


Financial Statements 2018

Nordic Capital Partners II AS

Org.no.: 979 747 411

Prepared by:
NRP Procurator 

Profit and Loss account for the period 1.1. - 31.12.

	Note	2018	2017
Operating income and operating expenses			
Board remuneration	2	91 280	91 280
Other operating expenses	2	4 693 159	681 921
Total operating expenses		<u>4 784 439</u>	<u>773 201</u>
Operating profit		<u>-4 784 439</u>	<u>-773 201</u>
Financial income and expenses			
Income on investments from associated companies	3	2 104 200	6 680 000
Fair value adjustments financial fixed assets	3	153 038 000	219 863 000
Other interest income		249 356	32 919
Other interest expenses		-4 651 750	0
Other financial expenses		-4 941 037	0
Net financial items		<u>145 798 769</u>	<u>226 575 919</u>
Result before tax		<u>141 014 330</u>	<u>225 802 718</u>
Tax on ordinary result	6	0	0
Result for the period		<u>141 014 330</u>	<u>225 802 718</u>
Allocations			
Allocated to dividend		214 620 000	0
Allocated to fund for valuation variances		153 038 000	219 863 000
Allocated to other equity		-226 643 670	5 939 718
Total amount allocated		<u>141 014 330</u>	<u>225 802 718</u>

Balance sheet as of 31.12.

	Note	2018	2017	NGAAP 2017
Assets				
Non-current assets				
Financial fixed assets				
Investments in subsidiaries	3	551 331 000	0	0
Investments in shares		0	398 263 000	178 400 000
Total financial fixed assets		<u>551 331 000</u>	<u>398 263 000</u>	<u>178 400 000</u>
Total non-current assets		<u>551 331 000</u>	<u>398 263 000</u>	<u>178 400 000</u>
Current assets				
Receivables				
Other receivables		26 045	0	0
Total receivables		<u>26 045</u>	<u>0</u>	<u>0</u>
Bank deposit				
Bank deposits	4	76 240 609	6 741 134	6 741 134
Total bank deposits		<u>76 240 609</u>	<u>6 741 134</u>	<u>6 741 134</u>
Total current assets		<u>76 266 654</u>	<u>6 741 134</u>	<u>6 741 134</u>
Total assets		<u>627 597 654</u>	<u>405 004 134</u>	<u>185 141 134</u>


Nordic Capital Partners II AS

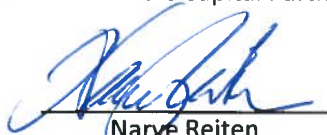
Balance sheet as of 31.12.


	Note	2018	2017	NGAAP 2017
Equity and liabilities				
Equity				
Paid-in capital				
Share capital	5	11 409 920	11 409 920	11 409 920
Total paid-in capital		11 409 920	11 409 920	11 409 920
Retained earnings				
Reserve for valuation variances		319 884 264	219 863 000	0
Other equity		0	173 626 934	173 626 934
Total retained earnings		319 884 264	393 489 934	173 626 934
Total equity		331 294 184	404 899 854	185 036 854
Liabilities				
Other long-term liabilities				
Bonds	7	291 560 440	0	0
Total of other long term liabilities		291 560 440	0	0
Current liabilities				
Accounts payable		0	13 000	13 000
Tax payable	6	0	0	0
Other short term liabilities		4 743 030	91 280	91 280
Total current liabilities		4 743 030	104 280	104 280
Total liabilities		296 303 470	104 280	104 280
Total equity and liabilities		627 597 654	405 004 134	185 141 134

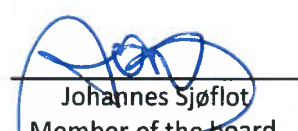
Oslo, 25.02.2019

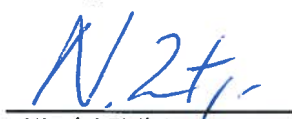
The board of Nordic Capital Partners II AS

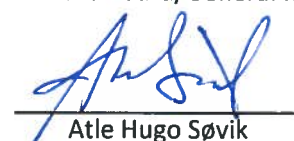

Sverre Harald Stange
Chairman of the board


Nørve Reiten
Member of the board


Bård Brath Ingerø
Member of the board/General Manager


Johannes Sjøflot
Member of the board


Nicolai Eirik Lorentzen
Member of the board


Atle Hugo Søvik
Member of the board

Nordic Capital Partners II AS

Statement of Changes in Equity for the period 1.1. - 31.12.2018

	Share capital	Reserve for valuation variances	Other equity	Total equity
Total equity at 31.12.2017	11 409 920	0	173 626 934	185 036 854
Conversion to IFRS Light		219 863 000	0	219 863 000
Total equity at 01.01.2018	11 409 920	219 863 000	173 626 934	404 899 854
Extraordinary dividend			-214 620 000	-214 620 000
Result for the year		153 038 000	-12 023 670	141 014 330
Transfer from reserve for valuation variances to other equity		-53 016 736	53 016 736	0
Total equity at 31.12.2018	11 409 920	319 884 264	0	331 294 184

Nordic Capital Partners II AS

Statements of Cashflows for the period 1.1. - 31.12.

	2018	2017
Cash flows from operating activities		
Profit/loss before tax	141 014 330	225 802 718
Changes in fair value on financial fixed assets	-153 038 000	-219 863 000
Change in short term liabilities	4 582 705	-625 960
Net cash flows from operating activities	-7 440 965	5 313 758
Cash flows from investment activities		
Purchase/sale of tangible/intangible assets	-	-
Net cash flows from investment activities	-	-
Cash flows from financing activities		
New long - term debt	291 560 440	-
Dividend to shareholders	-214 620 000	-
Net cash flows from financing activities	76 940 440	-
Net changes in cash and cash equivalents	69 499 475	5 313 758
Cash and cash equivalents at the start of the period	6 741 134	1 427 376
Cash and cash equivalents at the end of the period	76 240 609	6 741 134

Note 1 Accounting principles

The annual accounts have been prepared in accordance with regulations for simplified application of international accounting standards, cf. Section 3-9, second paragraph, of the Accounting Act (IFRS Light). The notes have been drawn up in accordance with Chapter 7 of the Accounting Act and regulations on the simplified application of international accounting standards (IFRS Light).

The annual accounts have been prepared in accordance with the Norwegian Accounting Act § 3-9 and the Regulations on IFRS Light adopted by the Ministry of Finance on 21 January 2008. This means that recognition and measurement comply with international accounting standards (IFRS) and presentation and note information are in accordance with the Norwegian Accounting Act and Good accounting practice.

The transition to IFRS Light was carried out in 2018. Comparative figures for 2017 are presented in accordance with both IFRS Light and NGAAP.

IFRS Light

In the accounting periods in question, the company uses the following deviations from the presentation, recognition and assessment rules in IFRS:

IAS 10 Nos. 12 and 13 are deviated from so that any dividend is recognized in accordance with the provisions of the Accounting Act.

Revenue recognition principles

Income is recognized when it is certainty that transactions will generate future economic benefits that can be estimated reliably. Financial income includes dividends from equity investments and gains from the sale of shares. Dividends from equity investments are recognized in the year in which the dividend is distributed. Gains on the sale of shares are recognized in the year in which the sale takes place. Interest and guarantee income is recognized as income when the company has an unconditional claim on these.

Income tax

The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at 22% of the basis of the temporary differences that exist between accounting and tax values, as well as the tax loss carried forward at the end of the financial year. Deferred tax is calculated at 23% in 2017. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset and net booked. Deferred tax assets are not capitalized as the company cannot prove that it will have sufficient taxable profits for the foreseeable future to utilize this.

Investments in assets and shares*I Classification*

In accordance with IAS 39, Financial Investments: Revenue Recognition and Measurement, investments in financial investments are within the scope of IAS 39 and classified according to category: Fair value with changes in value over profit.

II Recognition

The company recognizes financial assets and liabilities when and only when the company becomes a contractual party to the instrument.

III First time measurement

Financial assets and liabilities classified in the fair value category with changes in value over profit or loss are recognized in the balance sheet at fair value on initial measurement. All transaction costs are expensed directly.

IV Subsequent measurement

After initial measurement, financial assets and liabilities are classified in the fair value category with changes in value through the profit or loss measured at fair value in the company's balance sheet. Subsequent changes in fair value are classified in Gains on investments in financial investments / Losses on investments in financial investments in the company's income statement. Accrued interest income and dividends for these instruments are recognized accordingly. Details of the subsequent changes are shown in note 3.

Receivables, liabilities and guarantee obligations

Receivables and liabilities with maturity more than one year from the balance sheet date are classified as fixed assets. Receivables and liabilities are measured on initial recognition at fair value plus directly attributable transaction costs. In later periods, loans and receivables are measured at cost using linear depreciation.

Foreign currency

Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date.

Cash flow statement

The cash flow statement has been prepared using the indirect method. This means that the statement is based on the company's profit before tax in order to be able to present cash flows from ordinary operations, investment activities and financing activities respectively. Cash and cash equivalents consist of bank deposits in Norwegian banks.

Financial risk

The company is an investment company with investments directly in Norwegian companies. The company owns a 33.37% ownership interest in Grilstad Holding AS through its subsidiary Grilstad Invest AS. This is the company's only investment. The board considers the company's market risk (interest rate risk, currency risk, commodity price risk and share price risk) to be moderate, the company has no clients that are invoiced in foreign currency and has significant financial assets in the balance sheet. The company and its shareholders exercise active ownership in their investments. Historically the company has experienced few losses on outstanding claims and the credit risk is considered low. A significant part of the short-term debt are to the company's shareholders and the liquidity risk is considered low.

Note 2 Number of employees, remuneration, loans to employees etc.

In 2018 the company employed 0 employees.

Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

It is paid out remuneration to the chairman of the board with NOK 80 000.

Auditor

Fees paid to the Auditor and associated companies for audit work amounted in 2018 to NOK 141 821 included VAT. Fees and other services amounted to NOK 76 075 included VAT.

Note 3 Shares at fair value in Profit and Loss**Gain / loss on financial fixed assets**

	2018	2017
Dividend	2 104 200	6 680 000
Fair value adjustments, not realised	153 038 000	219 863 000
Total gain / loss on financial fixed assets	155 142 200	226 543 000

Shares, committed capital and cost value

Company name	Percent of shares	Cost value 2018	Total Equity	Profit & Loss
Grilstad Invest AS, Oslo	100 %	30 000	30 000	81
Conversion of seller credit*	100 %	532 000 000	532 000 000	0
Totalt		532 030 000	532 030 000	81

*Conversion of seller credit was officially registered in the Brønnøysund Register Center in 2019.

Fair Value

The company classifies fair value by using the following levels according to IFRS Light:

Level 1: Input is active market prices (non-adjusted) for similar assets or obligations.

Level 2: Input is other than active market prices included in Level 1 which is tradable or observable for similar assets or obligations, either directly (as prices) or indicative (derived from prices).

Level 3: Input for assets or obligations which is not based on tradable or observable market data (non-observable input).

When fair value of listed equity- and debt instruments is based on observable quoted market prices, without deduction of transaction costs, the instrument classifies at Level 1. The fair value on the instruments is established by using established fair value techniques from marked multiples. Therefore, the company considers the estimate uncertainty as low.

Investments	Fair value 31.12.18	Level
Grilstad Invest AS, Oslo	551 331 000	2
Total	551 331 000	

The shares in the subsidiary Grilstad Invest AS are pledged for the benefit of the bondholders.

There was no changes in measurement of fair value during the reporting period that resulted in a transfer between the Levels.

Changes in fair value

	2018	2017
Total per 1.1.2018	398 263 000	178 400 000
Purchase	30 000	0
Sale to subsidiary	-398 263 000	0
Conversion of seller credit to equity in subsidiary	532 000 000	0
Changes in unrealised fair value	19 301 000	219 863 000
Total per 31.12.2018	551 331 000	398 263 000

The sale of 4 056 shares in Grilstad Holding AS is an internal transaction between Nordic Capital Partners II AS and Grilstad Invest AS which is made at fair value with third party verification and with settlement through a seller credit. Since the sale was to a wholly owned subsidiary, the gain from the sale is treated as an unrealized gain added to reserve for valuation variances.

Risk exposure

The company is solely investing in Norwegian companies. Through its subsidiary Grilstad Invest AS, the company owns 33.37% in Grilstad Holding AS. This is the main investment. The company follows the development of the underlying investment through monthly reports and other press releases. If a circumstance which would lead to further exposure were to arise, the company will make an inquiry to the company in order to get the necessary information and facts. If deemed favourable or necessary, the company will evaluate if it is appropriate to sell the company's shares in the underlying investment.

Future outlook

The company has in-dept knowledge of the industry and underlying investment and expect the investment to perform well. This should reduce the risk of large losses.

Note 4 Bank deposits

Restricted funds are NOK 72 093 659. The fund covers interest payment obligations over the bond duration.

Note 5 Total shares, shareholders etc

	Number	Par value	Capitalised
Share capital			
Ordinary shares	114 099 920	0,1	11 409 920
Shareholders:		Shares	Percent of shares
Verdane Capital VIII K/S		27 811 976	24,38 %
Ingerø Reiten Investment Company AS		23 646 259	20,72 %
Nordea Liv AS		15 999 878	14,02 %
Polux Investment Ltd.		10 651 654	9,34 %
Selvaag Invest AS		7 792 702	6,83 %
Total investors with percent of shares above 5 %		85 902 469	75,29 %
Other shareholders		28 196 732	24,71 %
Total		114 099 201	100,00 %

The chairman of the board Sverre H. Stange, owns 54,22 % of Ecasa AS which owns 0,91 % of NCP II AS.
Board member Johannes Sjøflot owns together with related Septim AS, which owns 0,81 % of NCP II AS and 50 % of Vika Detalj AS, which owns 0,61 % of NCP II AS.

Board member Nicolai E. Lorentzen, holds indirect ownership in AS Loco which owns 4,47 % of NCP II AS.
Board member Narve Reiten owns 65 % of Ingerø Reiten Investment Company AS which owns 20,72 % of NCP II AS.

Board member and general manager Bård B. Ingerø owns 35 % of Ingerø Reiten Investment Company AS which owns 20,72 % of NCP II AS.

Note 6 Tax

Tax expense	2018	2017
Tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax advantage	0	0
Tax expense on ordinary profit/loss	0	0
 Taxable income:		
Ordinary profit/loss before tax	141 014 330	225 802 718
Permanent differences	-155 079 074	-226 342 600
Taxable income	-14 064 744	-539 882

The tax effect of temporary differences and loss carried forward has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences. The temporary differences are specified by type below:

	2018	2017	Difference
Accumulated loss to be brought forward	-37 899 490	-23 834 746	14 064 744
Basis for calculation of deferred tax	-37 899 490	-23 834 746	14 064 744
 Deferred tax assets (22 % / 23 %)	 -8 337 888	 -5 481 992	 2 855 896

Note 7 Bonds

In October 2018, the company issued a bond loan of mNOK 300. The loan is booked net of transaction costs of mNOK 8.44. The total value is mNOK 291,56. The duration of the loan is 3 years. In accordance with the loan agreement mNOK 72 is placed in restricted funds to cover interest payments over the bonds duration. The interest rate is 3 mnd NIBOR + 700bps.

UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i Nordic Capital Partners II AS

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert årsregnskapet for Nordic Capital Partners II AS som består av oppstilling av finansiell stilling per 31. desember 2018, oppstilling av totalresultat, oppstilling av endringer i egenkapital og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen, og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger.

Etter vår mening er årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2018, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i avsnittet *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med de relevante etiske kravene i Norge knyttet til revisjon slik det kreves i lov og forskrift. Vi har også overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Øvrig informasjon omfatter informasjon i selskapets årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret og daglig leder (ledelsen) er ansvarlig for den øvrige informasjonen. Vår uttalelse om revisjonen av årsregnskapet dekker ikke den øvrige informasjonen, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom den øvrige informasjonen og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon, er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvikle selskapet eller legge ned virksomheten, eller ikke har noe annet realistisk alternativ.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig

dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- ▶ identifiserer og anslår vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll;
- ▶ opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll;
- ▶ vurderer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige;
- ▶ konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det foreligger vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet. Hvis slike tilleggsopplysninger ikke er tilstrekkelige, må vi modifisere vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapets evne til fortsatt drift ikke lenger er til stede;
- ▶ vurderer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen, tidspunktet for vårt revisjonsarbeid og eventuelle vesentlige funn i vår revisjon, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom vårt arbeid.

Oslo, 28. februar 2019
ERNST & YOUNG AS



Leiv Aschehoug
statsautorisert revisor

Ernst & Young AS

Att.: Leiv Aschehoug

This letter of representations is provided in connection with your audit of the financial statements of Nordic Capital Partners II AS for the year ended 31 December 2018. We recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements present fairly, in all material respects, the financial position of Nordic Capital Partners II AS as of 31 December 2018. And of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and that your audit was conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). This involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial statements and financial records

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated 18.11.2015, for the preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS).
2. We acknowledge, as members of management of the Company, our responsibility for the fair presentation of the financial statements. We believe the financial statements referred to above present fairly, in all material respects the financial position, results of operations and cash flows of the Company in accordance with International Financial Reporting Standards (IFRS), and are free of material misstatements, including omissions. We have approved the financial statements.
3. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
4. As members of management of the Company, we believe that the Company has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with International Financial Reporting Standards (IFRS) that are free from material misstatement, whether due to fraud or error.
5. There are no unadjusted audit differences identified during the current audit and pertaining to the latest period presented.

B. Non-compliance with laws and regulations, including fraud

1. We acknowledge that we are responsible to determine that the Company's business activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws or regulations, including fraud.

2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud and errors
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any identified or suspected non-compliance with laws or regulations including fraud that may have affected the Company (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:
 - Involving financial improprieties
 - Related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Company's financial statements
 - Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Company's business, its ability to continue in business, or to avoid material penalties
 - Involving management, or employees who have significant roles in internal control, or others
 - In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information provided and completeness of information and transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
 - Additional information that you have requested from us for the purpose of the audit and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements. In our opinion, we have fulfilled our duty to properly register and document the accounting information in accordance with Norwegian law and bookkeeping practice generally accepted in Norway.
3. We have made available to you all minutes of the meetings of shareholders, directors and committees of directors (or summaries of actions of recent meetings for which minutes have not yet been prepared) until this date.
4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Company's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the end of the period. These transactions have been appropriately accounted for and disclosed in the financial statements.
5. We believe that the significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6. We have disclosed to you, and the Company has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

D. Assets

1. The Company has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the Company's assets, nor has any asset been pledged as collateral, other than those that are disclosed in note 3 to the financial statements.
2. All assets, including contingent assets, are correctly reflected in the financial statements.

E. Liabilities and contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related litigation and claims, both actual and contingent.

F. Remuneration to the Board, management and employees

To the extent required by the Accounting Act sections 7-31 and 7-32 and general financial statements legislations, the financial statements and footnote disclosures contain complete information regarding all agreements made by the managing director, chair of the Board, other board members and other executives with respect to compensation, options/warrants, pension, early retirement and termination rights as well as all loans or collateral provided to Board members, shareholders and employees.

Since 31 December 2018, the following changes have been made to these agreements:
No changes

No board members, employees or other individuals and/or Companies included in the Limited Liability Companies Act section 6-17 have received any compensation violating the regulations of this section.

G. Subsequent events

1. No events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the financial statements.

Oslo, 28. February 2019.

Nordic Capital Partners II AS



Bård Brath Ingerø
CEO



Mari Danielsen Stamsø
Finance Manager