
Notitia Networks ApS

Tuborg Boulevard 1, DK-2900 Hellerup

Annual Report for 1 January - 31 December 2021

CVR No 39 38 44 85

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
23/06 2022

Joachim Ziehm Mortensen
Chairman of the General
Meeting

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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Notitia Networks ApS (the "Company") for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. The Company complies with the exemption provisions governing the omission to have its Financial Statements audited.

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company's operations for 2021.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 17 June 2022

Executive Board

Susan Jennifer Simone Taylor

Practitioner's Statement on Compilation of Financial Statements

To the Management of Notitia Networks ApS

We have compiled the Financial Statements of Notitia Networks ApS for the financial year 1 January - 31 December 2021 on the basis of the Enterprise's accounting records and other information you have provided.

The Financial Statements comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

We performed our work in accordance with ISRS 4410, Engagements to Compile Financial Information.

Based on our professional expertise, we have assisted you with the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), including the principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information forming the basis of the compilation of the Financial Statements are your responsibility.

As an engagement to compile financial information is not an assurance engagement, we are under no duty to verify the accuracy or completeness of the information you provided to us to compile the Financial Statements. Accordingly, we express no audit opinion or review opinion as to whether the Financial Statements have been prepared in accordance with the Danish Financial Statements Act.

Hillerød, 17 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Krath

statsautoriseret revisor

mne34155

Company Information

The Company

Notitia Networks ApS
Tuborg Boulevard 1
DK-2900 Hellerup

CVR No: 39 38 44 85
Financial period: 1 January - 31 December 2021
Municipality of reg. office: Gentofte

Executive Board

Susan Jennifer Simone Taylor

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Income Statement 1 January - 31 December 2021

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Gross loss		-5.041.964	-2.169.841
Financial income		21	0
Financial expenses		<u>-394.860</u>	<u>-379.389</u>
Loss before tax		-5.436.803	-2.549.230
Tax on loss for the year	2	<u>1.196.097</u>	<u>110.101</u>
Net loss for the year		<u>-4.240.706</u>	<u>-2.439.129</u>

Distribution of loss

Proposed distribution of loss

Retained earnings		<u>-4.240.706</u>	<u>-2.439.129</u>
		<u>-4.240.706</u>	<u>-2.439.129</u>

Balance Sheet 31 December 2021

	Note	2021 DKK	2020 DKK
Assets			
Land and buildings		223.333.750	0
Property, plant and equipment in progress		3.577.652	0
Property, plant and equipment	3	226.911.402	0
Fixed assets		226.911.402	0
Receivables from group enterprises		81.202	0
Other receivables		55.653.267	21.499
Deferred tax asset		1.366.685	254.333
Prepayments		200.000	0
Receivables		57.301.154	275.832
Cash at bank and in hand	4	162.645.795	37.625.162
Currents assets		219.946.949	37.900.994
Assets		446.858.351	37.900.994
Liabilities and equity			
Share capital		50.000	50.000
Retained earnings		438.852.876	9.737.928
Equity		438.902.876	9.787.928
Trade payables		7.955.475	128.551
Payables to group enterprises		0	27.984.515
Short-term debt		7.955.475	28.113.066
Liabilities		7.955.475	28.113.066
Liabilities and equity		446.858.351	37.900.994
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Statement of Changes in Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January 2021	50.000	9.737.928	9.787.928
Group contributions	0	433.355.654	433.355.654
Net loss for the year	0	-4.240.706	-4.240.706
Equity at 31 December 2021	50.000	438.852.876	438.902.876

Notes to the Financial Statements

1 Key activities

The Company was founded with the intention to carry on the business of and activities associated with data hosting services. During the year, the entity purchased land in Esbjerg, Denmark and is exploring the possibility for a future data center at the site.

	<u>2021</u> DKK	<u>2020</u> DKK
2 Tax on loss for the year		
Current tax for the year	0	0
Deferred tax for the year	-1.196.097	-112.644
Adjustment of deferred tax concerning previous years	<u>0</u>	<u>2.543</u>
	<u>-1.196.097</u>	<u>-110.101</u>

3 Property, plant and equipment

	<u>Land and buildings</u> DKK	<u>Property, plant and equipment in progress</u> DKK	<u>Total</u> DKK
Cost at 1 January 2021	0	0	0
Additions for the year	<u>223.333.750</u>	<u>3.577.652</u>	<u>226.911.402</u>
Cost at 31 December 2021	<u>223.333.750</u>	<u>3.577.652</u>	<u>226.911.402</u>
Carrying amount at 31 December 2021	<u>223.333.750</u>	<u>3.577.652</u>	<u>226.911.402</u>

Notes to the Financial Statements

	<u>2021</u> DKK	<u>2020</u> DKK
4 Cash and cash equivalents - Credit institutions		
Bank	125.704.243	1.060.817

The Company together with other legal entities in the Meta group is a member of a multi-currency notional cash pooling arrangement (the arrangement) with a third party-bank provider. Actual cash balances are not physically converted and are not commingled between participating legal entities. As part of the notional cash pool agreement, the bank extends overdraft credit to participating entities as needed, provided that the overall notionally pooled balance of all accounts in the pool at the end of each day is at least zero.

As part of this arrangement, cash and cash equivalents amounting to DKK 125,704,243 (2020: DKK 1,068,817) which represents cash held under the cash pooling arrangement have been pledged as security against obligations of other Meta legal entities party to the notional cash pooling arrangement. This security can only be called upon if recovery from the customer holding the obligation and recovery under the guarantee with Meta Platforms, Inc. is not successful.

The Company is a beneficiary of a guarantee given by Meta Platforms, Inc. under the Cash Pool Agreement to guarantee the amounts owed to the third-party bank provider.

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income. Cassin Networks ApS is the administration company of the joint taxation. The Danish group companies are also jointly and severally liable for Danish withholding tax on dividend, royalties and interest.

6 Related parties

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Ultimate Parent Company:

<u>Name</u>	<u>Place of registered office</u>
Meta Platforms, Inc.	Delaware, USA

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of Notitia Networks ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Notes to the Financial Statements

7 Accounting Policies (continued)

Income Statement

Other external expenses

Other external expenses comprise general operating expenses such as fees for accounting, legal and corporate assistance, bank charges etc.

Gross loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of development cost and other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on 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 Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Land is not depreciated.

An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Assets are comprised of land and property, plant and equipment in progress. Assets under construction are not depreciated until such a time as the assets are ready for their intended use.

Notes to the Financial Statements

7 Accounting Policies (continued)

Impairment of fixed assets

The carrying amounts of property, plant and equipment is reviewed annually for evidence of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is the discount rate.

Prepayments

Prepayments comprise prepaid expenses concerning fees.

Deferred tax assets and liabilities

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount for financial reporting purposes and the tax base of assets and liabilities on the basis of the intended use of the asset and settlement of the liability.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same legal tax entity.

Notes to the Financial Statements

7 Accounting Policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.