



Interim financial statements for the period ended
June 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.

Financials

Total net revenues for the period ended June 30 2015 were 264.1 MNOK, up 24% 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 period came in at 9.2 MNOK, compared to a negative 12.2 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 Q2 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 June 30, 2015

(all figures in NOK '000 unless otherwise stated)

Condensed interim consolidated Income Statement

	Notes	Three months ended		Six months ended	
		30-jun-15	30-jun-14	30-jun-15	30-jun-14
<i>(Amounts in NOK 1.000)</i>		Unaudited	Unaudited	Unaudited	Unaudited
Continuing operations					
Revenue		205.609	160.295	358.751	267.059
Cost of sales		69.602	40.589	94.628	54.118
Net Revenues (Gross profit)	5	136.006	119.706	264.122	212.941
Administrative expenses	5	22.781	22.176	44.844	66.518
Employee benefit expenses		105.055	90.831	210.032	158.619
Depreciation and amortization		5.736	4.785	9.431	8.211
Operating profit		2.434	1.914	-185	-20.407
Financial Income		440	-205	1.278	2.103
Financial cost		3.917	5.835	7.393	10.452
Net financial items		-3.477	-6.040	-6.115	-8.349
Profit/loss before taxes		-1.043	-4.126	-6.300	-28.756
Taxes		-723	-383	-1.476	1.318
Profit/loss for the period		-320	-3.743	-4.824	-30.074
Profit/loss attributal to:					
- Owners of the parent		-320	-3.743	-4.824	-30.074

Condensed interim consolidated Comprehensive Income Statement

	Notes	Three months ended		Six months ended	
		30-jun-15	30-jun-14	30-jun-15	30-jun-14
<i>(Amounts in NOK 1.000)</i>		Unaudited	Unaudited	Unaudited	Unaudited
Profit/loss for the period		-320	-3.743	-4.824	-30.074
Items that may be reclassified to profit/loss in subsequent periods:					
Currency translation differences		1.502	1.800	-6.499	-4.199
Other comprehensive income for the period		1.502	1.800	-6.499	-4.199
Total comprehensive income for the period		1.182	-1.943	-11.323	-34.273
Comprehensive income attributal to:					
- Owners of the parent		1.182	-1.943	-11.323	-34.273

The interim financial information has not been subject to audit.

Condensed interim consolidated Balance Sheet

		30-jun-15	30-jun-14
	Notes	Unaudited	Unaudited
<i>(Amounts in NOK 1.000)</i>			
Assets			
Non-current assets			
Property, plant and equipment		12.194	12.460
Goodwill		253.485	238.184
Intangible assets		171.765	170.165
Total non-current assets		437.444	420.809
Current assets			
Trade and other receivables		166.063	178.886
Derivate financial instruments		11.804	1.951
Cash and cash equivalents		71.393	73.409
Total current assets		249.260	254.246
Total assets		686.704	675.055
Equity and liabilities			
Equity			
Share capital		1.194	531
Share premium		386.835	166.598
Paid, not registered equity		0	24.940
Retained earnings		-42.832	-34.843
Total Equity		345.197	157.226
Liabilites			
Non-current liabilities			
Borrowings	8	150.000	150.000
Deferred income tax liabilities		22.424	33.325
Other liabilities and charges		923	1.453
Total non-current liabilities		173.347	184.778
Current liabilities			
Trade and other payables		41.830	19.988
Current income tax liabilities		0	4.539
Borrowings	8	0	162.025
Other liabilities and charges		126.330	146.499
Total current liabilities		168.160	333.051
Total liabilities		341.507	517.829
Total equity and liabilities		686.704	675.055

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	-31.509	356.520
Capital increase (registered 5 January 2015)	588	195.341	-195.929		0
Profit/loss for the period	0	0	0	-4.824	-4.824
Other items in comprehensive income				-6.499	-6.499
Equity as of 30 June 2015	1.194	386.835	0	-42.832	345.197

The interim financial information has not been subject to audit.

Condensed interim consolidated statement of cash flows

	30-jun-15	30-jun-14
<i>(Amounts in NOK 1.000)</i>	Unaudited	Unaudited
Operating activities		
Profit before taxes	-6.300	-28.757
<i>Adjustments for:</i>		
Taxes paid	-1.933	-1.830
Depreciation	9.431	8.211
Fair value movement of financial derivatives	0	582
Finance cost - net	6.115	8.350
Unrealized foreign exchange gains/losses on operating activities	-266	6.087
<i>Changes in working capital:</i>		
Changes in trade and other receivables	1.424	-43.046
Changes in trade and other payables	11.498	-6.158
Changes in other assets and liabilities	-22.149	27.068
Cash provided (used) by operating activities	-2.180	-29.493
Investment activities		
Acquisition of subsidiaries, net of cash acquired	0	-101.136
Acquisition of fixed assets	-2.400	-2.839
Cash provided (used) by investing activities	-2.400	-103.975
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	-7.393	-6.200
Interest received	1.278	143
Capital increase	0	67.802
Cash provided (used) by financing activities	-17.919	206.870
Net changes in cash and cash equivalents	-22.499	73.402
Cash and cash equivalents - beginning of year	94.322	7
Effect of foreign currency rate changes on cash and equivalents	-430	0
Cash and cash equivalents - end of period	71.393	73.409

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 six months ended 30 June 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 31 March 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 31 March 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 31 March 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 June 2015
(Q2 2015)**

<i>(Amounts in NOK 1.000)</i>	Norway	Sweden	Denmark	Holding Companies	Inter segment transactions	Total
Net revenue (gross profit)	75.921	46.829	14.687	0	-1.431	136.006
Employee benefit expenses	55.505	36.654	10.908	1.540	448	105.055
Other Expenses	11.699	8.005	2.812	2.144	-1.879	22.781
EBITDA	8.717	2.170	967	-3.684	0	8.170

Six months ended 30 June 2015

<i>(Amounts in NOK 1.000)</i>	Norway	Sweden	Denmark	Holding Companies	Inter segment transactions	Total
Net revenue (gross profit)	150.708	84.918	30.047	0	-1.551	264.122
Employee benefit expenses	112.444	72.688	20.918	3.468	514	210.032
Other Expenses	22.694	15.039	4.837	4.339	-2.065	44.844
EBITDA	15.570	-2.809	4.292	-7.807	0	9.246

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 – not updated

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.

<i>(Amounts in NOK 1.000)</i>	Three months ended		Six months ended	
	30-jun-15	30-jun-14	30-jun-15	30-jun-14
Total Profit	-320	-3.743	-4.824	-30.074
Weighted average number of ordinary shares in issue	478.000	212.520	478.000	188.012
Adjustment for:				
Weighted average number of ordinary shares in issue for earnings per share	478.000	212.520	478.000	188.012
Weighted average number of ordinary shares in issue for diluted earnings per share	478.000	452.520	478.000	428.012
Basic Earnings per share (in NOK per share)	-0,00	-0,02	-0,01	-0,16
Diluted Earnings per share (in NOK per share)	-0,00	-0,01	-0,01	-0,07

Note 8 Borrowings

<i>(Amounts in NOK 1.000)</i>	30-jun-15	30-jun-14
	Unaudited	Unaudited
Non-current		
Bond loan	150.000	150000
Current		
Vendor note	0	162.025
Total borrowings	150.000	312.025
Opening amount as at 1 January	150.000	0
Proceed of new borrowings	0	312.025
Closing amount as at 30 June	150.000	312.025

Bond Loan

The bond loan matures fully in December 2018 and bear and 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.