

MARLINK AS
Financial statements

Year ended 31 December 2023

Company registration n° 990362688

CONTENT

Statement of profit or loss and other comprehensive income	3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	7
Statement of cash flows	8
Index to notes to the financial statements	9
Notes to the financial statements	10

STATEMENT OF PROFIT AND LOSS

For the year ended 31 December 2023

	Notes	2023	2022
		NOK000	NOK000
Revenue from contracts with customers	4	5 684 371	4 193 901
Revenue		5 684 371	4 193 901
Cost of sales		(3 092 314)	(2 070 272)
Gross profit		2 592 058	2 123 629
Other operating income	5.1	126 874	41 436
Marketing, selling and distribution expenses	5.2	(1 390 450)	(1 011 516)
Administrative expenses	5.3	(1 013 872)	(765 292)
Other operating expenses	5.4	(34 028)	(55 419)
Operating profit		280 581	332 838
Finance income	5.6	194 457	77 144
Finance costs	5.7	(222 393)	(129 595)
Other finance income	5.8	78 210	111 410
Other finance costs	5.9	(130 683)	(128 791)
Profit before tax		200 172	263 006
Income tax expense	6	(38 577)	(65 299)
Profit for the year		161 595	197 707

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	2023	2022
		NOK000	NOK000
Profit for the year		161 601	197 707
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit and loss in subsequent periods:</i>			
Gain on cash flow hedges		3 444	144
Other comprehensive income/(loss) that may be reclassified to profit and loss in subsequent periods		3 444	144
<i>Other comprehensive income that will not be reclassified to profit and loss in subsequent periods:</i>			
Remeasurement gain on defined benefits plans	20	11 142	717
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		11 142	717
Other comprehensive gain/(loss) for the year		14 586	861
Total comprehensive income for the year		176 187	198 568


Statement of financial position

As at 31 December 2023

	Notes	<u>2023</u>	<u>2022</u>
		NOK000	NOK000
Assets			
Non-current assets			
Property, plant and equipment	8	1 260 467	1 126 671
Intangible assets	9	743 741	704 952
Right-of-use assets	10	131 635	139 530
Investment in a subsidiary	11	2 447 366	2 457 553
Net employee defined benefit assets	7	33 396	20 508
Non-current financial assets	12.1	167 087	509 860
		<u>4 783 692</u>	<u>4 959 073</u>
Current assets			
Inventories	12.2	23 424	20 271
Trade receivables	12.1, 13.1	1 422 283	1 051 175
Contract assets	12.1, 13.2	-	357
Other receivables	12.1, 13.1	660 555	597 128
Prepayments	12.1, 13.1	248 009	110 894
Other current financial assets	12.1, 13.1	28 852	76 189
Cash and short-term deposits	14	38 760	15 333
		<u>2 421 883</u>	<u>1 871 346</u>
Total assets		<u>7 205 575</u>	<u>6 830 419</u>

	Notes	2023 NOK000	2022 NOK000
Equity and liabilities			
Equity			
Issued capital	15	18 572	18 572
Share premium	15	2 505 009	2 505 009
Retained earnings		985 436	949 472
Cash flow hedge reserve		3 444	-
Total equity		3 512 461	3 473 053
Non-current liabilities			
Interest-bearing loans and borrowings	12.3	985 900	1 118 321
Other non-current financial liabilities	12.4	7 957	8 247
Provisions	16	4 794	4 794
Lease contract liabilities	10, 12.3	56 832	83 991
		1 055 483	1 215 353
Current liabilities			
Trade and other payables	12.4, 17	2 113 496	1 760 210
Lease contract liabilities	10, 12.3	60 455	49 256
Group Contribution Payable	6	461 164	285 815
Tax payable	6	2 420	2 419
Interest-bearing loans and borrowings	12.3	-	30 422
Other current financial liabilities	12.4, 17	95	13 892
		2 637 631	2 142 014
Total liabilities		3 693 114	3 357 366
Total equity and liabilities		7 205 575	6 830 419

Lysaker, 2024, May 24th

DocuSigned by:

 45D52515633849C...

Stein Anderssen
 Chairman of the Board

DocuSigned by:


 0D3EF2B1ECCF468...

Pauline Ruitenberg
 Board member

DocuSigned by:

 DC83188825E443C...

Hervé Nays
 Board member

DocuSigned by:

 1B8213D728064BB...

Tore Morten Olsen
 CEO

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Issued capital (Note 14)	Share premium (Note 14)	Retained earnings	Cash flow hedge reserve	Total
	NOK000	NOK000	NOK000	NOK000	NOK000
As at 1 January 2023	18 572	2 505 009	949 473	-	3 473 053
Profit of the period	-	-	161 595	-	161 595
Remeasurement gain on defined benefits plans (Note 20)	-	-	11 142	-	11 142
Loss on cash flow hedges	-	-	-	3 444	3 444
Group contribution	-	-	(136 772)	-	(136 772)
At 31 December 2023	18 572	2 505 009	985 436	3 444	3 512 461

	Issued capital (Note 14)	Share premium (Note 14)	Retained earnings	Cash flow hedge reserve	Total
	NOK000	NOK000	NOK000	NOK000	NOK000
As at 1 January 2022	18 572	2 505 009	973 984	(144)	3 497 422
Profit of the period	-	-	197 707	-	197 707
Remeasurement gain on defined benefits plans (Note 20)	-	-	717	-	717
Loss on cash flow hedges	-	-	-	144	144
Group contribution	-	-	(222 936)	-	(222 936)
At 31 December 2022	18 572	2 505 009	949 473	-	3 473 053

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	2023	2022
	NOK000	NOK000
Operating activities		
Profit before tax	200 172	263 006
<i>Adjustment to reconcile profit before tax to net cash flows:</i>		
Depreciation and impairment of property, plant and equipment and right-of-use assets	419 885	380 287
Amortisation and impairment of intangible assets	27 860	26 691
Depreciation and impairment of financial assets	10 187	2 858
Loss/(Gain) on disposal of property, plant and equipment	45 989	(7 012)
Net finance loss/(gain)	28 592	66 974
Movements in provisions and pensions	(1 746)	(526)
<i>Working capital adjustments:</i>		
Change in trade and other receivables	(563 925)	(129 807)
Change in trade and other payables	383 507	174 120
Net cash flows from operating activities	550 520	776 591
Investing activities		
Proceeds from sale of property, plant and equipment	15 990	18 748
Purchase of property, plant and equipment	(553 223)	(543 192)
Purchase of intangible assets	(66 648)	(23 650)
Internal lendings decrease/(increase)	382 076	(173 355)
Acquisition of subsidiary shares	-	(51 455)
Dividend received	57 101	23 857
Net cash flows used in investing activities	(164 702)	(749 046)
Financing activities		
Dividend paid		
Interest costs	(218 636)	(122 949)
Interest income	134 238	52 951
Deposit to vendor	(2 488)	(3 575)
Deposit from customer	(290)	1 272
Other costs	(2 136)	(201)
Other income	3 117	903
Internal borrowing decrease	(276 195)	-
Net cash flows used in financing activities	(362 390)	(71 599)
Net increase/Decrease in cash and cash equivalents	23 428	(41 053)
Cash and cash equivalents as at 1 January	15 333	56 386
Cash and cash equivalents as 31 December	38 760	15 333

INDEX TO NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information	12
2. Significant accounting policies	12
2.1 Basis of preparation	12
2.2 Summary of significant accounting policies	12
2.2.1 Goodwill	12
2.2.2 Investments in subsidiaries	13
2.2.3 Current versus non-current classification	13
2.3 Fair value measurement	14
2.3.1 Revenue from contracts with customers	14
2.3.2 Government grants	15
2.3.3 Taxes	16
2.3.4 Foreign currencies	16
2.3.5 Dividends	17
2.3.6 Group contributions	17
2.3.7 Property, plant and equipment	17
2.3.8 Leases	18
2.3.9 Borrowing costs	19
2.3.10 Intangible assets	19
2.3.11 Financial instruments – initial recognition and subsequent measurement	20
2.3.12 Derivative financial instruments and hedge accounting	23
2.3.13 Cash and short-term deposits	24

2.3.14	Provisions	24
2.3.15	Pensions and other post-employment benefits.....	24
2.3.16	New and amended standards and interpretations	25
3	Significant accounting judgements	25
4	Revenue from contracts with customers	28
5	Other income/expenses	29
5.1	Other operating income.....	29
5.2	Marketing, selling and distribution expenses.....	30
5.3	Administrative expenses	30
5.4	Other operating expenses.....	30
5.5	Employee benefits expense	31
5.6	Finance income.....	31
5.7	Finance costs.....	31
5.8	Other finance income	32
5.9	Other finance costs	32
6	Income tax	32
7	Pensions.....	34
8	Property, plant and equipment	38
9	Intangible assets	39
10	Leases.....	40
11	Subsidiaries.....	41
12	Financial assets and financial liabilities	42

12.1	Financial assets.....	42
12.2	Inventories	42
12.3	Financial liabilities: Interest-bearing loans and borrowings	42
12.4	Other financial liabilities.....	43
12.5	Financial instruments risk management objectives and policies	43
13	Receivables and contract assets	45
13.1	Trade and other receivables.....	45
13.2	Contract assets	45
14	Cash and short-term deposits.....	46
15	Issued capital and reserves.....	47
16	Provisions.....	48
17	Trade and other payables	48
18	Distributions made and proposed	48
19	Related party disclosures.....	49
20	Remunerations to leading personnel, auditors and others.....	52
21	Government grants	53
22	Russia and Ukraine exposure.....	53
23	Standards issued but not yet effective	54
24	Events after the reporting period	55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Marlink AS is a fully owned subsidiary of Toruk AS. Toruk AS is fully owned by Makto SARL, Luxemburg. Since June 29, 2022, Makto SARL is a holding company owned by Providence Equity Partners.

The principal activity of the Company is that, it specializes in the delivery and satellite-based communication services, mainly to the Maritime industry.

These annual accounts were approved by the Board on 24 May 2024 for a decision to be made by the General Meeting.

Information on other related party relationships of the Company is provided in Note 19.

2. Significant accounting policies

2.1 Basis of preparation

Pursuant to the provision regarding exemptions in section 3-7 of the Norwegian Accounting Act, no separate consolidated accounts have been prepared for Marlink AS. The annual accounts for 2023 have been prepared pursuant to the Regulations regarding Simplified Application of International Accounting Standards (FOR-2022-02-07-182), pursuant to section 3-9(5) of the Accounting Act, with comparison figures for 2022. Deviation from measuring and recognition rules pursuant to section 3-1 of Regulations FOR-2022-02-07-182 has been applied in relation to points 1, 2, 3 and 4. Both the functional and presentation currency are Norwegian kroner.

In accordance with IFRS requirements, management has performed assessments and made assumptions that affect the reported assets and debt, and reporting of contingent assets and liabilities on the accounting date and reported income and costs for the reporting period. The actual results may deviate from these estimates.

The company's financial statements are based on the principles of historical cost accounting.

2.2 Summary of significant accounting policies

2.2.1 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to the company's cash flow-generating units where synergies are expected from the acquisition. A cash flow-generating unit to which goodwill has been allocated is assessed on an annual basis for impairment or

when there are indications that a cash flow-generating unit's value may be impaired. If the recoverable amount from a cash flow-generating unit is lower than the book value, the value reduction will first be recorded to the unit's share of goodwill, and then be recorded on a pro rata basis to the unit's other assets. Impairment of goodwill will not be reversed in subsequent periods.

In 2010, the companies Marlink AS, Norse Electronic AS and Marlink AS were merged with Vizada VSAT AS, as the acquiring company. The merged entity then changed its name from Vizada VSAT AS to Marlink AS. With this merger, a goodwill of kNOK 44 205 has been recognized.

In 2013, the companies Mobsat Holding Norway AS, Astrium Services AS and Astrium Services Business Communications AS were merged with Mobsat Holding Norway as the acquiring company. The merged entity then changed its name from Mobsat Holding Norway AS to Astrium Services AS (now known as Marlink AS). With this merger, a goodwill of kNOK 559 358 has been recognised.

2.2.2 Investments in subsidiaries

The investments in shares in subsidiaries are recognized at historical cost value.

2.2.3 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

2.3 Fair value measurement

The Company measures financial instruments such as non-financial assets at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2.3.1 Revenue from contracts with customers

Operating income primarily consists of sale and rental of satellite equipment, operation and maintenance of the equipment, and sale of satellite capacity. Under IFRS 15, the revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Company derives revenue principally from the sale of satellite communications services typically pursuant to on-demand agreements or fixed-term contracts. The Company provides its customers with primarily two types of satellite telecommunications services: usage-based services, determined on a metered basis, such as minutes/capacity used, and satellite communications services based on fixed contracts. The usage-based services are primarily related to the Mobile Satellite Services (MSS) segment. The services provided under fixed contracts are primarily related to the corporate network and fixed maritime services reported as part of the VSAT (Very Small Aperture Terminal; dishes used to benefit from fixed satellite services) segment. The Company also sells equipment and provides operational and maintenance services.

Revenue arrangements with multiple deliverables are divided into separate units of accounting if the delivered item has value to the customer on a standalone basis and there is objective and reliable evidence of the fair value of the undelivered items. Arrangement consideration is allocated based on their relative fair values, with the amount allocated to the delivered item being limited to the amount that is not contingent on the delivery of additional items or other specified performance criteria, which most often is the amount received in cash at the time of

sale. In most instances the delivered element is equipment, and the equipment is recorded with low revenue, potentially including a connection fee, due to discounts provided. The subsequent services are recorded at the normal selling price or at a discounted value, depending on the facts and circumstances.

Sale of products

Sales of products are recognised at the point in time when the Company satisfies its performance obligation by transferring control over the promised products to the customer, which is usually when the products are delivered to the customer, risk of obsolescence and loss have been transferred to the customer and the customer has accepted the products.

Rendering of services

The Company derives revenue principally from the sale of satellite communications services typically pursuant to on-demand agreements or fixed-term contracts. The Company provides its customers with primarily two types of satellite telecommunications services: usage-based services, determined on a metered basis, such as minutes/capacity used, and satellite communications services based on fixed contracts. The usage-based services are primarily related to the Mobile Satellite Services (MSS) segment. The services provided under fixed contracts are primarily related to the corporate network and fixed maritime services reported as part of the VSAT (Very Small Aperture Terminal; dishes used to benefit from fixed satellite services) segment.

Interest income

Interest income is recognized on a time-proportion basis using the effective interest method.

Dividend income

Dividend income is recognized when the right to receive payment is established.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.3.11 *Financial instruments – initial recognition and subsequent measurement*.

2.3.2 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

2.3.3 Taxes

Current and deferred income tax

Tax accrued will be recorded to the accounts at the amount that is expected to be paid or received. Assets and liabilities associated with deferred tax are calculated according to the liability method, with full allocation of all temporary differences between the recorded and tax value of assets and liabilities, including losses carried forward.

Marlink AS will record the effect of uncertain tax positions when it is probable that the tax position will be accepted by the tax authorities. The company will perform provisions for departure from the tax assessment or legal disputes pending a final decision. Deferred tax assets will be recognised to the extent it is probable that the tax assets will be utilised in future periods. The tax rates adopted on the date of the statement of financial position and the undiscounted amounts will be used.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.3.4 Foreign currencies

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The

financial statements are presented in Norwegian Kroner (NOK), which is the Company's functional and presentation currency.

2.3.5 Dividends

Dividends on ordinary shares are recognized as a liability and deducted from equity in the Company's financial statements in the year in which they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and approved by the Company's directors.

2.3.6 Group contributions

The group contribution is booked as a liability in accordance with point 3 in the Regulation regarding Simplified Application of International Accounting Standards (FOR-2022-02-07-182).

In 2023, a group contribution with tax effect of kNOK 175.349 has been booked. The net group contribution after taxes has reduced equity by kNOK 136 772.

2.3.7 Property, plant and equipment

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

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	3 to 10 years
Satellite equipment	3 to 10 years
Machine and equipment	3 to 5 years
IT Equipment	3 to 5 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined

as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.3.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Real estate	6 years
Motor Vehicles	3 to 4 years
Leased Lines	2 to 7 years
Purchase of satellite capacity	3 to 4 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses

(unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Marlink AS presents assets it has leased to others as receivables equal to the net investments in the leases. Financial income will be set so a constant return is achieved on outstanding receivables during the life of the contract. Direct costs incurred in connection with establishing the lease are included in the receivable.

The rental income from operational leases will be recorded to the accounts on a linear basis over the life of the lease. Initial direct costs incurred through negotiation and establishment of an operational lease will be granted recorded value for the leased fixed asset and recognized as an expense on a linear basis over the life of the lease as depreciation. Variable rent will be recognized as income during the earning period.

2.3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.3.10 Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised

development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

A summary of the policies applied to the Company's intangible assets is, as follows:

Customers software and licences	3 years
Brand	5 years
Customer contracts acquired	5 to 10 years

2.3.11 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures

a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

The financial assets at amortised cost (debt instruments) is the only category relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost are only trade receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company

has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Impairment

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 11.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.3.12 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, to hedge its foreign currency risks, interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments.

The Company designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in OCI and accumulated in a separate component of equity under cost of hedging reserve.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment.

2.3.13 Cash and short-term deposits

Cash and cash equivalents cover cash in hand and at bank that on the date of the procurement were due in less than three months. Cash and cash equivalents are assessed at the nominal value on the date of the statement of financial position.

2.3.14 Provisions

Provisions for liabilities like removal obligations, restructuring, loss contracts and legal claims will be recognized when the company, as a result of a previous incident, has an existing legal or self-imposed obligation which it is probable that the company will need to meet, and the amount can be estimated reliably. No provisions will be made for future operating losses. Provisions will be measured at the management's best estimate of the expenses to settle the obligation on the reporting date.

Provisions for restructuring will be recognized when the company has approved a detailed and formal restructuring plan, and the restructuring has either begun or been made public.

2.3.15 Pensions and other post-employment benefits

Marlink AS has a defined benefit pension plan for employees, which requires contributions to be made to a separate fund administered by Telenor Pensjonskasse. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in other comprehensive income. Such actuarial gains and losses are also immediately recognized in other equity and are not reclassified to statement of comprehensive income in subsequent periods. Unvested past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. Past service costs

are recognized immediately if the benefits have already vested immediately following the introduction of, or changes to, a pension plan.

In pension schemes that are defined contribution schemes, the pension premium is recognized as an expense in the period when the obligation for payment incurred.

2.3.16 New and amended standards and interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Company's financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no impact on the Company's consolidated financial statements.

3 Significant accounting judgements

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process

of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company hasn't lease contracts that include extension and termination options.

Impairment of non-financial assets

The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an

asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

Trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information.

Income taxes

Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Defined benefit plans (pension benefits)

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds

on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about pension obligations are provided in Note 7.

Development costs

The Company capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 December 2023, the carrying amount of capitalised development costs was kNOK 8 827 (2022: 13 630).

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain specific estimates.

Impairment of investments in subsidiaries

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units of the Company on which the goodwill has been allocated. The value in use calculation requires the Company to estimate the future cash flows expected to arise from the cash-generating units using a suitable discount rate in order to calculate present value (Refer to note 10).

4 Revenue from contracts with customers

	2023	2022
	NOK000	NOK000
Type of goods or service		
Sale of telecommunications	5 240 985	3 916 011
Installation services	81 464	60 417
Sale of equipment	361 922	217 473
Total revenue from contracts with customers	5 684 371	4 193 901

Geographical area	2023		2022	
	NOK000		NOK000	
	Area	Main country	Area	Main country
Western Europe (France)	2 049 034	893 255	1 542 717	682 385
North Europe (Norway)	947 144	512 982	675 299	388 146
Southern Europe (Cyprus)	588 633	292 498	483 507	254 385
Eastern Europe (Russia)	54 386	27 573	53 369	35 186
Europe	3 639 196		2 754 892	
South East Asia (Singapore)	483 388	373 344	370 117	274 681
Western Asia (United Arab Emirates)	254 311	141 783	202 426	117 851
East Asia (Japan)	230 680	163 408	167 498	111 231
South Asia (India)	14 086	7 220	7 599	5 847
Central Asia (Kazakhstan)	5 779	4 825	4 261	2 998
Asia	988 244		751 901	
North America (United-States)	747 944	669 852	451 526	400 306
South America (Brasil)	37 798	23 971	45 902	35 166
Caribbean (Cayman Islands)	28 963	15 423	21 391	11 673
Central America (Panama)	5 414	5 242	4 427	4 358
America	820 119		523 246	
Central Africa (Central Africa Republic) (Democratic Republic of Congo)	34 898	14 939	35 262	19 374
Southern Africa (Mozambique)	31 497	18 745	13 233	7 620
East Africa (South Soudan)	25 080	7 414	18 614	8 547
West Africa (Nigeria)	20 406	6 925	15 518	6 877
North Africa (Egypt)	18 006	10 833	14 613	9 563
Africa	129 888		97 240	
Oceania (Australia)	106 924	97 478	66 624	60 437
Oceania	106 924		66 624	
Total revenue from contracts with customers	5 684 371		4 193 901	

Area (Main country of the area) (Main country of the area if different in 2022)

5 Other income/expenses

5.1 Other operating income

	2023	2022
	NOK000	NOK000
Service fees	17 103	22 536
Net gain on sale of property, plant and equipment	4 765	8 413
Interest on trades	-	660
Freight	19 064	8 241
Other operating income	5 669	1 585
Other trade income*	80 273	-
	126 874	41 436

* including kNOK 64 394 of charges re-invoicing to Marlink Guyana SAS.

5.2 Marketing, selling and distribution expenses

	2023	2022
	NOK000	NOK000
Service fees	1 156 922	812 550
Wages and salaries	79 493	67 470
General subcontracting	5 968	8 632
Freight on sales	42 916	31 944
Travel, mission and entertainment	9 182	7 167
Social security costs	11 502	9 233
Office expenses	3 910	2 280
Commission on sales	17 320	13 564
Pension costs	1 719	4 368
Other fees	49 128	40 069
Other expenses	12 392	14 237
	1 390 450	1 011 516

5.3 Administrative expenses

	2023	2022
	NOK000	NOK000
Depreciation	387 808	313 281
Wages and salaries	125 212	104 348
Upkeep and maintenance	159 195	89 849
General subcontracting	12 866	13 272
Social security costs	22 608	17 262
Amortisation	90 405	105 017
Other fees	142 953	34 416
Office expenses	11 608	15 505
Travel, mission and entertainment	8 695	3 670
Post and telecommunications	6 606	4 090
Pension costs	10 606	7 249
Insurance	3 173	4 859
Other administrative expenses	32 137	52 474
	1 013 872	765 292

5.4 Other operating expenses

	2023	2022
	NOK000	NOK000
Net increase of provision for expected credit losses	34 028	38 243
Freight on purchase	-	17 176
	34 028	55 419

5.5 Employee benefits expense

	2023	2022
	NOK000	NOK000
Included in marketing, selling and distribution expenses:		
Wages and salaries	79 493	67 470
Social security costs	11 502	9 233
Pension costs	1 719	4 368
Other staff costs	-	28
Included in cost of administrative expenses:		
Wages and salaries	125 212	104 348
Social security costs	22 608	17 262
Pension costs	10 606	7 249
Other staff costs	2 718	2 280
Total employee benefits expense	253 858	212 238
Average number of employees	211	186
Average number of man-labour years	205	179

5.6 Finance income

	2023	2022
	NOK000	NOK000
Interest income from current account	101 513	29 391
Interest income from bank account	1 041	279
Interest income from lending	31 684	23 280
Dividends received	57 101	23 857
Other Income	3 117	336
	194 457	77 144

5.7 Finance costs

	2023	2022
	NOK000	NOK000
Interest costs on borrowing	98 813	81 737
Interest costs on current account	119 714	41 057
Interest costs on bank account	110	155
Interest costs on lease contract liability	2 276	2 634
Other financial expenses	1 481	4 012
	222 393	129 595

5.8 Other finance income

	2023	2022
	NOK000	NOK000
Net foreign exchange gains from cash flow hedge	1 331	970
Net foreign exchange gains from lending	46 294	33 290
Net foreign exchange gains from bank	24 006	73 028
Net foreign exchange gains on trades	6 578	3 556
Other income	-	567
	78 210	111 410

5.9 Other finance costs

	2023	2022
	NOK000	NOK000
Shares impairment (Note 11)	10 187	-
Other expenses	655	85
Net foreign exchange from borrowing	103 539	111 948
Net foreign exchange from current account	16 301	16 758
	130 683	128 791

6 Income tax

The major components of income tax expense for the years ended 31 December 2023 and 2022 are:

	2023	2022
	NOK000	NOK000
Accounting profit before income tax	200 172	263 006
Other comprehensive income	14 586	861
Tax-free income	(57 101)	(23 857)
Non tax deductible expenses	12 038	18 488
Changes in temporary differences	5 654	27 318
Tax income basis of the year	175 349	285 815
Limitation on deductability of interests from group loans	-	-
Tax losses carried forward	-	-
Tax income basis of the year after tax losses carried forward	175 349	285 815
At Norwegian's statutory income tax rate of 22% (2022: 22%)	38 577	62 879

Tax expense of the year	2023	2022
	NOK000	NOK000
Tax payable on profit	38 577	62 879
Change in deferred tax	-	-
Correction from previous years	-	2 420
Total income tax expense	38 577	65 299

Tax payable in the balance sheet	2023	2022
	NOK000	NOK000
Tax payable in profit	38 577	62 879
Tax payable on provided group contribution	(38 577)	(62 879)
Correction from previous years	-	2 420
Total tax payable in the balance sheet	-	2 420

The company has provided a group contribution of kNOK 175 349 with tax effect for 2023 that will be paid after the shareholder's meeting held in 2024.

Reconciliation of tax expense and the accounting profit multiplied by Norwegian's domestic tax rate for 2023 and 2022:

	2023	2022
	NOK000	NOK000
Accounting profit before income tax	200 172	263 006
Expected tax expense at 22%	44 038	57 861
Tax effect of tax free income	(12 562)	(5 249)
Tax effect of non tax deductible expenses	2 648	4 067
Tax effect of OCI	3 209	189
	37 333	56 869
Deferred tax not recognized	1 244	6 010
Income tax expense	38 577	62 879
Correction from previous years*	-	2 420
Total income tax expense	38 577	65 299

The temporary differences are set out below:

	2023	2022	Changes
	NOK000	NOK000	NOK000
Fixed assets	362 261	390 312	28 051
Outstanding receivables	(68 920)	(65 570)	3 350
Capitalized leases in the accounts	14 348	6 283	(8 065)
Capital gain and loss accounts	(71)	(89)	(18)
Accruals	(4 794)	(4 794)	(0)
Financial instruments	4 776	-	(4 776)
Pensions	33 396	20 508	(12 888)
	340 996	346 651	5 655
Tax loss carried forward	-	-	-
Sum temporary differences	340 996	346 651	5 655
Temporary differences goodwill not to be recognized	(559 358)	(559 358)	-
Basis for computation of deferred tax	(218 362)	(212 707)	5 655
Deferred tax not recognized	218 362	212 707	(5 655)
Deferred tax asset	0	0	0

The company is subject to tax inspection covering the years 2018 and 2019.

Due to the ongoing tax inspection, the deferred tax asset is not recognized.

7 Pensions

	2023	2022
	NOK000	NOK000
Net defined benefit asset	(37 723)	(24 322)
Pension plan from Palantir AS	635	549
Management supplementary pension plan	3 692	3 265
	(33 396)	(20 508)

Marlink AS is under obligation to have an occupational pension plan pursuant to the Mandatory Occupational Pensions Act. The company has a mandatory occupational pension plan that meets the legislative requirements.

Marlink AS is a member of a defined benefit-based pension plan, Telenor Pensjonskasse. This plan ceased accepting new members in 2006. A collective contribution plan was established that year for new hires at Marlink AS and employees who on 01.07.2006 voluntarily chose to switch from the defined-benefit plan at Telenor Pensjonskasse to the defined-contribution plan. 205 employees at the company were covered by the pension plan as at 31.12.2023. 17 employees are also part of the defined-benefits plan.

Marlink AS is a member of the Confederation of Norwegian Enterprise NHO, and is part of the Common plan for Contractual Pension (new AFP), which is considered a defined-benefit multi-enterprise plan. The plan's administrator cannot calculate Marlink AS' share of assets and liabilities as at 31.12.2023, and the plan therefore will be recorded to the accounts as a defined-contribution plan. When closing down the old AFP plan, the plan was under funded

and the member companies must cover this through continued contribution of premiums during the next three years. The company's share of annual pensions linked to the old AFP plan will be recorded in the accounts in full on the withdrawal date.

The K2013 risk table is used for death and life expectancy, while the risk table for disability for the main scheme is based on KU, Storebrand's more comprehensive disability tariff.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the statement of financial :

Change in defined benefit obligation

	2023	2022
	NOK000	NOK000
Defined benefit obligation at 1 January	101 149	107 329
Current service cost	2 683	2 918
Interest expense	3 887	1 855
Cash flows		
a. Benefit payments from plan assets	(3 542)	(2 790)
b. Benefit payments from employer	(53)	(31)
Remeasurements		
a. Effect of changes in financial assumptions	(2 456)	(9 153)
b. Effect of experience adjustments	(1 238)	1 021
Defined benefit obligation at 31 December	100 430	101 149

Change in fair value of plan assets

	2023	2022
	NOK000	NOK000
Fair value of plan assets at 1 January	125 470	130 321
Interest income	4 898	2 305
Cash flows		
a. Total employer contributions		
(i) Employer contributions	3 879	3 049
(ii) Employer direct benefit payments	53	31
b. Benefit payments from plan assets	(3 542)	(2 790)
c. Benefit payments from employer	(53)	(31)
Return on plan assets (excluding interest income)	7 448	(7 415)
Fair value of plan assets at end of year	138 153	125 470

Amounts recognized in the statement of financial position

	2023	2022
	NOK000	NOK000
Defined benefit obligation	100 430	101 149
Fair value of plan assets	138 153	125 470
Net defined benefit liability (asset)	(37 723)	(24 321)

Components of defined benefit cost

	2023	2022
	NOK000	NOK000
Current service cost	2 683	2 918
Net interest cost		
a. Interest expense on DBO	3 887	1 855
b. Interest (income) on plan assets	(4 898)	(2 305)
Defined benefit cost included in P&L	1 672	2 468
Remeasurements (recognized in other comprehensive income)		
a. Effect of changes in financial assumptions	(2 456)	(9 153)
b. Effect of experience adjustments	(1 238)	1 021
c. (Return) on plan assets (excluding interest income)	(7 448)	7 415
Total remeasurements included in OCI	(11 142)	(717)
Total defined benefit cost recognized in P&L and OCI	(9 470)	1 751

Net defined benefit liability (asset) reconciliation

	2023	2022
	NOK000	NOK000
Net defined benefit liability (asset)	(24 321)	(22 993)
Defined benefit cost included in P&L	1 672	2 468
Total remeasurements included in OCI	(11 142)	(717)
Cash flows		
a. Employer contributions	(3 879)	(3 049)
b. Employer direct benefit payments	(53)	(31)
Net defined benefit liability (asset) as of end of year	(37 723)	(24 321)

Defined benefit obligation

	2023	2022
	NOK000	NOK000
Defined benefit obligation by participant status		
a. Actives	53 900	64 794
b. Retirees	46 530	36 355
Total	100 430	101 149

Plan assets

	2023	2022
	NOK000	NOK000
Fair value of plan assets		
Assets held by insurance company	138 153	125 470
Total	138 153	125 470
Actual return on plan assets	12 346	(5 110)

Significant actuarial assumptions

	2023	2022
<i>Weighted-average assumptions to determine defined benefit obligation</i>		
Discount rate	4,60%	3,90%
Duration (in years)	13,84	14,14
<i>Weighted-average assumptions to determine defined benefit cost</i>		
Discount rate	3,90%	1,75%

Sensitivity analysis

	2023	2022
<i>Present value of defined benefit obligation</i>		
Discount rate - 25 basis points	103 839	104 817
Discount rate + 25 basis points	97 191	97 673
<i>Weighted average duration of defined benefit obligation (in years)</i>		
Discount rate + 25 basis points	13,84	14,14

Membership statistics

	2023	2022
Actives		
a. Number	17	21
b. Total annual pensionable pay	15 976	18 831
c. Average annual pensionable pay	940	897
d. Average age	58,14	58,63
e. Average past service	29,46	28,87
Retirees		
a. Number	36	32
b. Average annual pension	99,68	87,00
c. Average age	72,85	72,71

8 Property, plant and equipment

	Buildings and land	Satellite equipment	Machines & equipment	IT Equipment	Construction in progress	Total
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Cost						
At 1 January 2022	56 802	2 647 612	265 578	30 395	161 471	3 161 857
Reclassification	-	4 257	-	-	-	4 257
Additions	-	470 748	31 447	512	40 140	542 847
Disposals	(17 949)	(91 644)	(25 776)	(25 152)	(4 846)	(165 368)
At 31 December 2022	38 853	3 030 973	271 248	5 754	196 765	3 543 594
Reclassification	-	-	-	-	-	-
Additions	-	454 926	39 304	1 010	51 250	546 490
Disposals	-	(61 929)	(309)	-	(36 973)	(99 211)
At 31 December 2023	38 853	3 423 970	310 243	6 765	211 043	3 990 873
Depreciation and Impairment						
At 1 January 2022	49 640	1 960 734	188 228	28 523	27 360	2 254 485
Reclassification	-	3 912	-	-	-	3 912
Depreciation charge for the year	1 246	286 604	13 211	1 102	-	302 163
Impairment charge for the year	-	1 079	-	-	1 996	3 076
Disposals	(17 949)	(79 236)	(24 375)	(25 152)	-	(146 713)
At 31 December 2022	32 937	2 173 093	177 064	4 472	29 357	2 416 923
Reclassification	-	-	-	-	-	-
Depreciation charge for the year	1 235	323 355	16 872	1 038	-	342 500
Impairment charge for the year	-	3 768	-	-	4 446	8 214
Disposals	-	(37 232)	-	-	-	(37 232)
At 31 December 2023	34 172	2 462 984	193 936	5 510	33 803	2 730 405
Net book value						
At 31 December 2022	5 916	857 880	94 184	1 282	167 409	1 126 671
At 31 December 2023	4 681	960 985	116 306	1 255	177 240	1 260 467

9 Intangible assets

	Goodwill	Research and Development	Licences	Software	Customer base	Construction in progress	Total
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Cost							
At 1 January 2022	603 563	7 515	80 639	59 725	267 373	26 134	1 044 950
Reclassification	-	-	-	(4 257)	-	-	(4 257)
Additions	-	5 737	7 123	7 964	-	3 171	23 994
At 31 December 2022	603 563	13 252	87 761	63 431	267 373	29 305	1 064 687
Additions	-	978	10 539	21 655	-	33 476	66 648
At 31 December 2023	603 563	14 231	98 301	85 086	267 373	62 781	1 131 335
Amortisation							
At 1 January 2022	-	2 796	75 011	50 033	202 203	-	330 044
Reclassification	-	-	-	(3 912)	-	-	(3 912)
Amortisation	-	2 608	5 728	7 513	17 754	-	33 603
At December 2022	-	5 404	80 739	53 635	219 957	-	359 735
Amortisation	-	3 724	4 996	8 527	10 613	-	27 860
At 31 December 2023	-	9 128	85 735	62 162	230 570	-	387 594
Net book value							
At 31 December 2022	603 563	7 849	7 022	9 797	47 416	29 305	704 952
At 31 December 2023	603 563	5 102	12 566	22 924	36 803	62 781	743 741

10 Leases

Company as a lessee

The Company has lease contracts for various items of real estate, vehicles, leased lines and purchase of satellite capacity used in its operations. Real estates have lease terms between 5 and 7 years, while motor vehicles have lease terms between 3 and 5 years. Concerning the leased lines, terms are between 2 and 7 years and the purchase of satellite capacity have lease terms between 3 and 4 years.

The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Real estate	Vehicles	Leased lines	Satellite capacity	Total
	NOK000	NOK000	NOK000	NOK000	NOK000
As at 1 January 2022	16 621	816	10 447	139 881	167 764
Additions	1 852	17	-	41 033	42 902
Depreciation expense	(8 066)	(459)	(9 192)	(53 418)	(71 136)
As at 31 December 2022	10 406	374	1 254	127 496	139 530
Additions	11 069	1 364	-	42 111	54 544
Depreciation expense	(7 622)	(435)	(1 254)	(53 128)	(62 439)
As at 31 December 2023	13 853	1 302	0	116 479	131 635

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2023	2022
	NOK000	NOK000
As at 1 January	133 246	164 141
Additions	50 340	47 918
Accretion of interest	197	3 987
Payments	(66 497)	(82 800)
As at 31 December	117 287	133 246
Current	60 455	49 256
Non-current	56 832	83 991

The maturity analysis of lease liabilities is disclosed in Note 12.3.

The following are the amounts recognized in profit or loss:

	2023	2022
	NOK000	NOK000
Depreciation expense	62 439	71 136
Interest expense on lease liabilities	2 276	2 634
End of contract before end term	-	-
Total amount recognised in profit or loss	64 714	73 770

11 Subsidiaries

Name	Principal activities	Country of incorporation	Ownership		Book value	
			2023	2022	2023	2022
Marlink Holding SAS	Telecoms	France	100	100	1 521 218	1 521 218
Compagnia Generale Telemar Spa	Telecoms	Italy	100	100	385 756	385 756
Marlink-ITC Inc.	Telecoms	USA	100	100	267 298	267 298
Marlink Ltd*	Telecoms	Great Britan	100	100	82 036	91 811
Marlink s.r.o.	Telecoms	Slovakia	100	100	54 090	54 090
Telemar Hong Kong Ltd	Telecoms	Hong Kong	100	100	1 076	1 076
Marlink Communications FZ LLC	Telecoms	Dubai	100	100	176	176
Athens Prosjektutvikling AS	Telecoms	Norway	100	100	-	-
Marlink Tanzania Ltd	Telecoms	Tanzania	81	81	-	-
Marlink CG Ltd	Telecoms	Cyprus	91	91	135 717	135 717
ITC Global Netherlands Cooperatief UA**	Telecoms	Netherland	99	99	-	413
					2 447 366	2 457 554

* An impairment of NOK 9 775 641 has been booked.

** An impairment of NOK 412 706 has been booked.

12 Financial assets and financial liabilities

12.1 Financial assets

	2023	2022
	NOK000	NOK000
Debt instruments at amortised cost		
Internal loan (Note 19)	146 732	491 993
Deposit to vendor	20 355	17 867
Trade receivables from third-party customers	615 665	581 706
Trade receivables from related parties (Note 19)	806 617	469 469
Contract assets	-	357
Other receivables from third-party customers	4 455	33 354
Other receivables from related parties (Note 19)	586 786	580 842
Government grant (Note 21)	-	-
VAT receivable	69 314	9 010
Prepayments	248 009	110 894
Downpayments to third-party suppliers	20 898	50 110
Downpayments to related parties (Note 19)	7 954	-
Total financial assets*	2 526 785	2 345 602
Total current	2 359 698	1 835 743
Total non-current	167 087	509 860

* Financial assets, other than cash and short-term deposits

12.2 Inventories

	2023	2022
	NOK000	NOK000
Merchandise	23 424	20 271
Total inventories at the lower of cost and net realisable value	23 424	20 271

12.3 Financial liabilities: Interest-bearing loans and borrowings

	Interest rate	Maturity	2023	2022
	%		NOK000	NOK000
Current interest-bearing loans and borrowings				
Lease contract liability (Note 10)*	2.20-3.21	2024	60 455	49 256
\$ 3,000,000 Loan from OmniAccess	LIBOR 1M +2.125% (floor L1M@0%)	2023-04-15	-	30 422
Total current interest-bearing loans and borrowings			60 455	79 678

Non-current interest-bearing loans and borrowings

Lease contract liability (Note 10)	2.20-3.21		56 832	83 991
€ 8,692,745 Loan from Marlink SpA	EURIBOR 3M +5.75% (floor E3M@0%)	2027-07-10	11 990	10 303
€ 84,172,891 Loan from Venga AS	EURIBOR 3M +4,75% (floor E3M@0%)	2031-06-29	-	890 086
\$ 21,929,581 Loan from Venga AS	LIBOR 3M +4,75% (floor L3M@0,75%)	2031-06-29	-	217 932
€ 84,172,891 Loan from Toruk AS	EURIBOR 3M +4,75% (floor E3M@0%)	2031-06-29	973 910	-
Total non-current interest-bearing loans and borrowings			1 042 732	1 202 312
Total interest-bearing loans and borrowings			1 103 187	1 281 989

12.4 Other financial liabilities

	2023	2022
	NOK000	NOK000
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings		
Deposits from customers	7 957	8 247
DLL Facility Vendor Payment Agreement	95	493
Trade and other payables (Note 17)	2 097 003	1 760 210
Downpayment from customers	16 494	13 399
Total financial liabilities	2 121 548	1 782 349
Total current	2 113 591	1 774 102
Total non-current	7 957	8 247

12.5 Financial instruments risk management objectives and policies

Trade and other receivables risk

Concentrations of credit risk with respect to trade receivables are limited due to the Company's large number of customers. The Company's historical experience in collection of accounts receivable falls within the recorded allowances. Due to these factors, Management believes

that no additional credit risk beyond amounts provided for collections losses is inherent in the Company's trade receivables.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets.

The following tables detail the Company's remaining contractual maturity for its financial liabilities:

	2024	2025	2026	2027	2028	After 2028
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Purchase of satellite and network capacity	47 856	32 066	10 938	-	-	-
Rent obligation	6 648	5 233	2 800	296	100	-
Total contractual obligations	54 504	37 299	13 738	296	100	-

Trade receivables and contract assets

Outstanding customer receivables and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the company's trade receivables using a provision matrix:

	Trade receivables					Total
	Days past due					
	0-30	31-60	61-90	91-365	>365	
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Expected credit loss rate	0,73%	1,59%	2,78%	41,72%	100,00%	
Estimated total gross carrying amount at default	282 913	179 423	86 244	122 840	40 394	711 814
expected credit loss	2 076	2 861	2 396	51 244	40 394	98 971

31 December 2023

	Trade receivables					Total
	Days past due					
	0-30	31-60	61-90	91-365	>365	
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Expected credit loss rate	0,91%	1,99%	3,49%	38,73%	100,00%	
Estimated total gross carrying amount at default	279 088	172 089	92 060	121 552	39 453	704 242
expected credit loss	2 540	3 425	3 213	47 072	39 453	95 702

13 Receivables and contract assets

13.1 Trade and other receivables

	2023	2022
	NOK000	NOK000
Trade receivables from third-party customers	711 367	680 677
Trade receivables from related parties (Note 19)	814 571	469 469
Other receivables from third-parties	25 353	7 276
Other receivables from related parties (Note 19)	586 786	580 842
Government grants receivables (Note 21)	-	-
VAT receivable	69 314	9 010
Prepayments	248 009	110 894
	<u>2 455 400</u>	<u>1 858 168</u>
Allowance for expected credit losses (Note 12.5)	(95 702)	(98 971)
	<u>2 359 698</u>	<u>1 759 197</u>

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer to Note 19.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	2023	2022
	NOK000	NOK000
As at 1 January	98 971	67 800
Expected credit loss	29 745	35 002
Reversal	(33 014)	(3 832)
AS at 31 December	<u>95 702</u>	<u>98 971</u>

13.2 Contract assets

As at 31 December 2022, the Company has contract asset of kNOK 0 (2022: kNOK 357).

14 Cash and short-term deposits

	2023	2022
	NOK000	NOK000
Cash at banks and on hand	38 760	15 333
	38 760	15 333

List of bank guarantees

		2023
		NOK000
Kind of guarantee	In favor of	
Performance	World Food Programme	10 172
Performance	UNICEF	10 172
Performance	Kuwait Oil Tanker Company	6 449
Performance	United Nations	2 490
Performance	Subsea7	2 417
Performance	MODEC	1 643
Total performance guarantees		33 343
Tax	Kemneren i Asker og Baerum	15 000
Total tax guarantees		15 000
Rental	KLP Eiendom	2 768
Rental	Setter Eiendom AS	610
Total rental guarantees		3 378
Total guarantees		51 721

Maturity of bank guarantees

	2024	2025	2026	2027	2028	After 2028	Total
	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000	NOK000
Bank guarantee	12 638	14 256	3 378	-	6 449	15 000	51 722

15 Issued capital and reserves

Issued capital

	2023	2022
	Nbr	Nbr
Ordinary shares of NOK 1,40 each	13 265 867	13 265 867
	13 265 867	13 265 867
	Nbr	NOK
At 1 January 2022	13 265 867	18 572 214
At 31 December 2022	13 265 867	18 572 214
At 31 December 2023	13 265 867	18 572 214

There is only one class of shares. There are no rules in the by-laws regarding voting rights. No rights may lead to the issuing of new shares.

The company shares have been pledged to the benefit of the Company's senior lenders.

Share premium

	KNOK
At 1 January 2022	2 505 009
At 31 December 2022	2 505 009
At 31 December 2023	2 505 009

The capital is fully owned by Toruk AS for NOK 18 572 213,80 at 31.12.2023.

16 Provisions

	Restructuring	Dismantling	Total
	NOK000	NOK000	NOK000
At 1 January 2023	4 794	-	4 794
At 31 December 2023	4 794	-	4 794
Current	-	-	
Non-current	4 794	-	4 794
	Restructuring	Dismantling	Total
	NOK000	NOK000	NOK000
At 1 January 2022	4 794	-	4 794
At 31 December 2022	4 794	-	4 794
Current	-	-	
Non-current	4 794	-	4 794

17 Trade and other payables

	2023	2022
	NOK000	NOK000
Trade payables	806 785	699 709
Trade payables to related parties (Note 19)	537 895	280 531
Other payables to related parties (Note 19)	99 642	482 245
Accruals	81 739	68 150
Deferred income	570 942	229 576
	2 097 003	1 760 210

Trade and other payables are non-interest bearing, except Other payables to related parties (refer to Note 19).

The position of trade and other payables is partly explained by payables to related parties for kNOK 637 537 (the payment of these debts occurs when it is convenient for the company) and by deferred income for 570 942 (no payments but recycling in profit and loss).

This is why management does not consider as a risk of going concern that current liabilities be higher than the current assets of kNOK 215 668 as of 31 December 2023 (2022: 270 668).

18 Distributions made and proposed

Any distributions haven't been proposed or made since 1st January 2022. The last dividends proposed was for 2020 and paid in 2021 (kNOK 450 000).

19 Related party disclosures

		Sales to related parties	Purchases from related parties	Amount owed by related parties	Amounts owed to related parties
		NOK000	NOK000	NOK000	NOK000
Marlink SAS	2023	759 226	393 812	152 576	55 239
	2022	581 763	272 421	80 840	87 901
Marlink Guyane SAS	2023	64 394	-	-	-
	2022	-	-	-	-
Marlink GmbH	2023	132 617	47 624	139 231	57 357
	2022	113 802	33 549	25 151	15 047
Marlink BV	2023	112 346	174 160	109 406	173 203
	2022	82 942	147 644	13 263	17 488
Marlink Events SAS	2023	27 352	13 023	48 946	10 654
	2022	20 699	5 905	33 756	6 001
Makto Sarl	2023	-	-	-	-
	2022	2 370	5 993	2 403	6 078
Marlink Participacoes LTDA	2023	4 322	-	15 952	-
	2022	5 378	-	15 188	-
Marlink Servicios de Comunicacoes Ltda	2023	249	216	9 718	11 093
	2022	68	10 433	8 897	10 479
Marlink CG Ltd	2023	259 150	-	21 001	-
	2022	204 646	-	20 816	-
Marlink Ltd	2023	698	17 550	764	3 847
	2022	91	10 035	25	1 553
OmniAccess S.L	2023	12 382	11 864	5 501	956
	2022	8 469	3 024	6 500	1 026
Marlink MX S.A. de C.V.	2023	209	10 163	1 393	9 278
	2022	244	3 768	1 140	6 490
Marlink SA	2023	59 706	25 069	57 922	24 645
	2022	26 715	6 689	3 118	9 368
Marlink Communications FZ LLC	2023	-	52 463	-	30 061
	2022	-	36 472	-	25 701
Marlink KK	2023	-	19 696	2	518
	2022	(1)	12 668	2	1 260
Marlink Telemar Pte Ltd	2023	84 441	47 544	11 319	5 819
	2022	70 956	35 913	9 612	2 731

Marlink-ITC, Inc	2023	591 672	287 025	50 530	100 204
	2022	354 207	242 134	91 240	49 663
Marlink SRO	2023	-	93 303	-	9 027
	2022	-	68 885	-	8 106
Marlink Tanzania Ltd	2023	-	-	7 723	-
	2022	-	-	1 260	-
Compagnia Generale Telemar SpA	2023	57 134	10 991	18 934	1 977
	2022	48 822	11 938	18 687	758
Telemar UK Ltd	2023	14 021	1 115	13 368	229
	2022	11 848	25	5 605	-
Telemar Funkelektronik GmbH	2023	2 060	(44)	856	-
	2022	533	121	145	60
Telemar China Ltd	2023	583	12 763	19	7 882
	2022	715	8 024	474	7 267
Telemar Norge A/S	2023	144	-	241	-
	2022	138	11	178	-
Telemar Hong Kong Ltd	2023	60	6 019	41	1 935
	2022	-	2 242	140	315
Marlink AB	2023	25 994	3 588	4 323	2 093
	2022	22 308	2 883	4 112	1 022
Telemar AB	2023	-	-	-	-
	2022	57	-	-	-
Telemar Oy AB	2023	10 458	-	1 420	-
	2022	12 954	-	4 459	-
ITC Global Inc	2023	-	-	-	-
	2022	-	-	-	-
ITC Global Ltd	2023	65 880	75 916	17 448	24 063
	2022	22 890	21 493	40 083	317
NewSat Communications AG	2023	34 050	17 140	31 067	13 475
	2022	33 617	16 302	31 481	15 365
ITC Global Pty Ltd	2023	81 076	549	66 473	(6 647)
	2022	51 181	12 658	50 768	-
Hellenic Radio Services Sat Com Single Member SA	2023	19 957	-	28 266	-
	2022	124	-	126	-
ITC Satellite Solutions India Pte Ltd	2023	-	6 054	131	9
	2022	-	4 200	-	3 288
Venga Topco Sarl	2023	-	16 231	-	977
	2022	-	3 248	-	3 248
Marlink Hellas	2023	-	383	-	-
	2022	-	328	-	-
	2023	2 420 180	1 344 219	814 571	537 895
	2022	1 677 536	979 005	469 469	280 531

Loans

	2023		2022	
	Amount owed by related parties	Amounts owed to related parties	Amount owed by related parties	Amounts owed to related parties
	NOK000	NOK000	NOK000	NOK000
Toruk AS	-	973 910	360 004	-
Marlink Tanzania Ltd*	-	-	-	-
Compagnia Generale Telemar SpA	33 648	11 990	31 473	10 303
Marlink CG Ltd	113 084	-	100 516	-
Venga AS	-	-	-	1 108 018
OmniAccess S.L	-	-	-	30 422
	146 732	985 900	491 993	1 148 743

* The amount of kNOK 18 368 (2022: kNOK 17 799) owed by Marlink Tanzania Ltd is fully depreciated.

Current accounts

	2023		2022	
	Amount owed by related parties	Amounts owed to related parties	Amount owed by related parties	Amounts owed to related parties
	NOK000	NOK000	NOK000	NOK000
Marlink MX S.A. de C.V.	5 811	-	5 456	-
Marlink-ITC Inc	-	-	-	253 684
Marlink SA	-	-	-	97 862
Marlink GmbH	-	-	-	2 474
Marlink SAS	-	99 642	-	89 547
Marlink Holding SAS	-	-	834	-
Marlink Guyane SAS	2 926	-	-	-
Toruk AS	370 672	-	425 340	-
Marlink Telemar Pte Ltd	58 146	-	6 001	-
Telemar Hong Kong Ltd	3 729	-	3 278	-
NewSat Communications AG	115 762	-	116 586	-
ITC Global Netherlands BV	227	-	204	-
ITC Global Switzerland Holdings GmbH	29 513	-	28 598	-
Marlink BV	-	-	-	38 678
	586 786	99 642	580 842	482 245

	Currency	Rate
Marlink MX S.A. de C.V.	NOK	Nibor 1M + 2,125% (Floor 0%)
Marlink-ITC Inc	\$	Libor 1M USD + 2,125% (Floor 0%)
Marlink SA	\$	Libor 1M USD + 2,125% (Floor 0%)
Marlink GmbH	\$	Libor 1M USD + 2,125% (Floor 0%)
Marlink SAS	\$	Libor 1M USD + 2,125% (Floor 0%)
Marlink Holding SAS	\$	Libor 1M USD + 2,125% (Floor 0%)
Toruk AS	€	Euribor 1M + 4,25%
Marlink Telemar Pte Ltd	\$	Libor 1M USD + 2,125% (Floor 0%)
Telemar Hong Kong Ltd	\$	Libor 1M USD + 2,75% (Floor L1M @ 0%)
NewSat Communications AG	\$	
ITC Global Netherlands BV	\$	Libor 1M USD + 2,125% (Floor 0%)
ITC Global Switzerland Holdings GmbH	\$	
Marlink BV	€	Euribor 1M + 2,125% (Floor 0%)

20 Remunerations to leading personnel, auditors and others

Leading personnel

No directors' fees were paid in 2023. The board's members do not have any agreements regarding special remuneration upon termination or changes to their post, agreements regarding bonuses, profit-sharing, options, etc.

In 2023, the CEO received a salary of NOK 2 600 000 -, and NOK 1 402 353,- in bonus. The CEO also received NOK 207 279,- in other benefits, excluding pension rights.

NOK 381 523,- was recognized as pension costs for the CEO in 2023. The CEO have no agreement of payment of funds if the employment is terminated.

No member of the board nor the CEO have a loan or security at Marlink AS.

Mr. Ceuppens and Mr. Nays, members of the Board, haven't received any remuneration or alike from Marlink AS.

Auditors' fees

	2023	2022
	NOK000	NOK000
Statutory auditing	1 151	1 109
Other non-audit services	19	-
Total auditor's fees	1 170	1 109

Amounts are exclusive of VAT

21 Government grants

	2023	2022
	NOK000	NOK000
At 1 January	-	450
Received during the year	-	(450)
Released to the statement of profit and loss	679	-
At 31 December	679	-
Current	679	-
Non-current	-	-

Government grants have been claimed for automated migrations and upgrades of maritime IT infrastructure of the company under SkatteFUNN scheme. This project started in 2021 and has been completed in 2023.

22 Russia and Ukraine exposure

Russian Federation's armed forces invaded Ukraine on 24 February 2022 which resulted in business interruption in Ukraine and various sanctions imposed on Russian parties by EU & US authorities.

The Company's direct exposure to Russia & Ukraine is minimal. In the year 2023, it generated kNOK 27 573 revenues with Russian customers and kNOK 4 452 revenues with Ukrainian customers.

Indirectly, the Company may be indirectly exposed to some Russian high wealth individuals in the conduct of its Yachting business, although no transactions have happened with Russian banks and entities. The Company runs regular checks against relevant sanctioned parties' lists and will suspend services to any Denied Party. The Company also stopped any shipment of equipment to Russian customers.

At issuance of this report, the Company's receivables from Russian customers were of kNOK 8 723 and kNOK 269 from Ukrainian customers.

The Company does not hold bank accounts or balances, or any asset or liability, in Russian Ruble or Ukrainian Hryvnia.

On the supply side, the Company used to procure a very limited volume of satellite capacity from some Russian satellite operators (i.e. below 1% of Company's satellite capacity purchases). The Company started to implement a migration plan to other non-Russian satellites. Last, the Company does not land traffic nor use assets or teleports on the territory of the Russian federation nor Ukraine. Neither does it procure equipment from Russia or Ukraine.

Overall, the Company's direct exposure to the Russia & Ukraine crisis is limited; management believes this crisis shall not have any material impact on its operations in 2024, nor on its financial position as at December 31, 2023.

23 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance

arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the Company's financial statements.

24 Events after the reporting period

Tax inspection

Marlink AS is subject to a tax inspection covering the years 2018 and 2019. This inspection was notified by letter dated 21 March 2021. Answers have been provided to the tax administration on 4 June 2021. New questions have been raised by the administration on 10 March 2022. Answers have been provided to the tax administration on 25 April 2022.

The main tax issue is the fiscal processing of the IFRS 16 that must be neutralized for tax purposes. Tax returns 2018 and 2019, but also 2020 and 2021 have been resubmitted over 2023, taking into consideration this neutralization. All the adjustments have been taken into consideration in these financial statements.

The tax administration sent a preassessment on 2 February 2024. Some tax adjustments have not been taken into considerations in these financial statements: non-claimable VAT (kNOK 1 680) and additional tax (kNOK 1 284).