



Making the world a safer and cleaner place

Opus annual report 2018



Year in brief

U.S.

OPUS EVENTS

Vehicle Inspection

- Opus acquires Gordon-Darby, extending our footprint in Arizona, New Hampshire and Texas.
- Opus wins a new emission testing contract in Rhode Island
- In Indiana, we are awarded a new Clean Air Car Check contract with a potential extension to 2026.
- Equipment-as-a-Service expands to meet growing demand in California, Pennsylvania, Georgia, Texas and North Carolina.

Intelligent Vehicle Support

- Our U.S. west coast support center opens to meet growing customer demand.
- DriveCrash, a new diagnostic platform, is released, giving Opus an entry into the growing U.S. collision scanning market.

MARKET EVENTS

Intelligent Vehicle Support

- The Right to Repair Act gives independent automotive service shops access to manufacturer information for vehicles made in 2018 or later.

LATIN AMERICA

OPUS EVENTS

Vehicle Inspection

- Opus wins new concessions for vehicle inspection services in Valparaíso and Arica, Chile.
- Opus expands its vehicle inspection business into the province and city of Buenos Aires with the acquisition of VTV.

Global trends affecting our business

¹ <https://www.citylab.com/perspective/2018/10/cities-lead-regulation-driverless-vehicles/573325/>

² <https://eu.detroitnews.com/story/business/autos/general-motors/2018/01/12/gm-driverless-car-fleet-cruise-av/109381232/>

³ https://www.greencarreports.com/news/1093560_1-2-billion-vehicles-on-worlds-roads-now-2-billion-by-2035-report

⁴ World Health Organization (WHO) 2018 Global Status Report on Road Safety

⁵ WHO Global Ambient Air Quality Database update 2018

INTELLIGENT VEHICLE SUPPORT

▶ Fully autonomous vehicle testing expands to many cities and states in Europe and the U.S.¹

▶ The first Level 4 autonomous cars, which can drive completely on their own under driver supervision, will go into mass production in 2019.²



EUROPE

OPUS EVENTS

Intelligent Vehicle Support

- DrivePRO is launched, offering diagnostic and programming support for most major global car brands.

MARKET EVENTS

Vehicle Inspection

- New rules come into force in Sweden, reinforcing vehicle inspection, albeit at a reduced frequency from 12 to 14 months.

EVENTS AFTER YEAR END

Vehicle Inspection

- Opus Bilprovning opens its 90th inspection station in Sweden, with three further stations opening in Q1 2019.

ASIA

OPUS EVENTS

Vehicle Inspection

- Opus opens 10 new stations in Punjab, bringing the total to 12. A further 15 stations are built, awaiting government approval to open.

MARKET EVENTS

Vehicle Inspection

- A new government is elected in Pakistan, which campaigned on a 'safe and green' platform.

VEHICLE INSPECTION

▶ The global vehicle fleet is expanding fast - forecast to reach 2 billion vehicles by 2035, up from 1.2 billion in 2014.³

▶ Road traffic accidents claim 1.35 million lives a year, equivalent to 3,700 deaths every day.⁴

▶ More than 4 million people die from the effects of outdoor air pollution.⁵

▶ Vehicle inspection is an important part of 'Safer vehicles', the UN's 3rd pillar of the Sustainable Development Goals (SDG).

▶ In 2020, the UN will hold its 3rd Global High-Level Conference on Road Safety in Sweden, declaring ambitious goals to reduce traffic fatalities during the next decade of action.

Opus in brief

Opus is a technology-driven growth company in the vehicle inspection and intelligent vehicle support markets. The company has a strong focus on customer service and innovative technology within vehicle emission and safety testing and intelligent vehicle support.

Opus reached SEK 2.5 billion in revenues in 2018 with solid operating profit and cash flow. The majority of the company's future growth is projected to come from international expansion of the vehicle inspection business with a primary focus on the Latin American and Asian markets, and from the expansion of our intelligent vehicle support business.

With approximately 2,600 employees, Opus is headquartered in Gothenburg, Sweden. Opus has 34 regional offices, 24 of which in the United States and the others in Sweden, Argentina, Chile, Mexico, Peru, Pakistan, United Kingdom, Spain and Australia. Opus has production facilities in the U.S. in Hartford, CT, Ann Arbor, MI and Tucson, AZ. Opus' shares are listed on Nasdaq OMX, Stockholm.

CONTENT

Opus in brief	3
Chairman's letter	4
CEO review	6
Opus strategy	8
Vehicle Inspection division	10
Focus: Argentina	15
Focus: U.S. emission testing	16
Focus: Macro trends	17
Intelligent Vehicle Support division	18
Focus: Anti-corruption training	22
Sustainability report	23
The share	26
Five-year overview	28
Quarterly overview	30
Management, Board and Auditors	31
Information for the capital market	33
Directors' report	34
Corporate governance report	42
Financial reports – Group	46
Financial reports – Parent company	51
Notes – Group	55
Notes – Parent company	78
Reconciliation between IFRS and key ratios	83
Board declaration	84
Auditor's report	85
Glossary and definitions	89

Our business areas

Opus operates in two main markets. Our Vehicle Inspection division helps governments around the world improve road safety and air quality through innovative, efficient safety and emission testing programs. The Intelligent Vehicle Support division provides diagnostics equipment and remote technical support for automotive service shops, helping them to diagnose, scan, re-program and calibrate increasingly computerized modern vehicles.

A global leader in vehicle inspection

We design, build and manage turnkey vehicle inspection programs in North and South America, Europe and Asia. Our programs are powered by industry-leading IT solutions and test equipment that maximize efficiency and convenience for motorists. We also provide equipment and services to support decentralized programs and open market contracts.

Intelligent support for complex vehicles

Opus Intelligent Vehicle Support helps independent automotive service shops keep pace with modern vehicle technology. Our advanced diagnostic and programming tools empower technicians to carry out advanced diagnostics to manufacturer specifications, with live support from master technicians to guide them through complex tasks in real time.



**2,5
BILLION**
revenue (SEK)



**500
MILLION**
EBITDA (SEK)



**30
MILLION**
vehicle inspections



10
countries

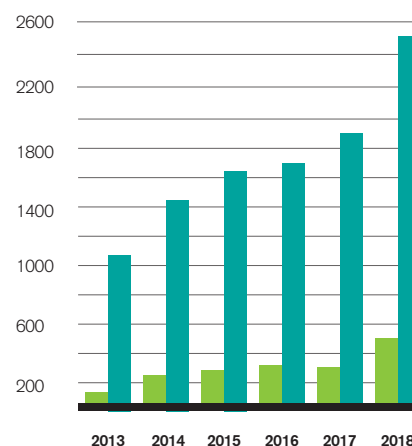


250,000
diagnostic support cases

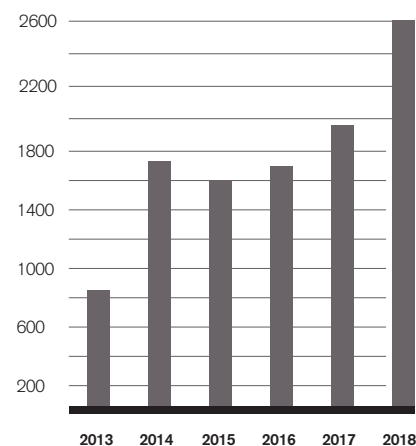


2,600
global employees

■ NET SALES SEK MILLIONS
■ EBITDA SEK MILLIONS



■ EMPLOYEES*



*number of employees at year end

Letter from the Chairman

Delivering value for our customers and society

Opus achieved strong growth in 2018, while innovating to meet the needs of our customers, and maintaining our focus on sustainability.



The need for our vehicle inspection services has never been greater. Traffic fatalities continue to rise in low- and middle-income countries, while millions of people die each year from respiratory infections caused by outdoor air pollution. In the U.S., a recent study showed children who moved to areas with higher levels of traffic pollution experience lower cognitive performance and test scores. These trends show that ever-increasing traffic is a problem, not just in developing countries, but also in the developed world – reinforcing the importance of emission and safety testing as part of measures to reduce the impact on people's health.

Innovation and efficiency

We always seek to innovate and improve what we do, in order to make a real difference for our customers. During 2018, we continued to support governments and motorists in our inspection processes, rolling out faster and more efficient testing systems through our programs and Equipment-as-a-Service (EaaS).

Our latest Intelligent Vehicle Support services, DrivePRO and DriveCrash, support independent automotive service shops – empowering technicians with innovative technology to complete the most complex, computerized repair tasks, guided by our master technicians.

Achieving our sustainability goals

We completed our first full year of reporting on sustainability against benchmarks set in 2018. Results show solid progress towards achieving our goals, for example a significant increase in the number of emission tests in low- and middle-income countries.

We are committed to the quality and integrity of our inspection processes. I am very proud of our record in developing industry-leading anti-fraud technology and processes. These include a new patented 'e-verify' software system that scans vehicle attributes to confirm the right car is being tested, reducing the risk of fraud or tampering – read more about these innovations on page 22.

Growing our global business

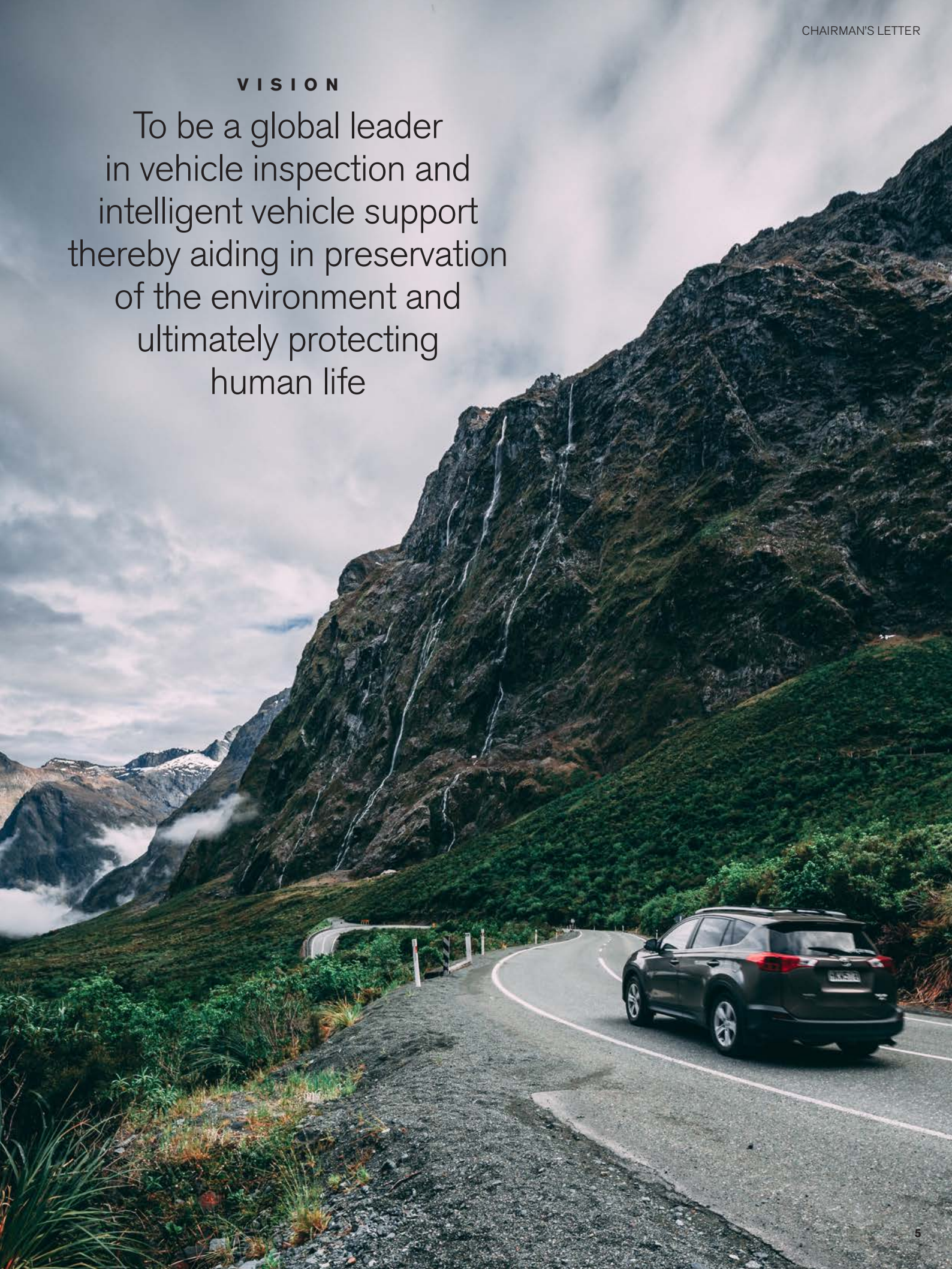
2018 was also our first full year as a new organization with two distinct divisions and a strengthened management structure. These changes have enabled us to operate more efficiently and provide better service to our customers. Our results show that we have made good progress during the year, with EBITDA growth of 63 percent. The board and the management team have developed new financial targets in order to support long-term, profitable growth combined with a focus on capital employment. Our goal is to reach annual revenue growth of 5-10 percent, an EBITA margin of 15 percent, with net debt/EBITDA not exceeding 3.0. The Board has also established a new Dividend policy. Read more about these changes on page 9.

I look forward to this year with confidence. I see our leadership team and our employees continuing to improve our business processes every day and selecting the right opportunities for innovation. I also want to thank my colleagues on the Board of Opus for their dedicated work and passion for Opus' business.

Katarina Bonde, Chairman of the Opus Board of Directors

VISION

To be a global leader
in vehicle inspection and
intelligent vehicle support
thereby aiding in preservation
of the environment and
ultimately protecting
human life



Chief Executive's review

Strong and sustainable global growth

Opus made good progress in 2018. We achieved increases in revenue, operating earnings and margins, with good organic growth in both Vehicle Inspection and Intelligent Vehicle Support (IVS).

Based on sustainable demand for our products and services, we expanded our global vehicle inspection activities, and developed exciting new products and opportunities under IVS.

In 2018, our focus has been on strengthening our position in our core markets by acquiring Gordon-Darby, and nearly doubling our profitable Equipment-as-a-Service (EaaS) activities in the U.S., providing long-term recurring revenues. We also expanded our vehicle inspection activities in growth markets, like Argentina.

Expanding in our core markets

With the acquisition of Gordon-Darby, we expanded our footprint in three U.S. states and gained the experience and knowledge of an expert team that pioneered many of the emission testing systems used across the U.S. We are already seeing the benefits of synergies between our organizations and technologies. We also won new vehicle inspection contracts and extensions in several U.S. states.

In Sweden, we continued to expand our network of inspection stations, albeit at a slower pace. New rules came into effect increasing the inspection interval from 12 to 14 months for most cars. That change resulted in revenues being flat in 2018, compared to 2017. We implemented a cost savings plan and some business diversification to counter the negative impact of this change.

Growing in Latin America and Asia

Our business in Latin America continued to grow, both organically and through the acquisition of VTV in Buenos Aires, Argentina. VTV is a solid business with excellent teams and many years of historic profitability and has therefore strengthened our organization and enhanced our capacity to scale our operations in Latin America. Although

the currency crisis in Argentina in summer of 2018 had a negative impact, the underlying business there remains positive. Our government contracts include adequate inspection fee adjustments for local inflation, which have already had an initial positive impact on Q4 2018 results.

We continued to expand our presence in Chile, opening four new stations and winning concessions for four more stations that will launch during 2019.

In Punjab, Pakistan, we have opened 12 of 27 fully built inspection stations, with the remaining 15 to be commissioned in 2019. In Sindh province we are only building and opening 2 stations in 2019. Our primary objective with the government is to increase inspection compliance rates.

Developing our IVS business

The turnaround of Autologic, focused on an increase in our customer base, continued on track in 2018. We expanded our Remote Assist Programming (RAP) service, which has become a profitable service based on recurring revenues and an e-commerce platform. We continued the integration of the Drew Technologies and Autologic organizations, which in 2019 will both operate and market themselves under the Opus IVS umbrella.

In late 2018, we launched our new Drive diagnostic and programming platform that empowers automotive service and collision shops to do more complex work, more profitably across multiple car brands. DrivePro combines diagnostics for European, U.S. and Asian vehicle makes, combined with access to live support from our master technicians, all through

one device. DriveCrash enables collision shops to verify the condition of a vehicle when it arrives at the shop and confirms that the car is safe after repairs are made. DriveCrash opens a new market for Opus in the U.S. auto collision industry. Both of these products are now in full production in 2019, generating recurring revenues via an e-commerce platform.

Looking forward

In closing, I am proud of what Opus' management team and our dedicated employees have accomplished in 2018. We have had good growth in revenues and operating profits across the company. We have successfully re-financed a significant part of our outstanding debt assuring long-term financing at a favourable cost structure.

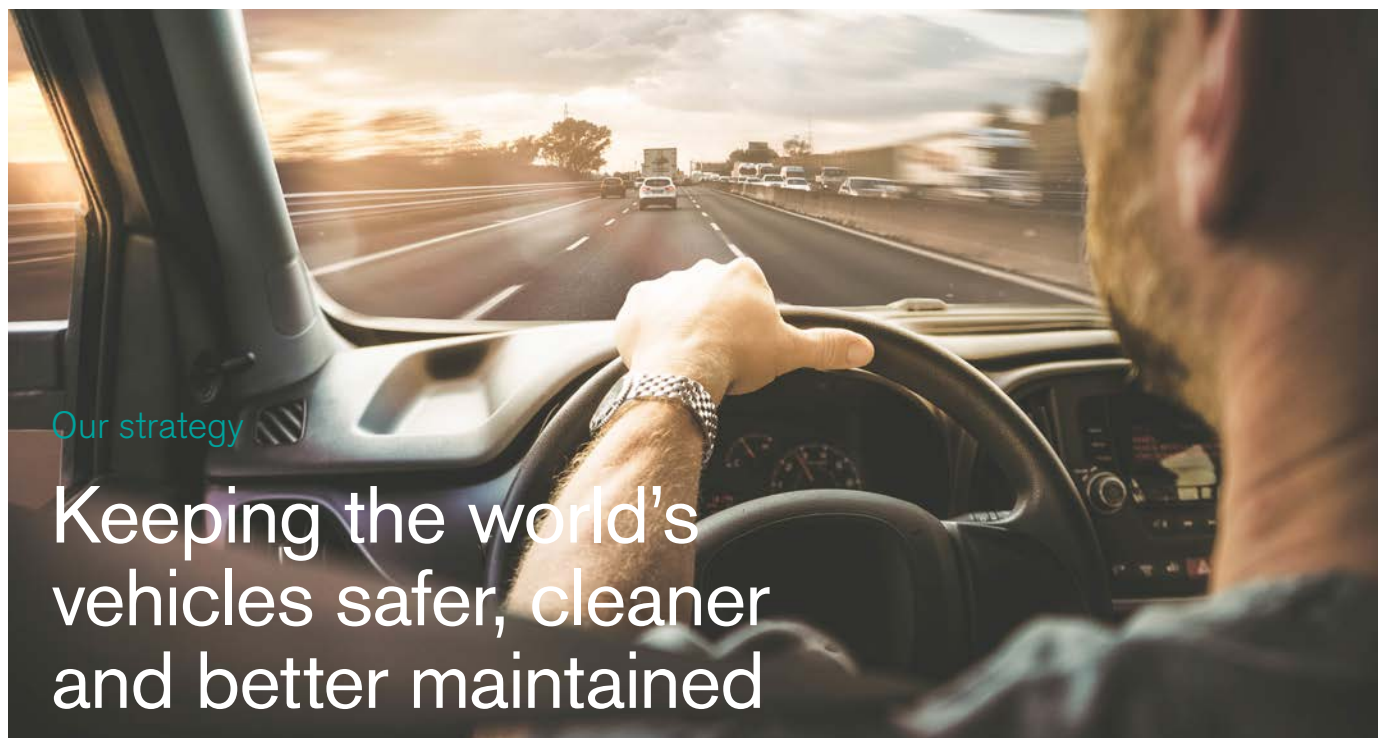
In 2019, I am looking forward to the continued success of our core business, further organic growth, attractive new business opportunities in the international vehicle inspection market and a continued customer focus. By delivering on these objectives, I am convinced that Opus will continue to grow and to solidify its position as a leader in the global vehicle inspection market, and continue its journey in the intelligent vehicle support market.



Lothar Geilen, Opus CEO

A man with glasses and a dark suit is seated, looking upwards and to the right. His hands are clasped in his lap. He is wearing a light blue shirt and a patterned pocket square. The background is a light grey wall with a green plant on the left.

"I am proud of what Opus' management team and our dedicated employees have achieved in 2018. I am looking forward to another successful year in 2019."



Our strategy

Keeping the world's vehicles safer, cleaner and better maintained

The global vehicle fleet is growing fast as the population increases and rising incomes means more people can afford to buy a car. Additional traffic volume in low- and middle-income countries, mostly based on used car imports, brings an increased risk of road fatalities, while rising vehicle emissions impact human health and climate change.

At the same time, in the developed world, vehicles are becoming increasingly computerized as we embrace driver assist technologies and automation. These trends are driving demand for services that can help governments improve road safety and air quality – and help automotive service shops keep pace with increasingly complex vehicle diagnostics. Our business strategy is based on helping our customers meet these challenges, while achieving ambitious growth in revenue and profitability.

Helping to make roads safer and reduce emissions

Our Vehicle Inspection business provides innovative tailor-made programs and services for governments around the world. As a global leader, we help to meet the growing demand in low- and middle-income countries for vehicle safety and emission testing to ensure vehicles on the road are safe to drive. We are also a leader in emission testing programs and technology, including remote sensing roadside testing.

We believe that emission testing will be needed for the long term, as fossil fuel powered vehicles continue to form the majority of the vehicle fleet well into the future (see Major trends driving our business, page 17).

Supporting automotive shops in advanced diagnostics

Opus' Intelligent Vehicle Support division helps automotive service technicians keep up to date with increasing vehicle computerization and autonomy across many different brands. Our diagnostics, scanning and re-programming tools enable technicians to perform complex automotive service tasks, remotely guided by diagnostics master technicians who are current with the latest manufacturer-specific knowledge. Intelligent Vehicle Support is a key part of our growth strategy. We are developing new innovations and services and expect it to expand significantly as a proportion of our total revenues in the coming years.

OUR MISSION

Make the world a cleaner and safer place by providing highly effective solutions for vehicle inspection and intelligent vehicle support through innovative technologies, customer focus and operational excellence.

What we delivered in 2018

We made good progress towards our goals in 2018, defending our position in mature markets, growing the business both organically and through strategic acquisitions, and developing innovative new products that will drive future demand for Intelligent Vehicle Support.

VEHICLE INSPECTION

U.S. We acquired Gordon-Darby, expanding our footprint in three U.S. states. We received new contracts or extensions in Indiana, Louisiana, Ohio, Rhode Island, Tennessee and Utah County. We accelerated the roll-out of Equipment-as-a-Service (EaaS) in California, Georgia and Pennsylvania, and won new remote sensing contracts in the U.S., Europe, Canada and India.

Latin America We acquired VTV Norte and VTV Metro in Buenos Aires, opened four new inspection stations in Chile and won concessions for four more stations to be opened in 2019.

Pakistan We opened 10 new stations in the province of Punjab.

Europe We opened three new stations in Sweden, expanding our network across the country.

INTELLIGENT VEHICLE SUPPORT

We continued our successful turnaround of the Autologic business and launched the new DrivePRO platform, combining advanced diagnostic and programming tools with expert technical support and guidance, for all major global car brands.

We expanded our Remote Assist Programming (RAP) service offering across the U.S. and

launched RAP2 with enhanced programming capability for European car makes.

We launched DriveCrash in the U.S., addressing the growing collision scanning market.

We opened our new U.S. west coast support center – our fifth call center – enabling us to offer support in all global time zones.

2019 and beyond

Looking forward, we will focus on continued profitable growth and work towards achieving our financial goals by:

- Focusing on recurring revenues, such as Equipment-as-a-Service (EaaS), RAP and DriveCrash.
- Expanding the market for DrivePRO, the Autologic-branded diagnostic platform with enhanced capacity and broad vehicle coverage, combined with live technical support.
- Maximising management and technology synergies between our businesses to add value for our customers.
- Developing new vehicle inspection markets, primarily in Latin America and Asia, through low capital investment business models.
- Improving operations and compliance rates in existing global programs.

New financial targets

In early 2019, the Opus Board of Directors and the Group Management Team adopted a new set of financial targets designed to support long-term profitable growth.

5–10%

annual revenue growth

*Organic and acquisitive growth
based on 3-year CAGR*

15%

EBITA margin

3.0

Net debt/ EBITDA not to exceed 3.0

*Net Debt / EBITDA excluding IFRS16 effects.
Net Debt / EBITDA may exceed 3.0 times if an
attractive business opportunity arises*

Dividend policy

Opus has a policy to distribute dividends in relation to the development of earnings and cash flow, taking the company's financial position, future outlook and growth opportunities into consideration.

The 2019 dividend

For 2019, the Board proposes a dividend of SEK 0.05 (0.05) per share.

OUR GROWTH STRATEGY

DEFEND

Vehicle Inspection: we will defend our market position in the U.S. and Swedish markets to secure strong cash flow. We will aim for an EBITA margin of over 15 percent in the U.S. & Asia and over 10 percent in Sweden. We will achieve this through low operating expenses and further productivity gains, leveraging our industry-leading in-house R&D resources for competitive advantage.

Intelligent Vehicle Support: we will maintain our position as a leader in advanced diagnostics, programming and remote support for the automotive service industry.

GROW

Vehicle Inspection: we will grow our business in low- and middle-income countries, focusing on Latin America and Asia. Growth in these markets will be driven by a rising number of vehicles and increasing government desire to implement vehicle inspection to improve road safety. We will also continue to expand our EaaS business model in the U.S.

Intelligent Vehicle Support: we will expand in the collision scanning market in the U.S. with our new DriveCrash product.

DEVELOP

Vehicle Inspection: we will review potential business opportunities outside the U.S. for the EaaS business model.

Intelligent Vehicle Support: we will continue to develop new markets in innovative technologies and services for the automotive aftermarket, including re-programming, scanning, diagnostics and vehicle communications. Innovative product development, driven by increased vehicle complexity, will provide competitive advantages and generate continued growth.

Vehicle Inspection division

We continued to expand in 2018 through both strategic acquisitions and organic growth. In the U.S., we welcomed Gordon-Darby to the group, increasing our footprint in three U.S. states. We also won contract extensions in several states and continued our roll-out of EaaS, ahead of our sales target. In Latin America, we grew our business in Argentina with the acquisition of the VTV companies and opened several new inspection stations in Chile. We also expanded our footprint with additional stations in Sweden and Pakistan.

2.2
BILLION
revenue (SEK)

30
MILLION
vehicle inspections

37,000
decentralized, privately owned
stations, partners of Opus

8
countries

225
inspection stations
(Opus owned-operated)

8%
organic revenue
growth



Our business model

Our Vehicle Inspection division operates safety and emission testing programs and provides associated products and services in the U.S., Sweden, Argentina, Chile, Mexico, Peru, Spain and Pakistan. We manage more than 30 million inspections a year.

We provide turnkey systems and services for government agencies, with advanced technology that increases the quality and efficiency of vehicle inspection and helps drive compliance with road safety and emission standards.

Long-term inspection programs

In many of our vehicle inspection markets, we operate long-term, centralized vehicle inspection programs through dedicated inspection stations. In many U.S. states, we offer decentralized inspection programs where the inspection is performed by automotive service shops using our equipment, training, maintenance, database services and program management. In other U.S. states, we offer Equipment-as-a-Service (EaaS), an attractive way to provide test equipment to decentralized inspection stations in a package that includes equipment rental, maintenance, consumables, spare parts and all required software upgrades.

Remote sensing roadside tests

In Europe, Latin America and Asia, our programs focus on both safety and emission testing. In the U.S., our focus is mainly on emission testing – safety testing is often done by visual checks. We also operate emission testing through remote sensing, which enables government agencies to measure emissions of large numbers of vehicles from the roadside as vehicles are passing by. Opus analyzes the data and provides the government with results to determine pass and fail rates, perform fleet evaluations or evaluate the efficiency and emissions compliance of vehicle makes and models.

MARKET TRENDS AND DRIVERS



Road safety and air quality

Governments around the world are increasingly focused on preventive measures to reduce the number of deaths in traffic and to improve air quality in major cities. Traffic fatalities now stand at 1.35 million¹ deaths globally each year, 94% of which occur in low- and middle-income countries. More than 4.2 million people die prematurely of conditions associated with outdoor air pollution, where vehicle emissions are a significant factor².



Expanding vehicle fleets

The global vehicle fleet continues to increase. There are approximately 1.2 billion vehicles on the world's roads and that number is expected to grow to 2 billion by 2035³. In low- and middle-income countries, most of this growth comes from used cars imported from developed countries. This means there is a fast-growing and ageing vehicle fleet. The result is vehicles in poor condition, which are unsafe and high-polluting, increasing the need for effective vehicle inspection as a significant contributor to safer roads and lower air pollution.



Environmental regulations

In most of the developed world, emissions regulations are tightening, evidenced by the new ground level ozone standards issued by the U.S. EPA in 2018⁴. The EU is pushing for measures such as diesel restrictions or bans in low emission zones among its member states. It has also recognized the need for roadside inspection to ensure compliance with emission standards. These pressures are driving growth in demand for vehicle inspection services and Opus Remote Sensing.

In the U.S., the administration announced a freeze of new car emission standards, instead of an earlier announced further tightening of standards for newly manufactured vehicles. The policy is being challenged in court in 19 states. Opus does not expect any imminent negative impact on our vehicle inspection business resulting from new car emission standards in the U.S.

¹World Health Organization (WHO) Global Status Report on Road Safety 2018

²WHO Global Ambient Air Quality Database update 2018

³https://www.greencarreports.com/news/1093560_1-2-billion-vehicles-on-worlds-roads-now-2-billion-by-2035-report

⁴<https://www.epa.gov/ozone-designations/additional-designations-2015-ozone-standards>

MARKET TYPES

Centralized vehicle inspection programs

where we operate dedicated inspection stations and are responsible for all aspects of the program, including staffing by our own trained and certified inspectors, IT systems, testing equipment and customer help desks. Centralized programs include: Argentina; Chile; Pakistan; Peru; Sweden; and the U.S. states of Arizona, Colorado, Indiana, Maryland, Ohio and Tennessee.

Decentralized programs

where we partner with service stations to carry out inspections. We provide certified equipment and maintenance, training for technicians, data management systems and customer service help desks. These include: Louisiana; New Hampshire; New York; Rhode Island; Utah County; Virginia; Wisconsin. We provide data management systems for North Carolina and Texas.

Open market contracts

where we can offer EaaS to decentralized inspection stations. These include: California; Georgia; North Carolina; Pennsylvania and Texas.

Our vehicle inspection markets

NORTH AMERICA AND ASIA

Strengthening and growing our business

2018 was a positive year for Opus in the U.S. We won a new emission testing contract in Rhode Island. In Indiana we were awarded a new contract with a potential extension to 2026. We also received extensions in Utah County, Ohio, Louisiana and Tennessee, and were awarded new remote sensing contracts in Ontario, Texas, Delaware, and India.

At the heart of this success was our drive to improve customer satisfaction and to strengthen our engineering processes. This work enabled us to launch our Rhode Island contract seamlessly, rolling out new inspection equipment to 325 stations without any disruption to services or customers. We also implemented new key performance indicators (KPIs) bringing stronger alignment across all of our functions and operations.

We were proud to welcome Gordon-Darby employees into the Opus family, having one of the most experienced leadership teams in the industry.

Equipment-as-a-Service growth

EaaS continues to be a successful business, helping our customers maintain or grow their business at an affordable rate in California, Pennsylvania, Georgia, Texas and North Carolina.

In late 2018, we opened 10 new stations in Punjab, bringing the total to 12. We anticipate opening additional stations that are currently awaiting approval. One thing that is clear, Pakistan needs our services more than ever as air quality and road safety continue to deteriorate.

I look forward to 2019 with optimism and enthusiasm. Opus has a strong team,

aligned on our priorities and motivated to help make the world a cleaner and safer place.



*Sandra Y McCulloch,
President, Vehicle
Inspection U.S. & Asia*

USA

Opus is the North American market leader in vehicle inspection and remote sensing programs. We provide a range of services including complete program development, implementation and ongoing management to government agencies in states and cities across the continent. We also work flexibly depending on local requirements, for example providing emission testing equipment to independent inspection stations under EaaS in open market states such as California, Pennsylvania and Texas. In most of the U.S. states where we operate programs, the focus is primarily on emission testing. We also provide mostly visual safety testing in many states, depending on local requirements.

FLEET OVERVIEW

276 million vehicles¹

2% average annual fleet growth¹

90 million annual vehicle inspections²

4 years average model year's exemption

KEY COMPETITORS

Applus+, Parsons and SGS.

MARKET TYPE

Centralized vehicle inspection programs, including Arizona; Colorado; Indiana; Maryland; Nashville, Tennessee; Middle Tennessee; Ohio. We provide technical support in Delaware, Oregon and Washington DC.

Decentralized programs, including Louisiana; New Hampshire; New York; North Carolina; Rhode Island; Utah County; Virginia; Wisconsin; and Texas (data management system only).

Open market areas, including California, Georgia, North Carolina, Pennsylvania, and Texas.

REGULATION

Emissions testing is mandated by the U.S. Environmental Protection Agency (EPA) under the Federal Clean Air Act. The EPA sets clean air standards for several pollutants. It recently strengthened its standard for ground-level ozone to 70 parts per billion (ppb) from 75 ppb. In 2018, states that exceed this level submitted recommendations on how they intend to achieve compliance. This may lead to opportunities, including vehicle inspection programs, in new geographic areas when these measures are implemented.

PAKISTAN

Opus operates the vehicle inspection concession for all public service vehicles in Punjab, Pakistan's largest province with a population of more than 100 million citizens. When fully implemented the program will have up to 39 inspection stations, of which 11 will be multi-lane permanent stations, 4 will be single-lane permanent stations, and 24 will be single-lane stations serviced by mobile inspection vans. We have signed a 20-year vehicle inspection concession with the Government of Sindh, the country's second largest province, for all private and public service vehicles. Under this program, we will design, build and operate initially two, and later-on up to 17 inspection stations, including 11 multi-lane, full-service facilities.

FLEET OVERVIEW

21.5 million vehicles³ (2017)

5% average annual fleet growth³

0.75 million vehicles subject to inspection Punjab²

1.5 million vehicles subject to inspection Sindh²

KEY COMPETITORS

Opus operates as a single source provider.

MARKET TYPE

Centralized vehicle inspection programs through dedicated inspection stations.

REGULATION

Opus operates under the local regulations in each province as well as the national Public-Private Partnership (PPP) Act 2016. In Punjab, all public service vehicles including trucks, delivery vans, commercial vehicles, coaches and auto rickshaws must be tested twice a year. In Sindh, the entire fleet is tested, including private vehicles.

¹<https://hedgescompany.com/automotive-market-research-statistics/auto-mailing-lists-and-marketing/>

²Opus estimate

³<https://www.ceicdata.com/en/pakistan/motor-vehicle-registered>

Opus acquires Gordon-Darby

Gordon-Darby, acquired by Opus in 2018, is a leader in vehicle inspection and technology in the U.S.

The company operates the centralized emission testing program in Arizona and manages the decentralized program in New Hampshire, as well as providing vehicle inspection database services in Texas. It also designs and manufactures a range of inspection equipment and software, including on-board diagnostic (OBD) analyzers and test systems for diesel vehicles.

Founded in 1982, Gordon-Darby was among the first to develop emission testing equipment in the U.S. and has pioneered many systems and processes that have since become standard across the industry. Other

activities include providing systems and services to support fish and game license sales, working with the Texas Parks and Wildlife Department.

'We marked our first anniversary as part of Opus in February,' says Gordon-Darby President Bob Tefft. 'During that time, we have benefited from sharing ideas, products and resources with other parts of the organization, such as the Opus Technology Center in Tucson. We are already looking at how we can use this experience to improve the service we offer to our customers, now and in the future.'



EUROPE

Building a more efficient business

The year brought both challenges and successes for Opus Bilprovning. We opened three new stations, in Gothenburg, Kumla and Kungsängen. Our 90th station opened in January 2019, and we have added three more since then, bringing our total network to 93 stations across all of Sweden.

We also expanded our inspection accreditation to include Category III vehicles including excavators, backhoe loaders, telescopic forklifts and cranes. Opus is now a complete provider of inspection services for all vehicle types in Sweden.

New inspection service

During the year, we also introduced a new inspection service for classic cars in Sweden. These vehicles no longer have to undergo mandatory inspection, but many owners want to ensure the safety of these mostly expensive cars. We continue our focus on the environment – our business was 100% climate compensated in 2018.

In May, new rules were implemented for mandatory vehicle inspection in Sweden. As part of the new rules, the inspection interval was extended from 12 to 14 months. This resulted in a drop in the overall inspection market in Sweden of approximately 10%. As a result, we continue to take steps to increase efficiency in our operations.



During the year, we have focused on developing new opportunities outside of Sweden. We have laid a good foundation and aim to grow our business in other European countries over the next few years.

Per Rosén, President, Vehicle Inspection Europe

SWEDEN

Opus' subsidiary Opus Bilprovning operates vehicle inspection across Sweden under an open market system. Opus has approximately 25% of the market and is among the top three providers.

FLEET OVERVIEW

9 million vehicles¹
1% average annual fleet growth¹
5.9 million annual vehicle inspections¹
14 months inspection interval
 (cars over 5 years old)

KEY COMPETITORS

AB Svensk Bilprovning, Besikta, Carspect and Dekra.

MARKET TYPE

We provide centralized services through dedicated inspection stations within an open market deregulated system.

REGULATION

In Sweden, all motor vehicles driven on public roads must be regularly inspected to ensure compliance with safety and emission standards. Vehicle Regulation and the Transport Authority regulations determine how often and which vehicle types must be inspected. Since May 2018, Sweden has a 3-model year exemption for passenger cars; the second inspection must occur no later than 24 months after the first inspection; thereafter every 14 months after the previous inspection. Trucks have no model exemption and must be inspected every 12 months.

¹Transportstyrelsen statistics

LATIN AMERICA

Steady growth despite challenges

Our business in Latin America continued to grow during 2018, both organically and through the acquisition of the VTV companies in Argentina, despite challenging conditions. We expanded in Chile, opening four new stations, with four more in the pipeline for 2019. Our total safety and emission inspection volume now exceeds 1 million.

Revenues more than doubled overall, although our financials were affected by the inflation crisis in Argentina. Contractually agreed inflation adjustments in both Buenos Aires and Córdoba should improve our financials going forward.

Welcoming the VTV team

We were delighted to welcome the employees of VTV Norte and VTV Metro to Opus. They are well run businesses, offering fast and reliable inspection services. And they add management strength to our organization, helping us to create a more efficient platform and improve our customer service and processes across the region.

In Chile, we have a growing footprint, with new concessions won in Valparaíso and Arica. After opening four inspection stations during 2018, we will add another four stations in the two new regions during 2019.

In Mexico Opus provides equipment and service for vehicle inspection stations in various programs. We are reviewing other business opportunities in vehicle inspection there.

I am proud of our growing team in Latin America and am looking forward to further growth in 2019.



*Alfredo R. Granai,
President, Vehicle
Inspection Latin
America*

ARGENTINA

Opus operates vehicle inspection concessions in the city and province of Buenos Aires under the VTV Metro and VTV Norte brands, inspecting almost 475,000 vehicles annually. We also operate concessions in the city of Córdoba, under the Opus brand, inspecting more than 200,000 vehicles a year.

FLEET OVERVIEW

14 million vehicles¹
4% average annual fleet growth¹
3.7 million annual vehicle inspections²

KEY COMPETITORS

SGS, Applus+, TÜV Rheinland and RTO.

MARKET TYPE

Centralized concessions are awarded through competitive tenders.

REGULATION

In certain jurisdictions in Argentina, motor vehicles driven on public roads must be regularly inspected to ensure compliance with safety and emission standards. Passenger cars and other light vehicles are first inspected after two years and after that every year. Heavy duty vehicles and vehicles used in public transportation are first inspected between 6 months to two years after registration, depending on the category and location.

MEXICO

Opus supplies certified emission testing equipment and service to many of Mexico's vehicle inspection programs.

FLEET OVERVIEW

38 million vehicles³ (including heavy duty)
3% average annual fleet growth³
15 million annual vehicle inspections²

KEY COMPETITORS

Maha and several local companies.

MARKET TYPE

We supply equipment and service in an open market.

REGULATION

New laws were published with important changes in emission testing.

¹Dirección Nacional de los Registros Nacionales de la Propiedad del Automotor y de Créditos Prendarios, <http://www.dnrpa.gov.ar>

²Opus estimate

³INEGI (Instituto Nacional de Estadística y Geografía)

⁴Encuesta Anual de Parque Vehicular 2017, INE

⁵Ministerio de Transportes y Comunicaciones de Perú 2017

CHILE

Opus operates vehicle inspection programs in the Metropolitan, Maule and O'Higgins regions. In 2018, we won new concessions for the regions of Valparaíso and Arica. We now have seven inspection stations in operation with four more due to open in 2019.

FLEET OVERVIEW

5.2 million vehicles⁴
6% average annual fleet growth⁴
5.7 million annual vehicle inspections²

KEY COMPETITORS

Grupo Denham, Applus+, SGS, Bureau Veritas and TÜV Rheinland.

MARKET TYPE

Centralized concessions are awarded through competitive tendering.

REGULATION

In Chile, all motor vehicles driven on public roads must be regularly inspected to ensure compliance with safety and emission standards. Passenger cars and other light vehicles are first inspected after three years, then after two years and after that annually. Heavy duty vehicles and vehicles used for public transportation are inspected twice a year since their registration.

PERU

Opus operates one vehicle inspection station in Perú under the trade name Revistar. The inspection facility has three inspection lanes.

FLEET OVERVIEW

5.8 million vehicles⁵
4% average annual fleet growth⁵
1.8 million annual vehicle inspections²

KEY COMPETITORS

CEDIVE, Farennet, Revision Técnicas del Perú and LIDERCON.

MARKET TYPE

Centralized concessions for inspection stations.

REGULATION

In Perú, all motor vehicles driven on public roads must be regularly inspected to ensure compliance with safety and emission standards. Passenger cars and other light vehicles are first inspected after four years and after that every year. Heavy duty vehicles and vehicles used in public transportation are first inspected after two years and after that every six months. Local authorities are working towards stricter compliance and improving controls.

Looking forward to future growth in Argentina

Argentina continues to be an attractive opportunity for Opus despite the 2018 currency crisis. Our contracts include an inflation adjustment, and with an expanding vehicle fleet, we expect the market for our services to grow in the coming years.

"The peso's fall in value affected our financials as we report in SEK," explains Opus Latin America President Alfredo R Granai. However, the inspection volume remained stable throughout the crisis. With the economy now recovering and based on pending fee adjustments, I am confident that we can achieve profitable growth in 2019."

A stronger organization with VTV

The acquisition of the VTV Metro and VTV Norte businesses in Buenos Aires in 2018 has enabled Opus to strengthen our organization and management team and improve our processes. By combining VTV's existing systems with Opus technology, we are creating a highly efficient platform, based on speedy reservations, excellent customer service and efficient payment and administration.

This has already helped us improve our performance in Córdoba, where we operate all three inspection stations.

It will also help us to scale up our operations and get up and running quickly in any new concessions we may win in the future.

Fast expanding fleet

The vehicle fleet in Argentina continues to grow by more than 4% a year. Governments are committed to periodic safety and emission testing to help improve road safety and reduce air pollution, which is a major problem in all larger cities. Motorist compliance is still too low, but it is increasing every year.

"These factors create a growing demand for vehicle inspection," says Alfredo. "During 2018, we have done a lot of work to strengthen our organization allowing us to take advantage of new opportunities when they arise. We are now well-established as a leading player in the market and we are looking forward to growing our business in 2019 and beyond."



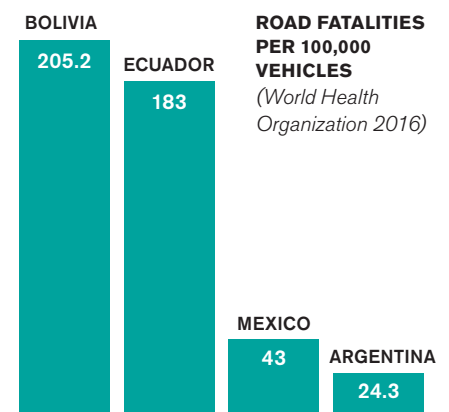
Expanding our footprint in Chile

Opus continued expanding in Chile during 2018, opening four vehicle inspection stations, in Melipilla in the Metropolitan region, Constitución in the Maule region and Rancagua and San Vicente in the O'Higgins region.

We also won new concessions for four more stations in the regions of Arica and Valparaíso that are now being built in these areas and are expected to open in 2019. The expanded network will inspect more than 340,000 vehicles during 2019, making Opus one of the three largest operators in the Chile vehicle inspection market.

How vehicle inspection saves lives

This chart shows the average number of road fatalities per 100,000 vehicles. In Bolivia, which has no effective periodic inspection regime, the rate is almost 10 times higher than in Argentina.



The VTV team including Operations Director Jorge Delle Grazie, left, and Administration and Finance Director Martín Serrano, are helping Opus build a stronger platform for growth.

Why the U.S. will continue to need emission testing

The progress of the electric vehicle (EV) market does not mean the rapid demise of internal combustion engines. Here, Opus Chief Technology Officer Tom Fournier spells out why emission testing will be needed well into the future.



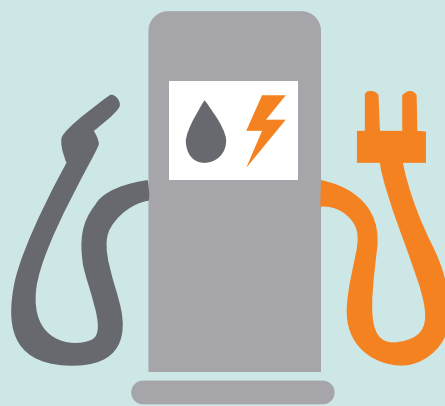
The EV umbrella includes hybrids and plug-in hybrids which still use internal combustion engines and, therefore, still require emissions testing. Only fully battery electric vehicles (BEVs) do not require emission testing, and BEVs represent only one third of all EV sales in the U.S. According to JP Morgan,

BEVs are projected to grow at a slower pace than hybrids¹. That means that their number as a percentage of the total U.S. on-road vehicle fleet will remain small for many years to come.

BEVs less than 2% of total fleet

Opus estimates that, by the end of 2025, only 1.8% of vehicles on the road will be exclusively battery powered electric – see panel. The remaining 98.2% will have an internal combustion engine. Even if our calculation is off by a factor of 10, the on-road fleet will remain overwhelmingly dominated by internal combustion engines in need of emissions testing.

Since the average age of vehicles on the road is 11.6 years, there will be a long tail of older internal combustion vehicles needing emissions test even after BEVs grow into a significant share of the on-road fleet. These factors mean that vehicle emissions testing will be a prominent feature of the automotive aftermarket for two or more decades to come.



BEVs as a share of the total North American fleet

Battery electric vehicles will form a small proportion of the total vehicle fleet in North America for many years to come, as shown in the chart below.

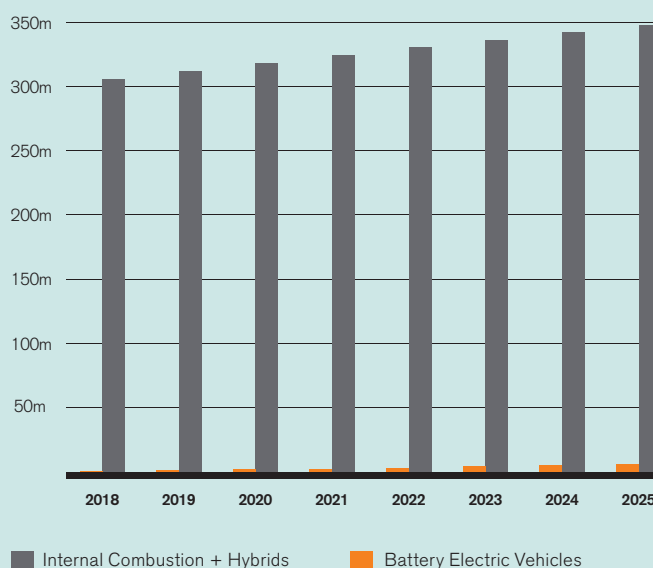
North America production of BEVs from 2015 through 2025 will total 6.2 million vehicles¹. But in 2018 there were 272 million vehicles on U.S. roads and 34 million on Canadian roads for a total fleet of 306 million^{2,3}.

Annual new car sales in the U.S. are around 17.4 million, and 2 million in Canada, totaling 19.4 million^{4,5}. The U.S. scraps 11 million cars per year, while Canada scraps 1.6 million^{6,7}. That leaves the net annual on-road fleet increase at around 6.8 million vehicles.

Adding that annual increase to the 2018 base and extrapolating out to the end of 2025, the total on-road fleet will be approximately 354 million vehicles, of which only 6.2 million will be fully electric BEVs.

BATTERY ELECTRIC VS INTERNAL COMBUSTION

Forecast number of battery electric vehicles as a proportion of the total vehicle fleet in North America (millions).



¹<https://www.jpmorgan.com/global/research/electric-vehicles>

²<https://www.statista.com/statistics/859950/vehicles-in-operation-by-quarter-united-states/>

³<https://www150.statcan.gc.ca/n1/daily-quotidien/180615/dq180615e-eng.htm>

⁴<http://www.goodcarbadcar.net/2012/10/usa-auto-industry-total-sales-figures/>

⁵<https://www.auto123.com/en/news/2017-vehicle-sales-canada/64278/>

⁶<https://www.statista.com/statistics/274931/number-of-vehicles-scrapped-in-the-us/>

⁷<http://a-r-a.org/automotive-recycling-magazine/report-on-end-of-life-vehicles-worldwide/>

Major trends driving our business

Opus' business is helping our customers meet the challenges of a changing world. Here we look at global trends that will shape demand for our services into the future.

1 Pressure is rising for measures to make roads safer and air cleaner

Developing countries face a growing toll from road accidents and air pollution, reinforcing the need for vehicle inspection as part of measures to improve safety and air quality.

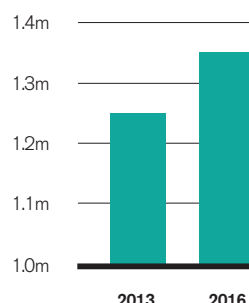
The 2018 World Health Organization (WHO) Global Status Report on Road Safety shows that 1.35 million people die annually in road accidents around the world, up from 1.25 million in 2013. More than 100 countries experienced a rise in fatalities over this period, most of them low- and middle-income nations.

Air pollution causes early deaths

Globally, 4.2 million people a year die prematurely from the effects of outdoor air pollution, one of the biggest global threats to human life¹. As awareness of the health impact grows in the coming years, Opus believes there will be more pressure globally for periodic, mandated vehicle inspection, which can play a part, among other measures, in improving road safety, controlling air pollution and therefore reducing fatalities.

RIISING GLOBAL ROAD FATALITIES

Total global road fatalities, World Health Organization Global Status Report on Road Safety 2015-2018



¹WHO Global Ambient Air Quality Database update 2018

2 Electric vehicles are growing but combustion engines dominate

Electric vehicle (EV) production is growing, and EVs will make up an increasing share of new vehicle sales. However, conventional engines will continue to dominate the vehicle fleet.

Given the increasing lifespan of new cars, the on-road fleet will continue to need emission testing well into the future. The market for EVs will expand through the 2020s, as costs come down and the drive range expands with improvements in technology. Bloomberg NEF predicts global production will reach 30 million by 2030, including hybrid electric vehicles¹. But this still only accounts for less than a quarter of total annual new vehicle sales and a tiny fraction of the total vehicle population by 2030.

Emission testing to continue

According to a study by JPMorgan, battery electric vehicles that no longer require an emission test will only reach 9 percent of global annual vehicle sales by 2025². As the total vehicle fleet continues to grow, Opus believes that more vehicles will require a periodic emission test in the coming years.

¹<https://about.bnef.com/electric-vehicle-outlook/#toc-download>

²<https://www.jpmorgan.com/global/research/electric-vehicles>

3 Automation is increasing the need for Intelligent Vehicle Support

Fully autonomous cars may be some way down the road, but automation is already changing the makeup of our vehicles and how they are serviced.

Automated systems such as automatic braking, lane-change warning and adaptive cruise control are becoming standard in new models. Manufacturers will soon release cars that can drive themselves in limited situations while under driver supervision.

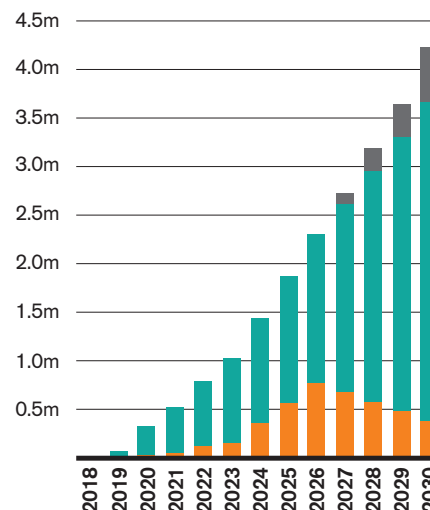
Servicing computerized vehicles

This is changing the nature of vehicle service. Vehicle mechanics now require advanced IT skills as most new vehicle systems are controlled by software of some kind. Many find it difficult to keep pace with manufacturer-specific technical knowledge across multiple brands. Opus Intelligent Vehicle Support platforms, such as DrivePRO, fill this skills gap, enabling automotive shops to perform complex tasks, remotely guided by our master technicians.

INCREASING AUTONOMY IN MODERN VEHICLES

Forecast number of new vehicles produced with levels 3, 4 and 5 autonomy in Europe (millions).¹

■ L3
■ L4
■ L5



¹Frost and Sullivan, Global Autonomous Driving Market Outlook, 2018

Intelligent Vehicle Support division

Opus Intelligent Vehicle Support (Opus IVS) achieved good organic growth in 2018, much of it in recurring revenue services that deliver value over the long term. We created new products to meet customer needs, launching the Drive platform that supports independent automotive service shops and collision shops to do more work, more profitably. We also enhanced our Remote Assist Programming (RAP) offer and expanded our live technical support to cover all global time zones.

300
MILLION
revenue (SEK)

1.6
MILLION
diagnostic scans

29,000
customers

41
countries
(distribution)

250,000
diagnostic support cases



Our business model

Modern vehicles are becoming increasingly more complex. With driver assist systems, connected technologies such as telematics, and the move towards autonomous vehicles, aftermarket technicians need additional support to keep pace with rapid changes in technology.

Automotive service shops are required to carry out highly-specialized diagnostic and re-programming tasks for jobs as routine as replacing a windshield or wheel alignment, which involves a lot of time and effort. Keeping up with model-specific training is becoming a difficult task for independent multi-brand service shops.

Opus IVS empowers automotive technicians to do this work quickly and easily across multiple brands, without the need for specialist product knowledge. Our advanced diagnostic and programming tools connect to live support with more

than 100 master technicians, who guide mechanics remotely through complex tasks, helping independent shops compete on a level footing with manufacturer-licensed dealerships.

Most of our business is based on recurring revenues under e-commerce. In some markets we provide tools as a capital purchase with recurring subscriptions, while in others we increasingly operate an Equipment-as-a-Service (EaaS) model, providing equipment at low or no upfront capital cost, focusing on recurring revenues from subscriptions and transactions for our support services.

The Intelligent Vehicle Support division, formed in early 2018, unites Drew Technologies and Autologic within a single management structure. We are leveraging our combined expertise, technologies, manufacturer relationships and distribution networks to create synergies and expand our vehicle support offer on a global scale.

New technology for new markets

In the past year, we focused on bringing our Autologic offering up to date, expanding our Remote Assist Programming (RAP) service, and innovating to develop our new Drive diagnostics platform. We also enhanced our live technical support, opening a new call center in California, which positions us to offer support in all time zones, globally. We had a successful year, both in sales and earnings.

It was a strong turnaround year for Autologic. The new management team refocused the business on its core strengths, successfully reversed a trend of a declining customer base and delivered strong growth. We launched the all-new DrivePRO, which combines diagnostics for European, U.S. and Asian makes with RAP and live support, all through one device. We expect to see positive growth from this exciting product in 2019.

DriveCrash enters collision market

DriveCrash was also released in Q4 of 2018. It enables collision shops to perform complex scans to verify that a car is safe after repairs are made, with remote support from our master technicians. This expansion into the North American collision market gives us a new addressable market of approximately 12,000 collision shops.

Drew Technologies' RAP business increased, with call volume up 100%. We expanded coverage to include more car models and launched RAP2, enhanced with European programming. We strongly believe we can continue to grow this exciting service.

Looking forward, we will continue to leverage our advanced technology and remote support, into new products that help automotive service shops manage increasing vehicle complexity.

I believe this will bring more positive growth and strong value from recurring revenue services.

*Brian Herron,
President Intelligent
Vehicle Support*



MARKET TRENDS AND DRIVERS

Vehicle technology is becoming increasingly computerized and complex. Even basic automotive service jobs can now require complex digital diagnosis and re-programming, as well as detailed product knowledge, specialized tools and access to extensive product support databases. These factors are driving a growing demand for sophisticated diagnostic and programming tools covering multiple vehicle brands, supported by call centers staffed with expert mechanics providing remote assistance.



More automated systems

Advanced driver assist systems (ADAS) are fast becoming the norm. According to Business Wire, the global ADAS market is expected to reach USD 32 billion by 2023¹.



Electronics and software growth

The technology built into cars by manufacturers has diverged exponentially. Automotive technicians need detailed technical knowledge such as electronics, software and system re-programming, on many makes of car.



Collision service requirements

Collision shops, automakers, insurers and regulators are all under immense pressure

to make sure vehicles are fixed correctly and safe to return to the road after an accident. This requires detailed scans of the vehicle's network of processors before and after repair.



Knowledge and training needs

Independent automotive service shops find it challenging to keep pace with growing vehicle complexity and are falling behind in their ability to service vehicles, especially those covering multiple brands.



Ageing vehicle fleets

At the same time, the average age of vehicles on the road is growing, yielding more vehicles that need support and service.

¹<https://www.businesswire.com/news/home/20181212005318/en/Global-Advanced-Driver-Assistance-System-ADAS-Market>

Our markets

Opus IVS targets independent automotive service shops and collision repair shops in the U.S., Europe, Asia and Australia. Through our business units Drew Technologies and Autologic, we serve 29,000 customers. By integrating these organizations, we are creating new synergies and innovations. In 2018, we developed and launched the new Drive platform that will enable us to increase our customer base and expand into new territories – turn over the page to read more about our Drive products.

We will also look for potential growth within existing markets. For example, the market for remote diagnostic service is estimated at up to USD 740 million in the U.S. alone. We are working on increasing sales of our diagnostic and programming services to this market significantly, especially among the 20,000 specialty automotive service shops that deal with foreign cars.

Business strategy

With our combination of advanced manufacturer-level diagnostic and programming tools, and expert remote technical assistance, Opus IVS already has a strong position in the market. Our individual businesses and brands all add to our offering. Autologic specializes in advanced diagnostics and remote support, while Drew Technologies offers remote programming, collision scanning and range of manufacturer-approved vehicle communication tools for use by dealer technicians and the aftermarket. By integrating these capabilities and leveraging synergies between our businesses, we will drive innovation and serve more customers globally. Moving forward, we will continue to develop technologies that support increasing complexity and digitalization of vehicles as the age of autonomous driving approaches.

DEMANDS TO MEET

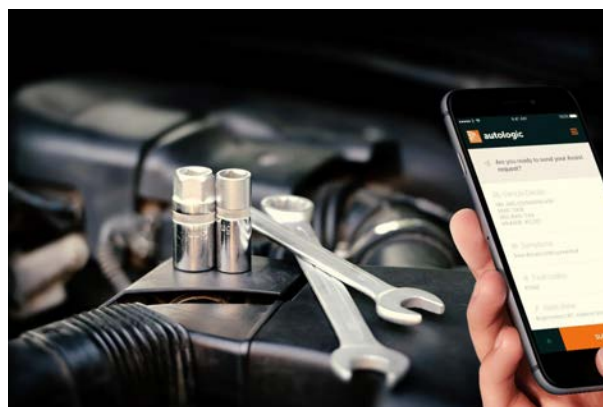
Opus IVS tools and services will meet all of these needs, and more:

- Remote Assist Programming for all brands
- Calibration of ADAS systems
- On-board diagnostic safety testing for complex and autonomous cars
- Diagnostic support for telematics
- Manufacturer-approved pre- and post-collision repair scanning support for all cars
- Electric vehicle battery testing
- Remote technical support
- Technician training
- Calibration after wheel alignment
- Sensor reset and re-programming during tire change
- Electronic system check and reset at oil changes
- Coding and configuring during battery changes
- Calibration after windshield replacement

Our products and services

Remote support platforms that drive profitability

Our platforms combine advanced diagnostics and programming with live remote support from master technicians who walk automotive service technicians through complex tasks. This package enables shops to do more work in-house, get jobs done faster and operate more profitably.



AUTOLOGIC LIVE

All of our remote support services are provided by Autologic Live, which has five call centers, located in Oxford, U.K.; Melbourne, Australia; Michigan; New York; and California. More than 100 master technicians and software engineers in the call centers guide service technicians remotely through complex re-programming and diagnostic tasks. Autologic Live is integrated into the Drive and RAP platforms, so our experts see the same data as the shop at the same time.



DRIVEPRO



Empowering service shops to do more

Autologic's new DrivePRO is a total support package for automotive service shops, giving them confidence to take on the most complex, computerized diagnostics and programming, on any major make of car.

The platform combines diagnostics for

European, U.S. and Asian brands with live support from our master technicians and software engineers, through one device. With Remote Assist Programming built in, technicians can diagnose faults and re-program components, guided by our experts, in one fast operation.

Total support until the job is done

DrivePRO is integrated with Autologic Live, so our experts see the same data as mechanics at the same time. The platform connects users to manufacturer specifications with real-time updates, so there is no need to maintain detailed technical knowledge for every brand or model.

Helping shops work profitably

DrivePRO, which is primarily paid for by

a recurring subscription, enables service shops to operate more efficiently and profitably. They can accept more jobs, do their work faster, and tackle the most difficult diagnostic and programming tasks with ease.

WHAT OUR CUSTOMERS SAY

"I specialize in European cars but my customers also bring me U.S. models. Because DrivePRO covers all makes, I can now take this work on with confidence, so I don't disappoint my valued clients and risk losing their business. The support is a lifesaver. When I'm stuck, I always know I can call and solve problems fast. The Autologic experts see what I'm seeing in real time, which saves a lot of explaining."

Hal Epstein, Bavarian Performance Specialists, Thousand Oaks, California

DRIVECRASH



Delivering proof of collision repairs

DriveCrash from Drew Technologies helps collision shops complete complex body repairs and meet the growing demands of manufacturers, insurance companies and regulators for proof that all systems have been checked and properly serviced to their requirements post-collision.

Full before and after scans

DriveCrash enables independent collision shops to provide this assurance. It scans every module on the vehicle twice – pre-repair to identify any damage, and post-repair to verify that all systems are working correctly. The technician can choose from a manufacturer-

approved comprehensive scan, or a quick scan that performs a base assessment in just a few minutes. DriveCrash is already approved by several automakers.

The platform is connected to live support from our master technicians. If there is a trouble code, the shop can contact us to diagnose it for a low transaction cost. We can also integrate RAP with the device, so our experts can guide mechanics through re-programming tasks if needed. This means collision shops can complete more tasks without having to send the work to dealerships or specialist service shops, saving time and money.

WHAT OUR CUSTOMERS SAY

"DriveCrash has helped us streamline our entire workflow. It enables us to do a quick scan at the estimating phase and comprehensive manufacturer-approved scans that enhance our relationship with insurers. The live support means we can complete repairs, including ADAS-equipped calibrations, that we used to send out of the shop."

David at Penske Collision

REMOTE ASSIST PROGRAMMING

Getting the job done faster

Most major services on modern vehicles involve at least one re-programming task to ensure on-board software is working correctly. When this happens, service shops can plug in RAP and connect to our master technicians, who will walk them through the programming task and stay with them until it is done.

Customers get the RAP equipment at no upfront cost and pay per programming event plus a small monthly fee. The service empowers mechanics to take on work without the need for deep manufacturer-specific knowledge. Since they do not have to send the work outside for specialist help, they save time and money, especially on big jobs where any delays are costly.

RAP is also now available integrated in our DrivePRO and DriveCrash platforms. In 2018, we launched RAP2, which covers more European vehicle models and some additional enhanced features.

WHAT OUR CUSTOMERS SAY

"RAP makes my life easier. I don't have to navigate the manufacturer websites. I can be working on something else while RAP does the programming."

Don Malless, Malless Automotive, Indianapolis

The highest standards of professional integrity

Opus has joined the world-leading anti-bribery and corruption organization TRACE International to customize a training course for Opus employees. Every employee who has contact with government, business partners, or individual motorists will undergo mandatory anti-bribery, anti-corruption training during 2019.

While inspectors, managers and business development employees received anti-corruption training before, this strengthens our capabilities to ensure we have the highest possible standards. We have also developed a range of digital tools and proprietary software to monitor and prevent fraud in our programs.

Zero tolerance worldwide

'Opus has always had zero tolerance for fraud and corruption', says Opus Chief Technology Officer Tom Fournier, who championed implementation of these programs. 'As we are a growing company with more and more employees and business partners all over the world, we have decided that we must be proactive to maintain our high ethical standards.'

Opus has also contracted TRACE to provide a vetting service for new business partners. 'As we enter new markets in the developing world, we want to be certain that the companies we collaborate with have as high ethical standards as we do,' says CEO Lothar Geilen.

Innovations in the United States

At its technology center in Tucson, Arizona, Opus has developed anti-fraud technologies for use in inspection stations. In Rhode Island, for example, the company's patent-pending E-verify software alerts station managers to potential discrepancies when the vehicle is plugged into either a different vehicle or an OBD simulator – a device used to mimic the vehicle's on-board diagnostic system to cheat the test. Opus also uses biometric technologies to authenticate inspectors and positively link them to individual vehicle results.

In New York state, which is a decentralized program with 50,000 inspectors performing 12 million annual inspections in 10,000 independent inspection stations, Opus and the Department of Motor Vehicles (DMV) have jointly developed an innovative trigger system. It highlights anomalies or "trigger hits" to both the DMV and Opus during the inspection, enabling oversight of inspectors and real time detection of improper processes. This increased scrutiny has had a significant impact on attempted fraud, reducing the number of trigger hits to one tenth of the hits before the system was introduced in April 2018.

Cashless in Argentina

With the removal of cash from inspection stations in Buenos Aires, Argentina, Opus has been able to remove a corruption risk.

But that is not all we are doing says Opus Argentina Administration and Finance Director Martín Serrano: 'As a company operating contracts on behalf of the public sector, we have multiple measures in place to reduce the risk of corruption. Our teams will join the TRACE training this year and we will soon be externally auditing everything we do.'

Technologies in Asia

Opus has developed and implemented a raft of innovative anti-fraud measures in the Punjab province of Pakistan using the very latest technologies available.

Vehicles which pass Opus safety and emission tests carry an RFID sticker. The RFID tag includes a serial number linking the vehicle to the electronic test record. Not only is the RFID sticker used as proof of a vehicle's compliance, it also

means the vehicle can be recognized and tracked by Opus and Pakistani traffic police via Opus-provided RFID readers.

The inspection process in Pakistan is nearly fully automated, which minimizes the subjective human element. Opus also runs electronic reports for audit purposes on many metrics, including average test time and number of aborted tests. As in the United States, unusual results such as abnormal test times or offline inspection trigger alerts.

The company's position on fraud and corruption is one of the reasons why Opus maintains the trust of its customers, shareholders and other stakeholders. As Opus CTO Tom Fournier says, 'Wherever Opus is in the world, you can rely on us having the highest standards of professional integrity and using the best technology tools and employee training to ensure those standards are met.'



Automatic vehicle verification can be built into Opus inspection monitoring equipment.

Sustainability report

The world is facing significant challenges. Climate change, population growth and demands for a decent standard of living are driving people to move to cities. The increase in car ownership in the developing world means air pollution and the numbers of road traffic accidents are continuing to rise.

As a global vehicle inspection and intelligent vehicle support company, we recognize the contribution we can make with our vehicle inspection activities to managing these challenges. The UN has defined 17 sustainable development goals for member countries to achieve in collaboration by 2030. We have chosen to focus on the following goals as this is where we believe Opus can have the greatest impact as a company:

- #8 Decent work and economic growth**
- #11 Sustainable cities and communities**
- #13 Climate action**
- #16 Peace justice and strong institutions**

In dialogue with external and internal stakeholders, our Board of Directors and Group Management Team have further identified six strategic priorities for sustainability. They are based on our assessment of our most important sustainability issues and on where Opus, our products and services can create most value and have the greatest impact from a sustainability perspective.

- Combating climate change
- Operating in low- and middle-income countries
- Financial stability as a company
- Anti-fraud
- Equal opportunity
- Human rights

Our sustainability reporting encompasses the same entities as the rest of our annual report. A more in-depth description of our business model and strategy can be found on pages 8-9.

Sustainability management

In 2017, we defined a set of groupwide sustainability goals for Opus, having previously measured our performance within our individual companies. These goals are on pages 24-25 and 2018 is the first year we are publicly reporting on them.

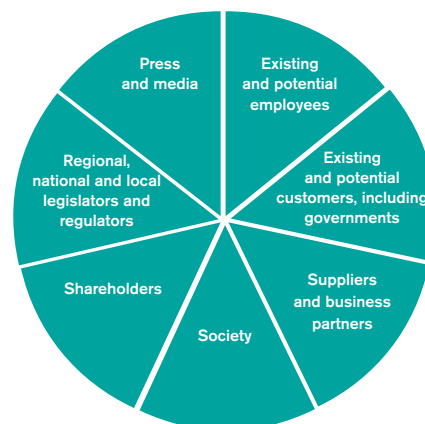
Opus business culture promotes long-term thinking, integrity and sustainability (among other principles) and we recruit employees based on their fit with our culture. A number of corporate policies help us manage sustainability in various areas of the company. These include: Ethical guidelines; Anti-corruption policy; Code of Conduct; Environmental and Quality policy and Work environment policy. As we are responsible for the behavior of our business partners when they are delivering on our behalf, we have introduced an Anti-corruption policy and a Code of Conduct for business partners. Our policies are available upon request. The manager of each business segment at Opus is responsible for ensuring that the policies are followed, with the Board of Directors ultimately responsible.

Every year, we conduct a comprehensive risk assessment for the company and define our most significant risks. Bribery and corruption have been identified as our principal sustainability risks. Consequently, we devote considerable resources to training our employees and suppliers, and to developing processes and technology to fight corruption. Starting 2018, we initiated a mandatory annual anti-corruption training program for staff; we are also requesting our key business partners to sign our Anti-corruption policy and Code of conduct. Further information on how we manage our risks can be found on pages 38-41.

Sustainability performance

In general, Opus' performance against our sustainability goals for 2018 was line with our expectations – including for renewable energy, human rights, anti-corruption and employee numbers in low- and middle-income countries. In a male-dominated industry, we had a slight decrease in the proportion of women employees overall. However, we had a pleasing increase of 2% in the proportion of women in management and professional positions, demonstrating our commitment to equal opportunity when promoting and recruiting talent at a senior level.

This year, we have sharpened our focus on vehicle safety in one of our Economic goals, we have adjusted another of our Economic goals in line with our strategy and we have also had to adjust slightly the wording of our goal relating to emission tests in low- and middle-income countries since acquisitions in Latin America meant we achieved in one year what we expected to achieve over a period of three years. Also, we had more accidents requiring time off work in the United States than our goal. We have implemented measures to improve our performance in this area.



OPUS GROUP'S STAKEHOLDERS

Opus Group sustainability goals and performance, 2018



ECONOMIC

GOAL

To reach annual revenue growth of 5-10%*, an EBITA margin of 15%, with net debt/ EBITDA that does not exceed 3.0.

RATIONALE

As a financially stable company, we support UN global goal #16.6 (Effective institutions) by enabling governments worldwide to establish and operate effective transport authorities and vehicle testing programs over the long term. We also support UN global goal #8.3 (Decent work for all) by providing secure employment so people can support their families on decent incomes.

GOVERNANCE + MEASURES

We gather information monthly and we report on our progress towards these targets every quarter.

*We expect to achieve 5-10% annual growth through organic and acquisitive growth based on a 3-year CAGR.

PERFORMANCE

See financial reports on pages 46-50.

GOAL

The proportion of revenue coming from safety-based vehicle inspection should increase by 15% per year.

RATIONALE

We support UN global goal #8.1 (Growth in developing world) and UN global goal #11.2 (Road safety) by focusing our efforts on where we can make the most difference – countries where the vehicle fleet is older and less safe (which are often low- and middle-income countries).

GOVERNANCE + MEASURES

We are committed to our strategy and have made significant investments in new safety inspection programs, including dividing our Vehicle Inspection business into three geographical segments to enable appropriate focus. We monitor our performance closely and publish our results every quarter.

PERFORMANCE

See financial reports on pages 46-50.



HUMAN RIGHTS

GOAL

To ensure 100% of employees continue to follow our Ethical guidelines and Code of conduct policies.

RATIONALE

We work towards UN global goal #8 (Decent working conditions, specifically #8.7, and #8.8) by ensuring our employees operate in an ethical way.

GOVERNANCE + MEASURES

For many years, it has been mandatory for our employees to review our Ethical guidelines and Code of conduct when they join the company to ensure understanding. The company has a Whistle-blowing hotline where employees can report their concerns.

**GOAL**

To show zero tolerance for any kind of discrimination.

RATIONALE

We support UN global goal #8.3 (Protecting labor rights) by ensuring zero discrimination against our employees, whether on the basis of gender, sexual orientation, nationality, race, color, ethnicity, religion, age, pregnancy or membership of a trade union.

GOVERNANCE + MEASURES

We measure the number of discrimination cases reported per year, investigate all reports, keep a record of the findings and take appropriate action. The company has a Whistleblowing hotline where employees can report their concerns. In 2018, all reports of discrimination were investigated thoroughly as per our Ethical guidelines and Disciplinary policy and resolved.



ENVIRONMENT

GOAL

To increase the number of vehicle emissions tests we carry out in low- and middle-income countries by an average of 25% each year until 2021, from a baseline of 400,000 in 2017.

RATIONALE

We contribute towards UN global goal #13 (Climate action) by helping governments to integrate climate change measures, inspecting vehicle emissions, and failing the most polluting cars.

GOVERNANCE + MEASURES

We measure the number of tests we carry out through our equipment and through our management information systems. Because of acquisitions in line with our strategy, the number of tests we carried out in these countries more than doubled to 940,000 in 2018. But we do not expect an equivalent in-crase for 2019 and 2020.

**GOAL**

To grow the proportion of renewable energy in markets where it is available and economically sustainable.

RATIONALE

We contribute towards UN global goal #13 (Climate action) by seeking to reduce our environmental impact and using 100% renewable energy where it is available and economically sustainable. We recognize that by requesting renewable energy, we can drive external demand in the energy markets.

GOVERNANCE + MEASURES

We monitor our energy consumption, investigate alternatives when energy contracts are up for renewal and put pressure on suppliers to provide us with clean energy. In 2018, Sweden used 97% renewable electricity while in Chile the number was 17%. In all other countries the data was either unavailable, or renewable energy sources were unavailable.





ANTI-CORRUPTION & FRAUD

GOAL

To ensure vehicle inspection performed under Opus management is free from fraud.

RATIONALE

We contribute to UN goal #16.5 (Anti-bribery and corruption) as we have zero tolerance for corruption within the company and beyond and we actively use tools, technology and methods to prevent and detect fraud. We also work closely with governments and tailor our anti-fraud offering to their requirements and market needs.

GOVERNANCE + MEASURES

Anti-corruption and fraud are covered in our policies, including our Anti-corruption policies. We have tools, technology and methods to prevent and detect fraud, and we are continuously evolving them. We have trained relevant staff, such as vehicle inspectors, in anti-corruption and we started implementing a formal, annual program with mandatory participation during 2018. The company has a Whistleblowing hotline where employees can report their concerns. In 2018, any suspected cases of fraud or corruption were actioned as per our policies. Following the 2018 launch of our Anti-corruption policy and Code of conduct for business partners to further deliver on our responsibilities, 100% of relevant business partners received them for review.



SOCIAL

GOAL

To increase our employee numbers in low- and middle-income countries by 2021, from a baseline of 192 employees in 2017.

RATIONALE

We drive long-term employment and enable sustainable wealth creation in low and middle-income countries contributing to UN Global goal #8 Decent work and economic growth (specifically 8.5) by employing and training local workers where we set up vehicle inspection programs.

GOVERNANCE + MEASURES

We employ and train local workers where we can, and we gather data about employee numbers as part of our HR program. In 2018, we increased our total employee numbers in low- and middle-income countries to 539.



GOAL

To reduce the percentage of employees experiencing workplace accidents that require time away from work from a baseline of 0.65% in 2017.

RATIONALE

We contribute to UN global goal #8.8 (Safe and secure work environment) by ensuring our employees are not at risk from harm when they come to work.

GOVERNANCE + MEASURES

Health and safety are covered in our Work environment policy. We provide the resources, information, training and management attention to achieve our objectives and targets. If we miss the goal, we revisit our training and procedures to ensure the foundations are in place. We had proportionally more incidents requiring time off work in 2018 (1.02%), particularly in the US. To minimize the risk of repeating the incidents that occurred during 2018, we immediately re-evaluated procedures, circulated appropriate information and implemented corrective actions.

GOAL

To offer equal opportunity to men and women, with the long-term aim of reaching a healthy gender balance in the Group. The 2017 baseline was 22% women versus 78% men in managerial and professional roles; and 27% women versus 73% men in total.

RATIONALE

In a male-dominated industry, we support UN global goal #5 (Gender equality, specifically 5.5, 5A and 5C) by working to increase the number of women in total and achieve a healthy gender balance in leadership positions. We further ensure nobody is disadvantaged because of their gender and that we benefit from a broad range of experience. We also recognize that by employing women in low- and middle-income countries, we can make a significant difference to society.

GOVERNANCE + MEASURES

Gender equality is covered in our ethical guidelines. We ask our external recruiters to include a dynamic gender balance in the selection pool at managerial and professional roles. In 2018, our employee numbers were:

- 43% (3) women and 57% (4) men on the Board of Directors
- 25% (2) women and 75% (6) men on the Group Management Team
- 24% women and 76% men in managerial and professional positions
- 21% women and 79% men in total (all employees)

In 2018, in total, we had an increase of the proportion of women in managerial positions, but a decrease in the overall proportion of women (all employees). We had a lower proportion of senior women to men in Pakistan than 2017 but this was balanced by an increase in the proportion of senior women in Latin America and the United States. We continue to actively look for female candidates at all levels – although the talent pool is more heavily skewed towards males.



The Share

Opus Group AB is a public company whose shares are listed in accordance with Swedish law and owner rights associated with shares are governed by the Swedish Companies Act. Opus Group AB's shares are registered in electronic form with Euroclear Sweden AB.

Opus Group AB's shares have been listed on Nasdaq Stockholm since July 2, 2013. The short name is OPUS and the ISIN code is SE0001696683. There have been no public share offerings to Opus Group AB's shareholders during the current or previous financial year.

As of December 31, 2018, share capital in Opus Group AB amounted to SEK 5,806,365, divided into a total of 290,318,246 shares, each with a quota value of SEK 0.02. All shares have one (1) vote and equal rights to the corresponding share of the company's assets and profits. Opus Group AB's market capitalization amounted to SEK 1,388 million as of December 31, 2018.

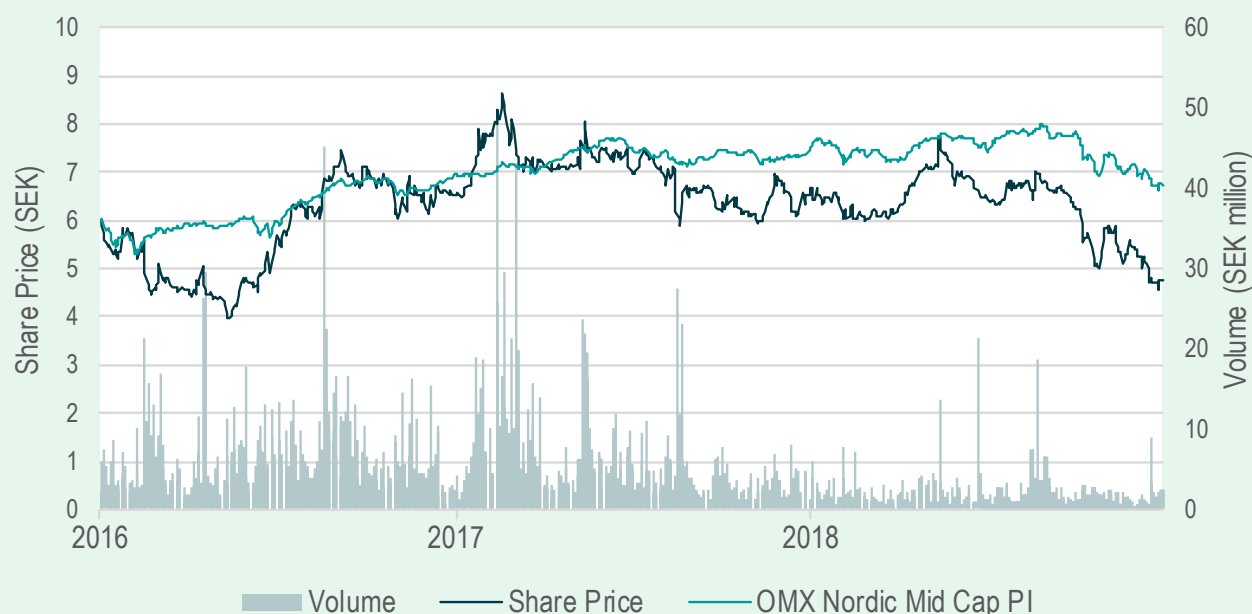
Shareholding as per December 31, 2018

Based on data from Euroclear, there were 9,405 shareholders as of December 31, 2018. The table below shows the ten largest shareholders of Opus Group AB at December 31, 2018.

Shareholders	No. of shares	Share of capital and votes, %
RWC Asset Management	57,778,150	19.9%
Magnus Greko and Jörgen Hentschel ¹⁾	42,348,969	14.6%
Lothar Geilen	19,628,132	6.8%
Andra AP-fonden	18,621,167	6.4%
Avanza Pension	17,624,579	6.1%
Henrik Wagner Jørgensen	10,304,199	3.5%
Dimensional Fund Advisors	8,398,101	2.9%
Deutsche Bank AG, W8IMY	8,294,916	2.9%
Nordnet Pensionsförsäkring	3,485,647	1.2%
Per Hamberg	2,801,000	1.0%
Subtotal	189,284,860	65.2%
Other shareholders	101,033,386	34.8%
Total	290,318,246	100.0%

¹⁾ Privately and through companies.

PRICE DEVELOPMENT AND TURNOVER OF THE OPUS SHARE, 2016-2018



SHARE CAPITAL DEVELOPMENT

Year	Transaction	Change in share capital	Share capital	Change in no. of shares	Total no. of shares
1990	Company formed	50,000	50,000	500	500
1996	Bonus issue	150,000	200,000	1,500	2,000
1998	Bonus issue	300,000	500,000	3,000	5,000
2003	New share issue directed to a number of private investors	179,400	679,400	1,794	6,794
2004	Split 100:1	-	679,400	672,606	679,400
2005	New share issue directed to a number of private investors	70,600	750,000	70,600	750,000
2006	New issue directed to Yield AB	40,000	790,000	40,000	790,000
2006	Split 50:1	-	790,000	38,710,000	39,500,000
2006	New share issue directed to the shareholders of Yield AB and the general market in connection with the listing on Aktietorget, with preferential rights for the shareholders of Yield AB	246,914	1,036,914	12,345,679	51,845,679
2006	New share issue directed to a number of private investors in connection with the list exchange from Aktietorget to First North	60,000	1,096,914	3,000,000	54,845,679
2007	Non-cash issue directed to the sellers of the EWJ Group	126,718	1,223,631	6,335,892	61,181,571
2007	New share issue directed to a number of private investors	60,000	1,283,631	3,000,000	64,181,571
2008	New share issue directed to the sellers of SysTech International, LLC and TriLen, LLC	400,000	1,683,631	20,000,000	84,181,571
2008	New share issue directed to institutional and professional investors	422,500	2,106,131	21,125,000	105,306,571
2008	New share issue with preferential rights for the existing shareholders in Opus	1,755,110	3,861,241	87,755,475	193,062,046
2012	New share issue with preferential rights for the existing shareholders in Opus	772,248	4,633,489	38,612,409	231,674,455
2013	Redemption of subscription options	35,921	4,669,410	1,796,053	233,470,508
2013	New share issue with preferential rights for the existing shareholders in Opus	359,185	5,028,595	17,959,269	251,429,777
2014	Redemption of subscription options	34,672	5,063,267	1,733,642	253,163,419
2015	New share issue with preferential rights for the existing shareholders in Opus	562,585	5,625,854	28,129,268	281,292,687
2015	Issue of shares for non-cash consideration to sellers of Drew Technologies Inc.	109,414	5,735,269	5,470,744	286,763,431
2015	Redemption of subscription options	38,971	5,774,239	1,948,528	288,711,959
2017	Redemption of subscription options	32,126	5,806,365	1,606,287	290,318,246

SPECIFICATION OF SHAREHOLDING PER DECEMBER 31, 2018

No. of shares	No. of share-holders	as % of all shareholders	No. of shares owned together	as % of all shares
Under 501	3,440	36.58%	570,792	0.20%
501-1,000	1,206	12.82%	1,020,952	0.35%
1,001-2,000	1,239	13.17%	1,936,103	0.67%
2,001-5,000	1,354	14.40%	4,736,413	1.63%
5,001-10,000	832	8.85%	6,371,383	2.19%
10,001-20,000	604	6.42%	8,858,862	3.05%
20,001-50,000	392	4.17%	12,526,323	4.31%
50,001-100,000	172	1.83%	12,382,874	4.27%
100,001-500,000	121	1.29%	23,768,343	8.19%
500,001-1,000,000	23	0.24%	15,474,236	5.33%
1,000,001-5,000,000	14	0.15%	25,475,392	8.77%
5,000,001-10,000,000	2	0.02%	13,462,742	4.64%
Over 10,000,000	6	0.06%	163,733,831	56.40%
Total	9,405	100.00%	290,318,246	100.00%

Based on data from Euroclear.

Five-year overview

Consolidated income statement, SEK thousands	2018	2017	2016	2015	2014
Net sales	2,497,327	1,857,511	1,697,150	1,650,155	1,463,266
Total income	2,512,724	1,859,839	1,698,625	1,651,746	1,466,466
Operating expenses	-2,009,107	-1,551,733	-1,366,607	-1,377,105	-1,220,194
EBITDA	503,617	308,106	332,018	274,641	246,272
Depreciation of tangible assets	-145,951	-120,135	-107,270	-92,467	-57,564
EBITA	357,666	187,971	224,748	182,174	188,708
Amortization of intangible assets	-151,999	-81,159	-75,595	-73,201	-40,150
Earnings before interest and tax (EBIT)	205,667	106,812	149,153	108,973	148,558
Net financial income/expense	-155,170	-104,035	-3,930	-28,517	36,628
Profit/loss after financial items	50,497	2,777	145,223	80,456	185,186
Income taxes	-56,708	70,995	-59,846	-14,023	-43,037
Profit/loss for the year	-6,211	73,772	85,377	66,433	142,149
Consolidated statement of financial position, SEK thousands	2018	2017	2016	2015	2014
<i>Assets</i>					
Intangible assets	2,019,876	1,456,242	1,320,616	1,250,183	911,904
Tangible assets	990,000	831,065	814,945	739,118	687,915
Financial assets	59,307	25,114	22,790	13,524	7,809
Deferred tax assets	27,031	32,296	31,521	29,378	35,341
Total fixed assets	3,096,214	2,344,717	2,189,872	2,032,203	1,642,969
Inventory	133,331	132,571	85,258	81,016	108,196
Current receivables	253,805	210,800	224,145	261,975	193,756
Liquid assets	384,155	642,801	507,300	256,214	382,299
Total current assets	771,291	986,172	816,703	599,205	684,251
Total assets	3,867,505	3,330,889	3,006,575	2,631,408	2,327,220
<i>Equity and liabilities</i>					
Equity	987,073	946,689	1,041,745	890,657	638,628
Interest-bearing liabilities	1,980,501	1,608,439	1,192,068	960,274	1,063,921
Non-interest bearing debt and provisions	899,931	775,761	772,762	780,477	624,671
Total equity and liabilities	3,867,505	3,330,889	3,006,575	2,631,408	2,327,220
Consolidated statement of cash flows, SEK thousands	2018	2017	2016	2015	2014
Cash flow from operating activities	323,047	185,736	204,204	201,181	158,478
Cash flow from investment activities	-835,948	-412,950	-173,868	-326,453	-697,436
Cash flow from financing activities	254,325	391,597	203,517	-8,224	450,626
Cash flow for the year	-258,576	164,383	233,853	-133,496	-88,332
Liquid assets at start of year	642,801	507,300	256,214	382,299	452,923
Translation difference	-70	-28,882	17,233	7,411	17,708
Cash flow for the year	-258,576	164,383	233,853	-133,496	-88,332
Liquid assets at year-end	384,155	642,801	507,300	256,214	382,299

KEY RATIOS ¹⁾	2018	2017	2016	2015	2014
<i>Return on capital</i>					
Return on total assets, percent	9.6	6.0	8.0	7.1	9.7
Return on equity, percent *	2.6	8.5	9.3	8.0	26.3
Return on capital employed, percent	13.1	8.8	11.5	9.9	13.8
<i>Profitability</i>					
EBITDA margin, percent	20.0	16.6	19.5	16.6	16.8
EBITA margin, percent	14.2	10.1	13.2	11.0	12.9
EBIT margin, percent	8.2	5.7	8.8	6.6	10.1
Profit margin, percent	2.0	0.1	8.5	4.9	12.6
<i>Labor and capital intensity</i>					
Revenue growth, percent	34.4	9.4	2.8	12.8	39.6
Turnover per employee, SEK thousands	1,014	984	1,019	1,014	807
Value added per employee, SEK thousands	681	657	687	665	518
EBITDA per employee, SEK thousands	204	163	199	169	136
Capital turnover rate, times	1.0	1.0	1.0	1.1	1.7
<i>Financial indicators</i>					
Interest-bearing liabilities, SEK thousands	1,980,501	1,608,439	1,192,068	960,274	1,062,921
Net debt, SEK thousands	1,596,348	965,638	684,768	704,060	681,622
Net debt/EBITDA, times	3.1	3.0	2.1	2.4	2.5
Interest coverage ratio, times	5.7	4.9	5.8	10.2	7.5
Equity ratio, percent	25.5	28.4	34.6	33.8	27.4
Acid test ratio, percent	110.5	84.3	115.9	71.6	97.2
Average number of employees	2,464	1,887	1,666	1,627	1,813
Average number of employees at year-end	2,569	1,929	1,691	1,605	1,754
<i>Data per share</i>					
Number of shares at year-end before dilution	290,318,246	290,318,246	288,711,959	288,711,959	253,163,419
Number of shares at year-end after dilution ³⁾	295,818,246	295,818,246	300,090,716	294,590,716	260,765,089
Average number of outstanding shares, before dilution ²⁾	290,318,246	289,988,187	288,711,959	280,403,116	259,136,339
Average number of outstanding shares, after dilution ³⁾	295,818,246	295,488,187	300,090,716	286,281,873	266,738,009
Equity per share, before dilution, SEK *	3.45	3.24	3.56	3.08	2.52
Equity per share, after dilution, SEK *	3.38	3.18	3.43	3.02	2.45
Profit per share, before dilution, SEK *	0.09	0.28	0.30	0.24	0.55
Profit per share, after dilution, SEK *	0.09	0.27	0.29	0.23	0.53
Dividend per share, before dilution, SEK ⁴⁾	0.05	0.05	0.12	0.10	0.09
Dividend per share, after dilution, SEK ⁴⁾	0.05	0.05	0.12	0.10	0.09
Cash flow from operating activities per share, before dilution, SEK	1.11	0.64	0.71	0.72	0.61
Cash flow from operating activities per share, after dilution, SEK	1.09	0.63	0.68	0.70	0.59
* excluding minority interests					

1) See page 90 for applicable definitions.

2) Average number of shares has been restated for 2014-2015 with regard to the bonus issue element in rights issues.

3) If the discounted exercise price for outstanding subscription options is less than the average price for the Opus share, the options give rise to a dilution effect. The dilution effect with reference made to the option program is calculated according to the dilution that applied at the end of each period.

4) 2018 refers to proposed dividend.

Quarterly overview

Consolidated income statement, by quarter								
SEK thousands	2018				2017			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	656,548	634,363	651,234	555,182	496,016	457,671	475,157	428,667
Total income	671,213	634,356	651,547	555,608	496,973	458,324	475,563	428,979
Operating expenses	-539,298	-505,336	-509,058	-455,415	-434,611	-374,813	-385,201	-357,108
EBITDA	131,915	129,020	142,489	100,193	62,362	83,511	90,362	71,871
Depreciation of tangible assets	-42,351	-38,318	-34,557	-30,725	-30,825	-28,776	-30,435	-30,100
EBITA	89,564	90,702	107,932	69,468	31,537	54,735	59,927	41,771
Amortization of intangible assets	-41,544	-42,824	-47,907	-19,724	-21,452	-20,488	-19,062	-20,157
Earnings before interest and tax (EBIT)	48,020	47,878	60,025	49,744	10,086	34,247	40,865	21,614
Net financial income/expense	-5,740	-45,250	-78,653	-25,527	-34,693	-30,669	-22,931	-15,742
Profit/loss after financial items	42,280	2,628	-18,628	24,217	-24,607	3,578	17,934	5,872
Income taxes	-8,217	-26,231	-8,345	-13,915	49,089	9,159	10,366	2,381
Profit/loss for the year	34,063	-23,603	-26,973	10,302	24,482	12,737	28,300	8,253

Consolidated statement of financial position, by quarter								
SEK thousands	2018				2017			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Assets								
Intangible assets	2,019,876	2,033,345	2,106,949	1,919,092	1,456,242	1,447,205	1,429,019	1,317,756
Tangible assets	990,000	973,211	984,191	872,380	831,065	800,327	801,118	813,348
Financial assets	59,307	57,209	51,532	37,406	25,114	29,655	25,100	20,761
Deferred tax assets	27,031	39,159	57,799	33,778	32,296	31,538	30,929	26,863
Total fixed assets	3,096,214	3,102,924	3,200,471	2,862,656	2,344,717	2,308,725	2,286,166	2,178,728
Current assets								
Inventory	133,331	144,903	138,705	135,993	132,571	141,512	131,172	111,896
Current receivables	253,805	253,097	251,937	246,593	210,800	214,454	213,820	213,350
Liquid assets	384,155	328,087	342,020	443,789	642,801	454,959	518,791	468,878
Total current assets	771,291	726,087	732,662	826,375	986,172	810,925	863,783	794,124
Total assets	3,867,505	3,829,011	3,933,133	3,689,031	3,330,889	3,119,650	3,149,949	2,972,852
Equity and liabilities								
Equity	987,073	970,866	1,029,660	985,440	946,689	888,788	936,342	1,020,002
Interest-bearing liabilities	1,980,501	1,963,080	1,974,536	1,911,310	1,608,439	1,393,832	1,402,733	1,192,123
Non-interest bearing debt and provisions	899,931	895,065	928,937	792,281	775,761	837,030	810,874	760,727
Total equity and liabilities	3,867,505	3,829,011	3,933,133	3,689,031	3,330,889	3,119,650	3,149,949	2,972,852

Consolidated statement of cash flows, by quarter								
SEK thousands	2018				2017			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities	117,145	55,361	111,294	39,247	34,825	67,955	31,868	51,088
Cash flow from investment activities	-64,074	-64,864	-196,214	-510,796	-56,687	-112,658	-156,835	-86,770
Cash flow from financing activities	0	-160	-19,426	273,911	207,415	-827	184,775	234
Cash flow for the period	53,071	-9,663	-104,346	-197,638	185,553	-45,530	59,808	-35,448
Liquid assets at start of period	328,087	342,020	443,789	642,801	454,959	518,791	468,878	507,300
Translation difference	2,997	-4,270	2,577	-1,374	2,289	-18,302	-9,895	-2,974
Cash flow for the period	53,071	-9,663	-104,346	-197,638	185,553	-45,530	59,808	-35,448
Liquid assets at end of period	384,155	328,087	342,020	443,789	642,801	454,959	518,791	468,878

Group Management



Lothar Geilen

CEO

Born in 1961.

Employed since 2008.

Background: President Systech International, LLC, President Sensors, Inc. (USA), Managing Director Sensors Europe (Germany).

Other assignments: Vice President & Treasurer and member of CITA Bureau Permanent, board member of BDEX LLC.

Education: Dipl.-Kfm. at Ludwig-Maximilian University in Munich, Germany.

Shares in Opus Group: 19,628,132.

Share options in Opus Group: 0.



Linus Brandt

Executive Vice President and CFO

Born in 1966.

Employed since 2016.

Background: Executive VP & CFO Mediatec Broadcast Group, CFO Stena Adactum, Partner Arthur Andersen/Deloitte.

Other assignments: Board member of Transtema Group AB (publ).

Education: B.Sc. (Hons) in International Business Administration and Economics from Gothenburg School of Economics.

Shares in Opus Group: 50,000.

Share options in Opus Group: 800 000.



Magnus Greko

Vice President Strategic Business Development

Born in 1963.

Employed since 1990.

Background: CEO and President Opus Group AB 2006–2017. Co-founder of Opus Group AB, 1990.

Other assignments: Board member of AB Kommandoran, AB Krösamaja, AB Griseknoen, Dalfrid Invest AB.

Education: Engineering education from Polhemsgymnasiet in Gothenburg.

Shares in Opus Group: 21,236,807 (privately and through companies).

Share options in Opus Group: 0.



Tom Fournier

CTO

Born in 1950.

Employed since 2012.

Background: President and founder of Applus Technologies, Inc. (formerly Keating Technologies, Inc.), Vice President Engineering Envirotec Corp., President Emitest Corp., President Sensors, Inc.

Other assignments: None.

Education: Masters of Philosophy from Arizona State University, Bachelors of Business Administration from Cleary University, studied electrical engineering at the University of Michigan.

Shares in Opus Group: 98,880.

Share options in Opus Group: 547,558.



Helene Carlson

Director of Corporate Communications & Investor Relations

Born in 1978.

Employed since 2017.

Background: Global Head of Marketing & Communications Xvivo Perfusion, Corporate Communications Director Mölnlycke, Global Marketing & Communications Director Mölnlycke.

Other assignments: None.

Education: M.A. in Strategic Marketing Communication & Media Studies from University of Gothenburg, Sweden, and Leeds Metropolitan University, U.K. B.A. in English, Rhetoric from Sussex University, U.K. and University of Gothenburg, Sweden.

Shares in Opus Group: 1,500.

Share options in Opus Group: 250 000.



Olle Lindkvist

Global Director of Human Resources

Born in 1974.

Employed since 2019.

Background: HR Manager Swedavia, Leadership and Change Consultant Lorensbergs, Head of HR Nilson Group.

Other assignments: None.

Education: B.A. in Strategic Human Resource Management and Labor Relations, University of Gothenburg.

Shares in Opus Group: 0.

Share options in Opus Group: 0.



Sandra Y McCulloch

President, Vehicle Inspection U.S. & Asia

Born in 1960.

Employed since 2017.

Background: Executive Director / Managing Director / Business Line Executive Powertrain Products Delphi Corp., Managing Director Delphi Thermal South America, Executive Director Sales Marketing and Business Planning Delphi South America, Director of Operations Delphi Thermal.

Other assignments: None.

Education: M.Sc. in Management from the Graduate School of Business at Stanford University; B.Sc. Hons. in Metallurgical Engineering from Queen's University in Ontario, Canada.

Shares in Opus Group: 0.

Share options in Opus Group: 500,000.



Alfredo R Granai

President, Vehicle Inspection Latin America

Born in 1958.

Employed since 2017.

Background: President Dupuy Synthes at Johnson & Johnson Latin America, President Synthes Latin America. Various managerial roles at F. Hoffman-La Roche, Fine Chemical Division, in Switzerland and various countries in Latin America.

Other assignments: None.

Education: Chemical Engineer from Rafael Landívar University, Guatemala City, MBA from Universidad Francisco Marroquín, Guatemala City.

Shares in Opus Group: 0.

Share options in Opus Group: 468 776.



Per Rosén

President, Vehicle Inspection Europe

Born in 1966.

Employed since 2013.

Background: CEO and other senior managerial positions at Upplands Motor Group and Marketing Manager at Bilia.

Other assignments: Board member of Helmia Bil AB, Helmia AB and Helmia Lastbilar AB.

Education: Business education from IHM Business School and IFL School of Economics.

Shares in Opus Group: 592,181.

Share options in Opus Group: 679,950.



Brian Herron

President, Opus IVS

Born in 1980.

Employed since 2015.

Background: President Drew Technologies.

Other assignments: None.

Education: B. Sc. in Management Information Systems from University of Missouri.

Shares in Opus Group: 911,699.

Share options in Opus Group: 467 687.

Jan Malm, authorized public accountant

Born in 1960. Authorized Public Accountant at KPMG AB and member of FAR (Professional Association of Accountants and Advisers in Sweden). Auditor of Opus Group AB since 2014.

Other clients: Including Concordia Maritime, Flexlink, Kjell & Co, Lindex, Media-Markt, Rottneros and Xvivo Perfusion.

Other information about the Board and Group management

All members of the Board and Group Management can be contacted through the company's address: Opus Group AB (publ), Basargatan 10, 411 10 Gothenburg, Sweden.

Note: Shareholdings and options as per December 31, 2018. Information on shareholding includes those of related parties and those owned through companies.

Board



Katarina Bonde

Chairman of the Board

Born in 1958.

Chairman of the Board since 2016.

Chairman of the HR-committee.

Background: CEO UniSite Software, Inc. 2000–2004, CEO Captura International 1997–2000, Managing Director Marketing Dun & Bradstreet Software, Inc. 1996–1996, VP Sales and Marketing Timeline Software, Inc. 1994–1995, CEO of Programator Industri AB 1989–1992.

Other board assignments: Founder and Managing Director of the management consultancy company Kubi, LLC. Chairman of the board in Propellerhead AB and in Imint Intelligence AB. Board member in Micro Systemations AB (publ), Mycronic AB (publ) and Stillfront Group AB.

Education: Master of Science in Technology at KTH Royal Institute of Technology, studies in Business and Economics at the University of Stockholm.

Shares in Opus Group: 40,000.

Stock options in Opus Group: 0.

Independent of the Company, its management and major shareholders.



Anne-Lie Lind

Born in 1971.

Board member since 2016.

Member of the Audit Committee.

Background: Vice President Camfil Power Systems Europe & Middle East 2016-, CEO AkkaFRAKT 2015–2016, Business Unit Director SKF Logistics Services 2011–2015, Business Unit Manager Engineering SKF Sverige AB 2010–2011, Sales Manager ID Sales Nordic SKF Sverige AB 2006–2010, Production Manager SKF Sverige AB 2004–2006, Production Manager Tetra Pak Stålvall AB 2002–2004.

Other board assignments: Board member in Bulten AB (publ).

Education: Master of Science in Mechanical Engineering from Chalmers University of Technology, Executive MBA from University of Gothenburg.

Shares in Opus Group: 65,000.

Stock options in Opus Group: 0.

Independent of the company, its management and major shareholders.



Friedrich Hecker

Born in 1962.

Board member since 2016.

Member of the HR-committee.

Background: CEO and Managing Director ROSEN Swiss AG 2012–2015, CEO TÜV Rheinland AG 2010–2011, COO TÜV Rheinland AG 2009–2010, member of the executive board TÜV Rheinland AG 2009–2011, Executive Vice President Industrial Services and board member SGS SA 2003–2009, COO and board member SGS SA 2002–2003, Managing Director TÜV SÜD Bau und Betrieb GmbH 2001–2002.

Other board assignments: Senior Advisor to COBEPA SA, member of the board in Underwriters Laboratory (UL), Inc., Vice President of OIER (Organization For International Economic Relations).

Education: Dipl.-Kfm. at Ludwig-Maximilian University, Munich, Germany.

Shares in Opus Group: 0.

Stock options in Opus Group: 0.

Independent of the company, its management and major shareholders.



Ödgård Andersson

Born in 1972.

Board member since 2017.

Member of the Audit Committee.

Background: Vice President Software and Electronics Volvo Car Group 2016-, VP Product Development Unit Packet Core Ericsson 2011–2016. Prior to that several different management and director positions within Ericsson Radio & Fiber Network R&D 2000–2011, Designer Ericsson Radio Base Stations 1997–2000.

Other board assignments: Member of the Swedish Royal Academy of Engineering Sciences (IVA).

Education: Master of Science in Engineering from Chalmers University of Technology.

Shares in Opus Group: 0.

Stock options in Opus Group: 0.

Independent of the Company, its management and major shareholders.



Håkan Erixon

Born in 1961.

Board member since 2018.

Chairman of the Audit Committee.

Background: Since 2011, active as board member and advisor to a number of companies and institutions, among other positions Chairman Orio AB (former Saab Automobile Parts) 2012–2017, board member Norrporten AB 2015–2016 and member of Nasdaq OMX Stockholm AB Listing Committee 2010–2016. Senior Advisor, Corporate Finance, Swedish Government Offices 2007–2010. 1989–2007, management positions at several international banks, including 15 years at UBS and Merrill Lynch.

Other board assignments: Chairman of Capacent Holding AB (publ) and Hemnet Group AB. Board member of Vattenfall AB (publ) and Alfvén & Didrikson Invest AB.

Education: B.Sc. (Hons) in International Business Administration and Economics from Gothenburg School of Economics.

Shares in Opus Group: 40,000.

Share options in Opus Group: 0.

Independent of the Company, its management and major shareholders.



Jimmy Tillotson

Born in 1979.

Board member since 2018.

Background: Partner, RWC European Focus Fund (EFF) 2012-. Director Hermes European Focus Fund 2006–2012, Investment Manager JM Finn & Co 2002–2006.

Other board assignments: None.

Education: Masters (Hons) in Economics from University of Edinburgh, United Kingdom.

Shares in Opus Group: 0.

Share options in Opus Group: 0.

Independent of the company and its management, but dependent on the company's major shareholders.



Magnus Greko

Born in 1963.

Board member since 2017.

Background: VP Strategic Business Development Opus Group AB 2017-, CEO and President Opus Group AB 2006–2017. Co-founder of Opus Group AB, 1990.

Other board assignments: Board member of AB Kommandoran, AB Krösamaja, AB Griseknoen, Dalfrid Invest AB.

Education: Graduate in engineering from Polhemsgymnasiet in Gothenburg.

Shares in Opus Group: 21,236,807 (privately and through companies).

Share options in Opus Group: 0.

Not independent of the Company, its management and major shareholders.

Comments: The number of shares and options are based on holdings as of December 31, 2018 and include holdings by related and legal entities.

Information for the capital market

All external and internal communication shall be correct and appropriate. Current information shall be available for all stakeholders simultaneously and at the time promised.

Communication in the form of reporting to various government authorities, financial reporting and information to employees shall follow external regulations and requirements, the Group's internal control documents and IR and communication policies.

Information channels

Publications, financial information, press releases and information about Opus' organization and offering are available on the Opus website, www.opus.global.

Shareholders

The information channels available to shareholders are interim reports, press releases, the annual report and the Opus website. Shareholders also have the opportunity to participate in Opus' Annual General Meeting. Questions can be submitted directly to ir@opus.se. It is also possible to order annual reports in printed form from the Group's headquarters via the e-mail address above.

Stock market

Opus' goal is to always be available for questions from the stock market. Questions are answered primarily by the Group's spokespersons, namely the CEO, CFO and Director of Corporate Communications & Investor Relations. Furthermore, there is extensive information on the Group's operations and financial results on the Opus website, www.opus.global.

Annual General Meeting 2019

The Annual General Meeting will be held Thursday, May 16, 2019 at 6:00 pm at Elite Park Avenue Hotel, Kungssportsavenyn 36-38, 400 15 Gothenburg, Sweden. Registration for the Annual General Meeting will take place from 5pm. Shareholders who wish to attend the Meeting must be listed in the share register administrated by Euroclear Sweden AB on Friday, May 10, 2019, and, not later than that same date, must notify the company of their participation via link at www.opus.global, by telephone to +46 771 246 400, or by letter under the address: Computershare AB "Opus annual meeting", Box 610, 182 16 Danderyd, Sweden.

The notification must include name (company name), personal identity number (company registration number), address, phone number, name of any accompanying assistants (maximum two), and the name and personal identity number of the proxy (if relevant). To be entitled to participate in the Meeting, shareholders who have nominee registered their shares must temporarily register the shares in the own name in the share register administrated by Euroclear Sweden AB. Such registration must be completed by Friday, May 10, 2019, and should therefore be requested from the nominee in good time before this date.

IR policy

The goal of Opus' IR activities is to help give all stakeholders an accurate picture of the Group's business and financial results through communication activities. In order for contacts with the market to be considered credible, there must be a well-functioning internal reporting system that provides fast and accurate reporting of all of Opus' operations. All external financial information about Opus is handled centrally. Any comments regarding financial reports are made by the

CEO, the CFO and the Director of Corporate Communications & Investor Relations. One of these individuals is always available. Confidence in the Opus share is based on compliance with Nasdaq Stockholm's rules for listed companies and on Opus' ability and willingness to provide clear and relevant information.

IR activities

In 2018, Opus has held individual analyst meetings with Kepler Cheuvreux, ABG Sundal Collier, Erik Penser Bank and Redeye. The company has also met international institutional investors at conferences and individual meetings. Opus has also participated in the Redeye Autotech seminar. After each interim report, the company arranges telephone conferences and web conferences with institutional investors and equity research analysts. In addition, the company has participated in stock market days; seminars; breakfast, lunch or dinner meetings; and stock investor meetings.



IR contact

Helene Carlson
Director of Corporate Communications &
Investor Relations
Opus Group AB
+46 31 748 34 93
helene.carlson@opus.se

Analysts following Opus

Kepler Cheuvreux

Mats Liss
+46 8 723 51 18
mliss@keplercheuvreux.com

ABG Sundal Collier

Stefan Knutsson
+46 8 566 286 37
Stefan.knutsson@abgsc.se

Redeye

Henrik Alveskog
+46 8 545 013 45
henrik.alveskog@redeye.se

Financial information and reporting 2019

2019-05-14
Interim Report January-March 2019

2019-05-16
Annual General Meeting 2019

2019-08-16
Interim Report April-June 2019

2019-11-14
Interim Report July-September 2019

Directors' report

The Board and CEO hereby submit the annual report and consolidated financial statements for Opus Group AB (publ) 556390-6063, based in Gothenburg, Sweden, for the financial year January 1, 2018 to December 31, 2018.

Business

The Opus Group comprises the two divisions Vehicle Inspection and Intelligent Vehicle Support.

In the Vehicle Inspection division Opus operates vehicle inspection programs for safety and emission testing and provides associated products and services. The division provides turnkey systems, services and equipment for government agencies, with advanced technology that increases the quality and efficiency of inspections and helps drive compliance with safety and emission standards. The Vehicle Inspection division is divided into three segments: Vehicle Inspection U.S. & Asia, Vehicle Inspection Europe and Vehicle Inspection Latin America.

The Intelligent Vehicle Support division helps automotive service technicians meet the challenges of ever-increasing vehicle complexity through a range of advanced diagnostic, programming and remote assistance services. The division provides advanced diagnostic and programming tools that help technicians at independent workshops to compete on a level footing with manufacturer-owned dealerships.

Reporting to Group management, the Board of Directors and to the stock market and other external stakeholders is done in accordance with this structure.

At year-end, the Group had 2,569 employees. Opus Group AB's shares are listed on Nasdaq Stockholm.

Ownership

The number of shareholders at year-end was 9,405. The largest shareholders at the end of the financial year were RWC Asset Management with 19.9 percent, followed by Magnus Greko and Jörgen Hentschel privately and through companies with 14.6 percent, Lothar Geilen (CEO) with 6.8 percent and Andra AP-fonden with 6.4 percent of the votes.

Earnings trend during the year

Group

Net sales for the Group increased by 34.4 percent compared to the previous year and amounted to SEK 2,497 million (1,858). Compared with 2017, net sales for 2018 were positively affected by the acquisition of the three vehicle inspection concessions in Córdoba, Argentina which were completed in March 2017, the acquisition of Autologic which was completed in June 2017, the acquisition of Gordon-Darby which was completed in January 2018 and changes in currency exchange rates.

Adjusted for sales from acquired businesses and currency, net sales in the Group increased by 9.5 percent.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to SEK 504 million (308), which corresponds to an EBITDA margin of 20.0 percent (16.6). The improvement in the EBITDA margin is driven primarily by acquisitions and higher EaaS volumes.

Total depreciation/amortization amounted to SEK -298 million (-201), of which depreciation of tangible assets amounted to SEK -146 million (-120) and amortization of intangible assets amounted to SEK -152 million (-81). The increase in amortization of intangible assets is primarily due to the acquisitions of Gordon-Darby and VTV.

The Group's net financial items amounted to SEK -155 million (-104), whereof net interest amounted to SEK -71 million (-57). Unrealized foreign exchange differences amounted to SEK -66 million (-39) and include accumulated foreign exchange differences of SEK 38 million which were reversed from equity due to repayment of an intra-group loan for which foreign exchange differences were previously reported directly in equity. The Argentine peso (ARS) has weakened significantly against the USD over the year, and the Argentinian subsidiaries that have loans in USD from the parent company have reported significant unrealized exchange rate losses on the intra-group loans. Other financial items amounted to SEK -18 million (-8) and include the premium of SEK -6 million paid by the group in connection with the early repayment of the "November 2018 bonds" in May 2018.

The reported income tax includes a tax effect of SEK -13 million relating to exchange rate gains not recognized as income but reported directly against equity. During the year, an adjustment of deferred tax receivables has affected reported income tax by SEK -15 million.

Profit/loss for the year was SEK -6 million (74). Earnings per share after dilution (excluding minority interests) amounted to SEK 0.09 (0.27). For 2018, the Board has proposed that a dividend of SEK 0.05 (0.05) be paid out per share.

Vehicle Inspection division

Net sales for the Vehicle Inspection division amounted to SEK 2,208 million (1,693), which is equivalent to a 30 percent increase compared with 2017. Net sales have been affected positively by the acquisitions of Gordon-Darby and VTV. Adjusted for sales from acquired businesses and adjusted for currency, net sales for the division increased by 8 percent, mainly attributable to the increased sales within EaaS. EBITDA for the division amounted to SEK 472 million (298), which corresponds to an EBITDA margin of 21 percent (18). The higher EBITDA margin is primarily attributable to acquisitions and higher EaaS volumes.

The Vehicle Inspection U.S. & Asia segment's net sales increased by 43 percent and amounted to SEK 1,496 million (1,048). Adjusted for the acquisition of Gordon-Darby and currency, net sales for the segment

Results and financial position	Group					Parent company				
SEK thousands	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
Net sales	2,497,327	1,857,511	1,697,150	1,650,155	1,463,266	16,119	17,429	13,260	13,554	9,825
EBITDA	503,617	308,106	332,018	274,641	246,272	-23,119	-16,082	-19,382	-20,547	-5,037
Profit/loss after financial items	50,497	2,777	145,223	80,456	185,186	175,006	-33,200	133,027	40,099	75,984
Profit/loss for the year	-6,211	73,772	85,377	66,433	142,149	111,054	81,091	105,103	30,391	71,643
Total assets	3,867,505	3,330,889	3,006,575	2,631,408	2,327,220	2,726,763	2,521,080	2,363,140	1,942,374	1,804,946
Equity ratio	25.5%	28.4%	34.6%	33.8%	27.4%	35.8%	33.8%	36.5%	38.5%	29.9%
Average number of employees	2,464	1,887	1,666	1,627	1,813	6	6	6	6	5

increased by 10 percent, primarily attributable to increased sales within EaaS.

In the Vehicle Inspection Europe segment, inspection intervals in Sweden were affected by a regulatory change in 2018 which had a negative impact on the total inspection volume. Net sales amounted to SEK 626 million and were unchanged compared with the previous year. EBITDA for the segment was SEK 81 million (91), equivalent to an EBITDA margin of 13 percent (15). At the end of 2018, Opus has been working on adapting its cost structure and inspection capacity in the segment in order to adapt operations to the new market conditions.

The Vehicle Inspection Latin America segment is continuing to grow. Net sales for 2018 amounted to SEK 109 million (40), which is equivalent to a 174 percent increase on 2017. This increase is primarily attributable to the acquisition of VTV and the opening of new stations in Chile. Net sales for the segment increased by 80 percent, adjusted for acquisitions and currency. EBITDA amounted to SEK -9 million (-29) and improved even though it remained negative, which is partly due to costs for the opening of new stations and other non-recurring items.

Intelligent Vehicle Support division

Net sales for the Intelligent Vehicle Support division (IVS) amounted to SEK 308 million (172). The increase in net sales was 79 percent, and, adjusted for the acquisition of Autologic and currency, sales for the division increased by 29 percent, driven by the turnaround of Autologic but also due to the expansion of RAP service. EBITDA amounted to SEK 47 million (25), which corresponds to an EBITDA margin of 15 percent (15).

Cash flows, investments and financial position

Cash flow from operating activities amounted to SEK 323 million (186), for the year, including a change in working capital of SEK -10 million (-32).

Cash flow for investment activities for 2018 amounted to SEK -836 million (-413). Cash flow related to acquisitions amounted to SEK -544 million (-160). Investments in tangible assets amounted to SEK -224 million (-209) and was primarily made up of machinery, equipment and other technical facilities in the company's EaaS business, as well as investments in new inspection stations in Argentina and Chile. Investments in intangible assets amounted to SEK -15 million (-18). Free cash flow for the Group amounted to SEK 84 million (-41). Earnout paid during the year amounted to SEK -21 million (-22). Cash flow from financing activities amounted to SEK 254 million (392) in 2018 and primarily comprised the new bank loan of USD 35 million raised in connection with the acquisition of Gordon-Darby, SEK -5 million net in connection with the refinancing of the "November 2018 bonds" and dividends paid to the parent company shareholders of SEK -15 million.

The Group's interest-bearing liabilities at year-end amounted to SEK 1,981 million (1,608). The change is primarily due to the bank loan of USD 35 million (SEK 274 million) raised in connection with the acquisition of Gordon-Darby and the appreciation of the USD in relation to the SEK. In the second quarter of 2018, Opus issued a senior unsecured bond loan of SEK 500 million with a tenor of four years on the Nordic market. In connection with this, Opus redeemed all outstanding bonds on the SEK 500 million bond loan due to expire in November 2018. The Group's net debt amounted to SEK 1,596 million (966) at the end of the year, corresponding to 3.1 times the Group's EBITDA on a last 12-months basis, adjusted for proforma accounts from acquired businesses.

Cash and cash equivalents at the end of the year amounted to SEK

384 million (compared with SEK 643 million at the beginning of the year), whereof SEK 43 million is only available to the Group for special purposes attributable to a contractual investment fund for one of the states in the United States. Consequently, available cash and cash equivalents at the end of the year amounted to SEK 341 million.

The equity ratio at the end of the year amounted to 25.5 percent, compared with 28.4 percent at the start of the year.

Parent company

Opus Group AB (publ) is tasked with providing its subsidiaries with Group management and Group-wide functions in areas such as business development, acquisitions, financing, legal services, communication, governance, analysis and ownership. During 2018, the parent company invoiced its subsidiaries compensation for services performed for the amount of SEK 16 million (17).

The parent company had an average of 6 (6) employees. Net turnover for the full year amounted to SEK 16 million (17). Profit/loss for the year amounted to SEK 111 million (81) and includes net foreign exchange differences of SEK 102 million (-149). Investments in tangible and intangible assets amounted to SEK 1 million (2). Liquid assets at the end of the year amounted to SEK 145 million (439).

In 2018, the parent company provided group contributions of SEK 1 million (0) and no group contributions have been received for the year (35).

Significant events during the year

For more information, see the press releases at www.opus.global

Quarter 1

- Opus formed a new division (Intelligent Vehicle Support) and a new operational organization.
- Opus acquired the American vehicle inspection company Gordon-Darby.
- Opus reached a settlement in a legal dispute in the US.

Quarter 2

- Opus refinanced its "November 2018 bond".
- Opus acquired the two Argentinian vehicle inspection companies VTV Metropolitana and VTV Norte.

Quarter 3

- There were no significant events during the quarter.

Quarter 4

- There were no significant events during the quarter.

Employees

Opus aims to recruit, develop and retain skilled and committed employees. Annual performance reviews are an important part of this work. The Group has an equality policy in place, and all employees receive equal pay for equal work. Opus has a zero tolerance approach to all forms of discrimination and makes sure that no one is disadvantaged on account of their gender, sexual orientation, nationality, color, ethnicity, religion, age, pregnancy or membership of any trade union. No employee may be subjected to sexual or any other harassment. To ensure an ethical working environment, all employees must review our Ethical guidelines and Code of Conduct. The average number of employees in 2018 amounted to 2,464 (1,887).

Changes in the Board and Group management

The Board of Directors at Opus consists of Katarina Bonde, Chairman of the Board, Anne-Lie Lind, Friedrich Hecker, Håkan Erixon, Jimmy Tillotson, Ödgård Andersson and Magnus Greko. At the 2018 Annual General Meeting Anders Lönnqvist left the Board and Håkan Erixon and Jimmy Tillotson joined.

The Group Management at Opus consists of Lothar Geilen (CEO), Linus Brandt (Executive VP and CFO), Magnus Greko (VP Strategic Business Development), Tom Fournier (CTO), Helene Carlson (Director of Corporate Communications & Investor Relations), Olle Lindkvist (Global Director of Human Resources), Sandra Y McCulloch (President, U.S. & Asia), Alfredo R Granai (President, Latin America), Per Rosén (President, Europe) and Brian Herron (President, Opus IVS).

Product development and development expenses

Further development of existing products and the development of new technologies and equipment are prioritized by Opus and are an important component for achieving the Group's growth and profitability targets. Opus Inspection's development division in Tucson, Arizona has more than 50 full-time engineers working on R&D, product development and support for existing products and services. In 2014 and 2015, Opus developed a proprietary IT vehicle inspection system for the Swedish market. Development of the IT system continues on a running basis, with new features and adaptations to customize the product for specific customer requirements, improve the cost structure, expand the scope of application, and improve performance.

In 2018, the Intelligent Vehicle Support division developed a versatile Diagnostic platform, known as "Drive", to support today's modern, intelligent vehicle technologies. Drive combines the OEM experience and RAP service from Drew Technologies with the advanced aftermarket diagnostic and technical support from Autologic into a single expandable product line. It is currently being used for the DrivePRO and DriveCRASH products

Investments in capitalized development work during the year amounted to SEK 14 million (2).

Investments in tangible assets

Tangible assets primarily consist of buildings, machinery, equipment and other technical facilities. The need for investment primarily depends on the implementation of new vehicle inspection contracts and on the type of contract. Centralized contracts often require investment in inspection stations and sometimes land, while decentralized contracts primarily require investment in equipment. The company's EaaS business requires investments in equipment rented out to customers. Investments in tangible assets amounted to SEK 224 million (209) for the year.

Legal proceedings

Opus is, besides what is reported below, not involved in any legal or arbitration proceedings that currently have, or recently have had, any material affect on the Group's financial position or profitability. The Board is not aware of any circumstances that might lead to the occurrence of any such legal proceedings or arbitration.

In February 2018, Opus and Pradeep Tripathi entered into a settlement agreement in a lawsuit against Opus Group AB (publ) and Opus Inspection, Inc. (jointly "Opus") that was filed by Pradeep Tripathi and one of his companies, Nexus Environmental LLC, (jointly "Tripathi") in June 2017. In the lawsuit, Tripathi alleged that he had not received the full earnout that he felt he was entitled to under the terms of the acquisition agreement entered into in 2008 when Opus acquired

Systech International. Tripathi further alleged that Opus had engaged in anticompetitive measures that prevented Nexus from competing in the vehicle inspection market in California. Under the terms of the settlement, the parties exchanged releases with respect to all claims (including claims regarding anticompetitive conduct) and agreed upon a payout schedule expressly intended to substitute for the earnout payments which would otherwise become due to Tripathi under the Systech acquisition agreement. The earnout claim was settled for a total of USD 13.0 million, to be paid over a five-year period.

In 2018, a U.S. subsidiary in the Intelligent Vehicle Support Division ("Subsidiary") has been named as a defendant in a lawsuit filed in the State of California, United States. The complaint alleges that plaintiffs' former employees illegally shared plaintiffs' business plans and market research with the Subsidiary and that the Subsidiary has misappropriated plaintiffs' trade secrets. The complaint requests injunctive relief and unspecified damages. Opus has engaged legal counsel to defend the allegations. The information disclosed to date does not change counsel's initial assessment that the allegations in plaintiffs' complaint made against the Subsidiary are without merit.

Environmental work

Opus actively works with environmental issues and the environmental work is based on applicable legislation, local requirements, ISO 14001, company requirements and specific customer requirements. Opus' operations support of the fight against climate change by helping authorities to incorporate climate measures, inspect vehicle emissions and issue driving bans for the most polluting cars. Opus has an environmental policy, and works systematically to reduce the Group's energy consumption and increase the proportion of renewable energy. The Group's environmental work also includes reducing the environmental impact from our transportation and travel, working actively to choose the most environmental-friendly options, and recycling waste. The environment is an important part of Opus' sustainability work, which is reported on page 23, and within Opus there are companies certified in accordance with the environmental standard ISO 14001:2015. Opus does not have operations that require permits or notification.

Opus Bilprovning AB has had a 100% carbon offset since 1 January 2016. Opus Bilprovning has chosen to operate in compliance with the international standard PAS 2060:2014, which sets strict requirements in relation to use of the term carbon-neutral company. The requirements include having a continuous reduction of emissions, having at least 99% of all operations reported, and for the carbon offsetting to be done in verified emission allowances (CO₂e). Opus Bilprovning AB is the only inspection company operating in accordance with PAS 2060:2014. Opus Bilprovning has chosen to offset carbon in the forest projects ArBolivia and Nakau. With both projects, the Company offsets carbon in areas of threatened forest, while taking into account the people who live there.

Quality work

An element in Opus' mission statement is that the Group will provide user-friendly, high-quality products and services. The quality management system at Opus aims to support the development of the company and its employees. It will be characterized by a high level of competence, personal responsibility and a high degree of commitment. Opus has a quality policy, and the overriding goal in Opus' quality work is that each delivery shall be made in line with the contracted terms and conditions and that customers' requirements and expectations will be met. The work of Opus shall always lead to customers, investors and other stakeholders retaining confidence in the Group. The quality work is integrated in a natural way within the company's work processes with the goal of doing things properly from the beginning and to always work toward improvement. Within Opus there are companies that hold accreditation to the quality standards ISO 9001:2015, ISO 17020:2012 and ISO 17025:2017.

Sustainability report

The Group's sustainability report is based on the sustainability areas where Opus has assessed that the Group can generate the most value from a sustainability perspective and where Opus products and services may have the greatest significance.

For more information on the Group's sustainability work and results in 2018, see Opus sustainability report 2018 on pages 23–25. All Group companies are included in the sustainability report.

Opus Bilprovning AB fulfills the requirements for establishing a sustainability report but will, in accordance with ÅRL (Swedish Annual Accounts Act), in its annual report refer to Opus Group AB's sustainability report in this annual report.

Capital management

Capital is defined as total equity, including holdings with non-controlling interest. The Board makes decisions regarding adjustment of capital based on what is deemed to provide maximum long-term returns to shareholders. Opus' financial targets and dividend policy are given consideration when managing the capital structure.

Dividend policy and financial targets for 2018

The Board of Opus has adopted the following dividend policy for the fiscal year 2018:

Opus' dividend policy is to distribute 10-20% of profit at the EBITDA level, provided the company meets the financial target for net indebtedness.

The Group's net liabilities in relation to EBITDA exceed the company's dividend target on account of the significant acquisition-related growth in 2018. Given the positive trend in underlying cash flow, however, the Board proposes a retained dividend of SEK 0.05 (0.05) per share for the 2018 financial year.

Opus Group's financial targets 2018 were:

- Revenue of USD 400 million to be achieved in the fiscal year 2021.
- EBITDA margin of 25 percent to be achieved in the fiscal year 2021.
- Net debt/EBITDA* for the last 12 months not to exceed 3.0. (Comment: Net debt/EBITDA may temporarily be allowed to exceed 3.0 should investment opportunities arise where EBITDA contribution will only materialize in a later period.)

Net debt/EBITDA* over the past 12 months

(January 1, 2018 to December 31, 2018) amounted to 3.1 times.

* EBITDA includes pro forma accounts for acquired businesses.

In 2018, Net debt/EBITDA has been allowed to exceed 3.0 as a result of the investment opportunities taken by the Group for which the EBITDA contribution is expected to materialize in subsequent periods. Hence Opus has achieved its financial Net debt/EBITDA target in 2018.

Proposal for distribution of profits

The following profits are at the disposal of the Annual General Meeting:

	SEK
Share premium reserve	609,012,598
Retained earnings	205,333,686
Profit/loss for the year	111,053,856
Total	925,400,140

The Board has decided to propose to the AGM that a dividend of SEK 0.05 per share be paid out (SEK 0.05).

The Board recommends that the company's distributable funds be appropriated as follows:

	SEK
To be distributed to shareholders (290,318,246 shares at 0.05 each)	14,515,912
To be carried forward	910,884,228
Total	925,400,140

With reference to what is stated in this annual report and consolidated accounts, and whatever else has come to the knowledge of the Board, it is the Board's assessment of the parent company and consolidated financial position that the dividend is justifiable in relation to the requirements that the nature, scope and risks place on the size of the company's and Group's equity, as well as the company's and Group's consolidation requirements, liquidity and overall financial position.

Risks and risk management

Through its activities, Opus is exposed to risks of varying significance and nature that could negatively impact the Company's operations and financial position. Opus attaches great importance to identifying and evaluating risks to which the operations are exposed, and to ensuring that effective measures are in place to limit the impact of risks.

Opus applies a risk management model in which potential risks are identified and evaluated using a five-point scale based on likelihood and impact. Identified risks are assigned to one of three categories – Environment risks, Operational risks and Financial risks.

Opus' Board of Directors determines the Company's business direction and strategic plans, and risks related to such based on proposals from Group management. The Board monitors the company's risk management processes and is continuously informed about new and existing risks and measures to limit them. The Group's segments are responsible for managing risks associated with their strategic plans and operations. A summary of the most relevant risks identified by Opus and a general description of how they are managed are found below.

Environment risks

The category Environment risks refers to risks arising from general global changes affecting Opus operations or from measures that are taken by others and are not under the Company's direct control.

Competitive market

Opus' long-term growth and profit depend on its ability to continue to develop products and services that are competitive in terms of quality and price. If Opus is not able to develop and sell competitive products and services, Opus' earnings and financial position may be adversely affected.

Opus is vulnerable to competition on both the vehicle inspection market and the market for intelligent vehicle support. The primary competitors can be found in companies from Europe and North America. Competitors on the vehicle inspection market are usually so called TIC companies (Testing, Inspection, Certification) with operations within the vehicle inspection sector.

Some of Opus' current competitors may choose to increase their market shares through aggressive pricing strategies. This may lead to Opus choosing to lower its prices to remain competitive and defend its business. If Opus is subjected to increased price competition or loses market shares, this may have an adverse effect on its business activities, earnings and financial position.

Opus uses proprietary technology and services as a means of competition, and strives to secure long-term agreements with good profitability and to foster good customer relations. Opus continuously analyzes the strategy and tactics of its competitors and develops counterstrategies – where required.

New technology

Opus is a technology company with a strong position in OBD-based emission testing and vehicle diagnostics. Although the current trend in vehicle inspection is OBD-based testing of both emissions and safety, there is a risk of new, more efficient technologies being developed that could compete with Opus. Such a development could have an adverse effect on Opus' sales and earnings.

In the longer term, current automotive technology may be replaced by new technology such as electric engines and fuel cells, which minimize exhaust emissions. If the need for testing of exhaust emissions reduces, this could lead to reduced demand for Opus products and services related to emission testing of vehicles.

Opus continuously analyzes changes in technology that could affect Opus' operations, and develops strategies for how the company will respond to such changes and trends in order to turn them into an opportunity.

Political decisions, legislation and regulations

The demand for Opus' products and services is dependent on a continued political will to implement emission and safety testing of vehicles. It cannot be ruled out that this political will could, for one or another reason, be changed on certain markets as a result of new EU Directives, national laws, regulations, etc. It cannot either be ruled out that governmental power in certain regions might strive for exclusively domestic or government-owned control of products and services on the vehicle inspection market. Opus may also be affected by political decisions that generally affect the market.

Opus' primary markets are also subject to extensive regulation. Even if Opus currently follows applicable laws, regulations and ordinances in each market, operations may be affected by changes in regulations, customs tariffs and other trade barriers, price and currency controls, and statutory regulations and restrictions in the countries in which Opus operates.

For example, if the inspection intervals in markets in which Opus operates were to change so that the period between inspections is increased, this could have a negative impact on Opus' activities, results and financial position.

Opus uses significant internal and external resources to keep management informed of political and regulatory changes. The Company continuously analyzes the political will and potential changes in markets or regulations affecting Opus' operations.

Operational risks

The category operational risks refers to risks that are a result of Opus' own operations and are under the Company's direct control.

Vehicle inspection accreditation and contract compliance

Accreditation for vehicle inspection from Swedac is required to establish and operate vehicle inspection on the Swedish market. Similar bodies and inspection regulations exist in all markets where Opus operates. Specific compliance clauses also exist in existing contracts in the U.S. and other markets where Opus operates.

If Opus were to lose its accreditation or fail to satisfy other contract-specific undertakings, this could negatively impact the Company's operations, profitability and financial position.

Opus has implemented processes to ensure compliance with accreditation requirements and similar regulations and contract-specific requirements. ISO 9001 and equivalent quality management systems are implemented within the Group to safeguard and develop processes for continuous improvement. For example, Opus Bilprovning has a comprehensive internal audit program with internal auditors who are impartial in their relations to the audit objects to secure ongoing operations, including management systems.

Key individuals

There are a number of key persons in senior positions within Opus. These individuals bring a high level of expertise and experience to the company, which is important for the development of Opus' business. If one or more of these key persons were to leave Opus, this could have an adverse effect on its business activities, earnings and financial position.

A number of employees in Opus are directly or indirectly involved in the development of new services and products. If Opus were to fail to recruit and/or maintain qualified personnel, this could have negative consequences for its business, earnings and financial position.

Opus offers competitive salaries and other benefits to all key personnel and uses incentive programs, skills development programs and bonuses to foster commitment and loyalty. Opus strives to create a positive work environment and to develop a high-quality HR function to meet local needs and expectations to the greatest possible extent

Dependence on customers and contracts

The contracts that Opus enters into with U.S. state authorities and authorities in other countries in which the company operates are obtained through bidding in public procurement processes. Opus' contracts include contracts with about 20 U.S. state authorities, several of which have a long duration and a high retention rate. There is a risk that Opus will not be successful in the procurement of new vehicle inspection programs or that Opus will not receive renewed contracts in the programs the company currently holds. If Opus were to lose existing contracts, for whatever reason, this could negatively impact the financial performance of the Group.

Opus has a high customer focus, strives to ensure its operations maintain high quality, and uses proprietary technology and concepts to secure long-term relationships. Opus is intending to win new contracts and concessions, develop support services and new business models, and expand into new markets to increase the number of contracts and thereby limit dependence on individual contracts.

Production disruptions

Opus' operations are highly dependent on functional and efficient production facilities (inspection stations) and IT systems, and a number of Opus employees are members of and represented by various union organizations. Damage to production facilities or IT infrastructure caused by fire, for example, and interruptions or disruptions in any stage of the production process, such as those caused by breakdowns, weather conditions, labor disputes, terrorist activities and natural disasters, could have negative consequences in the form of direct damage to property or interruptions that hinder the ability to meet obligations to customers. This, in turn, could cause customers to choose other suppliers. Such interruptions or disruptions could have a negative impact on Opus' business activities, earnings and financial position.

Opus has implemented qualitative internal control structures and systems for its IT infrastructure to minimize the risk of system errors that affect operations. Where unions are represented, management actively works to ensure good relations and dialog. Contingency plans have been implemented in the organization to limit the effects in the event that such incidents occur.

Legal risks

Opus is vulnerable to the risk of entering into legal disputes and arbitration proceedings for various reasons that may be derived from conflicts with competitors, customers, employees or governments. This may require a significant amount of management's time and may have an adverse impact on Opus' business, results and reputation.

Opus has extensive and thorough monitoring and specific controls within its key processes in order to avoid conflicts that could potentially lead to legal disputes and arbitration proceedings. If such legal conflicts were nevertheless to arise, Opus has developed a strong network of legal expertise for dealing with such circumstances.

Risks related to acquisition

Acquisitions are part of Opus' growth strategy and the Group has implemented a significant number of acquisitions in recent years. The acquired companies have been well integrated with Opus' other operations.

Acquisitions of companies may involve different types of business and financial risks. These risks include decisions by customers, suppliers or key individuals to leave the acquired company. There is also a risk that the integration of acquired companies will be costlier or take more time than expected and that anticipated synergies will not be achieved as expected. These risks and other acquisition-related risks may have an adverse effect on the Group's business activities, earnings and financial position.

Opus minimizes risks related to acquisition by taking measures such as commercial, financial and legal due diligence; by obtaining seller guarantees; and, in some cases, through acquisition-related insurance.

Expansion into new markets

Opus' future growth strategy will be partially based on expansion into countries and markets, several of which will be in emerging markets with the inherent political or financial risks. Expansion into new markets may also include operational risks that are underestimated or cannot be predicted, such as regulatory and legal risks, fraud, corruption, taxes and trade agreements.

Opus conducts country risk analyses and identifies specific environmental, operational and financial risks. Opus has implemented anti-corruption policies for the company and the company's business partners in order to minimize fraud and corruption risks. The Group has tools in place to prevent and detect fraud, including a whistleblowing hotline where employees can report any suspicions. Inspection technicians and other relevant personnel receive anti-corruption training. Opus also creates contingency plans in order to limit the financial impact of cases where the company is forced to leave a specific market. Opus collaborates with local partners or external experts where appropriate.

New business models and services

Opus is continuously developing new business models, products and services to market. There is a risk of the company misjudging the market's need for such business models, products and services; of the costs for developing, introducing and delivering them not being sufficiently compensated through revenue; or of them requiring significant initial investments that have a higher level of uncertainty about the repayment period than normal.

Before new business models, products or services are developed and launched, Opus conducts a detailed feasibility study covering all aspects of the new offering and develops best and worst case scenarios to understand the potential implication for the Group's financial position and liquidity. In some cases, Opus conducts a pilot launch in a small part of the potential market for new business models, products and services to reduce risk.

Intellectual property rights

Through its technological innovations and products, Opus is subject to the risk of potential patent infringement and plagiarism and invests resources into protecting its intellectual property rights. There is also a risk that the company may be deemed to be in infringement of the intellectual property rights of others. Like any other dispute, disputes concerning infringement may be costly and time-consuming and could therefore have a negative impact on Opus' operations.

Opus protects its technical innovations with patents in those cases it is considered warranted. The company uses both internal and external resources to regularly scan the market for infringements and to avoid infringing the property rights of others. The company also uses legal counsel to communicate and manage legal proceedings when such occur.

Tax risks

Opus operates in multiple tax jurisdictions and may interpret or manage tax-related transactions or calculations incorrectly, which may result in additional tax payments and penalties. The risk is generally higher for intra-Group and cross-border transactions, where a government agency's interpretation of the principle of "arm's length" may differ from the company's.

Opus has extensive monitoring and specific controls in place to ensure compliance with local tax regulations. External experts are used when considered necessary. Opus has internal pricing policies to ensure that the "arm's length" principle is applied to intra-Group and cross-border transactions.

Financial risks

The category financial risks refers to risks related to financial reporting or changes in the financial market and are completely or partly under the company's control.

Opus' finance policy defines the risk exposure with which operations are conducted and specifies the framework for how different types of financial risk should be managed. Risk management is aimed at identifying, quantifying, and reducing or eliminating risks. The primary objective is to strive for a low risk profile at a reasonable cost. Opus Group AB (the parent company) has the overall responsibility for the Group's financial issues. Through centralization and coordination, significant economies of scale are achieved concerning the terms of financial transactions and financing.

Valuation risk

The Group has a number of assets and liabilities that are initially valued using different expertise, such as goodwill for assets and provision for additional considerations for liabilities.

Goodwill and acquired trademarks with indefinite useful life are tested at least annually for impairment. The impairment testing includes both complexity and significant elements of assessments and assumptions regarding forecasts and key assumptions.

The valuation of provision for additional considerations includes assessments regarding the date and size of additional consideration settlement. The models used for the calculations are complex and give rise to a risk of errors as the result of incomplete data or the improper design or application of the models.

Opus regularly reviews the valuation models and assumptions used for the calculations and adjusts them when necessary. Opus also uses external experts to ensure that the company's assessments, assumptions and calculations are reasonable and correctly performed.

See notes 9 and 17 in the consolidated financial reports for more detailed information and a sensitivity analysis.

Currency risk

Opus is exposed to translation risk, primarily from the U.S. dollar (USD), which affects profit/loss for the year and other comprehensive income.

Exchange rate fluctuations affect the profit for the year when Group companies have assets and liabilities in currencies other than the entity's functional currency, as well as when the subsidiaries' net income in foreign currencies are translated to SEK.

Exchange rate fluctuations affect other comprehensive income when the subsidiaries' net assets in foreign currency are translated to SEK and when intra-group loans classified as net investment in foreign operations, in foreign currency, are translated to SEK.

Natural cash flow hedging is taken into account to the extent possible. Opus does not hedge the risk of translation from foreign currency to SEK with regard to net profit or equity in foreign subsidiaries. Transaction risks (net operational cash flow from a certain transaction) can be hedged. Opus regularly reviews its net exposure originating from intra-group receivables, which can be hedged.

See note 25 in the consolidated financial reports for more detailed information and a sensitivity analysis.

Interest rate risk

Interest rate risk is defined as a decrease in earnings caused by a change in market interest rates.

Opus' borrowings currently have a variable interest period, which means that Opus is exposed to interest rate risk. Higher market interest rates would have a negative impact on Opus' financial position and earnings.

When deemed appropriate, the Group uses hedging instruments to manage interest rate risk.

See note 25 in the consolidated financial reports for more detailed information and a sensitivity analysis.

Financing and liquidity risk

Financing and liquidity risk is the risk that financing opportunities will be limited when there is a need for new loans or loan roll-over, and the risk of being unable to meet payment obligations due to insufficient liquidity.

Existing bond and loan agreements include customary financial terms in the form of a number of key ratios (covenants). The risk that Opus may violate these terms in the future due to factors such as the general economy or disruptions in the capital and credit markets means that the company may be forced to renegotiate or raise new financing.

The Opus financial policy prescribes that the Group must maintain a well-balanced maturity structure for its debts and use different sources of funding in order to manage the financing risk. The risk of insufficient liquidity is minimized through good liquidity planning supported by cash flow forecasts. Any excess liquidity is invested in bank deposits, where liquidity risk is low.

The company continuously monitors these financial key ratios and takes the measures deemed necessary for the covenants to be fulfilled.

See note 25 in the consolidated financial reports for more detailed information and a sensitivity analysis.

Credit and counterparty risk

Credit and counterparty risk refers to the risk that the counterparty will not fulfill its obligations, which could negatively impact the Group's operations, earnings and financial position.

The Group has significant customer exposure to governments where the credit risk is low. The Opus financial policy defines guidelines for the handling of credit and counterparty risk.

See note 25 in the consolidated financial reports for more detailed information and a sensitivity analysis.

Corporate governance

This corporate governance report is part of the directors' report.

Corporate governance in Opus Group AB 2018

Corporate governance in Opus is based on both external and internal instruments of control.

External instruments of control

External instruments of control include Swedish legislation (in particular, the Swedish Companies Act), the Swedish Corporate Governance Code ("the Code"), and the Stockholm Nasdaq listing requirements as specified in "Rule Book for Issuers".

Swedish Corporate Governance Code

Opus Group AB's shares have been listed for trade on Nasdaq Stockholm since July 2, 2013 and the Company has applied the Code from this date. Under the principle of "comply or explain", it is possible for the Company to deviate from the Code and choose other solutions deemed to better respond to the circumstances of the individual case, provided that the Company openly reports each such deviation, describes the chosen solution, and states the reason for this.

Internal instruments of control

The most important internal instrument of control is the Articles of Association adopted by the Annual General Meeting, followed by the Board's rules of procedure and the Board's instructions to the CEO. In addition, the Board has established a number of policies, guidelines and instructions with binding rules for the entire Group. All policies are reviewed annually.

Annual General Meeting

The shareholders' right to decide on the company's affairs is exercised at the Annual General Meeting, or, where appropriate, at Extraordinary General Meetings, which is Opus' highest decision-making body.

The Annual General Meeting is usually held in Gothenburg in May. The Meeting appoints the members and the Chairman of the Board, elects the auditor, decides whether to approve the parent company's and the consolidated income statement and balance sheet, decides on the distribution of company profits, decides whether to discharge the Board members and CEO from liability, and decides on director remuneration and auditor fees, etc.

Notice of the Annual General Meeting and of any Extraordinary General Meeting at which amendments to the Articles of Association will be addressed must be given no earlier than six and no later than four weeks before the Meeting. Notice of any other Extraordinary General Meeting must be given no earlier than six and no later than two weeks before the Meeting.

Notice of the General Meeting will be published in the notification medium Post- och Inrikes Tidningar and on the company's website. Indication that notice has been given will be published in the financial newspaper Dagens Industri.

2018 Annual General Meeting

The last Annual General Meeting was held at Elite Park Avenue Hotel, Kungssportsavenyn 36 in Gothenburg on May 17, 2018. 89 shareholders and proxies were in attendance. These owners represented 75,922,561 shares, equal to 26 percent of the number of shares and votes in the Company. The Annual General Meeting adopted the financial statements for 2017 and discharged the Board and CEO from liability for 2017 management.

The following decisions were made at the Annual General Meeting on May 17, 2018:

- The decision was made for a dividend of SEK 0.05 per share.
- Re-election of board members: Katarina Bonde (Chairman), Anne-Lie Lind, Friedrich Hecker, Ödgård Andersson and Magnus Greko.
- Election of Håkan Erixon and Jimmy Tillotson as Board members. Anders Lönnqvist chose to decline re-election.
- Re-election of authorized public accounting firm KPMG AB as auditor, with authorized public accountant Jan Malm as the main responsible auditor.
- The Nomination Committee's proposed principles for appointment of the Nomination Committee were approved.
- Remuneration to executive officers were adopted in accordance with the Board's proposal for guidelines.
- The Annual General Meeting resolved that remuneration to the Board, the Audit Committee and the auditor shall be paid in accordance with the Nomination Committee's proposal.
- The Annual General Meeting resolved, in accordance with the Board's proposal, to introduce an incentive program (Option Program 2018) aimed primarily at executive officers within the company and its subsidiaries. This option program means that the company, deviating from shareholders' preferential rights, will issue a maximum of 6,000,000 options to the wholly-owned subsidiary Opus Services Sweden AB, entitling holders to subscribe for a maximum of 6,000,000 shares in the company with the right and obligation for Opus Services Sweden AB to manage the subscription rights in accordance with Option Program 2018.
- For the period up until the next AGM, the Board was authorized, in accordance with the Board's proposal, to decide on the acquisition of own shares on one or more occasions for up to 10 percent of the existing share capital. The Board was also authorized to decide on the transfer of the own shares held by the Company at the time of the Board's decision to transfer.
- For the time period up until the next AGM, the Board was authorized, in accordance with the Board's proposal, to decide on the issue of new shares and/or warrants and/or convertibles of up to 10 percent of the share capital, with or without deviation from shareholders' preferential rights. The issue may be conducted as a cash issue, non-cash issue or offset issue. The issue may only be conducted at market price. Deviation from the shareholders' preferential rights is only permissible in connection with company acquisition or in connection with new contracts or start-up of new business areas that require extensive investments.

The full minutes from the 2018 Annual General Meeting are available at www.opus.global.

2019 Annual General Meeting

The 2019 Annual General Meeting of Opus will be held on Thursday, May 16, 2019 at Elite Park Avenue Hotel, Kungssportsavenyn 36, Gothenburg, Sweden. For information on the Annual General Meeting, see page 33.

Nomination committee

Opus' nomination committee is tasked with submitting proposals to the AGM regarding the number of Board members to be elected by the meeting, Board and auditor remuneration, any remuneration for committee work, the composition of the Board, Chairman of the Board, chairman of the AGM, decisions on election nominations and selection of auditors.

The nomination committee shall consist of at least five members and is appointed after the Chairman of the Board has identified the number of votes held by the four largest shareholders in Opus Group AB. The identification shall be based on the share register and nominee list administrated by Euroclear Sweden AB, and shall refer to those registered in their own name or as part of an ownership group as of September 30.

The Chairman of the Board shall then, as soon as reasonably possible and in an appropriate manner, contact the four identified shareholders and request that they, in writing and within a reasonable amount of time (which shall not exceed 30 days), name the person that the shareholder would like to appoint as a member of the nomination committee.

The composition of the nomination committee for the 2019 Annual General Meeting is presented in the table below. The nomination committee has met four times in preparation for the 2019 Annual General Meeting. No remuneration has been paid for work in the nomination committee. As, according to the Code, the CEO of the company must not be a member of the nomination committee Lothar Geilen has appointed Henrik Wagner Jørgensen as a member of the nomination committee.

Composition of the nomination committee

Name	Representing	Percentage of votes as of September 30, 2018
Petteri Soininen (Chairman)	RWC	19.9%
Jörgen Hentschel	AB Kommandoran	13.4%
Henrik Wagner Jørgensen	Lothar Geilen	6.8%
Martin Jonasson	Andra AP-fonden	6.4%
Katarina Bonde	As chairman of the board at Opus	0.0%
Share of voting rights for all shares in the company		46.5%

The Board and its work

The Board of Directors at Opus, according to the company's Articles of Association, shall consist of at least five and no more than nine members, with no deputies. In 2018, the Board of Directors at Opus consisted of seven members, with no deputies. Board members are appointed for maximum one year at a time. The Company's CEO is not a member of the Board. According to the Code, a majority of the elected board members must be independent of the company and its management. Board member Magnus Greko was CEO of Opus until April 2017 and is now Vice President Strategic Business Development as well as a member of Group Management and therefore cannot be considered independent of the Company and Company management in accordance with the Code. Magnus Greko is also a board member of AB Kommandoran, which owns more than 10% of the shares in Opus, and therefore, according to the Code, cannot be regarded as independent of the Company's major shareholders. Other Board members are independent of the Company, its management, and its major shareholders.

Board responsibilities include being responsible for the company's organization and management of the company's affairs, ensuring that the company's organization is structured so that the accounting, cash management and the company's financial condition in general can be controlled in a satisfactory manner and that it is continuously possible to assess the financial situation of the company and the Group. The Board is accountable to shareholders for the organization and management of the company.

The Board shall establish rules of procedure for the Board and instructions to the CEO. The Board also decides on changes to the adopted rules of procedure for the Board and the instructions to the CEO.

In 2018, the Board addressed issues related to various investments, operations, financing, a new operative organization, sustainability, and other routine accounting and corporate law issues. According to the current rules of procedure, after the post-election meeting following the Annual General Meeting, the Board shall meet on at least five scheduled occasions during the financial year.

In 2018, the Board met 16 times, including the post-election meeting.

Board meeting attendance 2018

Board Member	Number of meetings
Katarina Bonde (Chairman)	16
Anders Lönnqvist (resigned May 17, 2018)	8
Anne-Lie Lind	14
Friedrich Hecker	16
Ödgård Andersson	16
Magnus Greko	16
Håkan Erixon (elected May 17, 2018)	8
Jimmy Tillotson (elected May 17, 2018)	8

Evaluation of the Board's work

The Chairman of the Board is responsible for evaluating the work of the Board. In 2018, an external consultant, commissioned by the chairman, conducted extensive surveys with the members. The result has been presented by the external consultant to the Board and the Nomination Committee and discussed in those groups. The evaluation has focused on the work of the board in general and on the efforts of individual members, including the chairman and the CEO.

Board committees

The Board has established two committees - the HR-committee (previously known as the remuneration committee) and the Audit committee.

HR-committee

The HR-committee shall prepare matters related to remuneration and other employment terms for the company CEO and executive officers. It consists of Katarina Bonde (chairman) and Friedrich Hecker. The HR-committee's tasks include in particular preparing issues related to remuneration principles and other terms of employment for company management before the Board makes a decision, and following and evaluating ongoing and completed programs for variable remuneration to company management.

The committee shall also monitor and evaluate application of the guidelines for remuneration to executive officers that the Annual General Meeting, by law, shall decide on, as well as the remuneration structures and remuneration levels in force at the company.

The HR-committee held four meetings in 2018, discussing remuneration issues, talent management and issues relating to how the company should attract new staff.

Audit committee

The audit committee shall be responsible for preparing the Board's work with quality assurance of the company's financial reporting, internal control, and risk management. In addition, the audit committee shall stay abreast of information related to auditing of the annual report and the consolidated financial statements, meet with the company auditor on a regular basis, examine the auditor's impartiality, evaluate the audit work, assist, and provide recommendations to the nomination committee in determining who to propose as auditor and remuneration to said auditor. Opus' audit committee consists of Håkan Erixon (chairman), Anne-Lie Lind and Ödgård Andersson.

The committee met five times during the year, with the auditors participating in four of these meetings. The auditors have also participated in one Board meeting to present their review. Issues related to the annual and quarterly financial statements, the auditors' review, changes to IFRS, impairment test of goodwill and internal control were discussed during the year. A total of SEK 216,000 was paid for work in the audit committee in relation to 2018.

Diversity policy

Opus, the nomination committee and the Annual General Meeting will promote diversity at the appointment of board members. Differences, equality and diversity are not an end in itself. It is the ability to take advantage of different experiences and skills that make diversity a success factor for sustainable improvement of profitability and make Opus remain an attractive employer.

All members, regardless of ethnicity, gender, religion or belief, age, sexual orientation or disability shall have equal opportunities when it comes to selection and appointment. Work conditions and other conditions shall be designed in such a way that they promote equal opportunities and make it easier for all board members to strike a good balance between work, personal life and parenthood. Laws and contracts are the minimum levels for equality and diversity work in Opus.

In terms of the Board's composition, the Company has applied what is stated in section 4.1 of the Corporate Governance Code as the diversity policy as well as the relevant objectives of it. This has resulted in the nomination committee's proposal to the Annual General Meeting regarding election to the Board.

Auditors

One or two auditors, with or without deputy auditors, are appointed each year at the Annual General Meeting for the purposes of reviewing the company's annual report and financial statements, and the management work of the Board and the CEO.

At the 2018 Annual General Meeting, KPMG AB was chosen as Opus' external auditors until the 2019 Annual General Meeting. Jan Malm was appointed head auditor. The auditors report to the audit committee, and meet with the company Board without the presence of the CEO or any other member of company management on at least one occasion per year. The auditor shall be paid regularly during their mandate period after receipt of an approved invoice. For more information on audit fees, see Note 4.

CEO

Lothar Geilen has been the CEO since April 1, 2017. The CEO is responsible to the Board and shall manage and develop the company. The CEO is responsible for the daily management of the company's affairs and shall make the decisions required for the development of operations within the limitations set by the Swedish Companies Act; the business plan, budget and instructions to the CEO adopted by the Board; as well as any other guidelines and instructions provided by the Board. The CEO shall take the measures necessary to ensure that the company's accounting is in full compliance with the law, and that financial management is handled in a satisfactory manner. The CEO and the Board of Directors of Opus have drawn up instructions regarding the CEO's work tasks and reporting duties.

The instructions to the CEO are defined annually at the board meeting immediately following the Annual General Meeting.

Executive Vice President

The Executive Vice President is Linus Brandt, who also serves as CFO of Opus. The instructions to the CEO also apply to the Executive Vice President in instances when he is serving as acting CEO.

Guidelines for remuneration to executive officers

The Annual General Meeting 2018 decided on the following guidelines for remuneration to executive officers. The basic principle is that remuneration and other terms of employment for senior executives shall be market based and competitive in every market where Opus operates, so that competent and proficient employees can be attracted, motivated and retained. Individual compensation levels are based on experience, competence, responsibility and performance.

Remuneration consists of a fixed and variable component. The fixed part consists of salaries, pension contributions and other benefits such as car benefits.

The variable component refers to bonus. The variable component shall be based on earnings performance or other predefined measurable goals. The variable component shall in principle be limited and not exceed 30 percent of the fixed remuneration.

Pension terms shall be consistent with prevailing market rates, and as a rule shall be premium based. The pension terms of company management are in line with other employees within the Group. The company pays premiums for occupational pension insurance for other executive officers at agreed amounts or according to local agreements in Sweden. The CEO is entitled to severance pay of 12 months' salary in the event of termination of employment by the company. No severance pay shall be paid to other executive officers. Other executive officers have at most a twelve-month notice period.

Issues related to remuneration to company management shall be addressed by the HR-committee, and reported to and decided on by the Board. The Board is entitled to deviate from the guidelines if special circumstances exist. Prior to the Annual General Meeting 2019, no changes are proposed to the principles for remuneration and other employment conditions of the company management.

For further information regarding remuneration to Group management, see Note 5.

Incentive program

Opus' Board of Directors is of the opinion that incentive programs benefits both the employees eligible for the incentive program and the company shareholders, and that it contributes to Opus' ability to recruit and retain skilled employees since it gives employees the opportunity to take advantage of the company's growth in value, maintains confidence in the company, and increases the value of the share. Incentive programs are also expected to increase the commitment and motivation of program participants, and help form a closer tie between those eligible for the program and Opus.

Opus has two outstanding option programs for executive officers and other employees of the company. The dilution effect of outstanding option programs, if fully exercised, would not exceed a maximum of 11,500,000 shares or 4.0 percent of the share capital and voting rights.

For more information on the option program, see Note 5.

Internal control

The Board's responsibility for internal control is regulated in the Swedish Companies Act and in the Code, which contains requirements for annual external communication of information on how internal control related to financial reporting is organized. Opus' internal controls are designed to provide reasonable assurance that the company's assets are protected, and that the financial reporting is reliable in accordance with generally accepted accounting principles, laws, and ordinances. The Board of Directors and CEO have overall responsibility for internal control in relation to financial reporting. The Board has adopted written rules of procedure that, among other things, establishes procedures for the Board's work and for its control of the management of company affairs, and that defines the distribution of tasks and responsibilities between the Board and the CEO, and between the Board and its committees.

The Board has also appointed an audit committee, whose responsibilities include overseeing the financial reporting, the internal control and the external audit. Opus has adopted guidelines and procedures relating to financial reporting, a finance policy, and an accounting manual that includes accounting principles, reporting procedures, and more. Through set authorization principles, levels and rules for approval of transactions within the company and with external parties have been defined.

The audit committee and the Board also engage in discussions with the external auditor for purposes such as uncovering deficiencies in the financial reporting and/or the internal control.

The Board has evaluated the need for internal audit and made the assessment that there is no need for such. The question of setting up a special internal audit function is tested annually.

Financial reporting and follow-up

In accordance with applicable law and stock exchange rules, as well as other regulations applicable at the respective time, Opus strives to regularly provide accurate, reliable, and current financial information. The financial information is published regularly in the form of quarterly reports, annual reports, and press releases containing news and significant events that could affect the share price.

Each month, the various segments of the Group create a report presenting the development in the Group and submits it to Group management. The report includes an income statement report with comments on the monthly results and on the aggregated results, and a comparison against budget and the corresponding period of the previous year. A monthly report to the Board is prepared by the company's CFO, who is also ultimately responsible for consolidation of the monthly reports.

Consolidated income statement

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
<i>Operating income</i>			
Net sales	2	2,497,327	1,857,511
Other operating income		15,397	2,328
Total operating income		2,512,724	1,859,839
<i>Operating expenses</i>			
Raw materials, supplies and merchandise	11	-214,039	-146,603
Other external costs	3,4,12	-620,124	-474,004
Personnel costs	5	-1,174,944	-931,126
Total operating expenses		-2,009,107	-1,551,733
Earnings before interest, taxes, depreciation and amortization (EBITDA)		503,617	308,106
Depreciation of tangible assets	10	-145,951	-120,135
Earnings before interest, taxes, and amortization (EBITA)		357,666	187,971
Amortization of intangible assets	9	-151,999	-81,159
Earnings before interest and tax (EBIT)		205,667	106,812
<i>Profit/loss from financial items</i>			
Interest income and similar items		9,760	2,989
Interest expenses and similar items		-164,930	-107,024
Net financial income/expense	6	-155,170	-104,035
Profit/loss after financial items		50,497	2,777
Income taxes	7	-56,708	70,995
Profit/loss for the year		-6,211	73,772
<i>Attributable to:</i>			
Parent company shareholders		25,806	81,157
Non-controlling interests		-32,017	-7,385
<i>Earnings per share</i>			
Average number of outstanding shares, before dilution		290,318,246	289,988,187
Average number of outstanding shares, after dilution		295,818,246	295,488,187
Earnings per share before dilution (SEK)	8	0.09	0.28
Earnings per share after dilution (SEK)	8	0.09	0.27

Consolidated statement of comprehensive income

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
Profit/loss for the year		-6,211	73,772
<i>Other comprehensive income</i>			
<i>Items that might be reclassified to profit/loss for the year</i>			
Translation differences		100,758	-131,794
Accumulated exchange rate differences reversed to income		-38,029	-7,302
Cash flow hedge		-2,916	2,488
Tax effect of cash flow hedge		787	-547
Total other comprehensive income		60,600	-137,155
Comprehensive income for the year		54,389	-63,383
<i>Attributable to:</i>			
Parent company shareholders		75,592	-55,581
Non-controlling interests		-21,203	-7,802

Consolidated statement of financial position

SEK thousands	NOTE	2018-12-31	2017-12-31
<i>Assets</i>			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development costs		30,705	22,572
Customer contracts and relations		265,444	140,310
Trademarks		150,834	121,205
Goodwill		1,446,308	1,044,500
Other intangible assets		126,585	127,655
Total intangible assets	9	2,019,876	1,456,242
<i>Tangible assets</i>			
Construction in progress		86,853	117,583
Property and land		454,469	373,425
Furnishings, machinery and other technical equipment		448,678	340,057
Total tangible assets	10	990,000	831,065
Financial assets	20	59,307	25,114
Total financial assets		59,307	25,114
Deferred tax assets	7	27,031	32,296
Total fixed assets		3,096,214	2,344,717
Current assets			
Inventory	11	133,331	132,571
Current receivables			
Accounts receivable	12,20	144,074	101,811
Current tax assets		3,388	1,110
Other current receivables	13,20	106,343	107,879
Total current receivables		253,805	210,800
Liquid assets	14,20	384,155	642,801
Total current assets		771,291	986,172
Total assets		3,867,505	3,330,889

SEK thousands	NOTE	2018-12-31	2017-12-31
<i>Equity and liabilities</i>			
Equity	15		
Share capital		5,806	5,806
Other contributed capital		611,639	611,129
Reserves		72,545	22,758
Retained earnings, including profit for the year		311,247	299,957
Equity attributable to parent company's shareholders		1,001,237	939,650
Equity attributable to non-controlling interests		-14,164	7,039
Total equity		987,073	946,689
<i>Non-current liabilities</i>			
Deferred tax liabilities	7	216,929	144,098
Bond loans	16,20	1,437,516	903,285
Liabilities to credit institutions	16,20	537,195	205,290
Other non-current liabilities	16,20	85,817	6,394
Provisions	17,20	39,994	126,830
Total non-current liabilities		2,317,451	1,385,897
<i>Current liabilities</i>			
Bond loans	16,20	-	496,934
Accounts payable	20	77,003	54,714
Current tax liability		28,409	20,427
Other current liabilities	16,18,20	440,230	394,859
Provisions	17,20	17,339	31,369
Total current liabilities		562,981	998,303
Total equity and liabilities		3,867,505	3,330,889

Consolidated statement of changes in equity

SEK thousands	Equity attributable to parent company's shareholders					Total	Non-controlling interests	Total equity
	Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings, incl. profit for the year			
Equity 2016-12-31	5,774	610,312	-1,941	161,437	253,639	1,029,221	12,524	1,041,745
Profit/loss for the year					81,156	81,156	-7,385	73,771
<i>Other comprehensive income</i>								
Translation differences				-131,377		-131,377	-417	-131,794
Accumulated exchange rate differences reversed to income				-7,302		-7,302		-7,302
Cash flow hedge			2,488			2,488		2,488
Tax effect of cash flow hedge			-547			-547		-547
Total other comprehensive income	-	-	1,941	-138,679	-	-136,738	-417	-137,155
<i>Transactions with owners</i>								
Redeemed subscription options	32	817				849		849
Dividend					-34,838	-34,838		-34,838
Total transactions with parent company shareholders	32	817	-	-	-34,838	-33,989	-	-33,989
Transactions with owners with non-controlling interests						-	2,317	2,317
Equity 2017-12-31	5,806	611,129	-	22,758	299,957	939,650	7,039	946,689
Profit/loss for the year					25,806	25,806	-32,017	-6,211
<i>Other comprehensive income</i>								
Translation differences				89,944		89,944	10,814	100,758
Accumulated exchange rate differences reversed to income				-38,029		-38,029		-38,029
Cash flow hedge			-2,916			-2,916		-2,916
Tax effect of cash flow hedge			787			787		787
Total other comprehensive income	-	-	-2,129	51,915	-	49,786	10,814	60,600
<i>Transactions with owners</i>								
Subscription options		510				510		510
Dividend					-14,516	-14,516		-14,516
Total transactions with parent company shareholders	-	510	-	-	-14,516	-14,006	-	-14,006
Transactions with owners with non-controlling interests						-		-
Equity 2018-12-31	5,806	611,639	-2,129	74,674	311,247	1,001,237	-14,164	987,073

For more information on share capital, number of shares and earnings per share, see notes 8 and 15.

Consolidated statement of cash flows

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
Earnings before interest and tax (EBIT)		205,667	106,812
<i>Adjustment for non-cash flow items</i>			
Depreciation/Amortization	9.10	297,950	201,295
Other		-20,970	-6,496
Interest received		2,214	1,895
Interest paid		-93,225	-59,752
Income tax paid		-58,855	-25,580
Cash flow from operating activities before change in working capital		332,781	218,174
Increase (-)/Decrease (+) in inventory		9,923	-51,169
Increase (-)/Decrease (+) in accounts receivable		-13,830	-3,784
Increase (-)/Decrease (+) in other receivables		3,113	-924
Increase (+)/Decrease (-) of current liabilities		-8,940	23,439
Change in working capital		-9,734	-32,438
Cash flow from operating activities		323,047	185,736
<i>Investing activities</i>			
Acquisition of subsidiaries/operations, net of cash acquired	23	-543,581	-159,675
Additional consideration paid		-21,370	-22,185
Investments in tangible assets	10	-227,718	-209,029
Sale of tangible assets	10	4,074	-
Investments in intangible assets	9	-15,221	-18,178
Others		-32,132	-3,883
Cash flow from investment activities		-835,948	-412,950
<i>Financing activities</i>			
Liquidity from subscription options		510	-
Redemption of option program		-	848
Dividend		-14,516	-34,838
New debt	21	768,331	833,889
Amortization of debt	21	-500,000	-408,302
Cash flow from financing activities		254,325	391,597
Cash flow for the year		-258,576	164,383
Liquid assets at start of year		642,801	507,300
Translation difference		-70	-28,882
Liquid assets at year-end	14	384,155	642,801

Parent company income statement

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
<i>Operating income</i>			
Net sales	1	16,119	17,429
Other operating income		405	-
Total operating income		16,524	17,429
<i>Operating expenses</i>			
Other external costs	2,3	-22,938	-16,800
Personnel costs	4	-16,705	-16,711
Total operating expenses		-39,643	-33,511
Earnings before interest, taxes, depreciation and amortization (EBITDA)		-23,119	-16,082
Depreciation/Amortization	8.9	-938	-626
Earnings before interest and tax (EBIT)		-24,057	-16,708
<i>Profit/loss from financial items</i>			
Income from shares in Group companies		30,000	80,451
Interest income and similar items		242,067	115,316
Interest expenses and similar items		-73,004	-212,259
Net financial income/expense	5	199,063	-16,492
Profit/loss after financial items		175,006	-33,200
Appropriations	6	-38,172	112,548
Profit/loss before tax		136,834	79,348
Tax on profit/loss for the year	7	-25,780	1,743
Profit/loss for the year		111,054	81,091

Parent company statement of comprehensive income

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
Profit/loss for the year		111,054	81,091
Other comprehensive income			
<i>Items that might be reclassified to profit/loss for the year</i>			
Cash flow hedge		-	2,488
Tax effect of cash flow hedge		-	-547
Total other comprehensive income		-	1,941
Comprehensive income for the year		111,054	83,032

Parent company balance sheet

SEK thousands	NOTE	2018-12-31	2017-12-31
<i>Assets</i>			
Fixed assets			
Intangible assets	8	2,060	1,619
Tangible assets	9	949	1,183
<i>Financial assets</i>			
Shares in Group companies	10	581,393	530,528
Receivables from Group companies	16	1,225,271	1,392,689
Total financial assets		1,806,664	1,923,217
Total fixed assets		1,809,673	1,926,019
Current assets			
Receivables from Group companies	16	766,753	154,748
Other current assets	16	5,785	1,286
Total current receivables		772,538	156,034
Cash and cash equivalents	11,16	144,552	439,027
Total current assets		917,090	595,061
Total assets		2,726,763	2,521,080

SEK thousands	NOTE	2018-12-31	2017-12-31
<i>Equity and liabilities</i>			
Equity			
<i>Restricted equity</i>			
Share capital		5,806	5,806
Statutory reserve		850	850
Total restricted equity		6,656	6,656
<i>Non-restricted equity</i>			
Share premium reserve		609,013	609,013
Retained earnings		316,388	219,849
Total non-restricted equity	18	925,401	828,862
Total equity		932,057	835,518
Untaxed reserves	6	57,736	20,669
Provisions	12,16	25,706	105,049
Non-current liabilities			
Bond loans	13,16	1,438,970	904,905
Other non-current liabilities	16	75,583	-
Total non-current liabilities		1,514,553	904,905
Current liabilities			
Bond loans	13,16	-	496,935
Accounts payable	16	2,295	3,378
Liabilities to Group companies	16	135,560	112,083
Current tax liability		17,712	12,549
Deferred tax liabilities	16	1,047	-
Other current liabilities	14,16	34,554	14,491
Provisions	12,16	5,543	15,503
Total current liabilities		196,711	654,939
Total equity and liabilities		2,726,763	2,521,080

Parent company changes in equity

SEK thousands	Number of outstanding shares	Restricted equity		Non-restricted equity			Total
		Share capital	Statutory reserve	Share premium reserve	Fair value reserve	Retained earnings, incl. profit for the year	
Equity 2016-12-31	288,711,959	5,774	850	608,195	-1,941	173,597	786,475
Profit/loss for the year						81,091	81,091
<i>Other comprehensive income</i>							
Cash flow hedge					2,488		2,488
Tax effect of cash flow hedge					-547		-547
Total other comprehensive income	-	-	-	-	1,941	-	1,941
<i>Transactions with owners</i>							
Dividend						-34,838	-34,838
Redemption of option program	1,606,287	32		817			849
Total transactions with owners	1,606,287	32	-	817	-	-34,838	-33,989
Equity 2017-12-31	290,318,246	5,806	850	609,013	-	219,849	835,518
Profit/loss for the year						111,054	111,054
<i>Other comprehensive income</i>							
Total other comprehensive income	-	-	-	-	-	-	-
<i>Transactions with owners</i>							
Dividend						-14,516	-14,516
Total transactions with owners	-	-	-	-	-	-14,516	-14,516
Equity 2018-12-31	290,318,246	5,806	850	609,013	-	316,388	932,057

Parent company cash flow statement

SEK thousands	NOTE	2018-01-01 - 2018-12-31	2017-01-01 - 2017-12-31
Earnings before interest and tax (EBIT)		-24,057	-16,708
<i>Adjustment for non-cash flow items</i>			
Depreciation/Amortization	8.9	938	626
Interest received		99,535	115,316
Interest paid		-63,747	-54,863
Income tax paid		-19,570	-10,254
Cash flow from operating activities before change in working capital		-6,901	34,117
Increase (-)/Decrease (+) in other receivables		-243,813	2,180
Increase (+)/Decrease (-) of current liabilities		15,083	-46,934
Change in working capital		-228,729	-44,754
Cash flow from operating activities		-235,630	-10,637
<i>Investing activities</i>			
Investments in subsidiaries		-50,865	-104,497
Additional consideration paid		-15,365	-12,973
Investments in intangible assets	8	-1,094	-1,124
Investments in tangible assets	9	-51	-1,169
Cash flow from investment activities		-67,375	-119,763
<i>Financing activities</i>			
New debt	17	495,000	401,003
Amortization of debt	17	-500,000	-200,000
Dividend paid		-14,516	-34,838
Dividend received		-	51,685
Group contribution		31,900	34,838
Redemption of subscription options		-	849
Cash flow from financing activities		12,384	253,537
Cash flow for the year		-290,622	123,137
Liquid assets at start of year		439,027	325,264
Translation difference		-3,853	-9,374
Liquid assets at year-end	11	144,552	439,027

Notes – Group

Note 1 Accounting principles

Compliance with standards and law

The Annual Report and consolidated financial statements were authorized for issue by the Board of Directors and the Chief Executive Officer on April 12, 2019. The consolidated income statement, consolidated statement of financial position, and the parent company's income statement and balance sheet are subject to approval at the Annual General Meeting on May 16, 2019.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU. The consolidated financial statements are furthermore prepared in accordance with the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary Accounting Rules for Groups".

On July 1, 2018, hyperinflation in Argentina's economy was determined according to the criteria in IAS 29. Opus has evaluated the effect of applying IAS 29 and the conclusion is that the effect on the consolidated financial statements is not considered to be material to the Group. The financial reports in this annual report have therefore not been adjusted for hyperinflation in Argentina in accordance with IAS 29.

The parent company applies the same accounting principles as the Group with those exceptions and additions stated in the Swedish Financial Reporting Board's recommendations RFR 2 "Accounting for Legal Entities". This means that IFRS is applied, except in those cases stated in the section "Parent company's accounting principles" in this note.

Changes in accounting principles

The Group will be applying IFRS 15 and IFRS 9 for the first time as of January 1, 2018. Neither IFRS 15 nor IFRS 9 has had any significant impact on the consolidated financial statements, and hence there is no impact on the opening balance for 2018 as a result of the transition.

IFRS 9 "Financial Instruments"

IFRS 9 establishes principles for the reporting and valuation of financial assets, financial liabilities and certain contracts regarding the purchase and sale of non-financial instruments. IFRS 9 replaces IAS 39 "Financial Instruments: Recognition and Measurement".

Classification and valuation of financial assets and financial liabilities

IFRS 9 includes three basic classification categories for financial assets: valued at amortized cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets in accordance with IFRS 9 is generally based on the company's business model for the management of the financial assets and the properties of the contractual cash flows from the financial asset. IFRS 9 replaces the former IAS 39 categories of investments held to maturity, loan and accounts receivable, and financial assets available for sale.

IFRS 9 largely retains the requirements in IAS 39 for classification and valuation of financial liabilities. The introduction of IFRS 9 has had no material impact on the Group.

See the section entitled Financial instruments for information regarding the new valuation categories in accordance with IFRS 9 for

each type of financial asset and financial liability for the Group as of January 1, 2018. See Note 1 in the Annual Report for 2017 for information relating to the original valuation categories in accordance with IAS 39.

Impairment of financial assets

IFRS 9 replaces the "incurred loss model" from IAS 39 with an "expected credit loss model". The new impairment model is applied to financial assets valued at amortized cost, contract assets and debt instruments valued at fair value through other comprehensive income, but not to investments in equity instruments. The introduction of IFRS 9 has not resulted in additional reservations for impairment of financial assets as of January 1, 2018. See Note 25 Financial risks, the section entitled Credit and counterparty risk, for further information on the Group's new impairment model for financial assets.

Hedge accounting

The new regulations of the standard in respect of hedge accounting have not had any material impact on the Group.

The Group has also adopted subsequent amendments to IFRS 7 "Financial Instruments: Disclosures" which are applied to disclosures for 2018 but have not been generally applied to comparative information.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 "Revenue from Contracts with Customers" is a new framework for revenue recognition and replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and associated interpretations. Companies' contracts with customers establish a basis for revenue accounting in accordance with IFRS 15. Contractual assets (accounts receivable and accrued income) and contractual liabilities (advances from customers and prepaid income) arise in the financial statements. IFRS 15 primarily presents principles at what point in time revenues from contracts with customers will be recognized and for the valuation of the consideration paid by the customer. The new standard is based on the principle that revenue should be recognized when the control of a product or service is transferred to the customer. The Group has reviewed its customer contracts and revenue flows and come to the conclusion that the standard has no material impact on the consolidated financial statements, and hence there is no impact on the opening balance for 2018 as a result of the transition. The disclosure requirements in IFRS 15 have not been applied to all comparative information.

New and modified standards not yet in effect

The following new standards have been issued but had not begun to be applied as of December 31, 2018.

IFRS 16 "Leases"

IFRS 16 "Leases" will be applied beginning January 1, 2019 and will replace IAS 17 "Leases" and associated interpretations. IFRS 16 will have a significant impact on Opus' financial reports. The standard sets out that all the leasing agreements, as a lessee, are reported in the balance sheet as Right-of-Use assets and leasing liabilities, with the exception of short-term and low-value agreements.

The leases where Opus serves as lessee consist primarily of property leases. Reporting by the lessor is essentially unchanged, which means that the lessor will continue to classify leases as financial or operational leasing.

Implementation of the new standard will result in an increased balance sheet total and a positive effect on EBITDA as leasing expenses will be reported as depreciation and interest expense instead of operating expense. In the cash flow statement, leasing payments will be divided between interest paid in the cash flow from operating activities and amortization of leasing liabilities in the financing activities. This will therefore have a positive impact on the operational cash flow.

Opus has applied the modified retroactive method in the transition to IFRS 16 on January 1, 2019, which means that comparative figures are not restated. Leasing liabilities are valued at the present value of the remaining lease payments. The discount rate on calculation of the present value is based on the Group's borrowing rate, adjusted for differences in market interest rates between the country in which the loans are taken out and the country where the Right-of-Use asset exists. The terms of the leases are taken into account when setting market interest rates. The practical expedient that the Right-of-Use asset should correspond to the leasing liability, has been applied at the transition, and hence no transition effect is presented in equity. Operating leases with a remaining term of less than 12 months as at January 1, 2019 are reported as current leases, which means that they are not included in the balance sheet at the time of the transition. Low-value leases, primarily office equipment for Opus, will not be included in leasing liabilities but will continue to be expensed on a straight-line basis over the term of the lease. The practical expedient for definition of a lease, when making a transition to IFRS 16, has been applied, which means that all components of a lease, in accordance with IAS 17, have been considered to be lease components. As at January 1, 2019, the Group's opening leasing liability and Right-of-Use asset balance amounts to SEK 303 million. The Group's average discount rate used when discounting future lease payments amounts to 8.6%.

Reconciliation from IAS 17 to IFRS 16

Obligations for operational leases as at December 31, 2018	442,269
Discount effect	-80,721
Short-term and low-value leases	-21,380
Reasonable certain to use extension options	8,587
Price and index adjustments	1,041
Agreements not covered by IFRS 16 ¹⁾	-47,226
Leasing liability as at January 1, 2019	302,569

¹⁾ Refers to agreements that are reported in accordance with IFRIC 12 "Agreement for economic and social services".

Evaluation bases applied when preparing the consolidated and parent company financial reports

The valuation of assets and liabilities are based on historic cost values, except for certain financial assets and liabilities that are valued at their fair value, such as additional considerations and derivatives.

Functional currency and reporting currency

Functional currency is the currency of the primary economic environment where the company operates its business. The parent company's functional currency is Swedish kronor (SEK), which is also the reporting currency for the company and for the Group. This means that the financial reports are presented in SEK.

Unless otherwise indicated, all amounts are rounded to the nearest thousand (SEK thousands).

Assessments and evaluations

To create the financial reports in accordance with IFRS, company management is required to make different assessments, evaluations and assumptions that affect the reported assets, liabilities, revenues, costs, contingent liabilities and contingent assets. These assessments, evaluations and assumptions are based on historical experience and other factors that could be considered reasonable in the prevailing conditions. Changes to assessments and evaluations are reported in the period the change was made if it only affects that period, or in the period the adjustment was made and future periods if the adjustment affects both the present and future periods. The following areas may be covered by assessments that may have a significant effect on the financial reports.

Valuation of goodwill

When assessing whether there is any indication of impairment for the carrying values of goodwill, assumptions are made for each cash-generating unit regarding expected future earnings and cash flow development, and a discount rate is defined. Four cash-generating units have been identified: Vehicle Inspection U.S. & Asia, Vehicle Inspection Europe, Vehicle Inspection Argentina and Intelligent Vehicle Support. Note 9 contains a description of the material assumptions made in the impairment testing of goodwill, and a description of the effect of reasonably possible changes in the assumptions underlying the projections.

Provisions for additional considerations

Provisions are by their nature dependent on evaluation and assessment as to whether the criteria for reporting are fulfilled, and evaluations of the outcome and size of the potential cost. For calculation of the provision for additional considerations, assumptions are made of the forecast future cash flow and establishment of a discounting factor. See Note 17 for more information.

Customer contracts, customer relationships and other acquired intangible assets

In allocation of a purchase price for an acquisition, the paid purchase price must be attributed to identifiable assets and liabilities where these are valued at the fair value. Such allocations and establishment of useful lives require assessment by management. More detailed information is available in Note 9 and 23.

Classification

Fixed assets and non-current liabilities consist of amounts that are expected to be received or paid after more than twelve months calculated from the balance sheet date. Current assets and current liabilities consist of amounts that are expected to be received or paid within twelve months from the balance sheet date.

Consolidation principles

Subsidiaries

The Group contains the parent company Opus Group AB and those companies in which the parent company, directly or indirectly, has a controlling interest. Opus controls the company if Opus is exposed or has the right to variable returns from its involvement in the company and has the opportunity to influence the return through its influence in the company. Percentage of equity attributable to owners with non-controlling interests is reported as a separate item within equity separated from the parent company's holding of equity. Special information is submitted regarding this proportion of the profit/loss for the period. Changes to the holdings that do not result in a change of controlling interest are reported under equity.

Acquisitions

Acquisitions are reported according to the acquisition method and are part of the consolidated financial statements from the date of the acquisition to the date that the controlling interest stops. The acquisition value is established by a purchase price analysis in conjunction with the acquisition. The acquisition value is made up of the sum of the fair values for purchased assets, occurring or assumed liabilities and for issued equity instruments given in payment as exchange for the purchased net assets.

When the acquisition value exceeds the net of acquired assets and liabilities, according to the above, the difference is reported as goodwill. If the acquisition value is below the fair value of the acquired subsidiary's net assets, the difference is reported in the income statement.

The Group's transaction costs in conjunction with an acquisition, for example remuneration to an agent in a deal, fees for legal services, fees for company compliance and other fees for advice and consultancy services are reported as expenses when they occur.

Additional consideration

At initial recognition, contingent consideration is valued at fair value at the acquisition date. Subsequent changes in fair value are recognized in the income statement. Contingent consideration related to business acquisitions completed prior to 2009 is reported under the IFRS principles for 2008, where subsequent changes results in adjustments to goodwill.

Transactions eliminated on consolidation

Intra-Group receivables and liabilities, revenue or expenses and unrealized profits or losses arising from internal transactions between Group companies are eliminated in their entirety when the consolidated accounts are prepared.

Transactions with related parties

Lothar Geilen, CEO, is entitled to additional consideration in accordance with the acquisition agreement for Systech; see Note 17.

Beginning January 1, 2018, Brian Herron is part of Group management in his role as President, Opus IVS. Brian Herron is entitled to additional consideration paid in accordance with the acquisition agreement for Drew Technologies; see Note 17.

Beyond this, there are no transactions with related parties.

Exchange rates

Transactions in foreign currencies

Transactions in foreign currencies are recalculated to the functional currency at the currency exchange rate that applied on the transaction date. Monetary assets and liabilities in foreign currency are recalculated to the functional currency at the exchange rate that applied on the balance sheet date. Translation differences are reported in the income statement except from translation of net investment in foreign operations when the exchange rate differences are recognized in other comprehensive income and accumulated in equity.

Non-monetary assets and liabilities in foreign currency that are reported at the historic acquisition cost are translated at the exchange rate at the transaction date.

Operational exchange rate differences from accounts receivable, accounts payable and other assets and liabilities are recognized as "Other operating income" and "Raw materials, supplies and merchandise". Exchange rate differences from financial assets and liabilities are recognized as net financial income/expense.

Translation of foreign operations

Assets and liabilities in foreign operations, including goodwill and other corporate fair value adjustments, are translated to the Group's reporting currency at the rate prevailing on the balance sheet date, while all items in the income statement are translated using an average rate for the year. The exchange rate differences that arise are recognized directly, via other comprehensive income, in equity as a translation reserve. On disposal of a foreign entity, the accumulated translation differences related to the entity are recognized in the consolidated income statement as part of the capital gain/loss.

Net investment in foreign operations

Monetary assets or liabilities to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future is, in substance, a part of the company's net investment in foreign operations. The exchange rate differences arising from this type of receivable is recognized under "Other comprehensive income" and is accumulated in a translation reserve in equity. On disposal of a foreign operation, the reported exchange rate differences for net investment are reclassified from equity to profit/loss for the year.

Applied exchange rates for translation of foreign operations

The following exchange rates were used when translating foreign operations:

Currency	Average exchange rate		Rate on balance sheet date	
	2018	2017	2018	2017
ARS	0.33	0.52	0.24	0.43
GBP	11.59	10.99	11.35	11.10
PKR	0.07	0.08	0.06	0.07
USD	8.69	8.54	8.97	8.23

Revenue recognition

Opus' ordinary revenues comprise sales of goods or services and the rental of test equipment (EaaS). Revenues are recognized when the obligations are satisfied, i.e. when control is transferred to the customer. Revenue is valued to the fair value of what is received or will be received, after deductions for sales tax, returns, discounts or other similar deductions.

Revenue from the sale of goods is recognized at a point in time, which in most cases is in connection with delivery.

Revenue from vehicle inspections is recognized in the income statement in the period in which the inspection takes place. Advance payments received are recognized as prepaid income and are recognized in the period in which the inspection takes place. Revenues from service and support contracts are recognized on a straight-line basis over the period to which they relate, when the customer receives and consumes the benefits while the company provides the service/support. Revenue from other services is recognized in the income statement in the period they relate to.

In Autologic, there have been sales to end customers through finance companies where Autologic faces some risk should the end customer lack the ability to pay. When recognizing revenue for this type of sale, a provision is also reported as a decrease in revenue at an amount equivalent to the estimated credit risk.

Refer to the section "Vehicle inspection concession in Punjab, Pakistan" below in relation to revenue recognition of vehicle inspection operations in Punjab Pakistan. Refer to the "Leasing" section below in relation to revenue recognition of rental operations for EaaS and other leasing. See Note 2 for distribution of revenues by revenue category, segment and geographical area.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating segments are reported in a manner that is in agreement with the internal reporting that is presented to the chief operating decision maker at Opus. The chief operating decision maker has been identified as the Group Management Team, which evaluates the results and allocates resources to the operating segments. For more information on operating segments, see Note 2.

Vehicle inspection concession in Punjab, Pakistan

The vehicle inspection concession in the Punjab province of Pakistan is a Build-Operate-Transfer (BOT) project in which Opus receives a concession from the government to finance, design, build and operate the facilities before they are transferred to the government authority after the contract period.

The vehicle inspection concession is reported in accordance with IFRIC 12 "Agreement for economic and social services" because the Government of Punjab Transport Department controls the services that Opus will provide (what type of services, at what price and to whom it should be supplied) and the inspection stations that Opus sets up are transferred to the authorities at the end of the contract.

In accordance with IFRIC 12, no fees that Opus has incurred for construction of the vehicle inspection station buildings are capitalized in the balance sheet. The remuneration that Opus receives for inspections performed is divided between construction services and administration services after the relative fair values for the relevant service. Opus reports a financial asset regarding the remuneration that will be received for construction activities as the authorities in Punjab guarantee that a specific percentage of vehicles will be inspected. The construction

services are recognized over time and the administration services are recognized at a given time in accordance with IFRS 15 "Revenue from Contracts with Customers".

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has an existing legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Pensions

The Group has both defined-contribution and defined-benefit pension plans. The Group's obligation to salaried employees in Sweden is secured through insurance with Alecta for both ITP 1 plans, defined-contribution obligations, and ITP 2 plans, defined-benefit plan obligations. At present, Alecta cannot divulge the necessary individual information for ITP 2 plans that would make it possible to report these as defined-benefit plans and they are thus instead reported as defined-contribution plans. Otherwise, the Group only has defined-contribution pension plans. Obligations regarding contributions to defined contribution plans are reported as a cost in the income statement when they occur. More information is available in Note 5. Within the Group, there is also a supplementary plan for three of Envirotest's former employees in North America; refer to Note 17 for more information.

Option program

Through option programs, employees are offered subscription options that give the individual the right to subscribe for shares in the company. The fair value of the allocated option is calculated according to the Black & Scholes model and reference is made to the terms and conditions that applied at the time of allocation.

In Sweden, a premium is paid by the employee on the allocation date in an amount equal to the actual value of the option. This is recognized directly in Other contributed capital. No benefit or remuneration is paid to the employee and therefore no personnel costs are reported in the income statement. In North America, employees do not pay a premium for the options. The fair value of allocated options are reported as a personnel cost with a corresponding increase in equity. The fair value is calculated at the time of allocation and distributed over the vesting period.

Received payment for shares, after deductions for any directly attributable transaction costs, is credited to the share capital (quota value) and other contributed capital when the options are exercised.

Financial income and expenses

Financial income consists of interest income, unrealized changes in the value of derivatives and exchange rate gains on financial receivables and liabilities.

Financial expenses consists primarily of interest expenses, premiums for early repayment of bond loans and exchange rate losses on financial receivables and liabilities. Financial income and expenses are recognized in the period to which they relate.

Intangible assets

Goodwill

Goodwill represents the difference between the acquisition value and the fair value of the acquired net assets. Goodwill is recognized at acquisition cost less any impairment. Goodwill is allocated to cash-generating units and is tested for impairment annually or whenever circumstances indicate that the asset may be impaired. Goodwill is not amortized.

Customer contracts and relations

Customer contracts and relationships are valued as a part of the fair value of the acquired business and are amortized over a set useful life per customer contract and customer relationship and are reported in the income statement linearly over the useful life.

Capitalized development costs

Expenses for development work are capitalized if it is deemed that the product will generate economic advantages that will benefit Opus. Capitalized costs include external direct costs for material and services used to develop or acquire the asset, and wages and wage-related costs for employees directly associated with the project that have spent significant time on the project.

Capitalized development costs consist primarily of a proprietary IT system for the Swedish market, and a proprietary platform for diagnostic tools. Recognition is done at acquisition cost less accumulated amortization and any impairment. Amortization is recognized in the income statement on a straight-line basis over five years from the date the items are available for use.

Other research and development costs affect the earnings as they occur.

Trademarks

Trademarks with definable useful lives are reported at the acquisition cost less accumulated amortization and any impairment. Amortization is reported in the income statement on a straight-line basis over the useful life, which is judged to be ten years for the Autologic and Gordon-Darby trademarks and five years for other trademarks. Trademarks with indefinite useful lives are reported at the acquisition cost less any impairment. These assets are not amortized, but are tested annually for impairment.

Other intangible assets

Other intangible assets consist of capitalized costs for acquired patents, software, product rights, systems and other acquired intellectual property rights. These assets are recognized at acquisition cost less accumulated amortization and any impairment.

Amortization is based on the expected useful life of the relevant asset and is reported in the income statement linearly over the useful life from the date when they are available for use.

The following amortization periods are applied:

- Capitalized development costs: 5 years
- Customer contracts and relations: 1-19 years
- Trademarks: 5-10 years
- Patents, software and systems: 5-10 years
- Product rights: 3-17 years

Tangible assets

Tangible assets are recognized at acquisition cost less accumulated depreciation and any impairment. Acquisition cost includes the purchase price and costs directly attributable to getting the asset to the location

and condition necessary for use in accordance with its intended purpose. Gains and losses on disposal of tangible assets are determined by comparing income with the carrying amount and are recognized net in the income statement under "Other operating income" or "Other external costs". Land is not depreciated. Depreciation is recognized in the income statement linearly based on the expected useful life from the date the asset is available for use.

The following depreciation periods are applied:

- Buildings: 12-30 years
- Furnishings, machinery and other technical equipment: 3-20 years

Impairment testing

At the end of each accounting period, an assessment is made to determine whether there is an indication for impairment testing of the reported values for the Group's assets. IAS 36 "Impairment" is applied for impairment testing in the Group for assets other than financial assets, deferred tax assets, assets occurring in accordance with IFRS 15 and inventory. For the excluded assets according to the above the valuation is tested according to the relevant standard. If there are indications for impairment testing, an asset's recoverable amount is calculated. For goodwill and trademarks with indefinite useful lives, at a minimum impairment of the recoverable amount is tested annually or when there is an indication that there is a need for impairment. The test is carried out on the lowest cash-generating unit level or groups of cash-generating units in which these assets are checked and monitored for internal control. These cash-generating units are Vehicle Inspection U.S. & Asia, Vehicle Inspection Europe, Vehicle Inspection Argentina and Intelligent Vehicle Support.

The recoverable amount is the higher of net realizable value and value in use. When establishing the value in use, the present value is calculated for the estimated future payments that the asset gives rise to. For the present value calculation, a discount rate before tax is used that reflects the current market rate and risk attributable to the asset.

Impairment is recognized if the carrying amount exceeds the recoverable amount. Any impairment loss and reversal of impairment loss are reported in the income statement. No impairment need in accordance with IAS 36 was identified in 2018.

Financial instruments

Recognition and initial valuation

Financial assets and liabilities are recognized when the Group becomes party to the contractual provisions of the instrument. Purchases and sales of financial assets are recognized on the trade date, which is the date that the Group contractually commits to acquiring or disposing of the asset. Accounts receivable are recognized when the invoices are issued for services performed. Liabilities are recognized when the other party has performed and there is a contractual obligation to pay. A financial asset is derecognized when the rights to receive cash flows from the financial instruments expire or are transferred and the Group essentially no longer has all the risks and rewards incidental to ownership. A financial liability is derecognized when the obligation specified in the contract is discharged or otherwise extinguished.

Financial instruments are initially recognized at acquisition cost corresponding to the instrument's fair value plus or minus transaction costs, except for liabilities that are valued to the fair value through profit or loss, for which transaction costs are expensed immediately. A financial asset and a financial liability are offset and recognized net in the balance sheet only when the legal right of offset exists and the intention is to either settle net or realize the asset and settle the liability simultaneously.

Classification and subsequent valuation of financial instruments – policy applicable as at January 1, 2018 (IFRS 9: Financial Instruments)

Financial assets are classified on the basis of the company's business model and the contractual cash flows from the asset. Opus has the following classification categories:

- Amortized cost - A financial asset is valued at amortized cost if it meets both of the following conditions and has not been identified as valued at fair value through profit or loss:
 - it is held within the scope of a business model for which the objective is to hold financial assets in order to collect contractual cash flows, and
 - the agreed terms for the financial asset give rise to cash flows at specific times which are solely payments of principal and interest on the outstanding principal amount.
 The amortized cost is determined based on the effective interest rate calculated when the asset was assumed. This means that over- and undervalues, as well as transaction costs, are allocated to periods over the duration of the asset. The expected maturity of accounts receivable is short, thus values are reported at nominal value without discounting.
- Fair value through profit or loss - All financial assets that are not classified as valued at amortized cost or fair value through other comprehensive income are valued at fair value through profit or loss.

Financial liabilities are classified as and valued at:

- Amortized cost - Subsequent valuation of other financial liabilities takes place at amortized cost using the effective rate method. The amortized cost is determined based on the effective interest rate calculated when the liability was assumed. This means that over- and undervalues, as well as transaction costs, are allocated to periods over the duration of the liability. Accounts payable and other current liabilities have short expected durations and are valued without discounting to nominal amounts.
- Fair value through profit or loss - A financial liability is valued at fair value through profit or loss if it is classified as holdings for trading purposes or as a derivative, or it has been identified as such at initial recognition. These liabilities are continuously valued at fair value with any changes to the value in profit/loss, except for the change in the value for the additional consideration for Systech reported against goodwill in accordance with applicable regulations per 2008, when the acquisition was made

The following table explains the original valuation categories in accordance with IAS 39 and the new valuation categories in accordance with IFRS 9 for each type of consolidated financial asset and financial liability as of January 1, 2018.

	Classification in accordance with IAS 39, December 31, 2017	Classification in accordance with IFRS 9, January 1, 2018
Financial assets		
Financial assets, Accounts receivable, Other current receivables and Liquid assets	Loans and accounts receivable	Amortized cost
Financial liabilities		
Provisions, additional considerations	Fair value through profit and loss	Fair value through profit and loss
Bond loans, Liabilities to credit institutions, Other non-current liabilities, Accounts payable and Other current liabilities	Financial liabilities at amortized cost	Financial liabilities at amortized cost

Hedge accounting - cash flow hedging

Opus holds one financial derivative instrument for which hedge accounting is applied. The derivative instrument consists of an interest rate swap which is held in order to hedge the Group's interest rate exposure. See Note 25 Financial risks, section entitled Interest rate risk, for more detailed information on this instrument.

When a derivative is identified as a cash flow hedging instrument, the effective element of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the hedging reserve. Ineffective parts of changes in the fair value of the derivative are recognized immediately in profit or loss.

Fair value hierarchy

Information on how fair value is determined for financial instruments measured at fair value in the statement of financial position is provided in Note 20. Each item is attributed to a suitable level in the fair value hierarchy:

- Level 1: Fair value is determined from the quoted price on an active market for identical assets and liabilities that the company has at the point of valuation.
- Level 2: Fair value is confirmed based on direct or indirect observable market data that is not included at Level 1.
- Level 3: Fair value is determined based on input data that is not observable on the market.

Provisions

A provision is recognized in the balance sheet when the Group has an existing legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are valued at the amount that is the best evaluation of what is required to settle the existing obligation and the provision is retested at the end of each report period. When the effect of the timing of the payment is of material significance, provisions are calculated by discounting the expected future cash flow at an interest rate before tax that reflects current market assessments of the time value of money and, where applicable, the risks specific to the liability. A provision is recognized for estimated credit risk on sale to end customer via a finance company, where Opus faces some risk in relation to the finance company if the end customer lacks the ability to pay. This provision is reported as reduced income. Additional considerations in the Group comprise provisions, but are reported at fair value; refer to the Financial instruments section. Other provisions relate to pensions, product warranties and provision building dilapidations.

Contingent liabilities

A contingent liability is recognized when there exists a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events that are not wholly within the company's control or when there exists an obligation that is not recognized as a liability or a provision due to the fact that it is not probable that an outflow of resources will be required or when the obligation cannot be measured with sufficient reliability.

Leases

All of the Group's leases, both as lessee and lessor, are classified as operating leases, as the risks and benefits of the agreement are not transferred to the lessee. The Group's leasing agreement as a lessee primarily relate to lease agreements and leasing of vehicles. Leasing fees are expensed on a straight-line basis over the lease term. The Group's leasing agreements as a lessor relate to EaaS, where the customer rents test equipment including service, spare parts,

consumables and future software updates. The agreements do not include any variable fees. Leasing income from these agreements is recognized in connection with the monthly invoicing of the lease fee.

Inventory

The inventory is valued at the lower of acquisition cost and net realizable value. The acquisition cost is calculated according to weighted average prices and includes fees that have occurred at the acquisition of the inventory assets and transport of them to their present location and condition.

The net realizable value is defined as the sale price reduced by costs of completion and sales costs. Adjustments to net realizable value also includes impairment because of technical and commercial obsolescence at the relevant group company.

Earnings per share

The calculation of earnings per share is based on the Group's profit/loss for the year attributable to the parent company shareholders and the weighted average number of outstanding shares. When calculating diluted earnings per share, the average number of shares is adjusted to take into account the effect of dilutive potential ordinary shares, which during the reporting periods stem from the subscription options granted to employees.

Income taxes

Income taxes consist of current and deferred tax. Income taxes are recognized in the income statement except when the underlying transaction is recognized in other comprehensive income or directly in equity, whereby the associated tax effect is also recognized there. Current tax is the tax to be paid or received for the current year, using tax rates enacted or substantially enacted at the balance sheet date. This also includes adjustment of current tax attributable to previous periods. Current tax assets and liabilities are reported net when a legal right of offset exists and the company intends to settle items with a net amount.

Deferred tax is calculated according to the balance sheet method with the basis in temporary differences between the reported and tax values of assets and liabilities. The valuation of deferred tax is based on how reported values of assets or liabilities are expected to be realized or settled. Deferred tax is calculated on the application of the tax rates and tax regulations that are enacted or substantially enacted at the balance sheet date.

Deferred tax assets pertaining to deductible temporary differences and tax-loss carry forwards are only reported to the degree that they are likely to be utilized. The value of deferred tax assets is reduced when it is deemed no longer likely that they can be used. Deferred tax assets and liabilities are reported net when there is a legal right to offset current tax assets against current tax liabilities and when the taxes are charged by a single tax authority and when the Group intends to pay the current tax assets and current tax with a net amount.

Cash flow statement

The cash flow statement shows incoming and outgoing payments during the period in which they occurred, classified into the following categories:

- Operating activities: The cash flows from operating activities are reported through application of the indirect method, whereby the operating profit/loss is adjusted for transactions not involving incoming and outgoing payments, and is then adjusted for interest received and paid, tax paid, and change in working capital.
- Investment activities: Acquisition and disposals of fixed assets and other types of investments.
- Financing activities: Changes in the size and composition of equity and borrowings.

Parent company accounting principles

The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Financial Accounting Standards Council's recommendation RFR 2 "Accounting for Legal Entities". Under RFR 2, when preparing the annual report the parent company, as the legal entity, shall apply all EU-approved IFRS and interpretations to the greatest extent possible within the framework for the Annual Accounts Act and in consideration of the close tie between financial reporting and taxation. The recommendation specifies what exceptions from and additions to the IFRS are to be made.

The differences between the Group and the parent company's accounting principles are specified below.

Changes in accounting principles 2018

The parent company's accounting principles in 2018 have changed as indicated for the Group.

Classification and reporting formats

The parent company income statement and balance sheet have been prepared in accordance with the formats specified in the Annual Accounts Act. The difference compared to IAS 1 "Presentation of Financial Statements" that has been applied to the presentation of the consolidated financial statements mainly pertain to the presentation of equity and the presentation of provisions as a separate heading in the balance sheet.

Subsidiaries

Shares in subsidiaries are recognized in the parent company in accordance with the cost method. Acquisition costs are included as part of the cost. The book value is tested for impairment whenever there is an indication that the value may be impaired.

Taxes

In the parent company, untaxed reserves are reported in the balance sheet and income statement gross, including deferred tax liabilities.

Group contributions and shareholder contributions

Obtained and provided group contributions are reported as appropriation. Shareholder contributions are reported as an increase of holding in the Group company and are tested for impairment. Reversal of previous impairment of shareholder contributions is recognized as an increase in the shares in Group companies and financial income.

Impairment of intra-group receivables

In accordance with IFRS 9, a legal entity must also apply the forward-looking impairment model on intra-group loans. As the parent company in Opus has significant loan receivables from its subsidiaries, it means that expected customer losses on intra-group loans are reported in the parent company's financial statements. In the consolidated accounts, these customer losses, as well as the intra-group loans, are eliminated in their entirety.

Note 2 Segment and revenue recognition

Opus Group consists of the two divisions Vehicle Inspection and Intelligent Vehicle Support. The Vehicle Inspection division is divided into the three segments: Vehicle Inspection U.S. & Asia, Vehicle Inspection Europe and Vehicle Inspection Latin America.

Reporting to Group management, the Board of Directors and to the stock market and other external stakeholders is done in accordance with this structure.

The outcome measures reported per segment consist of earnings before depreciation (EBITDA) and earnings before amortization of intangible assets (EBITA), which are included in the internal reports reviewed by the chief operating decision maker. Inter-segment pricing is determined on an arm's length basis following applicable internal pricing rules and the accounting principles applied in the segment statements are the same as those applied by the Group (see Note 1).

Vehicle Inspection division

Opus operates vehicle inspection programs for safety and emissions control and provides associated products and services within the Vehicle Inspection division. The division offers turnkey systems, services and products for authorities and helps to ensure compliance with safety and emissions regulations by means of advanced technology that increases the quality and efficiency of inspections.

Intelligent Vehicle Support division

The Intelligent Vehicle Support division helps automotive service technicians meet the challenges of ever-increasing vehicle complexity through a range of advanced diagnostic, programming and remote assistance services. The division provides advanced diagnostic and programming tools that help technicians at independent workshops to compete on a level footing with manufacturer-owned dealerships.

Fixed assets per geographic area

The geographic distribution of fixed assets is based on the country in which the asset is located. Goodwill has not been broken down geographically as it is distributed among cash-generating units; see Note 9.

	2018	2017
Sweden (Group's home country)	149,251	158,415
Europe, excl. Sweden	39,591	43,536
USA	1,181,851	920,920
Asia	32,051	20,668
Latin America	170,402	105,057
Other countries	34	-
Group eliminations	-9,612	-5,788
Total	1,563,568	1,242,808

Sales per geographic area

The geographic distribution of net sales is based on the country in which the customer is located.

	2018	2017
Sweden (Group's home country)	625,477	627,241
Europe, excl. Sweden	69,416	32,637
USA	1,631,527	1,136,663
Asia	41,274	13,107
Latin America	109,074	39,814
Other countries	20,559	8,050
Total	2,497,327	1,857,511

Information about customers

No revenue from transactions with an individual customer exceeded 10% of consolidated sales in 2018 or 2017.

	Vehicle Inspection				Intelligent Vehicle Support	Group elimination and Group-wide costs	Group
2018	U.S. & Asia	Europe	Latin America	Division elimination			
External net sales	1,473,322	626,113	109,075	-	288,817	-	2,497,327
Internal net sales (to other segments)	23,003	-	-	-23,029	19,204	-19,178	-
Net sales	1,496,325	626,113	109,075	-23,029	308,021	-19,178	2,497,327
Other external operating income	10,990	577	262	-	3,089	479	15,397
Total income	1,507,315	626,690	109,337	-23,029	311,110	-18,699	2,512,724
EBITDA	400,505	80,977	-9,057	-	47,325	-16,133	503,617
Depreciation of tangible assets	-114,135	-17,461	-6,951	-	-7,425	21	-145,951
EBITA	286,370	63,516	-16,008	-	39,900	-16,112	357,666
Investments in fixed assets	162,095	18,587	45,300	-	18,481	-3,386	241,077

	Vehicle Inspection				Intelligent Vehicle Support	Group elimination and Group-wide costs	Group
2017	U.S. & Asia	Europe	Latin America	Division elimination			
External net sales	1,027,454	625,975	39,814	-	164,268	-	1,857,511
Internal net sales (to other segments)	20,269	-	-	-20,269	7,742	-7,742	-
Net sales	1,047,723	625,975	39,814	-20,269	172,010	-7,742	1,857,511
Other external operating income	482	469	1,073	-	-	304	2,328
Total income	1,048,205	626,444	40,887	-20,269	172,010	-7,438	1,859,839
EBITDA	236,188	91,164	-28,971	-	25,064	-15,339	308,106
Depreciation of tangible assets	-97,306	-15,932	-2,936	-	-4,099	138	-120,135
EBITA	138,882	75,232	-31,907	-	20,965	-15,201	187,971
Investments in fixed assets	126,219	31,680	58,123	-	9,507	1,678	227,207

Distribution of revenues

Distribution of revenues has been made in the main income categories and segments. Vehicle inspection includes all types of inspections from decentralized and centralized programs and inspections carried out on the Swedish market (open market, not regulated by contract).

Equipment sales includes the sale of inspection equipment to inspection stations and automotive repair shops. Service and support refers to service of sold equipment, support of sold

software systems, and service to automotive repair shops within our decentralized programs. Equipment as a Service (EaaS) constitutes leasing income from Opus' rental of inspection equipment, which includes maintenance, spare parts and software updates. The income category Other includes Remote Assist Programming (RAP), software sales, vehicle registration services and fish and game licensing.

Distribution of revenues by revenue category, 2018	Vehicle Inspection U.S. & Asia	Vehicle Inspection Europe	Vehicle Inspection Latin America	Intelligent Vehicle Support	Group
Vehicle inspection	975,043	594,720	82,649	-	1,652,411
Equipment sales	78,692	-	19,408	119,574	217,674
Service and support	92,165	-	3,182	100,040	195,387
Equipment as a Service (EaaS)	214,597	-	-	2,146	216,743
Other	112,825	31,393	3,836	67,057	215,111
Total	1,473,322	626,113	109,074	288,818	2,497,327

Distribution of revenues by revenue category, 2017	Vehicle Inspection U.S. & Asia	Vehicle Inspection Europe	Vehicle Inspection Latin America	Intelligent Vehicle Support	Group
Vehicle inspection	656,596	594,528	28,516	-	1,279,639
Equipment sales	42,248	-	8,255	104,941	155,444
Service and support	131,613	-	1,579	40,385	173,578
Equipment as a Service (EaaS)	133,215	-	-	668	133,883
Other	63,782	31,447	1,464	18,274	114,967
Total	1,027,454	625,975	39,814	164,268	1,857,511

Net sales

	2018	2017
Net sales by type of income		
Sale of goods	218,445	155,788
Rendering of services	2,278,881	1,701,723
Total	2,497,327	1,857,511

Reported income for the vehicle inspection concession in Pakistan, regarding construction services in accordance with IFRIC 12, amounted to SEK 35.3 million (5.2) in 2018, with an EBITDA margin of 4.8% and a pre-tax profit of SEK 4.3 million (1.4).

Contract assets and contract liabilities

Contract assets and contract liabilities are recognized in accordance with IFRS 15 Revenue from Contracts, see Note 1.

Opus contract assets are made up of accounts receivable.

Contract liabilities	2018	2017
Advances from customers (included in Other current liabilities)	40,237	49,095
Prepaid income (included in Other current liabilities)	53,474	56,718
Total	93,711	105,813
Opening balance	105,813	
Advances from customers during the year	72,985	
Advances from customers recognized as income during the year	-84,246	
Prepaid income during the year	45,355	
Prepaid income recognized as income during the year	-50,333	
Exchange rate differences for the year	4,138	
Carrying amount at year end ¹⁾	93,711	

¹⁾ Of which SEK 80,195 thousand is expected to be recognized as income within one year.

Note 3 Leases

	2018	2017
<i>Operating lease</i>		
During the year, the company's lease payments amounted to	128,705	88,155
Future lease payments for non-cancellable leases are payable as follows:		
Within 1 year	106,741	74,021
Within 2 to 5 years	217,631	169,569
More than 5 years	117,897	99,062
Total	442,269	342,652

Leasing costs for assets under operating leases primarily relate to rented premises and are included in "Other external costs".

Note 4 Fees and expenses paid to auditors

2018	KPMG	WSRP ¹⁾	Total
Audit assignment	3,234	-	3,234
Audit-related assignment	697	-	697
Tax consulting	122	-	122
Total	4,053	-	4,053
2017	4,053	WSRP¹⁾	4,053
Audit assignment	1,581	946	2,527
Audit-related assignment	90	-	90
Tax consulting	55	-	55
Total	1,726	946	2,672

1) In 2017, KPMG was chosen as external auditor of Opus Inspection, Inc. and its subsidiaries.

Audit assignment refers to the examination of the annual report and financial accounting as well as the administration by the Board and Chief Executive Officer. Audit-related assignments are quality assurance services to be performed in accordance with statutes, articles of association, regulations or agreements. Tax consulting includes both tax advice and tax compliance services.

Note 5 Number of employees and personnel costs

The average number of employees:	2018		2017	
	Men	Women	Men	Women
Sweden	492	69	508	65
Argentina	149	37	49	12
Chile	70	22	27	11
Pakistan	152	10	31	3
United Kingdom	68	11	55	12
USA	1,009	340	786	299
Others	26	9	21	8
Total	1,966	498	1,477	410

Gender breakdown of the Board and Group management	2018	2017
Number of board members (parent company),	7	6
of which women	3	3
Management	8	8
of which women	2	2

Fees and remuneration*Personnel costs*

Group total	2018	2017
Salaries and other remuneration	921,007	709,715
Social security expenses	161,105	139,684
of which pension costs	35,106	28,865

Principles for remuneration of Board and corporate management

The principles for remuneration for the Board and corporate management are approved at the Annual General Meeting of the shareholders. The principles approved by the Annual General Meeting 2018 are described below.

Remuneration of the Board

The fee to the Chairman of the Board shall amount to SEK 500 thousand per year (previously SEK 480 thousand), and the fee to other board members who are not employed by the Company shall amount to SEK 230 thousand per board member and year (previously SEK 220 thousand). For board member's work in the Board's audit committee, a total fee of SEK 220 thousand shall be paid. Of this SEK 90 thousand shall be paid to the audit committee chairman and SEK 65 thousand per member shall be paid to the other audit committee members.

Remuneration to executive officers

The remuneration is made up of a fixed part and a variable part. The fixed part is made up of salary, pension contributions and other benefits, such as company cars. The variable part relates to bonuses. The variable part must be based on profits or other predefined, measurable targets. The variable part shall in principle be capped and shall not exceed 30 percent of the fixed remuneration. Issues related to remuneration to company management shall be addressed by the HR committee, and reported to and decided on by the Board.

Termination notice period and severance pay

The CEO of Opus Group AB has a three-year contract that was entered into in early 2018 and runs through December 31, 2020. In case of termination by the company, severance pay corresponding to 12 months' normal compensation will be paid.

Other executive officers have at most a twelve-month notice period. No severance pay will normally be paid to other executive officers, regardless of which party initiates the termination. Normal salary will be paid during the termination notice period.

Remuneration and other benefits in 2018

	Salary ⁴⁾ / Board fee	Variable remuneration ⁵⁾	Other benefits	Pension costs	Other remuneration ⁶⁾	Total
Katarina Bonde, Chairman of the Board	493	-	-	-	-	493
Anders Lönnqvist, Board member ¹⁾	83	-	-	-	23	106
Anne-Lie Lind, Board member	226	-	-	-	73	299
Friedrich Hecker, Board member	226	-	-	-	-	226
Håkan Erixon, Board member ²⁾	144	-	-	-	56	200
Jimmy Tillotson, Board member ^{2) 3)}	-	-	-	-	-	-
Ödgård Andersson, Board member	226	-	-	-	64	290
Magnus Greko, Board member ³⁾	-	-	-	-	-	-
Lothar Geilen, President and CEO	3,320	273	49	92	-	3,734
Linus Brandt, Vice President and CFO	1,917	225	85	552	-	2,779
Other Group Management	14,325	2,035	367	2,499	-	19,226
Total	20,960	2,533	501	3,143	216	27,352

¹⁾ Resigned May 17, 2018.²⁾ Elected May 17, 2018.³⁾ Is not paid any board fee.⁴⁾ Includes base salary, vacation pay and travel compensation.⁵⁾ Variable remuneration includes any salary exchange of previous year's bonus.⁶⁾ Other remuneration concerns fees for the audit committee.

Remuneration and other benefits in 2017

	Salary ⁶⁾ / Board fee	Variable remuneration ⁷⁾	Other benefits	Pension costs	Other remuneration ⁸⁾	Total
Katarina Bonde, Chairman of the Board	475	-	-	-	-	475
Anders Lönnqvist, Board member	215	-	-	-	39	253
Anne-Lie Lind, Board member	215	-	-	-	74	289
Friedrich Hecker, Board member	215	-	-	-	-	215
Heléne Mellquist, Board member ¹⁾	77	-	-	-	30	107
Lothar Geilen, Board member ^{1) 3)}	-	-	-	-	-	-
Ödgård Andersson, Board member ²⁾	138	-	-	-	39	176
Magnus Greko, Board member ^{2) 3)}	-	-	-	-	-	-
Lothar Geilen, President and CEO ⁴⁾	3,351	268	45	335	-	4,000
Linus Brandt, Vice President/CFO	1,778	-18	13	741	-	2,514
Other Group Management ⁵⁾	9,919	1,866	584	2,542	-	14,911
Total	16,382	2,116	642	3,618	182	22,940

Reported amounts refer to the remuneration each individual received during their post period.

¹⁾ Resigned May 15, 2017.²⁾ Elected May 15, 2017.³⁾ Is not paid any board fee.⁴⁾ President and CEO as of 2017-04-01. The reported amounts refer to full year 2017.⁵⁾ Includes member who joined Group Management during the year and reported at the amount that the affected persons received during full year 2017.⁶⁾ Includes base salary, vacation pay and travel compensation.⁷⁾ Variable remuneration includes any salary exchange of previous year's bonus.⁸⁾ Other remuneration concerns fees for the audit committee.

Pension obligations

For salaried employees in Sweden, the ITP 2 plan's defined-benefit pension obligations for retirement and/or family pension are secured through insurance in Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 "Reporting pension plan ITP 2 which is financed through insurance from Alecta", this is a defined-benefit plan that covers several employers. For financial year 2018, the Group has not had access to information in order to report its proportionate share of the plan's obligations, management assets and costs, which meant that it was not possible to report the plan as a defined-benefit plan. The pension plan is therefore reported as a defined contribution plan. The premium for the defined-benefit retirement and family pension is individually calculated based on factors such as salary, previously earned pension and expected remaining service time. Expected contributions for ITP 2 insurance with Alecta in the next reporting period amount to SEK 10.1 million. The Group's share of the total contributions to the plan and the Group's share of the total number of active members in the plan are 0.06 and 0.07 percent, respectively.

The collective funding ratio is made up of the market value of Alecta's assets as a percentage of insurance commitments calculated according to Alecta's actuarial methods and assumptions, which are not consistent with IAS 19. The collective consolidation level should normally be allowed to vary between 125 and 175 percent, with predetermined limits to be applied for the distribution of refunds. If the funding ratio is low, action can be taken to increase the contracted price for new policies and expand existing benefits. If the funding ratio is high, action can be taken to introduce premium reductions. At the end of 2018, Alecta's surplus in the form of the collective funding ratio was 142 percent (154 percent).

The Company also has a supplementary plan (Executive Retirement Plan "SERP") for three of Envirotech's former employees in North America. The plan gives each of these employees USD 30 thousand per month beginning at age 65 for a period of ten years, payable in equal monthly installments. The plan is funded through general, non-restricted assets in the Company.

Other pensions in the Group are defined-contribution pension plans.

Subscription option program for employees

As of December 31, 2018, Opus has two outstanding subscription option programs for executive officers and other employees in the Group (see below for information on the outstanding option program). The dilutive effect of Opus' option program, if fully exercised, would not exceed 11,500,000 shares or 4.0 percent of the share capital and voting rights.

Option program specification (number of options)	2016:1	2018
CEO	-	-
Executive VP and CFO	400,000	400,000
Other members of Group management	763,971	2,150,000
Others	4,336,029	3,450,000
Total	5,500,000	6,000,000

Option program 2016:1

At the Annual General Meeting held on May 19, 2016 the Company resolved to issue 5,500,000 subscription options (Option program 2016:1) entitling option holders to subscribe for a total of 5,500,000 shares at a subscription price of SEK 5.46 per share. The subscription options were subscribed by Opus Services Sweden AB, a wholly-owned subsidiary, and with the right and obligation to offer subscription options to executive officers and other employees in the Group. Of the

5,500,000 subscription options, all options were transferred to the employees.

The fair value of the options was valued upon issue in accordance with the Black & Scholes option pricing model. The fair value amounted to SEK 0.14 per subscription option. Input parameters in the pricing model were as follows:

- Share price of SEK 4.14, which was calculated on Opus Group AB's closing price on May 19, 2016.
- Risk-free interest rate of 0.4 percent, which was based on the Swedish government bonds with a maturity of 3.21 years, calculated by interpolation.
- Expected volatility of 25 percent, which was calculated on the average volatility of the Opus Group AB share compared with the volatility of comparable companies.
- Expected dividend of SEK 0.10 per share.
- An illiquidity discount of 40 percent because Opus' subscription options are not listed for trade.

Option program 2018

At the Annual General Meeting held on May 17, 2018 the Company resolved to issue 6,000,000 subscription options (Option program 2018) entitling option holders to subscribe for a total of 6,000,000 shares at a subscription price of SEK 8.57 per share. The subscription options were subscribed by Opus Services Sweden AB, a wholly-owned subsidiary, and with the right and obligation to offer subscription options to executive officers and other employees in the Group. Of the 6,000,000 subscription options, all options were transferred to the employees.

The fair value of the options was valued upon issue in accordance with the Black & Scholes option pricing model. The fair value amounted to SEK 0.33 per subscription option. Input parameters in the pricing model were as follows:

- Share price of SEK 6.92, which was calculated on Opus Group AB's closing price on May 30, 2018.
- Risk-free interest rate of -0.3 percent, which was based on the Swedish government bonds with a maturity of 4 years, calculated by interpolation.
- Expected volatility of 25 percent, which was calculated on the average volatility of the Opus Group AB share compared with the volatility of comparable companies.
- Expected dividend yield of 2.5%.
- An illiquidity discount of 40 percent because Opus' subscription options are not listed for trade.

Note 6 Net financial items

	2018	2017
<i>Interest income and similar items</i>		
Interest income		
- bank deposits	1,707	1,072
- receivables	3,163	1,917
Unrealized profits on currency derivatives	4,891	-
Total	9,760	2,989
<i>Interest expenses and similar items</i>		
Interest expenses		
- financial liabilities at amortized cost	-90,927	-60,421
- derivatives used for hedging	-	-1,973
- other financial liabilities	-	-15
Premium early redemption bond loan	-6,017	-
Exchange rate differences	-65,724	-39,026
Other	-2,261	-5,589
Total	-164,929	-107,024
Net financial income/expense	-155,169	-104,035

Note 7 Income tax

	2018	2017
Current tax	-63,214	-30,964
Deferred tax	6,505	101,959
Total income tax	-56,708	70,995
The tax expense for the year corresponds to an effective tax rate of	112%	-2,557%
<i>Reconciliation between reported tax and tax based on applicable tax rate, 22% (22)</i>		
Reported profit/loss before tax	50,497	2,777
<i>Tax effect of:</i>		
Tax at the applicable tax rate, 22.0%	-11,109	-611
Difference in tax rates in foreign operations	9,848	5,349
Non-deductible expenses/non-taxable income and unrecognized taxable income/deductible expenses	-23,664	22,843
Tax effect of prior years	-2,933	-9,289
Tax reduction ¹⁾	1,392	2,085
Effect of changed tax rates ²⁾	-479	50,859
Effects of loss carryforwards ³⁾	-29,377	-
Other	-386	-241
Total income tax	-56,708	70,995

¹⁾ Tax reduction mainly relates to tax credits in the U.S. that Opus is entitled to because the company employs workers from certain target groups that have significant barriers to employment.

²⁾ For 2017, relates to tax effects on deferred tax as a result of the tax reform approved in the United States in December 2017.

³⁾ Effects of loss carryforwards include losses occurring during the year that have not been recognized as tax assets.

Note 7 Cont.

Deferred tax

	Opening balance January 1, 2018	Subsidiary acquisition	Recognized in the income statement	Recognized in OCI	Translation differences	Closing balance on December 31, 2018
Untaxed reserves	-15,128	-	-10,454	-	-	-25,581
Accounts receivable	1,402	-	349	-	137	1,888
Prepaid expenses	-138	-	62	-	-10	-86
Inventory	9,348	-	-124	-	835	10,059
Other current liabilities	13,996	1,452	10,073	-	1,102	26,622
Other	52	-38	-10,762	787	704	-9,256
Intangible assets	-94,805	-60,121	25,995	-	-12,494	-141,424
Tangible assets	-43,913	-13,310	-23,619	-	197	-80,645
Tax losses	17,384	2,007	14,985	-	-5,851	28,525
Other non-current liabilities	-	-	-	-	-	-
Total	-111,802	-70,010	6,506	787	-15,381	-189,899
Deferred tax assets	32,296					27,031
Deferred tax liabilities	-144,098					-216,929
Net	-111,802					-189,899

Tax reported directly to other comprehensive income amounts to SEK 787 thousand (-547) and relates to cash flow hedging.

Maturity structure - deferred tax assets relating to loss carryforwards

	2018	2017
Due within one year	-	-
Due within 2-5 years	12,367	10,307
Due within 6-20 years	5,321	-
No maturity date	10,837	7,076
Total	28,525	17,384

Note 8 Earnings per share

	2018	2017
Earnings per share before dilution (SEK)	0.09	0.28
Earnings per share after dilution ¹⁾ (SEK)	0.09	0.27
The calculation of earnings per share attributable to parent company shareholders before and after dilution is based on the following information:		
Earnings attributable to parent company shareholders, SEK thousands	25,806	81,157
Weighted average number of shares before dilution	290,318,246	289,988,187
Weighted average number of shares after dilution ¹⁾	295,818,246	295,488,187

¹⁾ If the discounted exercise price for outstanding warrants is less than the average price for the Opus share, the warrants give rise to a dilution effect. The dilution effect with reference made to the option program is calculated according to the dilution that applied at the end of each period.

Earnings per share before dilution

Earnings per share before dilution is calculated by dividing the net profit for the year attributable to parent company shareholders by the average number of outstanding shares.

Earnings per share after dilution

Earnings per share after dilution is calculated by dividing the net profit for the year attributable to parent company shareholders by the adjusted average number of outstanding shares covering all potential dilution of shares.

Note 9 Intangible assets

	Capitalized development costs	Customer contracts and relations	Trademarks	Goodwill	Systems and software	Product rights	Other intangible assets	Total
<i>Acquisition cost</i>								
Opening balance on January 1, 2017	43,402	364,857	137,993	861,514	87,250	37,990	185,046	1,718,052
Investments	2,300	-	1,124	-	-	-	14,754	18,178
Subsidiary acquisition	241	30,600	15,699	239,519	1,741	5,173	2,308	295,281
Translation differences	-	-37,116	-12,995	-56,533	-8,269	-3,615	-16,503	-135,031
Closing balance on December 31, 2017	45,943	358,341	141,821	1,044,500	80,722	39,548	185,605	1,896,480
Investments	14,087	-	1,094	-	24	-	16	15,221
Subsidiary acquisition	-	209,642	20,159	334,418	18,921	-	-	583,140
Reclassification	2,463	-	-	-	-	-	-1,250	1,213
Translation differences	201	45,059	14,334	67,390	9,510	3,199	14,183	153,876
Closing balance on December 31, 2018	62,694	613,042	177,408	1,446,308	109,177	42,747	198,554	2,649,930
<i>Amortization</i>								
Opening balance on January 1, 2017	-15,236	-193,958	-20,316	-	-35,849	-4,253	-127,824	-397,436
Amortization for the year	-8,134	-44,198	-2,201	-	-12,580	-3,258	-10,788	-81,159
Translation differences	-1	20,125	1,901	-	3,803	485	12,044	38,357
Closing balance on December 31, 2017	-23,371	-218,031	-20,616	-	-44,626	-7,026	-126,568	-440,238
Amortization for the year	-8,615	-107,450	-4,217	-	-15,869	-4,066	-11,782	-151,999
Translation differences	-3	-22,118	-1,741	-	-4,322	-615	-9,018	-37,817
Closing balance on December 31, 2018	-31,989	-347,599	-26,574	-	-64,817	-11,707	-147,368	-630,054
<i>Reported values</i>								
December 31, 2017	22,572	140,310	121,205	1,044,500	36,096	32,522	59,037	1,456,242
December 31, 2018	30,705	265,443	150,834	1,446,308	44,360	31,040	51,186	2,019,876

Capitalized development costs relate primarily to the Company's proprietary IT system for the Swedish market. Of "Other intangible assets", licenses and patents account for SEK 10,317 thousand (10,702) and "Other intangible assets" account for SEK 40,869 thousand (48,335). Apart from goodwill, the acquired brand Drew Technologies has an indefinite useful life. Amortization of intangible assets is included in the income statement item "Amortization of intangible assets".

Impairment testing of goodwill and trademarks with indefinite useful lives

To assess whether impairment exists, goodwill is allocated to the lowest level of the Group's cash-generating units expected to benefit most from the asset and at which goodwill is monitored in internal management. The cash-generating unit for acquired trademarks is the company holding the trademark.

The following table shows the allocation of goodwill and trademarks with indefinite useful lives to the cash-generating units:

	Goodwill		Trademarks	
	2018	2017	2018	2017
Vehicle Inspection U.S. & Asia (the segment)	755,809	416,089	-	-
Vehicle Inspection Europe (the segment)	277,281	277,281	-	-
Vehicle Inspection Argentina (vehicle inspection operations in Argentina)	122,756	77,379	-	-
Intelligent Vehicle Support (the division)	290,462	273,751	114,335	104,919
Total	1,446,308	1,044,500	114,335	104,919

The cash-generating units Vehicle Inspection U.S. & Asia, Vehicle Inspection Europe and Intelligent Vehicle Support are made up of the segments with the same names.

In 2018, Opus expanded its operations in Argentina with the acquisition of VTV, which resulted in the Argentinian vehicle inspection operations representing such a significant part of the Vehicle Inspection Latin America segment that the Argentinian vehicle inspection operations have been identified as a separate cash-generating unit: Vehicle Inspection Argentina.

The acquired trademark Drew Technologies has been estimated to have an indefinite useful life and has been tested together with the goodwill allocated to the cash-generating unit Intelligent Vehicle Support.

The recoverable amount is made up of the calculated value in use of each cash-generating unit. The value in use has been calculated using the discounted cash flow. The discounted cash flow model uses cash flow forecasts based on the Group's budget and financial five-year plan (drawn up in September 2018) as approved by the Board. For the cash-generating unit Vehicle Inspection U.S. & Asia, the contract periods on which the financial five-year plan is based are taken into consideration. In cases where a contract held by Opus expires during the five years that constitute a cash flow forecast, the forecast has been adjusted based on the estimated probability of obtaining a contract extension or winning a new contract. The probability is estimated at 60-95% depending on the type of contract and whether it is an extension or a new contract. A final value is then applied to the cash flow after the end of the prognosis period with continuous growth.

The primary assumptions in the calculations are average future

growth and discount rate before tax. EBITDA is an important key figure in determining the financial five-year plan and is in line with the Group's financial targets. Management believes that the growth rate used to extrapolate the cash flow forecast beyond the period covered by the financial five-year plan does not exceed the average growth rates for the relevant markets in which the cash-generating units operate. The discount rate consists of the weighted average cost of capital for borrowed capital and equity. The calculation of the cost of equity is based on the CAPM model (Capital Asset Pricing Model), where the median Beta for the industry adjusted for capital structure, local risk-free interest rates and the equity risk premium is applied.

No impairment requirement has been identified during 2018 or 2017.

The key assumptions used for calculation of the value in use are given below.

	Discount rate before tax		Average future growth	
	2018	2017	2018	2017
Vehicle Inspection U.S. & Asia (the segment)	8.5%	10.9%	2.0%	2.0%
Vehicle Inspection Europe (the segment)	5.8%	7.3%	2.0%	2.0%
Vehicle Inspection Argentina (vehicle inspection operations in Argentina)	22.3%	13.6%	2.0%	2.0%
Intelligent Vehicle Support (the division)	7.9%	10.8%	2.0%	2.0%

Sensitivity analysis

A number of sensitivity analyses were conducted to evaluate whether reasonable adverse changes would lead to impairment of goodwill or the value of trademarks with indefinite useful lives. The sensitivity of the calculations made for each of the four cash-generating units indicate that the value of goodwill could be maintained even if the discount rate increased by 2 percentage points and the long-term growth rate decreased by 2 percentage points.

Other impairment testing

Capitalized development projects that are not yet ready for use amount to SEK 4,950 thousand (5,706) and have been tested without any need for impairment being identified.

Note 10 Tangible assets

	Construc- tion in progress	Property and land	Furnishings, machinery and other technical equipment	Total
<i>Acquisition cost</i>				
Opening balance on January 1, 2017	73,088	491,425	575,179	1,139,692
Investments	80,101	9,326	119,602	209,029
Subsidiary acquisition	-	432	3,730	4,162
Sales/disposals	-	-1,055	-1,857	-2,912
Reclassification	-23,057	-	24,137	1,080
Translation differences	-12,549	-47,034	-46,400	-105,983
Closing balance on December 31, 2017	117,583	453,094	674,391	1,245,068
Investments	42,757	19,516	165,445	227,718
Subsidiary acquisition	-	46,029	13,049	59,078
Sales/disposals	-	-2,212	-4,750	-6,962
Reclassification	-70,024	32,759	36,066	-1,199
Translation differences	-3,463	20,759	49,863	67,159
Closing balance on December 31, 2018	86,853	569,945	934,064	1,590,862
<i>Depreciation</i>				
Opening balance on January 1, 2017	-	-65,853	-258,894	-324,747
Sales/disposals	-	-	1,833	1,833
Depreciation for the year	-	-20,820	-99,315	-120,135
Translation differences	-	7,004	22,042	29,046
Closing balance on December 31, 2017	-	-79,669	-334,334	-414,003
Sales/disposals	-	-	2,888	2,888
Depreciation for the year	-	-25,168	-120,783	-145,951
Reclassification	-	-1,573	1,573	-
Translation differences	-	-9,066	-34,730	-43,796
Closing balance on December 31, 2018	-	-115,476	-485,386	-600,862
<i>Reported values</i>				
December 31, 2017	117,583	373,425	340,057	831,065
December 31, 2018	86,853	454,469	448,678	990,000

Note 11 Inventories

	2018	2017
Finished goods and merchandise	133,082	132,492
Other	249	79
Total	133,331	132,571

Write-downs of inventories, which are recognized as an expense in income statement item "Raw materials, supplies and merchandise", amounted to SEK 12,473 thousand (6,548) for the year.

Note 12 Accounts receivable

	2018	2017
Accounts receivable	157,480	111,388
Provision for doubtful debt	-13,406	-9,577
Accounts receivable, net	144,074	101,811

Accounts receivable are categorized as loans and accounts receivables. The carrying value of accounts receivable approximates its fair value. The maximum exposure to credit risk at the balance sheet date is the carrying value of accounts receivable. Provision for credit losses on accounts receivable at the end of the reporting period is made in accordance with IFRS 9. See Note 25, Credit and counterparty risk section for more information. (Comparative figures for 2017 are made up of reserves for impairment in accordance with IAS 39.)

	2018	2017
Age analysis of accounts receivable		
Not past due	39,988	31,066
Past due 1-90 days	96,340	58,325
Past due more than 90 days	21,152	21,997
Total accounts receivable	157,480	111,388
Provision for doubtful debt		
Opening balance on January 1	-9,577	-6,552
Provision during the year	-8,761	-6,102
Actual losses	4,619	3,475
Subsidiary acquisition	-	-743
Translation differences	313	345
Closing balance on December 31	-13,406	-9,577

The provisions for the year and reversal of previous provisions are reported in the income statement under "Other external costs".

Note 13 Other current receivables

	2018	2017
Prepaid rent	14,592	11,815
Other current receivables	41,567	37,874
Other prepaid expenses	50,184	58,190
Total	106,343	107,879

Note 14 Liquid assets

Liquid assets consist of cash and cash equivalents amounting to SEK 384,155 thousand (642,801), of which SEK 43,431 thousand is only available to the Group for special purposes attributable to a contractual investment fund for one of the states in the United States.

Note 15 Equity disclosures

Share capital

	No. of shares	Share capital
Quantity/value December 31, 2018	290,318,246	5,806
Quantity/value December 31, 2017	290,318,246	5,806

The quota value for all shares is SEK 0.02. All shares are fully paid and have one (1) vote and equal rights to the corresponding share of the company's assets and profits.

Dividend is proposed by the Board in accordance with the provisions of the Companies Act and is approved by the Annual General Meeting.

Other contributed capital

Other contributed capital refers to capital contributed by the owners and includes premiums paid in connection with share issues and premiums for subscription options.

Reserves

Consolidated equity includes certain reserves, which are described below:

Hedging reserve

Cash flow hedges comprise the effective share of the accumulated net change in fair value of a cash flow hedging instrument.

Translation reserve

The translation reserve comprises all exchange rate differences arising on translation of financial reports from foreign operations and translation of net investment in foreign operations.

Retained earnings

Retained earnings, including net income, include the previous year's earnings of the parent company and its Group companies.

Note 16 Interest-bearing liabilities

The Group's interest-bearing liabilities consist of the following financial liabilities:

			2018	2017
Interest-bearing liabilities	Due year	Nominal value	Carrying amount	
Bond loan	2018	MSEK 500	-	496,934
Bond loan	2021	MSEK 500	496,158	494,568
Bond loan	2022	MSEK 500	495,196	-
Bond loan	2032	MUSD 50	446,163	408,718
Liabilities to credit institutions	2022	MUSD 60	537,195	205,290
Total bonds and loans			1,974,712	1,605,510
Other interest-bearing liabilities			5,790	2,930
Total interest-bearing liabilities			1,980,502	1,608,440
Of which are current			-	496,934
Of which are non-current			1,980,502	1,111,506

Liabilities due within one year from the balance sheet date are recognized as a current liability.

The Group's borrowing takes place mainly through loans with long maturities, but with short fixed interest rate period. The fixed interest rate period is 3 months, except for the bond loan that is due for payment in 2032 and has a fixed interest rate period of one week. The fair value is therefore judged to be consistent with the reported value.

Opus bond and loan agreements contain customary terms, conditions and obligations. The bond and loan agreements comprise financial covenants consisting of the financial key figures interest coverage ratio and net debt/EBITDA plus a minimum limit for liquid assets. Quarterly reporting of financial information and credit terms is required under the bond and loan agreements. See Note 25 for information on the Group's exposure to interest rate, exchange rate and liquidity risk.

Note 17 Provisions

	Additional conside- ration	Remune- ration to employees	Product warranty	Other	Total
Opening balance January 1, 2018	142,831	4,369	1,577	9,420	158,198
Provisions for the year	2,650	267	4,598	213	7,728
Utilized during the year	-10,241	-1,007	-3,944	-1,390	-16,582
Reclassified as debt	-90,675	-	-	-	-90,675
Reversal of unused amount	-	-	-	-7,068	-7,068
Translation differences	4,384	287	136	923	5,731
Closing balance December 31, 2018	48,949	3,916	2,368	2,098	57,332
Of which are current provisions	14,393	565	2,011	370	17,338
Of which are non-current provisions	34,556	3,352	358	1,728	39,994
Total	48,949	3,916	2,368	2,098	57,332

Additional consideration, Systech

In conjunction with the acquisition of Systech in 2008, a number of additional considerations were contracted with the sellers Lothar Geilen and Pradeep Tripathi, of which the following are still current.

- Additional consideration, limited to a maximum of USD 25 million will be paid for all new business that is generated within 15 years from the closing date of the acquisition and is based on the technology or the business concepts developed or planned by Systech before January 1, 2008. The additional consideration for such new business may, as a basic rule, amount to up to 35 percent of the net profit on the transaction and is payable annually within 60 days of the end of the calendar year. For certain eligible businesses with a low profit margin, an upward adjustment to a predefined margin must be done, in relation to revenues, before calculating the additional consideration.

Lothar Geilen, as a related party in his relationship to the company, can obtain a maximum of 25% (USD 6.25 million) of this USD 25 million in additional consideration for the sale of Systech.

In February 2018, Opus and Tripathi entered into a settlement agreement in which the parties agreed on a payment plan expressly replacing the 75% of the total additional consideration to which Tripathi would otherwise have been entitled as stated above. As a result, the part of the provision relating to the additional consideration to Tripathi has been replaced by a liability paid over a five-year period from the start of the agreement. The difference between the discounted value of the liability and the provision has been adjusted directly against goodwill in accordance with the accounting principles described in Note 1.

As per December 31, 2018, Opus Group AB has made a provision of SEK 31.2 million based on obtained contracts for Wisconsin, North Carolina, New York State, Virginia, Metro Nashville and Chile. Provisions are made once the contracts are signed. Disbursement is expected to occur over the remaining 5-year period. Payments to Lothar Geilen totaling USD 1.8 million (1.3) have been made as of December 31, 2018.

The value of the settlement for the additional consideration is based on future forecasted cash flows of principal discounted to the current market interest rate of 2.56%. In the valuation, the probability of the contract being extended has been based on factors such as historic outcome and specific contractual circumstances. Since the acquisition of Systech was conducted in 2008, Opus follows the IFRS regulations for 2008 regarding the additional consideration, which means that the effect from fair value measurement is reported against the asset item goodwill.

Systech was merged with Opus Inspection, Inc in 2013. If the majority of Opus Inspection, Inc, Opus Inspection, Inc's assets or its operations are directly or indirectly sold, transferred or liquidated, the entire additional consideration will be immediately due for payment.

The difference between the provision reported in the financial report

and the total potential remaining additional consideration, concerning Lothar Geilen's share, is recognized as a contingent liability: see Note 19.

Additional consideration, Drew Technologies

With the acquisition of Drew Technologies in 2015, an agreement was signed for additional consideration of a maximum of USD 4.4 million (SEK 40 million). As of December 31, 2018, disbursements have been made in an amount totaling USD 2.5 million. USD 1.5 million of this will be paid over the coming 2-year period in the form of annual payments to the former owners, including Brian Herron, who was the company's president. The remaining USD 0.5 million will be paid to Brian Herron in two installments contingent on the company achieving set performance targets.

Remuneration to employees

Remuneration to employees relates mainly to a supplemental plan (Executive Retirement Plan "SERP") for three of Envirotech's former employees. The plan gives each of these employees USD 30 thousand per month beginning at age 65 for a period of ten years, payable in equal monthly installments. The plan is funded through general, non-restricted assets in the Company. The assumed discount rate is 4.22%. The cost for 2018 amounted to SEK 139 thousand.

Product warranty

Refers to provisions for warranty obligations that are recognized when the underlying products are sold. The provisions are based on historic warranty data.

Other

Other provisions mainly consist of a credit risk guarantee where a provision is reported for estimated credit risk on sale to end customer via a finance company, where Opus faces some risk in relation to the finance company if the end customer lacks the ability to pay. In 2018, SEK 7 million of the credit risk guarantee has been returned to the income statement following a legal agreement.

Note 18 Other current liabilities

	2018	2017
Accrued payroll liability	47,177	27,415
Accrued vacation pay liability	48,247	39,569
Accrued social security contributions	23,546	18,191
Accrued interest expenses	10,075	10,198
Advances from customers	112,340	125,411
Other accrued expenses and deferred income	61,948	56,110
Other current liabilities	136,897	117,965
Total	440,230	394,859

Note 19 Pledged assets and contingent liabilities

	2018	2017
<i>Assets pledged for liabilities to credit institutions</i>		
Pledged shares in subsidiaries	512,549	512,549
Total	512,549	512,549
<i>Contingent liabilities</i>		
Warranty obligations	5,942	5,942
Additional consideration ¹⁾	8,777	69,956
Total	14,719	75,898

¹⁾ The difference between the provision reported in the financial report and the total potential remaining additional consideration, concerning Lothar Geilen's share, from the acquisition of Systech. (The comparative figure for 2017 relates to the difference between the reported provision and the total possible remaining additional consideration for both Lothar Geilen and Tripathi. See Note 17 for more information.)

Note 20 Financial instruments

2018	Financial assets at amortized cost	Financial assets valued at fair value through profit and loss	Derivatives for hedge accounting (fair value through other comprehensive income)	Financial liabilities valued at fair value through profit and loss	Financial liabilities at amortized cost	Total book value	Fair value
<i>Financial assets per category</i>							
Financial assets	57,960	-	-	-	-	57,960	57,960
Accounts receivable	144,074	-	-	-	-	144,074	144,074
Other current receivables	31,986	-	-	-	-	31,986	31,986
Derivatives	-	4,891	-	-	-	4,891	4,891
Liquid assets	384,155	-	-	-	-	384,155	384,155
Carrying amount	618,175	4,891	-	-	-	623,065	
<i>Financial liabilities per category</i>							
Provisions	-	-	-	48,949	1,340	50,289	50,289
Bond loans	-	-	-	-	1,437,516	1,437,516	1,437,516
Liabilities to credit institutions	-	-	-	-	537,195	537,195	537,195
Derivatives	-	-	2,915	-	-	2,915	2,915
Other non-current liabilities	-	-	-	75,583	7,318	82,901	82,901
Accounts payable	-	-	-	-	77,003	77,003	77,003
Other current liabilities	-	-	-	22,960	304,544	327,504	327,504
Carrying amount	-	-	2,915	147,492	2,364,916	2,515,323	

2017	Loans and accounts receivable	Financial assets valued at fair value through profit and loss	Derivatives for hedging	Financial liabilities valued at fair value	Financial liabilities at amortized cost	Total book value	Fair value
<i>Financial assets per category</i>							
Financial assets	25,114	-	-	-	-	25,114	25,114
Accounts receivable	101,811	-	-	-	-	101,811	101,811
Other current receivables	32,955	-	-	-	-	32,955	32,955
Liquid assets	642,801	-	-	-	-	642,801	642,801
Carrying amount	802,681	-	-	-	-	802,681	
<i>Financial liabilities per category</i>							
Provisions, additional consid- erations	-	-	-	142,831	-	142,831	142,831
Bond loans	-	-	-	-	1,400,219	1,400,219	1,400,219
Liabilities to credit institutions	-	-	-	-	205,290	205,290	205,290
Other non-current liabilities	-	-	-	-	6,394	6,394	6,394
Accounts payable	-	-	-	-	54,714	54,714	54,714
Other current liabilities	-	-	-	-	269,377	269,377	269,377
Carrying amount	-	-	-	142,831	1,935,994	2,078,825	

Financial instruments that are valued to fair value are classified according to the hierarchy for fair value in one of the following valuation levels:

- Level 1: according to prices noted on an active market for the same instrument.
- Level 2: based on directly or indirectly observable market data that is not included in level 1.
- Level 3: based on input data that is not observable on the market.

Derivatives

Derivatives relate to an interest rate swap and a foreign currency forward contract and are attributable to level 2 of the fair value hierarchy. The fair value of the interest rate swap is calculated as the current value of calculated future cash flow according to the contract terms and due dates and based on the market interest rate for similar instruments on the balance sheet date. The fair value of the foreign currency forward contract is calculated using the difference between the exchange rate on the balance sheet date and the contractually agreed upon exchange rate.

Additional considerations

Opus' financial liabilities valued at fair value through the income statement comprise additional considerations. Agreements for additional considerations have been concluded in connection with the acquisition of Systech in 2008 and the acquisition of Drew in 2015. For more information, see Note 17. Valuation of additional considerations is attributable to level 3 of the fair value hierarchy.

The value of additional considerations of SEK 147 million (143), of which SEK 110 million (119) is long term, is calculated based on future forecast or defined cash flows of principal discounted at the current market interest rate of 2.56% (2.41%) for the additional consideration related to Systech, and at the market interest rate of 2.56% (2.21%) for the additional consideration related to Drew.

In the valuation of additional consideration associated with the Systech acquisition, the probability of the contract being extended has been based on factors such as historic outcome and specific contractual circumstances. A sensitivity analysis has been carried out and the conclusion is that the factors that could have a significant impact on the valuation of fair value are whether Opus wins such contracts that are covered by the contract for additional consideration in conjunction with

the Systech acquisition, whether existing contracts that are covered by the additional considerations are prematurely terminated or whether the results of contract extensions deviate from our assessment.

The effect of valuing the Systech additional consideration at fair value is not recognized in profit or loss, but is rather recognized against the goodwill in accordance with accounting regulation from 2008, when the agreement was entered into. The effect on goodwill for the year amounts to SEK 15 million (33). The effect of the fair value valuation of the additional consideration associated with Drew Tech is deemed to be insignificant and therefore not recognized. For information on changes in provisions valued at Level 3, see Note 17 in the "Additional consideration" column.

The carrying amount of accounts receivable, other receivables, financial assets, liquid assets, accounts payable, and other current liabilities is a reasonable approximation of the fair value. For other financial liabilities, excluding the additional considerations described above, the reported values are deemed to be a good approximation of the fair values since the term and/or fixed interest term is maximum three months, which means that discounting based on current market conditions is not expected to lead to any significant effect.

See Note 25 for information on the Group's exposure to interest rate, exchange rate and liquidity risk.

Note 21 Change in liabilities and cash flows arising from financing activities

	Bond loans	Liabilities to credit institutions	Other liabilities arising from financing activities	Total
Opening balance on January 1, 2018	1,400,219	205,290	4,173	1,609,682
New (including capitalized transaction costs)	494,420	273,911	-	768,331
Amortization	-500,000	-	-	-500,000
Total changes in financial cash flow	-5,580	273,911	-	268,331
Depreciation of capitalized trans- action costs	5,982	-	-	5,982
Exchange rate differences	36,895	57,994	351	95,240
Total of changes not affecting cash flow	42,877	57,994	351	101,222
Closing balance on December 31, 2018	1,437,516	537,195	4,524	1,979,235

Note 22 Group companies

Company	Company reg. no.	Seat	Hold- ing (%)
Opus Bilprovning AB	556865-1342	Vällingby, Sweden	100
Opus Services Sweden AB	556445-5383	Mölnådal, Sweden	100
Opus Prodox Cyprus Ltd.	222034	Nicosia, Cyprus	100
Opus Technology Solutions AB	556929-7848	Vällingby, Sweden	100
Inspecentro SA	30-71539399-5	Buenos Aires, Argentina	49,9 ¹⁾
Opus Inspection (Pvt) Ltd.	89700	Lahore, Pakistan	90
Opus Inspection SA	155620218	Panama City, Panama	100
Autologic Diagnostics Holdings Ltd. ²⁾	7079844	Oxford, UK	100
Autologic Diagnostics Ltd. ²⁾	6814180	Oxford, UK	100
Diagnos Ltd. ²⁾	3856565	Oxford, UK	100
Autologic Diagnostics International Ltd. ²⁾	7293162	Oxford, UK	100
Autologic Diagnostics, Inc.	-	New York, USA	100
Autologic Diagnostics Pty Ltd.	159111949	Melbourne, Australia	100
Autologic GmbH	HRB208754	Hannover, Germany	100
Opus Inspection, Inc.	-	Delaware, USA	100
Envirotest Corp.	-	Delaware, USA	100
TriLen LLC	-	Florida, USA	100
Etest Corp.	-	Delaware, USA	100
Opus Inspection India Pvt Ltd.	-	Gurugon, India	100
Opus Inspection VICS Sindh (Pvt) Ltd.	109865	Sindh, Pakistan	68
FastLign LLC	-	Delaware, USA	50.1
Opus RS Europe S.L.	B-27784800	Madrid, Spain	60
Opus Inspection SA De CV	ES-9208031C7	Ciudad de Mexico, Mexico	100
Systech Chile Ltda.	76062494-2	Santiago, Chile	99
Systech Peruana SRL	20523596196	Lima, Peru	99.9
Gordon-Darby Holdings, Inc	-	Delaware, USA	100
Gordon-Darby Systems, Inc	-	Kentucky, USA	100
Gordon-Darby NHOST System, Inc	-	New Hampshire, USA	100
Gordon-Darby, Inc	-	Kentucky, USA	100
Gordon-Darby Arizona Testing, Inc	-	Kentucky, USA	100
VTV Norte SA	30-68520007-0	Buenos Aires, Argentina	100
VTV Metropolitana SA	30-71499500-2	Buenos Aires, Argentina	100
Drew Technologies, Inc.	-	Ann Arbor, USA	100
Diagnostic Network LLC	-	Ann Arbor, USA	100
Opus Inspection SA	30-71456552-0	Buenos Aires, Argentina	100

¹⁾ The company is fully consolidated in the Opus Group.

²⁾ The Group has a number of subsidiaries that are incorporated in the UK and are entitled to an exemption from audit under Section 479A of the Companies Act 2006, United Kingdom (comparable to the Swedish Companies Act) for financial year 2018.

Opus has applied this exception to the following subsidiaries:

- Autologic Diagnostics Holdings Limited - 7079844
- Autologic Diagnostics Limited - 06814180
- Diagnos Limited - 03856565
- Autologic Diagnostics International Limited - 07293162

The ultimate parent company Opus Group AB (publ) holds 100% of the regular shares in the above subsidiaries.

The Board of Directors of Opus recognizes its responsibility to comply with the requirements of the Companies Act 2006, United Kingdom with regard to accounting and reporting. All outstanding liabilities in the subsidiaries listed above are ultimately guaranteed by Opus Group Ab, but no liability is expected to arise under the guarantee.

Note 23 Acquisition of operations

2018

Acquisition of Gordon-Darby

In January 2018, Opus Inspection, Inc., a wholly-owned subsidiary of Opus Group AB (publ), acquired 100% of the shares in Gordon-Darby Inc. The purchase price was USD 55 million (SEK 434 million) on a cash and debt-free basis. Gordon-Darby has been consolidated into Opus accounts as of January 1, 2018.

Gordon-Darby is a leading U.S.-based government services company specializing in vehicle inspection and fish and game licensing. The company is headquartered in Louisville, Kentucky and operates in Arizona, New Hampshire and Texas. Founded in 1982, Gordon-Darby has earned its reputation as a quality-minded government services company focusing on the development, implementation, and operation of vehicle inspection and licensing programs in the U.S. With approximately 280 employees, Gordon-Darby provides its own software technology and advanced testing products to deliver customer-focused inspection and licensing services under government contracts in the three named states. In 2017, the company had revenues of approximately USD 35 million, the majority of which came from the vehicle inspection programs. The acquisition strengthens Opus' position in the U.S. and offers management and technology synergies that benefit the shared customer base across the globe. The acquisition was financed through a five-year USD denominated credit facility from Swedbank. Gordon-Darby is part of Opus' Vehicle Inspection division within the segment U.S. & Asia.

The following table shows the confirmed values of acquired net assets, reported goodwill and the impact on the consolidated cash flow statement related to the acquisition of Gordon-Darby

Net assets acquired	Fair value
Customer contracts and relations	185,411
Trademarks	20,159
Systems and software	18,442
Tangible assets	11,156
Accounts receivable	17,816
Other current assets	2,634
Deferred tax liabilities	-51,718
Current non-interest bearing liabilities	-13,384
Net assets acquired	190,515
Goodwill	245,700
Purchase price	436,215
Less:	
Acquired liquid assets	2,353
Impact on the Group's liquid assets	-433,862

Acquired customer contracts and relations are amortized over an estimated useful life of 1.5-10.5 years, which corresponds to the remaining contract period including contractual extensions. Trademarks are amortized over an estimated useful life of 10 years, and systems and software are amortized over an estimated useful life of 7-10 years.

Acquisition of VTV

On May 29, 2018 Opus Group AB (publ) and its fully owned subsidiary Opus Inspection, Inc. (Opus) acquired 100% of the shares of the two Argentinian vehicle inspections companies, VTV Norte SA and VTV Metropolitana SA (VTV). The VTV companies hold vehicle inspection concessions in the city and province of Buenos Aires, Argentina. The total purchase price, on a cash and debt-free basis, amounted to EUR 11 million (SEK 110 million). The transaction was financed through existing cash. The VTV companies have been consolidated into Opus accounts as of May 29, 2018 and are part of Opus' Vehicle Inspection division within the segment Latin America.

For the past 20 years, VTV Norte has operated a concession for five vehicle inspection stations in the province of Buenos Aires, inspecting 330,000 vehicles a year. The concession expires in the middle of November 2019. VTV Metro holds a concession until 2026 to operate two inspection stations in the city of Buenos Aires. In 2017, the first calendar year of its operations, the company inspected 145,000 vehicles. In 2017, VTV Norte and VTV Metro had combined revenues of approximately EUR 10 million (based on 2017 end of year exchange rate).

The acquisition of VTV improves Opus' overall position in Argentina and in the Latin American vehicle inspection market. It also contributes positively to Opus' overall EBITDA and return on capital employed (ROCE) from the date of acquisition. No significant one-off expenses occurred as a result of the completed transaction. VTV Norte and VTV Metro continue to operate under the same names, and with the same highly experienced management team and staff. VTV Norte has successfully operated its concession for 20 years and both companies are active in the local vehicle inspection association.

The acquisition contributed SEK 45 million to the Group's net sales and SEK 13 million to the Group's EBITDA. If the acquisition had been completed on January 1, 2018, Opus estimates that the VTV companies would have contributed approximately SEK 81 million to the Group's net sales and approximately SEK 19 million to EBITDA for the full year. The following table shows the confirmed values of acquired net assets, reported goodwill and the impact on the consolidated cash flow statement related to the acquisition of VTV.

Net assets acquired	Fair value
Customer contracts and relations	24,231
Systems and software	479
Property and land	40,294
Machinery and equipment	7,628
Deferred tax assets	3,616
Accounts receivable	2,633
Other current assets	17,028
Deferred tax liabilities	-21,908
Current non-interest bearing liabilities	-16,590
Net assets acquired	57,411
Goodwill	68,514
Purchase price	125,925
Less:	
Acquired liquid assets	16,194
Impact on the Group's liquid assets	-109,731

Acquired customer contracts and relations are amortized over an estimated useful life of 1.5-8.5 years, which corresponds to the remaining contract period. The surplus value of buildings is depreciated over an estimated useful life of 20 years.

2017

Acquisition of Autologic Diagnostics

In June 2017, Opus Group AB (publ) acquired 100 percent of the shares in Autologic Diagnostics Holdings Ltd. Autologic is a world leader in advanced automotive diagnostics for the automotive industry aftermarket. The purchase price, including cash and cash equivalents, amounted to GBP 9.3 million (approximately SEK 103 million). At the time of acquisition, Autologic had cash and cash equivalents totaling GBP 1.3 million (approximately SEK 14 million) and liabilities to the former owners totaling GBP 9.3 million (approximately SEK 103 million), which were paid in connection with the acquisition. The purchase price excluding net debt amounted to GBP 1 (GBP 8 million excluding cash and cash equivalents).

Autologic, with its headquarters in Oxford, UK and subsidiaries in the United States, Germany and Australia, was founded in 1999 and has developed into a world leader in advanced automotive diagnostics for the automotive industry aftermarket. The company had approximately GBP 16.5 million (approximately SEK 184 million) in net sales in 2016, with an EBITDA (adjusted for non-recurring items) of approximately GBP 2.6 million (approximately SEK 29 million). Autologic provides market-leading software, hardware and professional support services to assist the automotive industry aftermarket to perform diagnostics and fix problems on passenger cars. The GBP 8 million transaction was financed through Opus' existing cash and cash equivalents. Direct acquisition costs amounted to SEK 2.3 million and have been reported as "Operating expenses" in the consolidated income statement for 2017.

The following table shows the confirmed values of acquired net assets and the impact on the consolidated cash flow statement regarding the acquisition.

Net assets acquired	Fair value
Customer contracts and relations	20,519
Trademarks	15,699
Product rights	5,414
Other intangible assets	1,741
Tangible assets	4,154
Inventory	6,915
Accounts receivable	4,365
Other current assets	17,022
Deferred tax liabilities	-8,325
Non-current interest-bearing liabilities	-103,347
Non-current non-interest-bearing liabilities	-10,412
Current non-interest bearing liabilities	-69,818
Net assets acquired	-116,072
Goodwill	116,072
Purchase price	0
Less:	
Liabilities paid to previous owners	-103,347
Acquired liquid assets	14,290
Impact on the Group's liquid assets	-89,056

Acquired customer contracts and customer relationships are amortized over an estimated useful life of 12 years, trademarks over an estimated useful life of 10 years, and product rights over an estimated useful life of 3 years.

Other acquisitions

Four smaller acquisitions took place in 2017. When taken individually, these acquisitions are not significant in relation to Opus Group's net sales and balance sheet total. Total acquired net assets and the impact on the Group's liquid assets from these acquisitions are presented in the table below.

Acquisition of three vehicle inspection concessions in Córdoba, Argentina.

In March 2017, Opus' Argentinean subsidiary Opus Inspection SA completed the acquisition of three vehicle inspection concessions in

Córdoba, Argentina. The three vehicle inspection concessions were acquired under an assets and liabilities agreement with the Portuguese vehicle inspection company Inspecentro. The government of Córdoba awarded the three vehicle inspection concessions to Opus' Argentinean subsidiary Opus Inspection SA. The concessions include operation of 18 test lanes in three state-owned vehicle inspection stations. Opus began operating the three vehicle inspection stations on March 1, 2017. At the time of acquisition, the remaining contract duration for the vehicle inspection operations in Córdoba was seven years, excluding extensions.

Acquisition of Remote Sensing Laboratory S.L. (RSLab).

In April 2017, Opus Inspection Inc. acquired 60% of RSLab, the Madrid-based, ISO 17025-accredited laboratory for the remote measurement of real-driving emissions. The company has changed its name to Opus RS Europe S.L. and will be heading Opus' commercial activities in the field of Remote Sensing in Europe. RSLab has represented Opus' Remote Sensing technology in European markets since 2007, and has conducted a large number of real-driving emissions studies using Remote Sensing. The acquisition was conducted for strategic reasons, and positions Opus as a leader for both current and potential future business opportunities in Remote Sensing in Europe.

Supplementary acquisition in Argentina

In July 2017, Opus acquired control of a company in Argentina. Opus did not acquire the shares in the company at this stage, but through an agreement gained control of the company's operations and returns. The agreement contains a purchase option that gives Opus the right to acquire 100% of the shares in the company. The acquired business is in line with Opus' current core business and is expected to start operating in 2019. The acquisition will help ensure stronger growth for Opus in this country.

Acquisition of Farsight

In August 2017, Opus' subsidiary Autologic acquired 100 percent of the shares in the New York-based company MVDS, LLC d/b/a Farsight (Farsight) at a purchase price of USD 1.2 million (approximately SEK 9.8 million). Direct acquisition costs amounted to SEK 0.9 million and have been reported as "Operating expenses" in the consolidated income statement for 2017. Farsight has been merged with Autologic, and its operations have been integrated with Autologic in North America.

The following table shows the values of acquired net assets and the impact on the consolidated cash flow statement regarding other acquisitions.

Net assets acquired	Fair value
Customer contracts and relations	10,080
Other intangible assets	2,308
Tangible assets	87
Financial assets	99
Deferred tax assets	184
Inventory	960
Accounts receivable	704
Other current assets	2,198
Non-current non-interest-bearing liabilities	-482
Current non-interest bearing liabilities	-4,477
Net assets acquired	11,661
Non-controlling interests	-2,115
Goodwill	90,844
Purchase price	100,390
Less:	
Liabilities to the seller	27,759
Acquired liquid assets	2,012
Impact on the Group's liquid assets	70,619

Note 24 Transactions with related parties

Lothar Geilen, CEO, is entitled to additional consideration paid in accordance with the acquisition agreement for Systech; see Note 17.

Beginning January 1, 2018, Brian Herron is part of Group management in his role as President, Opus IVS. Brian Herron is entitled to additional consideration paid in accordance with the acquisition agreement for Drew Technologies; see Note 17.

Remuneration to Board members and executive officers is specified in Note 5.

Note 25 Financial risks

Opus' finance policy defines the risk exposure with which operations are conducted and specifies the framework for how different types of financial risk should be managed. Risk management is aimed at identifying, quantifying, and reducing or eliminating risks. The primary objective is to strive for a low risk profile at a reasonable cost. Opus Group AB (Parent Company) has the overall responsibility for the Group's financial issues. Through centralization and coordination, significant economies of scale are achieved concerning the terms of financial transactions and financing.

Currency risk

Opus is exposed to translation risk, primarily from the U.S. dollar (USD), which affects profit/loss for the year and other comprehensive income. Exchange rate fluctuations affect the profit for the year when Group companies have assets and liabilities in currencies other than the entity's functional currency, as well as when the subsidiaries' net income in foreign currencies is translated to SEK. Exchange rate fluctuations affect other comprehensive income when the subsidiaries' net assets in foreign currency are translated to SEK and when intra-group loans classified as net investment in foreign operations, in foreign currency, are translated to SEK.

As a result of Opus Group AB being significantly financed in SEK and lending to its subsidiaries in USD, there is a currency exchange risk that the Company has chosen not to hedge with derivative instruments. Natural cash flow hedging is taken into account to the extent possible. As per December 31, 2018, the parent company's net exposure of loans and liquid assets in USD amounted to USD 144 million, of which net exposure of loans restated in the income statement, i.e. excluding net investment in foreign operations, amounted to USD 74 million.

A 5% weaker/stronger SEK against the USD would have a positive/negative effect on profit before tax in the amount of SEK 34 million in relation to translation of loans and liquid assets in USD. Translation of loans in USD would also affect other comprehensive income positively/negatively in the amount of SEK 31 million in relation to net investment in foreign operations, and would also have a tax effect on net income in the amount of SEK -/+7 million.

A 5% weaker/stronger SEK against the GBP would have a positive/negative effect on other comprehensive income in the amount of SEK 5 million in relation to translation of loans in GBP.

Interest rate risk

Interest rate risk is defined as a decrease in earnings caused by a change in market interest rates. Opus' borrowings currently have a variable interest period, which means that Opus is exposed to interest rate risk. Higher market interest rates would have a negative impact on Opus' financial position and earnings. As of December 31, 2018, the Company's interest-bearing liabilities amounted to SEK 1,981 million (1,608).

The Group manages a portion of the interest rate risk in borrowing through hedging in the form of an interest rate swap that converts variable interest rates to fixed interest rates. The outstanding interest rate swap amounts to a nominal amount of SEK 538 million and involves an agreement between Opus and a credit institution to exchange the difference between interest amounts according to a fixed rate contract and the variable interest amount on a quarterly basis. Hedge accounting of this cash flow hedge is applied, which means that the effect of changed market interest rates has been recognized in other comprehensive income and accumulated in the hedging reserve in equity. The effectiveness of the hedge is deemed to be very high, as the nominal amount of the interest rate swap, base rate, interest rate conversion days and maturity date correspond to the hedged item. The fair value of the interest rate swap at the end of 2018 was SEK 2,916 thousand (other non-current liabilities) with a deferred tax asset of SEK 787 thousand and -2,129 in equity via other comprehensive income. See the section Financing and liquidity risk for undiscounted future cash flows for the hedging instrument.

If market rates were to rise by 1 percentage point as of January 1, 2019, the interest expense for the year as a whole would increase by SEK 15 million. See Note 16 "Interest-bearing liabilities" for information on, inter alia, maturities of liabilities.

Financing and liquidity risk

Financing and liquidity risk is the risk that financing opportunities will be limited when there is a need for new loans or loan roll-over, and the risk of being unable to meet payment obligations due to insufficient liquidity. Opus' finance policy prescribes that the Group must maintain a well-balanced maturity structure for its debts and use different sources of funding in order to manage the financing risk. The risk of insufficient liquidity is minimized through good liquidity planning supported by cash flow forecasts. Any excess liquidity is invested in bank deposits, where liquidity risk is low.

Existing bond and loan agreements include customary financial terms in the form of a number of key figures (covenants). The risk that Opus may violate these terms in the future due to factors such as the general economy or disruptions in the capital and credit markets means that the company may be forced to renegotiate or raise new financing.

The company continuously monitors these financial key figures and takes the measures deemed necessary for the covenants to be fulfilled.

The following table shows the agreed repayment periods for the Group's financial liabilities. The tables were created based on undiscounted cash flows of financial liabilities based on the earliest date the Group may be required to pay. The table includes both

interest and the repayment of a principal amount. Future repayments and interest payments are calculated on the basis of exchange rates and interest rates on the balance sheet date. For more information on interest-bearing liabilities, see Note 16.

2018				
	< 1 year	2-5 years	> 5 years	Total
Bond loans	57,979	1,143,775	601,225	1,802,978
Liabilities to credit institutions	12,819	576,431	-	589,249
Accounts payable	77,003	-	-	77,003
Other current liabilities	327,504	-	-	327,504
Additional consideration	31,886	123,128	-	155,015
Derivatives – interest rate swaps	2,359	5,006	-	7,364
Total	509,549	1,848,339	601,225	2,959,114

2017				
	< 1 year	2-5 years	> 5 years	Total
Bond loans	547,893	582,816	474,216	1,604,926
Liabilities to credit institutions	4,734	224,542	-	229,275
Accounts payable	54,714	-	-	54,714
Other current liabilities	244,753	-	-	244,753
Additional consideration	48,249	122,670	-	170,919
Total	900,343	930,028	474,216	2,304,587

Credit and counterparty risk

Credit and counterparty risk refers to the risk that the counterparty will not fulfill its obligations, which could negatively impact the Group's operations, earnings and financial position. The Group's maximum exposure to credit risk amounted to SEK 623 million (803) as of the balance sheet date. This exposure was based on the book value of all financial assets. Opus has no significant outstanding financial guarantees that can increase the credit risk or any holdings of pledged assets that can reduce the credit risk as of the balance sheet date.

Credit risk	2018	2017
Financial assets	57,960	25,114
Accounts receivable	144,074	101,811
Other current receivables	36,877	32,955
Liquid assets	384,155	642,801
Total	623,065	802,681

The Group has significant customer exposure involving government authorities and well-reputed companies where credit risks are low. Opus' finance policy defines guidelines for the handling of credit and counterparty risk, which describes, among other things, the credit checks to be carried out on the Group's customers and how credit limits are to be determined. If the counterparty's ability to pay is deemed inadequate or if there is insufficient information on the ability to pay, security or advance payment may be required. Each subsidiary is responsible for monitoring and controlling credit risk with customers, within specified frameworks.

The credit risk of financial assets is minimized by, among other things, limiting investments to interest-bearing paper with low risk and high liquidity, as well as by placing limitations both on the maximum amounts to be invested with a certain counterparty and in relation to their credit rating.

Impairment of financial assets

All financial assets valued at amortized cost fall under the impairment model in IFRS 9. Identified impairment losses on these assets are deemed to be insignificant, with the exception of accounts receivable, the impairment of which is presented below.

Accounts receivable

Opus uses the simplified method for calculating the expected credit loss, which means that the reserve consists of the life-long expected credit loss.

To be able to calculate the expected credit loss, accounts receivable have been grouped according to common features and whether the receivable has fallen due for payment, and if so the number of days by which it is overdue. Loss level percentages are based on actual credit losses over the last three years. These percentages were adjusted to reflect current and future macroeconomic conditions that affect customers' ability to regulate their obligations.

Below is a summary of the credit risk exposure and anticipated credit losses for accounts receivable as at December 31, 2018.

2018			
	Loss level	Carrying amount, gross	Loss reserve
Not past due	0.7%	39,988	-274
Past due 1-30 days	2.3%	71,227	-1,626
Past due 31-60 days	4.9%	12,610	-611
Past due 61-90 days	8.9%	12,504	-1,113
Past due >90 days	46.3%	21,152	-9,782
Total		157,480	-13,407

See Note 12 for changes in reserves for doubtful debt.

Note 26 Events after the balance sheet date

Opus' subsidiary signs vehicle inspection contract with New Hampshire

At the end of March 2019, the American state of New Hampshire awarded Opus subsidiary Gordon-Darby a new five year contract to develop, implement, and operate their vehicle inspection program. The new contract will come into force on January 1, 2020 and includes a possible extension of two years. Besides the new contract, the state extended the present contract by six months, which will thus come to an end on December 31, 2019. The decentralized vehicle inspection program tests around 1.3 million vehicles a year in the state. The program includes an automatic OBD inspection and electronic documentation of all inspection requirements linked with safety. Gordon-Darby has been working in partnership with the state of New Hampshire since its original launch of the automated vehicle inspection program in 2004.

Notes – Parent company

Note 1 Net sales

	2018	2017
<i>Net sales</i>		
Invoiced management fees within the Group	16,119	17,429
Total	16,119	17,429

The parent company has invoiced management fees to the subsidiaries as compensation for Group services performed.

Note 2 Leases

	2018	2017
<i>Operating lease</i>		
During the year, the company's lease payments amounted to	1,017	587
Future lease payments for non-cancellable leases are payable as follows:		
Within 1 year	866	766
Within 2 to 5 years	2,012	2,722
Total	2,878	3,488

Leasing costs for assets under operating leases primarily relate to premises and are reported in "Other external costs".

Note 3 Fees and expenses paid to auditors

KPMG	2018	2017
Audit assignment	653	795
Audit-related assignment	253	90
Tax consulting	17	44
Total	923	929

Audit assignment refers to the examination of the annual report and financial accounting as well as the administration by the Board and Chief Executive Officer. Audit-related assignments are quality assurance services to be performed in accordance with statutes, articles of association, regulations or agreements. Tax consulting includes both tax advice and tax compliance services.

Note 4 Number of employees and personnel costs

The average number of employees:	2018	2017
Men	4	5
Women	2	1
Total	6	6

All employees are stationed in Sweden.

Salaries, remuneration, social security expenses and pension costs were paid at the following amounts:

Other executive officers, 3 persons (3)	2018	2017
Salary	5,257	3,991
Bonus ¹⁾	171	-26
Pension costs	2,119	2,468
Other remuneration	33	47
Total	7,580	6,480
Other employees		
Salaries and other remuneration	2,606	3,403
Pension costs	374	580
Total	2,980	3,983
Social security expenses		
Social security expenses	5,705	6,197
of which pension costs	2,545	3,048

¹⁾ Includes salary sacrifice of previous year's bonus.

For more information on remuneration to executive officers and the Board, see Note 5 to the consolidated financial statements.

Note 5 Net financial items

	2018	2017
<i>Income from shares in Group companies</i>		
Dividend received	30,000	51,685
Reversal of impairment of shareholders' contribution to Opus Services Sweden AB	-	28,766
Total	30,000	80,451
<i>Interest income and similar items</i>		
External interest income	149	379
Internal interest income	135,513	114,937
Derivatives, unrealized change	4,891	-
Exchange rate differences	101,514	-
Total	242,067	115,316
<i>Interest expenses and similar items</i>		
Interest expenses		
- financial liabilities at amortized cost	-65,999	-59,050
- derivatives used for hedging	-	-1,973
Exchange rate differences	-	-149,288
Premium early redemption bond loan	-6,017	
Other	-988	-1,948
Total	-73,004	-212,259
Net financial income/expense	199,063	-16,492

Note 6 Appropriations and untaxed reserves

	2018	2017
<i>Appropriations</i>		
Group contribution received	-	34,838
Group contribution paid	-1,105	-
Provision for tax allocation reserve	-37,000	-
Reversal from tax allocation reserve	-	78,028
Change in accumulated excess depreciation	-67	-318
Total	-38,172	112,548
<i>Untaxed reserves</i>		
Tax allocation reserves	57,072	20,072
Accumulated excess depreciation	664	597
Total	57,736	20,669

Note 7 Tax on profit/loss for the year

	2018	2017
Current income tax	-24,734	1,743
Deferred tax	-1,046	-
Total	-25,780	1,743
<i>Reconciliation between reported tax and tax based on applicable tax rate, 22% (22)</i>		
Reported profit/loss before tax	136,834	79,348
<i>Tax effect of:</i>		
Tax at the applicable tax rate, 22.0%	-30,103	-17,457
Adjustment for prior years	564	1,828
Income from shares in Group companies	6,600	17,699
Non-taxable income	52	-
Non-deductible expenses	-2,489	-698
Other	-404	371
Total tax on profit/loss for the year	-25,780	1,743

Note 8 Intangible assets

	Intangible assets
<i>Acquisition cost</i>	
Opening balance on January 1, 2017	1,906
Investments	1,124
Closing balance on December 31, 2017	3,031
Investments	1,094
Closing balance on December 31, 2018	4,125
<i>Amortization</i>	
Opening balance on January 1, 2017	-952
Amortization for the year	-460
Closing balance on December 31, 2017	-1,412
Amortization for the year	-654
Closing balance on December 31, 2018	-2,066
<i>Reported values</i>	
December 31, 2017	1,619
December 31, 2018	2,060

Amortization is included in item "Depreciation/amortization" in the income statement.

Note 9 Tangible assets

	Machinery and equipment
<i>Acquisition cost</i>	
Opening balance on January 1, 2017	491
Investments	1,169
Closing balance on December 31, 2017	1,660
Investments	51
Closing balance on December 31, 2018	1,711
<i>Depreciation</i>	
Opening balance on January 1, 2017	-310
Depreciation for the year	-167
Closing balance on December 31, 2017	-477
Depreciation for the year	-285
Closing balance on December 31, 2018	-762
<i>Reported values</i>	
December 31, 2017	1,183
December 31, 2018	949

Depreciation is included in item "Depreciation/amortization" in the income statement.

Note 10 Shares in Group companies

Company	Company registration number	Seat	No. of shares	Percentage (%)	Book value 2018
Opus Services Sweden AB	556445-5383	Mölnådal, Sweden	1,000	100	2,012
Opus Bilprovning AB	556865-1342	Vällingby, Sweden	50,000	100	372,604
Opus Technology Solutions AB	556929-7848	Vällingby, Sweden	500	100	15,050
Opus Inspection, Inc.	-	Delaware, USA	1,000	100	137,918
Systech Chile Ltda.	76062494-2	Santiago, Chile	N/A	1	4
Opus Inspection (Pvt.) Ltd.	0089700	Lahore, Pakistan	89,997	90	62
Opus Inspection S.A.	30-71456552-0	Buenos Aires, Argentina	10,000	10	6
Autologic Diagnostics Holdings Ltd.	07079844	Oxford, UK	46,874,969	100	2,313
Opus Inspection India Pvt Ltd.	-	Guragon, India	10,000	10	15
VTV Norte SA	30-68520007-0	Buenos Aires, Argentina	3,516,626	40	39,179
VTV Metropolitana SA	30-71499500-2	Buenos Aires, Argentina	1,600,000	16	11,671
Opus Inspection SA	155620218	Panama City, Panama	10,000	99.99	0
Inspecentro SA	30-71539399-5	Buenos Aires, Argentina	998,000	49.9	560

Note 11 Cash and cash equivalents

Cash and cash equivalents consist of liquid assets amounting to SEK 144,552 thousand (439,027).

Note 12 Provisions

	Additional consideration
Opening balance on January 1, 2018	120,552
Provisions for the year	2,650
Utilized during the year	-3,867
Reclassification	-90,675
Translation differences	2,589
Closing balance on December 31, 2018	31,249
Of which are current provisions	5,543
Of which are non-current provisions	25,706
Total	31,249

The provision relates to additional consideration in connection with the acquisition of Systech. For additional information, see Notes 17 and 20 for the Group.

Note 13 Interest-bearing liabilities

Interest-bearing liabilities	Due year	Nominal value	2018	2017
			Carrying amount	
Bond loan	2018	MSEK 500	-	496,935
Bond loan	2021	MSEK 500	496,158	494,568
Bond loan	2022	MSEK 500	495,196	-
Bond loan	2032	MUSD 50	447,617	410,337
Total bond loans			1,438,971	1,401,840
Other interest-bearing liabilities			-	-
Total interest-bearing liabilities			1,438,971	1,401,840
Of which are current			-	496,935
Of which are non-current			1,438,971	904,905

Note 14 Other current liabilities

	2018	2017
Accrued payroll liability	1,313	1,339
Accrued vacation pay liability	1,311	1,164
Accrued social security contributions	1800	2,438
Accrued interest expenses	6,428	5,702
Other accrued expenses and deferred income	562	3,848
Other current liability, additional consideration	22,960	-
Other current liabilities	180	-
Total	34,554	14,491

Note 15 Pledged assets and contingent liabilities

	2018	2017
<i>Assets pledged for liabilities to credit institutions</i>		
Pledged shares in subsidiaries	512,549	512,549
Total	512,549	512,549
<i>Contingent liabilities</i>		
Guarantees on behalf of Group companies	540,108	-
Warranty obligations for Group companies	5,942	5,942
Additional consideration	8,777	69,956
Total	554,827	75,898

For additional information, see Note 19 for the Group.

Note 16 Financial instruments

2018	Financial assets at amortized cost	Financial assets valued at fair value through profit and loss	Financial liabilities valued at fair value through profit and loss	Financial liabilities at amortized cost	Total book value	Fair value
<i>Financial assets per category</i>						
Receivables from Group companies	1,992,024	-	-	-	1,992,024	1,992,024
Other current receivables	894	-	-	-	894	894
Derivatives	-	4,891	-	-	4,891	4,891
Liquid assets	144,552	-	-	-	144,552	144,552
Carrying amount	2,137,470	4,891	-	-	2,142,361	
<i>Financial liabilities per category</i>						
Provisions, additional considerations	-	-	31,249	-	31,249	31,249
Other non-current liabilities	-	-	75,583	-	75,583	75,583
Bond loans	-	-	-	1,438,970	1,438,970	1,438,970
Accounts payable	-	-	-	2,295	2,295	2,295
Liabilities, Group companies	-	-	-	135,560	135,560	135,560
Other current liabilities	-	-	22,960	11,594	34,554	34,554
Carrying amount	-	-	129,792	1,588,419	1,718,211	

2017	Loans and accounts receivable	Financial liabilities valued at fair value	Derivatives for hedging	Financial liabilities at amortized cost	Total book value	Fair value
<i>Financial assets per category</i>						
Receivables from Group companies	1,547,437	-	-	-	1,547,437	1,547,437
Other current receivables	1,286	-	-	-	1,286	1,286
Liquid assets	439,027	-	-	-	439,027	439,027
Carrying amount	1,987,750	-	-	-	1,987,750	
<i>Financial liabilities per category</i>						
Provisions, additional considerations	-	120,552	-	-	120,552	120,552
Bond loans	-	-	-	1,401,839	1,401,839	1,401,839
Accounts payable	-	-	-	3,378	3,378	3,378
Liabilities, Group companies	-	-	-	112,083	112,083	112,083
Other current liabilities	-	-	-	14,490	14,490	14,490
Carrying amount	-	120,552	-	1,531,790	1,652,342	

Financial instruments that are valued to fair value are classified according to the hierarchy for fair value in one of the following valuation levels:

- Level 1: according to prices noted on an active market for the same instrument.
- Level 2: based on directly or indirectly observable market data that is not included in level 1.
- Level 3: based on input data that is not observable on the market.

Derivatives

The derivative instrument relates to a foreign currency forward contract and is attributable to level 2. The fair value is calculated using the difference between the exchange rate on the balance sheet date and the contractually agreed upon exchange rate. The derivative is recognized in the item "Other current receivables" in the parent company balance sheet.

Additional consideration

In conjunction with the Systech acquisition in 2008, an agreement was signed for additional consideration on obtaining new contracts for vehicle inspection programs. The value of the additional consideration amounts to SEK 130 million (121), of which SEK 101 (105) million is non-current (financial instrument category financial debt valued at fair value through profit or loss). For additional information, see Note 20 for the Group.

Receivables from Group companies

Receivables from Group companies amount to SEK 1,992 million, of which SEK 720 thousand is classified as net investment in foreign operations since settlement of these receivables is unlikely in the foreseeable future.

Note 17 Change in liabilities and cash flows arising from financing activities

Bond loans	
Opening balance on January 1, 2018	1,401,804
New (including capitalized transaction costs)	495,000
Amortization	-500,000
Total changes in financial cash flow	-5,000
Depreciation of capitalized transaction costs	5,191
Exchange rate differences	36,940
Total of changes not affecting cash flow	42,131
Closing balance on December 31, 2018	1,438,971

Note 18 Proposal for distribution of profits

The number of shares is 290,318,246 and the quota value for all shares is SEK 0.02.

The following profits are at the disposal of the Annual General Meeting:

SEK	
Share premium reserve	609,012,598
Retained earnings	205,333,686
Profit/loss for the year	111,053,856
Total	925,400,140

The Board has decided to propose to the AGM that a dividend of SEK 0.05 per share be paid out (SEK 0.05).

The Board recommends that the company's distributable funds be appropriated as follows:

SEK	
To be distributed to shareholders (290,318,246 shares at 0.05 each)	14,515,912
To be carried forward	910,884,228
Total	925,400,140

With reference to what is stated in this annual report and consolidated accounts, and whatever else has come to the knowledge of the Board, it is the Board's assessment of the parent company and consolidated financial position that the dividend is justifiable in relation to the requirements that the nature, scope and risks place on the size of the company's and Group's equity, as well as the company's and Group's consolidation requirements, liquidity and overall financial position.

Reconciliation between IFRS and key ratios

Organic growth

SEK thousands	2018
Net sales 2018	2,497,327
- Net currency effects	-11,845
- Acquisitions/sales	-451,955
Comparable net sales	2,033,527
Net sales 2017	1,857,511
Revenue growth	34.4%
Organic growth	9.5%

In this report, Opus presents certain financial measures that are not defined under IFRS, referred to as Alternative Performance Measures. The Group believes that these measures provide useful supplemental information to investors and the Company's management as they allow for the evaluation of the Company's results and financial position. As not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. Investors should consider these financial measures as a complement rather than a substitute for financial reporting under IFRS.

Return on capital employed, total assets and equity

SEK thousands	2018	2017	2016	2015	2014
EBITA (earnings before interest, taxes, and amortization)	357,666	187,971	224,748	182,715	188,708
Average working capital	-114,593	-72,177	-63,273	-52,117	-26,518
Average value, tangible and intangible assets	2,837,270	2,206,328	2,011,227	1,884,430	1,395,101
Average capital employed	2,722,677	2,134,151	1,947,954	1,832,313	1,368,583
Return on capital employed	13.1%	8.8%	11.5%	10.0%	13.8%
Average total assets	3,728,976	3,115,983	2,812,897	2,556,640	1,945,449
Return on total assets	9.6%	6.0%	8.0%	7.1%	9.7%
Profit/loss for the year - attributable to parent company's shareholders	25,806	81,157	87,051	66,451	142,149
Average equity - attributable to parent company's shareholders	988,193	957,187	935,000	833,932	540,094
Return on equity	2.6%	8.5%	9.3%	8.0%	26.3%

Interest coverage ratio

SEK thousands	2018	2017	2016	2015	2014
Earnings before interest, taxes, depreciation and amortization (EBITDA)	503,617	308,106	332,018	274,641	246,272
Pro forma EBITDA for acquired businesses	7,440	10,736	-	15,824	28,638
EBITDA inclusive pro forma for acquired businesses	511,057	318,842	332,018	290,465	274,910
Net financial income/expenses, excluding exchange rate differences	-89,446	-65,009	-57,366	-54,619	-42,613
Interest coverage ratio	5.7	4.9	5.8	5.3	6.5

Acid test ratio

SEK thousands	2018	2017	2016	2015	2014
Current receivables	253,805	210,800	224,145	261,975	193,756
Liquid assets	384,155	642,801	507,300	256,214	382,299
Total	637,960	853,601	731,445	518,189	576,055
Current liabilities and provisions	562,981	998,303	596,472	695,162	566,822
Proposed dividend	14,516	14,516	34,838	28,871	25,809
Total	577,497	1,012,819	631,310	724,033	592,631
Acid test ratio	110.5%	84.3%	115.9%	71.6%	97.2%

Board declaration

The Board of Directors and the CEO hereby certify that the consolidated financial statements and the annual accounts have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards and generally accepted accounting principles and give a true and fair view of the Group's and the parent company's financial position and performance.

The Directors' Report for the Group and the parent company gives a true and fair view of the Group's and the parent company's operations, financial position and performance, and describes significant risks and uncertainties that the parent company and the companies making up the Group face.

Gothenburg on April 12, 2019

Katarina Bonde
Chairman of the Board

Anne-Lie Lind
Board Member

Friedrich Hecker
Board Member

Ödgård Andersson
Board Member

Magnus Greko
Board Member

Håkan Erixon
Board Member

Jimmy Tillotson
Board Member

Lothar Geilen
President and CEO

Our audit report was submitted on April 12, 2019
KPMG AB

Jan Malm
Authorized Public Accountant

Auditor's report

Translation from the Swedish original

To the general meeting of the shareholders of Opus Group AB (publ), corp. id 556390-6063

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Opus Group AB (publ) for the year 2018, except for the corporate governance statement on pages 42-45 and the sustainability report on pages 23-25. The annual accounts and consolidated accounts of the company are included on pages 34-83 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2018 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2018 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 42-45 and sustainability report on pages 23-25. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition of service contracts

See disclosure 2 and accounting principles on page 58 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Revenue from service contracts for 2018 amount to SEK 2,279 million. Revenue is mostly attributable to a larger amount of vehicle inspections with different content and scope. In some cases discounts are included, for example combined offers and/or promotions.

Revenues including discounts from vehicle inspections is recognized in the same period that the service is provided. Obtained advance payments is recognized in the period that the inspection is performed.

Due to the large amount of vehicle inspections with low individual values, but with different content and scope the company's IT-system is critical to ensure completeness and fair revenue recognition.

Response in the audit

We have assessed the design of the company's controls attributable to revenue recognition of different inspections, including both fixed and floating fees including discounts and advance payments and how the controls are implemented.

We have through samples tested that the services provided correspond with the information in the subsystem. We also verified the accuracy in the IT-system and existing of controls between the subsystem and financial accounting to ensure revenue is recorded, discounts and advance payments taken into account, in the same period as the service was provided in.

Valuation of goodwill (Group) and valuation of shares in Group companies (parent company)

See disclosure 9 and accounting principles on page 59 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The value of goodwill in the consolidated group financial statements per 31 December 2018 is SEK 1,446 million, which represents 37% of total assets. Goodwill shall be subject to impairment testing at least annually, a process which is inherently complex and involves significant levels of judgment made by Group Management. An impairment test must be carried out for each cash-generating unit, which for the Group are four business areas;

Vehicle Inspection Europe, Vehicle Inspection U.S. & Asia, Vehicle Inspection Argentina and Intelligent Vehicle Support.

The value of the shares in subsidiaries in the parent company amounts to SEK 581 million, which shall be subject to the same impairment testing, with the same prescribed method and input values, as for the goodwill in consolidated group accounts.

According to current regulations, the prescribed method for carrying out impairment tests involves management making forecasts for how internal as well as external conditions and plans may impact the future of the organization. Examples of such forecasts include future cash in- and outflows, which in turn require assumptions to be made about future market conditions and thereby indirectly also about the future plans of competitors. Another important assumption to evaluate is which discount

rate to use in order to correctly reflect the time value of money of forecast future cash in-flows, which carry a certain level of risk and therefore are less valuable than liquid resources that are readily available to the Group.

The complexity of the model carries a certain level of risk for a possible overstatement in assets. Every adjustment of the value effects the result of the group/parent company.

Response in the audit

We have inspected the results of the company's impairment tests in order to assess whether they have been carried out in accordance with the prescribed method. Moreover, we have considered the reasonableness of the predicted future cash in-and outflows as well as the discount rate and growth rate used. We have also challenged the company's assumptions of growth rate by comparing the actual outcome with the company's forecast from previous periods in order to evaluate the company's precision ability.

We have involved our internal valuation specialists in the audit team in order to ensure reasonableness in using risk-adjusted discount rates which includes valuations of financial and industry specific forecasts where it's applicable.

We have selected samples for testing that the company's mathematical calculation is correctly executed.

We have applied professional judgment in our work when evaluating the forecasts by testing how key assumptions may impact the valuation through sensitivity analysis.

Furthermore, we have considered the completeness of the notes to the Financial Statements and evaluated whether the information provided is sufficiently detailed to understand management's assessment and the prescribed methods.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-22, 26-33 and 89-90. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, 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

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. 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 the company's internal control relevant to our 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's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and 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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Opus Group AB (publ) for the year 2018 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 42-45 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 23-25, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 11908, 404 39, Göteborg, was appointed auditor of Opus Group AB (publ) by the general meeting of the shareholders on the 17 May 2018. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2014.

Göteborg on April 12, 2019

KPMG AB

Jan Malm

Authorized Public Accountant

Glossary

ADAS

Advanced Driver Assist Systems

Inspection

The individual service of testing a vehicle.

BEV

Battery Electric Vehicle, the term for a vehicle that runs entirely on electricity, i.e. only using an electric motor for propulsion.

Vehicle Inspection

The general name for operations related to vehicle emission and safety testing.

Centralized vehicle inspection

Centralized vehicle inspection means that the government authorities run vehicle inspection programs under their own auspices or that the government authorities authorize a vehicle inspection provider to perform all vehicle inspection testing and to create necessary databases for parameters such as notices and records management. In a centralized system, vehicle inspection is performed at a station with its own staff, measures to correct any faults are handled by an external workshop.

CITA

International Motor Vehicle Inspection Committee

Decentralized vehicle inspection

Under decentralized vehicle inspection, independent workshops seek accreditation to carry out safety and emission testing. The government authorities normally contract a main provider, who takes responsibility for running the vehicle inspection program. The main provider is normally responsible for implementing an IT system, equipment sales/delivery, training and certification of inspection personnel and continual auditing and monitoring of operations.

EaaS (Equipment-as-a-Service)

A business model in which new equipment is offered through ongoing EaaS agreements, which cover delivery, installation, spare parts and consumables, software updates and a service warranty.

FASTLIGN®

FASTLIGN® is a patented laser-based technology that instantly measures wheel alignment of cars and trucks as they drive into service shops.

LIDAR

Light Detection And Ranging; a type of laser scanning instrument that measures the distance to an object by lighting it up with a pulsing laser light and measuring the reflected light pulses using a sensor

OBD

Abbreviation for On Board Diagnostics, which refers to the diagnosis of a vehicle's functionality via computers integrated in the vehicle. Thanks to standardized communication protocols, OBD today can provide a quick status check of all a vehicle's systems.

RAP Service (Remote Assistance Programming)

Developed by Drew Technologies, RAP is a convenient plug-in solution for automotive service shops who need to reprogram vehicles after a breakdown, accident or collision. Once RAP has been attached to the vehicle, our experts provide remote assistance to help technicians complete the task, without the need for any extra kit or specialist knowledge.

Remote Sensing

The RSD is a roadside device for analyzing vehicle emissions. The devices collect emission data as vehicles drive past, avoiding the need for them to stop. Use of RSD is often called Remote Sensing.

Remote Sensing Device (RSD)

Remote Sensing equipment measures vehicle emissions from the roadside while a camera photographs the vehicle's license plate. Remote Sensing Devices (RSDs) are specially designed emissions analyzers that are placed at fixed locations or in mobile units to measure specific vehicle emissions using low-intensity infrared and ultraviolet beams.

TIC companies

A TIC company is a company that operates in the areas of testing, inspection and certification.

VID

Abbreviation for Vehicle Inspection Database. This is a software system that coordinates data from vehicle inspections and can be used to compile reports, analyses, data management and notices.

Definitions

Calculation of average values

When calculating key ratios in which average capital values are set in relation to an income statement measure, the average capital values are calculated on the opening balance of each period plus all quarterly balances during the period.

Return on equity

Earnings for the year divided by average equity.

Return On Capital Employed (ROCE)

EBITA (earnings before interest, taxes and amortization) divided by average capital employed.

Return on total assets

EBITA (earnings before interest, taxes and amortization) divided by average total capital.

CAGR

Compounded annual growth rate, i.e. geometric average annual growth rate.

EBITA margin (operating margin before depreciation and amortization of intangible assets)

EBITA (earnings before interest, taxes and amortization) divided by total income.

EBITDA margin (earnings before interest, taxes, depreciation and amortization) divided by total income

EBITDA (earnings before interest, taxes, depreciation and amortization) divided by total income.

EBITDA per employee

EBITDA (earnings before interest, taxes, depreciation and amortization) divided by average number of employees.

Equity per share

Equity divided by number of shares at period end.

Free cash flow

Cash flow from operating activities minus investments in tangible and intangible assets.

Value added per employee

Earnings before interest, taxes, depreciation and amortization (EBITDA) plus personal expenses divided by average number of employees.

Asset turnover ratio

Net sales divided by average operating capital.

Cash flow from operating activities per share

Cash flow from operating activities, divided by the average number of shares.

Acid test ratio

Current receivables plus liquid assets, divided by current liabilities plus proposed dividend.

Liquid assets

Cash and cash equivalents, excluding available and unutilized bank credit facilities.

Net debt

Interest-bearing liabilities minus liquid assets.

Net debt/EBITDA

Net debt divided by EBITDA (earnings before interest, taxes, depreciation and amortization) adjusted for pro forma accounts for acquired businesses.

Sales per employee

Net sales divided by average number of employees.

Revenue growth

Net turnover for the year divided by net turnover for the previous year.

Operating capital

Equity plus net debt

Pro forma accounts for acquired businesses

EBITDA (earnings before interest, taxes, depreciation and amortization) for the year for acquired businesses, before the acquired business was consolidated in Opus

Interest coverage ratio

EBITDA (earnings before interest, taxes, depreciation and amortization) adjusted for pro forma accounts for acquired businesses, divided by net financial income/expense excluding exchange rate gains and losses".

Working capital

Inventory plus current non-interest bearing receivables excluding current tax receivable minus current non-interest bearing liabilities excluding current tax payable.

Operating profit margin (EBIT margin)

EBIT (operating margin) divided by total income.

Equity ratio

Group: Equity divided by total assets.

Parent company: Equity plus 78% of untaxed reserves, divided by total assets.

Capital employed

Working capital plus tangible assets and intangible assets.

Dividend per share

Dividend for the period divided by number of outstanding shares at time of dividend.

Profit per share

Earnings for the year divided by average number of shares.

Profit margin

Profit after financial items divided by total income.



OPUS GROUP AB (PUBL) • BASARGATAN 10 • SE-411 10 GOTHENBURG, SWEDEN
TEL. +46 (0) 31 748 34 00 • WWW.OPUS.GLOBAL