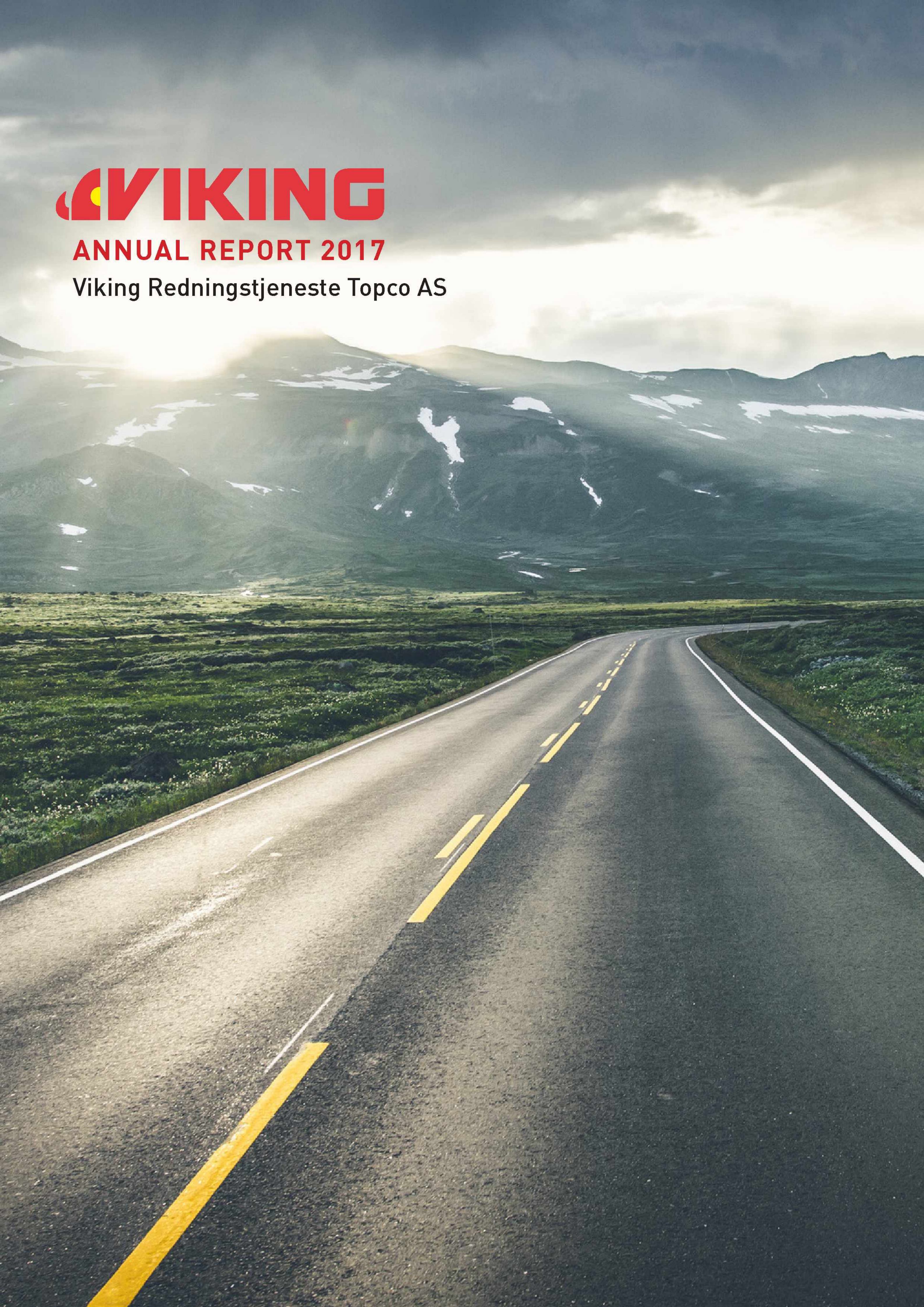
VIKING

ANNUAL REPORT 2017

Viking Redningstjeneste Topco AS



VIKING REDNINGSTJENESTE TOPCO AS

BOARD OF DIRECTORS' REPORT 2017

THE GROUP'S BUSINESS AND LOCATION

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

Viking Redningstjeneste TopCo AS is located at Lysaker in Bærum outside Oslo, Norway.

Of the companies in the Group, there are currently no active daily operations in Sæter Bilberging AS.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

Viking Redningstjeneste TopCo's profit before income tax amount to KNOK -13 722 (2016: KNOK 7 341). The Viking Group had operating result of KNOK 23 564 (2016: KNOK 34 802) and a loss before tax of KNOK 58 969 (2016: loss before tax of KNOK 37 961).

The Board notes that the Company's financial development during 2017 were affected by growth in the Group's revenues, mainly due to solid operations and volumes in the Norwegian market, as well as increased revenue and activity in Denmark and particularly in Sweden. Throughout the year, the Viking Group has had satisfactory liquidity and cash flow, however increased costs have incurred partly due to the reorganization of the operations in Sweden, and the establishment of the wholly owned and operated call center subsidiary in Torrevieja in Spain. The difference between operating profit and cash flow from operations is largely an effect of depreciations, interest and borrowing costs, as well as currency losses on the bond loan in SEK and change in working capital.

The investments in the Group will facilitate development of Viking's information system, which is the computer system VIS, investments in brand name and trademarks, investments in vehicles for Viking Redningstjeneste Detalj AS, StorStockholm Bärgningstjänst AB, Viking Rädningstjänst AB, Vägassistans i Gøteborg, Viking Assistance A/S and Viking København A/S.

SUBSEQUENT EVENTS

There has been no material subsequent events.

THE ENTITY'S OUTLOOK

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

FINANCIAL RISK

The Viking Group is exposed to interest rate fluctuations on the interest bearing long-term debt. The exposure is reduced through fixed rate loan and interest rate swap. The Group is moderately exposed to changes in exchange rate fluctuations as majority of loans and the revenues of the Group’s largest operating companies are in Norwegian Krone. A callable fixed rate bond of MSEK 207 was issued in April and the part of the Group’s revenues originating from currencies other than Norwegian Krone was 35 % in 2017, wherby SEK accounted for 20 %. Customer credit risk is considered low as the larger part of the customer base is considered very solid.

The Group’s financial position is considered satisfactory. The Viking Groups cash and bank deposits as of 31 December 2017 were KNOK 29 445. The Company considers the liquidity to be satisfactory and management work continously with measures to reduce and manage liquidity risk.

GOING CONCERN ASSUMPTION

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

ALLOCATION OF PROFIT AND BASIS FOR DIVIDEND

The Board of Directors of Viking Redningstjeneste Topco has proposed that no dividends shall be paid for the financial year 2017. The board suggests that the net profit for the year of KNOK -10 534 is covered from other equity.

WORKING ENVIRONMENT

The board and the General Manager consider the working environment to be good. There were no employees in the holding company in 2017.

ABSENCE

Sick leave in the Group is satisfactory at less than 1,5 % in total in 2017 (2016: 2,5 %)

INJURIES

As in 2016, no accidents leading to personal injuries or material damage were reported in the group during 2017.

Gender equality

Equal treatment is enshrined in the Groups employee handbook that everyone is entitled to equal treatment and the Viking Group strives to create favourable conditions for all employees regardless of gender, so that both men (53%) and women (47%) have equal opportunity to develop their abilities.

DISCRIMINATION

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

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

IMPACT ON THE NATURAL ENVIRONMENT

The Viking Group does not pollute the environment in any significant or material way.

<u>Oslo, 26 April 2018</u>

Bo Ingemarson	Fredrik Kristofer Runnquist	James Alexander Blair Davis
Chairman	Board Member	Board Member
Jørn Ivar Clausen	Hans Peter Emil Berglund	Johan Gustaf Olof Bjurström
Board Member	Board Member	Board Member

Hans Petter Borge Semmelmann

Chief Executive Officer

Viking Redningstjeneste Topco Group

Annual report 2017

Consolidated statement of profit and loss

Amounts in NOK thousand for the period ended 31 December	Notes	2017	2016
Revenue		750 158	728 515
Other operating income		9 777	3 123
Total revenue		**759 935**	**731 637**
Cost of goods sold and assistance cost		483 935	464 758
Salaries and personnel expense	*3*	124 644	120 676
Depreciation and amortisation expense	*7, 8*	41 150	41 387
Other operating expense	*3, 4*	86 642	70 015
Total operating expenses		**736 371**	**696 836**
Operating profit	*2*	**23 564**	**34 802**
Interest income		1 322	5 081
Other financial income		7 161	727
Total financial income	*5*	**8 483**	**5 807**
Interest expense	*5, 14*	77 460	72 983
Other financial expense	*5*	13 556	5 587
Total financial expense		**91 016**	**78 570**
Profit before income tax		**-58 969**	**-37 961**
Income tax expense	*6*	-9 990	-6 570
Net profit/(loss) for the year		**-48 979**	**-31 391**
Profit/(loss) is attributable to:			
Equity holders of the parent company		-48 979	-29 640
Non-controlling interests		-	-1 751

Consolidated statement of comprehensive income

Amounts in NOK thousand for the period ended 31 December	Notes	2017	2016
Profit/(loss)		**-48 979**	**-31 391**
Other comprehensive income			
Remeasurement of pension liability	*3*	-493	176
Items that will not be reclassified to profit or loss		-493	176
Foreign currency rate changes		-1 875	1 539
Items that may be reclassified subsequently to profit or loss		-1 875	1 539
Other comprehensive income - net of tax		**-2 368**	**1 715**
Total comprehensive income		**-51 347**	**-29 676**
Total comprehensive income is attributable to:			
Equity holders of the parent company		-51 347	-27 925
Non-controlling interests		-	-1 751

Consolidated statement of financial position

Amounts in NOK thousand	Notes	31.12.2017	31.12.2016
ASSETS			
Non-current assets			
Trademark and franchise network	*7*	158 268	158 670
Customer contracts	*7*	101 693	119 927
Goodwill	*7*	495 967	495 967
Assistance vehicles, office machinery and equipment	*8*	74 533	70 890
Other long-term receivables	*16*	6 795	4 529
Total non-current assets		**837 256**	**849 983**
Current assets			
Inventories	*10*	1 402	710
Accounts receivable	*11, 16*	155 779	126 950
Other receivables	*11*	26 303	17 085
Cash and bank deposits	*12, 16*	29 445	33 993
Total current assets		**212 929**	**178 739**
Total assets		**1 050 185**	**1 028 721**

Consolidated statement of financial position

Amounts in NOK thousand	Notes	31.12.2017	31.12.2016
EQUITY AND LIABILITIES			
Equity			
Share capital	*13*	151	151
Share premium reserve		238 634	238 634
Other equity		3 727	3 727
Retained earnings		-227 400	-176 053
Total equity		**15 112**	**66 459**
Non-current liabilities			
Deferred tax	*6*	45 639	57 102
Pension liabilities	*3*	8 261	8 839
Interest-bearing liabilities to financial institutions	*14, 16*	705 967	242 660
Subordinated loan	*14, 16*	-	343 580
Other non-current interest-bearing liabilities	*14, 16*	-	44 100
Other non-current liabilities	*15, 16*	31 526	29 092
Total non-current liabilities		**791 392**	**725 373**
Current liabilities			
Accounts payable	*16*	61 988	43 953
Interest-bearing liabilities to financial institutions	*14, 16*	49 350	30 000
Prepaid assistance		41 506	60 209
Tax payable	*6*	1 323	326
Financial instruments	*17*	1 156	1 893
Public duties payable		19 234	17 415
Other short-term liabilities	*18*	69 125	83 094
Total current liabilities		**243 681**	**236 889**
Total equity and liabilities		**1 050 185**	**1 028 721**

Oslo, 26th April 2018

James Alexander Blair Davis Board Member	Bo Ingemarson Chairman	Fredrik Kristofer Runnquist Board Member
Johan Gustaf Olaf Bjurström Board Member	Hans Petter Emil Berglund Board Member	Jørn Ivar Clausen Board Member
	Hans Petter Borge Semmelmann CEO	

Consolidated statement of changes in equity

Amounts in NOK thousand	Share capital	Share premium	Other equity	Retained earnings	Total	Minority interests	Total equity
Shareholders' equity 01.01.2016	151	238 571	3 727	-148 128	94 321	1 751	96 072
Profit/(loss) for the year	-	-	-	-29 640	-29 640	-1 751	-31 391
Other comprehensive income for the year	-	-	-	1 715	1 715	-	1 715
Total comprehensive income for the year	-	-	-	-27 925	-27 925	-1 751	-29 676
Change in own shares	-	63	-	-	63	-	63
Shareholders' equity 31.12.2016	**151**	**238 634**	**3 727**	**-176 054**	**66 459**	-	**66 459**

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

Consolidated statement of cash flow

Amounts in NOK thousand for the period ended 31 December	*Notes*	**2017**	**2016**
CASH FLOW FROM OPERATIONS			
Profit before income taxes		-58 969	-37 961
+ Depreciation, intangible and fixed assets	*7, 8*	41 150	41 387
+/- Change in retirement benefit obligations	*3*	519	-413
+/- Fair value (gains)/losses on financial assets at fair value through profit/loss	*17*	-704	-2 552
- Taxes paid	*6*	-326	-
+/- Interest expensed and borrowing costs expensed	*5*	77 460	72 983
+/- Currency conversion difference		9 360	-
+/- Change in prepaid assistance		-18 704	-4 624
+/- Change in accounts receivable	*11*	-28 829	-17 439
+/- Change in inventory	*10*	-692	76
+/- Change in accounts payable	*16*	18 036	11 319
+/- Change in other accruals		-11 345	-15 858
- Interest paid		-32 086	-23 500
Net cash flow from operations		**-5 129**	**23 418**
CASH FLOW FROM INVESTMENTS			
- Purchase of fixed assets	*8*	-14 102	-8 806
+ Sale of fixed assets	*8*	8 083	636
- Purchase of intangible assets	*7*	-583	-1 175
Net cash flow from investments		**-6 602**	**-9 345**
CASH FLOW FROM FINANCING			
+ Proceeds from loans	*14*	732 431	10 000
- Repayment of loans	*14*	-725 248	-30 000
Net cash flow from financing		**7 183**	**-20 000**
Net changes in cash for the period		-4 548	-5 927
+ Cash and cash equivalents as of 1.1	*12*	33 993	39 920
= Cash and cash equivalents as of 31.12		**29 445**	**33 993**

Notes to the consolidated financial statement

Note 1 - Accounting principles

1.1 General information

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

1.2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.3 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union in compliance with financial years ending 31 December 2017.

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in section 1.22.

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

1.4 Consolidation

Subsidiaries

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

Business combinations

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

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

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

1.5 Segment reporting

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

1.6 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the individual entities within the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Norwegian Kroner (NOK).

b) Transactions and balance sheet items

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

c) Group companies

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

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

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

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

1.7 Operating revenues

Revenue is measured at the fair value of the consideration received or receivable, and represent amounts receivable for services supplied, stated net of discounts, returns and value added taxes. Revenues are recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for the Group's activities, as described below:

The Group companies provides roadside assistance, and revenues from services are recognised when road assistance has been provided. Group companies also have prepaid assistance agreements towards different customer groups, and for these agreements the share of revenues associated with future services are recognised in the balance sheet as prepaid assistance at the time of sale and subsequently recognised proportionally with the work perfomed (linear accumulation).

Also, Group companies have revenues from sales of good, such as automobile batteries, tyres, flushing medium, windshield wipers and similar. Revenue from sales of goods are recognised when the significant risk and reward of the ownership of the goods have passed to the buyer.

1.8 Fixed assets

Fixed assets consist of transportation vehicles, machinery and equipment, and financially leased vehicles (see section 1.18). Fixed assets are measured at historical cost, less accumulated depreciation and impairment. Historical costs includes expenditures that are directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other operating expenses in the consolidated statement of profit or loss.

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

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

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

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

1.9 Goodwill and intangible assets

Goodwill

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

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

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

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

Other intangible assets

a) Trademark

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

b) Franchise network

In the Viking Group, franchise rights are described as the right a franchisee has to operate under the Viking's trademark. In time, this will contribute to strengthen the brand name by visibility. As long as the franchise network in the different segments are not fully expanded, upfront fee for franchise networks are capitalized. As soon as the franchise network is considered fully developed in the different segments, it is considered to have a finite useful life and is therefore carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method. The expected useful life for franchise network is 10 years. As of 31st of december 2016, franchise network in all segments is fully expanded.

c) Customer contracts

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

1.10 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing an impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (CGU's). Prior impairments of non-financial assets (other than goodwill and trademark) are reviewed for possible reversal at each reporting date.

1.11 Financial assets

Classification

Financial assets are classified in the following categories: (1) at fair value through profit or loss, and (2) loans and receivables. The classification depends on the purpose for which the financial asset was acquired. Management determines the classification of its financial assets at initial recognition. The group has no financial assets classified at fair value through profit or loss.

Loans and receivables

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

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

Impairment of financial assets

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

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

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

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

1.12 Inventories

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

1.13 Accounts receivable

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

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

1.14 Cash and cash equivalents

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

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

1.15 Share capital

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

1.16 Income tax

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

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

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

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

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

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

1.17 Trade and other payable

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

1.18 Leasing

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

Financial leases:

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

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

Operating lease agreements:

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

1.19 Bank borrowings

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

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

1.20 Employee benefits

Pension obligations:

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

a) Defined contribution plans

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

b) Defined benefit plans

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

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

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

c) Share based payments

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

1.21 Provisions

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

1.22 Important accounting estimates and assumptions/prerequisites

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

Estimated impairment of goodwill

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

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

IFRS 9 Financial instruments

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit loss model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

The standard is effective for accounting periods beginning on or after 1 January 2018. For the Viking Group, there will be limited impact of the implementation of IFRS 9.

IFRS 15 Revenue from Contracts with Customer

The standard, IFRS 15 Revenue from Contracts with Customers, is effective for accounting periods beginning on or after 1 January 2018. The Viking Group is in the process of evaluating different revenue strams in order to determine eventual effects of IFRS 15. However, the adoption of IFRS 15 will have limited effect on the Group.

IFRS 16 Leases

In January 2016, IASB issued a new lease standard that will replace IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. The standard requires assets and liabilities arising from all leases, with some exceptions, to be recognized on the balance sheet. This model reflects that, at the start of a lease, the lessee obtains the right to use an asset for a period of time and has an obligation to pay for that right. The accounting for lessors will be based on the same classification as under IAS17, operating or finance leasing. The definition of a lease is amended.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted. The Viking Group has not yet adopted the new standard of IFRS 16. However, there will be some minor effects of the adoption of IFRS 16, as the Viking Group has operational leases regarding both buildings and corporate cars. For further information on operational leases, se note 15 *Leasing.*

Note 2 - Segment information

All amounts in NOK thousand

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

The Group`s business is providing roadside assistance. The Group`s sales are made primarily from Group`s subsidiaries in Norway, Sweden and Denmark. The Group has also established a subsidiary in Finland in 2017 and also have call centers i Spain. The Group's performance is reviewed by the chief operating decision makers as three geographical areas as of 31.12.17, which are Norway, Sweden and Denmark. Hence, the Viking Group defines their operating segments accordingly.

Key financial information 2017:

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

Key financial information 2016:

	Norway	Sweden	Denmark	Other	Total
Revenue, external	494 164	129 519	107 954	-	731 637
EBITDA*	84 481	-4 974	-3 318	-	76 189
Operating profit	50 771	-9 786	-6 184	-	34 802

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

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

Note 3 - Personnel expenses, pensions and remunerations

All amounts in NOK thousand

Employee benefit expenses	2017	2016
Salary expenses	99 367	98 600
Social contribution tax	15 784	12 072
Net pension expenses	6 045	5 119
Other costs	3 448	4 885
Total personnel expenses	**124 644**	**120 676**
Average number of employees	200	170

Pensions

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

Employees in the Group`s Swedish and Danish entities are covered by pension plans that are classified as contribution plans. Employees in the Group`s Norwegian entities are covered by pension plans that are classified as contribution plans and benefit plans. The defined benefit plan for the employees in Norway cover a total of 17 (18 in 2016) employees, of which 5 (6 in 2016) are retired. The rest of the employees in the Groups Norwegian entities are covered by contribution plans. The pension plans meet the requirements of the mandatory occupational pension scheme in each country.

a) Defined contribution plans

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

b) Defined benefit plans

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

Net pension expenses	2017	2016
Present value of pensions earned this year	790	756
Interest expense on the pension commitment	462	513
Return on pension funds	-457	-446
Changes in pensions plan charged to income	-	-529
Administrative costs	303	294
Social contribution tax	154	155
Pension expense defined contribution plan	4 793	4 376
Net pension expenses	**6 045**	**5 119**

Net pension obligation	2017	2016
Pension obligation incurred at 31.12.	21 577	22 241
Estimated pension obligation 31.12.	**21 577**	**22 241**
Plan assets (at fair value) at 31.12.	**-14 337**	**-14 494**
Social contribution tax	1 021	1 092
Net pension obligation 31.12	**8 261**	**8 839**

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

Movement in the present value of the defined obligations and plan assets 31.12.2016	Present value of obligation	Fair value of plan assets	Net amount
Opening balance 01.01.2016	20 691	-13 333	7 358
Current service cost	756	-	756
Administration cost	-	294	294
Interest expense / (income)	513	-446	67
Actuarial gains / losses	605	-429	176
Benefits paid	-324	769	445
Premiums paid	-	-1 349	-1 349
Pensions obligation as at 31.12.2016	**22 241**	**-14 494**	**7 747**

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

Total actuarial gains/(losses) recognised in other comprehensive income in this period	2017	2016
Changes in actuarial gain/(loss) in pension obligation recognised in other comprehensive income	493	-176
Total	**493**	**-176**

Financial assumptions	2017	2016
Discount rate	2,30 %	2,10 %
Estimated salary increase/pension increase/base adjustment	2,50 %	2,25 %
Expected return on funds	2,30 %	2,10 %
Expected turnover	7,00 %	7,00 %

Pension funds - allocation of investments as at 31.12	**2017**	**2016**
Bonds at amortized cost	59,8 %	50,4 %
Short-term bonds	19,1 %	29,6 %
Real estate	10,0 %	10,3 %
Shares and equities	10,2 %	9,2 %
Other	0,8 %	0,5 %
Total at 31.12	**100 %**	**100 %**

Remuneration to executive personnel		**Salary**	**Bonus**	**Pension**	**Other benefits**	**Total**
Financial year 2017						
Hans Petter Semmelmann	Group CEO	2 162	926	207	226	3 521
Marius Bruu	Group CFO	1 663	500	76	124	2 364
Isabelle Solli	Group LCC	833	444	40	83	1 400
Lars Goksøyr	Group CDO	1 438	300	151	127	2 015
Cherie Dahlin	Group COO	711	-	39	72	823
Svein Setrom	Group CNO	963	-	513	182	1 658
Dukica Johansen	CEO Denmark	1 603	313	233	134	2 284
Sjur Jensen Bay	Croup CCO	288	-	28	1	317
Financial year 2016						
Hans Petter Semmelmann	Group CEO	1 936	800	182	226	3 143
Marius Bruu	Group CFO	1 388	375	73	127	1 963
Isabelle Solli	Group LCC	1 212	-	78	147	1 437
Lars Goksøyr	Group CDO	1 299	200	236	155	1 890
Cherie Dahlin	Group COO	1 058	-	73	67	1 198
Svein Setrom	Group CNO	805	-	121	181	1 107
Anna Carin Brevik-Olsen	Human Resources	183	100	119	3	405
Dukica Johansen	CEO Denmark	1 389	-	205	134	1 728
Mårten Rosman	CEO Sweden	1 089	-	235	431	1 754

Mårten Rosman was part of the executive team until 2016, Cherie Dahlin, Isabelle Solli and Anna Carin Brevik-Olsen were part of the executive team until 2017.

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

Board of Directors' compensation		**Board remuner.**	**Other benefits**	**Total**
Financial year 2017				
Bo Ingemarson	Chairman of the Board	300	-	300
Jørn Ivar Clausen	Member of the Board	150	560	710
Financial year 2016				
Bo Ingemarson	Chairman of the Board	300	-	300
Jørn Ivar Clausen	Member of the Board	150	303	453

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

Auditor's remuneration, ex. VAT:	**2017**	**2016**
Statutory audit (including technical assistance - annual accounts)	2 559	1 816
Other attestation services	38	50
Tax advice (including technical assistance corporate tax papers)	182	79
Other assistance	39	54
Total	**2 819**	**1 999**

Warrants held by board of directors and employees

As of 31.12.2017 and 31.12.2016 the Viking Group has issued warrants held by board of directors and employees that give the right to issue 13.719 shares on exercise. There were no warrants granted or exercised during 2016 or 2017, and there are no expenses related to the warratnts in neither 2016 or 2017. All costs in relation to the warrants were expensed before 2016. In case the warrants are not exercised before the expiry date, they will be automatically renewed.

Grant date	**Expiry date**	**Exercise price**	**Share warrants 31 December 2017**	**Share warrants 31 December 2016**
20 February 2013	20 February 2018	1 TNOK	11 432	11 432
18 June 2014	18 June 2019	1 TNOK	2 287	2 287
Total			**13 719**	**13 719**

Note 4 - Other operating expenses

All amounts in NOK thousand

Other operating expenses consist of the following entries:	**2017**	**2016**
Marketing expenses	8 493	10 117
Rent *)	7 923	7 383
Electricity, heating and other property expenses	2 527	2 955
Consulting and IT expenses	30 770	23 736
Other expenses	36 929	25 826
Total other operating expenses	**86 642**	**70 015**

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

Note 5 - Financial income and financial expenses

All amounts in NOK thousand

Financial income	**2017**	**2016**
Interest income *)	1 322	5 081
Other financial income	7 161	727
Total financial income	**8 483**	**5 807**

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

Interest expense	**2017**	**2016**
Interest expense on shareholder loan	13 521	47 775
Interest expense on mezzanine loan	881	3 212
Interest expense on bank loans	4 592	12 948
Interest expense on bond loans	42 182	-
Amortisation of loan fee, long-term liabilities (see note 14 - *Interest bearing liabilities*)*	13 812	4 343
Other interest expense	2 473	4 706
Interest expense	**77 460**	**72 983**

Other financial expenses	**2017**	**2016**
Bank charges	810	1 189
Foreign exchange losses	11 562	3 921
Other items	1 183	477
Other financial expense	**13 556**	**5 587**

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

Note 6 - Taxes

All amounts in NOK thousand

Calculation of deferred tax/deferred tax asset	2017	2016
Temporary differences		
Fixed assets	-11 154	-9 935
Intangible assets	238 787	256 922
Pension	-8 261	-8 839
Receivables	-1 592	-1 693
Interest-swap	-1 156	-1 893
Other differences	18 903	22 932
Net temporary differences	**235 527**	**257 494**
Interest expenses carried forward	-6 980	-1 469
Tax losses carried forward	-72 013	-42 152
Basis for deferred tax/deferred tax asset	**156 534**	**213 873**
23 % (24 %) deferred tax/deferred tax asset	36 003	51 330
Deferred tax benefit not shown in the balance sheet	9 981	6 091
Difference in tax rate towards 24 % (25 %) in the group	-345	-318
Deferred tax/(deferred tax asset)	**45 639**	**57 103**

Basis for payable taxes

Result before taxes	-58 969	-37 961
Permanent differences	3 507	2 100
Basis for the tax expense for the year	**-55 462**	**-35 862**
Change in temporary differences	28 751	22 186
Interest expenses carried forward	5 511	-
Tax losses carried forward	26 711	14 977
Use of tax losses not recognised	-	-
Basis for payable taxes in the income statement	**5 511**	**1 302**
+/- Group contributions received/given	-	-
Taxable income (basis for payable taxes in the balance sheet)	**5 511**	**1 302**

Components of the income tax expense

Payable tax on this year's result	1 323	326
Adjustment in respect of priors and other differences	-	-
Total payable tax	**1 323**	**326**
+/- Change in deferred tax towards old tax rate	-8 884	-4 139
+/- Change in deferred tax because of change in tax rate	-2 084	-2 438
+/- Difference in tax rate towards 25 % (27 %) and currency effects	-345	-318
Tax expense (24 % of basis for tax expense for the year)	**-9 990**	**-6 569**

Payable taxes in the balance sheet

Payable tax in the tax charge	1 323	326
Tax effect of group contribution	-	-
Tax gain due to conversion of receivale related to merger	-	-
Difference in payable taxes in fin. statements and tax return	-	-
Payable tax in the balance sheet	**1 323**	**326**

Note 7 - Intangible assets

All amounts in NOK thousand

	Trademark	Franchise network	Customer contracts	Goodwill	Total
Cost at 01.01.2016	158 452	-	214 528	495 967	868 947
Additions	1 175	-	-	-	1 175
Disposals	-	-	-	-	-
Reclassification to franchise network*	-9 570	9 570	-	-	-
Cost at 31.12.2016	**150 057**	**9 570**	**214 528**	**495 967**	**870 122**
Acc. amortisation and impairment charges 01.01.16	-	-	76 466	-	76 466
Amortisation charges	-	957	18 135	-	19 092
Impairment charges	-	-	-	-	-
Acc. amortisation and impairment charges 31.12.16	**-**	**957**	**94 601**	**-**	**95 558**
Net booked value as at 31.12.2016	**150 057**	**8 613**	**119 927**	**495 967**	**774 564**
Cost at 01.01.2017	150 057	9 570	214 528	495 967	870 122
Additions	-	583	-	-	583
Disposals	-	-	-	-	-
Reclassification to franchise network*	-223	223	-	-	
Cost at 31.12.2017	**149 834**	**10 376**	**214 528**	**495 967**	**870 705**
Acc. amortisation and impairment charges 01.01.17	-	957	94 601	-	95 558
Amortisation charges		985	18 234		19 219
Impairment charges		-	-		-
Acc. amortisation and impairment charges 31.12.17	**-**	**1 942**	**112 835**	**-**	**114 777**
Net booked value as at 31.12.2017	**149 834**	**8 434**	**101 693**	**495 967**	**755 928**
Useful life		10 years	15 years		
Amortisation method		Straight-line	Straight-line		

* In 2017, KNOK 282 of Trademark was reclassified to Franchise network for the Group`s operations in Denmark as the Trademark/Network was considered to be fully expanded and finalized in Denmark at this stage. Accordingly, Viking Group started to amortize the Franchise network in accordance with the Group`s policy (amortized over 10 years). As for 2016, KNOK 9 570 of Trademark was reclassified to Franchise network for the Group`s operations in Sweden.

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

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

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

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

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

Intangible assets per CGU:

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

2016	**Norway**	**Sweden**	**Denmark**	**Total**
Trademarks and franchise network	158 670	-	-	158 670
Customer contracts	112 967	6 960	-	119 927
Goodwill	463 135	30 148	2 684	495 967
Total	**734 772**	**37 108**	**2 684**	**774 564**

Cash generating units (CGU)

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

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

Assumptions used to calculate the value in use at 31.12.2017:	**Norway**	**Sweden**	**Denmark**
Goodwill and other intangible assets	716 971	36 273	2 684
Impairment	-	-	-
Discount rate after tax	8,35 %	8,25 %	8,30 %
Effect on impairment given 1% increase in the discount rate	-	-	-

Note 8 - Fixed assets

All amounts in NOK thousand

	Transportation vehicles	Machinery & equipment	Financial leasing (vehicles)	Total fixed assets
Cost at 01.01.2016	36 304	121 073	49 965	207 342
Accumulated depreciation	20 830	91 177	15 796	127 803
Accumulated impairment	-	-	-	-
Net booked value at 01.01.2016	**15 474**	**29 896**	**34 169**	**79 539**
Net booked value at 01.01.2016	15 474	29 896	34 169	79 539
Effect of changes in foreign exchange	-1 339	-1 605	-1 680	-4 624
Additions	488	8 319	16 480	25 287
Disposals	4 753	5 845	11 609	22 207
Accumulated depreciation (disposals)	4 602	5 000	5 588	15 190
Depreciation charges	2 116	12 012	8 166	22 294
Impairment charges	-	-	-	-
Net booked value at 31.12.2016	**12 356**	**23 753**	**34 782**	**70 891**
Cost at 01.01.2017	30 700	121 942	53 156	205 798
Accumulated depreciation	18 344	98 189	18 374	134 907
Accumulated impairment				-
Net booked value at 01.01.2017	**12 356**	**23 753**	**34 782**	**70 891**
Net booked value at 01.01.2017	12 356	23 753	34 782	70 891
Effect of changes in foreign exchange	540	103	992	1 634
Additions	1 281	12 478	19 905	33 664
Disposals	5 948	11 825	10 865	28 639
Accumulated depreciation (disposals)	3 765	10 956	4 193	18 914
Depreciation charges	1 741	11 335	8 855	21 931
Impairment charges	-	-	-	-
Net booked value at 31.12.2017	**10 253**	**24 129**	**40 151**	**74 533**
Cost at 31.12.2017	26 573	122 698	63 188	212 458
Accumulated depreciation	16 320	98 568	23 036	137 924
Accumulated impairment	-	-	-	-
Net booked value at 31.12.2017	**10 253**	**24 129**	**40 151**	**74 533**
Useful life	5-10 years	3-5 years	5 years	
Depreciation method	Straight-line	Straight-line	Straight-line	

Note 9 - Subsidiaries

All amounts in NOK thousand

The consolidated financial statements include the following companies

Subsidiaries	Country	Business office	Ownership company	Ownership/ Voting %
Viking Redningstjeneste TopCo AS	Norway	Oslo	Parent	
Viking Assistance Group AS	Norway	Oslo	VR TopCo AS	100 %
Viking Redningstjeneste AS	Norway	Oslo	Viking Assistance Group AS	100 %
Viking Redningstjeneste Detalj AS	Norway	Oslo	Viking Redningstjeneste AS	100 %
Sæter Bilberging AS	Norway	Oslo	Viking Redningstjeneste AS	100 %
Viking Assistance AS	Norway	Oslo	Viking Assistance Group AS	50 %
Viking Sverige AB	Sweden	Stockholm	Viking Assistance Group AS	100 %
Stor Stockholm Bärgningstjänst AB	Sweden	Stockholm	Viking Sverige AB	100 %
Viking Räddningstjänst AB	Sweden	Malmö	Viking Sverige AB	100 %
Vägassistans i Göteborg AB	Sweden	Gothenburg	Viking Sverige AB	100 %
Viking Assistance A/S	Denmark	Copenhagen	Viking Assistance Group AS	100 %
Viking København A/S	Denmark	Copenhagen	Viking Assistance A/S	90 %
Viking Assistance Oy	Finland	Helsinki	Viking Assistance Group AS	100 %
Viking Nordic Assistance S.L	Spain	Alicante	Viking Assistance Group AS	100 %

Note 10 - Inventories

All amounts in NOK thousand

Inventories consist of the following:	2017	2016
Inventories at cost	1 402	710
Reserve for inventory obsolescence	-	-
Total inventories	**1 402**	**710**

Note 11 - Accounts receivable and other current receivables

All amounts in NOK thousand

Aging of accounts receivable	2017	2016
Not due	78 218	73 553
Less than 30 days overdue	32 200	26 220
Due 30 - 90 days	17 510	8 099
Due > 90 days	35 148	22 583
Total accounts receivable - gross amount	**163 076**	**130 455**
Provision for loss	7 297	3 505
Total accounts receivable - net amount	**155 779**	**126 950**

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

Losses on accounts receivable	2017	2016
Change in provision for loss	3 657	793
Write-off receivables as loss during the year	2 849	1 088
Losses on accounts receivable in profit/(loss) for the year	**6 506**	**1 881**

Other current receivables	2017	2016
Prepaid rent	895	1 078
Prepaid costs	4 061	2 182
Accrued income	16 841	5 346
Other current receivables	4 507	8 479
Total other current receivables	**26 303**	**17 085**

Note 12 - Cash and cash equivalents

All amounts in NOK thousand

	2017	2016
Cash and cash equivalents	29 445	33 993
Of which are restricted cash:		
Deposit account	-	-

The different companies in the Group have guarantees that ensure the withholding tax responsibility. In addition, Viking Redningstjeneste AS has a KNOK 1 465 (2016: KNOK 131) guarantee for the rent expenditure at the office in Fornebuveien and Viking Redningstjeneste Detalj AS has a KNOK 1 175 (2016: KNOK 1 175) for the rent expenditure at the office in Alnabru Næringspark. Additionally, Viking Redningstjeneste Detalj AS has a KNOK 1 213 (2016: KNOK 1 213) transportation guarantee and Viking Sverige AB holds a guarantee on behalf of its subsidiary, Stor Stockholm Bärgningstjänst AB in relation with the purchase of a vehicle.

Note 13 - Share capital and shareholder information

All amounts in NOK thousand

As of 31.12.2017, share capital amounts to NOK 151.251, consisting of 252.085 shares at a face value of NOK 0,60 per share.

Overview of the largest shareholders as of 31 Dec 2017:

Shareholder	Number of shares	Ownership
AAC Capital NEBO Sub LP	128 563	51,0 %
ICG EFV Luxembourg S.A.R.L.	79 723	31,6 %
Madelli AS	13 046	5,2 %
Nestu AS	7 890	3,1 %
Viasis AS	7 697	3,1 %
Tribri AS	7 563	3,0 %
C&G Holding AS	3 945	1,6 %
Bo Ingemarson	2 095	0,8 %
Novoco Value Innovation AB	1 000	0,4 %
Exilie AS	563	0,2 %
Total	**252 085**	**100 %**

All shares have the same rigth to dividend, and the same voting rigths.

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

Name	Title	Ownership
Hans Petter Semmelmann (50 % of Madelli AS)	Group CEO	2,6 %
Svein Setrom (67 % av Nestu AS)	Group CNO	2,1 %
Lars Andreas Goksøyr (100 % av Viasis AS)	Group CDO (Digital and IT)	3,1 %
Jørn Ivar Clausen (67 % of Tribri AS)	Member of the board	2,0 %
Bo Ingemarson	Chairman of the board	0,8 %
Marius Bruu (100 % of Exilie AS)	Group CFO	0,2 %

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

Note 14 - Interest-bearing Liabilities

All amounts in NOK thousand

Long term liabilities due > 1 year	2017	2016
Gross bank borrowings, long-term	-	248 000
Loan costs	-	-5 340
Bank borrowings, long-term net of loan costs	**-**	**242 660**
Gross mezzanine loan, long-term	-	45 000
Loan costs	-	-900
Mezzanine loan, long-term net of loan costs	**-**	**44 100**
Gross shareholders loan, long-term	-	348 280
Loan costs	-	-4 700
Shareholder loan, long-term net of loan costs	**-**	**343 580**
Gross bond loans, long-term	717 687	-
Loan costs	-11 720	-
Bond loan, long-term net of loan costs	**705 967**	-
Total	**705 967**	**630 340**

Short term liabilities due within one year	2017	2016
Bank borrowings, short-term	49 350	30 000
Total	**49 350**	**30 000**
Total interest bearing liabilities	**755 317**	**660 340**

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

Net debt reconciliations of 31.12.2017	2017
Cash and cash equivalents	29 445
Liquid investments	1 156
Borrowings - repayable within one year (including overdraft)	-50 000
Borrowings - repayable after one year	-717 687
Net debt	**-737 086**

Cash and liquid investments	30 601
Gross debt - fixed interest rates	-217 687
Gross debt - variable interest rates	-550 000
Net debt	**-737 086**

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

*) Other fees include advisory fees and listing fees.

Specification of the loan facilities as of 31.12.2017

Loan facility	Loan origination date	Principle in local currency	Maximum contractual interest rate	Termination date	Carrying value 2017
Nordic Trustee ASA					
Bond - First Secured (NOK)	07.04.2017		NIBOR + margin	07.07.2021	705 967
Bond - Second Secured (SEK)	07.04.2017		10 % p/a	07.07.2021	
DNB					
Revolving facility A (NOK)	07.04.2017	45 000	IBOR + margin	*)	49 350
Revolving facility B (NOK)	07.04.2017	5 000	IBOR + margin		

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

Specification as of 31.12.2016

Loan facility	Loan origination date	Principle in local currency	Maximum contractual interest rate	Termination date	Carrying value 2016
DNB					
Facility A (NOK)	07.09.2015	120 000	NIBOR + margin	31.12.2018	272 660
Facility B (NOK)	07.09.2015	178 000	NIBOR + margin	31.12.2018	
ICG					
Mezzanine	08.03.2013	45 000	NIBOR + margin	01.09.2020	44 100
Shareholder	08.03.2013	235 000	14 % p/a	01.09.2020	343 580

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

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

Security:

As security for the bond loans and the revolving facility in 2017, the borrower has pledged security in the groups assets. For the bond loans the borrower has pledged security in all shares and loans towards subsidiaries. For the revolving facility in DNB the borrower has pledged security in accounts receivables, fixed assets, shares in group companies and intercompany receivable and liabilities.

Covenants:

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

The loan agreements for the bond loans make reference to the second covenant listed above, and accordingly the second covenant also applies to the bond loans (both the loan in NOK and SEK). As of 31.12.17 all covenant requirements are met.

The loan agreement towards both DNB and ICG until the loans were reedemed in 2017 contained requirements (covenants) related to the following financial key ratios: Net debt in relation to EBITDA and interest cover less EBITDA in relation to gross financing costs. In addition, the size of annual capital expenditure is limited by covenants in the loan agreement. As of 31.12.16 all covenant requirements were met.

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

Payment profile on debts to credit institutions per 31.12.2017

	2018	2019	2020	2021	Total
Bond - First Secured (NOK)	-	-	-	500 000	500 000
Bond - Second Secured (SEK)	-	-	-	208 237	208 237
Revolving facility A (NOK)	45 000	-	-	-	45 000
Revolving facility B (NOK)	5 000	-	-	-	5 000
Total installment	**45 000**	**-**	**-**	**708 237**	**753 237**

Payment profile on debts to credit institutions per 31.12.2016

	2017	2018	2019	2020	Total
Mezzanine	-	-	-	45 000	45 000
Facility A	30 000	60 000	-	-	90 000
Facility B	-	180 000	-	-	180 000
Total installment	**30 000**	**240 000**	**-**	**45 000**	**315 000**

Note 15 - Leasing

All amounts in NOK thousand

Classification of leasing - Financial leasing and operational leasing:

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

Operational leasing - General description:

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

Operational leasing - Future minimum lease payments:	**2017**	**2016**
Total leasing payments first 12 months	9 348	7 521
Total leasing payments 2-5 years	17 469	12 218
Total leasing payments more than 5 years	-	748
Total minimum lease payments	**26 817**	**20 488**

Operational leasing - Payments recognised in the income statement:	**2017**	**2016**
Lease payments - buildings	7 923	7 383
Lease payments - company cars and other equipment	2 569	2 041
Total leas payments recognised in the income statement:	**10 492**	**9 423**

Financial lease - General description:

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

Financial lease - Future minimum lease payments:	**2017**		**2016**	
	Nominal Value	Present value	Nominal Value	Present value
Total leasing payments first 12 months	12 237	12 074	9 704	9 461
Total leasing payments 2-5 years	33 584	31 095	27 982	26 198
Total leasing payments more than 5 years	510	430	1 110	1 108
Total	**46 331**	**43 600**	**38 796**	**36 767**

Note 16 - Financial risk factors

All amounts in NOK thousand

Overview:

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

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

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

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

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

Financial instruments by category as of December 31, 2016	**Loans and receivables**	**Liabilities measured at amortised cost**	**Fair value through profit and loss**	**Total**
Other non-current receivables	4 529	-	-	4 529
Accounts receivables	126 950	-	-	126 950
Other current receivables (only derivatives)	-	-	-	-
Cash and cash equivalents	33 993	-	-	33 993
Total financial assets	**165 472**	**-**	**-**	**165 472**
Bank borrowings	-	272 660	-	272 660
Mezzanine loan	-	44 100	-	44 100
Shareholder loans	-	343 580	-	343 580
Financial leasing	-	36 767	-	36 767
Trade and other payables	-	43 953	-	43 953
Other short term liabilities (only derivatives)	-	-	1 893	1 893
Total financial liabilities	**-**	**741 060**	**1 893**	**742 953**

a) Market risk

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

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

a-i) Foreign exchange risk

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

Exposure to loans in foreign currency

The group is exposed to changes in the exchange rate on the loans taken up by the subsidiaries in other currency than their own. As of 31.12.2017, Viking Redningtjeneste Topco AS holds a loan in SEK. See note *14 - Interest-bearing Liabilities* for further information about the loan.

Exposure to the presentation currency

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

a-ii) Interest rate risk

The Group's interest rate risk is mainly related to loans where an element of interest rate is not fixed. As of 31st December 2017, the Group has two bond loans with nominal values of MNOK 500 and MSEK 207 respectivly, where the latter is carried at fixed rate. Furthermore, Viking Assistance Group AS established a revolving facility at floating rate in 2017 of up to MNOK 50, where MNOK 50 is drawn down at year end. As of 31st December 2016, the Group had a loan in DNB of MNOK 278 in nominal value, a mezzanine loan at floating rate, and a loan to shareholders at fixed rate. These loans were reedemed during 2017. In order to reduce the interest rate risk, Viking Assistance Group has an interest rate swap that covers MNOK 160 in 2017 (MNOK 200 in 2016). See note *14 - Interest-bearing liabilities* and note 17 - Interest rate swap for further detailes regarding the loans.

Sensitivity analysis

The analysis below presents the sensitivity of profit before tax and equity at year end to selected changes in market rates. Given an increase in the interes rate at year end, the market value of the interest rate swap would change. For a change in the interes rate curve for 2017, all instruments subject to floating interes rates would affect the result. The table below summarises the impact of an increase/decrease in interest rate for the given scenarios. All other variables are held constant, and the calculations is based on year end balances.

	Profit before tax	Equity
Change in year end interest rate (+ 1,0 %)	1 600	1 216
Change in year end interest rate (- 0,5 %)	(800)	(608)
Change in interest rate curve (+ 1,0 %)	(3 530)	(2 683)
Change in interest rate curve (- 0,5 %)	1 765	1 342

b) Credit risk

Credit risk is managed at the Group level. The Group is exposed to counterparty risk when group companies enter into salvage agreements. Credit risk also occurs from outstanding receivables. The Groups´ customers base includes insurance companies, car manufacturers and transport industry companies, as well as the public sector. The Group has several frame agreements, long-term contracts and case by case customers for its products and services. Credit risk towards large customers with frame agreements and long-term contracts are considered to be limited as this Group is considered to be solid. Further, credit risk towards private customers and customers without agreements are considerd to be higher. Viking engaged Lindorff for mainly private customers in Norway in 2016 and 2017, to reduce the risk towards this group of customers. Going forward, the Group has an ambition to engage Lindorff for all customers.

c) Liquidity risk

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

To be able to maintain a sufficient flexibility in the source of funding, the Group has borrowing facilities of MNOK 50 in 2017 (MNOK 25 in 2016) which has been drawed down with MNOK 50 in 2017 (MNOK 10 in 2016), as well as that the Group keeps cash and cash equivalents of MNOK 29 in 2017 (MNOK 34 in 2016). In 2017, the Group has also established a guarantee facility of MNOK 10 through DNB for general corporate and working capital purposes.

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

Capital management

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

Note 17 - Interest rate swap

All amounts in NOK thousand

Through an interest rate swap, the Viking Group eliminates the interest rate risk on parts of their long term debt. As of 31st December 2017, the interest rate swap carries a principal amount of 160 MNOK (200 MNOK in 2016).

Value of the interest rate swap:	**2017**	**2016**
Fair value of interest rate swap	1 156	1 893

Fair value of interest rate swap is provided by the group's bankers, and is the discounted difference between the agreed fixed rate and the floating rate. Change in fair value of the interest rate swap is recognised through profit and loss in the income statement, and amounted to KNOK 704 in 2017 and KNOK 2 552 in 2016. The change in fair value is presented as part of "Interest income" in the Profit and Loss (see also note 5 - *Financial income and financial expenses*). The interest rate swap expires in 2018.

Note 18 - Other short term liabilities

All amounts in NOK thousand

Other short term liabilities consist of the following items:	2017	2016
Salary related accruals	2 138	3 657
Accrued vacation pay	9 303	8 993
Accrued interest expenses	13 585	40 973
Accrual leasing liability, short-term (see note 15 - *Leasing*)	12 074	9 704
Other current items	32 024	19 767
Total other short term liabilities	**69 124**	**83 094**

Note 19 - Related parties

All amounts in NOK thousand

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

a) Purchases of services

Related party	Relationship	Type of services	2017	2016
Jørn Ivar Clausen	Shareholder	Administrative services	560	303

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

Note 20 - Events after the balance sheet date

All amounts in NOK thousand

There are no significant events after balance sheet date.

Viking Redningstjeneste Topco AS

Annual report 2017

Statement of profit and loss

Amounts in NOK thousand for the period ended 31 December	Notes	2017	2016
Revenue		-	-
Other operating income		-	-
Total revenue	*1*	**-**	**-**
Cost of goods sold and assistance cost		-	-
Salaries and personnel expense	*2*	-	-
Depreciation and amortisation expense	*3*	-	-
Other operating expense	*2*	642	216
Total operating expenses		**642**	**216**
Operating profit		**-642**	**-216**
Interest income		2	47
Interest income from group companies	*8*	7 652	-
Other finance income from group companies		52 033	56 605
Interest expense	*9*	-55 704	-47 775
Interest expense group companies		-	-
Other finance expense	*9*	-17 063	-1 321
Profit before income tax		**-13 722**	**7 341**
Income tax expense	*7*	-3 188	1 257
Net profit/(loss) for the year		**-10 534**	**6 084**
Transferred to/from other equity		-10 534	6 084
Total allocation		**-10 534**	**6 084**

Statement of financial position - Assets

Amounts in NOK thousand	Notes	31.12.2017	31.12.2016
FIXED ASSETS			
Financial fixed assets			
Investments in subsidiaries	*3*	692 266	492 166
Loan to group companies	*8*	128 267	-
Deferred tax	*7*	2 413	-
Total financial fixed assets		**822 946**	**492 166**
Taotal fixed assets		**822 946**	**492 166**
CURRENT ASSETS			
Receivables			
Receivables group companies	*8*	52 212	56 646
Other receivables		124	-
Total receivables		**52 336**	**56 646**
Cash and bank deposits		206	1 073
Total current assets		**52 542**	**57 719**
Total assets		**875 487**	**549 885**

Statement of financial position - Equity and liabilities

Amounts in NOK thousand	Notes	31.12.2017	31.12.2016
EQUITY			
Paid-in equity			
Share capital	*6*	151	151
Share premium reserve		159 177	159 114
Total paid-in equity		**159 328**	**159 265**
Retained earnings			
Retained earnings		-4 449	6 084
Total retained earnings		**-4 449**	**6 084**
TOTAL EQUITY	*5*	**154 879**	**165 350**
LIABILITIES			
Provisions			
Deferred tax	*7*	-	775
Total provisions		**-**	**775**
Non-current liabilities			
Subordinated loan	*9*	-	343 580
Bond loans	*9*	705 967	-
Total non-current liabilities		**705 967**	**343 580**
Current liabilities			
Tax payable	*7*	-	326
Other short-term liabilities	*9*	14 641	39 854
Total current liabilities		**14 641**	**40 180**
TOTAL LIABILITIES		**720 607**	**384 535**
TOTAL EQUITY AND LIABILITIES		**875 487**	**549 885**

Oslo, 26th April 2018

James Alexander Blair Davis
Board member

Bo Ingemarson
Chairman

Fredrik Kristofer Runnquist
Board member

Johan Gustaf Olaf Bjurström
Board member

Hans Peter Emil Berglund
Board member

Jørn Ivar Clausen
Board member

Hans Petter Borge Semmelmann
CEO

Colsolidated statement of cash flow

Amounts in NOK thousand for the period ended 31 December	*Notes*	**2017**	**2016**
Profit before income taxes		-13 722	7 341
Taxes paid in the period	*7*	-326	-
Currency conversion differences	*9*	9 360	-
Interest and borrowing cost expensed	*9*	18 029	-
Cash flow from operations in the period		**13 341**	**7 341**
CASH FLOW FROM OPERATIONS			
Cash flow from operations in the period		13 341	7 341
+/- Change in intercompany balances	*8*	-123 832	-39 048
+/- Change in other accruals		-25 277	43 733
Net cash flow from operations		**-135 768**	**12 026**
CASH FLOW FROM INVESTMENTS			
Investment in subsidiaries	*3*	-200 100	-
		-200 100	-
CASH FLOW FROM FINANCING			
+ Proceeds from loans		683 281	-
- Repayment of loans		-348 280	-11 043
Net cash flow from financing	*9*	**335 001**	**-11 043**
Net changes in cash for the period		-867	983
+ Cash and cash equivalents as of 1.1		1 073	90
Cash and cash equivalents as of 31.12		**206**	**1 073**

Notes to the consolidated financial statement

Note 1 - Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway for periods ended 31 december 2017.

1.1 Classification of balance sheet items

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

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

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

Nominal amounts are discounted if the interest element is material.

1.2 Investment in subsidiaries

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

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

1.3 Receivables

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

1.4 Foreign currencies

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date.

1.5 Taxes

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

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

1.6 Cash flow statement

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

Note 2 - Number og employees, remuneration and audit fee

Remuneration to executives:	General	Board
Salaries/board fee	2 161	450
Other remuneration	1 187	

The average number of employees in the accounting year has been 0 (2016: 0).

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

Audit fee (excl. VAT):	2017	2016
Statutory audit (incl. tech. assistance with fin. statements)	727	105
Other assurance services	-	-
Tax advisory fee (incl. technical assistance with tax return)	15	
Other assistance	-	
Total audit fees	**742**	**105**

Note 3 - Investment in subsidiaries

Investments in subsidiaries are booked according to the cost method.

Subsidiaries	Location	Ownership	Equity last year	Profit last year	Balance sheet value
Viking Assistance Group AS	Oslo	100 %	734 352	35 354	692 266
Net book value 31.12.					**692 266**

In relation to the refinancing of the Group debt in april 2017, the liquidity to pay off the existing debt was carried to the subsidiary Viking Assistance Group AS through a capital increase of KNOK 200, and followingly debt and increase of the investment, in the parent comapny, Viking Redningstjeneste TopCo AS.

Note 4 - Balance with group companies

Balance with group companies	2017	2016
Current receivables	52 212	56 646
Total	**52 212**	**56 646**

Note 5 - Shareholder's equity

Equity changes in the year	**Share capital**	**Share premium reserve**	**Other equity**	**Total equity**
Equity 1.1.	151	159 114	6 084	**165 350**
Change in own shares		63		**63**
Result of the year			-10 534	**-10 534**
Equity 31.12.	**151**	**159 177**	**-4 449**	**154 879**

Note 6 - Share capital and shareholder information

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

List of shareholders at 31.12.2017:	**Number of shares**	**Ownership**
AAC Capital NEBO Sub LP	128 563	51,0 %
ICG EFV Luxembourg S.A.R.L.	79 723	31,6 %
Madelli AS	13 046	5,2 %
Nestu AS	7 890	3,1 %
Viasis AS	7 697	3,1 %
Tribri AS	7 563	3,0 %
C&G Holding AS	3 945	1,6 %
Bo Ingemarson	2 095	0,8 %
Novoco Value Innovation AB	1 000	0,4 %
Exilie AS	563	0,2 %
Total	**252 085**	**100,0 %**

All shares have the same right to dividend.

Note 7 - Taxes

Calculation of deferred tax/deferred tax asset	2017	2016
Temporary differences		
Long term receivables in foreign currency	-9 360	-
Other differences	11 720	4 700
Net temporary differences	**2 360**	**4 700**
Interest expenses carried forward	-1 469	-1 469
Tax losses carried forward	-11 382	-
Basis for deferred tax/deferred tax asset	**-10 491**	**3 231**
23 % (24 %) deferred tax/deferred tax asset	-2 413	775
Deferred tax benefit not shown in the balance sheet	-	-
Deferred tax/(deferred tax asset)	**-2 413**	**775**

Basis for income tax expense, changes in deferred tax and tax payable	2017	2016
Basis for payable taxes		
Result before taxes	-13 722	7 341
Permanent differences	-	-
Basis for the tax expense for the year	**-13 722**	**7 341**
Change in temporary differences	2 340	1 253
Interest expenses carried forward	-	-
Tax losses carried forward	-	-7 291
Use of tax losses not recognised	-	-
Basis for payable taxes in the income statement	**-11 382**	**1 303**
+/- Group contributions received/given	-	-
Taxable income (basis for payable taxes in the balance sheet)	**-11 382**	**1 303**

Components of the income tax expense	2017	2016
Payable tax on this year's result	-2 732	326
Adjustment in respect of priors and other differences	-	-
Total payable tax	**-2 732**	**326**
+/- Change in deferred tax towards old tax rate	-562	963
+/- Change in deferred tax due to change in tax rate	105	-32
Tax expense (24 % of basis for tax expense for the year)	**-3 188**	**1 257**

Payable taxes in the balance sheet	2017	2016
Payable tax in the tax charge	-	326
Tax effect of group contribution	-	-
Tax gain due to conversion of receivale related to merger	-	-
Difference in payable taxes in fin. statements and tax return	-	-
Payable tax in the balance sheet	**-**	**326**

Note 8 - Balances with group companies

	Current receivables		Non-current receivables	
	2017	**2016**	**2017**	**2016**
Group companies	52 212	56 646	128 267	-
Total	**52 212**	**56 646**	**128 267**	**-**

Viking Redningstjeneste TopCo AS har a non-current receivable towards Viking Assistance Group AS of respectively KNOK 128 267. The interest espense on the liability amounted to KNOK 7 652 in 2017. The interest was calculated using 6M NIBOR + 4,5 % until 31th March, 2017, and 3M NIBOR + 7,4 % from 31tn March, 2017 and forward. The current liability for both 2017 and 2016 are mainly group contribution received from wholly owned subsidiaries.

Note 9 - Non-current liabilities

The group refinancied their debt in the group in april 2017. The new debt was raised by Viking Redningstjeneste TopCo AS (parent company), and consist of two bond loans of respectively KNOK 500 and KSEK 207 (nominal values). The loans are accounted at amortised cost, and the nominal value of the loans as of 31.12.17 are KNOK 500 and KNOK 208, respectively. The loan in SEK has a fixed interest rate of 10 %, and the loan in NOK has a interest rate of 6M NIBOR + 6,25 %. Total interest expenses on the bond loans in 2017 amounts to KNOK 42 182, and foreign exchange loss for the bond loan in SEK amounts to KNOK 9,3 in 2017 (the last one ins part of "Other finance expense" in the Statement of Profit and Loss. The maturity date for both loans are 7th July, 2021.

As a result of the refinancing, the subordinated loan was reedemed (the original due date for the subordinaded loan was September 2020). In relation to the reimbursement of the borrowing, the remaining loan fee, amounting to KNOK 4,7 was expensed in 2017. This is part of "Other finance expenses" in the Statement of Profit and Loss. The interest expense on the subordinated loan until the reimbursement was KNOK 13,5.

Note 10 - Subsequent events

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

To the General Meeting of Viking Redningstjeneste Topco AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Viking Redningstjeneste Topco AS. The financial statements comprise:

- The financial statements of the parent company, which comprise the statement of financial position as at 31 December 2017, and statement of profit and loss, statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the statement of financial position as at 31 December 2017, and statement of profit and loss, statement of comprehensive income, statement of changes in equity, statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the parent company as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements present fairly, in all material respects, the financial position of the group as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

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.

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

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

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* pwc

Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company and the Group's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 26 April 2018
PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant