The Board of Directors' report 2019 for Victory Partners VIII Norway Holding AS

Operations and locations

Victory Partners VIII Norway Holding AS is the parent company of Victory Partners VIII Norway AS (Victory) which in turn, is the parent company of LINK Mobility Group AS (LINK). Victory acquired 100 % of the voting equity interests on 09 October 2018, whereby Victory gained control, and LINK Mobility Group AS was delisted from Oslo Stock Exchange. LINK Mobility Group AS is headquartered in Oslo, Norway.

In addition to LINK Mobility Group AS, the Group is comprised of the following subsidiaries in the respective locations:

Name of entity	**Office**
LINK Mobility AS	Oslo, Norway
LINK Mobility AB	Stockholm, Sweden
LINK Mobility SIA	Riga, Latvia
LINK Mobility A/S	Kolding, Denmark
LINK Mobile A/S	Kolding, Denmark
LINK Mobility Oy	Tampere, Finland
Labyrintti International Oy	Tampere, Finland
LINK Mobility GmbH	Hamburg, Germany
GfMB Gesellschaft für Mobiles Bezahlen	Hamburg, Germany
LINK Mobility Spain S.L.U.	Madrid, Spain
LINK Mobility EAD	Sofia, Bulgaria
LINK Mobility Sp.z.o.o	Gliwice, Poland
LINK Mobility SAS	Paris, France
Horisen Messaging AG	Rorschach, Switzerland
Simple SMS Group	Wels, Austria
Archynet s.r.s	Torino Italy
SMS IT Srl	Milan, Italy
Multiwizz SAS	Marseille, France
Hay Systems Ltd	Edinburgh, Scotland
Dream Interactive Ltd	Budapest, Hungary
Netsize Espana S.L.U.	Madrid, Spain
Netsize Internet Payment Exchange AB	Stockholm, Sweden
Netsize S.A.	Boulogne-Billancourt, France
Netsize Societa' A Responsabilita' Limitada	Rome, Italy
Netsize UK Ltd.	London, United Kingdom
Alterpay EOOD	Sofia, Bulgaria
Tera Communications AD	Sofia, Bulgaria
Tera Communications DOOEL	Skopje, Republic of North Macedonia
Teracomm RO SRL	Bucharest, Romania
Teravoice EAD	Sofia, Bulgaria
Evawin SAS	Le Coteau, France
Inwave SAS	Le Coteau, France

LINK is a provider of mobile messaging services and mobile solutions for companies, public services and organizations and is the market leader in Europe.

Market – position and development

The overall market trend towards “one to one communication” continues with the expansion of messaging channels and deeper personalization and continues the expansion of notification use-cases. OTT and RCS channels are being progressively established as supplementary channels to the core SMS messaging channel. The total market for A2P (application to person) mobile services experienced healthy growth in 2019 and the trend of businesses using mobile platforms as a key part of their communication strategy continued.

The Nordic and the French markets are regarded as advanced in terms of seeking and adopting mobile services and technologies; these markets are a few years ahead of counterparts in other markets when it comes to taking mobile messaging solutions into use. LINK has a comparative advantage when entering new markets based on its long experience with messaging services combined with advanced technological platforms and solid reference cases. This enables LINK to expand the market potential when entering new geographical markets.

In 2019, LINK sent 9.7 billion messages (including the full year effect of acquired entities) on behalf of its more than 30.000 customers. LINK is regularly delivering mobile messages to most mobile users in its main markets.

LINK continues to experience a high degree of recurring revenue from existing clients and an expansion of use-cases combined with increased revenue per customer as most customers increase their use of LINK’s mobile services. With LINK’s mobile services, customers increased their revenue through efficient communication with their end users and at the same time, reduced costs by running more efficient internal processes. LINK is experiencing an increased demand for mobile solutions such as conversational messaging and pre-defined client dialogue flows as well as new channels to allow customers to reach end users via Facebook Messenger, What’s app and Viber. This will enable further expansion and improve the use-case.

The market for mobile messaging and mobile solutions is expected to continue to experience growth over the coming years as more and more private companies, public services and organizations recognize the importance of offering their customers and users mobile communication and services. LINK has a clear strategy of continuing the growth by increasing its market share in existing markets and by entering new markets both within and possibly outside the current footprint in Europe. This is to be obtained through a combination of organic growth and acquisitions. The experience from the Nordics and French markets for developing and deploying state of the art mobile solutions are amongst the most innovative in the world. LINK capitalizes on this knowledge when accessing and expanding into new, less developed markets.

Comments related to the financial statements

After the Victory acquisition of LINK in October 2018, there were further acquisitions in 2019 (refer to note 1). The comments below refer to the FY2019 development of Victory Partners VIII Norway Holding AS; where reference is made to FY2018, this for the full year of the operations of the LINK Mobility Group and of Victory Partners VIII Norway Holding AS.

Revenue, costs, and profits

Victory Group reported revenue of NOK 2 933 million in 2019. NOK 2 686 million is from the LINK Mobile Messaging business segment and NOK 246 million is from the LINK Mobile Solutions business segment.

In 2019, Victory Group's gross margin was NOK 753 million. Operating costs (including payroll and related services and other operating expenses) were NOK 542 million and include non-recurring costs of NOK 97 million (cost connected to restructuring and acquisitions). Depreciation and amortization were NOK 247 million whereof NOK 46 million is related to the write down of non-core product lines mainly related to the mobile app JOYN. Net financial items were negative NOK 194 million whereof interest expense of NOK 190 million primarily related to the company's Senior Facility Agreement. Victory Group's total tax expenses were NOK 2 million. Overall, there is a net loss of NOK 233 million in 2019.

Financial position, cash flow and liquidity

(Figures in brackets refer to balance 31 December 2018, unless otherwise specified)

As at 31 December 2019, Victory Group's total assets amounted to NOK 6 071 million (NOK 5 461 million).

Intangible assets amounted to NOK 5 152 million (NOK 4 811 million). Total intangible assets are comprised of goodwill equal to NOK 3 390 million (NOK 3 101 million), customer relations equal to NOK 939 million (NOK 949 million), technology equal to NOK 509 million (NOK 435 million) trade name equal to 314 million (NOK 327 million). Investments in development amounted to NOK 121 million (NOK 28 million). LINK has increased spending on the development of technical platforms and products like Common Services Portal, Common Gateway, Common Billing, migration from legacy platforms, and multichannel messaging which will contribute to the future growth. Additions to equipment and fixtures amounted to NOK 10 million (NOK 1.5 million).

Trade receivables and other receivables amounted to NOK 669 million (NOK 421 million) and cash equivalents to NOK 147 million (NOK 169 million).

Total equity amounted to NOK 2 340 (NOK 2 555 million) and is comprised of NOK 1 million share capital, share premium was NOK 2 695 million and NOK 386 million in accumulated losses.

Long-term liabilities amounted to NOK 2 847 million (NOK 2 355 million) and is comprised of NOK 2 487 million related to the funding of the acquisition of LINK Mobility Group AS through Senior Facility Agreement (SFA) as well as other acquisitions.

Victory Group's cash flow from operating activities in the period covered in the financial statements is NOK 226 million (negative NOK 21 million).

Cash flow from investing activities were negative NOK 461 million (negative NOK 3 507 million), mainly related to the acquisition of the Teracomm Group and SpotHit.

Cash flows from financing activities were NOK 215 million (NOK 3 686 million). Financing activities are mainly related to proceeds from borrowings for NOK 502 million. This is reduced by repayment of borrowings and by interest expenses; NOK 98 million and NOK 178 million, respectively.

Risks

The Group has identified three types of risks that can prevent successful implementation of its business strategy or manage its growth effectively: market risk, financial risk, and acquisition risk.

The below section describes how the Group evaluates and mitigates these risks and includes a brief comment to the risk related to the Covid-19 virus.

Market risk

LINK's market share for A2P mobile services have grown rapidly over time through both organic growth and through acquisitions and benefits from a unique competitive position. LINK is by far the largest player in Europe within its industry resulting in economies of scale relating to capacity and competences for developing and launching new products, broad existing product offerings and solid expertise in operations and system integrations towards customers.

Based on market and competitive advantages, LINK builds long-term customer relationships through high quality of services, system integration and development of new products and solutions. LINK has very low customer churn in all markets as customers who have first started using mobile communications in one area, tend to move more and more business activities to mobile platforms increasing integration and reliability on LINK.

LINK's revenue, costs and profits are subjected to the risk of changes in customer prices. As the market is expanding, margin pressure is observed and anticipated in some parts of the market. The price pressure is likely to be focused on low-value wholesale/bulk SMS and basic mobile payment services. LINK will therefore continue its strategy of delivering value added services to its customers through new innovative solutions such as conversational messaging and channel agnostic solutions improving the mobile messaging use case. LINK's broad specter of mobile services enables a customer offering that is complete and covering multiple needs. This creates high customer satisfaction and creates close relationships between LINK and its customers. As the use case expands, LINK address smaller and medium sized customers which typically have a higher price point per message. These factors reduce the overall price risk. Expanding towards a channel-agnostic messaging solution will contribute to reducing message delivery cost by utilizing more IP based protocols and hence improving and protecting gross margin.

Financial risk

The Group's activities expose it to financial risks, such as price, currency, liquidity, interest rate and credit. Overall, these risks are regarded as low and manageable.

By being the leading provider and thus the largest buyers of SMS in its markets, LINK can purchase SMS from the telecom operators at favorable prices. Additionally, LINK's position ensures priority from the operators securing high quality in terms of delivery reliability.

LINK's subsidiaries operate using their local currencies (NOK, SEK, DKK, PLN, BGN, HUF, GBP, MKD, RON, and EUR). Revenue and cost transactions are usually carried out in the same currency, which reduces the currency risk, however Victory and LINK present annual reports in NOK and changes in the underlying currencies in relation to NOK impact the overall revenue and financial position in the presentation currency.

LINK is also exposed to exchange risk regarding the EUR share of its Senior Facility Agreement (loan), Capex Facility and Revolving Facility in EUR.

Victory considers its liquidity risk to be limited and has sufficient liquidity available on bank accounts and through the established Revolving Facility as of year-end 2019.

Victory Partner VIII Norway AS established a Senior Facility Agreement in September 2018 Pursuant to the SFA, the Company has undertaken to maintain a consolidated leverage ratio (consolidated total net debt to consolidated pro forma EBITDA) below certain thresholds set out in the SFA's leverage ratio tables. The leverage ratio undertaking shall be tested quarterly, and the VIctory Partners VIII Norway AS's consolidated ratios shall be below the threshold for the applicable testing date set out in the SFA. The leverage ratio testing was performed at the end of each quarter starting from 30 June 2019. At all test dates the leverage ratio meets with the criteria's set out in the SFA.

LINK had marginal losses on trade receivables in 2019 and has established efficient routines for the handling of overdue trade receivables across its footprint.

Management of financial risk is performed with the emphasis on keeping the financial risk at a minimum, and the main principle is to minimize exposure to financial risk. There are no financial assets or liabilities held for speculative purposes.

Acquisition risk

The strategy of acquiring new businesses will require the successful purchase of suitable companies at sound multiples, and that integration of acquired companies is managed to realize synergies through scale advantages. The results of the prior year's acquisitions confirm that management has such expertise. During 2019, the organizational structure and key functions were further developed and restructured to ensure even more efficient integration of new businesses.

Covid-19 virus

The coronavirus pandemic (Covid-19) continues to spread across the world and have led to numerous Government imposed restrictions and lockdowns across the Groups footprint. The duration of such measures is uncertain and represents a significant uncertainty on the future economic outlook which cannot be predicted.

At the date of this report, the Group has taken measures to ensure the safety of its employees in compliance with local regulations and a crisis organization have been established.
Considering the potential risk of significant lower messaging volumes, lower growth rate and increased credit risk the Group has already implemented measures to reduce administrative expenses and personnel cost to mitigate the reduction in revenue and gross margin already observed in some markets. Other measures implemented includes tightened credit and collection procedures as well as vendor negotiations to improve payment terms and risk sharing related to shortfall on client payments.
The Groups diversified portfolio of companies across Europe and mix of customers is expected to be an valuable asset as the need to communicate is essential for both Governments and private businesses during the crisis partly and will help mitigate effects lower mobile marketing volumes.

Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2020 and the long-term strategic forecasts. The overall economic and financial position is sound.

Allocation of net income

Victory Partners VIII Norway Holding AS's net loss for the year was NOK 233 034 thousand. The Board has proposed the net loss to be transferred to accumulated losses.

Organization, workforce, and management

LINK's workforce, coupled with its technology, is the most important asset both in terms of serving LINK's customers of today and for the future development of the company. To strengthen innovation and development capacity, LINK has established a development hub in Bulgaria with 46 employees at the end of 2019. LINK has also strengthened strategic functions within the finance, legal, project management, and sales and technology departments by reorganizing existing competences and recruiting new employees. Regional segments have also been restructured to maximize synergies.

By the end of 2019, LINK had 494 employees comprised of 11 employees in Austria, 2 employees in Bulgaria (in addition to the development hub), 11 employees in Denmark, 2 employees in Estonia, 9 employees in Finland, 28 employees in France, 27 employees in Germany, 159 employees in LINK Mobility Group, 4 employees in Hungary, 14 employees in Italy, 3 employees in North Macedonia, 37 employees in Norway, 43 employees in Poland, 5 employees in Romania, 27 employees in Spain, 12 employees in Sweden, 6 employees in the United Kingdom and 48 employees and 48 employees in the Netsize group.

33% of the total LINK workforce are women, this is the same percentage as in 2018. The Group Leadership Team consists of 7 people, 1 woman and 6 men.

In LINK, equal pay for work of equal value, regardless of gender, is emphasized. Recruitment, promotion, and development of the workforce are based on merit and equal opportunity regardless of ethnicity, color, religion, gender, age, nationality, sexual orientation, marital status, or disability. LINK does not accept any discrimination or harassment. The LINK Code of Conduct was introduced to all employees in 2018.

The working environment is regarded as positive. Average sick leave was less than 5% in 2019 (5%) and none of LINK's subsidiaries or the parent company recorded work related accidents that resulted in personal injury or property damage.

Environmental impact

Victory aspires to be a responsible corporation in terms environmental protection. The Group's operations are not regulated by licenses or permits and the services does not pollute the external environment.

Oslo 26 June 2020

The Board of Directors of Victory Partners VIII Norway Holding AS

Robert Joseph Nicewicz Jr Chairman of the board	Charles Joseph Brucato Board Member	Michael Cody Cummings Board Member
Ralph Paul Choufani Board Member	Rune Syversen Board Member	Jens Rugseth Board Member

Oslo 26 June 2020

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Consolidated Financial Statements

Victory Partners VIII Norway Holding AS

31.12.2019

Victory Partners VIII Norway Holding AS

Consolidated income statement

For the period ended 31 December

(Amounts in NOK 1000)

	Note	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Revenue	6	2 932 707	563 566
Total operating revenue		**2 932 707**	**563 566**
Cost of services rendered		-2 179 806	-411 057
Payroll and related expenses	8	-317 845	-58 744
Other operating expenses	9	-224 642	-168 857
Depreciation and amortization	7, 12, 13	-247 369	-44 660
Total operating expenses		**-2 969 662**	**-683 317**
Operating profit (loss)		**-36 955**	**-119 751**
Finance income and finance expenses			
Finance income	10	22 044	12 595
Finance expense	10	-215 945	-203 541
Total finance income (expense)		**-193 901**	**-190 946**
Profit before income tax		**-230 856**	**-310 697**
Income tax	21	-2 178	32 019
Profit (loss) for the period		**-233 034**	**-278 678**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Consolidated statement of Comprehensive Income

for the period ended 31 December

(Amounts in NOK 1000)	31.12.2019	31.12.2018
Profit (loss) for the period	**-233 034**	**-278 678**
Other comprehensive income		
Items that may be reclassified to profit or loss		
Translation differences of foreign operations	-12 603	137 977
Other comprehensive income for the period	**-12 603**	**137 977**
Total comprehensive income for the period	**-245 637**	**-140 701**

Victory Partners VIII Norway Holding AS

Consolidated statement of financial position

(Amounts in NOK 1000)

ASSETS	Note	31 December 2019	31 December 2018
Goodwill	5, 12	3 389 875	3 100 713
Other intangible assets	5, 12	1 761 704	1 710 721
Deferred tax asset	21	56 858	48 798
Equipment and fixtures	13	21 493	11 601
Right-of-use assets	7, 13	24 283	-
Total non-current assets		**5 254 213**	**4 871 833**
Trade and other receivables	14, 17	669 360	420 732
Cash and cash equivalents	15, 17	147 198	168 610
Total current assets		**816 558**	**589 342**
TOTAL ASSETS		**6 070 771**	**5 461 175**

EQUITY AND LIABILITIES	Note	31 December 2019	31 December 2018
Share capital		1 081	1 068
Share premium and other reserves		2 725 406	2 694 969
Accumulated translation differences		125 374	137 977
Retained earnings (accumulated losses)		-511 713	-278 678
Total equity	16	**2 340 149**	**2 555 336**
Liabilities			
Long-term borrowings	17, 18	2 487 304	2 062 163
Lease liabilities	7, 13	12 020	-
Deferred tax liabilities	21	309 101	293 521
Other long-term liabilities		38 758	-
Total non-current liabilities		**2 847 182**	**2 355 684**
Short-term borrowings	17, 18	48 218	45 106
Lease liabilities	13	13 090	-
Trade and other payables	17, 20	819 180	496 934
Income tax payable	21	2 953	8 116
Total current liabilities		**883 440**	**550 155**
Total liabilities		**3 730 622**	**2 905 839**
TOTAL EQUITY AND LIABILITIES		**6 070 771**	**5 461 175**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Consolidated statement of financial position

Oslo, 26 June 2020

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Victory Partners VIII Norway Holding AS

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Oslo, 26 June 2020

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Victory Partners VIII Norway Holding AS

Consolidated statement of Changes in Equity

for the period ended 31 December

(Amounts in NOK 1000)	Note	Share capital	Share premium	Currency translation reserve	Retained earnings (accumulated losses)	Total equity
Balance at 09 May 2018		30	-		-	**30**
Profit for the period		-	-	-	-278 678	**-278 678**
Other comprehensive income (loss) for the period, net of income tax		-	-	137 977	-	**137 977**
Total comprehensive income for the period		**-**	**-**	**137 977**	**-278 678**	**-140 701**
Issue of ordinary shares		1 068	2 694 969			**2 696 037**
Reduction of capital		-30				**-30**
Balance at 31 December 2018	16	**1 068**	**2 694 969**	**137 977**	**-278 678**	**2 555 336**
Balance at 01 January 2019		1 068	2 694 969	137 977	-278 678	**2 555 336**
Profit for the year		-	-	-	-233 034	**-233 034**
Other comprehensive income (loss) for the period, net of income tax		-	-	-12 603	-	**-12 603**
Total comprehensive income for the period		**-**	**-**	**-12 603**	**-233 034**	**-245 637**
Issue of ordinary shares		14	30 437		-	**30 451**
Issue of ordinary shares under share options		-	-		-	**-**
Balance at 31 December 2019	16	**1 081**	**2 725 406**	**125 374**	**-511 713**	**2 340 149**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Consolidated statement of cash flows

for the period ended 31 December

(Amounts in NOK 1000)	Note	2019	2018
Cash flows from operating activities			
Profit before income tax		-230 856	-310 697
Adjustments for:			
Taxes paid		-36 430	-11 545
Finance income	10	-22 044	-12 595
Finance expense	10	215 945	203 541
Cash effect net finance operational		-5 020	994
Depreciation and amortization	12, 13	247 369	44 660
Expenses related to acquisitions	5	27 168	116 872
Change in trade and other receivables	14	-42 332	-59 089
Change in trade and other payables	20	-805	23 766
Change in other provisions		72 519	-16 787
Net cash flows from operating activities		**225 514**	**-20 882**
Cash flows from investing activities			
Payment for equipment and fixtures	13	-9 972	-1 545
Payment for intangible assets	12	-120 861	-28 163
Payment for acquisition of subsidiary, net of cash acquired	5	-303 285	-3 361 156
Expenses related to acquisitions	5	-27 168	-116 872
Net cash flows from investing activities		**-461 285**	**-3 507 736**
Cash flows from financing activities			
Proceeds on issue of shares		-	2 696 037
Repayment of equity		-	-30
Proceeds from borrowings	18	501 794	1 989 480
Repayment of borrowings	18	-97 927	-999 823
Interest paid		-178 063	-
Principal elements of lease payments		-10 754	-
Net cash flows from financing activities		**215 051**	**3 685 664**
Effect of foreign exchange rate changes		-692	11 533
Net change in bank deposits, cash and equivalents		-21 412	168 580
Cash and equivalents at beginning of period		168 610	30
Cash and equivalents at end of the period		**147 198**	**168 610**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Notes to the financial statements for the period ended 31 December 2019

Contents notes

Note 1 General information

Victory Partners VIII Norway Holding AS was registered as a company on 09 May 2018 and is the parent company of Victory Partners VIII Norway AS. Although there are very few transactions during the period between 09 May - 09 October in Victory Partners VIII Norway Holding AS, figures for the entire period are presented for FY2018 comparatives. The majority of the transactions occurred during the period between 09 October 2018 and 31 December 2018.

Victory Partners VIII Norway Holding AS is the parent company of Victory Partners VIII Norway AS, which in turn owns LINK Mobility Group AS. The Group's subsidiaries as at 31 December 2019 are listed below.

Name of entity	Date of acquisition	Place of business / country of registration	Ownership interest
LINK Mobility Group AS	09.10.2018	Oslo, Norway	100 %
LINK Mobility AS	09.10.2018	Oslo, Norway	100 %
LINK Mobility AB	09.10.2018	Stockholm, Sweden	100 %
LINK Mobility SIA	09.10.2018	Riga, Latvia	100 %
LINK Mobility A/S	09.10.2018	Kolding, Denmark	100 %
LINK Mobile A/S	09.10.2018	Kolding, Denmark	100 %
LINK Mobility Oy	09.10.2018	Tampere, Finland	100 %
Labyrintti International Oy	09.10.2018	Tampere, Finland	100 %
LINK Mobility GmbH	09.10.2018	Hamburg, Germany	100 %
GfMB Gesellschaft für Mobiles Bezahlen	09.10.2018	Hamburg, Germany	100 %
LINK Mobility Spain S.L.U	09.10.2018	Madrid, Spain	100 %
LINK Mobility EAD	09.10.2018	Sofia, Bulgaria	100 %
LINK Mobility Sp.z.o.o	09.10.2018	Gliwize, Poland	100 %
LINK Mobility SAS	09.10.2018	Paris, France	100 %
Horisen Messaging AG	09.10.2018	Rorschash, Switzerland	100 %
Simple SMS Group	09.10.2018	Wels, Austria	100 %
Archynet s.r.s	09.10.2018	Torino, Italy	100 %
SMS IT Srl	09.10.2018	Milan, Italy	100 %
Multiwizz SAS	20.11.2018	Marseille, France	100 %
Hay Systems Ltd	14.12.2018	Edinburgh, Scotland	100 %
Dream Interactive Ltd	18.12.2018	Budapest, Hungary	100 %
Netsize Espana S.L.U.	09.01.2019	Madrid, Spain	100 %
Netsize Internet Payment Exchange AB	09.01.2019	Stockholm, Sweden	100 %
Netsize S.A.	09.01.2019	Boulogne- Billancourt, France	100 %
Netsize Societa' A Responsabilita' Limitada	09.01.2019	Rome, Italy	100 %
Netsize UK Ltd.	09.01.2019	London, United Kingdom	100 %
Allterpay EOOD	29.07.2019	Sofia, Bulgaria	100 %
Tera Communications AD	29.07.2019	Sofia, Bulgaria	100 %
Tera Communications DOOEL	29.07.2019	Skopje, Republic of North Macedonia	100 %
Teracomm RO SRL	29.07.2019	Bucharest, Romania	100 %
Teravoice EAD	29.07.2019	Sofia, Bulgaria	100 %
Evawin SAS	30.08.2019	Le Coteau, France	100 %
Inwave SAS	30.08.2019	Le Coteau, France	100 %

Note 2 Adoption of new and revised International Financial Reporting Standards (IFRS)

A number of new or amended IFRS standards issued by the International Accounting Standards Board (IASB) and IFRS interpretations issued by the IFRS Interpretations Committee (IFRS IC) are effective for accounting periods commencing on or after 01 January 2019. The Group was established during 2018, and the requirements arising from revised IFRSs or IFRIC interpretations are embedded in the recognition, measurement and disclosures relevant to the consolidated financial statements of the Group from the date of establishment. The accounting policies adopted have been described in note 3 Accounting policies.

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 01 January 2019:

Standard/ Interpretation	**Title**	**Date of issue**	**Applicable to accounting periods commencing on**
IFRS 16	Leases	January 2016	01 January 2019
Amendments to IFRS 9	Prepayment Features with Negative Consequences	October 2017	01 January 2019
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures	October 2017	01 January 2019
Annual Improvements to IFRS Standards 2015	2017 Cycle	December 2017	01 January 2019
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement	February 2018	01 January 2019
Interpretation (IFRIC) 23	Uncertainty over Income Tax Treatments	June 2017	01 January 2019
Amendments to IAS 1 and IAS 8	Definition of Material	October 2018	01 January 2019

The Group had to change its accounting policies as a result of adopting IFRS 16. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 01 January 2019; this is disclosed in note 7. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to have any significant effect in the current or future periods.

Certain new accounting standards and interpretations have been published that are not manatory for 31 December 2019 reporting periods and these have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on forseeable future transactions.

Standard/ Interpretation	**Title**	**Date of issue**	**Applicable to accounting periods commencing on**
IFRS 17[1]	Insurance contracts	May 2017	1 January 2021
Amendments to Conceptual Framework[1]	Amendments to References to the Conceptual Framework in IFRS Standards	March 2018	1 January 2020
Amendment to IFRS 3[1]	Business Combinations	October 2018	1 January 2020

[1] The standard/revised standard/amendment has as at the date of issue of these financial statements not yet been adopted by the EU

IFRS 16 Leases
IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. The Group is only a lessee in terms of the definitions in IFRS 16 and arrangements entered into. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related Interpretations when it becomes effective for accounting periods beginning on or after 01 January 2019. The date of initial application of IFRS 16 for the Group will be 01 January 2019. The Group has chosen the modified retrospective application of IFRS 16 in accordance with IFRS 16:C5(b). Consequently, the Group will not restate the comparative information for the period prior to first adoption.

The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the lessee. Control is considered to exist if the lessee has the right to obtain substantially all of the economic benefits from the use of an identified asset and the right to direct the use of that asset.

The Group will apply the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 01 January 2019. In preparation for the first-time application of IFRS 16, the Group has analysed current lease contracts and concluded that the new definition in IFRS 16 will not change the scope of contracts that meet the definition of a lease for the Group.

IFRS 16 will change how the Group accounts for leases previously classified as operating leases under IAS 17, which were off-balance sheet. On initial application of IFRS 16, for all leases (except as noted below), the Group will:
• Recognise right-of-use assets and lease liabilities in the consolidated statement of financial position, initially measured at the present value of the future lease payments;
• Recognise depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of profit or loss;
• Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the consolidated cash flow statement.

Lease incentives (e.g. rent-free period) will be recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis. Under IFRS 16, right-of-use assets will be tested for impairment in accordance with IAS 36 Impairment of Assets. This will replace the previous requirement to recognise a provision for onerous lease contracts.
For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the Group will opt to recognise a lease expense on a straight-line basis as permitted by IFRS 16.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 01 January 2019. The weighted average lessee’s incremental borrowing rates applied to the lease liabilities on 01 January 2019 range between 3.50% to 9.50%.

Under IAS 17, all lease payments on operating leases are presented as part of cash flows from operating activities. The impact of the changes under IFRS 16 would be to reduce the cash generated by operating activities and to increase net cash used in financing activities.

Measurement of lease liabilities

	2019
Operating lease commitments disclosed as at 31 December 2018	35 101
Discounted using the lessee's incremental borrowing rate at the date of initial application	22 847
Add: finance lease liabilities recognised as at 31 December 2018	-
(Less): short-term leases not recognised as a liability	-1 092
(Less): low-value leases not recognised as a liability	-
Add/(less): contracts reassessed as lease contracts	-
Add/(less): adjustments as a result of a different treatment of extension and termination options	-
Add/(less): adjustments relating to changes in the index or rate affecting variable payments	-
Lease liability recognised as at 01 January 2019	21 755
Of which are:	
Current lease liabilities	9 553
Non-current lease liabilities	12 201
	21 755

Note 3 Summary of significant accounting policies

3.1 General information
Victory Partners VIII Norway Holding AS ("the Company") is a limited liability Company incorporated and domiciled in Norway. The address of the registered office is Langkaia 1 – Havnelageret, 0150 Oslo, Norway. Victory Partners VIII Norway Holding AS is the parent company of the Victory Partners VIII Norway Holding AS Group ("the Group"). The Group provides services in mobile communication and specialises in mobile messaging services, mobile solutions and mobile intelligence.

These consolidated financial statements were approved for issue by the Board of Directors on date 26 June 2020. Minor rounding differences may be present and the total may deviate from the total of the individual amounts. This is due to the rounding of whole figures to thousands for presentation purposes.

3.2 Basis for preparation
The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. The consolidated financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Group's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4. The consolidated financial statements have been prepared on a going-concern basis.

The presentation currency of the consolidated financial statement is Norwegian kroner (NOK), which is also the functional currency of the parent company.

3.3 Principles of consolidation
The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved when the Group has power over the investee, is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control noted above. The financial statements of the subsidiaries are prepared for the same reporting periods as the parent company and consistent accounting policies are applied. The results of subsidiaries acquired or disposed of during the year are included in the income statement from the date when control is obtained and until control ceases, respectively. Intercompany transactions, balances, revenues, expenses and unrealised Group internal gains or losses are eliminated on consolidation.

When the group ceases to consolidate an investee because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in the carrying amount recognised in profit or loss. The fair value of the retained interest becomes the initial carrying amount for the purposes of subsequent accounting for the investment.

3.4 Business combinations
Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of acquired entities are measured at fair values at the date of acquisition, except deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured at the amount by which the total consideration transferred exceeds the net fair value of assets acquired. Goodwill is not amortised, but its value is tested for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

When the consideration transferred by the Group in a business combination includes contingent consideration arrangements, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments recognised in goodwill. Measurement period adjustments arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.5 Revenue recognition

Revenues are recognised when services are rendered and measured based on the consideration to which the Group expects to be entitled in a contract with a customer net of discounts and sales related taxes. The Group recognises revenue when it transfers control of a product or service to a customer.

When the Group is acting as an agent, amounts are collected on behalf of the principal. In order to determine whether the Group is acting as a principal or an agent, the risks and rewards associated with the service in question are assessed. When the Group is acting as an agent, amounts are collected on behalf on the principal. In order to determine whether the Group is acting as a principal or an agent, the Group assesses whether the Group controls the service before it is provided to the customer. Where the Group does not control the service, the Group is considered an agent in the transaction.

The services rendered are split into the following groups:

Type of service	Timing of recognition	Measurement of revenue
Mobile messaging transactions	The Group provides mobile messaging services via SMS and other messaging channels such as Apps, Facebook, Messenger, WhatsApp, Joyn and email. Revenue from messaging is recognised when the message service has been provided; when the messages are delivered to the recipient.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Payment services	The Group offers payment solutions where the customer can get their customers (the end users) to pay for services by charging their mobile phone account or credit/debit card. As payment for these services, the Group is entitled to remuneration related to the processed transactions/payment. Revenue is recognised when the payment service is rendered.	The Group acts as an agent for this type of service and the performance obligation is to arrange for the provision of services by another party. Consequently, only the income from the processed transactions is recognised as revenue.
Licences	License revenue consists of revenue from monthly fees paid by customers for access to Group platforms and solutions. No proprietary rights are transferred to the customer. The revenue is recognised throughout the duration of the license agreement.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Consulting services	Revenue from consulting services is recognised in the accounting period during which the services are rendered.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.

3.6 Foreign currency translation
In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated after the transaction date.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement as financial items. All other foreign exchange gains and losses are presented on a net basis in the income statement as other operating expenses. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are considered as assets and liabilities of the foreign entity and translated at the closing rate. These exchange differences are recognised in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss.

3.7 Intangible assets
Goodwill and intangible assets acquired in business combination
Goodwill and intangible assets acquired in a business combination are recognised initially as set out in 3.4 Business Combinations above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).
Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Separately acquired intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent to initial recognition, separately acquired intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Internally generated intangible assets – technology

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development of the Groups technical platforms and products is recognised if, and only if, all the following conditions have been demonstrated:

•the technical feasibility of completing the intangible asset so that it will be available for use or sale;
•the intention to complete the intangible asset and use or sell it;
•the ability to use or sell the intangible asset;
•how the intangible asset will generate probable future economic benefits;
•the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
•the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

3.8 Equipment and fixtures

Equipment and fixtures are initially recognised at cost, which includes the purchase price (including duties and non-refundable purchase taxes) and any directly attributable costs of bringing the asset to the location and condition necessary for it to be able to operate in the intended manner. Equipment and fixtures are subsequently recognised at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised so as to reduce the cost of assets less their residual values over their useful lives, using the straight-line method. Depreciation commences when the assets are ready for their intended use.

Estimated useful life, depreciation method and residual values are reviewed at least annually. The straight-line depreciation method is used as this best reflects the consumption of the assets, which often is the passage of time. Residual value is estimated to be zero for all assets.

Repair and maintenance is expensed as incurred. If new parts are capitalised, replaced parts are derecognised and any remaining net carrying amount is recognised in operating profit (loss) as loss on disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of equipment and fixtures is determined as the difference between the sales proceeds and the carrying amount of the asset and is presented as other income or other expenses in the income statement.

3.9 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

3.10 IFRS 16 Leases

IFRS 16 changes the accounting principles for many lease contracts. The new standard results in most leasing contracts being recognised on the balance sheet as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-of-use of the leased item) and a lease liability to pay rentals are recognised. During the term of the lease, the right-of-use asset is depreciated and interest expenses and principle repayments are recognised on the lease liability. As a lessee, the Group leases office premises, vehicles and equipment. Under IFRS 17, the Group classified all leases as operating leases and recognised lease expenses on a straight-line basis over the lease term.

The Group initially applied IFRS 16 from 01 January 2019; IFRS 16 is applied using the modified retrospective approach. The comparative information presented in 2018 is not restated and is presented as previously reported, under IFRS 17 and its related interpretations. When applying the modified retrospective method, a lessee measures the right-of-use asset at either its carrying amount as if IFRS 16 had always been applied singe the commencement date (discounted using the incremental borrowing rate at the date of initial application), or at an amount equal to the lease liability (adjusted for previously recognised prepaid or accrued lease payments). The choice between the two options shall be made on a lease-by-lease basis.

The Group has chosen to measure the right-of-use asset at an amount equal to the lease liability for all leases by using the lessee's incremental borrowing rate; the rate may differ from country to country.

The lessee's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value of the right-of-use asset in a similar economic environment.

The Group used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. Specifically, the Group:
- did not recognise right-of-use assets and liabilities for leases with a lease term that ends within 12 months from the date of application;
- did not recognise right-of-use assets anf liabilities for leases of low value assets;
- excluded initial dirct cost from the measurement of the right-of-use assets at the date of initial application; and
- used hindsight when determining the lease term.

The Group has elected to use the exemptions in the standard on short-term lease contracts and for lease contracts where the underlying asset is of low value. These leases are recognised as operation expenses in the profit and loss.

3.11 Government grants

The Group receives Government grant as part of the "Skattefunn" arrangement in Norway, which is an arrangement to stimulate research and development in Norway. The government grant is initially recognised as a deduction to the carrying amount of the relevant asset. The amount is subsequently credited to profit or loss on a straight-line basis over the estimated useful life of the related asset.

3.12 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The categorisation of financial instruments (financial assets and liabilities) for measurement purposes is based on the nature and purpose of the financial instrument and is determined on initial recognition. The Group presents financial assets and liabilities in the following classes: trade and other receivables, cash and cash equivalents, trade and other payables, long term borrowings and short-term borrowings.

Financial assets

The financial assets held by the group, primarily trade and other receivables, are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances. The impairment model in IFRS 9 Financial Instruments requires the recognition of impairment provisions based on expected credit losses (ECL). The Group recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. The impairment is calculated by taking into account the historic evidence of the level of credit losses experienced and the ageing profile of the trade receivables. Individual trade receivables are impaired when management assesses them not to be wholly or partially collectible.

Financial liabilities

The Group does not have financial liabilities held-for-trading or liabilities designated as at fair value through profit or loss.

Trade and other payables include trade payables and other current and non-current, non-interest-bearing financial liabilities. Borrowings (long term and short term) include bank loans and overdrafts. These liabilities are initially recognised in the statement of financial position at fair value (net of any transaction costs), and subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss

3.13 Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and commercial papers with original maturities of three months or less.

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

3.14 Employee benefits

The Group operates a defined contribution plan for post-retirement benefits. A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity (insurance company). The Group has no legal or constructive obligations to pay further contributions to the pension plan for benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.15 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's current tax liability is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.
A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax is recognized based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.16 Provisions
Provisions for e.g. workforce reductions (restructuring), onerous contracts and legal claims are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation, and discounted to its present value.

Note 4 Critical accounting judgements and key sources of estimation variances

In the application of the Group's accounting policies, as described in note 3, management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant. Future events may cause these estimates to change and actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates are recognised in the period when the changes occurred, if they apply to that period. If the changes also apply to future periods, the effect will be distributed between the current period and future periods.

Business combinations
The Group has finalised certain acquisitions in FY2019 and finalised the acquisition of the LINK Mobility Group in FY2018. The entities acquired represent all the operating business activities in the Group; refer to note 5 for further details. In order to account for the business combinations and determine the fair value of the underlying assets and liabilities in accordance with IFRS 3, management has used significant judgement. In order to calculate the fair value of the intangible assets in the acquired companies, the expected future cash flows have been reconciled to the purchase price of the acquired companies. The reconciliation is performed via a Business Enterprise Valuation (BEV). Intangible assets have been valued using the Multi Excess Earnings Method ("MEEM") and Relief From Royalty Method ("RFR"). The methods are considered to be appropriate for the type of assets being valued (MEEM for customer relationships and RFR for technology and trade name). The excess of the consideration over the fair value of the net identifiable assets acquired is recognised as goodwill.

Significant input used in the estimation of fair values utilising the above methods are as follows:
-The remaining estimated useful life of customer relationships is between 7 and 10 years
-The remaining estimated useful life of technology is 10 years
-Revenue growth and EBITDA (earnings before interest, tax, depreciation and amortisation) margins are based on estimates of growth and margins in the respective companies

Estimated impairment of goodwill and other intangible assets
The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill is assessed at least annually. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. As of 31 December 2019, the amount of goodwill tested for impairment amounted to KNOK 3 389 875 (FY2018 - KNOK 3 119 939). No impairment losses were recognised in FY2019 (FY2018 - nil). Please refer to notes 3 and 12 for further details related to the impairment testing methodology and results.

Deferred tax assets
Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. The Group is also subject to income taxes in various jurisdictions. Judgment is required in determining the Group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability and expense in the period in which such determination is made.

Purchase price of subsidiaries – earn-out
Periodically, the Group acquires subsidiaries where the preliminary purchase price is based on an assumption that the acquired company will achieve a target EBITDA for the current financial year. The final purchase price is subject to an upwards or downwards earn-out adjustment based on the company's actual achieved EBITDA. The earn-out adjustment is accounted for in the income statement as finance income or expense.

Correction of error in calculating foreign exchange
On 09 October 2018, Victory Partners VIII Norway AS acquired 100 % of the voting rights of LINK Mobility Group AS; details are provided in notes 5 and 12. Based on the final purchase price allocation, there have been changes in the estimated fair value of identified assets presented in the FY2018 annual report. The difference arises from the fact that the intangible assets acquired in FY2018 were accounted for in NOK. In FY2019, the intangible assets have been translated to the currency used by the corresponding CGU. Figures for FY2018 are restated and the result of the correction is an understatement of net intangible assets and of deferred tax liabilities. The correction does not have a material effect in the statement of profit and loss. Differences and their effect are presented below.

Balance sheet (extract)	31 December 2018	Increase/ (Decrease)	31 December 2018 (Restated)
Trade name	408 395	-81 469	326 925
Customer relations	876 715	72 410	949 124
Technology	457 750	-23 103	434 647
Goodwill	2 922 137	178 576	3 100 713
Net intangible assets	4 664 996	146 413	4 811 409
Deferred tax liabilities	-281 262	-12 259	-293 521
Net assets	**4 383 735**	**134 153**	**4 517 888**
Accumulated translation differences	585	137 392	137 977
Retained earnings (accumulated losses)	-275 439	-3 239	-278 678
Total equity	**-274 854**	**134 153**	**-140 701**
Statement of profit or loss (extract)			
Depreciation and amortization	-41 332	-3 328	-44 660
Profit before income tax	-41 332	-3 328	-44 660
Income tax expense	31 930	89	32 019
Profit for the period	**-9 402**	**-3 239**	**-12 641**
Statement of comprehensive income (extract)			
Profit (loss) for the period	-275 439	-3 239	-278 678
Total profit for the period	**-275 439**	**-3 239**	**-278 678**

Note 5 Business combinations

Acquisitions during the period

2019	Main business activity	Date of business combination	Proportion of voting equity acquired	Acquiring entity
Netsize S.A (France) Netsize IPX AB (Sweden) Netsize Srl (Italy) Hereafter referred to as Netsize Group	Provider of mobile messaging services and mobile solutions	9 January	100 %	LINK Mobility SAS LINK Mobility AB LINK Mobility Group AS
Tera Communications AD Tera Voice AD Hereafter referred to as Teracom Group	Provider of mobile messaging services and mobile solutions	29 July	100 %	LINK Mobility Group AS
Inwave SAS		30 August	100 %	LINK Mobility SAS

Acquisition of Netsize

On 09 January 2019, LINK Mobility Group AS acquired 100% of the voting equity instruments of Netsize SA, Netsize S.r.l., and Netsize Internet Payment Exchance A.B. Further Netsize SA holds 100% of the voting equity instruments of Netsize UK Ltd and Netsize Espana SL. together (“Netsize). Netsize was acquired from Gemalto N.V. and Gemalto S.A. together (“Gemalto”) at an agreed Enterprise Value of EUR 20 million, plus and optional additional payment (“Earn-Out”) of EUR 15 million, if certain economic metrics of the Netsize is achieved. The Earn-Out is payable 6 months after the 1st and 2nd anniversary of the transaction.

Netsize is one of Europes leading messaging companies, with a strong position in France, Italy and Sweden, and with smaller operations in UK and Spain. Netsize brought 400 enterprise clients and EUR +50 million in Revenue to LINK Mobility Group AS.

The Purchase price was settled 100% in cash.

Acquisition of Teracom

On 29 July 2019, LINK Mobility Group AS acquired 100 % of the voting equity instruments of TeraVoice EAD and Tera Communications AD. Further, Tera Communcations AD holds 100 % of the voting equity instruments of AlterPay EOOD, Tera Communications DOOEL and TeraComm RO. S.R.L, together (“TeraComm Group”). TeraComm Group is one of the leading SMS and payment providers in Bulgaria, with operations in Romania and North Macedonia, the acquisition brings more than 400 new clients to the LINK Mobility Group footprint.
TeraComm Group was acquired from Allterco JSCo, a Bulgarian stock listed company, at an agreed enterprise value of EUR 7,886 million based on the TeraComm Group’s 2018 actual normalized EBITDA of EUR 1,3 million multiplied by a factor of 6.
The Purchase price under the transaction is settled as follows:
60 % of the purchase price in cash upon closing
20 % of the purchase price in LINK shares upon closing
20 % of the purchase price as a non-contingent holdback

Acquisition of Invawe (Spot Hit)
On 30 August 2019, LINK Mobility Group AS acquired 100 % of the voting equity instruments of Inwave SAS and Evawin SAS together branded under the name “Spot-Hit”.

Spot-Hit is one if the leading marketing automation companies in France with a significant volume of SMS and email services towards more than 2,000 small and medium size business in France.

The acquisition was completed based on an agreed enterprise value of EUR 7,0 million, on a cash-free and debt-free basis. The enterprise value is equivalent to a normalized EBITDA multiple of 5.4x

The purchase price under the transaction as settled as follows:
70 % of the purchase price in cash upon closing
20 % of the purchase price in LINK shares upon closing
10 % of the purchase price as a non-contingent holdback

The contributed revenue and net profit from the acquired companies are stated in the table following.

Revenue and net profit, in the period from the date of acquisition until 31 December 2019:

(Amounts in NOK 1 000)	**Netsize Group**	**Teracom Group**	**Inwave SAS**
Revenue	610 150	50 388	33 135
Net profit	19 440	2 394	1 866
Estimated revenue and net profit, as if the acquisition had occured 1 January 2019			
Revenue	610 150	118 308	93 510
Net profit	19 440	1 037	6 656

Consideration transferred

(Amounts in NOK 1 000)	**Netsize Group**	**Teracom Group**	**Inwave SAS**
Cash	226 400	45 400	51 863
Share consideration [1)]	0	15 133	15 318
Holdback amount [2)]	0	15 133	7 659
Contingent consideration [3)]	83 625	0	0
Total consideration	**310 025**	**75 667**	**74 840**

[1)] Share consideration
As part of the consdieration, Victory Partners VIII Norway Holding AS issued 67 259 ordinary shares to the sellers of Teracom Group and 68 079 ordinary shares to the sellers of Inwave SAS. The shares were issued at a fair value of NOK 225 pr share.

[2)] Holdback amount
For the Teracom transaction, an amount equal to 20 % of the preliminary purchase was withheld by LINK withouth any interest accruing (Holdback Amount). The amount, less any set-off amount according the terms in the Share Purchase Agreement (SPA) shall be paid to the sellers within 10 business days after second anniversary of the closing date. For the Invwave transaction, an amount equal to 10 % of the preliminary purchase price was withheld without any interest accruing. The amount less any set-off amount according the terms in the SPA shall be paid to the sellers within 10 business days after 720 calendar days from closing date.

[3)] Contingent consideration
For the Netsize Group transaction, LINK will pay an additional earn out based on EBITDA performance for 2019 and 2020. The earn out is limited to a maximum of EUR 15 mill. The earn out will equal 5 times the amount by which the actual EBITDA is above the Base Case EBITDA, which is EUR 2,75 mill for 2019 and 2020. The earn out is to be paid 31 May 2020 and 31 May 2021 if not disputed. The EBITDA calculation are adjusted for certain costs according the terms in the SPA. The Group has included an amount of EUR 8,7 mill, equaling NOK 83,6 mill as contingent consideration related to the earn out, which represents the fair value at the date of acquisition. At 31 December the contingent consideration had increased to NOK 92,8 mill.

Identifiable assets and liabilities recognised on the date of the business combination

Assets assumed in connection with the business combinations have been recognised at the estimated fair value on the date of the business combination. Management has identified technology and customer relations as major assets.

Note that the estimates are provisional and may be subject to change during the measurement period, which is one year from the date of the acquisition.

(Amounts in NOK 1 000)	Netsize Group	Teracom Group	Inwave SAS
Customer relations	73 251	13 597	12 425
Technology	53 453	7 981	6 332
Deferred tax assets/other recievables	12 248	176	194
Tangible fixed assets	2 202	926	2 271
Trade and other receivables	223 376	27 255	13 869
Cash and cash equivalents	67 471	5 391	9 687
Long-term liabilities	-	141	
Deferred tax liability	(40 511)	(1 716)	(5 777)
Trade and other payables	(284 768)	(29 318)	(10 552)
Fair value of identifiable net assets acquired	**106 721**	**24 433**	**28 449**

Goodwill

(Amounts in NOK 1 000)	Netsize Group	Teracom Group	Inwave SAS
Consideration transferred	310 025	75 667	74 840
Fair value of identifiable net assets acquired	-106 721	(24 433)	-28 449
Goodwill	**203 303**	**51 234**	**46 391**

Goodwill originating from the business combination is primarily related to anticipated synergies from on-going operations and the benefit of integrating the entire business into the group. No impairment has been recognised subsequent to the business combination.

Goodwill that has arisen as part of the business acquisition is not tax deductible.

Acquisition related expenses

(Amounts in NOK 1 000)	Netsize Group	Teracom Group	Inwave SAS
Incurred 2018	7 834	3 140	-
Incurred 2019	1 547	1 684	3 193
Total	**9 381**	**4 824**	**3 193**

Expenses related to acquisitions are reported under Other operating expenses in Income statement for 2018 and 2019.

Note 5 Business combinations (con't)

Changes to acquisitions accounting previous periods

On 09 October 2018 Victory Partners VIII Norway AS acquired 100 % of the voting equity instruments of LINK Mobility Group AS. The total consideration amounted to KNOK 3 396 379. Based on the final purchase price allocation there have been changes in the estimated fair value of identified assets presented in the financial statements 2018. The updated purchase price allocation is presented in the table following.

Identifiable assets and liabilities recognised on the date of the business combination

	Reported 2018	Reported 2019
	Acquired 9 October 2018	
(Amounts in NOK 1 000)	**LINK Mobility Group AS**	
Trade name	408 395	330 227
Customer relations	899 300	925 900
Technology	447 349	408 794
Deferred tax assets/other recievables	12 001	12 001
Tangible fixed assets	9 975	9 975
Trade and other receivables	349 300	349 343
Cash and cash equivalents	118 300	118 271
Long-term liabilities	(933 400)	(933 434)
Deferred tax liability	(286 626)	(286 453)
Trade and other payables	(468 000)	(467 969)
Fair value of identifiable net assets acquired	**556 593**	**466 656**

Goodwill

(Amounts in NOK 1 000)		
Consideration transferred	3 396 379	3 396 379
Fair value of identifiable net assets acquired	-556 593	-466 656
Goodwill	**2 839 785**	**2 929 723**

Goodwill originating from the business combination is primarily related to anticipated synergies from on-going operations and the benefit of integrating the entire business into the group. No impairment has been recognised subsequent to the business combination.

Goodwill that has arisen as part of the business acquisition is not tax deductible.

On 23 November 2018, LINK Mobility Group AS acquired 100 % of the voting equity instruments of Multiwizz SAS. The final total consideration amounted to KNOK 50 456, reported estimated consideration 2018 was KNOK 49 975. Based on the final purchase price allocation the identified assets and liabilites is presented in the table follwoing.

Identifiable assets and liabilities recognised on the date of the business combination

(Amounts in NOK 1 000)	Reported 2018	Reported 2019
Trade name		-
Customer relations	-	11 688
Technology	1 631	1 988
Deferred tax assets/other recievables	-	-
Tangible fixed assets	502	502
Trade and other receivables	410	410
Cash and cash equivalents	8 565	8 565
Long-term liabilities	-	-
Deferred tax liability	-	(4 011)
Trade and other payables	(8 216)	(8 216)
Fair value of identifiable net assets acquired	**2 892**	**10 926**

Goodwill

(Amounts in NOK 1 000)		
Consideration transferred	49 975	50 456
Fair value of identifiable net assets acquired	-2 892	-10 926
Goodwill	**47 083**	**39 530**

Note 6 Revenue
(Amounts in NOK 1000)

The Group's operations are conducted through subsidiaries in Norway, Sweden, Denmark, Finland, Germany, Spain, France, Poland, Baltics, Bulgaria, Switzerland, Austria and Italy. The Group derives its revenue from contracts with customers for the transfer of goods and services as described in the table provided in note 3 to the financial statments. The Group is organized within geographical areas and the performance of these geographical areas are evaluated on a monthly basis by Group management.

Revenue per business line	**01.01.2019 - 31.12.2019**	**'09.05.2018 - 31.12.2018**
Mobile messaging transactions	2 686 616	516 846
Payment services	71 503	11 987
Licenses	159 266	30 729
Consulting services	15 321	4 003
Group	**2 932 707**	**563 566**

Revenue per geographical area		
Norway	590 204	149 933
France	544 167	26 736
Germany	405 657	113 810
Sweden	352 183	53 170
Switzerland	220 906	28 308
Poland	178 502	42 875
Italy	175 166	33 056
Spain	116 400	46 610
Denmark	113 331	33 993
Finland	78 292	19 376
Bulgaria	70 531	9 560
United Kingdom	23 178	
Austria	20 770	5 059
Hungary	19 933	
Baltics	19 408	1 082
Latvia	4 079	-
Total	**2 932 707**	**563 566**

Note 7 Leases

(Amounts in NOK 1000)

This note provides information for leases where the group is a lessee.

Amounts recognised in the balance sheet

The balance sheet shows the following amounts related to leases:

	2019	01 January 2019*
Right-of-use assets		
Buildings	21 687	30 112
Vehicles	1 697	3 117
Equipment	899	2 538
	24 283	**35 766**
Lease liabilities		
Current	13 090	9 553
Non-current	12 020	12 201
	25 110	**21 755**

* In the previous year, the group only recognised lease assets and lease liabilities in relation to leases that were classified as 'finance leases' under IAS 17 *Leases* . The assets were presented in property, plant and equipment and the liabilities as part of the Group's borrowings.

Amounts recognised in the profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2019	2018
Depreciation charge of right-of-use assets		
Buildings	-8 401	-
Vehicles	-1 420	-
Equipment	-1 638	-
	-11 459	**-**
Interest expense (included in finance expense)	**-3 565**	-
Expense related to short-term leases (included in other operating expenses)	**-556**	-
Expense related to leases of low-value assets that are not shown above as short-term leases (included in other operating expenses)	**-**	-

The total cash outflow for leases in 2019 was KNOK 10 754.

The Group's leasing activities and how these are accounted for

The Group leases office space, equipment and vehicles. Rental contracts are typically made for fixed periods between 1 and 10 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate (buildings) for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases. From 01 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
• Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
• Amounts expected to be payable by the group under residual value guarantees;
• The exercise price of a purchase option if the group is reasonably certain to exercise that option; and
• payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

• Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
• Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Group subsidiaries, which do not have recent third-party financing; and
• Makes adjustments specific to the lease (i.e. term, country, currency and security).

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

• The amount of the initial measurement of lease liability;
• Any lease payments made at or before the commencement date less any lease incentives received;
• Any initial direct costs; and
• Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Variable lease payments

The Group is not exposed to variable lease payments.

Extension and termination options
Extension and termination options are included in certain property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are mutually exercisable and are evaluated accordingly.

Note 8 Payroll and related expenses

(Amounts in NOK 1000)

	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Wages and salaries	238 556	39 632
Social security tax	54 162	9 900
Pension expense	12 457	5 057
Other benefits	12 670	4 155
Total payroll and related expenses	**317 845**	**58 744**
The number of labor years employed during the financial year:	494	247

The pension plans in the Group comply with the pension legislation enacted in respective countries. The pension plans require that the Group pays premiums to public or private administrative pension plans on a mandatory, contractual or voluntary basis. There are no further obligations once the annual premiums are paid. The premiums are accounted for as personnel expenses as soon as they are incurred. Pre-paid premiums are accounted for as an asset to the extent that future benefits can be determined as plausible.

Remuneration of key group employees

Key group employees are defined as employees who are part of LINK Group management. In FY2019 and as at 31 December 2019, Group management consisted of the following individuals (amounts in NOK):

	Wages and Salaries	Bonus	Pension expense	Other renumeration
Guillaume Van Gaver (CEO)	335 000	-	-	1 155 000
Arild Hustad (CEO)	1 710 094	33 633	59 325	3 294
Thomas Berge (CFO)	2 234 634	28 513	71 490	4 392
Torbjørn Krøvel (CTO)	1 727 439		70 252	4 392
Janicke Wrige (Group HR Director)	1 269 749	21 645	71 374	4 392
Total	**6 941 916**	**83 791**	**272 441**	**1 171 470**

The CEO, CFO and CTO have agreements that entitle them to 6 months salary in the event of termination of employment.

Arild Hustad held the position as CEO from 01 January to 02 May 2019. Wages and salaries for Mr. Hustad include 6 months of salary subsequent to termination of employment.

From 02 May - 23 September, CFO Thomas Berge held the role of acting CEO.

From 23 September, Guillaume van Gaver was initially engaged as CEO on a consultancy contract and subsequently offered permanent employment. Other remuneration is comprised of a consultancy fee of NOK 770 000 and a bonus of NOK 385 000 for the period. The consultancy contract expired 31 November, and from 01 December Guillaume van Gaver was permanently employed as CEO.

Mr. van Gaver has a performance based bonus of up to 50% of his annual base salary; the amount of the bonus is determined by the successful completion of key management business objectives that are set by the Board of Directors.

Thomas Berge has a performance based bonus, limited to 40% of his annual base salary. The criteria for this bonus is a combination of quantitative and qualitative targets determined by the Board of Directors.

The remaining members of Group management are included in the common bonus agreement for LINK employees. The bonus is calculated on the basis of achievment of budgeted Group income and EBITDA, and other quantitave and qualitative criteria that are determined on an annual basis. The annual bonus is capped at the equivalent of 3 months salary.

No loans, advances or guarantees have been granted to key group employees or Board members.

Remuneration to the Board of Directors

The Board of Directors has not received any renumeration in FY2019.

Note 9 Other operating expenses

(Amounts in NOK 1000)

	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Advisors and consultants	57 819	11 581
IT, licenses and hosting	49 529	6 893
Restructuring costs	39 796	15 503
Cost related to acquisition of subsidiaries	27 168	116 872
Sales and marketing cost	26 635	5 773
Cost for premises	7 831	4 066
Inventory and equipment	6 518	1 694
Other expenses	9 346	6 475
Total other operating expenses	**224 642**	**168 857**

The table below summarises audit fees for the period 01.01.2019 - 31.12.2019 (09.05.2018 - 31.12.2018) and fees for audit related services, tax services and other services incurred by the Group during the period. Fees include both Norwegian and foreign subsidiaries.

	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Audit fee	5 768	1 527
Other attestation services	336	59
Tax consulting services	213	108
Other services	579	12
Total fee to auditor	**6 895**	**1 707**

Note 10 Finance income and expenses

(Amounts in NOK 1000)

The Group's finance income is largely comprised of gains from foreign exchange. The finance expense for the period relates to interest expenses on borrowings, amortised cost recognised in profit and loss on debt to financial institutions and losses from foreign exchange.

Finance income	**01.01.2019 - 31.12.2019**	**09.05.2018 - 31.12.2018**
Foreign exchange gain	17 733	10 978
Interest income on bank deposits	270	61
Other financial income	4 041	1 557
Total finance income	**22 044**	**12 595**

Finance expense	**01.01.2019 - 31.12.2019**	**09.05.2018 - 31.12.2018**
Foreign exchange loss	13 949	74 279
Interest expense financial institutions and other	192 967	38 969
Other finance expense*	9 029	90 293
Total finance expense	**215 945**	**203 540**
Net finance income (expense)	-193 901	-190 945

* In FY2018, the previous obligation loan was repaid as a part of the Victory transaction. As a result, penalties for early repayment were incurred and previously capitalised loan costs were reversed (cumulatively NOK 69 million). The remainder of the amount is related fees incurred on the newly established SFA.

In FY2019, other finance expenses include fees incurred on unutilized amounts that are available in various SFA tranches.

Note 11 Transactions with related parties

(Amounts in NOK 1000)

Balances and transactions between Victory Partners VIII Norway Holding AS and its subsidiaries, which are related parties of Victory Partners VIII Norway AS, have been eliminated on consolidation and are not disclosed in this note. Related party transactions are made on terms equivalent to those that prevail in arm's length transactions and are made only if such terms can be substantiated.

During the year, the Group has not entered into any transactions with related parties.

At 31 December 2019, the Company had no balances with related parties.

Note 12 Intangible assets

(Amounts in NOK 1000)

Year ended 31 December 2018 (Restated)	Trade name	Customer relations	Technology	Goodwill	Total
Opening net book value	-	-	-	-	**-**
Net additions from acquired businesses (PPA)	330 227	944 228	412 353	2 992 259	**4 679 067**
Additions in the period	-	-	27 564	-	**27 564**
Net additions from acquired businesses	-	-	1 613	-	**1 613**
Disposals in the period	-	-	-	-	**-**
Exchange differences	-	28 498	9 903	108 454	**146 854**
Amortization charge	-3 302	-23 601	-16 785	-	**-43 689**
Closing net book amount	326 925	949 124	434 647	3 100 713	4 811 409
At 31 December 2018					
Cost	330 227	972 726	451 432	3 100 713	4 855 098
Accumulated amortisation and impairment	-3 302	-23 601	-16 785	-	-43 689
Net book amount	326 925	949 124	434 647	3 100 713	4 811 409

Year ended 31 December 2019	Trade name	Customer relations	Technology	Goodwill	Total
Opening net book value	326 925	949 124	434 647	3 100 713	**4 811 409**
Net additions from acquired businesses (PPA)	-	100 479	64 155	305 005	**469 639**
Additions in the period	-	1 443	118 095	-	**119 538**
Net additions from acquired businesses	-	-	4 614	-	**4 614**
Disposals in the period	-	-	-927	-	**-927**
Exchange differences	-	-4 590	-1 893	-15 841	**-22 324**
Impairment charge*	-	-	-46 137	-	**-46 137**
Amortization charge	-13 209	-106 978	-64 046	-	**-184 233**
Closing net book amount	313 716	939 479	508 509	3 389 876	5 151 580
At 31 December 2019					
Cost	330 227	1 070 058	635 477	3 389 876	**5 425 639**
Accumulated amortisation and impairment	-16 511	-130 579	-126 968	-	**-274 059**
Net book amount	313 716	939 479	508 509	3 389 876	5 151 580
Estimated useful life	25	7-10	3-10	Indefinite	
Amortisation method	Straight-line	Straight-line	Straight-line		

* The impairment charge is primarily comprised of the impairment of 100% of the cumulative capitalised investment in Joyn

Restated 2018

On 09 October 2018, Victory Partners VIII Norway AS acquired 100 % of the voting rights of LINK Mobility Group AS for a total consideration of KNOK 3 396 379. Based on the final purchase price allocation, there have been changes in the estimated fair value of identified assets presented in the FY2018 annual report (refer to note 5). The intangible assets acquired in FY2018 were accounted for in NOK. In FY2019, the intangible assets have been translated to the currency used by the corresponding CGU. The presentation provided above, as of 31 December 2018, refers to restated figures. In the table below, the figures are included as presented in the FY2018 annual report.

AS REPORTED 2018

Year ended 31 December 2018	Trade name	Customer relations	Technology	Goodwill	Total
Opening net book value	-	-	-	-	**-**
Net additions from acquired businesses (PPA)	408 395	899 300	447 349	2 922 137	**4 677 180**
Additions in the period	-	-	27 564	-	**27 564**
Net additions from acquired businesses	-	-	1 613	-	**1 613**
Disposals in the period	-	-	-	-	**-**
Exchange differences	-	116	-1 116	-	**-1 000**
Amortization charge	-	-22 702	-17 659	-	**-40 361**
Closing net book amount	408 395	876 715	457 750	2 922 137	4 664 996
At 31 December 2018	-	-	-	-	-
Cost	408 395	899 416	475 409	2 922 137	4 705 357
Accumulated amortisation and impairment	-	-22 702	-17 659	-	-40 361
Net book amount	408 395	876 715	457 750	2 922 137	4 664 996

Trade name

The LINK name was established in 2008 and has become a known name within the mobile solutions industry. The estimated useful life is determined to be 25 years and is amortised accordingly. The trade name has not been allocated to specific

Customer Relationships

For customer relationships identified and recognised through business combinations, the amortisation period is estimated to be between 7-10 years. The amortisation period is based on an analysis of customer churn and the remaining useful life of the customer relationships recogonised in the balance sheet.

Technology

Amortisation of capital expenditure for the development of Group technology is between 3-10 years. For technology acquired through business combinations, the amortisation period is between 7-10 years based on an evalution of the technological solution. The Group has received a grant from the "Skattefunn" arrangement i Norway. The grant received in the period is KNOK 2 739 (FY2018 - KNOK 4 361) and the amount has been deducted from the carrying amount of the development cost. The requirements of the arrangement have been fulfilled.

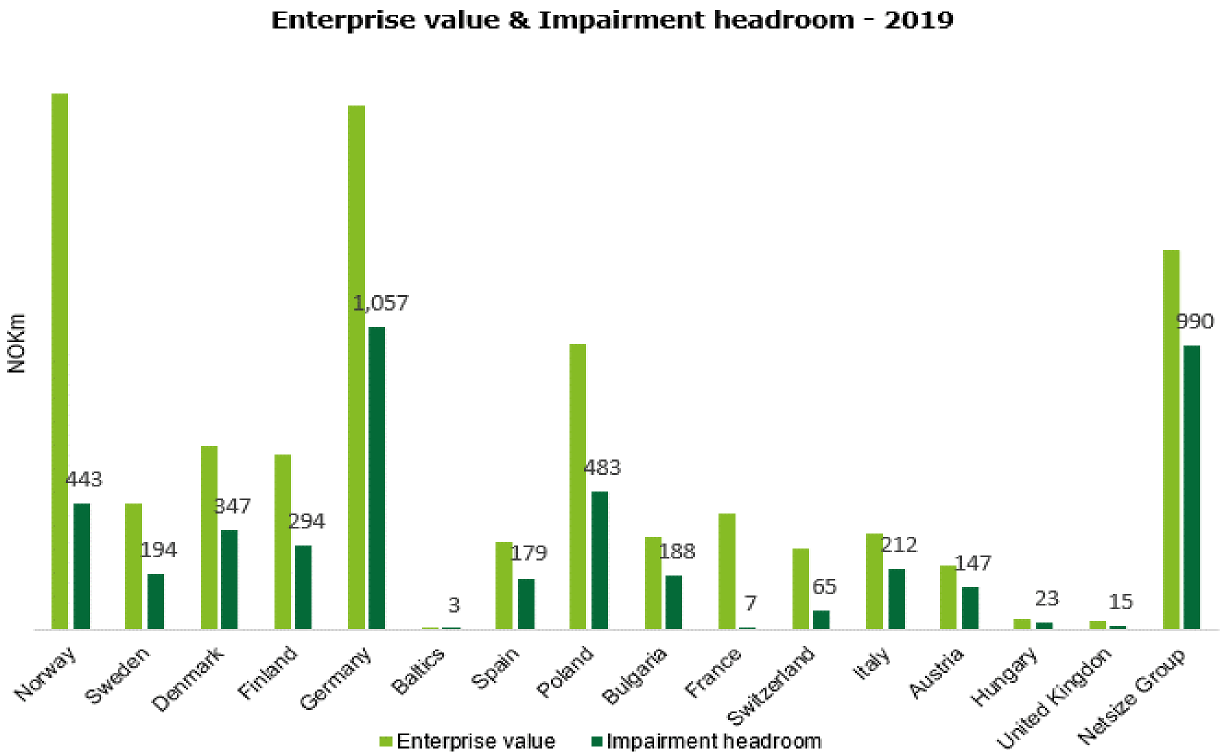
Goodwill

Goodwill generated from business combinations is primarily related to anticipated growth prospects for the acquired businesses. No impairment has been recognised subsequent to the business combination.

Impairment test

Goodwill and other intangible assets with an indefinite useful life (i.e. trade name) are tested for impairment on an annual basis at a cash generating unit (hereafter "CGU") level, and more frequently if there are indications that amounts may be impaired. In accordance with IAS 36 - Impairment of Assets, the carrying amount of the CGU to which goodwill has been allocated is compared with the recoverable amount of the CGU. The recoverable amount is determined based on value-in-use calculations. These calculations use cash flow projections approved by management extended over a five year period. The assumed growth rate has been based on the management growth estimate for the next five years and subsequently reduced to 3% for the purpose of determining the terminal value. The pre-tax discount rates applied to the cash flows are calculated based on the weighted average cost of capital (WACC) specific to each CGU and are within the range of 7.1-12.5%.

Based on the calculations referred to above, it has been concluded that the recoverable amount exceeds the carrying amount of each CGU. No impairment has been recognized for FY2019 (FY2018 - nil).



Goodwill has been allocated to each CGU as presented in the table below. The Group classifies each country in it operates in as a CGU:

	Goodwill
Norway	806 490
Sweden	195 620
Denmark	255 041
Finland	206 561
Germany	686 578
Spain	169 210
Poland	270 035
Bulgaria	65 351
France	390 275
Switzerland	158 376
Italy	140 327
Austria	23 715
United Kingdom	6 735
Hungary	15 563
Total	**3 389 876**

The impairment test shows that the recoverable amounts significantly exceed the carrying amount of the CGUs. Management have concluded that no forseable change in any of the key assumptions used in the impairment test would cause the carrying amounts of the cash-generating units with significant goodwill to exceed recoverable amounts.

Note 13 Equipment and fixtures

(Amounts in NOK 1000)

Period ended 31 December 2018	
Opening net book amount	-
Net additions from acquisition of LINK Mobility Group AS	9 975
Net additions from other acquired businesses	283
Additions	1 924
Disposals	-379
Depreciation charge	-971
Translation differences	769
Closing net book amount 31.12	**11 601**

Period ended 31 December 2019	
Opening net book amount	11 601
Additions	18 038
Net additions from acquired businesses	5 397
Disposals	-7 902
Depreciation charge	-5 488
Translation differences	-155
Closing net book amount 31.12	**21 493**
Cost	27 951
Accumulated depreciation	-6 458
Net book amount 31.12	**21 493**

Estimated useful life, depreciation plan and residual value is as follows:	
Economic (useful) life	3-5 years
Depreciation plan	Linear

Note 14 Trade and other receiveables

(Amounts in NOK 1000)

	31.12.2019	31.12.2018
Trade receivables	534 902	342 031
Other receivables	15 818	580
Prepayments	118 640	78 121
Total trade and other receivables	**669 360**	**420 732**

The above trade receivables and other receivables represent the Group's maximum exposure to credit risk at the balance sheet date.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The Group recognises a loss allowance of 100% against all receivables over 120 days past due, unless it is probable that the receivable will be collected based on past experience with customer and financial position of the debtor. Additional allowances for specific balances are recognised based on past experience and an analysis of the financial position of the debtor along with other relevant factors.

The Group has recognised a provision for bad debts of KNOK 27 882 (FY2018 - KNOK 14 440). Trade receivables recognised as a part of business combinations are recognised at fair value on the date of acquisition, allowance for impairment amounted to KNOK 15 776 (FY2018 - KNOK 11 507).

Ageing of past due but not impaired trade receivables

31.12.2019	**Not past due**	**<30**	**31-60**	**61-90**	**91-120**	**>120**	**Total**
Carrying amount	325 620	122 144	34 381	13 645	19 577	19 535	**534 902**

The maturity analysis is based on the original transaction date in the underlying company, which for some amounts is prior to the establishment of the Group.

Note 15 Cash and cash equivalents

(Amounts in NOK 1000)

	31.12.2019	31.12.2018
Cash and cash equivalents in the Group's cash pool systems	-	79 528
Cash and cash equivalents outside the Group's cash pool systems	147 198	89 082
Total cash and cash equivalents	**147 198**	**168 610**

Restricted cash	**31.12.2019**	**31.12.2018**
Taxes withheld	8 148	4 364
Other restricted cash	6 222	1 427
Total restricted cash	**14 370**	**5 791**

Cash and cash equivalents include restricted cash related to regulatory requirements.

In FY 2019, the Group converted EUR 15m from the Revolving Facility under the Senior Facility Agreement to established an Overdraft Facility (note 18). This is referred to as the cash pool arrangement established with Danske Bank.

The cash pool is a zero-balancing cash-pool, including the automatic transfers of funds between a master account and subsidiary accounts to cover deposit and withdrawal activity wihin the arrangement.

LINK Mobility Group AS is the cash pool administrator/master and holder of the top accounts in different currencies (defined as Facility Accounts). In addition to Facility Accounts, various transactional accounts exist in hte same currency as the Facility Account; these are defined as Detail Accounts.

Funds deposited into a Detail Account are automatically and instantly transferred to a Facility Account. Similarly, funds withdrawn from a Detail Account are automatically and instantly transferred from a Facility Account. The Detail Accounts maintain a balance of zero, whereas each Facility Account holds the credit or debit balance of the funds available for drawing in the cash pool.

A Facility Account (and its balance) is owned solely by LINK and creates rights and obligations only between LINK and the bank. The balance on the Facility Accounts is subject to interest calculations between LINK and the bank. Transactions (deposits or withdrawals) cannot be performed on a Facility Account, but must be performed using a Detail Account.

The Bank registers each transaction between each Facility Account and each Detail Account in the cash pool and the total balance thereof. This balance reflects the intra-Group balance between LINK and each Detail Account Holder. The participating entities of the Group have internal balances toward LINK through the use of the Detail Accounts.

Note 16 Share capital and shareholder information

Share capital as at 31 December 2019 is KNOK 1 081 (2018: KNOK 1 068), being 10 682 803 ordinary shares (2018: 10 547 465 ordinary shares) at a nominal value of NOK 0.10 each and 129 158 preference shares at a nominal value of NOK 0.10 each. All shares were fully paid; each ordinary share carries one vote at any general meeting and preference shares do not entitle holders to vote at any general meeting.

The movement in the number of shares during the year was as follows:

	31.12.2019	**31.12.2018**
Ordinary shares opening balance 2019/ at foundation (09 May 2018)	10 547 465	30
Redemption of ordinary shares (04 October 2018)	-	-30
Issue of ordinary shares (04 October 2018)	-	8 322 001
Issue of ordinary shares (08 October 2018)	-	2 225 464
Issue of ordinary shares (29 July 2019)	67 259	-
Issue of ordinary shares (30 August 2019)	68 079	-
Ordinary shares at the end of the period	10 682 803	10 547 465
Preference shares:		
Issue of preference shares (04 October 2018)	129 158	129 158
Preferemce shares at the end of the period	129 158	129 158
Total number of shares at the end of the period	10 811 961	10 676 623

Victory Partners VIII Norway Holding AS has the following shareholders as at 31 December 2019:

Shareholder	**Number of shares**	**Percentage share of total shares**
Allterco AD	67 259	0,62 %
Arisona Holding AS	50 000	0,46 %
Arnaud Hartmann	34 039	0,31 %
Karbon Invest AS	1 417 497	13,11 %
Pierre Poignot	34 040	0,31 %
Sundahl ApS	757 967	7,01 %
Victory Partners VIII Limited	8 451 159	78,16 %
Total	10 811 961	100,00 %

The total shares of Victory Partners VIII Limited includes 8 322 001 ordinary shares and 129 158 preference shares.

Note 17 Classes and categories of financial instruments

(Amounts in NOK 1000)

	Carrying value	
31.12.2019	**Amortised cost**	**Total**
Current financial assets		
Trade receivables	534 902	534 902
Cash and cash equivalents	147 198	147 198
Non-current financial liabilities		
Long-term borrowings	2 487 304	2 487 304
Long-term lease liabilities	12 020	12 020
Current liabilities		
Short-term borrowings	48 218	48 218
Short-term lease liabilities	13 090	13 090
Trade payables	451 809	451 809

The financial assets held by the Group are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances.

The Group does not have financial liabilities held-for-trading or liabilities designated as at fair value through profit or loss. All financial liabilities are measured at amortized cost.

The carrying amounts of financial assets and liabilities approximate their fair value as at 31 December 2019. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

Fair value hierarchy levels are based on the extent to which fair values are observable.

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable input).

Fair value of the arrangements with financial institutions fall within level 3 of the fair value hierachy.

Note 18 Interest-bearing liabilities

(Amounts in NOK 1000)

Interest bearing liabilities are measured at amortised cost.

Non-current financial liabilities	**31.12.2019**	**31.12.2018**
Debt to financial institutions	2 464 374	2 062 163
Long-term lease liability	12 020	-
Sellers credit	22 930	-
Total	**2 499 323**	**2 062 163**

Current liabilities	**31.12.2019**	**31.12.2018**
Sellers credit short term	3 791	7 285
Short-term lease liability	13 090	-
Debt to financial institutions*	44 426	37 821
Total	**61 308**	**45 106**

*Instalments falling due within a 12 month period, including non-capitalised interest, are classified as current.

The book value of borrowings is estimated to approximate their fair value.

Senior facility agreement (SFA)

Victory Partners VIII Norway AS (the Company) entered into a senior facility agreement on 27 September 2018 (the "SFA"). The SFA provided the Company with a EUR 119 million (Facility B - EUR) and a NOK 755 million (Facility B - NOK) committed acquisition finance, utilised by the Company in connection with the acquisition of all the shares in LINK Mobility Group AS in October 2018. Furthermore, the SFA provides additional committed financing, with a EUR 85 million capital expenditure facility and a EUR 25 million revolving credit facility for working capital needs. In FY2019, EUR 15 million of the revolving credit facility was converted into an overdraft facility (refer to note 15).

The Company's direct subsidiary, LINK Mobility Group AS, has acceded to the SFA as an additional borrower and a guarantor, and several other indirect subsidiaries of the Company have acceded to the SFA as guarantors.

Sellers Credit

Facility / Currency	**Debt out-standing**	**Amortized cost EUR**	**Amortized cost NOK**	**Maturity**	**Term**	**Interest p. a.**	**Due date Interest**
Facility B - EUR	119 000	115 598	1 140 232	4 Oct 2025	7 years	EURIBOR + 6,5 %	Quarterly
Facility B - NOK	755 000	-	736 954	4 Oct 2025	7 years	NIBOR + 6,75 %	Quarterly
CAPEX facility - EUR	51 000	50 240	495 562	4 Oct 2025	7 years	EURIBOR + 6,5 %	Quarterly
Revolving facility - EUR	-	-	-4 683	4 Oct 2024	6 years	EURIBOR + 3,5 %	Half yearly
Overdraft facility - EUR	10 091	10 091	99 533	4 Oct 2024	6 years	EURIBOR + 3,5 %	Quarterly
Other SFA related amortized cost	-	-	-3 224	4 Oct 2025	7 years		
Holdback amount Teracom - EUR	-	1 562	15 403	29 July 2021		No interest accrues	
Holdback amount Inwave acquisition - EUR	-	763	7 527	18 Jun 2020		No interest accrues	
Total			**2 487 304**				

EURIBOR is subject to a zero % floor and NIBOR is subject to a 1 % floor

	31.12.2019	**31.12.2018**
Principal amount	2 497 381	2 068 368
Transaction costs	-78 279	-67 318
Amortization	11 274	1 615
Currency translation effects	56 927	66 783
Accrued interest and fees	41 504	37 821
Carrying amount	**2 528 807**	**2 107 269**

Maturity analysis of borrowings (including interest)

	< 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	5 years
Senior Facilities	45 367	135 152	180 026	539 719	2 705 702
Lease liabilities	3 273	9 818	2 404	7 212	2 404
Sellers Credit		3 791	22 930		
Total	**48 639**	**148 761**	**205 359**	**546 931**	**2 708 106**

Covenants

Under the terms of the Groups Senior Facilities Agreement borrowing facilities, the Group is required to comply with the following financial covenants at the respective quarterly test dates.
- Consolidated Total Net debt cannot exceed the below specified multiple of Last twelve months Consolidated Pro Forma EBITDA including synergies for the respective borrowing facilities.

Facility B and CAPEX facility	Ratio	Revolving facility	Ratio
31 December 2019	8,50 :1	31 December 2019	11,50 :1
30 March 2020	8,50 :1	30 March 2020	11,50 :1
30 June 2020	8,00 :1	30 June 2020	11,00 :1
30 September 2020	7,50 :1	30 September 2020	11,00 :1
31 December 2020	7,50 :1	31 December 2020	11,00 :1
30 March 2021	7,50 :1	30 March 2021	11,00 :1
30 June 2021	7,50 :1	30 June 2021	11,00 :1
30 September 2021	7,00 :1	30 September 2021	11,00 :1
31 December 2021	7,00 :1	31 December 2021	11,00 :1
30 March 2022	7,00 :1	30 March 2022	10,75 :1
30 June 2022	7,00 :1	30 June 2022	10,75 :1
30 September 2022	6,50 :1	30 September 2022	10,50 :1
31 December 2022	6,50 :1	31 December 2022	10,50 :1
30 March 2023	6,50 :1	30 March 2023	11,25 :1
30 June 2023	6,50 :1	30 June 2023	11,25 :1
30 September 2023	6,00 :1	30 September 2023	10,00 :1
31 December 2023	6,00 :1	31 December 2023	10,00 :1
30 March 2024	6,00 :1	30 March 2024	9,75 :1
30 June 2024	6,00 :1	30 June 2024	9,75 :1
30 September 2024 and therafter	5,50 :1	30 September 2024	9,50 :1

The first test date of the maintenance covenants above was 30 June 2019.
The Group has complied with these covenants on the initial two dates of testing and as at 31 December 2019, the Consolidated Total Net debt was 7.03 times LTM Consolidated Pro Forma EBITDA including synergies compared to the term of loan agreement of 8:5 and 11:5.

Collateral

In connection with the SFA, Lucid Trustee Services Limited (as security agent under the SFA) has been granted certain guarantees and security interests for the benefits of the SFA lenders.

These securities include, with some carve-outs and exceptions due to local regulations and otherwise pursuant to the agreed security principles set out in the SFA: (i) security over the shares in any subsidiary deemed material pursuant to the SFA; (ii) non-blocking charges over material bank accounts held by Victory Partners VIII Norway AS (the Company) and any subsidiary deemed material pursuant to the SFA; and (iii) security over material intra-group loans between the Company and LINK Mobility Group AS and between the Company and its parent company, Victory Partners VIII Norway Holding AS.

Furthermore, all direct or indirect subsidiaries of the Company which is deemed to be a material subsidiary (as defined in the SFA) have, or will if such material threshold is met in the future, accede to the SFA as guarantors. Each guarantor guarantees the performance of the borrowers and the other guarantors' performance under the SFA on a joint and several basis, however subject to any local law restrictions.
Additionally, the SFA includes an annual guarantor coverage test ensuring that if the guarantors' consolidated EBITDA is less than 80% of the group's consolidated pro forma EBITDA, additional subsidiaries will have to accede to the SFA as guarantors in order to increase the guarantors' consolidated EBITDA to be above the 80% threshold. Such additional acceding subsidiaries must provide collateral as if they were deemed a material subsidiary pursuant to the SFA.

Movements in borrowings

See table below for changes in liabilities arising from financing activities, both cash flows and no cash flow changes.

	Sellers credits	Other	Senior facilities	Total
31.12.2018	7 267	-	2 100 001	2 107 269
Cash flows	-	-	-	-
New debt	22 792	2 923	509 776	535 491
Cancellation of debts	-3 507	-	-96 269	-99 776
Effects of foreign exchange	168	-	-10 279	-10 110
Transaction costs	-	-	-10 961	-10 961
Amortization	-	-	9 659	9 659
Interest and fees paid	-	-	-175 705	-175 705
Interest and fee expenses	-	-	179 656	179 656
31.12.2019	**26 721**	**2 923**	**2 505 877**	**2 535 522**

Note 19 Financial instruments risk management objectives and policies

Through its operations the Group is exposed to the the following financial risks;
- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

Interest rate risk

Interest rate risk arises as a consequence of long-term debt. In September 2018 (prior to the establishment of the Group) the Company entered into a Senior facility agreemtent (SFA) of KEUR 133 220 (refer to note 18 for further details).

The sensitivity analysis below is based on the exposure to changes in interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount outstanding at reporting date was outstanding for the whole year. A one percent increase or decrease represents management’s assessment of reasonable and possible changes in interest rates.

If interest rates had been one percent higher/lower and all other variables were held constant, the Group’s profit (and corresponding equity) for the period ended 31 December 2019 would decrease/increase by KNOK 4 672 (FY2018 KNOK 5 164). This is mainly attributable to the Group’s exposure to interest rates on its variable rate borrowings.

Foreign exchange risk

The Group undertakes business in foreign currencies and is consequently exposed to fluctuations in exchange rates. Foreign exchange risk arises from transactions related to operations conducted, and assets and liabilities arising in foreign currencies. The Group undertakes transactions denominated in NOK, SEK, DKK, EUR, GBP, BGN, CHF and PLN. Revenue and cost transactions within foreign subsidiaries are normally carried out in the same currency, which mitigates the currency risk.

However, as the Group's overall financial reporting is presented in NOK, changes in the value of SEK, DKK, EUR, GBP, BGN, CHF or PLN in relation to NOK affect the Group’s overall revenue, profit or loss and financial position. Based on exposure throughout the year and balances at the period-end, the Group assesses that fluctuations in NOK/EUR, NOK/USD and NOK/DKK have the most significant impact on the financial reporting of financial assets and liabilities. The table below summarises the impact a change in these currencies will have on the consolidated income statement and on retained earnings/accumulated losses as at 31 December 2019. The analysis is based on the assumption that the foreign exchange rates increase or decrease by 10%, all other variables held constant.

	31 December 2019		
(amounts in NOK 1000)	NOK/EUR impact	NOK/DKK impact	NOK/SEK impact
Trade receivables	32 662	1 506	6 192
Trade payables	18 157	904	7 230
Borrowings	167 684	-	-

Credit Risk

Credit risk is the risk of a counterparty defaulting. The Group's credit risk is limited to trade and other receivables and is mitigated by the Group's guidelines to ensure that credit sales are only made to customers with high credit rating. Customers with a low credit rating are required to prepay for services rendered by the Group.

The Group’s credit risk related to trade receivables is assessed to be limited due to the high number of diverse customers in the Group’s customer base. Refer to note 14 for additional information related to trade and other receivables.

The carrying value of trade and other receivables represent the Group's maximum exposure to credit risk at the balance sheet date.

Liquidity risk
Liquidity risk is the risk that the Group is unable to meet its financial obligations when they mature, resulting in default.

The Group considers its liquidity risk to be limited, and has sufficient liquidity available on bank accounts as of year-end. Refer to notes 18 and 20 for information about maturity of trade and other payables and borrowings.

The Group has no credit facilities. Subsidiaries receive all funding from the Group and are not permitted to raise external financing independently.

The Company has financial debt covenants related to the Senior Facility Agreement. Refer to note 18 for information about the loan convenants.

Capital management
The Group focuses on maintaining sufficient cash resources to ensure the ability to finance further activities.

Note 20 Trade and other payables

(Amounts in NOK 1000)

Trade and other payables	31.12.2019	31.12.2018
Trade payables	451 809	323 743
Public duties	31 144	38 291
Accrued vacation pay	21 445	16 809
Accrued expenses	314 782	118 091
Total trade and other payables	**819 180**	**496 934**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Trade and other payables are due within three months.

Note 21 Income tax

(Amounts in NOK 1000)

Specification of income tax expense

The tax benefit/(expense) is calculated based on profit before income tax and consists of current tax and deferred tax.

	01.01.2019 - 31.12.2019	**09.05.2018- 31.12.2018 Restated**
Deferred tax expense (income)	-30 338	-42 709
Current tax expense	32 516	10 690
Income tax expense (income)	2 178	-32 019

Income tax payable (balance sheet)	**01.01.2019 - 31.12.2019**	**09.05.2018- 31.12.2018 Restated**
Income tax payable	2 953	8 116
Current tax liabilities (balance sheet)	2 953	8 116

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax expense attributable to loss before income tax was as follows:

	01.01.2019 - 31.12.2019	**09.05.2018- 31.12.2018 Restated**
Profit/(loss) before income tax	-230 856	-310 697
Statutory income tax rate*	22,0 %	22,0 %
Expected income tax expense/(benefit)	-50 788	-68 353
Tax effect on non-taxable income/expenses	2 198	12 992
Effect of changes in tax rules and rates	-	2 106
Non deductible interest, interest cap rules	40 281	
Change in deferred tax asset not recognized	10 488	21 237
Income tax expense/income (-) for the year	**2 178**	**-32 019**
Effective tax rate	-0,9 %	10,3 %

* The statutory income tax rate based on the currently enacted tax rate in Norway.

Specification of the tax effect of temporary differences and losses carried forward

Tax losses and interest cap for which no deferred tax asset has been recognised

	31.12.2019	**31.12.2018**
Unused tax loss carry forward	164 840	162 136
Interest cap	183 094	-
Potential tax benefit unused tax losses, 22 %	36 265	35 670
Potential tax benefit interest cap, 22 %	40 281	-

The unused tax loss carry forward balances are related to Victory Partners VIII Norway AS; this company is deemed unlikely to generate taxable income in the foreseeable future. These can be carried forward indefintiely.

Interest cap is related to Victory Partners VIII Norway AS and to LINK Mobility Group AS. The benefit from the interest cap carried forward is uncertain and the amount can be carried forward for 10 years.

Unrecognised temporary differences

	31.12.2019	**31.12.2018**
Temporary differences for which deferred tax liabilities have not been recognised	-65 703	-68 246
Unrecognised tax liabilities relating to the above temporary differences, 22 %	-14 455	-15 014

The temporary differences are related to Victory Partners VIII Norway AS and form part of the net tax asset that has not been recognised.

Tax effect of temporary differences and tax losses carried forward as of 31 December

Deferred tax assets:	31.12.2019	31-12-2018 Restated
Tangible and intangible assets	1 451	370
Interest	-	712
Other non-current items	-	2 412
Total tax effect of temporary differences	1 451	3 494
Deferred tax asset arising from tax losses carried forward	55 407	45 304
Deferred tax assets	**56 858**	**48 798**

Deferred tax liabilities:	31.12.2019	31-12-2018 Restated
Intangible assets (mainly due to PPA business combinations)	303 421	288 087
Untaxed reserves	5 635	5 308
Other	45	126
Deferred tax liabilities	**309 101**	**293 521**

Note 22 Contingencies and legal claims

As at 31 December 2019 and as at the date of signing of this annual report, certain Group subsidiaries are involved in ongoing legal proceedings as either defendant or as plaintiff. Due to the uncertain outcome for all of these ongoing proceedings, there are no provisions (contingent or otherwise) accounted for in the financial statements or disclosed elsewhere in the notes to the financial statements. Claims for which Group entities are defendants are deemed to be low risk as the majority are covered by guarantees as a result of acquisitions (M&A).

A list of ongoing legal proceedings is provided as follows:

Entity	**Claim**	**Position**
Netsize S.A.	€ 150 000	Defendant
Netsize S.A.	€ 1 000 000	Defendant
Netsize Espana S.L.U.	€ 378 000	Defendant
LINK Mobility GmbH	€ 250 000	Defendant
LINK Mobility GmbH	€ 1 000 000	Plaintiff

Note 23 Events after the reporting date

As at December 31, 2019, The People's Republic of China had alerted the World Health Organization of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as SARS-CoV-2 virus came to light early in 2020.

The coronavirus pandemic (Covid-19) continues to spread across the world and at the time of issue of the FY2019 financial statements. This pandemic is unprecedented and represents a significant challenge to the global economy and has thereby created significant uncertainty on the future economic outlook globally; the outcome of this cannot be predicted.

At the date of this report, the Group has taken measures to ensure the safety of its employees in compliance with local regulations. The Group has also taken measures to ensure that employees are as productive as possible while fulfilling their duties to customers and other business partners.

The foreseeable business impact of Covid-19 is expected to impact Q2 FY2020 and the Group has already implemented measures to reduce administrative expenses and personnel cost to mitigate the reduction in revenue and gross margin observed in some markets. Travel expenses, license costs, teambuilding events and advisory services were immediately reduced. As a second step, the Group initiated a temporary reduction in personnel cost upon the observation that a shortfall in volumes had negatively impacted gross margins in some markets.

Lower volumes, lower growth rate, increased credit risk and other challenges are expected, but the extent of these are dependent upon the development of the pandemic itself as well as upon public measures taken to contain the spread of the virus. The Board will continue to closely monitor this situation to ensure that the appropriate measures are taken throughout 2020.

Annual Report

Victory Partners VIII Norway Holding AS

01.01.2019 - 31.12.2019

Victory Partners VIII Norway Holding AS

Income Statement

For the period ended 31 December

(Amounts in NOK 1000)

	Note	31.12.2019	31.12.2018
Other operating expenses	6	-394	-
Total operating expenses		**-394**	**-**
Operating loss		**-394**	**-**
Finance income and finance expenses			
Finance income		1	-
Finance expense		-	-1
Total finance income (expense)		**1**	**-1**
Loss before income tax		**-392**	**-1**
Income tax	12	-	-
Loss for the period		**-392**	**-1**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Statement of Comprehensive Income

for the period ended 31 December

(Amounts in NOK 1000)	**31.12.2019**	**31.12.2018**
Profit (loss) for the period	**-392**	**-1**
Other comprehensive income		
Items that may be reclassified to profit or loss		
Translation differences of foreign operations	**-**	-
Other comprehensive income for the period	**-**	**-**
Total comprehensive income for the period	**-392**	**-1**

Victory Partners VIII Norway Holding AS

Statement of financial position

(Amounts in NOK 1000)

ASSETS	Note	31 December 2019	31 December 2018
Investment in Victory Partners VIII Norway AS	5	2 696 092	2 696 092
Other long term receivables	9	30 451	-
Total non-current assets		**2 726 543**	**2 696 092**
Cash and cash equivalents	7, 9	22	30
Total current assets		**22**	**30**
TOTAL ASSETS		**2 726 565**	**2 696 121**
EQUITY AND LIABILITIES			
Share capital		1 081	1 068
Share capital, not registered		-	-
Share premium		2 725 406	2 694 969
Retained earnings (accumulated losses)		-393	-1
Total equity	8	**2 726 094**	**2 696 036**
Liabilities			
Loans and borrowings		425	-
Total non-current liabilities		**425**	**-**
Other payables	9, 11	46	86
Total current liabilities		**46**	**86**
Total liabilities		**471**	**86**
TOTAL EQUITY AND LIABILITIES		**2 726 565**	**2 696 121**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Statement of financial position

Oslo, 26 June 2020

The Board of Directors of Victory Partners VIII Norway Holding AS

Robert Joseph Nicewicz Jr Chairman of the board	Charles Joseph Brucato Board Member	Michael Cody Cummings Board Member
Ralph Paul Choufani Board Member	Rune Syversen Board Member	Jens Rugseth Board Member

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Victory Partners VIII Norway Holding AS

Statement of Changes in Equity

for the period ended 31 December 2019

(Amounts in NOK 1000)	Note	Share capital	Share premium	Retained earnings (accumulated losses)	Total equity
Balance at foundation 9 May 2018		**30**	**-**	**-**	**30**
Profit for the period				-1	**-1**
Share redemption (4 October 2018)		-30	-		**-30**
Share issuance (4 October 2018)		832	1 871 610		**1 872 442**
Share issuance (4 October 2018)		13	322 872		**322 885**
Share issuance (8 October 2018)		223	500 487		**500 709**
Balance at 31 December 2018	8	**1 068**	**2 694 969**	**-1**	**2 696 036**
Balance at 01 January 2019		1 068	2 694 969	-1	**2 696 036**
Profit for the year		-	-	-392	**-392**
Other comprehensive income (loss) for the year, net of income tax		-	-	-	**-**
Total comprehensive income for the year		**-**	**-**	**-392**	**-392**
Issue of ordinary shares		14	30 437	-	**30 451**
Issue of ordinary shares under share options		-	-	-	**-**
Balance at 31 December 2019	8	**1 081**	**2 725 406**	**-393**	**2 726 094**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway Holding AS

Statement of cash flows

for the period ended 31 December 2019

(Amounts in NOK 1000)

	Note	2019	2018
Cash flows from operating activities			
Profit before income tax		-392	-1
Adjustments for:			
Change in trade and other payables	9, 11	-40	86
Net cash flows from operating activities		**-433**	**85**
Cash flows from investing activities			
Net cash outflow, capital increase subsidiary	5	-	-2 696 092
Net cash flows from investing activities		**-**	**-2 696 092**
Cash flows from financing activities			
Proceeds on issue of shares	8	-	2 696 037
Proceeds from borrowings		425	-
Net cash flows from financing activities		**425**	**2 696 037**
Effect of foreign exchange rate changes		-	-
Net change in bank deposits, cash and equivalents		-8	30
Cash and equivalents at beginning of period		30	-
Cash and equivalents at end of the period		**22**	**30**

The accompanying notes are an integral part of these financial statements.

Victory Partners VIII Norway AS

Notes to the financial statements for the period ended 31 December

Contents notes

Note 1 General information

Victory Partners VIII Norway Holding AS was registered as a company on 09 May 2018 and is the parent company of Victory Partners VIII Norway AS. Although there are very few transactions during the period between 09 May - 09 October in Victory Partners VIII Norway Holding AS, figures for the entire period are presented for FY2018 comparatives. The majority of the transactions occurred during the period between 09 October 2018 and 31 December 2018.

Victory Partners VIII Norway AS is the parent company of LINK Mobility Group AS which owns 100 percent of all its

Name of entity	Date of acquisition	Place of business / country of registration	Ownership interest
Victory Partners VIII Norway AS	29.06.2018	Oslo, Norway	100 %

Note 2 Adoption of new and revised Int Financial Reporting Standards (IFRS)

A number of new or amended IFRS standards issued by the International Accounting Standards Board (IASB) and IFRS interpretations issued by the IFRS Interpretations Committee (IFRS IC) are effective for accounting periods commencing on or after 01 January 2019. The Company was established during 2018, and the requirements arising from revised IFRSs or IFRIC interpretations are embedded in the recognition, measurement and disclosures relevant to the financial statements of the Company from the date of establishment. The accounting policies adopted have been described in note 3 Accounting policies.

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing 01 January 2019:

Standard/ Interpretation	**Title**	**Date of issue**	**Applicable to accounting periods commencing on**
IFRS 16	Leases	January 2016	01 January 2019
Amendments to IFRS 9	Prepayment Features with Negative Consequences	October 2017	01 January 2019
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures	October 2017	01 January 2019
Annual Improvements to IFRS Standards 2015	2017 Cycle	December 2017	01 January 2019
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement	February 2018	01 January 2019
Interpretation (IFRIC) 23	Uncertainty over Income Tax Treatments	June 2017	01 January 2019
Amendments to IAS 1 and IAS 8	Definition of Material	October 2018	01 January 2019

The Company had to change its accounting policies as a result of adopting IFRS 16. The Company elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 01 January 2019; this does not impact the Company directly. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to have any significant effect in the current or future periods.

Certain new accounting standards and interpretations have been published that are not manatory for 31 December 2019 reporting periods and these have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on forseeable future transactions.

Standard/ Interpretation	**Title**	**Date of issue**	**Applicable to accounting periods commencing on**
IFRS 17[1]	Insurance contracts	May 2017	1 January 2021
Amendments to Conceptual Framework[1]	Amendments to References to the Conceptual Framework in IFRS Standards	March 2018	1 January 2020
Amendment to IFRS 3[1]	Business Combinations	October 2018	1 January 2020

[1] The standard/revised standard/amendment has as at the date of issue of these financial statements not yet been adopted by the EU.

Note 3 Summary of significant accounting policies

3.1 General information
Victory Partners VIII Norway Holding AS ("the Company") is a limited liability Company incorporated and domiciled in Norway. The address of the registered office is Langkaia 1 – Havnelageret, 0150 Oslo, Norway. Victory Partners VIII Norway AS is the parent company of the Victory Partners VIII Norway AS Group ("the Group"). The Group provides services in mobile communication and specialises in mobile messaging services, mobile solutions and mobile intelligence.

These consolidated financial statements were approved for issue by the Board of Directors on date 26 June 2020. Minor rounding differences may be present and the total may deviate from the total of the individual amounts. This is due to the rounding of whole figures to thousands for presentation purposes.

3.2 Basis for preparation
The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. The financial statements have been prepared on the historical cost basis.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Company's accounting policies. Areas involving a high degree of judgment or complexity, and areas in which assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4. The consolidated financial statements have been prepared on a going-concern basis.

The presentation currency of the consolidated financial statement is Norwegian kroner (NOK), which is also the functional currency of the parent company.

3.3 Principles of consolidation
The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved when the Company has power over the investee, is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control noted above. The financial statements of the subsidiaries are prepared for the same reporting periods as the parent company and consistent accounting policies are applied. The results of subsidiaries acquired or disposed of during the year are included in the income statement from the date when control is obtained and until control ceases, respectively. Intercompany transactions, balances, revenues, expenses and unrealised Group internal gains or losses are eliminated on consolidation.

When the Company ceases to consolidate an investee because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in the carrying amount recognised in profit or loss. The fair value of the retained interest becomes the initial carrying amount for the purposes of subsequent accounting for the investment.

3.4 Business combinations
Business combinations are accounted for using the acquisition method. The consideration transferred and all the identifiable assets and liabilities of acquired entities are measured at fair values at the date of acquisition, except deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured at the amount by which the total consideration transferred exceeds the net fair value of assets acquired. Goodwill is not amortised, but its value is tested for impairment at least annually, or more frequently when there is an indication that the cash-generating unit to which goodwill has been allocated, may be impaired. Goodwill is allocated to each of the Company's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

When the consideration transferred by the Company in a business combination includes contingent consideration arrangements, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments recognised in goodwill. Measurement period adjustments arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3.5 Revenue recognition

Revenues are recognised when goods are delivered or services rendered and measured based on the consideration to which the Company expects to be entitled in a contract with a customer net of discounts and sales related taxes. The Company recognises revenue when it transfers control of a product or service to a customer.

When the Company is acting as an agent, amounts are collected on behalf of the principal. In order to determine whether the Company is acting as a principal or an agent, the risks and rewards associated with the service in question are assessed. When the Company is acting as an agent, amounts are collected on behalf on the principal. In order to determine whether the Company is acting as a principal or an agent, the Company assesses whether the Company controls the good or service before it is provided to the customer. Where the Company does not control the good or service, the Company is considered an agent in the transaction.

The services rendered are split into the following groups (presented from the Group perspective):

Type of service	Timing of recognition	Measurement of revenue
Mobile messaging transactions	The Group provides mobile messaging services via SMS and other messaging channels such as Apps, Facebook, Messenger, WhatsApp, Joyn and email. Revenue from messaging is recognised when the message service has been provided; when the messages are delivered to the recipient.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Payment services	The Group offers payment solutions where the customer can get their customers (the end users) to pay for goods or services by charging their mobile phone account or credit/debit card. As payment for these services, the Group is entitled to remuneration related to the processed transactions/payment. Revenue is recognised when the payment service is rendered.	The Group acts as an agent for this type of service and the performance obligation is to arrange for the provision of goods or services by another party. Consequently, only the income from the processed transactions is recognised as revenue.
Licences	License revenue consists of revenue from monthly fees paid by customers for access to Group platforms and solutions. No proprietary rights are transferred to the customer. The revenue is recognised throughout the duration of the license agreement.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.
Consulting services	Revenue from consulting services is recognised in the accounting period during which the services are rendered.	The revenue is based on the price specified in the sales contract, net of discounts and value added tax.

3.6 Foreign currency translation

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated after the transaction date.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement as financial items. All other foreign exchange gains and losses are presented on a net basis in the income statement as other operating expenses. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are considered as assets and liabilities of the foreign entity and translated at the closing rate. These exchange differences are recognised in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation), or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss.

3.7 Intangible assets
Goodwill and intangible assets acquired in business combination
Goodwill and intangible assets acquired in a business combination are recognised initially as set out in 3.4 Business Combinations above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).
Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

Separately acquired intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Subsequent to initial recognition, separately acquired intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

Internally generated intangible assets – technology
Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development of the Company's technical platforms and products is recognised if, and only if, all the following conditions have been demonstrated:

•the technical feasibility of completing the intangible asset so that it will be available for use or sale;
•the intention to complete the intangible asset and use or sell it;
•the ability to use or sell the intangible asset;
•how the intangible asset will generate probable future economic benefits;
•the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
•the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination.

3.8 Equipment and fixtures
Equipment and fixtures are initially recognised at cost, which includes the purchase price (including duties and non-refundable purchase taxes) and any directly attributable costs of bringing the asset to the location and condition necessary for it to be able to operate in the intended manner. Equipment and fixtures are subsequently recognised at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognised so as to reduce the cost of assets less their residual values over their useful lives, using the straight-line method. Depreciation commences when the assets are ready for their intended use.

Estimated useful life, depreciation method and residual values are reviewed at least annually. The straight-line depreciation method is used as this best reflects the consumption of the assets, which often is the passage of time. Residual value is estimated to be zero for all assets.

Repair and maintenance is expensed as incurred. If new parts are capitalised, replaced parts are derecognised and any remaining net carrying amount is recognised in operating profit (loss) as loss on disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of equipment and fixtures is determined as the difference between the sales proceeds and the carrying amount of the asset and is presented as other income or other expenses in the income statement.

3.9 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

3.10 IFRS 16 Leases

IFRS 16 changes the accounting principles for many lease contracts. The new standard results in most leasing contracts being recognised on the balance sheet as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-of-use of the leased item) and a lease liability to pay rentals are recognised. During the term of the lease, the right-of-use asset is depreciated and interest expenses and principle repayments are recognised on the lease liability. As a lessee, the Company leases office premises, vehicles and equipment. Under IFRS 17, the Company classified all leases as operating leases and recognised lease expenses on a straight-line basis over the lease term.

The Company initially applied IFRS 16 from 01 January 2019; IFRS 16 is applied using the modified retrospective approach. The comparative information presented in 2018 is not restated and is presented as previously reported, under IFRS 17 and its related interpretations. When applying the modified retrospective method, a lessee measures the right-of-use asset at either its carrying amount as if IFRS 16 had always been applied singe the commencement date (discounted using the incremental borrowing rate at the date of initial application), or at an amount equal to the lease liability (adjusted for previously recognised prepaid or accrued lease payments). The choice between the two options shall be made on a lease-by-lease basis.

The Company has chosen to measure the right-of-use asset at an amount equal to the lease liability for all leases by using the lessee's incremental borrowing rate; the rate may differ from country to country.

The lessee's incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value of the right-of-use asset in a similar economic environment.

The Company used a number of practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17. Specifically, the Company:

- did not recognise right-of-use assets and liabilities for leases with a lease term that ends within 12 months from the date of application;
- did not recognise right-of-use assets anf liabilities for leases of low value assets;
- excluded initial dirct cost from the measurement of the right-of-use assets at the date of initial application; and
- used hindsight when determining the lease term.

The Company has elected to use the exemptions in the standard on short-term lease contracts and for lease contracts where the underlying asset is of low value. These leases are recognised as operation expenses in the profit and loss.

3.11 Government grants

The Company receives a government grant as part of the "Skattefunn" arrangement in Norway, which is an arrangement to stimulate research and development in Norway. The government grant is initially recognised as a deduction to the carrying amount of the relevant asset. The amount is subsequently credited to profit or loss on a straight-line basis over the estimated useful life of the related asset.

3.12 Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The categorisation of financial instruments (financial assets and liabilities) for measurement purposes is based on the nature and purpose of the financial instrument and is determined on initial recognition. The Company presents financial assets and liabilities in the following classes: trade and other receivables, cash and cash equivalents, trade and other payables, long term borrowings and short-term borrowings.

Financial assets

The financial assets held by the Company, primarily trade and other receivables, are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances. The impairment model in IFRS 9 Financial Instruments requires the recognition of impairment provisions based on expected credit losses (ECL). The Company recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition. The impairment is calculated by taking into account the historic evidence of the level of credit losses experienced and the ageing profile of the trade receivables. Individual trade receivables are impaired when management assesses them not to be wholly or partially collectible.

Financial liabilities

The Company does not have financial liabilities held-for-trading or liabilities designated as at fair value through profit or loss.

Trade and other payables include trade payables and other current and non-current non-interest-bearing financial liabilities. Borrowings (long term and short term) include bank loans and overdrafts. These liabilities are initially recognised in the statement of financial position at fair value (net of any transaction costs), and subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised, and the consideration paid and payable is recognised in profit or loss.

3.13 Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and commercial papers with original maturities of three months or less.

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

3.14 Employee benefits
The Company operates a defined contribution plan for post-retirement benefits. A defined contribution plan is a pension plan under which the Company pays fixed contributions to a separate entity (insurance company). The Company has no legal or constructive obligations to pay further contributions to the pension plan for benefits relating to employee service in the current and prior periods. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.15 Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company’s current tax liability is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.
A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

Deferred tax is recognized based on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.16 Provisions
Provisions for e.g. workforce reductions (restructuring), onerous contracts and legal claims are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation, and discounted to its present value.

Note 4 Critical accounting judgements and key sources of estimation variances

In the application of the Company's accounting policies, as described in note 3, management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Estimates and judgments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered to be relevant. Future events may cause these estimates to change and actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates are recognised in the period when the changes occurred, if they apply to that period. If the changes also apply to future periods, the effect will be distributed between the current period and future periods.

Business combinations
The Group has finalised certain acquisitions in FY2019 and finalised the acquisition of the LINK Mobility Group in FY2018. The entities acquired represent all the operating business activities in the Group; refer to note 5 for further details. In order to account for the business combinations and determine the fair value of the underlying assets and liabilities in accordance with IFRS 3, management has used significant judgement. In order to calculate the fair value of the intangible assets in the acquired companies, the expected future cash flows have been reconciled to the purchase price of the acquired companies. The reconciliation is performed via a Business Enterprise Valuation (BEV). Intangible assets have been valued using the Multi Excess Earnings Method ("MEEM") and Relief From Royalty Method ("RFR"). The methods are considered to be appropriate for the type of assets being valued (MEEM for customer relationships and RFR for technology and trade name). The excess of the consideration over the fair value of the net identifiable assets acquired is recognised as goodwill.

Significant input used in the estimation of fair values utilising the above methods are as follows:
-The remaining estimated useful life of customer relationships is between 7 and 10 years
-The remaining estimated useful life of technology is 10 years
-Revenue growth and EBITDA (earnings before interest, tax, depreciation and amortisation) margins are based on estimates of growth and margins in the respective companies

Estimated impairment of goodwill and other intangible assets
The carrying amounts of non-current tangible and intangible assets are assessed by means of impairment tests whenever there is an indication of impairment. Any impairment of goodwill is assessed at least annually. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. As of 31 December 2019, the amount of goodwill tested for impairment amounted to KNOK 3 389 875 (FY2018 - KNOK 3 119 939). No impairment losses were recognised in FY2019 (FY2018 - nil). Please refer to notes 3 and 12 for further details related to the impairment testing methodology and results.

Deferred tax assets
Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. The Group is also subject to income taxes in various jurisdictions. Judgment is required in determining the Group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability and expense in the period in which such determination is made.

Purchase price of subsidiaries – earn-out
Periodically, the Group acquires subsidiaries where the preliminary purchase price is based on an assumption that the acquired company will achieve a target EBITDA for the current financial year. The final purchase price is subject to an upwards or downwards earn-out adjustment based on the company's actual achieved EBITDA. The earn-out adjustment is accounted for in the income statement as finance income or expense.

Note 5 Investment in subsidiaries

The Company has the following investment in a subsidiary:

Acquisitions during the period:

Entity	**Country**	**Industry**	**Date of acquisition**	**Proportion of voting equity acquired**
Victory Partners VIII Norway AS	Norway	Mobile messaging services and solutions	29 October 2018	100 %

The above company has been acquired with the purpose of establishing the Company's activities under new ownership. The acquired entity is the holding company of LINK Mobility Group AS which provides mobile communication services and specializes in messaging, digital services and data intelligence. 100% of the voting equity interest of the company was acquired on 29 June 2018 whereby Victory Partners VIII Norway Holding AS gained control of Victory Partners VIII Norway AS.

The total amortized cost as of 31 December 2019:

(Amounts in NOK 1 000)	**LINK Mobility Group AS**
Consideration, cash as of 29 June 2018	45
Capital increase subsidiary	2 696 047
Total amoritzed cost	**2 696 092**

Note 6 Other operating expenses

(Amounts in NOK 1000)

	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Advisors and consultants	291	-
Other expenses	103	-
Total other operating expenses	**394**	**-**

Auditor's fees

The table below summarises audit fees for the period 01.01.2019 - 31.12.2019 (09.10.2018 - 31.12.2018) and fees for audit related services, tax services and other services incurred by the Company during the period.

	01.01.2019 - 31.12.2019	09.05.2018 - 31.12.2018
Audit fee	86	-
Other attestation services	58	-
Tax consulting services	-	-
Other services	147	-
Total fee to auditor	**291**	**-**

Note 7 Cash and cash equivalents

(Amounts in NOK 1000)

	31.12.2019	31.12.2018
Cash and cash equivalents	22	30
Total cash and cash equivalents	**22**	**30**
Restricted cash	**31.12.2019**	**31.12.2018**
Restricted cash	-	-
Bank balance in escrow account	-	-
Total cash and cash equivalents	**22**	**30**

If applicable, cash and cash equivalents include amounts classified as restricted cash. There are no restricted amounts as at 31 December 2019.

Note 8 Share capital and shareholder information

Share capital as at 31 December 2019 is KNOK 1 081 (2018: KNOK 1 068), being 10 682 803 ordinary shares (2018: 10 547 465 ordinary shares) at a nominal value of NOK 0.10 each and 129 158 preference shares at a nominal value of NOK 0.10 each. All shares were fully paid; each ordinary share carries one vote at any general meeting and preference shares do not entitle holders to vote at any general meeting.

The movement in the number of shares during the year was as follows:

	31.12.2019	**31.12.2018**
Ordinary shares opening balance 2019/ at foundation (09 May 2018)	10 547 465	30
Redemption of ordinary shares (04 October 2018)	-	-30
Issue of ordinary shares (04 October 2018)	-	8 322 001
Issue of ordinary shares (08 October 2018)	-	2 225 464
Issue of ordinary shares (29 July 2019)	67 259	-
Issue of ordinary shares (30 August 2019)	68 079	-
Ordinary shares at the end of the period	10 682 803	10 547 465
Preference shares:		
Issue of preference shares (04 October 2018)	129 158	129 158
Preferemce shares at the end of the period	129 158	129 158
Total number of shares at the end of the period	10 811 961	10 676 623

Victory Partners VIII Norway Holding AS has the following shareholders as at 31 December 2019:

Shareholder	**Number of shares**	**Percentage share of total shares**
Allterco AD	67 259	0,62 %
Arisona Holding AS	50 000	0,46 %
Arnaud Hartmann	34 039	0,31 %
Karbon Invest AS	1 417 497	13,11 %
Pierre Poignot	34 040	0,31 %
Sundahl ApS	757 967	7,01 %
Victory Partners VIII Limited	8 451 159	78,16 %
Total	10 811 961	100,00 %

The total shares of Victory Partners VIII Limited includes 8 322 001 ordinary shares and 129 158 preference shares.

Note 9 Classes and categories of financial instruments

(Amounts in NOK 1000)

31.12.2019	Carrying value Amortised cost	Total
Current financial assets		
Cash and cash equivalents	22	**22**
Non-current financial liabilities		
Long-term borrowings	30 451	**30 451**
Current liabilities		
Short-term borrowings	46	**46**

The financial assets held by the Company are held within a business model with the objective to hold financial assets in order to collect contractual cash flows and are thus measured subsequently at amortised cost less loss allowances.

The Company does not have financial liabilities held-for-trading or liabilities designated as at fair value through profit or loss. All financial liabilities are measured at amortized cost.

The carrying amounts of financial assets and liabilities approximate their fair value as at 31 December 2019. Arrangements with financial institutions are entered into on market terms, and the carrying value at the reporting date has been assessed as approximating fair value.

Fair value hierarchy levels are based on the extent to which fair values are observable.

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable input).

Fair value of the arrangements with financial institutions fall within level 3 of the fair value hierachy.

Note 10 Financial instruments risk management objectives and policies

Through its operations Victory Partners VIII Norway Holding AS is exposed to the the following financial risks;
- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

Interest rate risk
Interest rate risk arises as a consequence of long-term debt. As at 31 December 2019, there is no long-term debt held and as such there is no sensitivity analysis performed.

Foreign exchange risk
The Company is a holding company and does not actively undertake business in foreign currencies; as a consequence, exposure to fluctuations in exchange rates is limited. Foreign exchange risk arises from transactions related to operations conducted, and assets and liabilities arising in foreign currencies.

Credit Risk
The Company is a holding company and owns all shares in Victory Partners VIII Norway AS; credit risk is deemed to be low.

Liquidity risk
Liquidity risk is the risk that the Company is unable to meet its financial obligations when they mature, resulting in default.

The Company considers its liquidity risk to be limited, and has sufficient liquidity available on bank accounts as of year-end. Obligations are covered by transfer of cash from subisidiaries.

The Company does not have any credit facilities.

Note 11 Trade and other payables

(Amounts in NOK 1000)

Trade and other payables	31.12.2019	31.12.2018
Other accruals	46	86
Total trade and other payables	**46**	**86**

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Trade and other payables are due within three months.

Note 12 Income tax

(Amounts in NOK 1000)

Specification of income tax expense

The tax benefit/(expense) is calculated based on profit before income tax and consists of current tax and deferred tax.

	01.01.2019 - 31.12.2019	**09.05.2018- 31.12.2018**
Deferred tax expense (income)	-	-
Current tax expense	-	-
Income tax (income)	-	-

Income tax payable (balance sheet)	**01.01.2019 - 31.12.2019**	**09.05.2018- 31.12.2018**
Income tax payable	-	-
Current tax liabilities (balance sheet)	-	-

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax exepense attributable to loss before income tax was as follows:

	01.01.2019 - 31.12.2019	**09.05.2018- 31.12.2018**
Profit/(loss) before income tax	-392	-1
Statutory income tax rate*	22 %	23 %
Expected income tax benefit	-86	-
Tax effect on non-taxable income/expenses	6	-
Effect of changes in tax rules and rates*	-	-
Change in temporary differences	-	-
Non deductible interest, interest cap rules	-	-
Change in deferred tax asset not recognized	81	-
Income tax expense/income (-) for the year	0	-
Effective tax rate	0 %	0 %

* The statutory income tax rate based on the currently enacted tax rate in Norway.

Specification of the tax effect of temporary differences and losses carried forward

Tax losses carried forward

	31.12.2019	**31.12.2018**
Unused tax loss carry forward	366	-1
Interest cap	-	-
Potential tax benefit unused tax losses @ 22 %	81	-0
Potential tax benefit interest cap @ 22 %	-	-

Deferred tax assets related to tax losses have not been recognised as it is deemed unlikely that the company will generate taxable income in the foreseeable future. The tax loss can be carried forward indefintiely.

The benefit from the interest cap carried forward is uncertain and the tax asset is not recognised. The amount can be carried forward for 10 years.

Note 13 Contingencies and legal claims

The Company is not involved in any disputes or litigation as at the balance sheet date or as at the date these financial statements are approved, that would lead to the recognition of a liability or require additional disclosure. Management and the Board of Directors are not aware of any such incidents that may have a negative impact on the Company.

Note 14 Events after the reporting date

(Amounts in NOK 1000)

As at December 31, 2019, The People's Republic of China had alerted the World Health Organization of several cases of an unusual form of pneumonia in Wuhan. Substantive information about what has now been identified as SARS-CoV-2 virus came to light early in 2020.

The coronavirus pandemic (Covid-19) continues to spread across the world and at the time of issue of the FY2019 financial statements. This pandemic is unprecedented and represents a significant challenge to the global economy and has thereby created significant uncertainty on the future economic outlook globally; the outcome of this cannot be predicted.

At the date of this report, the Group has taken measures to ensure the safety of its employees in compliance with local regulations. The Group has also taken measures to ensure that employees are as productive as possible while fulfilling their duties to customers and other business partners.

The foreseeable business impact of Covid-19 is expected to impact Q2 FY2020 and the Group has already implemented measures to reduce administrative expenses and personnel cost to mitigate the reduction in revenue and gross margin observed in some markets. Travel expenses, license costs, teambuilding events and advisory services were immediately reduced. As a second step, the Group initiated a temporary reduction in personnel cost upon the observation that a shortfall in volumes had negatively impacted gross margins in some markets.

Lower volumes, lower growth rate, increased credit risk and other challenges are expected, but the extent of these are dependent upon the development of the pandemic itself as well as upon public measures taken to contain the spread of the virus. The Board will continue to closely monitor this situation to ensure that the appropriate measures are taken throughout 2020.

To the General Meeting of Victory Partners VIII Norway Holding AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Victory Partners VIII Norway Holding AS, which comprise:

- The financial statements of the parent company Victory Partners VIII Norway Holding AS (the Company), which comprise the statement of financial position as at 31 December 2019, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- The consolidated financial statements of Victory Partners VIII Norway Holding AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2019, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.

- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

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

Other information

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

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

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

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

Responsibilities of the Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to https://revisorforeningen.no/revisjonsberetninger

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

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

Oslo, 26 June 2020
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Bauge, Jone	BANKID_MOBILE	2020-06-29 13:24