

# **Bulk Fiber Networks Denmark ApS**

C/O Accountor Denmark A/S  
Herlev Hovedgade 195C  
2730 Herlev

CVR No. 40713476

## **Annual Report 2022**

3. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 7 July 2023

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Inge Helander Bolstad  
Chairman

## Bulk Fiber Networks Denmark ApS

### Contents

Management's Statement	3
Independent Auditors' Report	4
Company Information	7
Management's Review	8
Accounting Policies	9
Income Statement	12
Balance Sheet	13
Statement of changes in Equity	15
Notes	16

## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Bulk Fiber Networks Denmark ApS for the financial year 1 January 2022 - 31 December 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 assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Herlev, 7 July 2023

### **Executive Board**

Inge Helander Bolstad  
Manager

Nina Bull  
Manager

## **Independent Auditors' Report**

### **To the shareholders of Bulk Fiber Networks Denmark ApS**

#### **Opinion**

We have audited the financial statements of Bulk Fiber Networks Denmark ApS for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes. 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 Company's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility 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 considers 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 Company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

#### **The auditor's responsibility for the audit of the financial statements**

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

## **Independent Auditors' Report**

Company's internal control.

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

### **Statement on Management's Review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

**Bulk Fiber Networks Denmark ApS**

## **Independent Auditors' Report**

### **Report on other legal and regulatory requirements and other reporting responsibilities**

#### **Violation of company law and similar legislation**

Management has not complied with its obligation under the Companies Act to create and maintain records and protocols etc. for meetings held in 2021. Consequently management can be held liable.

Copenhagen, 7 July 2023

#### **Deloitte Statsautoriseret Revisionspartnerselskab**

CVR-no. 33963556

Flemming Larsen

State Authorised Public Accountant

mne27790

## Bulk Fiber Networks Denmark ApS

### Company details

<b>Company</b>	Bulk Fiber Networks Denmark ApS C/O Accountor Denmark A/S Herlev Hovedgade 195C 2730 Herlev
CVR No.	40713476
Date of formation	8 August 2019
Registered office	Herlev
Financial year	1. januar 2022 - 31. december 2022
<b>Executive Board</b>	Inge Helander Bolstad Nina Bull
<b>Auditors</b>	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S CVR-no.: 33963556
<b>Attorneys</b>	Bech-Bruun Advokatpartnerskab Langelinie Allé 35 2100 København Ø
<b>Bank</b>	DNB Bank ASA Arne Jacobsens Allé 15 2300 København S

## **Management's Review**

### **The Company's principal activities**

The company's principal activities are to own and develop optical fiber networks in Denmark as a part of the Bulk Groups fiber network in Europe and US. The groups focus is to enable data traffic to data centers in the Nordic, and especially data centers owned by Bulk. The fiber industry has traditionally been driven by carrier companies focused on the consumer market where as Bulk is focused on connecting hubs for data traffic such as data centers and large industrial operators.

### **Development in the activities and the financial situation of the Company**

The income statement for the financial year of 1st of January to the 31st of December 2022, shows a result of DKK -8.408.068. The total balance at 31st of December was DKK 78 564 421 with an equity of DKK -11 265 669.

During the company's first 3 years of business, it has invested and developed land-based fiber in Denmark as well as subsea fiber systems between Denmark and Norway (Havsil), and Denmark, US, Ireland and Norway (Havfrue). The company is still in an early phase of the natural life cycle, and revenues and profit are expected to increase the coming years. As of capacity, the company now utilizes ca 3% of its assets and can easily triple the capacity with small capital expenditures.

The company is financed entirely by the Norwegian parent company. The financial statements are presented by the management under the assumption of continued operations. Management expects the lost share capital to be re-established through its own earnings the coming years.

The company has received a statement of support from the company's owner and head of Bulk's fiber segment, stating that the necessary liquidity for the coming year has been secured.

### **Material changes in the Company's operations and financial matters**

No events have occurred after the end of the financial year of material importance for the Company's financial position.



## **Accounting Policies**

### **Reporting Class**

The annual report has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### **Reporting currency**

The annual report is presented in Danish kroner.

## **General information**

### **Basis of recognition and measurement**

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## **Income statement**

### **Revenue**

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

### **Other operating income**

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

### **Other external expenses**

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance

## **Accounting Policies**

leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

### **Tax on net profit for the year**

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## **Balance sheet**

### **Property, plant and equipment**

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses. Land is not amortized.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Fiber	25-30 years	0%
Machinery, tools and equipment	30 years	0%

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

### **Receivables**

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

### **Accrued income, assets**

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

## **Accounting Policies**

### **Equity**

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

### **Liabilities**

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

### **Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Bulk Fiber Networks Denmark ApS

### Income Statement

	Note	2022 kr.	2021 kr.
<b>Gross profit</b>		<b>-1.451.049</b>	<b>-712.002</b>
Depreciation, amortisation and impairment		-2.491.143	-927.013
<b>Profit from ordinary operating activities</b>		<b>-3.942.192</b>	<b>-1.639.015</b>
Other finance income		15.594	160.167
Finance expenses	1	-4.481.470	-1.441.011
<b>Profit from ordinary activities before tax</b>		<b>-8.408.068</b>	<b>-2.919.859</b>
Tax expense on ordinary activities		0	59.409
<b>Profit</b>		<b>-8.408.068</b>	<b>-2.860.450</b>
<b>Proposed distribution of results</b>			
Retained earnings		-8.408.068	-2.860.450
<b>Distribution of profit</b>		<b>-8.408.068</b>	<b>-2.860.450</b>

Bulk Fiber Networks Denmark ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Assets</b>			
Acquired intangible assets		2.191.383	2.354.916
<b>Intangible assets</b>	2	<b>2.191.383</b>	<b>2.354.916</b>
Fiber	3	57.094.588	37.207.717
Machinery, tools and equipment	4	7.791.935	8.063.886
<b>Property, plant and equipment</b>		<b>64.886.523</b>	<b>45.271.603</b>
<b>Fixed assets</b>		<b>67.077.906</b>	<b>47.626.519</b>
Short-term trade receivables		4.613.264	0
Short-term receivables from associates		0	1.174.048
Other short-term receivables		0	2.032.683
Deferred income		323.333	500.642
<b>Receivables</b>		<b>4.936.597</b>	<b>3.707.373</b>
<b>Cash and cash equivalents</b>		<b>6.549.917</b>	<b>5.944.678</b>
<b>Current assets</b>		<b>11.486.514</b>	<b>9.652.051</b>
<b>Assets</b>		<b>78.564.420</b>	<b>57.278.570</b>

Bulk Fiber Networks Denmark ApS

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
<b>Liabilities and equity</b>			
Contributed capital		200.000	200.000
Retained earnings		-11.465.670	-3.057.602
<b>Equity</b>		<b>-11.265.670</b>	<b>-2.857.602</b>
Trade payables		765.960	9.970.934
Payables to group enterprises		85.039.333	50.165.238
Other payables		632.817	0
Deferred income, liabilities		3.391.980	0
<b>Short-term liabilities other than provisions</b>		<b>89.830.090</b>	<b>60.136.172</b>
<b>Liabilities other than provisions within the business</b>		<b>89.830.090</b>	<b>60.136.172</b>
<b>Liabilities and equity</b>		<b>78.564.420</b>	<b>57.278.570</b>
Uncertainties relating to going concern	5		
Contingent assets and liabilities	6		
Related parties	7		

## Bulk Fiber Networks Denmark ApS

### Statement of changes in Equity

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2022	200.000	-3.057.602	-2.857.602
Profit (loss)		-8.408.068	-8.408.068
<b>Equity 31 December 2022</b>	<b>200.000</b>	<b>-11.465.670</b>	<b>-11.265.670</b>

The share capital has remained unchanged for the last 5 years.

## Notes

	2022	2021
<b>1. Finance expenses</b>		
Finance expenses arising from group enterprises	4.458.256	1.420.983
Other finance expenses	23.214	20.028
	<u>4.481.470</u>	<u>1.441.011</u>
<b>2. Intangible assets</b>		
		<b>Acquired intangible assets 2022</b>
Cost at the beginning of the year		2.452.998
<b>Cost at the end of the year</b>		<u>2.452.998</u>
Depreciation and amortisation at the beginning of the year		-98.082
Amortisation for the year		-163.533
<b>Impairment losses and amortisation at the end of the year</b>		<u>-261.615</u>
<b>Carrying amount at the end of the year</b>		<u>2.191.383</u>
<b>3. Fiber</b>		
	<b>2022</b>	<b>2021</b>
Cost at the beginning of the year	37.970.648	7.333.458
Addition during the year, incl. improvements	21.942.530	31.877.803
Disposal during the year	0	-1.240.613
<b>Cost at the end of the year</b>	<u>59.913.178</u>	<u>37.970.648</u>
Depreciation and amortisation at the beginning of the year	-762.931	-23.299
Amortisation for the year	-2.055.659	-739.632
<b>Impairment losses and amortisation at the end of the year</b>	<u>-2.818.590</u>	<u>-762.931</u>
<b>Carrying amount at the end of the year</b>	<u>57.094.588</u>	<u>37.207.717</u>



## Notes

	2022	2021
<b>4. Machinery, tools and equipment</b>		
	<b>2022</b>	<b>2021</b>
Cost at the beginning of the year	8.153.185	0
Addition during the year, incl. improvements	0	8.153.185
<b>Cost at the end of the year</b>	<b>8.153.185</b>	<b>8.153.185</b>
Depreciation and amortisation at the beginning of the year	-89.299	0
Amortisation for the year	-271.951	-89.299
<b>Impairment losses and amortisation at the end of the year</b>	<b>-361.250</b>	<b>-89.299</b>
<b>Carrying amount at the end of the year</b>	<b>7.791.935</b>	<b>8.063.886</b>

## 5. Uncertainties relating to going concern

The company's management has chosen to present the financial statements on the assumption of continued operations. The management assesses that the company through sound and profitable operations is expected to be able to reestablish the share capital within the coming years.

The company has received a statement of support from the company's legal owner and head of Bulk's fiber segment, stating that the necessary liquidity for the coming year has been secured.

## 6. Contingent assets and liabilities

### Contingent assets

The company has a tax loss carryforward, which is not recognized in the balance sheet, as it is not assessed that it can be utilized within a period of 3-5 years. The value of the tax loss amounts to DKK 16,126,803 as of December 31, 2022.

### Joint liabilities

The company is jointly and severally liable together with the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of DK01 ApS, which serves as management company for the joint taxation.

## 7. Related parties

The Company's related parties include:

### Controlling interest

Bulk Fiber Networks AS, Karenlyst allé 53, 0279 Oslo, Norway, is the principal shareholder.

### Transactions with related parties

The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

## Notes

2022

2021

### 8. Consolidated Financial Statements

The company is included in the consolidated financial statements for:

Bulk Infrastructure Group AS, Karenlyst allé 53, 0279 Oslo, Norway, Org. no. 922 949 891.

Bulk Infrastructure Holding AS, Karenlyst allé 53, 0279 Oslo, Norway, Org. no. 996 501 876.

Bulk Industrier AS, Karenlyst allé 53, 0279 Oslo, Norway, Org. no. 927 963 647.

Green Keeper AS, Karenlyst allé 53, 0279 Oslo, Norway, Org. no. 888 177 582.

### 9. Events after the balance sheet date

In June 2023 an amendment was made to the loan-agreement, whereby effective June 2023 the loans are long term.