



Interim financial statements for the period ended
September 30, 2015

Introduction

The North Alliance AS (NOA) is a group of companies offering services within marketing communication, design and technology. The family of companies operates in Norway, Sweden, Denmark, Poland, and Singapore.

The group was founded on January 23, 2014 when NOA acquired the following companies:

- | | |
|--------------------------------------|--------------------------|
| - Making Waves Group (NO, SE and PL) | Design & Technology |
| - Åkestam Holst Group | |
| o Åkestam Holst (SE) | Advertising |
| o Bold (SE, DK) | Design |
| o StudioNOC (SE) | Brand Experience |
| o Promenad (SE) | Action Marketing and CRM |
| - Great Works (SE, DK) | Digital communication |
| - AndCo (DK) | Advertising |

In addition, Anorak (NO, Advertising) was acquired in October 2014 and in January 2015 NOA established the advertising company Acoustic in Singapore, a digital centric company that will work in the cross section between communication and technology. Bold will during Q4 2015 establish operations in Oslo, in addition to the current locations in Stockholm and Copenhagen.

Financials

Total YTD net revenues as of September 30 2015 were 381.6 MNOK, up 22% from 2014. The growth in revenues comes largely from group-wide projects where NOA-companies have won significant multidiscipline projects across the Nordic region, as well as from the acquisition of Anorak AS in Q3 2014. The EBITDA for the same period came in at 15,1 MNOK, compared to a negative 8.2 MNOK for 2014

On December 20, 2013 NOA entered into a Bond Agreement. The Bond issue was subsequently listed on the Oslo Stock Exchange. NOA undertakes to comply with the certain financial covenants during the term of the Bond issue, and after Q3 2015 the company is in compliance with all such covenants. Due to good cash conversion across the group, NOA bought back 12 MNOK of its outstanding bonds in February 2015.

Outlook

We expect the positive development of 2015 to continue. The focus is now to utilize the NOA's Nordic digital capabilities as efficient as possible and be ready for further growth across the region.

**Unaudited condensed interim financial
statements for the period ended
September 30, 2015**

(all figures in NOK '000 unless otherwise stated)

Condensed interim consolidated Income Statement

	Notes	Three months ended ¹⁾		Nine months ended	
		30-sep-15	30-sep-14	30-sep-15	30-sep-14
<i>(Amounts in NOK 1.000)</i>		Unaudited	Unaudited	Unaudited	Unaudited
Continuing operations					
Revenue		172.629	131.522	531.380	398.581
Cost of sales		55.113	30.715	149.741	84.833
Net Revenues (Gross profit)	5	117.517	100.807	381.639	313.748
Administrative expenses	5	20.012	20.533	64.856	87.051
Employee benefit expenses		91.714	76.277	301.746	234.896
Depreciation and amortization		5.005	3.973	14.436	12.184
Operating profit		786	24	601	-20.383
Financial Income		1.105	3.465	2.383	5.568
Financial cost		3.488	6.951	10.881	17.403
Net financial items		-2.383	-3.486	-8.498	-11.835
Profit/loss before taxes		-1.597	-3.462	-7.897	-32.218
Taxes		55	-749	-1.421	569
Profit/loss for the period		-1.652	-2.713	-6.476	-32.787
Profit/loss attributal to:					
- Owners of the parent		-1.652	-2.713	-6.476	-32.787

Condensed interim consolidated Comprehensive Income Statement

	Notes	Three months ended		Nine months ended	
		30-sep-15	30-sep-14	30-sep-15	30-sep-14
<i>(Amounts in NOK 1.000)</i>		Unaudited	Unaudited	Unaudited	Unaudited
Profit/loss for the period		-1.652	-2.713	-6.476	-32.787
Items that may be reclassified to profit/loss in subsequent periods:					
Currency translation differences		18.864	-11.829	12.365	-17.828
Other comprehensive income for the period		18.864	-11.829	12.365	-17.828
Total comprehensive income for the period		17.212	-14.542	5.889	-50.615
Comprehensive income attributal to:					
- Owners of the parent		17.212	-14.542	5.889	-50.615

1) Some restatements have been made to the three months ended 30-Sep 14 figures, to reflect the discovery of certain errors.

The interim financial information has not been subject to audit.

Condensed interim consolidated Balance Sheet

<i>(Amounts in NOK 1.000)</i>	Notes	30-sep-15	30-sep-14
		Unaudited	Unaudited
Assets			
Non-current assets			
Property, plant and equipment		12.450	12.224
Goodwill		264.361	233.361
Intangible assets		174.932	163.814
Total non-current assets		451.743	409.399
Current assets			
Trade and other receivables		183.745	141.192
Derivate financial instruments		11.803	673
Cash and cash equivalents		78.874	78.445
Total current assets		274.422	220.310
Total assets		726.165	629.709
Equity and liabilities			
Equity			
Share capital		1.194	606
Share premium		386.835	198.270
Paid, not registered equity		0	602
Retained earnings		-26.191	-51.186
Total Equity		361.838	148.292
Liabilites			
Non-current liabilities			
Borrowings	8	150.000	150.000
Deferred income tax liabilities		23.006	29.993
Other liabilities and charges		923	750
Total non-current liabilities		173.929	180.743
Current liabilities			
Trade and other payables		44.509	16.428
Current income tax liabilities		0	6.658
Borrowings	8	0	158.362
Other liabilities and charges		145.889	119.226
Total current liabilities		190.398	300.674
Total liabilities		364.327	481.417

Total equity and liabilities	726.165	629.709
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The interim financial information has not been subject to audit.

Condensed interim consolidated statement of changes in equity

	Attributable to owners of the parent				Total equity
	Share capital	Share premium	Paid, not registered equity	Retained earnings	
<i>(Amounts in NOK 1.000)</i>					
Equity as of 1 January 2015	606	191.494	195.929	-32.080	355.949
Capital increase (registered 5 January 2015)	588	195.341	-195.929		0
Profit/loss for the period	0	0	0	-6.476	-6.476
Other items in comprehensive income				12.365	12.365
Equity as of 30 September 2015	1.194	386.835	0	-26.191	361.838

The interim financial information has not been subject to audit.

Condensed interim consolidated statement of cash flows

	30-sep-15	30-sep-14
<i>(Amounts in NOK 1.000)</i>	Unaudited	Unaudited
Operating activities		
Profit before taxes	-7.897	-32.218
<i>Adjustments for:</i>		
Taxes paid	-2.476	-1.829
Depreciation	14.436	12.184
Fair value movement of financial derivatives	0	1.860
Finance cost - net	8.498	11.835
Unrealized foreign exchange gains/losses on operating activities	-620	17.828
<i>Changes in working capital:</i>		
Changes in trade and other receivables	-16.258	-43.046
Changes in trade and other payables	13.766	-9.718
Changes in other assets and liabilities	-2.590	19.889
Cash provided (used) by operating activities	6.859	-23.215
Investment activities		
Acquisition of subsidiaries, net of cash acquired	0	-101.136
Acquisition of fixed assets	-4.042	-3.076
Cash provided (used) by investing activities	-4.042	-104.212
Financing activities		
Proceeds from borrowings	0	150.000
Payments on noncurrent liabilities (repurchase of bonds)	-11.804	0
Changes in shareholder loans	0	0
Payment of arrangement fee	0	-4.875
Interest paid	-10.881	-9.548
Interest received	2.383	436
Capital increase	0	69.852
Cash provided (used) by financing activities	-20.302	205.865
Net changes in cash and cash equivalents	-17.485	78.438
Cash and cash equivalents - beginning of year	94.322	7
Effect of foreign currency rate changes on cash and equivalents	2.037	0
Cash and cash equivalents - end of period	78.874	78.445

The interim financial information has not been subject to audit.

Notes to the condensed interim financial statements

Note 1 General information

The North Alliance AS is a limited liability company incorporated domiciled in Norway with offices at Kristian IV's gate in Oslo.

The company has acquired several companies with the purchase date 23. January 2014. These acquisitions are consolidated from and including, 23. January 2014. The figures in the statements have not been audited. All amounts in the interim financial statements are presented in NOK 1.000 unless otherwise stated.

Note 2 Basis of preparation

These condensed interim financial statements for the nine months ended 30 September 2015 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2014 of NoA AS and condensed interim financial statements for the period ended 30 June 2015 of NoA AS, which have been prepared in accordance with IFRS as adopted by the European Union ('IFRS').

Note 3 Accounting policies

The accounting policies applied in the preparation of the interim financial statements are consistent with those applied in the preparation of the annual financial statements for the year ended 31 December 2014, and the condensed interim financial statements for the period ended 30 June 2015.

Note 4 Estimates, judgments and assumptions

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2014 and condensed interim financial statements for the period ended 30 June 2015.

Note 5 Operating segments

The Board of Directors is the group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purposes of allocating resources and assessing performance.

The Board of Directors considers the business from a geographic perspective. This is the performance of the segment Norway, Sweden and Denmark. Holding companies are included as they are administrative centers.

The Board of Directors assesses the performance of the operating segments based on a measure of EBITDA.

The following presents the Company's revenue by operating segment:

Tree months ended 30 September 2015

(Q3 2015)

<i>(Amounts in NOK 1.000)</i>	Norway	Sweden	Denmark	Holding Companies	Inter segment transactions	Total
Net revenue (gross profit)	63.099	40.981	14.349	0	-912	117.517
Employee benefit expenses	48.405	29.387	11.759	1.874	289	91.714
Other Expenses	8.676	8.398	2.464	1.675	-1.201	20.012
EBITDA	6.018	3.196	126	-3.549	0	5.791

Nine months ended 30 September 2015

<i>(Amounts in NOK 1.000)</i>	Norway	Sweden	Denmark	Holding Companies	Inter segment transactions	Total
Net revenue (gross profit)	213.807	125.899	44.396	0	-2.463	381.639
Employee benefit expenses	160.849	102.075	32.677	5.342	803	301.746
Other Expenses	31.370	23.437	7.301	6.014	-3.266	64.856
EBITDA	21.588	387	4.418	-11.356	0	15.037

Note 6 Seasonality

Historically we have seen a higher activity level in Q3 and Q4 compared to Q1 and Q2. The main factors explaining this are the higher number of marketing campaigns that typically are run by our clients in Q3 and Q4, and the fact that Q3 and Q4 in total have more hours available for client deliveries.

Note 7 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

(Amounts in NOK 1.000)

	Three months ended		Nine months ended	
	30-sep-15	30-sep-14	30-sep-15	30-sep-14
Total Profit	-1.652	-2.713	-6.476	-32.787
Weighted average number of ordinary shares in issue	478.000	242.448	478.000	206.424
Adjustment for:				
Weighted average number of ordinary shares in issue for earnings per share	478.000	242.448	478.000	206.424
Weighted average number of ordinary shares in issue for diluted earnings per share	478.000	482.448	478.000	446.424
Basic Earnings per share (in NOK per share)	-0,00	-0,01	-0,01	-0,16
Diluted Earnings per share (in NOK per share)	-0,00	-0,01	-0,01	-0,07

Note 8 Borrowings

	30-sep-15	30-sep-14
	Unaudited	Unaudited
<i>(Amounts in NOK 1.000)</i>		
Non-current		
Bond loan	150.000	150.000
Current		
Vendor note	0	163.515
Total borrowings	150.000	313.515
Opening amount as at 1 January	150.000	0
Proceed of new borrowings	0	313.515
Closing amount as at 30 September	150.000	313.515

Bond Loan

The bond loan matures fully in December 2018 and bears a floating interest rate of NIBOR + 7%. The interest is paid in quarterly installments.

The issued bond contains covenants including restrictions in dividend payments, financial indebtedness, cash flow and financial support, in addition to specific financial covenants like ensuring that the leverage ratio of the Group on a consolidated basis does not exceed 3.0, that the Group on a

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consolidated basis maintains an interest coverage ratio of at least 2.0, and that the liquidity of the group on a consolidated basis does not fall below NOK 10 000 000.

Vendor note

The vendor note matured in December 2014.

Note 9 Related party transactions

There are no significant transactions that affect the Group's financial position.

Note 10 Subsequent events

No significant subsequent events.