ANNUAL REPORT 2018

Viking Redningstjeneste Topco AS

VIKING REDNINGSTJENESTE TOPCO AS

BOARD OF DIRECTORS' REPORT 2018

THE GROUP'S BUSINESS AND LOCATION

Viking Redningstjeneste TopCo AS was established in 2012 and is the parent Company of Viking Assistance Group AS. Viking Assistance Group was established on 14 September 2015 and owns 100 percent of the shares in Viking Redningstjeneste AS, Viking Sverige AB, Viking Assistance A/S, Viking Assistance Oy and Viking Nordic Assistance S.L. The subgroup Viking Redningstjeneste AS includes Viking Redningstjeneste Detalj AS, Viking Kontroll AS and Sæter Bilberging AS, the subgroup Viking Sverige AB includes Stor-Stockholm Bärgningstjänst AB, Viking Redningstjänst AB and Vägassistans i Göteborg AB and the subgroup Viking Assistance A/S includes Viking København A/S.

Viking Redningstjeneste TopCo AS is currently located at Alnabru in Oslo, Norway.

There are currently no active daily operations in Sæter Bilberging AS, Stor-Stockholm Bärgningstjänst AB, Viking Redningstjänst AB and Vägassistans i Göteborg AB.

The Viking Group is an automotive services company and provides roadside assistance in Norway, Sweden and Denmark. The group has nationwide presence and readiness throughout Scandinavia via its subsidiaries and franchise network. In addition to providing roadside assistance, group management services, IT operations- and development, and centralized purchasing services, the Viking Group provides services in medical assistance, handles service calls and emergency calls on behalf of various partners through call centers in Oslo in Norway, Copenhagen in Denmark, and through offices in Torrevieja in Spain.

OVERVIEW OF THE FINANCIAL STATEMENTS

Viking Redningstjeneste TopCo's profit before income tax amount to KNOK -7 331 (2017: KNOK -13 722). The Viking Group had operating result of KNOK 2 843 (2017: KNOK 23 564) and a loss before tax of KNOK 64 933 (2017: loss before tax of KNOK 58 969).

The Board notes that the Company's financial development during 2018 were affected by growth in the Group's revenues, mainly due to solid operations and volumes in the Norwegian market, as well as increased revenue and activity in Denmark and Sweden. Throughout the year, the Viking Group has had satisfactory liquidity and cash flow, however increased costs have incurred partly due to the reorganization and outsourcing of the operations in subsidiary stations in Norway, Sweden and Denmark. Equity at year-end was negative as a result of the economic development during the year. Measures have been implemented to increase profitability and strengthen equity in the coming period. The restructuring of the subsidiaries is completed and will reduce debt, investments and costs, and contribute to increased profitability in 2019. Both new and renegotiated customer contracts will further strengthen the financial performance during 2019, and both liquidity and the equity are expected to improve.

The difference between operating profit and cash flow from operations is largely an effect of depreciations, interest and borrowing costs, as well as currency effects on the bond loan in SEK and change in working capital.

The investments in the Group will facilitate further development of Viking's operations and business models. Investments consist mainly of investments in the Viking information system (VIS), investments in brand name and trademarks, and investments in vehicles for Viking Redningstjeneste Detalj AS. Investments in vehicles in Stor-Stockholm Bärgningstjänst AB, Viking Rädningstjänst AB, Vägassistans i Gøteborg, Viking Assistance A/S and Viking København A/S are discontinued after the reorganization during 2018.

SUBSEQUENT EVENTS

There have been no material subsequent events.

THE ENTITY'S OUTLOOK

Future business prospects are uncertain. External factors that may affect Viking's future situation are among others insurance companies' terms and conditions, car importers' assistance schemes, the Scandinavian economy in general and weather conditions. The board is of the opinion that Viking's market position forms a good basis for further development.

FINANCIAL RISK

The Viking Group is exposed to interest rate fluctuations on the interest bearing long-term debt. During 2018 the exposure was reduced through fixed rate loan and interest rate swap. The Group is moderately exposed to changes in exchange rate fluctuations as majority of loans and the revenues of the Group's largest operating companies are in Norwegian Krone. A callable fixed rate bond of MSEK 207 was issued in April 2017 and the part of the Group's revenues originating from currencies other than Norwegian Krone was 36 % in 2018, whereby SEK accounted for 21 %. Customer credit risk is considered low as the larger part of the customer base is considered solid.

The Group's financial position is considered satisfactory when considering the actions taken to increase profitability and strengthen equity for the coming period. The Viking Groups cash and bank deposits as of 31 December 2018 were MNOK 42,4. The Company considers the liquidity to be adequate and management work continuously with measures to reduce and manage liquidity risk.

GOING CONCERN ASSUMPTION

The board confirms that the going concern assumption is present and realistic. The Company refinanced debt during 2017 and is now financed with equity, bank loan and two listed callable bonds maturing in April and July 2021. Furthermore, the conditions for continued operation are based on expectations relating to earnings and cash flow in the subsidiaries of the Viking Group.

ALLOCATION OF PROFIT AND BASIS FOR DIVIDEND

The Board of Directors of Viking Redningstjeneste Topco has proposed that no dividends shall be paid for the financial year 2018. The board suggests that the net profit for the year of KNOK -5 823 is covered from other equity.

WORKING ENVIRONMENT

The board and the General Manager consider the working environment to be good. There were no employees in the holding company in 2018.

ABSENCE

Adjusted sick leave in the Group is satisfactory at 4,3 % in total in 2018 (2017: 1,5 %, ex. full year operation in Spain).

INJURIES

As in 2017, no accidents leading to personal injuries or material damage were reported in the group during 2018.

GENDER EQUALITY

Equal treatment is enshrined in the Groups employee handbook that everyone is entitled to equal treatment and the Viking Group strives to create favorable conditions for all employees regardless of gender, so that both men (57%) and women (43%) have equal opportunity to develop their abilities.

DISCRIMINATION

The Norwegian Anti-Discrimination Act is designed to promote equality, ensure equal opportunities and rights and prevent discrimination based on ethnicity, national origin, ancestry, color, language, religion or belief. The Group works actively, purposefully and methodically to promote the purpose of the Act within our business. Work in this area includes recruitment, wages and working conditions, promotion, development and protection against harassment.

The Viking Group and all subsidiaries aim to be a workplace where there is no discrimination on grounds of disability. The Group works actively and purposefully to design and facilitate physical conditions so that the different functions of our business is accessible to as many as possible. Individual adjustments of the work place and work tasks are made to accommodate employees and job seekers with disabilities.

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY

Viking has established guidelines for corporate governance and social responsibility. A statement of the corporate governance according to the Norwegian Code is prepared annually and approved by the board of directors. More information on corporate governance and Viking's principles for corporate social responsibility is to be found on our website https://vikingassistance.com/viking-group/ir/corporate-governance.

Oslo, 29 April 2019

Bo Ingemarson

Chairman

Fredrik Kristofer Runnquist

Board Member

Jørn Ivar Clausen

Board Member

Hans Peter Emil Berglund

Board Member

Johan Gustaf Olof Bjurström

Board Member

Hans Petter Borge Semmelmann

Chief Executive Officer

Viking Redningstjeneste Topco Group

Annual report 2018

Consolidated statement of profit and loss

Amounts in NOK thousand for the period ended 31 December	Notes	2018	2017
Revenue	*2*	771 133	750 158
Other operating income	*2*	2 773	9 777
Total revenue		**773 906**	**759 935**
Cost of goods sold and assistance cost		517 082	483 935
Salaries and personnel expense	*3*	130 718	124 644
Depreciation and amortisation expense	*7, 8*	42 008	41 150
Other operating expense	*3, 4*	81 255	86 642
Total operating expenses		**771 063**	**736 371**
Operating profit	*2*	**2 843**	**23 564**
Interest income	*5*	2 705	1 322
Other financial income	*5*	10 429	7 161
Total financial income		**13 134**	**8 483**
Interest expense	*5, 14*	67 907	77 460
Other financial expense	*5*	13 003	13 556
Total financial expense		**80 910**	**91 016**
Profit before income tax		**-64 933**	**-58 969**
Income tax expense	*6*	-10 797	-9 990
Net profit/(loss) for the year		**-54 136**	**-48 979**
Profit/(loss) is attributable to:			
Equity holders of the parent company		-54 136	-48 979

Consolidated statement of comprehensive income

Amounts in NOK thousand for the period ended 31 December	Notes	2018	2017
Profit/(loss)		**-54 136**	**-48 979**
Other comprehensive income			
Remeasurement of pension liability	*3*	-112	-493
Items that will not be reclassified to profit or loss		**-112**	**-493**
Foreign currency rate changes		-967	-1 875
Items that may be reclassified subsequently to profit or loss		**-967**	**-1 875**
Other comprehensive income - net of tax		**-1 079**	**-2 368**
Total comprehensive income		**-55 215**	**-51 347**
Total comprehensive income is attributable to:			
Equity holders of the parent company		-55 215	-51 347

Consolidated statement of financial position

Amounts in NOK thousand	Notes	31.12.18	31.12.17
ASSETS			
Non-current assets			
Trademark and franchise network	*7*	157 470	158 268
Customer contracts	*7*	83 656	101 693
Goodwill	*7*	495 967	495 967
Assistance vehicles, office machinery and equipment	*8*	55 786	74 533
Other long-term receivables	*16*	1 359	6 795
Total non-current assets		**794 238**	**837 256**
Current assets			
Inventories	*10*	939	1 402
Accounts receivable	*11, 16*	166 750	155 779
Other receivables	*11*	22 348	26 303
Cash and bank deposits	*12, 16*	42 429	29 445
Total current assets		**232 466**	**212 929**
Total assets		**1 026 704**	**1 050 185**

Consolidated statement of financial position

Amounts in NOK thousand	Notes	31.12.18	31.12.17
EQUITY AND LIABILITIES			
Equity			
Share capital	*13*	151	151
Share premium reserve		238 484	238 634
Other equity		3 727	3 727
Retained earnings		-282 615	-227 400
Total equity		**-40 253**	**15 112**
Non-current liabilities			
Deferred tax	*6*	33 401	45 639
Pension liabilities	*3*	7 508	8 261
Interest-bearing liabilities to financial institutions	*14, 16*	725 333	705 967
Other non-current liabilities	*15, 16*	23 745	31 526
Total non-current liabilities		**789 987**	**791 392**
Current liabilities			
Accounts payable	*16*	97 578	61 988
Interest-bearing liabilities to financial institutions	*14, 16*	65 907	49 350
Prepaid assistance		33 392	41 506
Tax payable	*6*	1 655	1 323
Financial instruments	*17*	-	1 156
Public duties payable		11 509	19 234
Other short-term liabilities	*18*	66 929	69 125
Total current liabilities		**276 970**	**243 681**
Total equity and liabilities		**1 026 704**	**1 050 185**

Oslo, 29 April 2019

Hans Peter Emil Berglund
Board member

Bo Ingemarson
Chairman

Fredrik Kristofer Runnquist
Board member

Johan Gustaf Olaf Bjurström
Board member

Hans Petter Borge Semmelmann
CEO

Jørn Ivar Clausen
Board member

Consolidated statement of changes in equity

Amounts in NOK thousand	**Share capital**	**Share premium**	**Other equity**	**Retained earnings**	**Total equity**
Shareholders' equity 01.01.2017	151	238 634	3 727	-176 054	66 459
Profit/(loss) for the year	-	-	-	-48 979	-48 979
Other comprehensive income for the year	-	-	-	-2 368	-2 368
Total comprehensive income for the year	-	-	-	**-51 347**	**-51 347**
Change in own shares	-	-	-	-	-
Shareholders' equity 31.12.2017	**151**	**238 634**	**3 727**	**-227 400**	**15 112**

Amounts in NOK thousand	**Share capital**	**Share premium**	**Other equity**	**Retained earnings**	**Total equity**
Shareholders' equity 01.01.2018	151	238 634	3 727	-227 400	15 112
Profit/(loss) for the year	-	-	-	-54 136	-54 136
Other comprehensive income for the year	-	-	-	-1 079	-1 079
Total comprehensive income for the year	**-**	**-**	**-**	**-55 215**	**-55 215**
Change in own shares	-	-150	-	-	-150
Shareholders' equity 31.12.2018	**151**	**238 484**	**3 727**	**-282 615**	**-40 253**

Consolidated statement of cash flow

Amounts in NOK thousand for the period ended 31 December	*Notes*	**2018**	**2017**
CASH FLOW FROM OPERATIONS			
Profit before income taxes		-64 933	-58 969
+ Depreciation, intangible and fixed assets	*7, 8*	42 008	41 150
+/- Change in retirement benefit obligations	*3*	395	519
+/- (Gains) / losses on sale of fixed assets	*8*	1 120	-
+/- Fair value (gains)/losses on financial assets at fair value through profit/loss	*17*	-1 156	-704
- Taxes paid	*6*	-1 323	-326
+/- Interest expensed and borrowing costs expensed	*5*	67 907	77 460
+/- Currency conversion difference		-5 472	9 360
+/- Change in prepaid assistance		-8 114	-18 704
+/- Change in accounts receivable	*11*	-10 971	-28 829
+/- Change in inventory	*10*	463	-692
+/- Change in accounts payable	*16*	35 590	18 036
+/- Change in other accruals		8 295	-11 345
- Interest paid		-42 018	-32 086
Net cash flow from operations		**21 791**	**-5 129**
CASH FLOW FROM INVESTMENTS			
- Purchase of fixed assets	*8*	-12 232	-14 102
+ Sale of fixed assets	*8*	3 722	8 083
- Purchase of intangible assets	*7*	-148	-583
Net cash flow from investments		**-8 658**	**-6 602**
CASH FLOW FROM FINANCING			
+ Proceeds from loans	*14*	-	732 431
- Repayment of loans	*14*	-	-725 248
- Payments for shares bought back		-1 000	-
+ Sale of own shares		850	-
Net cash flow from financing		**-150**	**7 183**
Net changes in cash for the period		12 983	-4 548
+ Cash and cash equivalents as of 1.1	*12*	29 445	33 993
= Cash and cash equivalents as of 31.12		**42 429**	**29 445**

Notes to the consolidated financial statement

Note 1 - Accounting principles

1.1 General information

The Viking Group has offices in Oslo, Stockholm and Copenhagen. Their main office is located in Alnabru, Oslo. The Group serves their customers through an extensive nationwide network of fully-owned stations and franchise stations in Norway, Sweden, Denmark and Finland. Their main operation is providing roadside assistance. As part of the roadside assistance in Norway, Sweden and Denmark, the Viking Group operates call centers in Alicante and Malaga in Spain.

1.2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, except for the adoption of new standards IFRS 15 and IFRS 9 effective as of 1 January 2018.

IFRS 15 supersedes IAS 18 Revenue and IAS 11 Construction Contracts and related interpretations and applies to all revenue arising from contracts with customers. IFRS 15 establishes a five- step model to account for revenue arising from contracts with customers and requires that revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group adopted IFRS 15 using the modified approach. Implementation of IFRS 15 did not have an material effect on total reported revenues, expenses, assets or liabilities and did not have any material effect on level of disclosures related to the Group's revenue.

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. Implementation of IFRS 9 did not cause any material changes to the group's financial accounts.

1.3 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union in compliance with financial years ending 31 December 2018.

The consolidated financial statements have been prepared under the historical cost convention, as modified by derivatives at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in section 1 22.

These consolidated financial statements have been prepared under the assumption of a going concern.

1.4 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. Control of an entity occurs 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 day on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations

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 from 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 assumed in a business combination are measured initially at their fair value at the acquisition date. Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the 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 consideration transferred, the non-controlling interest recognised and previously held interest measured 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 income statement.

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 with the Group's accounting

1.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who is responsible for the allocation of resources and the assessment of performance of the operating segments, is defined as the Board of Directors that makes strategic decisions. Further information regarding segments is given in note 2.

1.6 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the individual entities within the Group 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 Norwegian Kroner (NOK).

b) Transactions and balance sheet items

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, and are presented as other financial income or other financial expenses.

c) Group companies

The results and balances of all of the Group entities that have functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each income statement are translated at average exchange rate; and
c) All resulting exchange differences are recognised in the consolidated statement of other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

However, the Group has adopted the exemption not to apply IAS 21 *The Effect of Changes in Foreign Exchange Rates* retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the date of transition to IFRS, in accordance with IFRS 1.

1.7 Operating revenues

Revenue is recognised on the basis of services delivered to customers according to performance obligations stated in contracts with customers. Revenue is mainly recognised at a point in time, which is in the time period when the service is actually transferred to the customer, i.e the actual month where the road assistance and related services are delivered and /or dispatched to the customers.

The Group companies provides roadside assistance, and revenues from services are recognised when road assistance has been provided. Group companies also have prepaid assistance agreements towards different customer groups, and for these agreements the share of revenues associated with future services are recognised in the balance sheet as prepaid assistance at the time of sale and subsequently recognised according to actual deliveries of roadside assistance services.

Also, Group companies have revenues from sales of goods, such as automobile batteries, tyres, flushing medium, windshield wipers and similar. Revenue from sales of goods are recognised when goods are transferred to the customer.

1.8 Fixed assets

Fixed assets consist of transportation vehicles, machinery and equipment, and financially leased vehicles (see section 1.18). Fixed assets are measured at historical cost, less accumulated depreciation and impairment. Historical costs includes expenditures that are 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. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other operating expenses in the consolidated statement of profit or loss.

Depreciation on assets is calculated using the straight-line method to allocate their cost to the residual values over their estimated useful lives, as follows:

Transportation vehicles: 5-10 years
Machinery and equipment: 3-5 years
Financial leasing: 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each annual reporting period.

An asset's carrying amount is written down when appropriate according to the impairment rules (see 1.10) to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

1.9 Goodwill and intangible assets

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill and trademark are calculated as the sum of the consideration and the book value of non-controlling interest and the fair value of previously owned shares, minus net value of identifiable assets and liabilities at acquisition date. Goodwill is not amortised but are tested annually for impairment. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit to which goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually at year-end or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the relevant unit including goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment of goodwill is recognised immediately as an expense and is not subsequently reversed.

Goodwill that was recognised prior to the IFRS conversion date 1 January 2015 was allocated to the respective CGUs using the presentation currency (NOK). This goodwill is subsequently measured and tested for impairment based on this currency.

Other intangible assets

a) Trademark

Trademark is capitalised and has an indefinite useful life. It is tested for impairment annually, either individually or as part of a cash-generating unit. Trademark is not amortised. Management reviews annually to determine whether the indefinite useful life assumption is valid.

b) Franchise network

In the Viking Group, franchise rights are described as the right a franchisee has to operate under the Viking's trademark. In time, this will contribute to strengthen the brand name by visibility. As long as the franchise network in the different segments are not fully expanded, upfront fee for franchise networks are capitalized. As soon as the franchise network is considered fully developed in the different segments, it is considered to have a finite useful life and is therefore carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method. The expected useful life for franchise network is 10 years. As of 31st of December 2018, franchise network in Norway, Sweden and Denmark is fully expanded.

c) Customer contracts

Customer contracts as intangible assets consist of two elements; (1) calculated value of current contracts, and (2) calculated value of renewal of the contracts. As the useful life of intangible assets that occurs as a result of contractual relationships, cannot exceed the period of the contractual rights when it is the customer that is entitled to renew the contract, the Viking Group has estimated the useful life of the customer contracts The expected useful life for customer contracts is 10-15 years and they are amortized using the using the straight-line method.

1.10 Impairment of non-financial assets

Assets that are subject to amortisation 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 cost of disposal and value in use. For the purposes of assessing an impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGU's). Prior impairments of non-financial assets (other than goodwill and trademark) are reviewed for possible reversal at each reporting date.

1.11 Financial assets

Classification

Financial assets are classified in the following categories:

a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are derivative instruments not designated as hedging instruments. The Group currently does not have any financial assets at fair value through profit or loss.

b) Financial assets at amortised cost

Trade receivables are held at amortised cost. The classification is based on the SPPI model (Solely payments of principal and interest) in IFRS 9.

Management determines the classification of its financial assets at initial recognition.

Recognition and measurement

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any impairments.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities over 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise accounts receivables, other current receivables and cash and cash

Impairment of financial assets

The Group assesses, at each balance sheet date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

Evidence of impairment may include indications that the debtors, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of loss is recognised in the consolidated statement of profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously

1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of trade goods comprises direct costs, import duty and freight. It excludes borrowing costs and also warehouse/storage costs which are classified as other operating expense. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventories in the Viking Group consist mainly of car batteries held for resale.

1.13 Accounts receivable

Accounts receivables are amounts due from customers with credit for sold goods and services in the ordinary course of the business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

1.14 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three-months or less and bank overdrafts.

The statement of cash flows has been prepared according to the indirect method. Interest payments are classified as cash flow from operational activities.

1.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.16 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

Deferred 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 tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.17 Trade and other payable

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. For payables due within 12 months, the payables are not discounted and are measured at the nominal amount.

1.18 Leasing

The Viking Group leases land and buildings, as well as vehicles, and assesses the classification of each element as a financial or an operating lease separately, based on the distribution of risk and potential reward between the lessee and the lessor.

Financial leases:

Leasing of vehicles used in the business are classified as financial leasing, as substantially all the risk and reward of the ownership is allocated to the Viking Group. Financial lease are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Financial lease payments are allocated between liability and finance charges. The corresponding rental obligations, net of finance charges, are included in long term liabilities and current liabilities. The vehicles acquired under financial leases are depreciated over the shorter of the useful life of the asset and the lease term.

Operating lease agreements:

Leases in which more than an insignificant portion of the risks and rewards of ownership are retained by the lessor are classified as operational leases. Payments made under operational lease (net of any incentives received from the lessor) are charged to the consolidated statement of profit or loss on a straight line basis over the period of the lease. Leasing of land and buildings, as well as leasing of corporate cars (three years maturity), are classified as operational leasing.

1.19 Bank borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

1.20 Employee benefits

Pension obligations:

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

a) Defined contribution plans

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 are available.

b) Defined benefit plans

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factor such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

c) Share based payments

The fair value of warrants granted under the Viking Redningstjeneste Topco's Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the warrant granted. The fair value of the warrant is calculated based on a Black-Scholes model, given certain conditions. The total expense is recognised over the vesting period. For further information about the Group's warrants, see note 3 *Personnel expenses, pensions and remunerations.*

1.21 Provisions

A provision is recognised when the Group has a present obligation and it is probable that an outflow of resources is required to settle the obligation. The amount recognised is the best estimate of the consideration required to settle the obligation, taking into account the risk and uncertainties surrounding the obligation, known at the end of the reporting period. Provisions are measured at present value, unless the time value is assessed to be immaterial.

1.22 Important accounting estimates and assumptions/prerequisites

The Group prepares estimates and makes assumptions/conditions related to the future by definition, the accounting estimates as follows from this will rarely be fully consistent with the final outcome. Estimates and assumptions/conditions that represent a significant risk of material changes in the carrying amount of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill

The Group conducts annual tests to assess impairment on goodwill (see note 7 *Intangible Assets*). The recoverable amount from CGU's is determined from calculations of the value in use value. These are calculations that require the use of estimates.

1.23 Standards, amendments and interpretations to existing standards that are not applied as of 31 Dec 2017 and have not been adopted early in the Group

IFRS 16 Leases

In January 2016, IASB issued a new lease standard that will replace IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. The standard requires assets and liabilities arising from all leases, with some exceptions, to be recognized on the balance sheet.

The Group will implement IFRS 16 from 01.01.2019 by applying the modified retrospective approach. Under this method, the cumulative effect of initially applying the standard will be recognized as an adjustment to equity at 1 January 2019 and comparable figures for 2018 will not be restated.

IFRS 16 sets out the principles for recognition, measurement, presentation and disclosures of leases and requires lessees to account for all leases under a single on-balance sheet model recognizing lease liabilities and related right-of-use assets. The expense related to leases will be presented as depreciation and interest expense related to the asset and the liability.

Implementation of IFRS 16 will affect the Group’s financial statements. The Group’s main lease objects are assessed to be the Group’s rent facilities in Norway, Denmark, Sweden and Spain. In addition, rent of cars and material office equipment recognized as operational lease according to IAS 17 today, will also be classified as lease objects and recognized as a right-of-use asset and related lease obligations from 1 January 2019. Operating expenses in 2019 will be reduced compared to 2018 and replaced by an increase in depreciation and interest expenses.

The Group has estimated the implementation effect to be approximately NOK 55 million for the right-of-use assets to be recognized with a corresponding lease liability at the same amount. Consequently, the implementation effect on equity will be zero. The impact on profit or loss is to decrease operating expenses by an amount in the range of NOK 6-8 million, to increase depreciation by approximately NOK 5-7 million and to increase interest expense by approximately NOK 2-3 million. The impact on cash flow is to move approximately NOK 6-8 million from operating to financing activities. The Group's profit before income tax will be negatively affected by approximately NOK 1 million in 2019, as finance lease causes front loading of cost.

The group's activities as a lessor are not material and hence, the group does not expect any significant impact on the financial statements.

Note 2 - Segment information

All amounts in NOK thousand

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who is responsible for the allocation of resources and the assessment of performance of the operating segments, is defined as the Board of Directors that makes strategic decisions.

The Group`s business is providing roadside assistance. The Group`s sales are made primarily from Group`s subsidiaries in Norway, Sweden and Denmark. The Group has also established a subsidiary in Finland in 2017 and also have a call center in Spain. The Group's performance is reviewed by the chief operating decision makers as three geographical areas as of 31.12.18, which are Norway, Sweden and Denmark. Hence, the Viking Group defines their operating segments accordingly.

Key financial information 2018:

	Norway	**Sweden**	**Denmark**	**Other**	**Total**
Revenue, external	493 436	159 845	120 625	-	773 906
EBITDA*	63 010	-6 182	-10 593	-1 384	44 851
Operating profit	28 931	-11 110	-13 196	-1 782	2 843

Key financial information 2017:

	Norway	**Sweden**	**Denmark**	**Other**	**Total**
Revenue, external	495 844	148 389	115 701	-	759 935
EBITDA*	77 400	-14 929	2 985	-743	64 714
Operating profit	44 168	-20 795	968	-777	23 564

* EBITDA: Operating profit (loss) before interests, income tax, depreciation and amortisation

Balance sheet items do not form part of the segment information provided to the chief operating decision makers.

Note 3 - Personnel expenses, pensions and remunerations

All amounts in NOK thousand

Employee benefit expenses	**2018**	**2017**
Salary expenses	104 736	99 367
Social contribution tax	17 724	15 784
Net pension expenses	5 871	6 045
Other costs	2 387	3 448
Total personnel expenses	**130 718**	**124 644**
Average number of employees	202	200

Pensions

Viking Group companies have both defined contribution and defined benefit plans. For defined contribution plans the cost is equal to the Group`s contribution to the employee`s pension savings during the period. For defined benefit plans the cost is calculated based on actuarial valuation methods, taking assumptions related to employee`s salary, turnover, mortality, discount rate etc. into consideration. Additionally, some companies in the Group have an agreed early retirement scheme (AFP).

Employees in the Group`s Swedish and Danish entities are covered by pension plans that are classified as contribution plans. Employees in the Group`s Norwegian entities are covered by pension plans that are classified as contribution plans and benefit plans. The defined benefit plan for the employees in Norway cover a total of 16 (17 in 2017) employees, of which 5 (5 in 2017) are retired. The rest of the employees in the Groups Norwegian entities are covered by contribution plans. The pension plans meet the requirements of the mandatory occupational pension scheme in each country.

a) Defined contribution plans

Defined contributions plans comprise arrangements whereby the company makes annual contributions to the employee`s pension plan, and where the employee`s future pension is determined by the amount of the contribution and the return on the pension plan asset. Contribution plans also comprise pension plans that are common to several companies, and the pension premium is determined independently by the demographic profile in the individual companies.

b) Defined benefit plans

Defined benefit plans give right to defined future benefits. These are mainly dependent on the number of qualifying employment years salary at pension age and the amount of benefits from the National Insurance Scheme.

Net pension expenses	**2018**	**2017**
Present value of pensions earned this year	845	790
Interest expense on the pension commitment	494	462
Return on pension funds	-340	-457
Changes in pensions plan charged to income	-	-
Administrative costs	260	303
Social contribution tax	178	154
Pension expense defined contribution plan	4 434	4 793
Net pension expenses	**5 871**	**6 045**

Net pension obligation	**2018**	**2017**
Pension obligation incurred at 31.12.	22 717	21 577
Estimated pension obligation 31.12.	**22 717**	**21 577**
Plan assets (at fair value) at 31.12.	**-16 137**	**-14 337**
Social contribution tax	928	1 021
Net pension obligation 31.12	**7 508**	**8 261**

Movement in the present value of the defined obligations and plan assets 31.12.2018	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
Opening balance 01.01.2018	21 577	-14 337	7 240
Current service cost	706	-	706
Administration cost	-	260	260
Interest expense / (income)	494	-340	154
Actuarial gains / losses	139	-585	-446
Benefits paid	-199	199	-
Premiums paid	-	-1 334	-1 334
Pensions obligation as at 31.12.2018	**22 717**	**-16 137**	**6 580**

Movement in the present value of the defined obligations and plan assets 31.12.2017	**Present value of obligation**	**Fair value of plan assets**	**Net amount**
Opening balance 01.01.2017	22 241	-14 493	7 748
Current service cost	790	-	790
Administration cost	-	303	303
Interest expense / (income)	462	-457	5
Actuarial gains / losses	-1 721	1 228	-493
Benefits paid	-195	942	747
Premiums paid	-	-1 860	-1 860
Pensions obligation as at 31.12.2017	**21 577**	**-14 337**	**7 240**

The amounts in the tables above are presented exclusive of social contribution taxes.

Total actuarial gains/(losses) recognised in other comprehensive income in this period	**2018**	**2017**
Changes in actuarial gain/(loss) in pension obligation recognised in other comprehensive income	112	493
Total	**112**	**493**

Financial assumptions	**2018**	**2017**
Discount rate	2,60 %	2,30 %
Estimated salary increase/pension increase/base adjustment	2,75 %	2,50 %
Expected return on funds	2,60 %	2,30 %

Pension funds - allocation of investments as at 31.12	**2018**	**2017**
Bonds at amortized cost	61,0 %	59,8 %
Short-term bonds	16,1 %	19,1 %
Real estate	12,0 %	10,0 %
Shares and equities	9,1 %	10,2 %
Other	1,7 %	0,8 %
Total at 31.12	**100 %**	**100 %**

Remuneration to executive personnel		**Salary**	**Bonus**	**Pension**	**Other benefits**	**Total**
Financial year 2018						
Hans Petter Semmelmann	Group CEO	2 065	-	198	240	2 503
Marius Bruu	Group CFO	1 658	-	83	150	1 891
Lars Goksøyr	Group COO	1 318	200	143	164	1 825
Svein Setrom	Group CNO	956	-	154	216	1 326
Sjur Jensen Bay	Group CCO	1 069	-	65	69	1 204
Kjell Rese	Group EVP	936	-	86	173	1 194
Hege Wirstad	Group HR	827	100	42	51	1 020
Dukica Johansen	CEO Denmark	1 660	-	259	128	2 048
Lars Ahlstedt	Country Manager Sweden	604	-	90	43	736
Financial year 2017						
Hans Petter Semmelmann	Group CEO	1 977	926	207	226	3 337
Marius Bruu	Group CFO	1 521	500	76	124	2 222
Isabelle Solli	Group LCC	685	444	40	83	1 252
Lars Goksøyr	Group CDO	1 319	300	151	127	1 897
Cherie Dahlin	Group COO	709	-	39	72	820
Svein Setrom	Group CNO	887	-	513	182	1 582
Dukica Johansen	CEO Denmark	1 418	313	233	134	2 099
Sjur Jensen Bay	Croup CCO	288	-	28	1	317

No loans or pledges have been granted to the Group CEO, Chairman of the Board or other related parties. There are no loans/guarantees that exceeds 5 % of the company`s equity. The General manager is employed in Viking Assistance Group AS, where he receives his salary.

Board of Directors' compensation		**Board remuner.**	**Other benefits**	**Total**
Financial year 2018				
Bo Ingemarson	Chairman of the Board	300	-	300
Jørn Ivar Clausen	Member of the Board	150	566	716
Financial year 2017				
Bo Ingemarson	Chairman of the Board	300	-	300
Jørn Ivar Clausen	Member of the Board	150	560	710

See note 19 - *Related Parties* for a description of other benefits to Board members.

Auditor's remuneration, ex. VAT:	**2018**	**2017**
Statutory audit (including technical assistance - annual accounts)	2 954	2 559
Other attestation services	125	38
Tax advice (including technical assistance corporate tax papers)	67	182
Other assistance	75	39
Total	**3 220**	**2 819**

Warrants held by board of directors and employees

As of 31.12.2018 and 31.12.2017 the Viking Group has issued warrants held by board of directors and employees that give the right to issue 13.719 shares on exercise. There were no warrants granted or exercised during 2017 or 2018, and there are no expenses related to the warrants in neither 2017 nor 2018. All costs in relation to the warrants were expensed before 2016. In case the warrants are not exercised before the expiry date, they will be automatically renewed. In 2018, all warrants were renewed.

Grant date	**Expiry date**	**Exercise price**	**Share warrants 31 December 2018**	**Share warrants 31 December 2017**
20 February 2013	16 November 2023	1 TNOK	11 432	11 432
18 June 2014	16 November 2023	1 TNOK	2 287	2 287
Total			**13 719**	**13 719**

Note 4 - Other operating expenses

All amounts in NOK thousand

Other operating expenses consist of the following entries:	2018	2017
Marketing expenses	8 875	8 493
Rent *)	9 501	7 923
Electricity, heating and other property expenses	3 274	2 527
Consulting and IT expenses	20 738	30 770
Other expenses	38 868	36 929
Total other operating expenses	**81 255**	**86 642**

*) See *Note 15 - Leasing* for additional information regarding rent.

Note 5 - Financial income and financial expenses

All amounts in NOK thousand

Financial income	2018	2017
Interest income *)	2 705	1 322
Other financial income	10 429	7 161
Total financial income	**13 134**	**8 483**

*) Change in fair value of the interest rate swap is part of "Interest income" in the table above . See *note 17 - Interest rate swap* for further information regarding the interest rate swap.

Interest expense	2018	2017
Interest expense on shareholder loan	-	13 521
Interest expense on mezzanine loan	-	881
Interest expense on bank loans	2 818	4 592
Interest expense on bond loans	58 534	42 182
Amortisation of loan fee, long-term liabilities (see note 14 - *Interest bearing liabilities*)*	3 806	13 812
Other interest expense	2 749	2 473
Interest expense	**67 907**	**77 460**

Other financial expenses	2018	2017
Bank charges	814	810
Foreign exchange losses	3 860	11 562
Other items	8 329	1 183
Other financial expense	**13 003**	**13 556**

*) The Group refinanced their debt in April 2017. The new debt consists of two bond loans of respectively MNOK 500 and MSEK 207 (nominal values), and a revolving facility of MNOK 50. As a result of the refinancing, the prior debt in the group to DNB and ICG (mezzanine loan and shareholder loan) was redeemed. In relation to the refinancing, the remaining loan fee, amounting to MNOK 5,3 for the DNB loan, MNOK 0,9 for the mezzanine loan and MNOK 4,7 for the shareholder loan was expensed in 2017. This is a part of the "Amortisation of loan fee, long-term liabilities" in 2017. Also, foreign exchange loss of MNOK 9,3 for the bond loan in SEK is part of "Foreign exchange losses " in 2017. In 2018 there is a foreign exchange gain of MNOK 5,6 on bond loan in SEK, that is included as part of "Other financial income".

Note 6 - Taxes

All amounts in NOK thousand

Calculation of deferred tax/deferred tax asset	2018	2017
Temporary differences		
Fixed assets	-12 062	-11 154
Intangible assets	219 667	238 787
Long-term receivables in foreign currency	5 652	-9 630
Pension	-7 508	-8 261
Receivables	-1 492	-1 592
Interest-swap	-	-1 156
Other differences	8 772	28 533
Net temporary differences	**213 029**	**235 527**
Interest expenses carried forward	-14 176	-6 980
Tax losses carried forward	-119 105	-72 013
Basis for deferred tax/deferred tax asset	**79 747**	**156 534**
22 % (23 %) deferred tax/deferred tax asset	17 544	36 003
Deferred tax benefit not shown in the balance sheet	15 857	9 981
Difference in tax rate towards 23 % (24 %) in the group	-	-345
Deferred tax/(deferred tax asset)	**33 401**	**45 639**

Basis for payable taxes

	2018	2017
Result before taxes	-64 933	-58 969
Permanent differences	8 273	3 507
Basis for the tax expense for the year	**-56 660**	**-55 462**
Change in temporary differences	6 654	28 751
Interest expenses carried forward	7 196	5 511
Tax losses carried forward	50 006	26 711
Use of tax losses not recognised	-	-
Basis for payable taxes in the income statement	**7 195**	**5 511**
+/- Group contributions received/given	-	-
Taxable income (basis for payable taxes in the balance sheet)	**7 195**	**5 511**

Components of the income tax expense

	2018	2017
Payable tax on this year's result	1 655	1 323
Adjustment in respect of priors and other differences	-	-
Total payable tax	**1 655**	**1 323**
+/- Change in deferred tax towards old tax rate	-10 721	-8 884
+/- Change in deferred tax because of change in tax rate	-1 731	-2 084
+/- Difference in tax rate towards 23 % (24 %) and currency effects	-	-345
Tax expense (23 % of basis for tax expense for the year)	**-10 797**	**-9 990**

Payable taxes in the balance sheet

	2018	2017
Payable tax in the tax charge	1 655	1 323
Payable tax in the balance sheet	**1 655**	**1 323**

Note 7 - Intangible assets

All amounts in NOK thousand

	Trademark	Franchise network	Customer contracts	Goodwill	Total
Cost at 01.01.2017	150 057	9 570	214 528	495 967	870 122
Additions	-	583	-	-	583
Disposals	-	-	-	-	-
Reclassification to franchise network*	-223	223	-	-	-
Cost at 31.12.2017	**149 834**	**10 376**	**214 528**	**495 967**	**870 704**
Acc. amortisation and impairment charges 01.01.17	-	957	94 601	-	95 558
Amortisation charges	-	985	18 234	-	19 219
Impairment charges	-	-	-	-	-
Acc. amortisation and impairment charges 31.12.17	**-**	**1 942**	**112 835**	**-**	**114 777**
Net booked value as at 31.12.2017	**149 834**	**8 434**	**101 693**	**495 967**	**755 928**
Cost at 01.01.2018	149 834	10 376	214 528	495 967	870 704
Additions	-	187	-	-	187
Disposals	-	-	-	-	-
Cost at 31.12.2018	**149 834**	**10 563**	**214 528**	**495 967**	**870 892**
Acc. amortisation and impairment charges 01.01.18	-	1 942	112 835	-	114 777
Amortisation charges	-	985	18 037	-	19 022
Impairment charges	-	-	-	-	-
Acc. amortisation and impairment charges 31.12.18	**-**	**2 927**	**130 872**	**-**	**133 799**
Net booked value as at 31.12.2018	**149 834**	**7 636**	**83 656**	**495 967**	**737 093**
Useful life		10 years	10-15 years		
Amortisation method		Straight-line	Straight-line		

* In 2017, KNOK 282 of Trademark was reclassified to Franchise network for the Group`s operations in Denmark as the Trademark/Network was considered to be fully expanded and finalized in Denmark at this stage. Accordingly, Viking Group started to amortize the Franchise network in accordance with the Group`s policy (amortized over 10 years).

Trademark:
The Viking Group considers the trademark to be of indefinite useful life, as a brand name does not systematically decrease in value over time. Annually, trademark is tested for impairment. It is also reviewed annually, to determine if the indefinite useful life assumption is valid.

Franchise network:
Franchise network consists of capitalised costs regarding the expansion of the franchise network in the different segments. As the network is considered fully expanded in the different segments, the Viking Group estimates the useful life to 10 years. Hence, franchise network is amortised using the straight-line method.

Customer contracts:
Customer contracts as intangible assets consists of two elements; (1) calculated value of current contracts and (2) calculated value of renewal of the contracts. The expected useful life for customer contracts is 10-15 years, and they are amortized using the straight-line method.

Goodwill:
Total goodwill consists of company goodwill and group goodwill that is related to the acquisition of Viking Redningstjeneste AS in 2009, Stor Stockholm Bärgningstjänst AB in 2010 and Viking København A/S in 2014, and the ICG transaction in 2013. All goodwill is allocated to those cash generating units that are expected to obtain added value due to synergies from the acquisitions. Goodwill has indefinite useful life, and is annually tested for impairment (per CGU).

Impairment tests for goodwill and other intangible assets:
Goodwill and other intangible assets are monitored by management at the level of three cash generating units, defined similar as segments in note 2. A segment-level summary of the goodwill- and other intangible asset allocation is presented below:

Intangible assets per CGU:

2018	**Norway**	**Sweden**	**Denmark**	**Total**
Trademarks and franchise network	157 470	-	-	157 470
Customer contracts	78 367	5 290	-	83 656
Goodwill	463 135	30 148	2 684	495 967
Total	**698 972**	**35 438**	**2 684**	**737 093**

2017	**Norway**	**Sweden**	**Denmark**	**Total**
Trademarks and franchise network	158 268	-	-	158 268
Customer contracts	95 567	6 125	-	101 693
Goodwill	463 135	30 148	2 684	495 967
Total	**716 971**	**36 273**	**2 684**	**755 928**

Cash generating units (CGU)

The operations in Norway, Sweden and Denmark are considered to be the different groups of CGU's against which goodwill and other intangible assets are tested. Goodwill and other intangible assets are tested at the level monitored by group management at country by country basis. The recoverable amount from the group of CGU is calculated by looking at the historical figures for the group of CGU, taken into account expected growth in the Norwegian, Swedish and Danish markets.

When testing goodwill and other intangible assets, management has used a 5-year discounted cash flow with a growth rate of 1 % in terminal value for Norway, 1 % in the terminal value for Sweden and 1 % in the terminal value for Denmark. Estimated future EBITDA (operating profit before amortisation and impairment) is based on business plans approved by the Board. Impairment tests assume continuing operation of the groups of CGU. The recoverable amount of the groups of CGU is calculated based on a "value in use" method. Present value of estimated future cash flows for each group of CGU is calculated using a discount rate after tax. This is based on a risk-free rate as stipulated below, plus a risk premium.

Assumptions used to calculate the value in use at 31.12.2018:	**Norway**	**Sweden**	**Denmark**
Goodwill and other intangible assets	698 972	35 438	2 684
Impairment	-	-	-
Discount rate after tax	8,45 %	8,25 %	8,30 %
Effect on impairment given 1% increase in the discount rate	-	-	-

Note 8 - Fixed assets

All amounts in NOK thousand

	Transportation vehicles	Machinery & equipment	Financial leasing (vehicles)	Total fixed assets
Cost at 01.01.2017	30 700	121 942	53 156	205 798
Accumulated depreciation	18 344	98 189	18 374	134 907
Accumulated impairment	-	-	-	-
Net booked value at 01.01.2017	**12 356**	**23 753**	**34 782**	**70 891**
Net booked value at 01.01.2017	12 356	23 753	34 782	70 891
Effect of changes in foreign exchange	540	103	992	1 634
Additions	1 281	12 478	19 905	33 664
Disposals	5 948	11 825	10 865	28 639
Accumulated depreciation (disposals)	3 765	10 956	4 193	18 914
Depreciation charges	1 741	11 335	8 855	21 931
Impairment charges	-	-	-	-
Net booked value at 31.12.2017	**10 253**	**24 129**	**40 151**	**74 533**
Cost at 01.01.2018	26 573	122 698	63 188	212 458
Accumulated depreciation	16 320	98 568	23 036	137 924
Accumulated impairment	-	-	-	-
Net booked value at 01.01.2018	**10 253**	**24 129**	**40 151**	**74 533**
Net booked value at 01.01.2018	10 253	24 129	40 151	74 533
Effect of changes in foreign exchange	-563	18	-356	-901
Additions	14	12 549	8 707	21 270
Disposals	16 092	3 509	21 994	41 595
Accumulated depreciation (disposals)	10 161	1 937	13 366	25 465
Depreciation charges	1 420	9 616	11 950	22 986
Impairment charges	-	-	-	-
Net booked value at 31.12.2018	**2 353**	**25 509**	**27 923**	**55 786**
Cost at 31.12.2018	9 932	131 756	49 544	191 232
Accumulated depreciation	7 579	106 247	21 620	135 446
Accumulated impairment	-	-	-	-
Net booked value at 31.12.2018	**2 353**	**25 509**	**27 923**	**55 786**
Useful life	5-10 years	3-5 years	5 years	
Depreciation method	Straight-line	Straight-line	Straight-line	

Note 9 - Subsidiaries and associated companies

All amounts in NOK thousand

The consolidated financial statements include the following companies

Subsidiaries	Country	Business office	Ownership company	Ownership/ Voting %
Viking Redningstjeneste TopCo AS	Norway	Oslo	Parent	
Viking Assistance Group AS	Norway	Oslo	VR TopCo AS	100 %
Viking Redningstjeneste AS	Norway	Oslo	Viking Assistance Group AS	100 %
Viking Redningstjeneste Detalj AS	Norway	Oslo	Viking Redningstjeneste AS	100 %
Viking Kontroll AS	Norway	Oslo	Viking Redningstjeneste AS	100 %
Sæter Bilberging AS	Norway	Oslo	Viking Redningstjeneste Detalj AS	100 %
Viking Assistance AS	Norway	Oslo	Viking Redningstjeneste AS	50 %
Viking Sverige AB	Sweden	Stockholm	Viking Assistance Group AS	100 %
Stor Stockholm Bärgningstjänst AB	Sweden	Stockholm	Viking Sverige AB	100 %
Viking Räddningstjänst AB	Sweden	Stockholm	Viking Sverige AB	100 %
Vägassistans i Göteborg AB	Sweden	Stockholm	Viking Sverige AB	100 %
Viking Assistance A/S	Denmark	Copenhagen	Viking Assistance Group AS	100 %
Viking København A/S	Denmark	Copenhagen	Viking Assistance A/S	91 %
Viking Assistance Oy	Finland	Helsinki	Viking Assistance Group AS	100 %
Viking Nordic Assistance S.L	Spain	Alicante	Viking Assistance Group AS	100 %

Note 10 - Inventories

All amounts in NOK thousand

Inventories consist of the following:	2018	2017
Inventories at cost	939	1 402
Reserve for inventory obsolescence	-	-
Total inventories	**939**	**1 402**

Note 11 - Accounts receivable and other current receivables

All amounts in NOK thousand

Aging of accounts receivable	2018	2017
Not due	88 601	78 218
Less than 30 days overdue	26 825	32 200
Due 30 - 90 days	22 745	17 510
Due > 90 days	36 321	35 148
Total accounts receivable - gross amount	**174 492**	**163 076**
Provision for loss	7 742	7 297
Total accounts receivable - net amount	**166 750**	**155 779**

Management has assessed the need for impairment on accounts receivable, and Group entities make provisions for losses. See note *1.11 Impairment of financial assets* for the policy note. The maximum exposure to credit risk at the balance sheet date is the carrying value of accounts receivables as disclosed above. As security for the loans in DNB, the borrower has pledged security in the Groups accounts receivables (see note 14 *Interest-bearing liability)* .

Losses on accounts receivable	2018	2017
Change in provision for loss	445	3 657
Write-off receivables as loss during the year	4 042	2 849
Losses on accounts receivable in profit/(loss) for the year	**4 487**	**6 506**

Other current receivables	2018	2017
Prepaid rent	425	895
Prepaid costs	6 725	4 061
Accrued income	8 800	16 841
Other current receivables	6 398	4 507
Total other current receivables	**22 348**	**26 303**

Note 12 - Cash and cash equivalents

All amounts in NOK thousand

	2018	2017
Cash and cash equivalents	42 429	29 445
Of which are restricted cash:		
Deposit account	-	-

The different companies in the Group have guarantees that ensure the withholding tax responsibility. In addition, Viking Redningstjeneste AS has a KNOK 1 465 (2017: KNOK 1 465) guarantee for the rent expenditure at the office in Fornebuveien and Viking Redningstjeneste Detalj AS has a KNOK 1 175 (2017: KNOK 1 175) guarantee for the rent expenditure at the office in Alnabru Næringspark. Additionally, Viking Redningstjeneste Detalj AS has a KNOK 1 213 (2017: KNOK 1 213) transportation guarantee and Viking Sverige AB holds a guarantee on behalf of its subsidiary, Stor Stockholm Bärgningstjänst AB, in relation with the purchase of a vehicle.

Note 13 - Share capital and shareholder information

All amounts in NOK thousand

As of 31.12.2018, share capital amounts to NOK 151.251, consisting of 252.085 shares at a face value of NOK 0,60 per share.

Overview of the largest shareholders as of 31 December 2018

Shareholder	Number of shares	Ownership
AAC Capital NEBO Sub LP	128 563	51,0 %
ICG EFV Luxembourg S.A.R.L.	79 723	31,6 %
Madelli AS	13 046	5,2 %
Nestu AS	7 890	3,1 %
Viasis AS	7 997	3,2 %
Tribri AS	7 563	3,0 %
C&G Holding AS	3 945	1,6 %
Bo Ingemarson	2 095	0,8 %
Exilie AS	563	0,2 %
Olimia Invest AS	200	0,1 %
Viking Redningstjeneste Topco AS	150	0,1 %
Krab AS	150	0,1 %
R/S Bay AS	100	0,04 %
Hege Wirstad	100	0,04 %
Total	**252 085**	**100 %**

All shares have the same right to dividend, and the same voting rights.

Shares held by the board of directors and executive management in group companies:

Name	Title	Ownership
Hans Petter Semmelmann (Madelli AS)	Group CEO	2,6 %
Svein Setrom (Nestu AS)	Group CNO	2,1 %
Lars Andreas Goksøyr (Viasis AS)	Group CDO (Digital and IT)	3,2 %
Jørn Ivar Clausen (Tribri AS)	Member of the board	2,0 %
Bo Ingemarson	Chairman of the board	0,8 %
Marius Bruu (Exilie AS)	Group CFO	0,2 %
Hege Wirstad	Group HR	0,04 %
Kjell Rese (Krab AS)	Group EVP	0,1 %
Sjur Jensen Bay (R/S Bay AS)	Group CCO	0,02 %

For information about warrants held by the board of directors and executive management, see note 3 *Personnel expenses, pensions and remunerations* .

Note 14 - Interest-bearing Liabilities

All amounts in NOK thousand

Long term liabilities due > 1 year	**2018**	**2017**
Gross bond loans, long-term	733 447	717 687
Loan costs	-8 114	-11 720
Bond loan, long-term net of loan costs	**725 333**	705 967
Total	**725 333**	**705 967**

Short term liabilities due within one year	**2018**	**2017**
Bank borrowings, short-term	49 550	49 350
Total	**49 550**	**49 350**
Total interest bearing liabilities	**774 883**	**755 317**

The fair value of the liabilities and the borrowings is considered to be equal to its book value according to the amortised cost as shown above.

Net debt reconciliations of 31.12.2018	**2018**	**2017**
Cash and cash equivalents	42 429	29 445
Liquid investments	-	1 156
Borrowings - repayable within one year (including overdraft)	-66 357	-62 074
Borrowings - repayable after one year	-750 531	-749 212
Net debt	**-774 459**	**-780 685**

Cash and liquid investments	42 429	30 601
Gross debt - fixed interest rates	-233 447	-217 687
Gross debt - variable interest rates	-583 441	-593 599
Net debt	**-774 459**	**-780 685**

Liquidity table showing payments to service the borrowings:	**2018**	**2017**
Interest paid - bond First Secured (NOK)	36 349	18 357
Interest paid - revolving facility	2 266	758
Interest paid - prior borrowings (shareholder, mezzanine and DNB loans)	-	12 971
Interest paid - other	3 402	-
Total interest paid	**42 018**	**32 086**
Fee - investments banks	-	14 060
Other fees *)	-	1 565
Total payments including fees	**42 018**	47 711

*) Other fees include advisory fees and listing fees.

Specification of the loan facilities as of 31.12.2018

Loan facility	Loan origination date	Principle in local currency	Maximum contractual interest rate	Termination date	Carrying value 2018
Nordic Trustee ASA					
Bond - First Secured (NOK)	07.04.17		NIBOR + margin	07.07.21	725 333
Bond - Second Secured (SEK)	07.04.17		10 % p/a	07.07.21	
DNB					
Revolving facility A (NOK)	07.04.17	45 000	IBOR + margin	*)	49 550
Revolving facility B (NOK)	07.04.17	5 000	IBOR + margin		

Specification as of 31.12.2017

Loan facility	Loan origination date	Principle in local currency	Maximum contractual interest rate	Termination date	Carrying value 2017
Nordic Trustee					
Bond - First	07.04.17		NIBOR + margin	07.07.21	705 967
Bond - Second	07.04.17		10 % p/a	07.07.21	
DNB					
Revolving facility A	07.04.17	45 000	IBOR + margin	*)	49 350
Revolving facility B	07.04.17	5 000	IBOR + margin		

*) According to the loan agreement the loans in DNB are Revolving Credits that have to be repaid on the last day of their interest period. The interest period is quarterly.

This years interest expense for the above long-term loans are specified in note 5 - *Financial Income and Financial Expenses.*

The Group refinanced their debt in April 2017. The new debt was raised by the parent company Viking Redningstjeneste TopCo AS, and consisted of two loans of respectively MNOK 500 and MSEK 207. As a result of the refinancing, the debt to DNB, the shareholder loan and the mezzanine debt to IGC were redeemed. Furthermore, Viking Assistance Group AS established a revolving facility of up to MNOK 50 and a guarantee facility of MNOK 10 through DNB for general corporate and working capital purposes for the Group. The revolving facility has been fully drawn as of 31.12.18 (fully drawn as of 31.12.17).

Security:

As security for the bond loans and the revolving facility in 2018, the borrower has pledged security in the groups assets. For the bond loans the borrower has pledged security in all shares and loans towards subsidiaries. For the revolving facility in DNB the borrower has pledged security in accounts receivables, fixed assets, shares in group companies and intercompany receivable and liabilities.

Covenants:

The loan agreements towards DNB contain the following requirements (covenants);
(1) Total Net RCF Leverage in respect of any Relevant Period does not exceed 0.5:1.
(2) The Issuer shall procure that during each calendar year there shall be a period of five (5) consecutive days during which the amount outstanding under the Revolving Credit and Guarantee Facilities, less cash and cash equivalents of the Group, amounts to zero or less. Not less than three (3) months shall elapse between two (2) such periods.

The loan agreements for the bond loans make reference to the second covenant listed above, and accordingly the second covenant also applies to the bond loans (both the loan in NOK and SEK). As of 31.12.18 all covenant requirements are met.

The following table presents the undiscounted payment profile of the Group's debt, based on the remaining loan period at the balance sheet date.

Payment profile on debts to credit institutions per 31.12.2018

	2019	2020	2021	2022	Total
Bond - First Secured (NOK)	-	-	500 000	-	500 000
Bond - Second Secured (SEK)	-	-	233 447	-	233 447
Revolving facility A (NOK)	45 000	-	-	-	45 000
Revolving facility B (NOK)	5 000	-	-	-	5 000
Total installment	**45 000**	**-**	**733 447**	**-**	**778 447**

Payment profile on debts to credit institutions per 31.12.2017

	2018	2019	2020	2021	Total
Bond - First Secured (NOK)	-	-	-	500 000	500 000
Bond - Second Secured (SEK) *)	-	-	-	217 687	217 687
Revolving facility A (NOK)	45 000	-	-	-	45 000
Revolving facility B (NOK)	5 000	-	-	-	5 000
Total installment	**45 000**	**-**	**-**	**717 687**	**762 687**

*) The bond loan in SEK is converted to NOK in the tables above with exchange rate as of year end, 31.12.18 (the first table) and 31.12.17 (the latter table).

Note 15 - Leasing

All amounts in NOK thousand

Classification of leasing - Financial leasing and operational leasing:

Viking Group considers leasing agreements as financial leasing when the significant risks and benefits associated with the underlying leasing object is transferred to the company. Leasing agreements where the significant risks and benefits stays with the lessor, are defined as operational leasing.

Operational leasing - General description:

In the Viking Group, all significant leasing contracts that are considered operational, relates to properties (land and building elements) and company cars. Most leases are shorter than the leasing object's expected operational life time, but often contains a renewal option.

Operational leasing - Future minimum lease payments:	**2018**	**2017**
Total leasing payments first 12 months	7 927	9 348
Total leasing payments 2-5 years	26 605	17 469
Total leasing payments more than 5 years	32 615	-
Total minimum lease payments	**67 146**	**26 817**

Operational leasing - Payments recognised in the income statement:	**2018**	**2017**
Lease payments - buildings	9 501	7 923
Lease payments - company cars and other equipment	2 518	2 569
Total leas payments recognised in the income statement:	**12 019**	**10 492**

Financial lease - General description:

In the Viking Group, all significant leasing contracts that are considered financial, relates to leasing of vehicles. As the leasing contracts often reflect a large part of the assets expected operational life-time, buy-out clauses are part of the contracts. The net carrying amount for each class of assets (only one class referred to as financial leasing), are presented in note 8 - Fixed assets.

Financial lease - Future minimum lease payments:	**2018**		**2017**	
	Nominal Value	Present value	Nominal Value	Present value
Total leasing payments first 12 months	16 357	16 126	12 237	12 074
Total leasing payments 2-5 years	17 245	16 084	33 584	31 095
Total leasing payments more than 5 years	-	-	510	430
Total	**33 602**	**32 209**	**46 331**	**43 600**

Note 16 - Financial risk factors

All amounts in NOK thousand

Overview:

Through its activities, the Group will be exposed to different types of financial risks: market risk, credit risk and liquidity risk. This note presents information related to the Group's exposure to such risks, the Group's objectives, policies and procedures for risk management and handling, as well as the Group's management of capital. Additional quantitative information is included in these consolidated financial statements.

The Group's overall risk management plan is to ensure the ongoing liquidity in the group, defined as to being able to meet its obligations at any time. This also includes being able to meet the financial covenants related to the Group's borrowings.

Risk management of the Group is maintained by a central Finance Function in accordance with the guidelines approved by the Board. The Group's Finance Function identifies, measures, mitigates and reports on financial risks in close cooperation with the various operating units.

Risk management policies and procedures are reviewed regularly to consider changes in the market and the Group's activities.

Financial instruments by category as of December 31, 2018	**Loans and receivables**	**Liabilities measured at amortised cost**	**Fair value through profit and loss**	**Total**
Other non-current receivables	1 359	-	-	1 359
Accounts receivables	166 750	-	-	166 750
Other current receivables (only derivatives)	-	-	-	-
Cash and cash equivalents	42 429	-	-	42 429
Total financial assets	**210 538**	**-**	**-**	**210 538**
Bank borrowings	-	49 550	-	49 550
Bond Loans	-	725 333	-	725 333
Financial leasing	-	32 209	-	32 209
Trade and other payables	-	97 578	-	97 578
Other short term liabilities (only derivatives)	-	-	-	-
Total financial liabilities	**-**	**904 670**	**-**	**904 670**

Financial instruments by category as of December 31, 2017	**Loans and receivables**	**Liabilities measured at amortised cost**	**Fair value through profit and loss**	**Total**
Other non-current receivables	6 795	-	-	6 795
Accounts receivables	155 779	-	-	155 779
Other current receivables (only derivatives)	-	-	-	-
Cash and cash equivalents	29 445	-	-	29 445
Total financial assets	**192 018**	**-**	**-**	**192 018**
Bank borrowings	-	49 350	-	49 350
Bond Loans	-	705 967	-	705 967
Financial leasing	-	43 600	-	43 600
Trade and other payables	-	61 988	-	61 988
Other short term liabilities (only derivatives)	-	-	1 156	1 156
Total financial liabilities	**-**	**860 905**	**1 156**	**862 061**

a) Market risk

Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will vary as a result of changes in market prices. The market price includes two types of risks: currency risks and interest risks.

Market risk is monitored continuously by the Group through a combination of natural hedging techniques and financial derivatives.

a-i) Foreign exchange risk

The Group operates internationally and is exposed to changes in foreign currency exchange rates. For risk management purposes, the Group has identified two types of currency exposures; *(1) Exposure to loans in foreign currency* and *(2) Exposure to the presentation currency.* Purchase of goods and services are mainly done in local currency, and as for loans and receivables between group companies, all are handled in the Group's presentation currency (NOK).

Exposure to loans in foreign currency

The group is exposed to changes in the exchange rate on the loans taken up by the subsidiaries in other currency than their own. As of 31.12.2018, Viking Redningtjeneste Topco AS holds a loan in SEK. See note *14 - Interest-bearing Liabilities* for further information about the loan.

Exposure to the presentation currency

As an international group, Viking is exposed to the risk associated with converting the currency related to legal entities with a functional currency different from the Group's presentation currency. Such translation exposure does not yield an immediate result on the cash flow. It can still affect the Group's financial covenant and is therefore closely monitored. Exposure of foreign subsidiaries' equity is partly secured through borrowings in corresponding currency.

a-ii) Interest rate risk

The Group's interest rate risk is mainly related to loans where an element of interest rate is not fixed. As of 31st December 2018, the Group has two bond loans with nominal values of MNOK 500 and MSEK 207 respectively, where the latter is carried at fixed rate. Furthermore, Viking Assistance Group AS established a revolving facility at floating rate in 2017 of up to MNOK 50, where MNOK 50 is drawn down at year end. This facility is still available for 2018. As of 31st December 2016, the Group had a loan in DNB of MNOK 278 in nominal value, a mezzanine loan at floating rate, and a loan to shareholders at fixed rate. These loans were redeemed during 2017. See note *14 - Interest-bearing liabilities.*

Sensitivity analysis

The analysis below presents the sensitivity of profit before tax and equity at year end to selected changes in market rates. For a change in the interest rate curve for 2018, all instruments subject to floating interest rates would affect the result. The table below summarises the impact of an increase/decrease in interest rate for the given scenarios. All other variables are held constant, and the calculations is based on year end balances.

	Profit before tax	**Equity**
Change in interest rate curve (+ 1,0 %)	(5 076)	(3 908)
Change in interest rate curve (- 0,5 %)	2 538	1 954

b) Credit risk

Credit risk is managed at the Group level. The Group is exposed to counterparty risk when group companies enter into salvage agreements. Credit risk also occurs from outstanding receivables. The Groups´ customers base includes insurance companies, car manufacturers and transport industry companies, as well as the public sector. The Group has several frame agreements, long-term contracts and case by case customers for its products and services. Credit risk towards large customers with frame agreements and long-term contracts are considered to be limited as this Group is considered to be solid. Further, credit risk towards private customers and customers without agreements are considered to be higher. Viking engaged Lindorff for mainly private customers in Norway in 2017 and 2018, to reduce the risk towards this group of customers.

c) Liquidity risk

The Group's liquidity risk is characterised by a potential risk of not being able to meet obligations to vendors and loan creditors. The ability to service the debt depends on the Group's cash flow from operating activities. The Group regularly monitors cash flow situation by setting up cash flow forecasts based on the forecasts of the liquidity reserves, including cash equivalents and borrowing facilities. The forecasts are set by the individual subsidiaries and is regularly monitored by the group.

To be able to maintain a sufficient flexibility in the source of funding, the Group has borrowing facilities of MNOK 50 in 2018 (MNOK 50 in 2017) which has been drawn with MNOK 50 in 2018 (MNOK 50 in 2017), as well as that the Group keeps cash and cash equivalents of MNOK 42 in 2018 (MNOK 29 in 2017). In 2017, the Group established a guarantee facility of MNOK 10 through DNB for general corporate and working capital purposes that is valid for 2018 as well.

See also note 14 *Interest-bearing liability* information on funding sources and payment profile.

Capital management

The Group's main goal is to maximize shareholder value while ensuring the Group's ability to continue operations, as well as to make sure that covenant criteria are met (see note 14 *Interest-bearing liability* regarding financial covenant requirements). The Group has a target to maintain a capital structure that gives the Group an optimal capital binding given the current market situation. The Group makes the necessary changes to their capital structure based on an ongoing assessment of the business' financial situation and future prospects in the short and medium term.

Note 17 - Interest rate swap

All amounts in NOK thousand

Through an interest rate swap, the Viking Group eliminated the interest rate risk on parts of their long term debt. As of 31st December 2018 the group no longer hold a interest rate swap as it expired in 2018.

Value of the interest rate swap:	**2018**	**2017**
Fair value of interest rate swap	-	1 156

Fair value of interest rate swap is provided by the group's bankers, and is the discounted difference between the agreed fixed rate and the floating rate. The change in fair value is presented as part of "Interest income" in the Profit and Loss (see also note 5 - Financial income and financial expenses), and amounted to NOK 1 156 in 2018 and KNOK 706 in 2017.

Note 18 - Other short term liabilities

All amounts in NOK thousand

Other short term liabilities consist of the following items:	**2018**	**2017**
Salary related accruals	1 385	2 138
Accrued vacation pay	7 014	9 303
Accrued interest expenses	14 349	13 585
Accrual leasing liability, short-term (see note 15 - *Leasing*)	16 357	12 074
Other current items	27 824	32 024
Total other short term liabilities	**66 929**	**69 125**

Note 19 - Related parties

All amounts in NOK thousand

The following table presents an overview of transaction with related parties. Remuneration of executive staff and Board of Directors, share capital information and shareholder loans are presented in note 3, note 13 and note 14, respectively and are not included in the following overview:

a) Purchases of services

Related party	**Relationship**	**Type of services**	**2018**	**2017**
Jørn Ivar Clausen	Shareholder	Administrative services	566	560

The administrative services provided are general business and industry consultancy. The amounts in the table above are presented within other operating costs.

Note 20 - Events after the balance sheet date

All amounts in NOK thousand

There are no significant events after balance sheet date.

Viking Redningstjeneste Topco AS

Annual report 2018

Statement of profit and loss

Amounts in NOK thousand for the period ended 31 December	**Notes**	**2018**	**2017**
Revenue		-	-
Other operating income		-	-
Total revenue	*1*	**-**	**-**
Cost of goods sold and assistance cost		-	-
Salaries and personnel expense	*2*	-	-
Depreciation and amortisation expense	*3*	-	-
Other operating expense	*2*	1 270	642
Total operating expenses		**1 270**	**642**
Operating profit		**-1 270**	**-642**
Interest income		-	2
Interest income from group companies	*7*	12 673	7 652
Other finance income from group companies		38 175	52 033
Other finance income	*8*	5 652	-
Interest expense	*8*	-58 534	-55 704
Interest expense group companies		-	-
Other finance expense	*8*	-4 026	-17 063
Profit before income tax		**-7 331**	**-13 722**
Income tax expense	*6*	-1 508	-3 188
Net profit/(loss) for the year		**-5 823**	**-10 534**
Transferred to/from other equity		-5 823	-10 534
Total allocation		**-5 823**	**-10 534**

Statement of financial position - Assets

Amounts in NOK thousand	Notes	31.12.18	31.12.17
FIXED ASSETS			
Financial fixed assets			
Investments in subsidiaries	*3*	692 266	692 266
Loan to group companies	*7*	152 913	128 267
Deferred tax	*6*	3 921	2 413
Total financial fixed assets		**849 099**	**822 946**
Total fixed assets		**849 099**	**822 946**
CURRENT ASSETS			
Receivables			
Receivables group companies	*7*	38 275	52 212
Other receivables		233	124
Total receivables		**38 509**	**52 336**
Cash and bank deposits		897	206
Total current assets		**39 406**	**52 542**
Total assets		**888 505**	**875 487**

Statement of financial position - Equity and liabilities

Amounts in NOK thousand	**Notes**	**31.12.18**	**31.12.17**
EQUITY			
Paid-in equity			
Share capital	*5*	151	151
Share premium reserve		159 027	159 177
Total paid-in equity		**159 178**	**159 328**
Retained earnings			
Retained earnings		-10 272	-4 449
Total retained earnings		**-10 272**	**-4 449**
TOTAL EQUITY	*4*	**148 906**	**154 879**
LIABILITIES			
Provisions			
Deferred tax	*6*	-	-
Total provisions		**-**	**-**
Non-current liabilities			
Bond loans	*8*	725 333	705 967
Total non-current liabilities		**725 333**	**705 967**
Current liabilities			
Tax payable	*6*	-	-
Other short-term liabilities	*8*	14 265	14 641
Total current liabilities		**14 265**	**14 641**
TOTAL LIABILITIES		**739 598**	**720 607**
TOTAL EQUITY AND LIABILITIES		**888 505**	**875 487**

Oslo, 29th April 2019

Hans Peter Emil Berglund
Board member

Bo Ingemarson
Chairman

Fredrik Kristofer Runnquist
Board member

Johan Gustaf Olaf Bjurström
Board member

Hans Petter Borge Semmelmann
CEO

Jørn Ivar Clausen
Board member

Statement of cash flow

Amounts in NOK thousand for the period ended 31 December	*Notes*	**2018**	**2017**
Profit before income taxes		-7 331	-13 722
Taxes paid in the period	*6*	-	-326
Currency conversion differences	*8*	-5 652	9 360
Interest and borrowing cost expensed	*8*	25 019	18 029
Cash flow from operations in the period		**12 036**	**13 341**
CASH FLOW FROM OPERATIONS			
Cash flow from operations in the period		12 036	13 341
+/- Change in intercompany balances	*7*	-10 709	-123 832
+/- Change in other accruals		-486	-25 277
Net cash flow from operations		**841**	**-135 768**
CASH FLOW FROM INVESTMENTS			
Investment in subsidiaries	*3*	-	-200 100
Net cash flow from investments		**-**	**-200 100**
CASH FLOW FROM FINANCING			
+ Proceeds from loans		-	683 281
- Repayment of loans		-	-348 280
+ Payments of shares bought back		-1 000	-
- Sale of own shares		850	-
Net cash flow from financing	*8*	**-150**	**335 001**
Net changes in cash for the period		691	-867
+ Cash and cash equivalents as of 1.1		206	1 073
Cash and cash equivalents as of 31.12		**897**	**206**

Notes to the financial statement

Note 1 - Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway for periods ended 31 December 2018.

1.1 Classification of balance sheet items

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

Current assets are recognised at the lower of purchase cost and fair value. Current liabilities are recognised in the balance sheet at nominal amount.

Fixed assets are recognised at purchase cost and depreciated over the asset's expected useful life on a straight-line basis. Fixed assets are written down to fair value if a reduction in value is not expected to be temporary.

Nominal amounts are discounted if the interest element is material.

1.2 Investment in subsidiaries

The cost method is applied to investments in subsidiaries. The investments are recognised at cost unless a write-down has been necessary. The cost price is increased when group contributions are made to subsidiaries.

Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

1.3 Receivables

Accounts receivables are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses.

1.4 Foreign currencies

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, and are presented as other financial income or other financial expenses.

1.5 Taxes

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

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

1.6 Cash flow statement

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

Note 2 - Number and employees, remuneration and audit fee

Remuneration to executives:	General	Board
Salaries/board fee	2 065	450
Pension expense	198	-
Other remuneration	240	-

The average number of employees in the accounting year has been 0 (2017: 0).

No loans/securities have been granted to the general manager, the chairman of the board or other related parties. There are no loans/guarantees that exceeds 5 % of the company's equity. The general manager is also employed in both Viking Assistance Group AS and Viking Redningstjeneste AS, and receives his salary from Viking Assistance Group AS. Also, the Board receives their remuneration from Viking Assistance Group AS. For further information, see the financial statements of Viking Assistance Group AS.

Audit fee (excl. VAT):	2018	2017
Statutory audit (incl. tech. assistance with fin. statements)	979	727
Other assurance services	125	-
Tax advisory fee (incl. technical assistance with tax return)	15	15
Other assistance	-	-
Total audit fees	**1 118**	**742**

Other assurance services consists of technical assistance with listing of the bond loans in 2017.

Note 3 - Investment in subsidiaries

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership	Equity last year	Profit last year	Balance sheet value
Viking Assistance Group AS	Oslo	100 %	735 724	28 504	692 266
Net book value 31.12.					**692 266**

Consolidated accounts are prepared for the Viking Group, and can be received at Viking Redningstjeneste TopCo AS, Vollaveien 15, 0668 Oslo.

Note 4 - Shareholder's equity

Equity changes in the year	**Share capital**	**Share premium reserve**	**Other equity**	**Total equity**
Equity 1.1.	151	159 177	-4 449	**154 879**
Change in own shares	-	-150	-	**-150**
Result of the year	-	0	-5 823	**-5 823**
Equity 31.12.	**151**	**159 027**	**-10 272**	**148 906**

Viking Redningstjeneste TopCo AS has bought back own shares amounting to MNOK 1, and further sold own shares amounting to KNOK 850 (net effect, KNOK 150) in 2018.

Note 5 - Share capital and shareholder information

The share capital of NOK 151.251 consists of 252.085 shares with nominal value of NOK 0,60,- each.

List of shareholders at 31.12.2018:	**Number of shares**	**Ownership**
AAC Capital NEBO Sub LP	128 563	51,0 %
ICG EFV Luxembourg S.A.R.L.	79 723	31,6 %
Madelli AS	13 046	5,2 %
Nestu AS	7 890	3,1 %
Viasis AS	7 997	3,2 %
Jørn Clausen	7 563	3,0 %
C&G Holding AS	3 945	1,6 %
Bo Ingemarson	2 095	0,8 %
Exilie AS	563	0,2 %
Olimia Invest AS	200	0,1 %
Own shares	150	0,1 %
Krab AS	150	0,1 %
R/S Bay AS	100	0,0 %
Hege Wirstad	100	0,0 %
Total	**252 085**	**100,0 %**

All shares have the same right to dividend.

Note 6 - Taxes

Calculation of deferred tax/deferred tax asset	2018	2017
Temporary differences		
Long term receivables in foreign currency	5 652	-9 360
Other differences	8 114	11 720
Net temporary differences	**13 766**	**2 360**
Interest expenses carried forward	-1 469	-1 469
Tax losses carried forward	-30 119	-11 382
Basis for deferred tax/deferred tax asset	**-17 822**	**-10 491**
22 % (23 %) deferred tax/deferred tax asset	-3 921	-2 413
Deferred tax benefit not shown in the balance sheet	-	-
Deferred tax/(deferred tax asset)	**-3 921**	**-2 413**

Basis for income tax expense, changes in deferred tax and tax payable	2018	2017
Basis for payable taxes		
Result before taxes	-7 331	-13 722
Permanent differences	-	-
Basis for the tax expense for the year	**-7 331**	**-13 722**
Change in temporary differences	-11 406	2 340
Interest expenses carried forward	-	-
Tax losses carried forward	18 737	11 382
Use of tax losses not recognised	-	-
Basis for payable taxes in the income statement	**-**	**-**
+/- Group contributions received/given	-	-
Taxable income (basis for payable taxes in the balance sheet)	**-**	**-**

Components of the income tax expense	2018	2017
Payable tax on this year's result	-	-
Adjustment in respect of priors and other differences	-	-
Total payable tax	**-**	**-**
+/- Change in deferred tax towards old tax rate	-1 686	-3 293
+/- Change in deferred tax due to change in tax rate	178	105
Tax expense (23 % of basis for tax expense for the year)	**-1 508**	**-3 188**

Payable taxes in the balance sheet	2018	2017
Payable tax in the tax charge	-	-
Tax effect of group contribution	-	-
Tax gain due to conversion of receivable related to merger	-	-
Difference in payable taxes in fin. statements and tax return	-	-
Payable tax in the balance sheet	**-**	**-**

Note 7 - Balances with group companies

	Current receivables		Non-current receivables	
	2018	**2017**	**2018**	**2017**
Group companies	38 275	52 212	152 913	128 267
Total	**38 275**	**52 212**	**152 913**	**128 267**

Viking Redningstjeneste TopCo AS has a non-current receivable towards Viking Assistance Group AS of respectively KNOK 152 913 (2017: KNOK 128 267). The interest expense on the liability amounted to KNOK 12 673 in 2018 (2017: KNOK 7 652). The interest was calculated using 3M NIBOR + 7,4 % in 2018. The current liability for both 2018 and 2017 are mainly group contribution received from wholly owned subsidiaries.

Note 8 - Non-current liabilities

The group refinanced their debt in the group in April 2017. The new debt was raised by Viking Redningstjeneste TopCo AS (parent company), and consisted of two bond loans of respectively KNOK 500 000 and KSEK 207 000 (nominal values). The loans were accounted at amortised cost, and the nominal value of the loans as of 31.12.18 are KNOK 500 000 and KNOK 233 447, respectively (2017: KNOK 500 000 and KNOK 208 327). The loan in SEK has a fixed interest rate of 10 %, and the loan in NOK has a interest rate of 6M NIBOR + 6,25 %. Total interest expenses on the bond loans in 2018 amounts to KNOK 58 534 (2017: KNOK 42 182), and foreign exchange gain for the bond loan in SEK amounts to KNOK 5 652 (2017: foreign exchange loss of KNOK 9 360). The gain/loss are presented as "Other finance expense/income" in the Statement of Profit and Loss. The maturity date for both loans are 7th July, 2021.

Note 9 - Subsequent events

There has not been any significant events after balance sheet date.

Responsibility Statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2018 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Oslo, 29th April 2019

Hans Peter Emil Berglund Board member	Bo Ingemarson Chairman	Fredrik Kristofer Runnquist Board member
Johan Gustaf Olaf Bjurström Board member	Hans Petter Borge Semmelmann CEO	Jørn Ivar Clausen Board member

To the General Meeting of Viking Redningstjeneste Topco AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

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

- The financial statements of the parent company Viking Redningstjeneste Topco AS (the Company), which comprise the statement of financial position as at 31 December 2018, the statement of profit and loss and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Viking Redningstjeneste Topco AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

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

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.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of intangible assets	
Intangible assets amounts to a significant part of the Group's total assets. Management performed an impairment test to assess the book value by estimating and discounting the expected net future cash flows. The estimation of the net future cash flows and discount rate are dependent on management judgement. In the event of a write-down of intangible assets, both operating profit and total equity would be impacted. No impairment charge was recognized in 2018. We focused on valuation of intangible assets due to its significance to the financial statements and the inherent risk that management judgement could affect the valuation. For more information about how management has valued intangible assets, see note 1.22 Important accounting estimates and note 7 Intangible assets.	To challenge managements judgement, we compared management's estimates of the future cash flows with the prior year's actual cash flows, approved budgets and business plans. We did not find any inconsistencies between the estimated net discounted cash flows and the information used by management to estimate these cash flows. To evaluate management's estimation accuracy, we compared the 2018 estimated cash flows used in last year's impairment test with the actual cash flows in 2018. There has been estimate deviations, in particular for the CGU in Denmark. We have therefore also monitored management estimation accuracy for all CGU's for the first quarter in 2019 (actual versus budget) and found the accuracy reasonable. To evaluate management's assumptions related to future revenue growth, we compared management's estimates with the expectations in the marketplace. We found that management's estimates for long-term growth were in line with our expectations. To evaluate management's assumptions related to the technical modelling of the discount rate, we compared the different input factors used in the determination of the discount rate by comparing these input factors with observable market data and market expectations. We found that managements discount rate contains the elements required by IFRS, and that the different elements were in line with what we find in the marketplace and comparative companies. To challenge management's sensitivity analysis, we simulated changes in key parameters and found that the calculation of value used was most sensitive to changes in sales, long-term growth and discount rate. A reasonable variation in the key parameters did not lead to a different conclusion on the impairment test. We have used checklists and judgement to consider

whether IFRS disclosure requirements related to the intangible assets and the valuation/impairment test were appropriate. We found that the disclosures, including the sensitivity analysis, were satisfactory and provided meaningful information about the intangible assets and the valuation performed.

Other information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Opinion on Registration and Documentation

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

Oslo, 29. April 2019
PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant