

Interoute Cloud Denmark ApS under tvangsopløsning

Niels Juels Gade 5, 3.
1059 København K
CVR no. 40 83 23 78

Annual report for 2021

Adopted at the annual general
meeting on 28 October 2022

chairman

Adeel Ahmad

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Statement by management on the annual report

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Interoute Cloud Denmark ApS for the financial year 1 January - 31 December 2021.

The Annual Report is 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a true and fair account of the matters dealt with in the management's review.

We recommend that the annual report should be approved by the company in general meeting.

Copenhagen, 28 October 2022

Executive Board

Anthony Hansel
Executive Officer

Board of Directors

Anthony Hansel

Adeel Ahmad

Samir Goghrod

Independent auditor's report

To the shareholder of Interoute Cloud Denmark ApS under tvangsopløsning

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Interoute Cloud Denmark ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 (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.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, 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 management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that management's review 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 management's review.

Independent auditor's report

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 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 liquidate the Company 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 judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, 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.

Hellerup, 28 October 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Bo Schou-Jacobsen
State Authorised Public Accountant
mne28703

Anders Røjleskov
State Authorised Public Accountant
mne28699

Company details

The Company

Interoute Cloud Denmark ApS under tvangsopløsning
Niels Juels Gade 5, 3.
1059 København K

CVR no.: 40 83 23 78

Reporting period: 1 January - 31 December 2021

Incorporated: 2 October 2019

Domicile: Copenhagen

Board of Directors

Anthony Hansel
Adeel Ahmad
Samir Goghrod

Executive Board

Anthony Hansel

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management's review

Business review

The Company's purpose is to provide advise on and provide solutions based on Internet technology as well as other related business.

Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of EUR 93,154, and the balance sheet at 31 December 2021 shows negative equity of EUR 92,684.

I Squared Capital has closed the acquisition of GTT's infrastructure business and launched a new company called Exa Infrastructure on 17 September 2021. As part of the global acquisition, the Company acquired the Danish part of the GTT infrastructure business.

Headquartered in London, UK, EXA Infrastructure is the largest dedicated digital infrastructure platform connecting Europe and North America and owns 112,000 kilometres of fibre network across 32 countries. EXA's network connects 300 cities and offers 14 Tier 3-equivalent data centres, with sub-sea routes that include three transatlantic cables, one the lowest latency link between Europe and North America. EXA is wholly-owned by I Squared Capital. EXA is a company with first-class network infrastructure and a strong focus on giving customers the best access to it, at a time when network services have never been so important for companies to meet high-capacity demand and adapt to the accelerated challenges of a disrupted world.

Over the last 20 years EXA has established its reputation for building robust, leading-edge infrastructure to facilitate the world's ever expanding digital needs, which include:

- Mission-critical networks for governments and enterprises
- Hyperscale infrastructure for the world's most innovative and influential businesses
- Ultra-low latency networks for Financial, Gaming and Broadcast sectors
- Expansive connectivity to underpin carrier, mobile and internet backbones

We are focused solely on four products: Infrastructure, Colocation, Transport and Professional Services. This means that not only is our network directly at the heart of all that we do, but our future CAPEX investment will be channeled into making those four products ever-more capable and compelling. We believe it will be an unmatched combination for serving Europe's long-haul network capacity needs. We excel at delivering the network scale of an industry heavyweight, with the agility of a light-footed challenger.

Our unique combination of global assets, deep industry expertise and firm commitment to future investment is unmatched in our field. The EXA business has strong growth prospects and in I Squared Capital has a long-term growth partner.

Capital resources and significant events occurring after the end of the financial year

Reference is made to note 1 in the Financial Statements.

Accounting policies

The annual report of Interoute Cloud Denmark 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 entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in EUR. Applied EUR exchange rate on the 31 December 2021: 743,65.

Basis of 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.

Foreign currency translation

EUR is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Accounting policies

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Income statement

Gross profit

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

Revenue

Income is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Revenue from subscriptions is allocated over the subscriptions duration.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

Other external costs

Other external expenses comprise expenses for sales and distribution as well as office expenses, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Accounting policies

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Customer contracts acquired are measured at cost less accumulated amortisation. Customer contract is amortised on a straight-line basis over the acquired contract length.

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed to be 10 years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

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.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	1-7 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Financial debts

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

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> EUR	<u>2020 (13 months)</u> EUR
Gross profit		55,087	-4,890
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		<u>-105,578</u>	<u>0</u>
Profit/loss before net financials		-50,491	-4,890
Financial costs	3	<u>-42,663</u>	<u>0</u>
Profit/loss before tax		-93,154	-4,890
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Profit/loss for the year		<u>-93,154</u>	<u>-4,890</u>
 Recommended appropriation of profit/loss			
Retained earnings		<u>-93,154</u>	<u>-4,890</u>
		<u>-93,154</u>	<u>-4,890</u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> EUR	<u>2020</u> EUR
Assets			
Customer contracts		177,231	0
Goodwill		1,152,067	0
Intangible assets	4	<u>1,329,298</u>	<u>0</u>
Other fixtures and fittings, tools and equipment		98,220	0
Tangible assets		<u>98,220</u>	<u>0</u>
Total non-current assets		<u>1,427,518</u>	<u>0</u>
Raw materials and consumables		36,419	0
Stocks		<u>36,419</u>	<u>0</u>
Trade receivables		153,475	0
Receivables from group enterprises		331,760	0
Other receivables		0	5,360
Prepayments		28,573	0
Receivables		<u>513,808</u>	<u>5,360</u>
Cash at bank and in hand		<u>377,489</u>	<u>79</u>
Total current assets		<u>927,716</u>	<u>5,439</u>
Total assets		<u><u>2,355,234</u></u>	<u><u>5,439</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> EUR	<u>2020</u> EUR
Equity and liabilities			
Share capital		5,360	5,360
Retained earnings		<u>-98,044</u>	<u>-4,890</u>
Equity		<u>-92,684</u>	<u>470</u>
Deferred income		<u>444,000</u>	<u>0</u>
Total non-current liabilities	5	<u>444,000</u>	<u>0</u>
Deferred income	5	116,988	0
Trade payables		70,552	4,700
Payables to group enterprises		1,779,678	269
Other payables		<u>36,700</u>	<u>0</u>
Total current liabilities		<u>2,003,918</u>	<u>4,969</u>
Total liabilities		<u>2,447,918</u>	<u>4,969</u>
Total equity and liabilities		<u>2,355,234</u>	<u>5,439</u>
Capital resources and subsequent events	1		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained</u> <u>earnings</u>	<u>Total</u>
	EUR	EUR	EUR
Equity at 1 January 2021	5,360	-4,890	470
Net profit/loss for the year	0	-93,154	-93,154
Equity at 31 December 2021	5,360	-98,044	-92,684

Notes

1 Capital resources and subsequent events

As the Annual Report for 2021 was not submitted within the required deadline, and on 2 September 2021, the Danish Business Authority sent the Company to the Sø- og Handelsrettens Skifteretsafdeling for a compulsory dissolution. On 26 September 2021, Sø- og Handelsrettens Skifteretsafdeling started the process to dissolve the Company. With the submission of this Annual Report, the process to terminate the compulsory dissolution will be initiated and it is expected that the Company soon will resume normal operations.

Furthermore, as of 31 December 2021, the Company has a negative equity. The financial year 2021 was the Company's first financial year with operation. Management expects positive earnings going forward.

On 3 October 2022, the shareholder contributed a cash capital increase of EUR 300k, which has restored the share capital and resulted in a positive equity.

Furthermore, Management has obtained a letter of support from the group entity Cube Telecom Europe BidCo Ltd. to support and ensure that sufficient capital resources are available to cover the Company's obligations until 12 months from the date of the financial statements for 2021.

At the same time, Cube Telefon Europe BidCo Ltd. has subordinated its receivables in favor of other creditor.

On this basis, Management assesses that the capital resources are sufficient, and the Annual Report is therefore presented under the assumption of going concern.

No other events have occurred after the balance sheet date which could significantly affect the Company's financial position.

2 Staff costs

The Company has not had employees during the year.

Notes

	<u>2021</u> EUR	<u>2020 (13 months)</u> EUR
3 Financial costs		
Interest paid to subsidiaries	42,419	0
Exchange loss	<u>244</u>	<u>0</u>
	<u>42,663</u>	<u>0</u>

4 Intangible assets

	<u>Customer contracts</u> EUR	<u>Goodwill</u> EUR
Cost at 1 January 2021	0	0
Additions for the year	<u>232,171</u>	<u>1,187,175</u>
Cost at 31 December 2021	<u>232,171</u>	<u>1,187,175</u>
Impairment losses and amortisation at 1 January 2021	0	0
Depreciation for the year	<u>54,940</u>	<u>35,108</u>
Impairment losses and amortisation at 31 December 2021	<u>54,940</u>	<u>35,108</u>
Carrying amount at 31 December 2021	<u>177,231</u>	<u>1,152,067</u>

5 Long term debt

	<u>Debt at 1 January 2021</u> EUR	<u>Debt at 31 December 2021</u> EUR	<u>Instalment next year</u> EUR	<u>Debt outstanding after 5 years</u> EUR
Deferred income	<u>0</u>	<u>560,988</u>	<u>116,988</u>	<u>166,500</u>
	<u>0</u>	<u>560,988</u>	<u>116,988</u>	<u>166,500</u>

Notes

6 Contingent liabilities

The Company is for part of the income year jointly taxed with GTT Communications Denmark ApS. Entities subject to mandatory joint taxation have unlimited, joint and several liability for Danish corporation taxes.

7 Related parties and ownership structure

Consolidated financial statements

The company is included in the group report as the ultimate Parent Company Cube Telecom Europe BidCo Ltd.