

GUIDANCE ON KRT 1003

ABOUT THE FORM

- The form is to be filled in by entities that are listed on the Oslo Stock Exchange (Oslo Børs) or Oslo Axess and that have Norway as the home Member State.
- All issuers that are listed as at 31 December are subject to this reporting duty. Entities that are delisted during the period from 31 December until the expiry of the deadline may apply for exemption from the reporting duty.
- The form is to be filled in on the basis of the annual financial statement. The entity may base its replies on the annual financial statement approved by the board of directors. It is not normally necessary to wait for the general meetings approval.
- "The entity" refers to the group. To the extent that the listed entity is not a group, the name "the entity" refers to the company.
- Unless otherwise stated, all the replies are to be based on the reporting period (financial year) that this form relates to.

1. INFORMATION ON THE ENTITY

1.01 ISIN no. (not mandatory)

Please state the ISIN no.

1.02 Name

This question must be answered by all entities.

1.03 Address

This question must be answered by all entities.

1.04 Postal code

This question must be answered by all entities.

1.05 Town/City

This question must be answered by all entities.

1.06 Type of issuer

Choose one or more of the following type(s) of issuers: share issuer, bond issuer or primary capital certificate issuer depending on the type(s) of securities that the entity has listed on the Oslo Stock Exchange/Oslo Axess.

This question must be answered by all entities.

1.07 Industry/sector

Choose the sector to which the entity belongs. The list of sectors is in accordance with the sectors used by the Oslo Stock Exchange.

This question must be answered by entities that issue shares or primary capital certificates. Entities that only issues bonds shall not answer this question.

1.08 Contact person

This question must be answered by all entities.

1.09 Contact person's e-mail address

This question must be answered by all entities.

1.10 Reporting year

State the financial year that this form is filled in on the basis of.

This question must be answered by all entities.

1.11 Does the entity publish consolidated financial statement?

This question must be answered by all entities.

1.12 Which accounting principle ("GAAP") has been used in the reporting period?

Options:

- IFRS
- Norwegian GAAP
- US GAAP
- Canadian GAAP
- Other

This question must be answered by all entities.

1.13 State whether the entity has been included in the Oslo Stock Exchange's OBX Index during the reporting period

Finanstilsynet (the Financial Supervisory Authority of Norway) wants to know whether the entity is included in the Oslo Stock Exchange's OBX Index. Refer to the Oslo Stock Exchange's website if you are in doubt.

This question must be answered by entities that issue shares or primary capital certificates. Entities that only issues bonds shall not answer this question.

1.14 State whether the entity's share has been among the 10 winners or losers on the Oslo Stock Exchange, alternatively, among the 5 winners or losers on Oslo Axess during the reporting period.

Finanstilsynet wants to know whether or not the issuing enterprise is among the winners or losers (in regard to share price development) for the reporting period on either Oslo Stock Exchange or Oslo Axess. Please refer to the websites of Oslo Stock Exchange or Oslo Axess if you are in doubt.

This question must be answered by entities that issue shares or primary capital certificates. Entities that only issues bonds shall not answer this question.

1.14.1 State the market capitalization of the entity at the end of the reporting period (in NOK thousands).

This question must be answered by entities that issue shares or primary capital certificates. Entities that only issues bonds shall not answer this question.

1.15 Organisational factors

1.15.01 Has the entity published ethical guidelines?

By this is meant ethical guidelines which are available to the public, for example on the entities website or published in the entities annual report.

This question must be answered by all entities.

1.15.02 Has the chairman of the board and/or the top executive been replaced during the past two years?

By top executive is meant CEO, president, managing director or the equivalent.

This question must be answered by all entities.

1.15.03 Does the entity have an audit committee that reports to the board?

This question must be answered by all entities.

1.15.04 Does the entity have an internal auditor that reports to the board?

This question must be answered by all entities.

1.15.05 Has the entity replaced its external auditor (auditing firm) during the past two years?

By a replacement of an external auditor is meant any change of auditing firm. Any change of auditor within the same auditing firm, or change of auditor by a subsidiary, is not covered by this.

This question must be answered by all entities.

1.15.06 Does the entity have any share-based incentive schemes?

This question must be answered by all entities.

1.16 Audit opinion

1.16 Does the auditor's report for the entity's annual financial statement contain an opinion without modifications?

Finanstilsynet requests that the entity gives an affirmative reply for all forms of modifications. Such modifications can be either in the form that leads to a conclusion that is other than unqualified, such as in the case of an adverse opinion, an opinion with qualifications or alternatively a disclaimer. Furthermore, the reply should also be affirmative in cases where the auditor has given an emphasis of matter that does not affect the auditor's unqualified conclusion.

This question must be answered by all entities.

2. INCOME STATEMENT

2.01 Does the entity have contract revenues and expenses?

Contract revenues and expenses refer to the recognition of construction contracts, maintenance and service agreements, etc. What is meant here are revenues and expenses that are covered by IAS 11 *Construction Contracts*, as well as other revenues that are subject to similar accounting requirements, cf IAS 18.21. This question is to be answered for the reporting period.

This question must be answered by all entities.

2.02 Do recognised contract revenues comprise more than 25% of the total operating revenues?

This question must be answered if the entity has answered yes to the previous question.

2.03 Do recognised contract revenues comprise more than 50% of the total operating revenues?

This question must be answered if the entity has answered yes to the previous question.

2.04 Does the entity have specific income statement items?

Specific income statement items are items that, according to IAS 1.98, give rise to separate disclosure, if material. IAS 1.98 refer to write-downs and reversals of write-downs, restructuring operations, disposals of assets, discontinued operations, litigation settlements as well as other reversals of provisions. This question is to be answered for the reporting period.

This question must be answered by all entities.

2.05 Do specific revenue and/or gain items comprise more than 25% of the total income?

This question must be answered if the entity has answered yes to the previous question.

2.06 Do such specific items comprise more than 25% of the pre-tax profit (loss)?

This question must be answered if the entity has answered yes to question 2.04.

2.07 Do the cash flow from operational activities exceed the annual profit (loss)?

This question must be answered by all entities.

2.08 Do the cash flow from operational and investment activities exceed the annual profit (loss)?

This question must be answered by all entities.

2.09 Has the entity reported an operating loss in the annual or interim financial statement during the past two years?

This question must be answered by all entities.

2.10 Has the entity reported a loss for at least one of the segments in the annual financial statement during the past two years?

This question must be answered by all entities.

2.11 Has the entity reported a loss in the annual financial statement during the past two years?

This question must be answered by all entities.

2.12 Impairment

2.12.01 Has the entity recognised any impairment loss?

Value adjustments (recognised against the equity or constitute a part of “other comprehensive income”) are not to be included. Impairments relating to loan losses and financial assets available for sale are to be included. Impairments in an interim report which are reversed in another interim report are also to be included.

This question must be answered by all entities.

2.12.02 Is the P/B (price/book) ratio greater than 1 at the end of the reporting period?

This question must be answered by entities that issue shares or primary capital certificates. Entities that only issues bonds shall not answer this question.

2.12.03 Do impairment losses comprise more than 5% of the pre-tax profit (loss)?

This question must be answered if the entity has answered yes to question 2.12.01.

2.12.04 Do impairment losses comprise more than 25% of the pre-tax profit (loss)?

This question must be answered if the entity has answered yes to the previous question.

2.12.05 Have impairment losses led to a pre-tax loss?

This question must be answered if the entity has answered yes to question 2.12.01.

3. MARKET-VALUE-BASED ASSETS

3.01 Does the entity own financial instruments at the end of the reporting period?

IAS 32.11 defines a financial instrument as being any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

This question must be answered by all entities.

3.02 Does the entity apply hedge accounting?

This question must be answered by all entities.

3.03 Does the entity own or issue unlisted shares, bonds and/or derivatives etc, at the end of the reporting period?

This question must be answered by all entities.

3.04 Do gains/losses on financial instruments in the income statement comprise more than 5% of the pre-tax profit (loss)?

This must be understood as net gains/losses. Absolute figures are to be used. This means that the items are to be considered separately, so that positive and negative items are not offset against each other. Impairments relating to loan losses and financial assets available for sale are not to be included. Gains/losses on fixed-interest loans are, however, to be included.

This question must be answered if the enterprise has answered yes to question 3.01.

3.05 Do gains/losses on financial instruments in the income statement comprise more than 25% of the pre-tax profit (loss)?

This must be understood as net gains/losses. Absolute figures are to be used. This means that the items are to be considered separately, so that positive and negative items are not offset against each other. Impairments relating to loan losses and financial assets available for sale are not to be included. Gains/losses on fixed-interest loans are, however, to be included.

This question must be answered if the enterprise has answered yes to the previous question.

3.06 Does the entity have any market-value-based assets apart from financial assets at the end of the reporting period?

Market-value-based assets apart from financial assets are defined as assets measured at their fair value, such as investment properties, biological assets, etc. Assets measured on the basis of their fair value are to be included here. Assets that are written down to their fair value are not to be included.

This question must be answered by all entities.

3.07 Do the market-value-based assets apart from financial assets comprise more than 10% of the equity?

This question must be answered if the entity has answered yes to the previous question.

3.08 Do the market-value-based assets apart from financial assets comprise more than 50% of the equity?

This question must be answered if the entity has answered yes to the previous question.

4. INTANGIBLE ASSETS

4.01 Does the entity have any recognised intangible assets at the end of the reporting period?

Intangible assets are assets that the entity accounts for in accordance with IAS 38. Deferred tax assets and goodwill do not constitute a part of intangible assets.

This question must be answered by all entities.

4.02 Do recognised intangible assets, deferred tax assets and goodwill comprise more than 10% of the equity?

This question must be answered by all entities.

4.03 Do recognised intangible assets, deferred tax assets and goodwill comprise more than 50% of the equity?

This question must be answered if the entity has answered yes to the previous question.

4.04 Does the entity have any recognised deferred tax assets at the end of the reporting period?

This question must be answered by all entities.

4.05 Does the increase in deferred tax assets comprise more than 5% of the pre-tax profit (loss)?

In the case of a business combination, it is the change in deferred tax assets in the income statement that is relevant.

This question must be answered if the entity has answered yes to the previous question.

4.06 Does the increase in deferred tax assets comprise more than 25% of the pre-tax profit (loss)?

In the case of a business combination, it is the change in deferred tax assets in the income statement that is relevant.

This question must be answered if the entity has answered yes to the previous question.

4.07 Has the entity recognised intangible assets arising from development at the end of the reporting period?

This question must be answered by all entities.

4.08 Do recognised intangible assets arising from development comprise more than 10% of the equity?

This question must be answered if the entity has answered yes to the previous question.

4.09 Do recognised intangible assets arising from development comprise more than 50% of the equity?

This question must be answered if the entity has answered yes to the previous question.

5. CURRENT LIABILITIES AND PROVISIONS

5.01 Do current liabilities and provisions comprise more than 10% of the equity at the end of the reporting period?

Liabilities that fall due for payment within the next 12 months are current. Entities that make a presentation based on liquidity should refer to IAS 1.69 and IAS 1.60-65.

This question must be answered by all entities.

5.02 Do current liabilities and provisions comprise more than 50% of the equity?

This question must be answered if the entity has answered yes to the previous question.

5.03 Restructuring provisions

5.03.01 Has the top executive been replaced during the reporting period?

By top executive is meant CEO, president, managing director or the equivalent.

This question must be answered by all entities.

5.03.02 Have any restructuring provisions been made at the end of the reporting period?

This question must be answered by all entities.

5.03.03 Do restructuring provisions comprise more than 10% of the pre-tax profit (loss)?

The question is to be answered on the basis of the status at the end of the reporting period.

This question must be answered if the entity has answered yes to the previous question.

5.03.04 Do restructuring provisions comprise more than 10% of the equity?

This question must be answered if the entity has answered yes to question 5.03.02.

6. EQUITY AND OTHER FACTORS

6.01 Is the equity ratio less than 10% at the end of the reporting period?

By equity ratio is meant the balance sheet equity as a percentage of total assets in the balance sheet.

This question must be answered by all entities.

6.02 Is the adjusted equity negative?

By adjusted equity is meant equity minus recognised deferred tax assets, goodwill and other intangible assets. No adjustment is to be made if the deferred tax and deferred tax assets are shown net in the balance sheet.

This question must be answered by all entities.

6.03 State the total equity of the entity attributable to the shareholders of the parent (in NOK thousands):

In other words, Finanstilsynet asks that the entity's total equity excluding non-controlling interest is stated. If the annual financial statements are prepared using a presentation currency other than NOK, the exchange rate at the balance sheet date is used for conversion.

This question must be answered by all entities.

7. BUSINESS COMBINATIONS

7.01 Has the issuer been identified as either the acquirer or the acquiree in a transaction accounted for as a business combination during the reporting period?

This question must be answered by all entities.

7.02 Did the accounting for the business combination(s) that took place during the reporting period lead to a gross change in the total assets of the entity of more than 10%?

In the case of a business acquisition the evaluation of gross change should be done by comparing the acquired entities total assets according to the purchase price allocation with the total assets of the acquiree according to its last interim financial report preceding the business combination. Unless it is natural to view several transactions together, the question should be answered based on a calculation of the gross change generated by each of the business combinations in the reporting period individually.

This question must be answered if the entity has answered yes to the previous question.

7.03 Did the accounting for the business combination(s) that took place during the reporting period lead to a gross change in the total assets of the entity of more than 25%?

This question must be answered if the entity has answered yes to the previous question.

8. OTHER FACTORS

8.01 Have the accounting principles been changed during the past two years?

This does not apply to changes to accounting principles as a result of a transition to IFRS (International Financial Reporting Standards).

This question must be answered by all entities.

8.02 Has there been any breach of or exemption from lending/borrowing conditions (covenants) at the end of the reporting period or at a later point in time?

This question must be answered by all entities.

8.03 Does the increase in the total income exceed 25% of the previous year's income ?

The combined income is understood to mean the enterprise's total income.

This question must be answered by all entities.

8.04 Has the entity lost any significant disputes/lawsuits in the past two years?

Disputes are understood as to mean issues treated in tax assessment board, arbitration, court proceedings etc.

This question must be answered by all entities.

8.05 Has the entity, during the reporting period, identified any material error in previous annual or interim financial statements?

This question must be answered by all entities.

8.06 Has the entity departed from a requirement in IFRS because compliance with the requirement would not result in financial statement that achieve a fair presentation, cf. IAS 1.19?

Finanstilsynet asks whether the entity has departed from a requirement in IFRS because the management has concluded that compliance with the requirement would be so misleading that it would conflict with the objective of financial statements set out in the *Framework*.

According to IAS 1.19 (earlier IAS 1.17), this will only happen in extremely rare circumstances.

This question must be answered by all entities.