



BornFiber Service Provider ApS

Erik Husfeldts Vej 7
2630 Taastrup
CVR No. 36534273

Annual report 2022

The Annual General Meeting adopted the
annual report on 27.04.2023

Jeremy Smith

Chairman of the General Meeting

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Entity details

Entity

BornFiber Service Provider ApS

Erik Husfeldts Vej 7

2630 Taastrup

Business Registration No.: 36534273

Registered office: Taastrup

Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Jeremy Smith, Chairman

Christian Holm Christensen

Executive Board

Uffe Nielsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of BornFiber Service Provider ApS for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Taastrup, 27.04.2023

Executive Board

Uffe Nielsen

Board of Directors

Jeremy Smith
Chairman

Christian Holm Christensen

Independent auditor's report

To the shareholders of BornFiber Service Provider ApS

Opinion

We have audited the financial statements of BornFiber Service Provider ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 internal control relevant to the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 27.04.2023

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Thomas Rosquist Andersen

State Authorised Public Accountant

Identification No (MNE) mne31482

Management commentary

Primary activities

BornFiber Service Provider ApS develops, establishes and operates state of the art fiber- and wireless based broadband networks on the Danish islands of Bornholm and Zealand. On these networks BornFiber Service Provider ApS operates as full scale Internet Service Provider, offering Broadband connectivity, Digital TV content and Telephony services to private households, companies and to the public sector.

Description of material changes in activities and finances

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of TDKK -6,362 and the Balance Sheet at 31 December 2022 a balance sheet total of TDKK 366,988 and an equity of TDKK 249,237.

During 2022 Bornfiber Service Provider has merged with ZibraWireless ApS og Bornfiber ApS.

Management finds the result in accordance with the plan for the year 2022, and is satisfied with the progress and development of the company according to the long term plan.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		20,603,066	9,064,012
Staff costs	1	(12,897,902)	(8,514,044)
Depreciation, amortisation and impairment losses		(14,190,977)	(9,071,199)
Operating profit/loss		(6,485,813)	(8,521,231)
Income from investments in group enterprises		(1,312,442)	(12,869)
Other financial income		1,044	30
Other financial expenses	2	(4,260,316)	(1,478,890)
Profit/loss before tax		(12,057,527)	(10,012,960)
Tax on profit/loss for the year	3	5,695,505	(2,684)
Profit/loss for the year		(6,362,022)	(10,015,644)
Proposed distribution of profit and loss			
Retained earnings		(6,362,022)	(10,015,644)
Proposed distribution of profit and loss		(6,362,022)	(10,015,644)

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	4	961,320	281,688
Acquired rights		192,365	0
Development projects in progress	4	77,329	0
Intangible assets		1,231,014	281,688
Land and buildings		5,547,621	5,790,248
Plant and machinery		290,327,509	166,594,147
Other fixtures and fittings, tools and equipment		1,531,394	864,798
Leasehold improvements		13,063	24,551
Property, plant and equipment in progress		48,668,159	0
Property, plant and equipment	5	346,087,746	173,273,744
Investments in group enterprises		0	1,289,590
Deposits		730,038	718,313
Deferred tax		0	11,000
Financial assets		730,038	2,018,903
Fixed assets		348,048,798	175,574,335
Manufactured goods and goods for resale		3,711,930	652,315
Inventories		3,711,930	652,315
Trade receivables		300,066	259,420
Receivables from group enterprises		157,411	84,151
Other receivables		7,440,930	2,533,240
Joint taxation contribution receivable		10,759	418,014
Prepayments		496,407	2,820,403
Receivables		8,405,573	6,115,228
Cash		6,822,142	0
Current assets		18,939,645	6,767,543
Assets		366,988,443	182,341,878

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		160,000	150,000
Reserve for development expenditure		749,829	219,716
Retained earnings		248,327,208	130,586,675
Equity		249,237,037	130,956,391
Bank loans		83,521,528	0
Other payables		863,810	846,043
Non-current liabilities other than provisions	6	84,385,338	846,043
Current portion of non-current liabilities other than provisions	6	8,750,000	0
Bank loans		221,927	11,903,993
Prepayments received from customers		7,200	900,000
Trade payables		22,863,398	3,610,679
Payables to group enterprises		567	33,112,722
Other payables		1,522,976	1,012,050
Current liabilities other than provisions		33,366,068	50,539,444
Liabilities other than provisions		117,751,406	51,385,487
Equity and liabilities		366,988,443	182,341,878
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		

Statement of changes in equity for 2022

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	150,000	0	219,716	130,586,675	130,956,391
Effect of mergers and business combinations	10,000	35,132,668	0	0	35,142,668
Transferred from share premium	0	(35,132,668)	0	35,132,668	0
Group contributions etc.	0	0	0	89,500,000	89,500,000
Transfer to reserves	0	0	530,113	(530,113)	0
Profit/loss for the year	0	0	0	(6,362,022)	(6,362,022)
Equity end of year	160,000	0	749,829	248,327,208	249,237,037

Notes

1 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	14,209,912	9,070,121
Pension costs	2,118,672	1,154,280
Other social security costs	192,892	157,429
Other staff costs	548,563	220,921
	17,070,039	10,602,751
Staff costs classified as assets	(4,172,137)	(2,088,707)
	12,897,902	8,514,044
Average number of full-time employees	25	18

2 Other financial expenses

	2022	2021
	DKK	DKK
Financial expenses from group enterprises	0	1,200,220
Other interest expenses	22,870	30,214
Other financial expenses	4,237,446	248,456
	4,260,316	1,478,890

3 Tax on profit/loss for the year

	2022	2021
	DKK	DKK
Change in deferred tax	(5,714,973)	(11,000)
Adjustment concerning previous years	19,468	431,698
Refund in joint taxation arrangement	0	(418,014)
	(5,695,505)	2,684

4 Development projects

Bornfiber Service Provider has treated certain cost as Development cost in the Annual Report. The development costs are related to the development of the company's customer portal and sales applications.

5 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	7,638,119	199,934,222	3,564,852	86,946	0
Additions through business combinations etc.	100,000	140,908,951	787,380	0	0
Additions	14,018	25,798,291	1,090,504	0	48,668,159
Cost end of year	7,752,137	366,641,464	5,442,736	86,946	48,668,159
Depreciation and impairment losses beginning of year	(1,847,871)	(33,340,075)	(2,700,054)	(62,395)	0
Additions through business combinations etc.	0	(29,912,179)	(710,429)	0	0
Depreciation for the year	(356,645)	(13,061,701)	(500,859)	(11,488)	0
Depreciation and impairment losses end of year	(2,204,516)	(76,313,955)	(3,911,342)	(73,883)	0
Carrying amount end of year	5,547,621	290,327,509	1,531,394	13,063	48,668,159

6 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due after more than 12 months 2022 DKK	Outstanding after 5 years 2022 DKK
Bank loans	8,750,000	83,521,528	48,815,277
Other payables	0	863,810	863,810
	8,750,000	84,385,338	49,679,087

Other payables consists of frozen holiday funds.

7 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	1,618,199	11,722,229

8 Contingent liabilities

	2022
	DKK
Recourse and non-recourse guarantee commitments	6,000,000
Contingent liabilities	6,000,000

The Entity participates in a Danish joint taxation arrangement where Orb Investments ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Business combinations

The uniting-of-interests method is applied on mergers of assets and exchanges of shares, etc. where the enterprises concerned are controlled by the Parent. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

The modified uniting-of-interests method is applied to vertical mergers in which the participating entities are subject to the Parent's control. Under this method, assets and liabilities of the participating entities are recognised at the amounts at which they are recognised in the consolidated financial statements of the parent forming part of the merger. Vertical mergers are recognised at the merger date without restatement of comparative figures.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange

differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Revenue

Revenue from the sale of goods and services in the income statement when the risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed. Revenue from delivery of services is recognised as revenue as the service is delivered.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory write downs.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Repayments from public authorities are deducted from staff costs.

Depreciation, amortisation and impairment losses

Depreciation, amortisation, and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group

enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intangible assets

Intangible assets comprise completed development projects.

Development projects are clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets.

Other development costs are recognised as costs in the income statement as incurred.

When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity under "Reserve for development costs" that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years.

For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

The amortisation periods used are 10 years.

Impairment of intangible assets

The carrying amount of intangible assets is reviewed annually to determine whether there is an indication of impairment beyond the annual depreciation. If this is the case, a write-down is made to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at

cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub suppliers and labour costs.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	20 years
Plant and machinery	3-40 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	5 years

Estimated useful lives and residual values are reassessed annually.

Impairment of fixed assets

The carrying amount of tangible fixed assets is reviewed annually to determine whether there is an indication of impairment beyond the annual depreciation. If this is the case, a write-down is made to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value. Cost consists of purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contribution receivables are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.