Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 192 354
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ICE GROUP SCANDINAVIA HOLDINGS AS
Forretningsadresse:	Nydalsveien 18B 0484 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2019 - 31.12.2019

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	GeirMagne.Flyum@ice.no
Dato for fastsettelse av årsregnskapet:	22.04.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert

År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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

Brønnøysundregistrene, 06.08.2021

Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		0	0
Sum inntekter		**0**	**0**
Kostnader			
Annen driftskostnad	p7	16 000 000	5 000 000
Sum kostnader		**16 000 000**	**5 000 000**
Driftsresultat		**-16 000 000**	**-5 000 000**
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		101 000 000	119 000 000
Annen renteinntekt		0	0
Sum finansinntekter		**101 000 000**	**119 000 000**
Nedskrivning av finansielle eiendeler	p2, p3	57 000 000	602 000 000
Rentekostnad til foretak i samme konsern		5 000 000	5 000 000
Annen rentekostnad		157 000 000	129 000 000
Annen finanskostnad		18 000 000	13 000 000
Unrealised currency effects on borrowings		8 000 000	7 000 000
Sum finanskostnader		**245 000 000**	**756 000 000**
Netto finans		**-144 000 000**	**-637 000 000**
Ordinært resultat før skattekostnad		**-160 000 000**	**-642 000 000**
Ordinært resultat etter skattekostnad		**-160 000 000**	**-642 000 000**
Årsresultat		**-160 000 000**	**-642 000 000**
Overføringer og disponeringer			
Udekket tap	p5	-160 000 000	-642 000 000
Sum overføringer og disponeringer		**-160 000 000**	**-642 000 000**

Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	P2	3 792 000 000	2 794 000 000
Lån til foretak i samme konsern	P3	1 660 000 000	1 693 000 000
Sum finansielle anleggsmidler		**5 452 000 000**	**4 487 000 000**
Sum anleggsmidler		**5 452 000 000**	**4 487 000 000**
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	p3	300 000 000	176 000 000
Sum fordringer		**300 000 000**	**176 000 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	P4	704 000 000	129 000 000
Sum bankinnskudd, kontanter og lignende		**704 000 000**	**129 000 000**
Sum omløpsmidler		**1 004 000 000**	**305 000 000**
SUM EIENDELER		**6 456 000 000**	**4 792 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	p4	5 000 000	5 000 000
Sum innskutt egenkapital		**5 000 000**	**5 000 000**
Opptjent egenkapital			
Annen egenkapital		3 531 000 000	2 492 000 000

Balanse

Beløp i: NOK	Note	2019	2018
Sum opptjent egenkapital		**3 531 000 000**	**2 492 000 000**
Sum egenkapital		**3 536 000 000**	**2 497 000 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	p8	2 779 000 000	2 163 000 000
Borrowings from parents company	p3	63 000 000	63 000 000
Sum annen langsiktig gjeld		**2 842 000 000**	**2 226 000 000**
Sum langsiktig gjeld		**2 842 000 000**	**2 226 000 000**
Kortsiktig gjeld			
Leverandørgjeld		0	1 000 000
Annen kortsiktig gjeld		78 000 000	29 000 000
Payable to group companies		0	39 000 000
Sum kortsiktig gjeld		**78 000 000**	**69 000 000**
Sum gjeld		**2 920 000 000**	**2 295 000 000**
SUM EGENKAPITAL OG GJELD		**6 456 000 000**	**4 792 000 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Service revenue		1 687 000 000	1 539 000 000
Other Operating Revenue		70 000 000	120 000 000
Sum inntekter	4, 5, 6	**1 757 000 000**	**1 659 000 000**
Kostnader			
National Roaming expense	17	440 000 000	434 000 000
Employee benefit expenses	8	222 000 000	206 000 000
Depreciation, amortisation and impairment losses	12, 13	468 000 000	465 000 000
Operating expenses	17, 7, 18	1 287 000 000	1 191 000 000
Sum kostnader		**2 417 000 000**	**2 296 000 000**
Driftsresultat		**-660 000 000**	**-637 000 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	10	3 000 000	2 000 000
Sum finansinntekter		**3 000 000**	**2 000 000**
Annen finanskostnad	11	316 000 000	295 000 000
Sum finanskostnader		**316 000 000**	**295 000 000**
Netto finans		**-313 000 000**	**-293 000 000**
Ordinært resultat før skattekostnad		**-973 000 000**	**-930 000 000**
Skattekostnad på ordinært resultat	9	-10 000 000	5 000 000
Ordinært resultat etter skattekostnad		**-963 000 000**	**-935 000 000**
Translation differences on foreign operations			-3 000 000
Årsresultat		**-963 000 000**	**-938 000 000**
Overføringer og disponeringer			
Equity holder of the Parent Company		-963 000 000	-938 000 000
Sum overføringer og disponeringer		**-963 000 000**	**-938 000 000**

Konsernets balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Licenses and similar rights		1 655 000 000	1 031 000 000
Customer relationships		136 000 000	80 000 000
Other intangible assets		269 000 000	233 000 000
Sum immaterielle eiendeler	12, 23	**2 060 000 000**	**1 344 000 000**
Varige driftsmidler			
Property		64 000 000	105 000 000
Technical equipment		1 800 000 000	2 089 000 000
Equipment and tools		6 000 000	8 000 000
Other tangible assets		3 000 000	7 000 000
Work in progress		503 000 000	394 000 000
Sum varige driftsmidler		**2 376 000 000**	**2 603 000 000**
Finansielle anleggsmidler			
Other financial assets	16	20 000 000	22 000 000
Capitalised cost to obtain/fulfil customer contracts	6	366 000 000	303 000 000
Deferred tax assets	9	0	1 000 000
Sum finansielle anleggsmidler		**386 000 000**	**326 000 000**
Sum anleggsmidler		**4 822 000 000**	**4 273 000 000**
Omløpsmidler			
Varer			
|	17	6 000 000	20 000 000
Sum varer		**6 000 000**	**20 000 000**
Fordringer			
Kundefordringer	16,18	107 000 000	95 000 000
Andre fordringer	16, 19	13 000 000	15 000 000
Prepaid expenses and accrued income	6, 20	25 000 000	62 000 000
Sum fordringer		**145 000 000**	**172 000 000**
Bankinnskudd, kontanter og lignende			

Konsernets balanse

Beløp i: NOK	Note	2019	2018
Bankinnskudd, kontanter og lignende	16, 21	1 014 000 000	270 000 000
Sum bankinnskudd, kontanter og lignende		**1 014 000 000**	**270 000 000**
Sum omløpsmidler		**1 165 000 000**	**462 000 000**
SUM EIENDELER		**5 987 000 000**	**4 735 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	P4	5 000 000	5 000 000
Annen innskutt egenkapital		5 052 000 000	3 852 000 000
Sum innskutt egenkapital		**5 057 000 000**	**3 857 000 000**
Opptjent egenkapital			
Reserves		0	-1 000 000
Udekket tap		4 666 000 000	3 705 000 000
Sum opptjent egenkapital		**-4 666 000 000**	**-3 706 000 000**
Sum egenkapital		**391 000 000**	**151 000 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9		10 000 000
Sum avsetninger for forpliktelser			**10 000 000**
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	16,22	2 842 000 000	2 226 000 000
Non-current lease liabilities	23	1 617 000 000	1 626 000 000
Other non interest-bearing liabilities		303 000 000	
Sum annen langsiktig gjeld		**4 762 000 000**	**3 852 000 000**
Sum langsiktig gjeld		**4 762 000 000**	**3 862 000 000**
Kortsiktig gjeld			
Leverandørgjeld	16	155 000 000	228 000 000
Annen kortsiktig gjeld	16,24	26 000 000	20 000 000

Konsernets balanse

Beløp i: NOK	Note	2019	2018
Accrued expenses and deferred income	6,25	542 000 000	408 000 000
Current lease liabilites	23	111 000 000	66 000 000
Sum kortsiktig gjeld		**834 000 000**	**722 000 000**
Sum gjeld		**5 596 000 000**	**4 584 000 000**
SUM EGENKAPITAL OG GJELD		**5 987 000 000**	**4 735 000 000**

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Ice is a unique mobile operator. When we started our smartphone journey, we saw that there was an opportunity to build a customer centric company, with no small print, complicated contracts or discriminating prices. We also decided to build the third mobile network in Norway from scratch, with pure data coverage and no legacy and become a true challenger in a two-player market in need of competition. Now, 5 years later, we are the fastest growing mobile operator in the Nordics with 10% market share in Norway and higher customer approval ratings than competition. We remain confident that we will continue our rapid growth story going forward and have a medium-term target of 20% market share in Norway, one of the most valuable mobile markets in the world. We now have over 90% population coverage with our network and are in a continuous process of building out to the third mobile network in Norway, a modern legacy-free 5G Nokia network that will give us a unique cost position in the Norwegian mobile market and continued opportunities for future growth.

2019 was a year with great achievements for Ice Group! We grew our customer base significantly, increased our network footprint to now produce 80% of the data in our own network, were awarded licenses for the 700 and 2,100 MHz frequencies and experienced increased support from the government through the proposed new regulation of the Norwegian mobile market. We raised NOK 1.5 billion in equity, sold our Swedish business, listed on Oslo Axess and raised a new NOK 0.9 billion bond. We launched several innovative products, among them the 1000GB on-net product "Data Frihet", the freemium product "Ice Junior" and the handset-as-a-service product "Mobilbytte. We also opened our two first physical retail stores and were awarded prizes for mobile operator of the year and excellent customer service. All in all, a break-through year we can look back at with pride both from a customer and technology perspective.

Ice continued the smartphone growth path in 2019. In total 130,000 new customers were added, making us the fastest growing operator in the Nordics of the year with the highest revenue per employee. We have increased our subscriber base each quarter since the launch of smartphone products in 2015 and we remain confident that we are well positioned to continue to rapidly capture market share. We continue to roll out customer-friendly products as this is the key to growing our consumer base. Our increasing network coverage and on-net share gives us the opportunity to roll out disruptive data products at affordable prices. An expected on-net share approaching 90% will allow us to be even more competitive in the high ARPU segments and continue with our strong subscriber growth.

During 2019 we had a good development in smartphone ARPU (average revenue per user) which ended at NOK 234 for the fourth quarter, the highest level ever. This positive development in ARPU comes despite the success of our disruptive freemium product Ice Junior. This proofs that we are taking market share in the higher paying segments and as such delivering on our medium-term targets.

Increased on-net share reduces leakage to our national roaming partner and remains essential to reaching our commercial and financial targets. This is a key reason for investing in our 5G-ready Nokia smartphone network. We added 341 new smartphone sites during 2019, bringing the average data on-net share to a record high 80% in the fourth quarter. As a result, our NRA cost as share of service revenues is declining, and by that improving our margins.

In December 2019 we announced that the iPhone agreement with Apple was in effect. The agreement involves handset sales and marketing and operator settings on iOS devices, making the customer offering to iPhone users significantly stronger. We already see a positive effect of this agreement on increased share of on-net data and VoLTE, increased sale of iPhones through own channels, and with further potential ahead when more iPhone versions are VoLTE enabled.

In March 2020 the outbreak of the Covid-19 virus reached Norway. Ice's main goal is to operate and continue to build the third mobile network in Norway, a crucial part of the national telecom infrastructure. Ice is focusing on maintaining operations, its employees, customers and business development in this challenging situation. The subscription-based business model of telecoms gets limited direct impact of the Covid-19 outbreak. Due to quarantine measures in Norway we have seen a decline in retail sales. Ice has implemented several initiatives to secure that there is no negative impact on the stability and quality of the network and customer offering. The dramatic changes in user behavior over the last period have not impacted network stability and is a proof of the quality of our operations. The situation related to the outbreak of Covid-19 underlines the importance of a well-functioning and stable telecom network and market in Norway. We believe that our objective of developing a fully-fledged third network with European equipment will be a national advantage ensuring also that the country will have a good, stable, diversified and modern telecom infrastructure with healthy and competitive prices for its population.

Continued network-build out and smartphone subscription growth remain key to realising Ice Group's business plan. Our goal of building a cost effective and modern mobile network in Norway will give us the opportunity to continue to innovate on new customer friendly mobile products and create more competition in the Norwegian mobile market. We have now delivered 19 consecutive quarters with smartphone subscription growth and remain confident that we will continue to win market share and improve margins strongly going forward.

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About the company

Ice Group Scandinavia Holdings AS ("the Company"), and its subsidiaries (together, "the Group" or "Ice Scandinavia") is a Scandinavian is a telecom operator under the trademark ice in Norway and Net1 in Denmark. The business is to provide telecommunications services, including wireless data services, voice, messaging, mobile broadband services and other related telecom services.

Ice Norway's primary spectrums are now in the 700 MHz, 800 MHz, 900 MHz, 1,800 MHz and 2,100 MHz bands. These were acquired in December 2013 and the Group's Norwegian business is now a fully-fledged mobile network operator offering data, voice and messaging services. The mobile broadband services in both Norway, Sweden and Denmark utilize the low-frequency band 450 MHz, in addition to 800 MHz and 1,800 MHz in Norway. For our customers, this means access to mobile broadband with almost full geographical coverage.

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly by Ice Group ASA (the "Ice Group Parent Company"), Norway, successfully listed on Oslo Axess on 20 May 2019, (together, "Ice Group"). The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware.

Financial resume and key ratios

NOK millions	**2019**	**2018**[1]
Service revenue	1,687	1,539
EBITDA adjusted	-163	-150
Investments	887	647
Total assets	5,987	4,735
Operating margin %	Neg	Neg
Equity/assets ratio %	7%	3%

1) Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.

The operations

Service revenue in 2019 ended at NOK 1,687 million, a 10% increase compared to the previous year. The net result for the year was negative at NOK -963 million (NOK -935 million).

In addition to the Company successfully listing its share on Oslo Axess on 20 May 2019, the below events mark the year of 2019.

On 25 February 2019, Ice Group announced that it had entered into an agreement to sell its Swedish business Netett Sverige AB to broadcasting network services company Teracom Group AB for a purchase price of SEK 180 million. The transaction was closed on 14 March 2019.

On 18 March 2019, the Company's wholly-owned subsidiary, ICE Communication Norge AS entered into an agreement with the Norwegian virtual network operator Komplett Mobil AS ("Komplett"), to acquire Komplett's customer base. The transaction was completed on 25 April 2019, comprised 66,500 active subscribers for a purchase price of NOK 93 million, which were were migrated during Q2 2019.

In May and June 2019, the 2 x 10 MHz in the 700 MHz frequency band was awarded to Ice Group for NOK 131 million per 2 x 5 MHz frequency block, in total NOK 262 million. The 2 x 15 MHz in the 2,100 MHz band was awarded at the minimum price of NOK 25 million per 2 x 5 MHz frequency block, in total NOK 75 million. Ice Group was also awarded the sole national license of 2 x 5 MHz in the 450 MHz band in Norway for NOK 5 million. The new licenses expire in 31 December 2039, 31 December 2032 and 31 December 2039 respectively.

The acquisition of the 700 MHz frequencies adds to the numerous initiatives and actions that Ice Group has initiated to reduce the company's cash requirements since it presented its plans in December 2018. Following the NOK 1.5 billion private placement made by the Ice Group Parent Company in January, these include the divestment of Ice Group's Swedish operation, higher than predicted data on-net share, postponement of the least value accretive base stations, plus savings on transaction costs and deferred loan repayments as a result of the IPO process of Ice

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Group being terminated in December 2018. Ice Group is currently assessing various options to cover its remaining financing requirements.

In the last quarter of 2019, the operations companies in Norway - Ice Norge AS, historically holding the 450 Mobile Broadband business and all employees and Ice Communication Norge AS formed when the first Smartphone frequency licenses were awarded and where the Smartphone business resides, were merged (formally registered on 28 October 2019) with Ice Communication Norge AS as the surviving company.

EBITDA

EBITDA for the year amounted to NOK -163 (-150) million. Non-recurring and non-operational items identified during the year amounted to NOK 29 (22) million. Non-recurring and non-operational items are mainly related to extraordinary costs related to the network technology upgrade and Smartphone migration, redundancy and expenses related to the share-based compensation program, and for 2018 including a reversal of related social security costs for the program that lapsed 31 December 2018.

Please also see note 4 and the Alternative Performance Measures section on page 46.

The implementation of the IFRS 16 reporting standard from 1 January 2019 has changed the timing and classification of leasing costs which has had a positive effect on the Groups EBITDA. The total effect of the IFRS 16 implementation on the Groups restated EBITDA for 2018 is NOK 208 million.

Significant events after the end of the period

On 6 January 2020, Ice Group ASA announced that on 3 January 2020 the Company passed 574k smartphone subscriptions in Norway, implying a 10% market share based on latest available figures for total market size (H1 2019, Nkom, 24 October 2019).

On 24 February 2020, the Board of Directors of Ice Group ASA (the "Company") approved a new long-term incentive (LTI) program aimed to align the interests of the participating employees with those of the Company's shareholders. The program is discretionary, and participants are invited on an annual basis. The total number of options granted in this year's program is 2,800,000 where each option will give the holder the right to acquire one Ice Group ASA share. The options are granted with 800,000 options to CEO, 250,000 options to each other member of the executive management team and up to 250,000 options in total to other key employees. The program includes a cap on profit equal to 5x annual salary per employee. The strike price of the options is NOK 25. The options will have a vesting period of four years, with 25% of the options vesting each year and first vesting one year after the grant date. Two exercise periods per year will be set by the Company. The options will expire 7 years after the grant date.

In March 2020 the outbreak of the Covid-19 virus reached Norway. Ice is focusing on maintaining operations, its employees, customers and business development in this challenging situation. The subscription based business model of telecoms experiences limited direct impact of the Covid-19 outbreak, and Ice has implemented several initiatives to secure that there is no negative impact on the stability and quality of the network and customer offering. Ice's main goal is to operate and continue to build the third mobile network in Norway, a crucial part of the national telecom infrastructure.

Guidance and outlook

The continued smartphone network build-out in Norway is a key element in Ice Group's business plan. In 2020, the plan is to introduce ~1000 new base stations in total. This will increase our population coverage and share of on-net data and voice, and in turn reduce our NRA expenses.

The impact of the National Roaming Agreement (NRA) is expected to be approximately NOK ~400 million in 2020, an absolute reduction from 2019 despite an expected increase in both number of subscribers and average data usage per subscriber.

The Group expects to have a capital expenditure of NOK ~750 million in 2020.

Operations and cash flows

The cost for the National Roaming ("NRA") for the year was NOK 440 million compared with NOK 434 million, NOK 112 million. The operating expense for the year was NOK 526 million compared with 495 million. The operating result for 2019 ended at NOK -660 million compared with NOK -637 million.

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Cash flow from *operating activities* was NOK -265 million (-157) for the year. The period's cash flow from *investing activities* was NOK -451 million (-460). Investing activities for 2019 holds the NOK 166 million net proceeds from the divestment of the Swedish operations. Cash flow from *financing activities* was NOK 1,459 million (165). Financing activities in 2019 holds NOK 1,200 million equity injections into Ice Group Scandinavia Holdings AS from the NOK 1.5 billion new share issue made by the Group Parent Company, Ice Group ASA, in the first quarter of 2019, and the new NOK 900 million bond issued in October 2019, net of NOK 280 million re-purchased own bonds.

Investments (CAPEX)

The Group's acquisition of non-current assets 2019 amounted to NOK 616 million (460), including the purchase of the customers of Komplett Mobil (101) and the payments (39) related to the 450, 700 and 2,100 MHz licenses. The investments are mainly related to the smartphone network build-out project in Norway, both on existing and new sites as well as on backbone systems and radio access network expansion. The 2018 figures hold the NOK 40 million payment for the renewed 450 MHz licence in Sweden.

The Group capitalises costs to obtain and to fulfil customer contracts as other non-current assets in accordance with IFRS 15. These investments are presented within the working capital in the consolidated statement of cash flows, NOK 270 million (187) for 2019.

Financing

The Group is financed through owners' capital and loans. As per the end of 2019, the Group's total assets amounted to NOK 5,987 (4,735) millions of which equity amounted to NOK 391 (151) millions which gives an equity/assets ratio of 7% (3%).

In 2019, Ice Scandinavia received NOK 1,200 million in equity contribution from its Parent Company, in 2018 NOK 500 million, by share capital increase.

In October 2019 a Senior Unsecured bond of NOK 900 million was secured by The Company and the Company now has NOK 3.1 billion of bonds (ISIN NO 001 0789035, ISIN NO 001 0807092 and ISIN NO 001 0864002), all listed at Oslo Børs. Please refer to note 24 Borrowings for details.

Research and development

A key priority for Ice Group is to continue to invest in network infrastructure and technology. Key focuses during the year have been related to improving the customer offerings and service experience through implementing VoLTE and to further strengthening the networks performance through optimization and improving its security and reliability.

Corporate governance

Ice Scandinavia, being a part of Ice Group, has made a strong commitment to ensure trust and to enhance shareholder value through efficient decision-making and improved communication between the management, the Board of Directors and the shareholders and will seek to ensure that the Group complies with the requirements of section 3-3b of the Norwegian Accounting Act and the Norwegian Code of Practice for Corporate Governance ("NUES"). Ice Group's framework for corporate governance is intended to decrease business risk, maximise value and utilise the Group's recourses in an efficient, sustainable manner, to the benefit of shareholders, employees and society at large.

The overall objective of Ice Group's corporate governance policies is to meet Shareholders' demands for returns on their invested capital as well as the long-term health and overall success of the business.

Corporate governance within the Ice Group is mainly based on the Companies Act, the Norwegian Code of Practice, other applicable laws and regulations, the Company's Articles of Association and Ice Group's internal governance documents. The governance of Ice Group is also designed to support ice group's business model, where decisions are made at local level as far as possible, in the most effective manner possible.

The Annual General Meeting ("AGM"), the Board of Directors and the Chief Executive Officer ("CEO") are the main governing bodies of Ice Group:

- The AGM is the Company's highest decision-making authority and serves as the forum through which Ice Group's shareholders exercise their influence over the business.

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- The Board of Directors, who is elected by the shareholders, is ultimately responsible for the strategy and the organization of Ice Group and the management of its operations.
- The CEO, appointed by the Board of Directors, is responsible for handling the day-to-day management of Ice Group in accordance with instructions from the Board. The CEO is supported by the Group Executive Management team.

The external auditor of Ice Scandinavia is appointed at the Annual General Meeting.
Ice Group believes in adhering to responsible business practices and practicing good corporate citizenship. Promotion, adoption and effective implementation of guidelines for the responsible conduct of business and business relationships are consistent with the fiduciary responsibility of protecting long-term investment interests.

Please also refer to the Corporate Governance Statement in the 2018 annual report of the Group Parent Company, Ice Group ASA.

Corporate responsibility

Ice Group Scandinavia Holdings AS defines corporate social responsibility ("CSR") as achieving commercial profitability in a way that is consistent with fundamental ethical values and with respect for individuals, the environment and society.

The Group shall respect human and labour rights, establish good HSE (health, safety and the environment) standards, facilitate good dialogue with stakeholders and generally operate in accordance with applicable regulatory frameworks and good business practice.

At the core of the Company group's CSR policy is the group's four customer-centric corporate values: trust, fair, bold and share. The values define who we are, how we act and what employees of the Company and Group stand for. The Company has identified seven main CSR topics. The Group's general approach to these topics is described below.

It is the Group's policy to maintain the highest level of professional and ethical standards in the conduct of its business affairs. The Group places the highest importance upon its reputation for honesty, integrity and high ethical standards. These standards can only be attained and maintained through the actions and conduct of all personnel in the Group. It is the obligation of the Group's employees to conduct themselves in a manner to ensure the maintenance of these standards. Such actions and conduct will be important factors in evaluating an employee's judgment and competence, and an important element in the evaluation of an employee for promotion. Correspondingly, insensitivity to or disregard for the principles of the Group's professional and ethical standards will be grounds for appropriate disciplinary actions.

Companies within Ice Group shall strive to promote an open corporate culture that fosters interaction and is based on the Company's corporate values; strive to understand what really matters to our customers in each market and use that insight to drive everything that we do. We believe in establishing differentiation through creating an emotional connection with our customers to drive cost-effective growth. We put ourselves in our customer's shoes when we make decisions. We operate in an open and transparent manner when dealing with our customers. We avoid hidden fees and "small print" in our commercial relationships with customers. We communicate honestly and openly, without hidden agendas. That way we earn our customers' trust and business.

In promoting the Group's principles for good business operations, we shall always respect local values and norms, and achieve success by bridging the divide between different cultures. Group companies shall always comply with local regulatory requirements in the countries in which we operate

Companies within Ice Group are committed to respecting fundamental human and labour rights, both in our own operations and in our relations with business partners. Our employees shall be treated with respect and given orderly working conditions. The Group companies shall work continuously with issues such as non-discrimination, the right to privacy, the right to collective bargaining, employment contracts and protection against harassment. Forced labour, child labour and all forms of discrimination are strictly forbidden.

It is the Group's position to actively promote equal treatment and that equal treatment of all employees is applied and that different treatment or discrimination based on person's gender, race, colour, national origin, age, religion,

sexual orientation or any other characteristic protected by applicable law is unacceptable. Furthermore, the Group is committed to equal opportunity for all qualified employees and job applicants. All employment decisions (such as hiring, discipline, terminations, promotions and job assignments) are to be based on the Group's needs and an employee's performance and potential.

The average number of employees was 211 versus 206 for the equivalent period the previous year, of which 144 and 147 respectively were men. Including external resources, such as dedicated people with contract suppliers and subcontractors, the Group employed 349 (305) people. The Company is a holdings company with no employees. The Board of Directors has three members (all men).

A healthy work environment contributes to a better health, greater engagement and increased job satisfaction. The goal is to create a work environment that contributes to the motivated and committed employees, which ultimately is important for the Company's continued success. Creating a positive and pleasant environment requires continuous effort and is a natural part of the Group's daily operations.

It is Ice Group's position that equal treatment of all employees is applied, and that different treatment or discrimination based on person's gender, race, colour, national origin, age, religion, sexual orientation or any other characteristic protected by applicable law is unacceptable. Furthermore, the Group is committed to equal opportunity for all qualified employees and job applicants. All employment decisions (such as hiring, discipline, terminations, promotions and job assignments) are to be based on the Company's needs and an employee's performance and potential. The Group has no records of accidents or injuries during the year, and the Group has not deemed it necessary to take special measures in this area. The sick leave during 2019 was 1.3% compared to 2.7% during 2018. Ice in Norway has two years in a row been voted as top 10 most attractive workplaces according to the well-recognised Great Place to Work survey.

Ice Group has zero tolerance for corruption and conducts its business according to applicable laws, while observing the highest ethical standards and without compromise to its commitment to integrity. Ice`s compliance manuals set out strict guidelines on how to handle for example receiving and giving gifts and the company furthermore conducts dilemma training for its employees. Ice has also implemented strict guidelines on counterparty screening to fight corruption in its businesses relations, and monitors conduct to avoid any exposure to unacceptable practices.

Ice has established reporting lines for compliance matters, including a whistleblowing system that serves as an interface designed to receive and handle employee reports.

We work to ensure that policies are available throughout our organisation through training sessions, lectures and tests. Going forward, we will continue to develop and strengthen our policies and training.

The Group's business is affected by the external environment. Our base stations are to a large extent co-located with other operators'. Whereby the Group establishes its own base stations, the aim is to protect the environment to the greatest possible extent. Ice Scandinavia does not pollute the environment to any significant extent.

Regarding the products, the Group work continuously within the industry to improve the environmental profile; in terms of production and packaging as well as transport, distribution and disposal.

Ice Group intends to implement a sustainability policy during 2020.

Risks and factors of uncertainty

Ice Scandinavia operates in the highly competitive and regulated mobile telecommunications industry in Scandinavia and is exposed to certain risks that could have impact on earnings or its financial position. Ice Scandinavia has defined risk as anything that could have a material adverse effect on the achievement its goals or activities. Risks can be threats, uncertainties or lost opportunities relating to Ice Scandinavia's current or future operations. Ice Scandinavia divides the risks into related to the Industry in which the Company operates, risk related to the Operations of the group and risks related to Financing of the business. The most significant risks are described below.

As significant Industry risks management identifies the risk that the earnings and financial condition could be affected by the general conditions within the telecommunications industry, the regulatory environment being a significant component as well as the continuing rapid technological development. Both which could increase

competition, and thereby potentially limit the Group's ability to increase or maintain its market share or product prices, or require the Company to make substantial additional capital investments.

As significant Operational risks, management sees the risk that it may not be able to successfully carry out its strategy or realize any or all of its anticipated gains in market share, higher ARPU and cost scalability. It also identifies, that it is dependent on a national roaming agreement until it has sufficient coverage through its own network in order to secure access to a network when customers travel outside of Ice Group's own network coverage. The related strategy to build out the network faces the risks of being dependent on suppliers and vendors in order to continue its investments in maintaining, upgrading and expanding its technical network. Furthermore, there is a risk of significant IT or network outages in the future, which could harm the Company's reputation, and thereby the ability to grow the revenues. Ice Group's networks are also vulnerable to damage or service interruptions, including interruptions or data breaches coming from targeted cyber-attacks. As another operational risk, management identifies the risk of risk of financial loss, disruption or damage to Ice Group's reputation from some sort of failure of its information technology systems, or loss, alteration or unauthorized disclosure of personal data handled by the Group.

Amongst Financing risks, the Group has a substantial amount of debt and significant debt service obligations. As a result of this leverage, the Group may be required to dedicate a large portion of its cash flow from operations to service debt and fund repayments on the Group's debt, thereby reducing the availability of its cash flow to fund working capital, capital expenditures and other general corporate purposes and restrict its ability to distribute dividends. Further, the Group's substantial debt may limit the Group's flexibility in planning for, or reacting to, changes in the Group's business or the industry in which it operates, limit the Group's ability to raise equity capital in the future, limit the ability to refinance current debt or raise additional debt and/or restrict the Group from making strategic acquisitions or exploiting business opportunities or the ability to successfully implement its business strategy.

Please refer to notes 2 and 30 for a detailed walk-through of the risks identified.

Related party transactions

At the end of 2019 Ice Group Scandinavia Holdings AS had one loan from its parent, AINMT Holdings AB. The loan amounted to NOK 50 million and was entered into in 2015. Please see further details in note 22 Borrowings. There were no other transactions with related parties during the period except for the settlement of balances with Net1 International Holdings AS.

Liquidity and going concern

Ice Scandinavia and the Board of Directors work actively with, and has an ongoing process, to secure future financing and continue to capitalize on the growth success in Norway. The current strategy includes investments dependent on new financing in 2020. The process includes a number of options and partners.

From a liquidity perspective, the NOK 1.5 billion equity raised by the Ice Group Parent Company, completed in January 2019, the divestment of the Swedish business and the new bond issued in October 2019 secured additional funds for network build-out and growth in Norway until quarterly EBITDA break-even in the second half of 2020.

Based on the above, the Board confirms that the confirms that the prerequisites for the going concern assumption exist and that the financial statements have been prepared based on a going concern basis in accordance with section 3-3a of the Norwegian Accounting Act and IAS1, p. 25-26.

Legal disclaimer

Certain statements in this report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, fluctuations in exchange rates and interest rates and political risks.

Proposed distribution of earnings of the Company

Net losses in the Parent Company for 2019 of NOK 963 million are brought forward.

Oslo, 29 April 2020

Henning Karlsrud
Chairman of the Board

Eivind Helgaker

Martin Westersø

Anders Koch

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NOK millions	*Note*	**2019**	**2018**[1]
Service revenue		1,687	1,539
Other operating revenue		70	120
Total operating revenue	*4, 5, 6*	**1,756**	**1,659**
National roaming expenses		-440	-434
Operating expenses	*17*	-526	-685
Sales and administrative expenses	*7, 18*	-760	-696
Employee benefit expenses	*8*	-222	-206
Depreciation, amortisation and impairment losses	*12, 13*	-468	-465
Total operating expenses		**-2,417**	**-2,296**
Operating result		**-660**	**-637**
Financial income	*10*	3	2
Financial expenses	*11*	-316	-295
Financial items – net		**-313**	**-293**
Share of net profit from joint ventures	*14*	0	0
Result before tax		**-973**	**-930**
Income taxes	*9*	10	-5
Net result for the year		**-963**	**-935**
Items that may be subsequently reclassified to profit or loss:			
Translation differences on foreign operations		1	-3
Other comprehensive income		**1**	**-3**
Total comprehensive income for the year		**-963**	**-938**
Net result for the year attributable to:			
Equity holders of the Parent Company		-963	-935
Net result for the year		**-963**	**-935**
Total comprehensive income for the year attributable to:			
Equity holders of the Parent Company		-963	-938
Total comprehensive income for the year		**-963**	**-938**

1) Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.

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NOK millions	*Note*	**31 Dec 2019**	**31 Dec 2018[1]**
Non-current assets			
Intangible assets			
Licenses and similar rights		1,655	1,031
Customer relationships		136	80
Other intangible assets		268	233
Total intangible assets	*12, 23*	**2,060**	**1,344**
Tangible assets			
Property		66	105
Technical equipment		1,800	2,089
Equipment and tools		6	8
Other tangible assets		3	7
Work in progress		503	394
Total tangible assets	*13, 23*	**2,376**	**2,603**
Other non-current assets			
Shares and participations in joint ventures	*14*	0	0
Other financial assets	*16*	20	22
Capitalised cost to obtain/fulfil customer contracts	*6*	366	304
Deferred tax assets	*9*	0	1
Total other non-current assets		**386**	**327**
Total non-current assets		**4,822**	**4,273**
Current assets			
Inventory	*17*	6	20
Trade receivables	*16, 18*	107	95
Other receivables	*16, 19*	13	14
Prepaid expenses and accrued income	*6, 20*	25	62
Total current receivables		**152**	**192**
Cash and cash equivalents	*16, 21*	1,014	270
Total current assets		**1,166**	**462**
TOTAL ASSETS		**5,987**	**4,735**

1) Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.

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NOK millions	*Note*	**31 Dec 2019**	**31 Dec 2018**[1]
Equity attributable to the owners of the Parent Company			
Share capital	*P4*	5	5
Other contributed capital		5,052	3,852
Reserves		0	-1
Retained earnings/deficit		-4,666	-3,705
Total equity	*1, 3*	**391**	**151**
Non-current liabilities			
Borrowings	*16, 22*	2,842	2,226
Non-current lease liabilities	*23*	1,616	1,625
Deferred tax liabilities	*9*	-	10
Other non interest-bearing liabilities		303	-
Total non-current liabilities		**4,762**	**3,862**
Current liabilities			
Trade payables	*16*	155	228
Current lease liabilities	*23*	111	66
Other current liabilities	*16, 24*	27	20
Accrued expenses and deferred income	*6, 25*	542	408
Total current liabilities		**835**	**722**
TOTAL LIABILITIES		**5,597**	**4,584**
TOTAL EQUITY AND LIABILITIES		**5,987**	**4,735**

1) Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.

Oslo, 29 April 2020

Henning Karlsrud
Chairman of the Board

Eivind Helgaker

Martin Westersø

Anders Koch

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		Attributable to shareholders of the Parent Company						
NOK millions	*Note*	Share capital [1]	Other contributed capital	Reserves	Retained earnings	Total	Non-controlling interests	**Total Equity**
Opening balance 1 January 2018		**4**	**3,353**	**4**	**-2,547**	**814**	**0**	**814**
Change in accounting principles [2]	*2*	-	-	-4	-236	-240	-1	-241
Adjusted opening balance 1 January 2018		**4**	**3,353**	**-0**	**-2,783**	**574**	**-1**	**573**
Net result for the period		-	-	-	-935	-935	-	-935
Other comprehensive income for the period								
Translation differences on foreign operations		-	-	-3	-	-3	-	-3
Total comprehensive income for the period		**-**	**-**	**-3**	**-935**	**-938**	**-**	**-938**
Share capital increase		0	500	-	-	500	-	500
Change in non-controlling interests				2	-4	-1	1	0
Capital contribution from share-based payments		-	-	-	17	17	-	17
Total transactions with owners, recognised directly in equity		**0**	**500**	**2**	**13**	**516**	**1**	**516**
Closing balance 31 December 2018	*2*	**5**	**3,852**	**-1**	**-3,705**	**151**	**-**	**151**
Net result for the period		-	-	-	-963	-963	-	-963
Other comprehensive income for the period								
Translation differences on foreign operations		-	-	1	-	1	-	1
Total comprehensive income for the period		**-**	**-**	**1**	**-963**	**-963**	**-**	**-963**
Capital contribution from share-based payments		-	-	-	2	2	-	2
New share issue			1,200	-	-	1,200	-	1,200
Total transactions with owners, recognised directly in equity		**-**	**1,200**	**-**	**2**	**1,202**	**-**	**1,202**
Closing balance 31 December 2019		**5**	**5,052**	**0**	**-4,666**	**391**	**-**	**391**

1) Please see note P4 for details on the share capital

2) Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.

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NOK millions	*Note*	**2019**	**2018**[1]
Operating result from total operations		-660	-637
Depreciation & amortisation of non-current assets	*12,13*	370	369
Depreciation & amortisation of right-of-use assets	*23*	98	96
Amortisation of costs to obtain/fulfil contracts		206	172
Adjustments for non-cash items	*27*	-0	10
Interest received, operational		1	1
Interest paid, operational		-1	-1
Cash flows before changes in working capital		**14**	**10**
Change in inventory		2	2
Change in current receivables		5	42
Change in current liabilities		-16	-24
Change in costs to obtain/fulfil customer contracts		-270	-187
Cash flows from changes in working capital		**-279**	**-167**
Cash flows from operating activities		**-265**	**-157**
Net cash flow from divestment of subsidiary		166	-
Investments in intangible assets		-232	-112
Investments in tangible assets		-384	-348
Net cash flows from other financial assets		-0	0
Cash flows from investing activities		**-451**	**-460**
Financing from shareholders		1,200	500
Borrowings		599	-
Payments related to lease liabilities		-202	-206
Interest paid, borrowings		-138	-129
Cash flows from financing activities		**1,459**	**165**
Cash flow for the period		**744**	**-451**
Cash and cash equivalents Beginning of Period		270	722
Exchange rate difference in cash and cash equivalents		-1	-1
Cash and cash equivalents End of Period		**1,014**	**270**

1) *Numbers for 2018 have been restated due to implementation of IFRS 16. See note 1 for more information.*

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General information

Ice Group Scandinavia Holdings AS ("the Company") is a limited liability company incorporated in Norway and operates with its subsidiaries (together, "the Group" or "Ice Scandinavia") under the trademark Ice in Norway and Denmark. The business is to provide telecommunications services, including wireless data services, voice, messaging, mobile broadband services, telephony and other related telecom services.

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA, Norway, listed at OTC in Norway with ticker "ICE" (together, "Ice Group"). The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware.

There may be figures and percentages that do not always add up correctly due to rounding differences. All numbers are presented in NOK millions (MNOK), unless otherwise indicated. Amounts in brackets relate to previous year if not otherwise indicated.

This annual report for the Ice Group Scandinavia Holdings AS Group, including Parent Company Financial Statements and notes, is available at www.icegroup.com.

Note 1 - Basis of preparation

Ice Group Scandinavia Holding AS, previously AINMT Scandinavia Holdings AS, is a 100% owned subsidiary of AINMT Holdings AB.

The Company was founded by AINMT Holdings AB in February 2014 and then acquired the subsidiaries Ice Danmark ApS (29 84 99 43), Ice Norge AS (991 715 290), Ice Communication Norge AS (912 672 808) and Netett Sverige AB (556773-3091) from AINMT Holdings AB in March 2014.

The Annual Report 2019 and the consolidated financial statements for the Ice Group Scandinavia Holdings AS group have been prepared in accordance with IFRS as adopted by the EU and have been prepared on a going concern basis. The most significant accounting principles applied in these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to make certain judgments in applying the Group's accounting policies, see note 3 Critical accounting estimates and judgements for further details.

New and changed accounting standards adopted 1 January 2019

IFRS 16 Leases, changes the accounting treatment of leases by lessees. The standard is effective from the year beginning on 1 January 2019. The new standard removes the classification of leases as operating leases or finance leases as is required by IAS 17 and, instead introduces a single accounting model. As of 1 January 2019, Ice Group's long-term operating leases are recognised as non-current assets and financial liabilities in the consolidated statement of financial position. Instead of operating lease expenses, Ice Group has recognised depreciation and interest expenses in the consolidated income statement of comprehensive income.

The total cost over the lease term is unchanged after the implementation of IFRS 16, however during the lease term the impact is material given the number of site leases and the annual spectrum licenses to which the Group is party. The key line items that have been affected by the implementation of IFRS 16 are:

- Operating expenses have decreased due to the reclassification of operational leases as depreciation and interest expenses.
- EBITDA has improved by the same amount as the decrease in operating expenses.
- Depreciation and amortisation have increased due to depreciation of capitalised lease contracts.
- Financial expenses have increased, due to interest expenses on lease liabilities.
- Total non-current assets as well as total non-current liabilities have increased due to the capitalization of lease contracts.

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Ice Group has applied the following principles and decisions in relation to the implementation of IFRS 16:

Fixed non-lease components included in the contracts are not be separated and therefore will be included as part of the lease liability and the capitalised rights-of-use asset. Where this is part of a lease contract for base station locations, this primarily relates to expenses related to power consumption.

Lease contracts for base station locations are defined to have a lease period lasting until the expiry date of the frequencies held in Scandinavia. Although a majority of these lease contracts have exit options, either through active termination of running contracts or not calling on options to prolong the agreement; Management believes Ice Group has economic incentives to exercise the options to prolong the lease terms. Management believes the most relevant end date of the contracts is when the majority of the frequencies expires.

With the exception of the aforementioned contracts for base station locations, lease contracts of 12 months or less will not be capitalised. Furthermore, lease contracts with low value (primarily relating to office equipment) will not be capitalised.

Intangible assets (primarily spectrum licenses and the associated annual spectrum fees) are included as lease agreements and capitalised.

Ice Group has applied the full retrospective approach to provide a meaningful comparison with the year ended 31 December 2018 as from implementation date of 1 January 2019.

Contract with less economic life than 12 months or with a total value of NOK 100 thousands, or less, are excluded.

The total consolidated implementation effect per 1 January 2018 on total assets was NOK 1,593 million, on total equity NOK -241 million and on liabilities NOK 1,834 million. There is no impact on cash flows, however the cash from operating activities in the cash flow statement will be impacted due to the increase in depreciation from the right-of-use assets. The main types of lease contracts to which the Group is party to are site leases and the lease of frequencies. The frequency licenses represent a significant portion of the total implementation effect.

No other IFRS or IFRIC interpretations not yet in force are expected to have a material impact on the Group upon adoption.

NOK millions	**Reported 31 Dec 2018**	**Change IFRS 16**	**Restated 31 Dec 2018**	**Reported 31 Dec 2017**	**Change IFRS 16**	**Restated 1 Jan 2018**
Intangible assets	932	412	1,344	948	424	1,372
Tangible assets	1,462	1,141	2,603	1,359	1,201	2,560
Other non-current assets	326	-	326	308	-	308
Deferred taxes	1	-	1	0	-	0
Current assets	495	-33	462	998	-32	966
Total assets	**3,215**	**1,520**	**4,735**	**3,614**	**1,593**	**5,207**
Equity attributable to Parent Company shareholders	417	-266	151	814	-240	574
Equity attributable to non-controlling interest	-	-	-	0	-1	-1
Total equity	**417**	**-266**	**151**	**814**	**-241**	**573**
Borrowings	2,227	-1	2,226	2,214	-	2,214
Other non-current liabilities	10	1,625	1,636	4	1,673	1,677
Current liabilities	561	161	722	581	161	742
Total equity and liabilities	**3,215**	**1,520**	**4,735**	**3,614**	**1,593**	**5,207**

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NOK millions	Reported FY 2018	Change IFRS 16	Restated FY 2018
Total revenue	**1,659**	**-**	**1,659**
National roaming expenses	-434	-	-434
Operating expenses	-685	190	-495
Other expenses	-714	18	-696
Employee benefit expenses	-206	-	-206
Depreciation, amortisation	-369	-96	-465
Operating result	**-749**	**112**	**-637**
Net financial items	-154	-139	-293
Income taxes	-5	-	-5
Net result for the period	**-908**	**-27**	**-935**
Other comprehensive income	-5	2	-3
Total comprehensive income	**-913**	**-25**	**-938**
Alternative Performance Measures			
EBITDA adjusted	**-358**	**208**	**-150**

IFRIC 23 Uncertainty over Income tax treatments is effective for annual reporting periods beginning on or after 1 January 2019. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

Consensus

Whether tax treatments should be considered collectively

An entity is required to use judgement to determine whether each tax treatment should be considered independently or whether some tax treatments should be considered together. The decision should be based on which approach provides better predictions of the resolution of the uncertainty.

Assumptions for taxation authorities' examinations

An entity is to assume that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so.

Determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates

An entity has to consider whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing.

If the entity concludes that it is probable that a particular tax treatment is accepted, the entity has to determine taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings.

If the entity concludes that it is not probable that a particular tax treatment is accepted, the entity has to use the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision should be based on which method provides better predictions of the resolution of the uncertainty.

Ice Group has evaluated the effects of IFRIC 23, and determined that there are no material effects on the financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions. The amendment is effective on or after 1 January 2020.

The amendment changes the guidance for the classification of liabilities as current or non-current. It could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. All entities should reconsider their existing classification in the light of the amendment and determine whether any changes are required. The amendment is effective on or after 1 January 2022.

Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration of the transferred amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in the Norwegian kroner (NOK) which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Exchange rate gains and losses related to trade receivables and liabilities are reported on the applicable line in the statement of income and are included in operating result. Exchange rate differences related to financial assets and financial liabilities are reported as financial items in the statement of income, except exchange rate differences related to non-current debt that is part of the Group's net investment in a subsidiary.

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet. Income and expenses for each income statement are translated at average exchange rates for the reporting period. All resulting exchange differences are recognised in other comprehensive income.

Revenue recognition

IFRS 15 Revenue from contracts with customers is effective from 1 January 2018, and subsequently Ice Group has implemented the accounting principle for revenues from contracts with customers from that date. The new standard is applied by Ice Group using the full retrospective method, i.e. all comparative periods are reported according to IFRS 15 as well.

The allocation of revenue is based on the stand-alone selling price for each separate performance obligation in the contract with the customer, and the revenue is recognised when the service/good is delivered. The Group divides the revenue into two categories in the Statement of Comprehensive Income; Service revenue and Other operating revenue.

- Mobile voice services are separate performance obligations and revenue is recognised as the service is being delivered. Revenue from Mobile voice services are reported within Service revenues.

- Mobile broadband services are separate performance obligations and revenue is recognised as the service is being delivered. Revenue from Mobile broadband services are reported within Service revenues.

- Consumer routers are not separate performance obligations. Revenue is recognised over the same contract period as when the related mobile broadband service is delivered to the customer, regardless of if the consumer rents the router or buys the router. Revenue from Consumer routers are reported within Service revenues.

- Industry routers are deemed to be separate performance obligations and revenue is recognised either at one point in time, if the customer buys the router, or over the contract period, if the customer rents the router. Ice Group's assessment is that the industry router qualifies as an operational lease. Revenue from Industry routers are reported within Other revenue.

- Start-up fees are in all cases, not separate performance obligations and revenue is recognised with the delivered service for which the start-up fee belongs to is recognised. Start-up fees are reported either in Service revenue or Other revenue depending on what type of service they are related to.

- Discounts are, in all material aspects, not recognised in their full effect in the period the discounts are given to the customer. The discount is proportionally allocated to all performance obligations (distinct goods/services delivered) in the contract and recognised when the underlying performance is recognised over the contract period.

- Lease income is recognised on a straight-line basis over the lease period.

Operating and other expenses

Operating expenses comprises cost of goods sold costs for operating the network; site leases, transmission costs, carrier services, IT-costs and fieldwork and maintenance.

Other expenses are related to retailer commissions and other customer acquisition costs, marketing and public relations and office costs. All these costs are expensed as incurred.

Intangible assets

Separately acquired trademarks and licenses are shown at historical cost less amortisation. Licenses and trademarks acquired in a business combination are recognised at fair value at the acquisition date. Licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives of 10 to 20 years.

Separately acquired customer relationships are shown at historical cost less amortisation. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and amortisation is calculated using an accelerated amortisation method over their estimated useful lives, meaning higher amortisation expense in the first few years after the acquisition.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use it;
- there is an ability to use the webpage or software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Costs that are directly attributable as part of the software product, including the software development employee costs, are capitalised within other intangible assets but also within technical equipment (tangible assets). Some of the work is strongly connected do the development of the technical equipment.

Capitalised development costs are shown at historical cost less accumulated amortisation. Amortisation is commenced when the assets is ready for use. Useful lifetime is assessed based on the period of the future economic benefits. The useful lifetimes are estimated to 3-5 years and amortisation are recognised linear over the period. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Property and technical equipment

Property and technical equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Each part of a tangible asset with an acquisition value that is significant in relation to the total acquisition value is depreciated separately. Constructions in progress are not depreciated until they are ready for use. Depreciation on tangible assets are made on a linear basis;

- Property and technical equipment 5-25 years
- Equipment and tools 5 years
- Other tangible assets 3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in line 'Other expenses' in the statement of comprehensive income.

Leases

Ice Scandinavia recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The cost of a right-of-use asset also includes an estimate of costs to be incurred by the Group in dismantling and removing the underlying leased asset (Asset Retirement Cost). Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful

life and the lease term. Right-of use assets are subject to impairment assessments as described in note 1 to the 2018 Annual Report of Ice Group Scandinavia Holdings AS.

At the commencement date of the lease, Ice Scandinavia recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, Ice Scandinavia uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Ice Scandinavia remeasures the lease liability upon the occurrence of certain events. Generally, the amount of remeasurement of the lease liability is recognised as an adjustment to the right-of-use asset.

Ice Scandinavia applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

In calculating the present value of lease payments, Ice Scandinavia uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To arrive at the incremental borrowing rate the Group applies the respective country's risk-free rate for the term corresponding to the lease term, adjusted for own credit risk and adding the external borrowing rates respectively to the lease terms.

Please see Note 3 on management judgement in determining the lease term of contracts with renewal options.

For additional information on leases and carrying values, see Note 23.

Costs to obtain and fulfil customer contracts

With the adoption of IFRS 15 Ice Scandinavia capitalizes the incremental costs to obtain and to fulfil customer contracts as an other non-current asset if the cost is expected to be recovered, which means that these items are now amortised as investment expenditures ("Costs to obtain and fulfil customer contracts") instead of being a direct operating expense. The useful lives are evaluated on a quarterly basis and reflects the customer lifetime, currently 3 years on average. Costs to obtain and fulfil customer contracts are amortised as Operating expenses and Other expenses.

Impairment of non-financial non-current assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Intangible or tangible non-financial assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units).

The Group uses discounted cash-flow calculations for the impairment tests. A network asset impairment of NOK 33 million was recognised in the fourth quarter of 2019 as a consequence of the post-closing divestment of the Swedish operations.

Financial instruments

The Group classifies its financial assets and liabilities in the following categories: financial assets at fair value through (FVTPL), and financial assets and financial liabilities at amortised cost. The classification of financial assets depends on the business model of Hold to collect or Hold to collect and sell, as well as the financial asset meeting the criteria of SPPI (cash flows consist of solely payments of principle and interest). Management determines the classification of its financial instrument at initial recognition. Currently the Group does not have any financial liabilities at FVTPL. There are no financial assets at FVTPL or the other IFRS 9 category of fair value over other comprehensive income (FVOCI).

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are derivatives and financial assets not meeting the criteria of SPPI or designated at fair value by management at initial classification.

Financial assets at amortised cost
Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments meeting the SPPI criteria and not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting. These are classified as non-current assets. The Group's financial assets at amortised cost comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet and the financial instruments recorded in other receivables.

Financial liabilities
All financial liabilities are at amortised cost and interest is determined using the effective interest method, except for the lease liabilities where Ice Group uses the incremental borrowing rate. These liabilities are the Group's borrowings, trade payables, lease liabilities and the part of current liabilities related to financial instruments are classified as other financial liabilities.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the contractual obligations have been completed or otherwise terminated.

Financial liabilities at fair value through profit or loss are subsequent to the acquisition carried at fair value. All financial assets and financial liabilities at amortised cost are measured using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within 'Other (losses)/gains – net' in the period in which they arise and is included in net financial items as it relates to financing.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See note 18 for additional details.

As of 31 December 2019, the Group has no financial assets held at fair value over the profit or loss. As of 31 December 2018, however the Group had one asset held at fair value over the profit or loss. A change in the fair value of the share investment held in Net1 International Holdings AS was recognised at year-end over the profit or loss at an amount of NOK 28,353 thousand. In the 31 December 2018 statement of financial position, the investment balance is at NOK 5,135 thousand and included in the non-current assets line item Other financial assets.

Joint ventures

Joint venture is a joint arrangement whereby the partners that have joint control of the arrangement have rights to the net asset of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control. The Group has one joint venture, Smartkom AS.

Joint ventures are included in the consolidated financial statements using the equity method from the date the Group's significant influence or joint control commences until the date it ceases. The Group's share of the joint venture's profit for the financial period is shown as a separate item after the Group's operating result, on the line Share of net profit from joint ventures. The Group's share of the joint venture's changes recorded in other comprehensive income is recorded in the Group's other comprehensive income. If the Group's share of the joint venture's losses exceeds its interest in the company, the carrying amount is written down to zero.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade receivables

Trade receivables are financial instruments and represent the amount due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less a loss allowance for impairment determined using the expected credit loss model for lifetime expected losses.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement include highly liquid short-term investments that can be easily converted into a known amount, are exposed to insignificant risk and have a maximum maturity of 3 months.

Trade payables

Trade payables are financial instruments and represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income.

Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income. In such cases, the tax is also recognised in other comprehensive income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognizes termination benefits when the Group can no longer withdraw the offer of those benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Share-based payments

IFRS 2 distinguishes between payments settled with cash and payments settled with equity instruments. The fair value of an equity-settled share-based payment is determined on the allotment date and the difference between this value and the payment the employee makes for the warrants is recognised as a cost over the vesting period with equity as the offsetting entry. Social security costs are recognised through profit or loss. The Group only has equity instrument settled payments.

Note that the Company has not issued any share-based instruments itself but have carried costs from incentive programmes issued by its Parent Company.

Cash flow statement

The Group presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash line items. Operating interests received and paid are reported as a part of operating activities. Interests paid on borrowings are included as a part of financing activities. Value Added Tax and other similar taxes are regarded as collection of tax on behalf of authorities, and are reported net.

Share capital

All shares are classified as equity.

Note 2 – Financial risks

The Group's activities expose it to a variety of financial risks: market risk (currency risk, fair value interest rate risk and cash), credit risk and liquidity risk. The Group does not use derivative instruments to hedge risk exposures.

Risk management is handled by Group management under policies approved by the Board. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board establishes written policies for overall risk management, as well as specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The following describes the Group's estimated risk exposure and related risk management.

(a) *Foreign exchange risk*
Exchange rate fluctuations affect the Group's financial results through translation of the profit and loss accounts and balance sheets of foreign subsidiaries to Norwegian krone (translation exposure). All external debts are denoted in NOK, and from the 2017 refinancing, after which Ice Scandinavia's external debts are denoted in NOK, and further after divesting the Swedish operations in 2019, the foreign exchange risk exposure is deemed as very low.

(b) *Interest rate risk relating to cash flows and fair values*
As the Group has no significant interest-bearing assets, the Group's revenues and cash flows from operating activities are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings at variable interest rates, where the risk lies in the fluctuation of 3-month NIBOR. The senior secured and senior unsecured bonds of a total NOK 2.2 billion, are running with an interest rate of NIBOR +4.60% and NIBOR +5.25% respectively. The 2015 subordinated loan of NOK 50 million from the Parent Company runs with fixed annual interest rate.

See the sensitivity analysis below.

Credit risk is managed on Group level, with the exception of credit risk relating to outstanding accounts receivable. Each Group company is responsible for monitoring and analysing the credit for each new customer before the standard terms of payment and delivery offered. Due to the end customer structure, Ice Group deems this risk as fairly low.

Liquidity risk is the risk that the Group may not have sufficient liquid financial resources to meet its obligations when they fall due or would have to incur excessive costs to do so. The Group assesses, monitors and manages its liquidity needs on an ongoing basis.

Please see the Group's main long-term financial liabilities classified according to the time on the closing date until the contractual maturity date, in note 22 Borrowings and in note 23 Leases.

The Group's target with respect to capital is to safeguard the Group's ability to continue its operations so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. With regards to the capital structure, please also see the financial covenants to the bondholders in note 22 Borrowings.

To maintain or adjust the capital structure, the Group may adjust the dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Similar to other companies in the industry, the Group assesses capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total gross borrowings (including current borrowings and non-current borrowings) less cash and cash equivalents. Total capital is calculated as equity plus net debt.

NOK millions	**2019**	**2018**
Total gross borrowings (note 22)	2,883	2,263
Less cash and cash equivalents (note 21)	-1,014	-270
Net debt	**1,869**	**1,993**
Total equity	391	151
Total capital	**2,260**	**2,144**
Net Debt/Total capital ratio	83%	93%

The following table shows the Group's financial liabilities measured at amortised cost in the consolidated statements of financial position as at 31 December 2019.

	31 Dec 2019		**31 Dec 2018**	
NOK millions	Carrying amount	Fair value	Carrying amount	Fair value
Senior Unsecured bond ISIN NO 001 0864002	899	899	-	-
Senior Unsecured bond ISIN NO 001 0789035	508	507	787	763
Senior Secured bond ISIN NO 001 0807092	1,380	1,418	1,376	1,384
Own bond	-281	-281	-	-
Loan from AINMT Holdings AB	63	63	63	63

[1] *Bondholders of the NOK 800 million Senior Unsecured Bond (ISIN NO 001 0789035) issued in April 2017 were offered to redeem their current bond holdings and reinvest in the new bond. As a result of the offer, Ice Group Scandinavia Holdings AS redeemed NOK 280.5 million of the total NOK 800 million par outstanding during Q4 2019 from bondholders in the NOK 800 million bond issue that then reinvested in the NOK 900 million bond.*

The factors below show the hypothetical effect on Group's profit, should some factors change. The calculations are hypothetical and should neither be considered as an indicator of either of these factors being more or less likely to change, nor the size of the magnitude of the change. Real changes and their effects may be larger or smaller than presented below. In addition, it is likely that the real changes will affect other items, and that actions by Ice Group and others, as a result of the changes, may come to affect other items.

The sensitivity analysis should therefore be interpreted with caution.

The Group's debts, except for the bonds, all run with fixed interest rates. The bonds run with NIBOR +5.25%, +4.60% and +8.00% respectively. A decrease/increase of 1% in NIBOR would have had a positive/negative effect on the Group's interest expense of approximately NOK 28 million.

Note 3 – Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

If the recoverable amount of an intangible or tangible non-current asset – licenses, customer relationships, technical equipment and other - falls below the book value, an impairment loss is recognised. At each balance sheet date, a number of factors are analysed in order to assess whether there is any indication of impairment. If such indication exists, an impairment test is prepared based on management's estimate of future discounted cash flows.

The estimates used to determine future cash flows and the discount rate used when calculating value in use are subject to uncertainty. The assumptions applied are as follows:

Average rates of *growth* in operating revenue are based on management's expectations of future conditions in the markets in which the business operates. The assumed long-term growth rate beyond the budgets and strategic plans approved by the Board cannot be higher than the long-term rate of growth in the economy where the business operates.

EBITDA margins are based on the volume/margins achieved historically, adjusted for expected future developments in market conditions. Programs to improve efficiency that are approved and committed are taken into account in determining the expected future EBITDA margins.

Investments needs and costs may vary significantly depending on external factors and technical development. It is assumed that the investments that are necessary to achieve the expected growth in revenue will be carried out.

Future cash flows are discounted to present value using a *discount rate* based on a calculation of a weighted average cost of capital ("WACC"). The after-tax WACC is calculated per segment.

The Group has recognised parts of the deferred tax assets for the tax losses in Ice Communication Norge AS to the extent it is deemed it is likely that these losses carry forwards can be utilized against future taxable income and taxable temporary differences. The Group tests annually whether any impairment exists for deferred tax assets for tax loss carry-forwards. In addition, the Group assesses whether it is appropriate to activate the new deferred tax assets for the year's tax losses.

In relation to the divestment of Netett Sverige AB in Q1 2019, the deferred tax assets related to this entity were consequently derecognised.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise an option to renew a lease contract, considering all relevant factors that create an economic incentive for the Group to exercise the renewal or not exercise an option to terminate. The threshold for being reasonably certain is lower than virtually certain and higher than more likely than not under IAS 37 Provision, contingent liabilities and contingent assets. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to, or not to, exercise the option to renew

The main part of Ice Scandinavia's lease contracts, excluding spectrum licences, relates to the sites with the mobile networks and office property. For assessing the useful life of these assets, the Group considers factors such as technology development, business model and potential business combinations. Hence, the lease term does not affect the Group's determination of useful life of own assets or other non-removable leasehold improvements determined for the purposes of depreciation charges.

Ice Group works actively with, and has an ongoing process, to secure future financing and continue to capitalize on the growth success in Norway. The process includes a number of options and partners

From a liquidity perspective, the NOK 1.5 billion equity raised by the Ice Group Parent Company, completed in January 2019 secured funding for 12-15 months for the Group. Combined with the divestment of the Swedish business this has secured additional funds for network build-out and growth in Norway well into 2020.

Based on the above, the Board confirms that the confirms that the prerequisites for the going concern assumption exist and that the financial statements have been prepared based on a going concern basis in accordance with section 3-3a of the Norwegian Accounting Act and IAS1, p. 25-26.

Note 4 – Segment information

The segment information is reported in accordance with the reporting to Group Executive Management (chief operating decision-makers) and is consistent with financial information used by this body for assessing performance and allocating resources and is based on geographical location. Growth is measured from service revenues and profitability is measured from EBITDA performance (please see note 31 for definitions), both by geographic location.

2019

NOK millions	Service revenue	Total revenue	EBITDA	Investments
Norway	1,654	1,720	-152	886
Sweden	19	21	5	0
Denmark	14	15	-10	1
Corporate overhead	-	0	-6	-
Total	**1,687**	**1,756**	**-163**	**887**

2018

NOK millions	Service revenue	Total revenue	EBITDA	Investments
Norway	1,392	1,480	-194	604
Sweden	131	161	46	41
Denmark	17	18	-0	2
Corporate overhead	-	-	-3	-
Total	**1,539**	**1,659**	**-150**	**647**

Revenue from intercompany charges are not included in the segments information. Investments and non-current assets exclude financial assets and deferred tax assets.

EBITDA (Earnings Before Interests, Taxes Depreciations and Amortisations) is as operating profit after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included. Also see note 31 Definitions.

	2019	2018
Operating result	**-660**	**-637**
Depreciation and amortisation	468	465
EBITDA	**-192**	**-172**
Network upgrades and migrations	10	26
Redundancy and other items	16	0
Share-based compensation expense	3	-4
EBITDA adjusted	**-163**	**-150**

Note 5 – Revenues by type

	2019	2018
Revenue from sale of communication services	1,687	1,539
Revenue from sale of Customer Premises Equipment ("CPE")	9	32
Other operational revenue	60	87
Total revenues	**1,756**	**1,659**

Communication services revenue consist of voice, data and mobile broadband subscription fees, revenues from voice (outgoing traffic) and data traffic, messaging, outbound roaming and other carrier services, wholesale and other mobile service revenues.

CPE revenue is mainly related to sale of routers and accessories (antennas, batteries etc) and in 2018 also introducing Smartphone handsets.

Other operational revenue includes invoice fees, breach-of-contract fees, and admin fees as billing, reminder and collection fees.

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Note 6 – Revenue from contracts with customers

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

2019 Full year	**Service revenue**			**Other revenue**				
NOK millions	Norway	Sweden	Denmark	Norway	Sweden	Denmark	Other	**Total**
Revenue from external customers	1,654	19	14	66	2	1	0	**1,756**
Timing of revenue recognition:								
At a point in time	357	1	1	66	2	1	0	**428**
Over time	1,297	18	13	1	-	-	-	**1,329**

2018 Full year	**Service revenue**			**Other revenue**			
NOK millions	Norway	Sweden	Denmark	Norway	Sweden	Denmark	**Total**
Revenue from external customers	1,392	131	17	88	30	1	**1,659**
Timing of revenue recognition:							
At a point in time	337	6	1	88	30	1	**463**
Over time	1,054	125	16	0	0	-	**1,195**

Revenues from external customers comes in all material aspects from service subscriptions.
Other revenue consists of CPE sales and other operational revenue.

The group has recognised the following assets and liabilities related to contracts with customers:

NOK millions	**31 Dec 2019**	31 Dec 2018
Capitalised cost to obtain/fulfil customer contracts	366	304
Contract assets included in Prepaid expenses and accrued income	48	45
Contract liabilities included in Accrued expenses and deferred income [1]	42	55

[1] *No liability from 2018 is left in 2019, the difference between revenue in 2019 and liability in 2018 is related to the divestment of Netett Sverige AB in 2019.*

Revenue recognised in relations to contract liabilities
The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

NOK millions	**31 Dec 2019**	31 Dec 2018
Revenue recognised that was included in the contract liability	44	37

Assets recognised from costs to fulfil a contract
In addition to the contract balances disclosed above, the group has also recognised an asset in relation to costs to fulfil long-term contracts.

NOK millions	**31 Dec 2019**	31 Dec 2018
Asset recognised from costs incurred to obtain/fulfil a contract at the end of period	366	304
Amortisation recognised as cost of providing services during the period	-206	-172

Note 7 – Sales and administrative fees

NOK millions	**2019**	**2018**
Fees to auditors (see specification below)	6	7
Marketing costs	276	187
External services	92	94
Sales costs	300	338
Other expenses	86	95
Total	**760**	**721**

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Fees and other remuneration to auditors	2019	2018
NOK thousands		
PwC		
Audit assignment	2,683	3,190
Other assurance services	205	229
Tax advisory	455	227
Other advisory services	2,168	3,030
Total	**5,510**	**6,677**

Audit assignments involve examination of the annual accounts and the Board and the CEO, other tasks incumbent upon the auditor to perform. Further assurance services principally include other attestation services required by laws and regulations, attestations related to information system, audits, attestations and agreed upon procedures required by regulators and other third parties. Other advisory services include advice or other assistance resulting from observations of such review or implementation of such other tasks. All amounts are excluding VAT. The Group has not received any services from any other audit firm than PricewaterhouseCoopers.

Note 8 – Employees

Average number of employees divided by country	2019 Total	2019 Of which men	2018 Total	2018 Of which men
Norway	206	140	156	118
Sweden	-	-	29	22
Denmark	5	4	8	7
Total	**211**	**144**	**193**	**147**

Employee benefit expenses	2019	2018
Salaries and other remuneration	195	180
Pension benefits [1]	8	9
Other social costs	28	31
Other personnel related expenses	23	17
Capitalised expenses for development work [2]	-31	-31
Total	**222**	**206**

1) *Post-employment benefits. The Group has only defined contribution pension plans. All the related costs have been recognised in the statement of comprehensive income, which is the same as the amount paid. The Group has no other post-employment benefits to employees.*

2) *See note 1 for further details on capitalisation.*

2019

Remuneration and other benefits Senior executives	Base salary	Bonus	Other benefits	Pension benefit	Total	Of which carried by the Group[4]	Options EoP
NOK thousands							
Eivind Helgaker / CEO	3,155	1,875	164	158	**5,352**	**5,352**	545,000
Henning Karlsrud / CFO	2,438	1,938	154	122	**4,652**	**4,652**	50,000
Shiraz Abid [1] / CCO	356	201	5	28	**590**	**590**	150,000
Martin Westersø [1] / Chief of Staff	334	-	2	17	**352**	**352**	115,000
Jan-Erik Hvidsten [1] / CTO	333	98	1	22	**453**	**453**	-
Hans Heggenhaugen [1] / CPO	320	107	1	21	**449**	**449**	35,000
Reynir Jóhannesson [1] / Communication Director	285	-	7	14	**306**	**306**	-
Cathrine Wiig Ore [1] / General Counsel	320	65	1	16	**386**	**342**	-
Total	**7,541**	**4,284**	**335**	**398**	**12,558**	**12,558**	

1) *Assumed the position on 1 October 2019.*

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2018

Remuneration and other benefits Senior executives	Base salary	Bonus	Other benefits	Pension benefit	Total	Of which carried by the Group[4]	Options EoP
NOK thousands							
Eivind Helgaker / CEO	2,550	1,185	500	128	**4,363**	4,363	545,000
Henning Karlsrud[1] / CFO	2,205	1,938	187	110	**4,440**	4,440	-
Murat Erden[2] / Interim CFO	195	1,992	-	-	**2,187**	68	-
Jean Daniel Fouchard[3] / CEO	2,021	1,886	178	-	**4,086**	1,430	600,000
Jean-Marc Engels[3] / CTIO	1,728	1,152	-	-	**2,879**	1,008	97,000
Total	**8,699**	**8,153**	**865**	**238**	**17,955**	**11,309**	

1) *Assumed the position on 12 January 2018.*
2) *Had the position until 12 January 2018.*
3) *Had the position until 19 September 2018.*
4) *Parts of the senior executive team also carry out services for the non-Scandinavian part of the AINMT Holdings AB Group. Only the proportion of their time that they contribute to this Group is expensed in the Group's statement of comprehensive income.*

The Board of Directors consist of 3 (2) persons from Senior executives. No separate Board fee has been paid to the Board members. Costs expensed for Share-based incentive programs (see below) related to Senior executives amounted to NOK 3 (3) million.

Guidelines for remuneration to senior executives and CEO
Remuneration to the Chief Executive Officer ("CEO") and other senior executives consists of base salary, variable remuneration, other benefits and share-based compensation. Other senior executives are those eight people who, together with the CEO, comprise the Group management. Distribution between basic salary and variable compensation shall be proportionate to the executive's responsibility and authority. For senior executives, variable pay is ranged between 35% and 100% of base salary. Variable compensation is based on performance in relation to individual targets.

CEO
The CEO is eligible to receive an annual bonus of up to 75% of the annual base salary if conditions apply. The CEO is entitled to a severance pay of 6 months base salary in case of notice based on Company circumstances. The Group has no difference in retirement benefits for executives compared to other employees.

Share-based incentive program
In 2014 Ice Group introduced a share-based incentive program consisting of warrants and employee stock options in the Parent Company AINMT Holdings AB. The warrants were allocated free of charge, were strictly equity based and the employees did not have the option to receive the settlement in cash. The warrants were issued by AINMT Holdings AB and each subscription or stock option entitled to subscribe for one ordinary Class B share and the expiration date was 31 December 2018. The total number of warrants and employee stock options issued on 31 December 2014 amounted to 4,550,450 of which 3,245,000 were distributed to employees within the Ice Group Scandinavia Holdings AS group. The costs were recognised over the duration of the programs and based upon managements' expectations on future exercises of the warrants and stock options. All warrants from the program lapsed on 31 December 2018. The Parent Company did not recharge the Company for the expenses related.

Following the postponement of the potential initial public offering of Ice Group Parent Company's shares on Oslo Børs as announced on 6 December 2018, the Board of Ice Group ASA replaced and continued the option programme that expired in December 2018.

On 29 March 2019, a new LTI program was announced, a total of 3,522,000 options, each entitling the holder to the issue of one share in Ice Group ASA with a strike price of NOK 15.13 (equal to SEK 16.23, which was the strike price in the expired programme in AINMT Holdings AB). The latest exercise date for the 1,825,000 options held by current employees and board members is 31 December 2020, while the latest exercise date for the options held by others is 31 December 2019. Ice Group ASA aims to issue options for around 1.5% of the shares to employees within Ice Group every year.

On 20 December 2019, the Board of Ice Group ASA extended the current share option program for former employees that expire in December 2019 to 31 December 2020. The extension includes a total of 1,847,000 options, each entitling the holder to the issue of one share in Ice Group ASA with a strike price of NOK 15.13.

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Note 9 – Taxes

	2019	2018
Current taxes	-	-
Deferred taxes	-10	5
Total tax	**-10**	**-5**

Reconciliation of effective tax	**2019**	**2018**
Result before tax	-973	-935
Income tax calculated at applicable tax rate of the Parent Company	214	215
Difference in tax rates in foreign operations[1]	0	-1
Tax effects from:		
- Non-taxable income and non-deductible items	5	-6
- Non-capitalised unused tax losses	-229	-213
Total tax	**-10**	**-5**

1) *The Group is conducting business in Scandinavia, which means that the Group complies with applicable tax laws in Norway, Sweden and Denmark. Applicable corporate tax rates are 22% (23%) in Norway, 22% (22%) in Sweden and 22% (22%) in Denmark.*

	2019	2018
Positive changes in deferred taxes	45	8
Negative changes in deferred taxes	-54	-13
Total deferred tax in the statement of income	**-10**	**-5**
Deferred tax assets		
Opening carrying amount	66	80
Changes recognised as income in the statement of income	-	-
Changes recognised as cost in the statement of income	-54	-13
Currency translation differences	16	-1
Closing carrying amount	**28**	**66**
Whereof attributable to capitalised tax losses	0	62
Whereof attributable to temporary differences from 22% / 23%	28	4
Deferred tax liabilities		
Opening carrying amount	-75	-84
Changes recognised as income in the statement of income	45	8
Currency translation differences	2	1
Closing carrying amount	**-28**	**-75**
Whereof attributable to non-current assets	-28	-75
Net deferred taxes presented in the statement of positions	**0**	**-9**

Deferred tax assets are recognised for tax loss carry forwards to the extent that it is probable that they can be utilized by future taxable profits. The Group did not recognize deferred tax assets amounting to NOK 823 (1,678) million related to losses of NOK 3,867 (3,657) million, which can be offset against future taxable profits. The Group's loss carry-forwards does not expire at any given time, except for non-deductible internal interest that have a lifetime of 10 years.

Note 10 – Financial income

	2019	2018
Interest income	3	1
Currency gains	-	-
Other financial income	0	0
Total	**3**	**2**

Note 11 – Financial expenses

	2019	2018
Interest expenses	-174	-148
Currency losses	-10	-7
Interest expenses related to leases	-112	-139
Net loss sale of associated companies [1]	-13	0
Other financial expenses	-6	-1
Total	**-316**	**-295**

[1] *Relates to the divestment of Netett Sverige AB, completed on 14 March 2019.*

Note 12 – Intangible assets

	Licenses and similar rights[1]	Customer relationships	Other intangible assets	Total
Accumulated acquisition value	1,354	293	246	1,893
Accumulated amortisation	-293	-181	-47	-521
Opening carrying value 1 January 2018	**1,061**	**112**	**200**	**1,372**
Changes during the year				
Investments	46	-	75	121
Disposals / write-downs	-	-	-	-
Currency translation differences	1	-	-0	1
Amortisation	-77	-33	-41	-49
Closing carrying value	**1,031**	**80**	**233**	**1,344**
Accumulated acquisition value	1,404	293	316	2,013
Accumulated amortisation	-373	-214	-83	-669
Closing carrying value 31 December 2018	**1,031**	**80**	**233**	**1,344**
Closing carrying value 31 December 2018, right-of-use assets	*412*	-	-	*412*
Changes during the year				
Discontinued operations	-52	-	-	-52
Investments	759	102	92	953
Disposals / write-downs	-1	-	-2	-2
Currency translation differences	-3	-	-0	-3
Amortisation	-81	-45	-54	-179
Closing carrying value	**1,655**	**136**	**268**	**2,060**
Accumulated acquisition value	2,026	395	387	2,807
Accumulated amortisation	-371	-258	-118	-748
Closing carrying value 31 December 2019	**1,655**	**136**	**268**	**2,060**
Closing carrying value 31 December 2019, right-of-use assets	*819*	-	-	*819*

[1] *Restated due to implementation of IFRS16. Please refer to note 1 and note 23 for further details.*

The below table shows the commercial mobile spectrum licences that the Group holds as of 31 December 2019:

Spectrum (MHz)	*Bandwith (MHz)*	*Valid until*	*Spectrum (MHz)*	*Bandwith (MHz)*	*Valid until*
Norway			**Denmark**		
410 MHz	2 x 1.8 MHz	31 Dec 2019	450 MHz	2 x 4.5 MHz	23 Jan 2022
450 MHz	2 x 5 MHz	31 Dec 2039			
700 MHz	2 x 10 MHz	31 Dec 2039			
800 MHz	2 x 10 MHz	31 Dec 2033			
900 MHz	2 x 5.1 MHz	31 Dec 2033			
1,800 MHz	2 x 20 MHz	31 Dec 2033			
2,100 MHz	2 x 20 MHz	31 Dec 2032			

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As over three years remain before the expiry of the frequencies, the process for renewal is not yet known and, as such, the Group has not yet defined a plan for renewal. However, to the Group's knowledge, no other operators have network or end-customer equipment supporting 450 MHz frequencies, which would make the indirect acquisition and utilization cost substantially higher for other operators.

Other intangible assets mainly consist of IT software and capitalised development costs.

Note 13 – Property and technical equipment

	Property	Technical equipment	Equipment and tools	Other tangible assets	Work in progress	Total
Accumulated acquisition value	133	2,758	10	43	328	3,272
Accumulated depreciation	-16	-661	-3	-31	-	-711
Opening carrying value 1 January 2018	**118**	**2,097**	**7**	**12**	**328**	**2,560**
Changes during the year						
Investments	1	296	2	9	70	377
Disposals / write-downs	-	-33	-	-2	-	-35
Reclassifications, net	-	2	-	-	-2	-
Currency translation differences	-1	-17	-0	-0	-0	-18
Depreciation	-12	-257	-1	-11	-	-282
Closing carrying value	**105**	**2,089**	**8**	**7**	**394**	**2,603**
Accumulated acquisition value	133	3,039	11	44	394	3,621
Accumulated depreciation	-28	-950	-3	-37	-	-1,019
Closing carrying value 31 December 2018	**105**	**2,089**	**8**	**7**	**394**	**2,603**
Closing carrying value 31 December 2019, right-of-use assets	*105*	*1,033*	*1*	*2*	-	*1,141*
Changes during the year						
Discontinued operations	-29	-496	-1	-1	-1	-528
Investments	1	525	0	1	109	636
Disposals / write-downs	-0	-6	-	-0	-	-7
Reclassifications, net	-	0	-	0	-	0
Currency translation differences	-1	-37	-0	-0	-	-38
Depreciation	-9	-275	-1	-3	-	-288
Closing carrying value	**66**	**1,800**	**6**	**2**	**503**	**2,376**
Accumulated acquisition value	83	2,737	9	10	503	3,341
Accumulated depreciation	-17	-937	-3	-7	-	-965
Closing carrying value 31 December 2019	**66**	**1,800**	**6**	**3**	**503**	**2,376**
Closing carrying value 31 December 2019, right-of-use assets	*66*	*790*	*1*	*1*	-	*857*

Work in progress by 31 December 2019 consists primarily of capitalised costs related to the technology upgrade. No interests have been activated related to the project.

Note 14 – Investments in joint ventures

	Holding		Book value of shares		Result from shares	
Company name	**31 Dec 2019**	**31 Dec 2018**	**31 Dec 2019**	**31 Dec 2018**	**2019**	**2018**
NOK thousands						
Smartkom AS	50%	50%	310	268	42	33
Total book value of shares in joint ventures at 31 December	**50%**	**50%**	**310**	**268**	**42**	**33**

Voting shares equals the capital share.

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Result from shares in joint ventures	**2019**	**2018**
NOK thousands		
Holdings	50%	50%
Participation in result of joint ventures	42	33
Net result	85	66
Total result of shares in joint ventures	**42**	**33**

Extracts from the income statement of joint ventures	**2019**	**2018**
NOK thousands		
Operating result	85	66
Net result	**85**	**66**

Extracts from the balance sheet of joint ventures	**2019**	**2018**
NOK thousands		
Current assets	553	509
Total assets	**553**	**509**
Equity	404	394
Total liabilities	259	115
Total equity and liabilities	**663**	**509**

Shares in joint ventures **Acquisition value**	**2019**	**2018**
NOK thousands		
Investments	268	173,660
Discontinued operations	-	-173,425
Share of result for the year	42	33
Total shares in joint ventures at 31 December	**310**	**268**

Note 15 – Investments in subsidiaries

Ice Group Scandinavia Holdings AS holds investments in the following subsidiaries:	Corporate identity no	Registered office	Capital share	Number of shares
Direct holdings:				
Ice Communication Norge AS	912 672 808	Oslo, Norway	100%	30,000
Ice Danmark ApS	29 849 943	Copenhagen, Denmark	100%	5,000,000
SmartKom AS (indirect holdings)	917 953 686	Oslo, Norway	50%	100,000

Voting shares equals the capital share.

Note 16 – Financial instruments by category

	31 Dec 2019	**31 Dec 2018**
Financial assets at amortised costs		
Other financial assets	20	22
Trade receivables	107	95
Cash and cash equivalents	1,014	270
Total	**1,141**	**387**
Financial liability at amortised costs		
Borrowings	2,883	2,263
Other non-interest bearing liabilities	304	-
Non-current lease liabilities	1,616	1,626
Trade payables	155	228
Current lease liabilities	111	66
Other current liabilities	18	21
Total	**5,086**	**4,205**

Both assets and liabilities are measured at amortised cost.

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Note 17 – Operating expenses

	2019	2018
Carrier services	279	251
COGS	41	58
Network costs	206	376
Total	**526**	**685**

Note 18 – Trade receivables

	31 Dec 2019	31 Dec 2018
Trade receivables	119	105
Less provision for bad debts	-12	-10
Trade receivables – net	**107**	**95**

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2018 or 1 January 2018, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

	Gross		Net	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
Trade receivables not due	63	61	63	61
Trade receivables past due	55	44	44	34
of which less than 30 days	*26*	*17*	*25*	*16*
of which 30-180 days	*7*	*9*	*6*	*7*
of which more than 180 days	*22*	*18*	*13*	*11*
Total accounts receivable	**119**	**105**	**107**	**95**

	31 Dec 2019	31 Dec 2018
Loss allowance as of 1 January	**-10**	**-12**
Change during the year	-1	3
Currency effects	0	-0
Loss allowance as of 31 December	**-12**	**-10**
Realised losses for the year	-7	-8

Allocations to and reversals of provisions for bad debts are included in other expenses. There is no collateral or other security on the outstanding trade receivables at period end(s).

Note 19 – Other current receivables

	31 Dec 2019	31 Dec 2018
VAT receivable	13	13
Other	1	1
Total	**13**	**14**

Note 20 – Prepaid expenses and accrued income

	31 Dec 2019	31 Dec 2018
Prepaid expenses	16	49
Accrued income related to contract with customers	9	13
Accrued interest income	0	1
Total	**25**	**62**

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Note 21 – Cash and cash equivalents

	31 Dec 2019	31 Dec 2018
Cash at bank	996	263
Payroll withholdings and other restricted cash	18	7
Total	**1,014**	**270**

Note 22 – Borrowings

	31 Dec 2019	31 Dec 2018
Non-current borrowings (see also note 1)		
Bond loans – Gross debt	3,100	2,200
Bond loans – Loan costs	-40	-50
AINMT Holdings AB loan	63	63
Own bonds	-281	-
Adjusted for:		
Capitalised loan costs	40	50
Total borrowings	**2,883**	**2,263**
Cash and cash equivalents	-1,014	-270
Net debt	**1,869**	**1,993**

Please see also Net Interest-Bearing Debt ("NIBD") under Alternative Performance Obligations on page 45.

In Q2 2017, Ice Group, through Ice Group Scandinavia Holdings AS, successfully issued a five-year NOK 800 million senior unsecured bond (ISIN NO 001 0789035) at a blended debt financing cost of NIBOR +5.25%. The bond was successfully admitted to Oslo Stock Exchange on 3 October 2017.

In Q4 2017, Ice Group, through Ice Group Scandinavia Holdings AS, issued a four-year NOK 1.4 billion senior secured bond (ISIN NO 001 0807092). The bond has a coupon of 3 months NIBOR +4.60%. The bond was successfully admitted to Oslo Stock Exchange on 8 November 2017.

In Q4 2019, Ice Group Scandinavia Holdings AS, issued a four-year NOK 900 million senior secured bond (ISIN NO 001 0864002). The bond has a coupon of 3 months NIBOR +8.00%. The bond was successfully admitted to Oslo Stock Exchange on 1 April 2020.

In Q1 2015, the Norwegian business acquired the B2B business from Network Norway. The commitment to pay the seller's credit related to this purchase was overtaken by AINMT Holdings AB and consequently Ice Group Scandinavia Holdings AS entered an internal loan, amounting to NOK 50 million, with its Parent Company instead of its external party. The interest is annually fixed 9.75%. The loan is subordinated.

The total borrowings from AINMT Holdings AB includes capitalised interests of NOK 13 million.

For the Senior Secured Callable Bond 2017/2021, the Senior Unsecured Callable Bond 2017/2022 and the Senior Unsecured Bond 2019/2023 the Group has to comply to certain covenants:

- Liquidity must at all times exceed NOK 150 million
- Loan to value, where net interest-bearings debts to enterprise value must not exceed 50%

As per 31 December 2019, loan to value 25%.

The maturity table below shows the classification of the Group's main long-term financial interest-bearing liabilities by closing date until the contractual maturity date. Other liabilities are due within one year or not material.

Maturity table		**31 Dec 2019**	**Payment due by period**		
2019	Original Loan Amount	Outstanding principal	Borrowings and interests due within 1 year	Borrowings and interests due between 2 and 5 years	Borrowings and interests due after 5 years
Senior Unsecured Callable Bond 17/22	800	800	-53	-868	-
Senior Secured Callable Bond 17/21	1,400	1,400	-84	-1,406	-
Senior Unsecured Callable Bond 19/23	900	900	-88	-1,187	
AINMT Holdings AB loan [1]	50	63	-3	-14	-66
Total		**3,163**	**-228**	**-3,474**	**-66**

1) Interest is capitalised.

The table does not include the non-cash unwinding of capitalised loan costs.

Note 23 – Leasing agreements

The note provides information for leases where the Group is a lessee. The rights-of-use assets stated below has been recognised in the balance sheet as tangible and intangible fixed assets.

NOK millions	**31 Dec 2019**	**31 Dec 2018**
Right-of-use assets		
Licenses	819	412
Property	66	105
Technical equipment	790	1,033
Equipment and tools	1	1
Other tangible assets	1	2
Total	**1,676**	**1,553**
Lease liabilities		
Current	111	66
Non-current	1,616	1,625
Total	**1,727**	**1,691**

NOK millions	**31 Dec 2019**	**31 Dec 2018**
Depreciation charge of right-of-use asset		
Licenses	-34	-22
Property	-9	-12
Technical equipment	-54	-61
Equipment & tools	0	0
Other tangible assets	-1	0
	-98	**-96**
Interest expense (included in financial expenses)	-112	-139
Expenses related to low-value leases (included in other expenses)	-2	-2

Total cash outflow related to leases in 2019 amounted to NOK 202 millions

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Duration *NOK millions*	Short-term lease	1-3 years	3-5 years	Over 5 years	Total Long-term
Short-term debt	111				
Long-term debt		166	192	1,257	**1,616**

Note 24 – Other current liabilities

	31 Dec 2019	31 Dec 2018
Employee benefit related liabilities	12	12
Other payables	15	8
Total	**27**	**20**

Note 25 – Accrued expenses and deferred income

	31 Dec 2019	31 Dec 2018
Accrued interests	72	48
Accrued personnel related expenses	36	37
Other accrued expenses	301	173
Accrued expenses related to leases	91	94
Deferred revenue	42	55
Total	**542**	**408**

Note 26 – Pledges and other contractual commitments

Assets pledged as per 31 December 2019 were all related to the issuing of the Senior Secured Callable bond (ISIN NO 001 0807092) in favour of the bondholders (Nordic Trustee ASA, Norway, as bond trustee on behalf of the bondholders):

- All shares in Ice Group Scandinavia Holdings AS and its subsidiaries Ice Communication Norge AS and Ice Danmark ApS
- Ice Group Scandinavia Holdings AS: Pledge over (i) all bank accounts (NOK 704 million), (ii) operating assets (NOK 299 million), (iii) inventory and (iv) factoring registered in the Register of Mortgaged Movable Property
- Ice Communication Norge AS: Pledge over (i) bank accounts (NOK 305 million), (ii) operating assets (NOK 44 million), (iii) inventory (NOK 5 million), (iv) technical equipment (NOK 1,010 million), (iv) factoring registered in the Register of Mortgaged Movable Property
- In addition to the above, pledges were set out over the monetary claims under the following Group internal loans and loan agreements:
    - Ice Group Scandinavia Holdings AS loan agreements to/with Ice Norge Communication AS of (ii) NOK 1,660,000,000

All pledges related to Netett Sverige AB were duly released in connection with the divestment in February 2019.

Other contractual commitments	**2019**	**2018**
Commitments, investments	140	922
Commitments, other	-	41
Total future fees for other contractual commitments	**140**	**962**

Other commitments mainly relate to commitments for ordered and contracted goods and services that cannot be cancelled without economic effects.

Note 27 – Adjustments for non-cash items

	2019	2018
Currency related adjustments (unrealised)	-11	7
Share-based compensation expenses (see note 8)	3	-4
Other non-cash items	8	8
Total	**-0**	**10**

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Note 28 – Transactions with related parties

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA, Norway. The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware. The ultimate parent which is deemed to have a controlling influence over AINMT Group is AI International Investments LLC, registered in Delaware, USA with address 730 5th Avenue, 20th Floor, New York NY10019. Other related parties are all subsidiaries within the Group and senior executives of the Group, i.e. Board and Management, as well as its family members.

In 2015 Ice Group Scandinavia Holdings AS entered into a subordinated loan agreement with its Parent Company, AINMT Holdings AB. The loan was subordinated to the High Yield Bond at that time, and is still subordinated to the new Senior Secured Callable Bond(s). See also note 22 Borrowings.

Goods and services are bought and sold by and to all the Scandinavian subsidiaries on normal commercial terms with cost plus margin of 7%.

Note 29 – Subsequent events

There are no other events after 31 December that have a material effect on the financial statement for 2019, however the below items are relevant for the future business of Ice Scandinavia:

On 3 January 2020 the Company reached 574k smartphone subscriptions in Norway, implying a 10% market share based on latest available figures for total market size (H1 2019, Nkom, 24 October 2019).

On 24 February 2020, the Board of Directors of Ice Group ASA (the Parent Company of Ice Group Scandinavia Holdings AS) approved a new long-term incentive (LTI) program aimed to align the interests of the participating employees with those of the Company's shareholders. The program is discretionary, and participants are invited on an annual basis. The total number of options granted in this year's program is 2,800,000 where each option will give the holder the right to acquire one Ice Group ASA share. The options are granted with 800,000 options to CEO, 250,000 options to each other member of the executive management team and up to 250,000 options in total to other key employees. The program includes a cap on profit equal to 5x annual salary per employee. The strike price of the options is NOK 25. The options will have a vesting period of four years, with 25% of the options vesting each year and first vesting one year after the grant date. Two exercise periods per year will be set by the Company. The options will expire 7 years after the grant date.

In March 2020 the outbreak of the Covid-19 virus reached Norway. Ice Group is focusing on maintaining operations, its employees, customers and business development in this challenging situation. The subscription-based business model of telecoms experiences limited direct impact of the Covid-19 outbreak, and Ice Group has implemented several initiatives to secure that there is no negative impact on the stability and quality of the network and customer offering. Ice Group's main goal is to operate and continue to build the third mobile network in Norway, a crucial part of the national telecom infrastructure.

Note 30 – Risks and factors of uncertainty

Ice Group's continuing operations operate in the highly competitive and regulated mobile telecommunications industry in Scandinavia and is exposed to certain risks that could have impact on earnings or its financial position. Ice Group has defined risk as anything that could have a material adverse effect on the achievement its goals or activities. Risks can be threats, uncertainties or lost opportunities relating to Ice Group's current or future operations. Ice Group divides the risks into related to the *Industry* in which the Company operates, risk related to the *Operations* of the group and risks related to *Financing* of the business

Disease outbreaks and pandemic risks

While Ice Group's operations are today foremost based in Norway, it relies on a significant number of operational staff and third-party suppliers to run smoothly, as well as the continuous and stable supply of handsets and other equipment to our customers. As has been evidenced by the recent COVID-19 pandemic outbreak, disease outbreaks can put significant restrictions on the prerequisites for continuing operations of assets, including movement of people and their ability to get to their place of work. Such restrictions on and the outbreak itself could have an adverse impact on the Group's business, including on supply of both network equipment and handsets or other consumer premises, equipment, and could also impact the availability and performance of service staff with our suppliers.

Given the rapidly evolving landscape of the COVID-19 pandemic, where information, impacts and even the regulatory environment can change in a matter of hours, it is extremely difficult to estimate the potential impact of

the COVID-19 to the Company's financial results. Ice Group has however implemented precautionary measures and protocols based on recommendations from official health authorities, such as Folkehelseinstituttet and the World Health Organization ("WHO"). To the extent possible, business continuity plans have been updated and implemented to mitigate any negative impact on the business from a wide-spread and long-lasting disease of the Coronavirus type.

Although the Group's operations with respect to delivering services to our thus far have for the most part continued without any significant interruptions, we have, among other things, experienced a constraint from the suppliers on the network build-out. It is clear that restrictions resulting from pandemic outbreaks such as COVID-19 on movement of people, transports of equipment and other governmental or regulatory restrictions could limit Ice Group's ability to meet operational and financial targets and commitments to customers. Furthermore, the general reduction in macroeconomic activity – both domestic and international – following the COVID-19 disease outbreak could directly impact the growth and/or demand for the services Ice Group provides, which could result in lower service revenues, and thereby have a material adverse effect on Ice Group's business, financial condition and results of operations.

Industry related risks

The Group operates in Norway, Sweden and Denmark and is accordingly influenced by the prevailing macroeconomic conditions in each country, as well as global economic, financial and geopolitical conditions.

Factors relating to general economic conditions, such as consumer spending, business investment, government spending, the volatility and strength of both debt and equity markets, and inflation, all affect the profitability and financial condition of the Group's business. In a sustained economic phase of low growth and high public debt, characterised by higher unemployment, lower household income; could result in customers switching to lower-cost alternatives offered by the Group's competitors. The following may significantly impact the Group's earnings and financial position: (i) a deterioration and volatility in the global and local economy, as well as the telecommunications sector; (ii) a deterioration in business and consumer confidence, employment trends; and (iii) a drop-in consumer spending. The exact nature of all the risks and uncertainties the Group faces as a result of the current economic conditions and economic outlook in the markets in which the Group operates cannot be predicted and many of these risks are beyond the Group's control. Any of these factors may affect the Group's ability to grow its subscriber base and the price charged to its customers and could have a material adverse effect on the Group's business, earnings and financial condition.

The Group operates in a highly regulated industry. The Group's businesses are subject to regulations set by Government authorities in each of the markets in which the Group operates. Changes in regulation or Government policy could restrict the Group's ability to manage its operations. Regulatory authorities could amend or revoke licenses, which could materially impact the Group's business performance and operational results.

Norway represents the Group's core territory. The Norwegian Communications Authority has designated Telenor with significant market power, and therefore specific obligations have been imposed on Telenor. Such impositions could be obligations for Telenor such as to sell and give access to their network, non-discriminatory obligations with regard to price or any other terms for access for national roaming, Mobile Virtual Network Operator ("**MVNO**") agreements and co-location, accounting separation so that this forms a basis for monitoring compliance with the prohibition of price discrimination against MVNO providers, price and accounting controls. The wholesale prices for mobile data could therefore become regulated to help MVNOs and Service Providers competitiveness in the mobile data market.

For the Smartphone services in Norway, agreements with national and international operators are required to ensure services for the customers in relation to interconnect and international roaming. On national level, there is a regulation on obligation to offer interconnect agreements with the other operators, with a degree of price regulation. On international level, the Group is dependent on maintaining agreements securing both interconnect and international roaming. Lack of such agreements could result in no-service for customers on making international calls and roaming abroad. For EU-roaming, the wholesale prices are regulated, but for international roaming outside EU, the Group is dependent on agreements with reasonable financial terms.

The electromagnetic signals from mobile devices and base stations have raised concerns over potential health risks. If negative campaigns around the potential effect of radio signals on health were to increase or litigation were to arise, this could lead to negative publicity, potential reduction in customer intake and usage and restrict network roll-out which could have a material adverse effect on the Group's business, earnings and financial condition.

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Operational risks

The Group's business plan presupposes a significant growth in its customer base in the Scandinavian region. The Group faces competition from other telecommunication operators in the markets in which it operates, as well as fixed line operators in some markets. The Group's main competitors in Norway are Telenor and Telia Company. In Sweden the main competitors are Telia Company, Tele2, Telenor and 3. In Denmark the main competitors are TDC A/S, Telenor Denmark, 3 Denmark and Telia Company.

Competition from current market participants, potential new entrants and new products and services, may adversely affect the Group's performance. In Norway, both Telenor and Telia Company offers MVNOs access to infrastructure and network. Meanwhile, there are a limited number of MVNOs in Norway. Still, a company has the opportunity of offering mobile services through entering into service provider agreements with Telenor or Telia Company. A service provider agreement means that the threshold for entering into the mobile market as a competitor is somewhat lower since such new entrants are not dependent on investing in infrastructure or core network.

Increased competition could lead to an increased customer churn and a decrease in customer growth rates as well as affect the prices the Group charges for its products and services any of which could have a material adverse effect on the Group's business, earnings and financial condition. Moreover, multi-play offerings could be introduced by competitors, which the Group might not be able to meet, and as a consequence the Group might have an increase in customer churn.

The Group's success is dependent on its ability to continue its investments in maintaining, upgrading and expanding its telecommunication networks. In Scandinavia, the Group has completed an upgrade of its telecommunication services from third generation broadband services ("3G") to Long-Term Evolution technology ("LTE") which is the fourth-generation standard ("4G") for wireless communication of high-speed data for mobile phones and data terminals.

There are some factors that are outside the control of the Group that could restrict or limit the Group's ability to continue with those investments. These include the availability of new and attractive products in the market, the ability of equipment suppliers to deliver their products in an effective and satisfactory manner and the Group's ability to negotiate with its suppliers. In the 450 MHz segment, efficient and affordable LTE450 equipment is important to be able to deliver competitive services. Failure to maintain and develop robust telecommunication networks could hinder the Group's financial and operational performance in the future, which could have a material adverse effect on the Group's business, earnings and financial condition.

The Group's own LTE network covers today around 40% of the Norwegian population for mobile telephone services, hereby on-net traffic. Furthermore, the Group has the ambition to build approximately additional 2,000 base stations in Norway in the first six months of 2018, giving a 80% population coverage. This would also result in increased maintenance and maintenance fees for delivering and sustaining top of the line quality mobile telephone services in addition to maintaining the infrastructure for the mobile broadband services. Still, the Group is continually working for co-location of infrastructure for both services.

Furthermore, incidents and cut-offs caused by inclement weather, power outages and failures, has led to increased attention from the authorities resulting in regulatory demands and impositions on Mobile Network Operators securing back-up power in case of a storm or similar incident causing cut-offs in the electrical infrastructure. Such impositions may also lead to increased costs for the Group on top of maintenance fees.

The amount and timing of the Group's future capital requirements may differ materially from the current estimates due to various factors, many of which are beyond the Group's control. If the Group is awarded a new license in the future, the Group would expect to finance the related investment requirements from operating cash flows or through debt and equity financing (or any combination thereof), which could result in a substantial cost to the Group. The type, timing and terms of any future financing will depend on the Group's cash needs and the prevailing conditions in the financial markets. The Group cannot assure that it would be able to accomplish any of these measures on a timely basis or on commercially reasonable terms, if at all. There can be no assurance that the Group will generate sufficient cash flows in the future to meet its capital expenditure needs, sustain its operations or meet its other capital requirements, which may have a material adverse effect on the Group's business, financial condition and results of operations.

In addition to investing in the Group's network, it must also continuously maintain and upgrade the existing networks and IT systems in order to allow the ongoing operations to function properly and to expand such subscriber function as the Group's subscriber base grows. In addition, the Group could, be required to upgrade the functionality of the Group's networks, increase its customer service efforts, update its network management and administrative system and upgrade older systems and networks to adapt them to new technologies by regulatory obligations. Many of

these tasks are not fully under the Group's control, and may be affected by, among other things, applicable regulations. If the Group fails to successfully maintain, expand or upgrade the Group's networks and IT systems, its offerings and services may become less attractive to new subscribers and the Group may lose existing subscribers to its competitors. In addition, the Group's future and ongoing network and IT systems upgrades may fail to generate a positive return on investment, which may have an adverse effect on the Group's business, financial condition and results of operations. Finally, if the Group's capital expenditure exceeds the Group's projections or the Group's operating cash flow is lower than expected, the Group might be required to seek additional financing for future maintenance and upgrades, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

Moreover, the Group may be unable to allocate sufficient managerial and operational resources to meet its needs as the Group's business grows, and the Group's current operational and financial systems and managerial controls and procedures may become inadequate, which as a result may have a material adverse effect on the Group's business, financial condition and results of operations.

In order to operate its telecommunications networks and deliver its products and services to its customers, the Group is required to hold telecommunications licenses issued by the Government in the markets in which it operates. The terms of the Group's licenses require it to meet certain conditions established by the legislation regulating the communications industry, as well as to maintain minimum quality, service and coverage standards. If the Group fails to comply with these or other conditions of its licenses or with the requirements regulating the communications industry generally, or if it does not obtain permits for the operation of equipment or the use of frequencies, the Group anticipates that it would have an opportunity to cure any non-compliance. However, the Group may not receive an anticipated grace period, and any grace period afforded to it may not be sufficient to allow the Group to cure its non-compliance. If the Group does not cure its non-compliance, any such non-compliant license may be revoked or suspended or the Group may be subject to fines or other administrative actions. Although the Group may have an opportunity to cure any non-compliance, there is no assurance that it would be granted any grace period or that any grace afforded to it will be sufficient to allow the Group to cure its non-compliance. The Group's ability to comply with these conditions is subject in certain respects to factors beyond the Group's control.

When the Group's telecommunications licenses expire, the Group will need to renew them in order to continue its operations. The Group's ability to renew its licenses in the future may be affected by factors outside of its control such as competition from other operators when bidding for license renewals or the Government's decision to revoke licenses or limit the number of license-holders. Failure to secure licenses in the future would have a significant impact on the Group's ability to continue to deliver its products and services and subsequently impact the Group's financial and operational performance. The 450 MHz frequency licenses expire in 2019 for Norway and in 2022 for Denmark. It is unclear what the auction format will be and if the Group will be successful in renewing these licenses. The 800 MHz, 900 MHz and 1,800 MHz frequencies purchased in Norway expires in 2033. Failure to secure licenses in the future would have a significant impact on the Group's ability to continue to deliver its products and services and subsequently impact the Group's financial and operational performance.

The Group's ability to operate successfully is dependent on the Group's ability to deploy sufficient resources, complete an efficient transition to LTE and operate the Group's networks. The failure or breakdown of key components of the Group's networks, including hardware and software, may have a material negative effect on the Group's financial and operational performance. Although the majority of system parts are redundant, if two or more business-critical nodes fail, the network may become unstable and weak services to the end-user could lead to customers terminating their services with the Group, any of which could have a material adverse effect on the Group's business, earnings and financial condition.

The Group depends on a limited number of suppliers and vendors in the market, over whom the Group has no direct operational or financial control, to provide equipment and services to develop and upgrade its networks and operate its businesses. The Group's suppliers of core network, radio and access equipment may not continue to supply equipment and provide services to the Group on favourable terms, or at all, may discontinue manufacturing the necessary equipment required to operate the telecommunications networks.

The Group may experience problems such as the availability of new devices, higher than anticipated prices of new devices, and potential difficulties with new suppliers. Given that the number of 450 MHz band operators and subscribers globally is limited, the attractiveness for suppliers to supply equipment for this frequency band is limited which could lead to fewer suppliers and higher prices for equipment and devices.

Our reliance on third party suppliers exposes us to risks related to delays and/or defects in the delivery and installation of their products and services. Moreover, if any of the third parties that the Group rely on become unable

to or refuse to provide equipment to the Group and/or services that the Group depends on in a timely and commercially manner, or at all, the Group may experience service interruptions or service quality problems, which may impact the Group's reputation and potentially have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Also, relying on national roaming agreements and good quality from the Group's suppliers might make the Group vulnerable.

The Group cannot assure you that its suppliers will continue to provide the Group with products and services on commercially attractive terms, or that the Group will be able to obtain required services or equipment in the future from the Group's current or alternative suppliers on commercially attractive terms, if at all. If the Group's key suppliers are unable to provide the Group with adequate supplies of products and services, the Group's ability to attract subscribers could be negatively affected, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The authorities may hold auctions for new licenses in the future which may lead to new licenses being assigned to current or new competitors of the Group. Such assignment may lead to increased competition in the telecommunications market and may have a negative effect on the prices the Group is able to obtain from its customers. Assignment of new licenses may also decrease the demand for the Group's services. Increased competition through assignment of new licenses may therefore have a material adverse effect on the Group's financial and operational performance.

The Norwegian authorities held an auction for the 900 MHz band in the end of May 2017. The auction was won by Telenor and Telia Company which resulted in a status quo meaning that both Telenor and Telia Company upheld their frequency holdings equivalent to 2x15 MHz (Telenor) and 2 x 9.8 MHz (Telia Company). The result added pressure on the authorities and government in relation of reaching the goal of three competitive Mobile Network Operators in Norway. The Ministry of Transport and Communications decided to introduce a total frequency cap of 2x35 MHz for frequency bands for mobile communication below 1 GHz. The cap includes the 450 MHz band.

An auction for the 700 MHz and 2.1 GHz bands is planned to take place in June 2019 whereas one of the overall target is to ensure efficient utilization of the frequency resources by constructing it so that the goal of having at least three competing networks in Norway is kept or reached. The Group currently holds 2 x 5 MHz in the 2.1 GHz band which expires in 2032. The Group is dependent on license permits in the 700 MHz and the 2.1 GHz band for further growth as a Mobile Network Operator. The authorities postponed last years' planned auction for higher frequencies from 6 GHz to 38 GHz, possibly being executed later in 2019 or in 2020. These higher frequencies are mostly relevant for transmission and possibly later for the development of the 5G ecosystem.

The authorities will in 2019 grant a new permit for the use of the 450 MHz band for 20 new year's. The Group is the holder of the existing permit expiring on 31 December 2019. The new permit is planned to be awarded from 1 January 2020.

If necessary, the Group may decide to divest licenses to raise additional funds and assign the licenses to the buyer. In order to assign licenses in Norway and Sweden the authorities must consent to the assignments. In Denmark, there is only a notification requirement to the authorities both prior to the assignment and then again after the assignment has taken place. For the licenses in Norway there is a risk that the authorities do not consent to the assignment, which could have a significant impact on the Group's ability to continue to deliver its products and services and subsequently impact the Group's financial and operational performance. This implies that the Group may have limited ability to improve its financial condition through sale of assets.

Financial risks

The financial risks are described in note 2.

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Note 31 – Definitions

ARPU	Average monthly Revenue Per User
Churn	The number of lost subscriptions expressed as a percentage of the average number of subscriptions.
EBITDA	Ice Scandinavia defines EBITDA as Operating result after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included in EBITDA.
EBITDA adjusted	Ice Scandinavia defines EBITDA adjusted as operating income after adjustment of expenses for depreciation, amortisation, impairment, network upgrades, share based compensation expense, non-recurring and other non-operational items. Any effects from business combinations are not included.
Equity/assets ratio	Equity divided by total capital.
Investments	Investments is defined as investments in intangible assets and property, plant and equipment plus capitalised costs to obtain/fulfil customer contracts, as reported in the statement of cash flows
Gross interest bearing-debt	Total interest-bearing debts including capitalised interests
Operating margin	Operating result expressed as a percentage of Total operating revenue
Net interest-bearing debt	Gross interest-bearing debts less cash and cash equivalents
NRA	National Roaming Agreement
VoLTE	Voice over LTE
CPE	Customer Premises Equipment

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Ice Scandinavia's financial information is prepared in accordance with IFRS. In addition to the ordinary financial performance measures prepared in accordance with IFRS, it is management's intent to provide alternative performance measures ("APM") to enhance the understanding of the Group's underlying performance.

Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and Ice Scandinavia believes that these are frequently used by analysts, investors and other parties. These measures are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over the years and across the company where relevant. The alternative performance measures take into consideration items regarded as special due to their nature and include among others provision for non-recurring or non-operational items as technical migrations, restructurings, write-downs, strategic processes, refinancing and share-based compensation expenses.

Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. APMs may be calculated differently by other companies.

EBITDA

EBITDA (Earnings Before Interests, Taxes Depreciations and Amortisations) is a financial parameter that the Ice Scandinavia considers to be relevant to an investor who wants to understand the generation of earnings before investment in fixed assets. Ice Scandinavia defines EBITDA as operating profit after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included. Also see note 31 Definitions.

Reconciliation	**2019**	**2018**
Operating result	**-660**	**-637**
Depreciation and amortisation	468	465
EBITDA	**-192**	**-172**
Network upgrades and migrations	10	26
Redundancy and other items	16	0
Share-based compensation expense	3	-4
EBITDA adjusted	**-163**	**-150**

NIBD

Ice Group considers NIBD (Net Interest-Bearing Debt) to be an important measure to be able to understand the group's indebtedness. NIBD presented below is based on the total group for continuing operations and is defined as Gross Interest-Bearing Debt less Cash and cash equivalents.

Reconciliation	**2019**	**2018**
Total borrowings as specified in note 22	2,842	2,226
Adjusted for:		
Capitalised loan costs	40	37
Gross Interest-bearing Debt	**2,883**	**2,263**
Cash and cash equivalents	-1,014	-270
Net Interest-bearing Debt	**1,869**	**1,993**

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NOK millions	*Note*	**2019**	**2018**
Revenue		0	-
Operating income		**0**	**-**
Other operating expenses	*P7*	-16	-5
Operating expenses		**-16**	**-5**
Operating result		**-16**	**-5**
Financial income and expenses			
Interest income from group companies		101	119
Other interest income		0	0
Interest expense to Parent company		-5	-5
Other interest expenses		-157	-129
Other financial expenses		-18	-13
Unrealised currency effects on borrowings		-9	-7
Impairments	*P2, P3*	-58	-602
Net financial income and expenses		**-145**	**-637**
Operating result before tax		**-160**	**-642**
Tax on ordinary result	*P6*	-	-
Operating result after tax		**-160**	**-642**
ANNUAL NET PROFIT		**-160**	**-642**
Brought forward			
From other equity	*P5*	-160	-642
Net brought forward		**-160**	**-642**

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NOK millions	*Note*	**31 Dec 2019**	**31 Dec 2018**
Non-current assets			
Investments in Group companies	*P2*	3,792	2,794
Loans to Group companies	*P3*	1,660	1,694
Total financial non-current assets		**5,452**	**4,487**
Current assets			
Other receivables	*P3*	300	176
Total debtors		**300**	**176**
Cash and cash equivalents	*P4*	704	129
Total current assets		**1,004**	**305**
TOTAL ASSETS		**6,456**	**4,792**

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NOK millions	*Note*	**31 Dec 2019**	**31 Dec 2018**
Restricted equity			
Share capital	*P4*	5	5
Total restricted equity		**5**	**5**
Retained earnings			
Other equity		3,531	2,492
Total retained equity		**3,531**	**2,492**
Total equity	*P4*	**3,536**	**2,497**
Non-current liabilities			
Bond loans	*P8*	2,779	2,163
Borrowings from Parent Company	*P3*	63	63
Total non-current liabilities		**2,842**	**2,226**
Current liabilities			
Trade payables		0	1
Payables to Group companies		0	40
Other liabilities		77	29
Total current liabilities	*P1*	**77**	**70**
Total liabilities		**2,920**	**2,295**
TOTAL EQUITY AND LIABILITIES		**6,456**	**4,792**

Oslo, 29 April 2020

Henning Karlsrud
Chairman of the Board

Eivind Helgaker

Martin Westersø

Anders Koch

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NOK millions	*Note*	**2019**	**2018**
Operating result		-16	-5
Other financial expenses		0	-1
Interest received		0	0
Currency and other non-cash items		14	-7
Cash flows before changes in working capital		**-2**	**-12**
Change in current receivables		-51	-8
Change in current liabilities		-2	-9
Cash flows from changes in working capital		**-52**	**-17**
Cash flows from operating activities		**-54**	**-29**
Net cashflow from divestment of subs		167	-
Investments in subsidiaries		-1,200	-750
Loans to subsidiaries		-	-14
Cash flows from investing activities		**-1,033**	**-764**
Financing from shareholders	*P4*	1,200	500
Borrowings, net		599	-
Repayments		-	-
Interest payments on borrowings		-138	-129
Cash flows from financing activities		**1,661**	**371**
Cash flow for the year		**575**	**-422**
Cash and cash equivalents at the beginning of the period		129	551
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**704**	**129**

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P1 - Accounting principles

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

Purchases from other Group companies consist mainly of consultancy fees in strategic Group projects, property lease, IT-operations and maintenance and audit fees.

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

The Company conducts the main part of the external debt financing in the Group and finances its operating subsidiaries with equity and loans.

Shares in subsidiaries and loans provided to subsidiaries are evaluated at the lower of cost or fair value. Any impairment losses and reversal of impairment losses are classified as net gains (loss and impairment) on financial assets in the income statement.

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount. Previous impairment charges are reversed in later periods if the conditions causing the write-down are no longer present.

Liabilities are recognised in the balance sheet at amortised cost.

Receivables and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Currency effects are recognised through the income statement as a part of net financial items.

The Company has no employees.

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

The tax effect of group contributions given to parent or sister companies are recognised in the income statement if the amount represents distribution of prior earnings. The tax effect of group contributions given to subsidiaries is recognised net with the contribution as an additional cost of the shares. The tax effect of group contributions received from parent or sister companies is recognised net with the contribution as an equity increase. The tax effect of group contributions received from subsidiaries are recognised in the income statement. Deferred tax is reflected at nominal value.

The cash flow statement has been prepared using the indirect method. This means that operating income is adjusted for transactions that do not result in cash payments during the period and for any income or expense associated with investing or financing cash flows.

The Company was founded as Startfase 654 AS in February 2014.

Note P2 – Subsidiaries

Direct investments in subsidiaries, associated companies and joint ventures are booked according to the cost method. Amounts in the table below are stated in NOK millions.

Subsidiary	Location	Ownership and voting share	Book value
Ice Communication Norge AS	Oslo, Norway	100%	3,792
Ice Danmark ApS	Copenhagen, Denmark	100%	0
Balance sheet value 31 December 2019			**3,792**

In 2019, the Company sold the investment in Netett Sverige AB, wrote down the shares in Ice Danmark ApS to a bookvalue of 0 NOK and merged Ice Communication Norge AS and Ice Norge AS.

Note P3 – Balances with Group companies, related parties etc.

	31 Dec 2019		31 Dec 2018	
	Non-current	Current	Non-current	Current
Loans to subsidiaries	1,694	-	1,694	-
Other short-term receivables	-	299	-	176
Total	**1,694**	**299**	**1,694**	**176**
Loans from AINMT Holdings AB[1]	63	-	63	-
Trade payables to Group companies	-	0	-	1
Other current liabilities	-	29	-	39
Total	**63**	**29**	**63**	**40**

1) The loan is subordinated and runs with 9.75% annual interest, is amortisation free and matures on 1 April 2020.

The Company has no employees. No loans/sureties have been granted to the general manager, Board chairman or other related parties.

Note P4 – Shareholders' equity and shareholder information

NOK millions	No of shares	Share capital	Other equity	**Total**
As per 1 January 2018	**30**	**4**	**2,634**	**2,639**
Share capital increase	-	0	500	500
Profit for the year	-	-	-642	-642
As per 31 December 2018	**30**	**5**	**2,492**	**2,497**
Share capital increase	-	1	1,200	1,200
Profit for the year	-	-	-160	-160
As per 31 December 2019	**30**	**5**	**3,532**	**3,536**

The shares have one vote each. The shares have a nominal value of 170,000 NOK (150,000) each, are all fully paid and are all held by AINMT Holdings AB, which is owned to 100% by Ice Group ASA. The ultimate Parent Company is AI Media Holdings (NMT) located in Delaware, USA.

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Note P5 – Taxes

Calculation of deferred tax/deferred tax benefit	2019	2018
Temporary differences		
Non-current receivables and liabilities in other currencies	40	37
Net temporary differences	40	37
Tax losses carried forward	-524	-361
Basis for deferred tax	**-483**	**-323**
Deferred tax (22%)	-106	-71
Deferred tax benefit not shown in the balance sheet	106	71
Deferred tax in the balance sheet	**-**	**-**

The reason deferred tax benefit is not reflected in the balance sheet is that there are not enough historical results to evidence that future taxable profits will be sufficient to utilise the tax benefit.

Basis for income tax expense, changes in deferred tax and tax payable	2019	2018
Result before taxes	-160	-642
Permanent differences	-	602
Basis for the tax expense for the year	-160	-40
Change in temporary differences	-3	13
Change in tax losses carried forward	163	27
Basis for payable taxes in the income statement	**-**	-
+/- Group contributions received/given	-	-
Taxable income	**-160**	**-642**
Components of income tax expenses		
Payable tax on this year's result	-	-
Adjustment in respect of priors	-	-
Total payable tax	**-**	**-**
Change in deferred tax	-	-
Change in deferred tax due to change in tax rate	-	-
Tax expense	**-**	**-**
Payable taxes in the balance sheet		
Payable tax in the tax charge	-	-
Tax effect of group contribution	-	-
Payable tax in the balance sheet	**-**	**-**

Note P6 – Fees and other remuneration to auditors

Fees and other remuneration to auditors	2019	2018
NOK thousands		
PwC		
Audit assignment	903	993
Other assurance services	37	78
Tax advisory	11	-
Other advisory services	135	25
Total	**1,164**	**1,096**

VAT is not included in the audit fees. All audit fees are with PwC.

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Note P7 – Pledges and securities

In relation with issuing the Senior Secured Callable bond, collaterals were set out in favour of the bondholders (Nordic Trustee ASA, Norway, as bond trustee on behalf of the bondholders).

Please see note 26 for details.

Note P8 – Bond loans

	31 Dec 2019	31 Dec 2018
Senior Unsecured bond (NOK 800 million)	800	800
Senior Secured bond (NOK 1.4 billion)	1,400	1,400
Senior Unsecured bond (NOK 900 million)	900	-
Capitalised transaction costs	-40	-37
Own bond	-281	-
Total	**2,779**	**2,163**

In Q4 2017, Ice Group Scandinavia Holdings AS, issued a four-year NOK 1.4 billion senior secured bond (ISIN NO 001 0807092). The bond has a coupon of 3 months NIBOR +4.60%. The bond was admitted to Oslo Stock Exchange on 8 November 2017.

In Q2 2017, Ice Group Scandinavia Holdings AS, issued a five-year NOK 800 million senior unsecured bond (ISIN NO 001 0789035) at a blended debt financing cost of NIBOR +5.25%. The bond was admitted to Oslo Stock Exchange on 3 October 2017.

In Q4 2019, Ice Group Scandinavia Holdings AS, issued a four-year NOK 900 million senior secured bond (ISIN NO 001 0864002). The bond has a coupon of 3 months NIBOR +8.00%. The bond was successfully admitted to Oslo Stock Exchange on 1 April 2020.

In addition to information covenants, the Group has to – for all the above bonds – comply with certain financial covenants:

- Minimum liquidity of NOK 150 million
- Loan to value cannot exceed 50%

As per 31 December 2019, loan to value tested to 25%.

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From the Board of Directors and CEO of Ice Group Scandinavia Holdings AS:

"We confirm to the best of our knowledge that:

- the consolidated financial statements for 2019 have been prepared in accordance with IFRS as adopted by the EU as well as additional information requirements in accordance with the Norwegian Accounting Act and that
- the financial statements for the parent company for 2019 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practice in Norway

and that

- the information presented in the financial statements gives a true and fair view of the Company's and Group's assets liabilities financial position and result for the period viewed in their entirety and that
- the Board of Directors' report gives a true and fair view of the development performance and financial position of the Company and Group and includes a description of the principle risks and uncertainties."

Oslo, 29 April 2020

Henning Karlsrud
Chairman of the Board

Eivind Helgaker

Martin Westersø

Anders Koch

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To the General Meeting of Ice Group Scandinavia Holdings AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ice Group Scandinavia Holdings AS, which comprise:

- The financial statements of the parent company Ice Group Scandinavia Holdings AS (the Company), which comprise the balance sheet as at 31 December 2019, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Ice Group Scandinavia Holdings AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm

The Groups business activities are largely unchanged compared to last year. *Recognition of revenue from voice customers* remain a Key Audit Matter as they contain approximately the same complexity and risks as previous year.

Key Audit Matter	How our audit addressed the Key Audit Matter
Recognition of revenue from voice customers The Group's bundle revenue (voice, data and SMS) for the year ended 31 December 2019 amounted to NOK 1 859 million. Bundle revenues continued to grow during 2019 and the group has launched new customer programs during the year as well as establishing retail stores. There is an inherent risk of errors in recognized revenue due to the impact of changing pricing models, the magnitude of transactions and the complexity of the IT applications related to revenue recognition. We focused on this area because of the large amounts of data and transactions, which adds a degree of complexity. See also note 1, 7 and 8 to the financial statements where management explain how they account for revenue from contracts with customers.	We obtained an understanding of the revenue recognition process based on interviews with management and review of the group's process and policy documentation. Understanding the IT environment in which billing and other relevant supporting applications to the financial statements reside, has been a material part of our audit. We tested internal controls and performed analytical procedures to ensure whether different incentive and discount programs were correctly recognized. Our testing of internal controls included an evaluation of design and effectiveness of key controls directed at uncovering abnormalities in credit notes and manual bookings as well as irregular activity in specific customer accounts. We also tested controls related to the monthly reconciliations of invoiced amounts to booked amounts in the general ledger designed to ensure accuracy, completeness, cut-off and occurrence in recognition of revenue. We found that we were able to base our audit on the controls we tested. We performed analytical procedures to identify non-standard revenue streams or abnormalities in manual journal entries. These procedures included reconciling payments throughout the year with booked revenue. We found no material errors through this testing. We also evaluated whether management's application of revenue recognition principles was in accordance with relevant accounting regulations. We tested the application of the accounting principles for a sample of contracts. We assessed the appropriateness of the related disclosures in notes 2 and 19 and found them to appropriately explain accounting for revenue and to be in accordance with IFRS requirements.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on Corporate Governance and Corporate Social Responsibility concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

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

Oslo, 29 April 2020
PricewaterhouseCoopers AS

Herman Skibrek
State Authorised Public Accountant

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	04.02.2015	12.02.2015
Telefon	Deres referanse	Vår referanse
22078139	Herman Skibrek	2015/94196

PRICEWATERHOUSECOOPERS AS
Postboks 748 Sentrum
0106 OSLO

Tillatelse til å utarbeide årsregnskapet og årsberetning på engelsk språk for AINMT Scandinavia Holdings AS, org. nr. 913 192 354

Vi viser til deres brev av 4. februar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for AINMT Scandinavia Holdings AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering AINMT Scandinavia Holdings 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
AINMT Scandinavia Holdings AS er 100 % eiet av det svenske selskapet AINMT Holdings AB som igjen er eiet med 96 % AI Media Holdings (NMT) LLC. Selskapet er morselskap i et norsk underkonsern og har datterselskaper i Norge og utlandet. AINMT Scandinavia Holdings AS er hovedsakelig involvert i bransjen for mobilt bredbånd. Konsernets arbeidsspråk er engelsk. Engelsk språk benyttes i all hovedsak både ved intern og ekstern kommunikasjon. Styreleder i morselskapet er utenlandsk og styret består av to medlemmer. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens 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 være på et annet språk."*

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

Postadresse
Postboks 9200 Grønland
0134 Oslo

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

Sentralbord
800 80 000
Telefaks
22 17 08 60

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

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Styret består av to medlemmer der den ene er engelskspråklig. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Geir Johannessen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer