web trends. These costs are expensed as payroll costs.

The Company is required to test, on an annual basis, whether intangibles has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

#### **Other intangible assets**

Other intangible assets, excluding deferred tax assets that are acquired by the Company are recognized at cost less accumulated amortization and impairment losses.

### **Amortization**

Amortization is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets, unless such lives are indefinite. Goodwill and intangible assets with indefinite useful lives are systematically tested for impairment at each balance sheet date.



## **Financial Instruments**

### **Non-derivative financial instruments**

Non-derivative financial instruments are comprised of, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. Non-derivative financial instruments are initially measured at fair value plus transaction costs which are initially measured at fair value without transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

### **Trade and other receivables**

Trade and other receivables are recognized at their cost less allowance for bad debt.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits. The Wilmington Trust Credit agreement requires the Company to maintain a reserve amount equal to the aggregate amount of cash interest payable on the loans of the following four interest payments. The Company maintained \$3.1 million of reserve as of December 31, 2017 associated with this restricted cash.

### **Financial assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

### **Financial income and expense**

Financial income and expenses are comprised of interest income earned associated with the cash accounts and interest expense associated with the Wilmington trust agreement, respectively.

### **Foreign currency translation differences**

Foreign exchange gains and losses are recognized in the statement of comprehensive income.

### **Income tax**

Income tax on the profit or loss for the year is comprised of current and deferred taxes. Income tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax asset is only recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Taxes paid abroad for the Company will be deducted in Norwegian taxes if the Company has taxes payable in Norway. If the Company has no Norwegian taxes payable, the taxes paid abroad will be carried forward as a deductible in future taxes payable.



#### ***New standards and Interpretations not yet adopted***

The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Company's future financial statements:

#### **IFRS 15 Revenue from Contracts with Customers**

The IASB has issued a new standard for recognition of revenue, IFRS 15 Revenue from Contracts with Customer. The new standard replaces the current revenue recognition guidance in IAS 11 Construction Contracts and IAS 18 Revenue. IFRS 15 introduces a new five-step model that applies to revenue from contracts with customers. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 1 2018.

The Company has yet to complete the full impact analysis of the new standard. Last Lion Holdco will adopt IFRS 15 on 1 January 2018, and plan to apply the modified retrospective method. This method requires the cumulative effect of initially applying IFRS 15 to be recognized in retained earnings, with no restating of comparative periods. For the main sources of revenues as licensing, royalties, development, software maintenance and support and hosting, the pattern is not expected to change significantly. However, the actual impact may change if new information and guidance becomes known before the company presents its first financial statements using the new standard.

#### **IFRS 9 Financial instruments**

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

The Company is currently evaluating the effect of implementing the new standard.

#### **IFRS 16 Leases**

IFRS 16 replaces existing guidance in IAS 17 Leases. IFRS 16 eliminates the current dual accounting model for leases and will establish a single, on-balance sheet accounting model that is similar to the current finance lease accounting under IAS 17. The standard will primarily affect the accounting of the Company's operating leases.

The Company is in the process of further evaluating the potential impact of IFRS 16. The standard becomes mandatory for annual periods beginning on or after 1 January 2019.



## 2. Critical accounting estimates and judgement

Management has evaluated the development, selection and disclosure of the Company's critical accounting policies and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis for making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty and critical accounting judgments in applying the Company's accounting policies:

### License & Royalty Revenues

Royalty revenues are recognized as reported by the customer (generally 45 days after the period close). If the customer reports are unavailable at the time of close, management estimates the royalties based on the most likely outcome from the contract. The estimated amount of royalties is updated at each reporting date to reflect the position at that date, and any changes in circumstances since the last reporting date.

### Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on best estimate of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

### Estimated recoverable amount of cash generating unit for impairment testing of goodwill

In accordance with IAS 36, the Company tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on a value-in-use calculation. This calculation requires the use of estimates and is based on assumptions that are consistent with the market valuation of the Company.

### Intangible Assets

Expenses related to research activities, which are expected to lead to scientific or technological knowledge and understanding, are recognized as costs in the statement of income in the period they are incurred. The Company develops specifically designed software for use in its customers' products. A fee is paid to the Company for this service, and this fee should cover the costs related to the development of the software. As the customer's payment covers the development costs, these costs are not reported in the statement of income. Cost of building new features, together with significant and pervasive improvements of the core platform, provided that the significant and pervasive improvements of parts or main components of the core platform will generate probable future economic benefits, are capitalized as development costs and amortized on a straight-line, 2-year basis.



### 3. Financial risk

The Company is exposed through its operations to the following financial risks:

Foreign exchange risk  
Credit risk  
Liquidity risk  
Other market price risk  
Fair value or cash flow interest rate risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

#### Foreign exchange risk

The majority of the financial risk that the Company is exposed to relates to foreign exchange risk. Both revenue and operating expenses are exposed to foreign exchange rate fluctuations. Please note that some revenue numbers are impacted by changes in local currencies which are the basis for invoicing of customers. These effects are not specified in the table below. The following table illustrates the relative distribution of income in currency for 2017 and 2016 as a whole.

	12/31/2017	12/31/2016
USD	52%	61%
EUR	46%	36%
CHF	2%	2%
NOK	0%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The currency exposure for trade receivables and the conversion rate at 31.12.2017 can be illustrated as follows:

Exposure to foreign currency translated into TUSD	12/31/2017	CR at 31.12.2017	12/31/2016	CR at 31.12.2016
EUR	2,403	1.19	2,077	1.05
CHF	244	1.02	65	1.01
<b>Nominal value of trade receivables</b>	<b>2,647</b>		<b>2,142</b>	

The currency exposure for trade payables and the conversion rate at 31.12.2017 can be illustrated as follows:

Exposure to foreign currency translated into TUSD	12/31/2017	CR at 31.12.2017	12/31/2016	CR at 31.12.2016
BRL	-	0.30	1	0.31
CNY	38	0.15	-	-
EUR	50	1.19	80	1.05
GBP	48	1.35	12	1.23
KRW	-	0.00	-	-
NOK	67	0.12	21	0.12
PLN	11	0.29	53	0.16
<b>Nominal value of trade payables</b>	<b>214</b>		<b>167</b>	



Accordingly, a 1% increase in the conversion rate would affect the company as illustrated in the table below:

	12/31/2017	TR	TP	Total
NOK		0	1	1
EUR		24	-1	24
CHF		2	0	2
PLN		0	-0	-0
BRL		0	0	0
GBP		0	-0	-0
CNY		0	-0	-0
KRW		0	0	0

	12/31/2016	TR	TP	Total
NOK		0	0	0
EUR		21	-1	20
CHF		1	0	1
PLN		0	-1	-1
BRL		0	-0	-0
GBP		0	-0	-0
CNY		0	0	0
KRW		0	0	0

#### Credit risk

Credit risk is the loss that the Company would suffer if a counterparty fails to perform its financial obligations.

Credit risk related to accounts receivable is assessed to be limited due to the high number of customers in the Company's customer base. No single customer accounted for more than 10 % of the Company's revenue during the financial year. Further, the Company conducts most of its business with large global companies and has not experienced significant credit related losses during this or previous financial years.

Trade receivables	TUSD	12/31/2017	12/31/2016
Not past due		2,772	4,670
Past due 0-30 days		1,513	921
Past due 31-60 days		163	185
Past due 61-90 days		-	567
More than 90 days		1,819	1,549
<b>Nominal value of trade receivables</b>		<b>6,267</b>	<b>7,892</b>
Less provisions for bad debt		-761	-1,195
<b>Carrying value of trade receivables</b>		<b>5,506</b>	<b>6,697</b>
Unbilled revenue		6,495	2,380
<b>Accounts receivables</b>		<b>12,001</b>	<b>9,077</b>
Other receivables		639	298
<b>Trade and other receivables</b>		<b>12,640</b>	<b>9,375</b>



## Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they become due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities, when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

Liquidity reserves	TUSD	12/31/2017	12/31/2016
Cash and cash equivalents		12,439	13,431
Less restricted accounts		3,102	39
Liquidity reserves		9,337	13,392

On December 19th 2016, Last Lion HoldCo AS entered into an \$85,000 senior secured credit agreement to finance the purchase of 100% of the shares in Vewd Software AS. Management anticipates the credit facility has an expected maturity of 5 years. Covenants and further information on the credit facility are described in note 13.

Year	TUSD	Interest	PIK interest	Loan Balance at year end
2017		9,041	1,291	86,337
2018		10,360	-	86,337
2019		10,360	-	86,337
2020		10,361	-	86,338
2021		10,361	-	86,338



## 4. Revenue

Revenue are derived primarily from licensing software, development services, and software maintenance, support and hosting.

The following table illustrates the relative distribution of revenue divided into activities for the periods 19.12.2016 to 31.12.2016 and 01.01.2017 to 31.12.2017:

Revenue	TUSD	Concentration	01.01.2017 - 31.12.2017	Concentration	19.12.2016 - 31.12.2016
Licenses and royalties		71%	28,187	67%	779
Development services		19%	7,664	23%	267
Maintenance, support and hosting		10%	4,101	10%	116
<b>Total</b>		<b>100%</b>	<b>39,952</b>	<b>100%</b>	<b>1,162</b>

### Information about major customers

Revenue share for customers exceeding 10 % of total revenue:

Customer	Revenue for the year	Part of total revenue
A	8,421	21.1 %
B	5,740	14.4 %
<b>Total</b>	<b>14,162</b>	<b>35.4 %</b>



## 5. Payroll and related expenses

### Payroll and related expenses comprise of:

	01.01.2017 - 31.12.2017		19.12-31.12.2016	
	Total	CEO	Total	CEO
Staff cost				
Salaries and bonuses	10,138	366	514	11
Social security cost	1,778	53	72	2
Pension cost	418	8	30	-
Other payments	824	1	-	-
<b>Total</b>	<b>13,158</b>	<b>428</b>	<b>616</b>	<b>13</b>
Average number of employees	195		146	

### Pensions

The Company has incorporated the requirements set out by the Mandatory Occupational Pensions Act ("Obligatorisk Tjenestepensjon").

### Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the subsidiaries.

Board of directors	Title	Gross pay	Board compensation		Net pay
			Taxes	Other	
Martez Romondo Moore	Chairman of the board	29	7	4	18
Aneesh Rajaram	Board member	-	-	-	-
<b>Total</b>		<b>29</b>	<b>7</b>	<b>4</b>	<b>18</b>
Executive management	Title				
Aneesh Rajaram	CEO				
Shailen Amin	CFO				
<b>Total</b>					

There were no compensation expenses recognized by the board of directors in the period.

### Remuneration to auditor

Remunerations to the auditor	12/31/2017	12/31/2016
Statutory audit	196	-
Tax advice	28	-
Other advisory services	76	-
<b>Total</b>	<b>299</b>	<b>-</b>



## 6. Other operating expenses

The following table illustrates the relative distribution of other operating expenses divided into activities for the Company for the periods from 19.12.2016 to 31.12.2016 and 01.01.2017 to 31.12.2017:

Other operating expenses TUSD	01.01.2017 - 31.12.2017	19.12.2016 - 31.12.2016
Audit, legal and other advisory services	3,287	7,671
Rent and other office expenses	1,431	35
Marketing expenses	889	15
Equipment	382	49
Hosting expenses	36	60
Travel and other expenses	558	75
<b>Total</b>	<b>6,583</b>	<b>7,905</b>



## 7. Financial income and expenses

Recognized in profit or loss

	01.01.2017 - 31.12.2017	19.12.2016 - 31.12.2016
Financial income TUSD		
Other interest income	96	18
Foreign exchange gains	1,229	12
<b>Total</b>	<b>1,325</b>	<b>30</b>
Financial expenses TUSD		
Interest expenses on long term borrowings *	11,731	368
Other interest expenses	100	4
<b>Total</b>	<b>11,831</b>	<b>372</b>
<b>Net financial items</b>	<b>10,506</b>	<b>342</b>

\* Refer to note 14 for further information about the long term borrowing.



## 8. Income tax

TUSD	2017	2016
Current tax - income tax	1,904	55
Change in deferred tax/tax liabilities	-1,556	-43
<b>Tax expense/income</b>	<b>348</b>	<b>12</b>

### Specification of tax effects of temporary differences

TUSD	Assets	Liabilities
Tangible and intangible assets	430	4,971
Accounts receivable	390	-
Accrued expenses	-	-
Unused credit deductions	-	-
Deferred gain on assets sold	-	42
<b>Total</b>	<b>820</b>	<b>5,013</b>

### Changes in net deferred tax assets/liabilities

Movement in temporary differences during the period

TUSD	12/19/2016	12/31/2016	12/31/2017	Change
Tangible and intangible assets	-6,000	-5,957	-4,541	-1,416
Accounts receivable	249	249	390	-141
Accrued expenses	7	7	-	7
Unused credit deductions	4	4	-	4
Deferred gain on assets sold	-52	-52	-42	-10
	<b>-5,792</b>	<b>-5,749</b>	<b>-4,193</b>	<b>-1,556</b>

### Reconciliation of effective tax rate:

TUSD		
Profit before tax	3,529	-7,916
<b>Effective tax rate</b>	<b>9.9 %</b>	<b>0.2 %</b>

TUSD	12/31/2017	12/31/2016
Profit before tax	3,529	-7,916
Expected tax expense at 24%/25%	847	-1,979
Non deductible expenses / permanent diff. Skattefunn*)	72	2,034
	-146	-
Changes in tax rates	-182	-24
Other changes	-243	-19
<b>Income tax expense/income</b>	<b>348</b>	<b>12</b>



All of the tax positions are initially acquired through the purchase of Vevd Software AS. See note 11 for further disclosure on business combinations.

Tax receivable at TUSD 651 in the balance sheet is related to the following at 31.12.17

TUSD	12/31/2017	12/31/2016
Payable income tax(gross)	1,666	4,437
Deduction Skattefunn	-609	0
Withholding Tax	-1,708	-1,425
<b>Net tax receivable/payable</b>	<b>-651</b>	<b>3,012</b>

**Specification on net tax receivable 2017**

Payable income tax	-256
Skattefunn	609
<b>Net</b>	<b>353</b>

Withholding tax - offset against future taxable income

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\*)Skattefunn is a Norwegian R&D funding that decreases the payable tax.



## 9. Property and equipment

TUSD	Property and equipment	Furniture and fixtures	Sum
<b>Acquisition cost</b>			
Acquisitions through business combinations as of 19.12.2016	167	6	173
Additions	135	7	142
Disposals	-	-	-
Currency differences	-	-	-
<b>Acquisition cost as of 31.12.2016</b>	<b>302</b>	<b>13</b>	<b>315</b>
<b>Depreciation and impairment losses</b>			
Acquisitions through business combinations as of 19.12.2016	-	-	-
Depreciation and impairment losses for the period	138	7	145
Disposals	-	-	-
Currency differences	-	-	-
<b>Accumulated depreciation and impairment losses as of 31.12.2016</b>	<b>138</b>	<b>7</b>	<b>145</b>
<b>Net book value as of 31.12.2016</b>	<b>164</b>	<b>6</b>	<b>170</b>
<b>Acquisition cost as of 01.01.2017</b>			
Acquisitions through business combinations as of 19.12.2016	302	13	315
Additions	847	413	1,260
Disposals	-58	-	-58
Currency differences	-	-	-
<b>Acquisition cost as of 31.12.2017</b>	<b>1,091</b>	<b>426</b>	<b>1,517</b>
<b>Depreciation and impairment losses as of 01.01.2017</b>			
Acquisitions through business combinations as of 19.12.2016	138	7	145
Depreciation and impairment losses for the period	160	5	165
Disposals	-58	-	-58
Currency differences	-	-	-
<b>Accumulated depreciation and impairment losses as of 31.12.2017</b>	<b>240</b>	<b>12</b>	<b>252</b>
<b>Net book value as of 31.12.2017</b>	<b>851</b>	<b>414</b>	<b>1,265</b>
Useful life	3-5 years	5 years	
Depreciation for the year	160	5	165
Impairment losses for the year	-	-	-



## 10. Intangible assets

The Company capitalizes costs to develop its internal-use software.

The Company capitalizes subsequent costs when preliminary efforts are successfully completed, management has authorized and committed project funding, and it is probable that the project will be completed and will be used as intended. Costs incurred for enhancements that are expected to result in additional material functionality are capitalized.

The Company expenses all costs that relate to the planning and postimplementation phases of development as incurred.

	Goodwill	Development	Other intangibles	Sum
<b>Acquisition cost</b>	-	-	-	-
Acquisitions through business combinations as of 19.12.2016	73,308	3,048	24,852	101,208
Additions	-	-	-	-
Disposals	-	-	-	-
Currency differences	-	-	-	-
<b>Acquisition cost as of 31.12.2016</b>	<b>73,308</b>	<b>3,048</b>	<b>24,852</b>	<b>101,208</b>
<b>Depreciation and impairment losses</b>				
Acquisitions through business combinations as of 19.12.2016	-	-	-	-
Depreciation, amortization and impairment losses for the period	-	28	185	213
Disposals	-	-	-	-
Currency differences	-	-	-	-
<b>Accumulated depr. and impairment losses as of 31.12.2016</b>	<b>-</b>	<b>28</b>	<b>185</b>	<b>213</b>
<b>Net book value as of 31.12.2016</b>	<b>73,308</b>	<b>3,020</b>	<b>24,667</b>	<b>100,995</b>
<b>Acquisition cost as of 01.01.2017</b>	<b>73,308</b>	<b>3,048</b>	<b>24,852</b>	<b>101,208</b>
Closing adjustment (note 11)	3,647	-	-	3,647
Additions	-	989	-	989
Disposals	-	-	-	-
Currency differences	-	-	-	-
<b>Acquisition cost as of 31.12.2017</b>	<b>76,955</b>	<b>4,037</b>	<b>24,852</b>	<b>105,844</b>
<b>Depreciation and impairment losses as of 01.01.2017</b>	<b>-</b>	<b>28</b>	<b>185</b>	<b>213</b>
Depreciation, amortization and impairment losses for the period	-	988	4,971	5,959
Disposals	-	-	-	-
Currency differences	-	-	-	-
<b>Accumulated depr. and impairment losses as of 31.12.2017</b>	<b>-</b>	<b>1,016</b>	<b>5,156</b>	<b>6,172</b>
<b>Net book value as of 31.12.2017</b>	<b>76,955</b>	<b>3,025</b>	<b>19,696</b>	<b>99,676</b>
Depreciation for the year	-	988	4,971	5,959
Impairment losses for the year	-	-	-	-



## 11. Business combinations and goodwill

### Acquisition of Vewd Software AS

On the 19th December 2016, the Company acquired 100% of the voting shares in Vewd Software AS. The share purchase agreement was entered into between Otello Corporation ASA (seller) and Last Lion Holdco AS (buyer). Last Lion Holdco AS is a fully owned subsidiary of Last Lion Holdings Ltd, a company established by Moore Frères & Company, a US based private investment firm, specializing in transforming technology businesses. As a part of the acquisition, Otello Corporation ASA effectively reinvested through a call option structure based on a 30% shareholding of "preference capital" in Last Lion Holdings Ltd, such that the ultimate ownership of Last Lion Holdings Ltd after the transaction is effectively 70% Moore Frères & Company and 30% Otello Corporation ASA.

The fair value of the consideration amounted to TUSD 116,840. The transaction price can be presented according to the following table.

	Prelim PPA TUSD	Revised PPA TUSD
Initial purchase price - cash payment	79,720	79,720
Estimated fair value of preference capital (Last Lion Holdings Ltd.)	23,590	23,590
Financed through intercompany debt	10,000	5,000
Closing adjustments (net working capital )	-	8,530
<b>Total purchase consideration</b>	<b>113,310</b>	<b>116,840</b>
<b>Total purchase consideration</b>	<b>113,310</b>	<b>116,840</b>
Booked value of equity at purchase	19,302	19,185
<b>Excess value to be allocated</b>	<b>94,008</b>	<b>97,655</b>

### Reconciliation of excess value on acquired assets

Assets	Book value	Fair Value	Adjustment	Adjustment
R&D	626	3,036	2,410	2,410
Portfolio current software	-	12,790	12,790	12,790
Portfolio of customer contracts and relations	-	12,039	12,039	12,039
<b>Total assets</b>	<b>626</b>	<b>27,865</b>	<b>27,239</b>	<b>27,239</b>
Liabilities	Book value	Fair Value	Adjustment	Adjustment
Deferred tax liabilities related to intangibles	-	6,539	6,539	6,539
<b>Total liabilities</b>			<b>6,539</b>	<b>6,539</b>
Allocation of excess value to Intangible assets			20,700	20,700
Residual - allocation to Goodwill			73,308	76,955

The fair value of the acquired assets and liabilities in Vewd Software AS have been estimated by applying different methods of valuation and comparing the result to establish the most reasonable outcome.

The assets in the consolidated balance sheet mainly consists of working capital and net interest bearing debt.

For intangible assets, IFRS 13 describes three different valuation methods that can be used to measure fair value. The Company has applied the cost approach as described in IFRS 13.B8 and the income method as described in IFRS 13.B10 to estimate the fair value, comparing the results to conclude on the most reasonable estimate.

The goodwill is calculated as the consideration transferred less net assets recognized.

### Revenue and profit contribution

The acquired business contributed revenues of TUSD 1,162 and a profit before income tax of TUSD 166 to the Company for the period 19th of December 2016 to 31st of December 2016.



## 12. Impairment of intangible assets

The Company is required to test, on an annual basis, whether goodwill and intangibles have suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The Group has identified one cash-generating unit ("CGU"), Vewd Software AS.

### Cash flow projections and assumptions

For the CGU, the model was based on 3 years forecast of discounted cash flow plus a terminal value.

The net discounted cash flows were calculated before tax. The NPV-model included the following assumptions:

The estimated cash flows included in the impairment test includes forecast for 2018 and updated business plan for 2019 and 2020.

Estimated cash flow projections beyond the period covered by the most recent long term business plan are derived by extrapolating the projections based on the forecasts using a growth rate of 2.0 % for subsequent years.

### Discount rate

Vewd estimates a discount rate for the value-in-use calculation based on the Company's cost of capital, which is estimated to be 12.5 % post-tax (-16.7 % pre-tax), based on a weighted average of required rates of return for the Company's equity and debt (WACC). The required rate of return on the Company's equity is estimated by using the capital asset pricing model (CAPM). The required rate of return on debt is estimated on the basis of a long-term risk-free interest rate with an added credit margin. A size and company-specific risk premium is added to the estimated cost of equity to reflect a market assessment of risk specific to Vewd.

### Impairment - test result and conclusion

Value in use for Vewd Software AS exceeds carrying amount. The impairment test indicated no requirement to write down.

### Sensitivity analysis

A reasonable change in revenue growth, EBITDA margin, WACC and level of working capital would not lead to impairment.



## 13. Subsidiaries

The principal subsidiaries of Last Lion Holdco AS, all of which have been included in these consolidated financial statements, are as follows:

Name	Country of incorporation	Proportion of		
		interest as of 31.12.2016	Equity as of 31.12.2016	Net result as of 31.12.2016
Vewd Software AS (including Taiwan branch)	Norway	100%	\$ 23,003	\$ 12,521
Vewd Software Technology AS	Norway	100%	\$ 833	\$ 42
Vewd Software Poland Sp. Z.o.O	Poland	100%	\$ 675	\$ 675
Vewd Software Sweden AB	Sweden	100%	\$ 124	\$ 115
Vewd Software Japan GK	Japan	100%	\$ 17	\$ 17
Vewd Software USA, LLC	US	100%	\$ 2	\$ 2
Opera TV Servicios de Marketing Limitada	Brazil	100%	\$ 6	\$ 6

Name	Country of incorporation	Proportion of		
		interest as of 31.12.2017	Equity as of 31.12.2017	Net result as of 31.12.2017
Vewd Software AS (including Taiwan branch)	Norway	100%	\$ 10,919	\$ 12,313
Vewd Software Technology AS	Norway	100%	\$ 882	\$ 7
Vewd Software Poland Sp. Z.o.O	Poland	100%	\$ 2,210	\$ 1,530
Vewd Software Sweden AB	Sweden	100%	\$ 812	\$ 688
Vewd Software Japan GK	Japan	100%	\$ 11	\$ 18
Vewd Software USA, LLC	US	100%	\$ 35	\$ 33
Opera TV Servicios de Marketing Limitada	Brazil	100%	\$ 122	\$ 116



## 14. Loans and borrowings

The Company has the following outstanding debt balance as of 31.12.2017

Loans and borrowings	12/31/2017	12/31/2016
Credit facility	\$ 85,000	\$ 85,000
Total debt	\$ 86,338	\$ 85,000
Borrowing cost	\$ -1,668	\$ -2,093
Booked debt	\$ 84,670	\$ 82,907

On 19th December 2016, Last Lion Holdco AS entered into an \$85,000 senior secured credit agreement (the "Credit Facility") by and among Morgan Stanley Senior Funding Special Situations Lending Group, the lenders party thereto (the "Lenders") and Wilmington Trust National Association, as the Administrative Agent and Collateral Agent of the Lenders. Under the Credit Facility, the Company obtained a term loan in the aggregate principal amount of \$85,000 with a maturity date of 5 years (the "Term Loan"). Last Lion Holdco AS may prepay and terminate the Credit Facility at any time, without premium or penalty. The Credit Facility contains certain annual mandatory prepayment provisions which are based upon certain asset sales, equity issuances, incurrence of certain indebtedness and events of loss.

For any borrowings under the Credit Facility, Last Lion Holdco AS elects one of two monthly interest payment options to determine the annual interest rates applicable to loans under the Credit Facility: (i) entirely in cash (12.00% per annum) or (ii) PIK Interest (10.5% per annum with the 1.5% per annum balance being added to the principal amount of the loan). The monthly interest election is transacted through administrative agent notification at least 10 business days prior to each interest payment.

The Credit Facility is guaranteed by the current and future domestic subsidiaries of the group and is secured by substantially all of the group's assets, subject to certain exceptions as set forth in the Credit Facility. The Credit Facility contains customary affirmative, negative and financial covenants which, among other things, restrict the group's ability to pay dividends, repurchase stock, or make other restricted payments, such as;

- additional indebtedness
- creating or permit changes to certain existing liens
- certain transactions with affiliates
- consummating a merger, consolidation or sale of assets
- changing the business and,
- winding up, liquidating, or dissolving the group's affairs

In each case, the covenants set forth above are subject to customary and negotiated exceptions and exclusions.

The Credit Facility includes a financial covenant which is required to be measured on a quarterly basis.

For minimum Consolidated EBITDA, beginning with the fiscal quarter ending March 31, 2017, the group shall not permit Consolidated EBITDA for any trailing twelve month period ending on the last day of any fiscal quarter set forth below to be less than the following amount indicated below (the "Minimum Consolidated EBITDA"):

Period	Minimum Consolidated EBITDA
Each fiscal quarter in the fiscal year 2017	\$ 13,031,000
Each fiscal quarter in the fiscal year 2018	\$ 14,235,000
Each fiscal quarter in the fiscal year 2019	\$ 16,538,000
Each fiscal quarter in the fiscal year 2020	\$ 17,364,000
Each fiscal quarter in the fiscal year 2021	\$ 18,233,000

With respect to these covenant compliance calculations, minimum consolidated EBITDA is generally computed as consolidated net income (loss) plus income tax expense (benefit), interest expense, depreciation and amortization, stock-based compensation expense, and certain non-cash charges less extraordinary gains and certain other non-cash gains.

The Credit Facility also contains usual and customary events of default (subject to certain threshold amounts and grace periods). If an event of default occurs and is continuing, the group may be required to repay the obligations under the Credit Facility prior to the Credit Facility's stated maturity and the related commitments may be terminated.



## 15. Share capital and shareholder information

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the General Meeting.

The share capital consist of 300 shares at a total of TUSD 368.

### Ownership structure

Name	Shares	Nominal value (NOK)	Owner's share	Voting share
Last Lion Holdings Ltd.	300	10,000	100%	100%



16. Leases

**Operating leases**

The Company leases the majority of its offices and buildings.

Future lease payments are due as follows:

<b>Minimum lease payments</b>	<b>12/31/2017</b>	<b>12/31/2016</b>
Not later than one year	986	1,182
Later than one year and not later than five years	2,355	1,289
Later than five years	-	-



## 17. Related party transactions

The following companies are considered as a related parties to the Company:

Company	Relation
Last Lion Holdings Ltd.	100% ownership in Last Lion Holdco AS
Moore Frères & Company	70% ownership in Last Lion Holdings Ltd.
Otello Corporation ASA	30% ownership in Last Lion Holdings Ltd.

Company	Expenses	Interest	Other non-current liabilities	Account payable
Moore Frères & Company 1)	600			
Last Lion Holdings Ltd.		605	24,195	
Otello Corporation ASA	1,497			1,171

1) Commitment fee related to debt, equity and buy side M&A activities.

2) During the fiscal period, the Company has purchased accounting, IT, and rent services from Otello Corporation ASA.

### Transactions with key management personnel

The Company has not provided any loans to directors or Executive Team members as of December 31, 2017.

Compensation for Executive Team members can be found in note 5.

### Transactions with Last Lion Holdings Ltd.

The interest rate is based on a three months NIBOR plus 130 basis points(1,3 %)



#### 18. Contingent liabilities

The Company is named in various claims and actions in normal course of its activities. Based upon counsel and management's opinion, the outcomes of such matters are not expected to have a material adverse effect on the financial position, or in change in net assets of the corporation.



19. Events after the reporting date

No events have occurred after the reporting date that would require the consolidated financial statements to be adjusted.