ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	922 393 257
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	DIGIPLEX NORWAY HOLDING 2 AS
Forretningsadresse:	c/o DigiPlex Norway AS Ulvenveien 82E 0581 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2019 - 31.12.2019

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Åge Hellem
Dato for fastsettelse av årsregnskapet:	29.04.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.08.2021

Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	4	168 000	
Sum kostnader		**168 000**	
Driftsresultat		**-168 000**	
Finansinntekter og finanskostnader			
Finance income		64 187 000	
Sum finansinntekter		**64 187 000**	
Finance costs		67 827 000	
Sum finanskostnader		**67 827 000**	
Netto finans		**-3 640 000**	
Ordinært resultat før skattekostnad		**-3 808 000**	**0**
Skattekostnad på ordinært resultat		-838 000	
Ordinært resultat etter skattekostnad		**-2 970 000**	**0**
Årsresultat		**-2 970 000**	**0**

Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	3	838 000	
Sum immaterielle eiendeler		**838 000**	
Finansielle anleggsmidler			
Investering i datterselskap	6	2 121 300 000	
Lån til foretak i samme konsern	5,9	1 785 855 000	
Interest derivatives	8	5 894 000	
Sum finansielle anleggsmidler		**3 913 049 000**	
Sum anleggsmidler		**3 913 887 000**	**0**
Omløpsmidler			
Varer			
Fordringer			
Trade and other receivables		689 000	
Bank deposits		248 000	
Sum fordringer		**937 000**	
Sum omløpsmidler		**937 000**	**0**
SUM EIENDELER		**3 914 824 000**	**0**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	2	150 000	
Overkurs	2	2 121 180 000	
Sum innskutt egenkapital		**2 121 330 000**	
Opptjent egenkapital			

Balanse

Beløp i: NOK	Note	2019	2018
Annen egenkapital		-2 970 000	
Sum opptjent egenkapital		**-2 970 000**	
Sum egenkapital		**2 118 360 000**	**0**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	7	1 777 133 000	
Sum annen langsiktig gjeld		**1 777 133 000**	
Sum langsiktig gjeld		**1 777 133 000**	**0**
Kortsiktig gjeld			
Leverandørgjeld		2 800 000	
Change in accured interest	7	16 532 000	
Sum kortsiktig gjeld		**19 332 000**	
Sum gjeld		**1 796 465 000**	**0**
SUM EGENKAPITAL OG GJELD		**3 914 825 000**	**0**

Konsernets resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Inntekter			
Revenue from services	19	337 384 000	276 513 000
Revenue from goods sold	19	42 802 000	26 387 000
Sum inntekter		**380 186 000**	**302 900 000**
Kostnader			
Cost of goods sold		38 913 000	17 613 000
Employee benefits expense	17	56 703 000	38 730 000
Depreciation and amortisation	6	109 736 000	97 893 000
Other operating expenses	17	90 902 000	76 425 000
Sum kostnader		**296 254 000**	**230 661 000**
Driftsresultat		**83 932 000**	**72 239 000**
Finansinntekter og finanskostnader			
Finance income	18	16 726 000	2 803 000
Sum finansinntekter		**16 726 000**	**2 803 000**
Finance costs	18	99 729 000	60 734 000
Sum finanskostnader		**99 729 000**	**60 734 000**
Netto finans		**-83 003 000**	**-57 931 000**
Ordinært resultat før skattekostnad		**929 000**	**14 308 000**
Income tax expense/(benefit)	12	-47 000	5 424 000
Ordinært resultat etter skattekostnad		**976 000**	**8 884 000**
Årsresultat		**976 000**	**8 884 000**

Konsernets balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	12	48 646 000	48 603 000
Sum immaterielle eiendeler		**48 646 000**	**48 603 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	6,7	1 449 369 000	1 480 939 000
Sum varige driftsmidler		**1 449 369 000**	**1 480 939 000**
Finansielle anleggsmidler			
Lån til foretak i samme konsern	14,20	285 834 000	20 000 000
Interest derivatives	14	5 894 000	
Other non-current assets		13 020 000	4 132 000
Sum finansielle anleggsmidler		**304 748 000**	**24 132 000**
Sum anleggsmidler		**1 802 763 000**	**1 553 674 000**
Omløpsmidler			
Varer			
Varer		3 953 000	3 106 000
Sum varer		**3 953 000**	**3 106 000**
Fordringer			
Trade and other receivables	8	103 331 000	117 991 000
Other receivables related parties			2 147 000
Sum fordringer		**103 331 000**	**120 138 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	110 646 000	119 435 000
Sum bankinnskudd, kontanter og lignende		**110 646 000**	**119 435 000**
Sum omløpsmidler		**217 930 000**	**242 679 000**
SUM EIENDELER		**2 020 693 000**	**1 796 353 000**

Konsernets balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	10	150 000	150 000
Overkurs	10	39 578 000	39 578 000
Sum innskutt egenkapital		**39 728 000**	**39 728 000**
Opptjent egenkapital			
Annen egenkapital		9 860 000	8 884 000
Sum opptjent egenkapital		**9 860 000**	**8 884 000**
Sum egenkapital		**49 588 000**	**48 612 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	13,14	1 777 134 000	
Long term lease obligation	7	58 168 000	64 109 000
Other long term liabilities		682 000	682 000
Shareholder loans			452 096 000
Sum annen langsiktig gjeld		**1 835 984 000**	**516 887 000**
Sum langsiktig gjeld		**1 835 984 000**	**516 887 000**
Kortsiktig gjeld			
Leverandørgjeld	14,15, 20	103 224 000	158 154 000
Trade payables and other liabilities			
Public tax liabilities	16	7 113 000	8 174 000
Deposits from customers	14,22	8 252 000	8 603 000
Change in accured interest	13	16 532 000	1 055 924 000
Sum kortsiktig gjeld		**135 121 000**	**1 230 855 000**
Sum gjeld		**1 971 105 000**	**1 747 742 000**

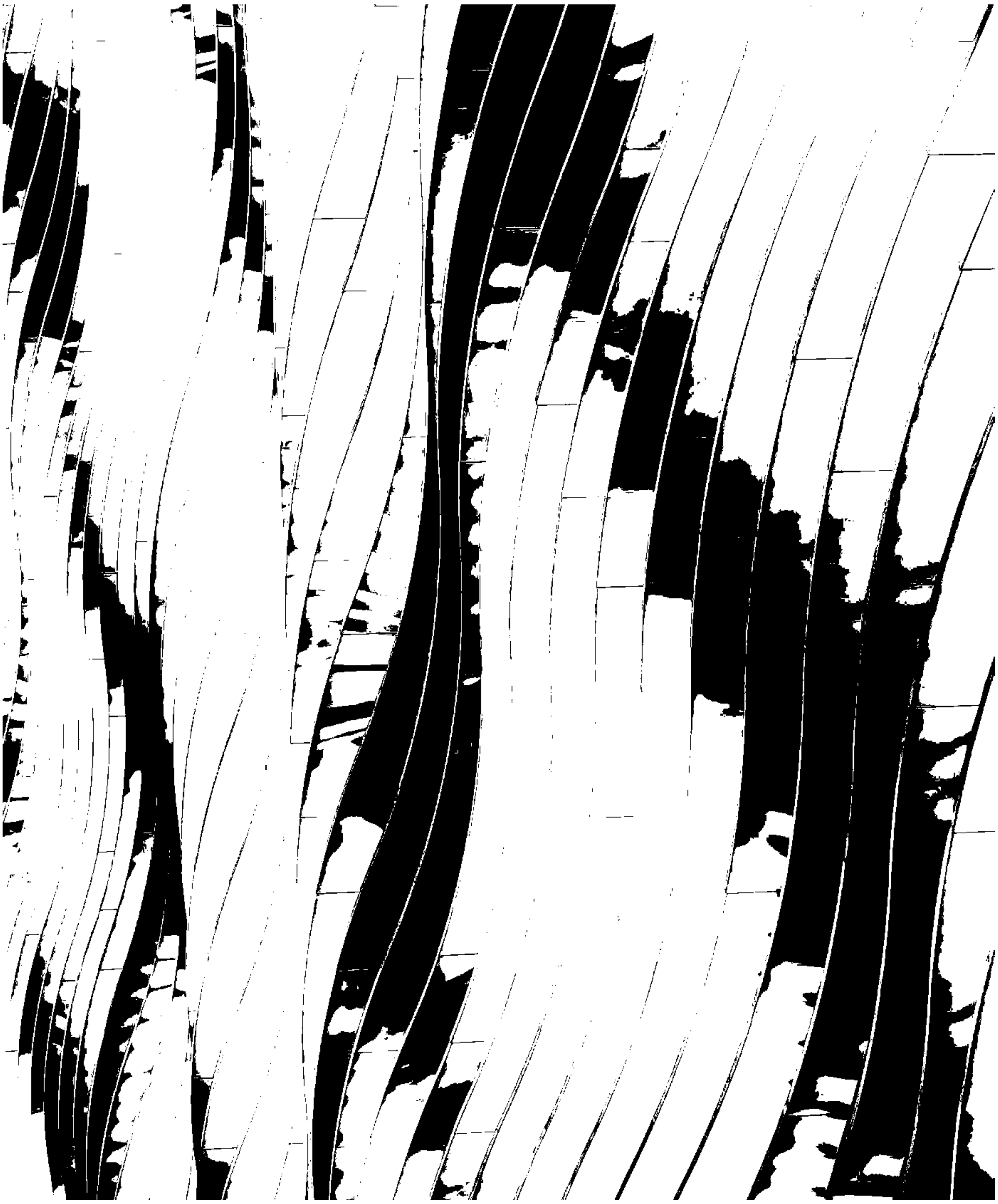
Konsernets balanse

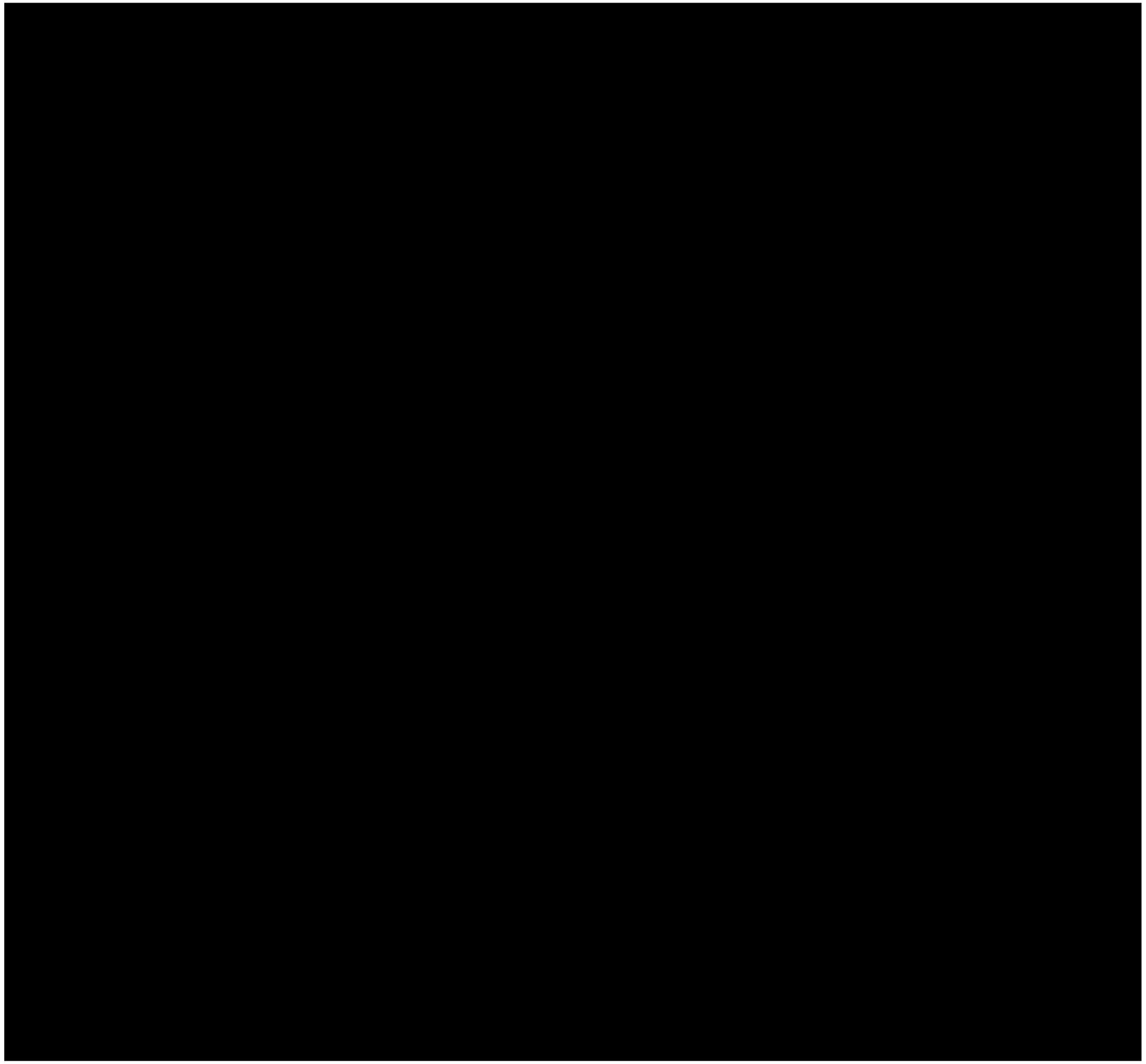
Beløp i: NOK	Note	2019	2018
SUM EGENKAPITAL OG GJELD		**2 020 693 000**	**1 796 354 000**

DigiPlex

2019 Annual Report

DigiPlex Norway Holding 2 AS





Content

Chairman's letter

J BYRNE MURPHY
Founder and Chairman

Dear readers,

Those of us who work within the digital space are a fortunate lot. The global need for internet infrastructure in general, and for data centres in particular, has never been greater. As the demand for robust compute platforms continues to surge, the time has arrived for the Nordic region's role within the sector to really shine. Norway's extremely low cost, sustainable hydroelectric power has attracted the world's largest companies.

As we focus on meeting this surging demand, it is a pleasure to note that DigiPlex is celebrating its 20th year of operations. DigiPlex does so as the largest pan-Nordic data center operator. We're pleased, but not complacent. We know we must earn our customers' trust one day at a time.

Our success as the leading Nordic data centre operator is largely thanks to the relentless dedication of our team – from the folks in the plant room to those on the sales teams, and on our the operations, marketing, security and finance teams. I'm particularly proud to be working alongside our many team members who have been with DigiPlex for 10, 15 and even up to 20 years.

This year, I have the great pleasure of introducing the new leader of the DigiPlex team, and our CEO, Mr Wiljar Nesse. Wiljar recently served as Executive Vice President at Tieto-EVRY, one of our largest customers. DigiPlex takes it as a great compliment that Wiljar left one of the largest Nordic companies in the IT space to join us, and we all look forward to working with him.

I am writing this message amidst the global Covid-19 crisis, and it's heartening to witness Team DigiPlex doing everything possible to keep our customers', and Scandinavia's, digital infrastructure running smoothly. We take this responsibility very seriously. We're also serious in the relentless support of our customers, partners, the townships hosting our centers, Team DigiPlex and their families during these challenging times.

Thank you for being part of our journey over this past year, our 20th in operation. I look forward to working with you over the next 20 years.

J Byrne Murphy
Founder and Chairman

WILJAR NESSE
Chief executive officer

LETTER FROM CEO

Taking DigiPlex to the Next Level

I'm pleased to present to you our FY2019 Annual Report, showing our initiatives to strengthen our leading market position in the Nordic region.

2019 has been another significant year for DigiPlex. We've continued to grow the business, delivered strong financial results and taken important measures to position the company for sustainable growth and digitisation of our society.

For the second consecutive year, we've been certified as a Great Place To Work™. This documents our work to maintain a leadership position, not only in terms of revenue and sustainability but also as an employer of choice in the Nordic data centre sector.

We're excited that DigiPlex's customers have ranked us above industry benchmarks in a survey conducted by Radar. Furthermore, investments in innovation, environmental sustainability and a transformation of our brand have seen DigiPlex earn medals in awards such as Business Continuity, MUSE Design, Electrical Review and Energy Awards to name but a few.

LARGEST EVER NORDIC DATA CENTRE BOND

In 2019, we issued a NOK 1.80 billion senior secured bond on the Oslo Stock Exchange. The bond was significantly oversubscribed and is the largest ever Nordic Data Centre Bond. The positive investor interest is evidence of DigiPlex's track record and the exponential growth in the Nordics, as well as its strong brand name in the industry.

EXPANSION ACROSS NORWAY AND SWEDEN

We've welcomed our first customers to our recently expanded data centres Rosenholm and Ulven in Oslo. We're also proud that related companies have broken ground on the construction of two further data centres near Oslo with a total of 8,500 square metres, with plans for up to 5 additional data centers with a 24 MW total capacity. The new environmentally friendly data centres will follow DigiPlex's design principles and be equipped with our award-winning air-to-air cooling system.

Our award-winning sites are some of the world's greenest and most energy efficient.

In Stockholm, related companies there have opened a new server hall, which is tailored for customers who want their IT environment housed in one of Sweden's most secure and environmentally efficient data centres. >

Wiljar Nesse recently served as Executive Vice President Financial Services at TietoEVRY. He has also worked at Elkem and AP Dow Jones and as CEO and part owner of Manamind AS.

Wiljar is a board member of the trade and employer's association Abelia and a selected member of The Confederation of Norwegian Enterprise (NHO) panel for future business and industry in Norway.

He has studied at the Norwegian School of Economics and Karlsruhe Institute of Technology.

Wiljar Nesse joined DigiPlex on 1 March 2020.

BUILDING ON THE NORDIC EDGE

We're noticing an increased demand from enterprise customers who continue to move their on-premises digital infrastructure to combinations of colocation and cloud solutions. At the same time, we're experiencing increased demand from the largest IT companies in the world looking to capitalise on the advantages of the Nordic region. As a result, we launched our Nordic Connect Platform during Q2, linking our data centres in Norway, Sweden and Denmark.

With this platform, we're offering our international customers an ideal entry point to benefit from the long-term cost and sustainability benefits of the Nordic region. This enables customers to meet demands on for example latency or local regulations such as GDPR.

In recent years, we've seen that global leaders, including Google, Facebook and Microsoft, have chosen to build data centres in the Nordics because of these advantages. An international enterprise deploying 100 megawatts over 10 years will save several hundred million dollars by placing their data centres in Sweden or Norway versus Germany.

SUSTAINABLE LEADERSHIP FOR A DIGITAL FUTURE

Climate change is now recognised as climate crisis, and all businesses must put sustainability at the heart of their operations. I believe that we'll soon see this movement reach the data centre sector.

For 20 years, DigiPlex has been a leader in sustainable data centre design, building and operation. DigiPlex has run on 100 per cent renewable energy since 2004, and our award-winning sites are some of the world's greenest and most energy efficient.

Data centres are at the core of digitalisation, and companies that place their servers with us, can assure their customers and users that their data centre solution is future-proof. Going forward, I'm convinced our solid experience will help us continue to make the best choices for sustainability. We are well-positioned to understand new megatrends and solve the need for digitalisation of our society, to unravel complexity and manage business pressure.

I look forward to taking DigiPlex to the next level of the booming Nordic data centre industry.

Wiljar Nesse

Wiljar Nesse
CEO


SEGMENT 1 – DNAS
Ulven

SEGMENT 1 – DNAS

Ulven

DigiPlex Norway AS ('DNAS') is situated at Ulven in Oslo's Økern district and was founded in 2000, making it the most established data centre of the Group. It has been fully operational for more than 19 years over which period it has attracted an impressive portfolio of customers with a high customer renewal rate allowing DNAS to maintain a consistent and reliable operating revenue stream.

During recent years, DigiPlex has carried out a substantial upgrading and replacement of the mechanical and electrical infrastructure. The power supplies, cooling and security systems installed at the centre today are "state of the art" and will meet fully the future requirements of our customers.

1.66
DESIGN PUE

28
NUMBER OF CARRIERS

5 100 M²
TOTAL WHITE SPACE

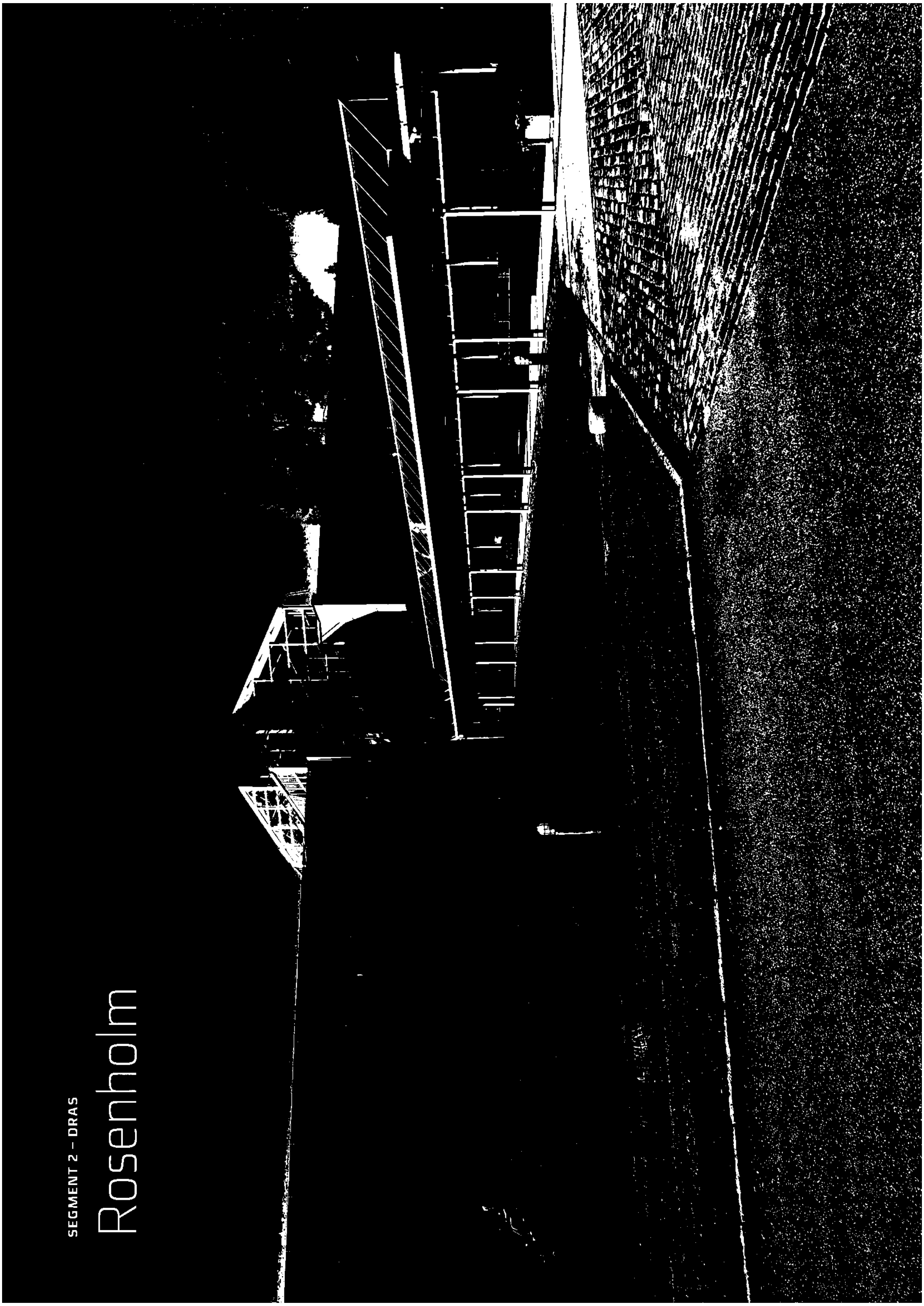
6.3 YEARS
WEIGHTED AVERAGE CONTRACT TERM

KEY FIGURES

Amounts in NOK '000.	2019	2018	2017	2016	2015
Operating revenue	216 111	179 265	148 404	143 321	126 715
EBITDA	87 567	80 492	70 536	65 597	56 884
EBITDA-margin	41%	45%	48%	46%	45%
Total assets	557 488	714 545	714 821	702 518	700 393
Total equity	95 356	84 636	76 551	72 736	74 335

HIGHLIGHTS 2019

- Revenue growth 20%
- Launched Microsoft Azure Express Route
- MegaPort Partnership to Expand Connectivity
- Launched Nordic Connect Platform which links DigiPlex' main data centers in Norway, Sweden and Denmark


SEGMENT 2 – DRAS
Rosenholm

SEGMENT 2 – DRAS

Rosenholm

DigiPlex Rosenholm AS ('DRAS') was founded in 2009 and is based in the Rosenholm Business Centre Campus. The data halls, providing 2,200m2 of technical space, were re-built with new mechanical and electrical infrastructures and fitted out according to customers' current and future requirements with state-of-the-art security, functionality and sustainability.

During 2018/2019 the data center was expanded with an additional datahall, in order to meet customer demand.

1.45
DESIGN PUE

9
NUMBER OF CARRIERS

2 200 M²
TOTAL WHITE SPACE

4.5 YEARS
WEIGHTED AVERAGE CONTRACT TERM

KEY FIGURES

Amounts in NOK '000.	2019	2018	2017	2016	2015
Operating revenue	53 683	50 761	45 836	49 056	45 967
EBITDA	23 875	22 537	18 960	19 543	16 842
EBITDA-margin	44%	44%	41%	40%	37%
Total assets	311 107	312 240	252 832	253 590	264 040
Total equity	12 353	11 867	14 005	13 844	15 123

HIGHLIGHTS 2019

- Revenue growth 6%
- MegaPort Partnership to Expand Connectivity
- Launched Nordic Connect Platform which links DigiPlex' main data centers in Norway, Sweden and Denmark
- Launched new datahall of 700 m2


SEGMENT 3 – DFAS
Fetsund

SEGMENT 3 – DFAS

Fetsund

DigiPlex Fet AS ('DFAS') was founded in July 2013 when it signed one of the largest data centre deals in Europe for its facility in the municipality of Fetsund, near Oslo. The 20-year contract with EVRY AS (one of the two largest IT services companies in the Nordics) secures revenue for its 4,200 m2 of IT space, served by 9.8 megawatts of power. In 2019, the power and cooling capacity of one of the datahalls were expanded, and an international hyperscale customer moved into the space.

The high security facility benefits from DFAS' industry leading Air-to-Air cooling technology delivering a power usage efficiency which provides a sustainable performance with minimum environmental footprint.

1.2
DESIGN PUE

3
NUMBER OF CARRIERS

4 200 M²
TOTAL WHITE SPACE

14.5 YEARS
WEIGHTED AVERAGE CONTRACT TERM

KEY FIGURES

Amounts in NOK '000.	2019	2018	2017	2016	2015
Operating revenue	139 670	91 584	129 499	78 691	36 859
EBITDA	77 604	60 153	60 684	44 696	9 500
EBITDA-margin	56%	66%	47%	57%	26%
Total assets	903 636	914 377	734 522	790 537	748 013
Total equity	29 488	24 187	22 849	22 896	8 816

HIGHLIGHTS 2019

- Revenue growth 52%
- Delivered datahall with expanded power and cooling capacity to first Hyperscale customer (3 MW)
- Received MUSE awards; Gold in the Commercial Building category and Silver for Sustainable Living/ Green Architectural Design
- Launched Nordic Connect Platform which links DigiPlex' main data centers in Norway, Sweden and Denmark

CSR

Corporate social responsibility

We have integrated corporate social responsibility into everything we do, from our thinking to policies and procedures, and how we behave ona daily basis as part our company culture. We're not only building a culture of integrity, upholding our responsibilities to people and planet, we're also setting the stage for long-term success and a sustainable future.

SUPPLIER RESPONSIBILITY

At DigiPlex we work together with our suppliers to offer best value for money and to help our clients manage their operations. We help them reduce their environmental impact and carbon footprint as well as reducing their energy costs. At the same time we are improving security and supporting our customers regulatory compliance.

Our reputation is built on integrity, honesty and responsibility. To protect our business operations and supplier relations we have developed the DigiPlex Code of Practice for Suppliers. This code defines the non-negotiable minimum standards that we ask our suppliers and their sub-tier suppliers to adhere to. This supports our ongoing commitment to the 10 Principles of the United Nations Global Compact, underpinning our dedicated commitment to become a industry leading corporate citizen. In doing this we believe we will provide a sustainable future on an economic, social and environmental level.

PRIVACY AND DATA PROTECTION

The starting point for data centre security and risk minimisation is location. Our data centres are protected with concentric rings of security, and latest generation security systems provide intruder-proof access control. Since our operations began in 2000, we have never had a breach of physical security in any of our data centres.

All of our facilities are compliant with the ISO recognised standards for quality, security, safety and environmental management. Our standards not only meet the demands of our customers but often exceed them.

VAREA	ISO 9001	ISO 14001	ISO 27001	ISO 45001
Ulven	✓	✓	✓	✓
Rosenholm	✓	✓	✓	✓
Fetsund	✓	✓	✓	✓

100%

RENEWABLE ELECTRICITY
all data centres

25%

ENERGY SAVINGS
compared to industry standard

WORKING ENVIRONMENT

DigiPlex is focused on maintaining leadership as an employer of choice in the fast-moving Nordic data centre sector. We recruit, employ and promote employees on the sole basis of their qualifications and the abilities needed for the work to be performed.

We are proud to be recognised as a Great Place to Work® for the second year in a row. 81% of staff agreed that DigiPlex is a great place to work, well above the level required to achieve certification (70%). Achieving this is a significant honour, but more importantly it demonstrates DigiPlex's commitment to listening to and acting on what staff say is good, and bad, about their work-lives.

This year's results showed gains in important areas:

- Staff agreeing that they are encouraged to balance their work-life and personal life increased by 9% to 84%.
- 90% agree that they are given a lot of responsibility for their work, up 7% on last year.
- 84% agree that special events are celebrated – also up 7%.
- Female staff in particular reported significant improvements with 91% agreeing that promotions went to those that deserved them, a 29% improvement on last year.

CONSCIOUS ENERGY CONSUMPTION

DigiPlex is committed to making continuous improvements in the management of our environmental impact and to operating a sustainable business. At our data centres, we've built the environment into our core from day one. We have designed our infrastructure and processes to minimise impact on our natural resources, thus optimising our efficiencies and achieving unprecedented levels of energy conservation.

Our innovative air-to-air evaporative cooling systems enable energy savings of up to 25% compared to industry average, without loss of quality. It works in line with nature to save energy, reduce costs and decrease the environmental footprint.

In 2018, DigiPlex signed the first agreement of its kind where an operational data centre with an indirect evaporative air-to-air cooling solution, will be retrofitted to recover excess heat for the local district heating system. This will provide heat for 10,000 residential homes in Stockholm and 5,000 in Oslo.

SUSTAINABLE OPERATIONS

All of DigiPlex's data centres are run on 100% renewable electricity. The Nordic region has a reliable power supply, some of the cheapest power in Europe, plus an abundance of renewable energy. To meet increasingly strict environmental regulations and customer demands, DigiPlex provides the technology and resources needed to prove that "greener" can be both beneficial and cost effective.

The Board of Directors

J BYRNE MURPHY
Chairman of the Board

Experience: Byrne Murphy is co-owner and Chairman of DigiPlex Group of Companies. He brings more than 30 years experience of making and managing property-led investments and businesses throughout the USA and Europe. He is the former Deputy Chief Executive and co-founder of BAA McArthurGlen, Europe's largest owner and operator of designer outlet centres. Byrne also pioneered the launch of private residence clubs in Europe via the restoration of Palazzo Tornabuoni, a 15th century, Florentine Medici palazzo, dating from the Renaissance.

Education: Byrne holds an MBA degree from University of Virginia and BA (*Cum Laude*) from Harvard University.

TORLEIF DAHL
Board member

Experience: Torleif P. Dahl has long and extensive experience as business lawyer. Torleif is partner in Rime Advokater, where he is assisting several clients within the TMT sectors with M&A transactions. He is also assisting with their operational legal work, drafting of contracts and contract negotiations, company law including shareholders meetings, shareholders agreements, joint ventures etc. as well as agencies, licensing and distributorship agreements. Torleif P. Dahl holds directorships in several companies and trusts.

Education: Torleif holds a Master degree in Law from University of Oslo and Columbia University.

SIMEN WEIBY
Board member

Experience: Simen Weiby is a partner at the Norwegian consulting company KWC AS. Prior to joining KWC in 2017, he was the head of the LBO department within International Corporates at DNB Bank ASA. Simen has also worked as an auditor and transaction services advisor in EY, has held the position as associate director in Telenor's Group M&A department, and has been a non-equity partner with the law firm Selmer's Financial Analysis and Transaction Support department.

Education: Simen holds a Master degree ("Siviløkonom") in Finance & Financial Economics from the Norwegian School of Economics (NHH), and is also a certified public accountant/MBA, and Certified European Financial Analyst (CEFA) (both from NHH).

2019

Board of Directors' report

We are pleased to present the 2019 annual financial report for Digiplex Norway Holding 2 AS (the "Group").

BACKGROUND

The Group designs, builds and operates sustainable and secure data centres. DigiPlex is carrier-neutral and offers connectivity to all major cloud and network service providers. DigiPlex offers best-in-class services with the highest possible availability and is trusted by public and private customers alike – including security sensitive organisations such as government and financial institutions with mission-critical applications. DigiPlex's three data centres are powered by electricity produced from 100% sustainable sources.

DigiPlex Norway Holding 2 AS was founded in April 2019 and through a contribution in kind by its parent company, DigiPlex Norway Holding 1 AS, acquired 100% of the shares of the three operative subsidiaries DigiPlex Norway AS (DNAS), DigiPlex Fet AS (DFAS) and DigiPlex Rosenholm AS (DRAS), all state-of-the-art Norwegian data centres, located in the greater Oslo area.

The purpose of the new Group structure was to refinance the Group with a new bond loan that was issued on 30 April 2019. The consolidated financial statements are presented based on predecessor accounting of the subsidiaries.

REGULATORY DEVELOPMENTS

As at the date of this report, the Board is not aware of any current, or potential, regulatory/political changes that may cause any risk to the operations of the Group.

GOING CONCERN

The Board is of the opinion that the financial statements give a true and fair view of the activities of the Group.

In accordance with the Norwegian Accounting Act section 3-3, the Board confirms that the conditions for continued operations as a going concern are present for the Group and that the annual financial statements have been prepared under this presumption. This presumption is based on the Group's cash flow forecasts. The Group does not have any loan due until April 2024, and is generating a positive cash flow from operations. We are confident that the ongoing Covid-19 crisis will have no significant negative economic impact on the Group (please find further comments under "Outlook – subsequent events").

REFINANCING OF THE GROUP

DFAS held a bond loan of NOK 500 million which fell due on 11 June 2019, while DNAS held a bond loan of NOK 525 million which had a final maturity on 17 July 2019. In addition, DFAS and DRAS held shareholder loans of NOK 361.5 million and NOK 105.5 million respectively.

The new Group structure in Norway has made possible a senior secured Bond issue of NOK 1,800 million (tranche 1) with a tap-issue up to NOK 2,250 million (tranche 2) to refinance the Group's outstanding bond issues in DFAS and DNAS and a one-time distribution to the owners in order to indirectly further fund DigiPlex's growth plans outside of the Group. The Bond issue of 30 April 2019 has 1st priority mortgage in the DFAS and DNAS data centres, rights under the

DRAS lease agreement, share pledges and guarantees from DFAS, DNAS and DRAS. The Bond is listed at the Oslo Stock Exchange and is due to mature in April 2024.

The Group is making interest payments to the bondholders in accordance with the Bond Agreement, with a coupon rate of 365bps plus 3-month NIBOR.

The Board is confident that the current financial resources available to the Group are adequate for its existing requirements.

INCOME STATEMENT AND STATEMENT OF FINANCIAL POSITION

The Directors have noted that market conditions are good, and that the data centres have sufficient flow of new customers and renewal of contracts.

The enclosed financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Operating revenues totalled NOK 380.2 million (2018: NOK 302.9 million), an increase of 25.5%. Growth from expansions of existing data centres and from current customers is the main reason for the increase in revenues.

Operating expenses (excluding depreciation) totalled NOK 186.5 million (2018: NOK 132.8 million), which comprised of NOK 38.9 million in cost of goods sold, NOK 56.7 million of employee costs and NOK 90.9 million of other operating costs.

EBITDA totalled NOK 193.7 million (2018: NOK 170.1 million), an increase of 13.8 %. The EBITDA margin for 2019 was 50.9% (2018: 56.2%).

Depreciation of property, plant and equipment totalled NOK 109.7 million (2018: NOK 97.9 million).

In light of the above, the operating profit for 2019 come in at NOK 83.9 million (2018: NOK 72.2 million). The increase compared to 2018 was mainly due to expansion and increased utilisation of the datacentres.

Net finance costs were NOK 83.0 million (2018: NOK 57.9 million) and increased due to the new bond loan.

The profit before income tax was NOK 0.9 million (2018: NOK 14.3 million). The tax charge came in at NOK 47 thousand (2018: NOK 5.4 million), resulting in a profit for the year of NOK 1.0 million (2018: NOK 8.8 million).

Total assets were NOK 2 020.7 million (2018: NOK 1 796.4 million).

RISK MANAGEMENT AND INTERNAL CONTROL

The administration ensures that the Group has satisfactory internal control functions and appropriate systems for risk management tailored to its operations and in accordance with the Group's core values, ethical guidelines and social responsibility policy. The Board, at a minimum, on an annual basis conducts a review of the Group's most important risk areas and its internal control functions.

The administration prepares periodic activity reports which are considered at Board meetings. These reports are based on management reviews of the various parts of the business, and contain an update of the status in relation to targets, important operational conditions, financial conditions, and a description of the status of risk areas. Quarterly financial reports are also prepared and subsequently reviewed by the Board (acting as audit committee) ahead of publishing. In connection with review and quality assurance of the annual accounts, the Board had two meetings with the Group's auditors.

The facilities are fully compliant with the International Organisation for Standardisation (ISO) recognised standards for quality, security, safety and environmental management. ISO standards are the most widely accepted globally.

The Group's current ISO certifications are;

- ISO 9001:2015 Quality Management;
- ISO 14001:2015 Environmental Management;
- ISO 27001:2013 Information Security Management; and
- ISO 45001:2018 Health and Safety Management.

RISKS

The Group's activities expose it to a variety of financial risks namely; market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance department, covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investment of excess liquidity. Major risks and/or deviations are reported to the Board on a regular basis.

Market risk

The Group operates nationally and is therefore exposed to limited foreign exchange risk.

However, its interest rate risk arises from a bond loan (see note 12). Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest on the loan is adjusted quarterly. The Group also holds loans to related companies. These loans are issued at variable rates in accordance with the bond loan.

In 2019, the Group entered into a forward interest rate agreement to hedge 50% of the floating interest rate exposure of the bond loan. The forward interest rate agreement for the bond loan is fixed at 171.5bps.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Credit risk related to bank insolvency is closely monitored.

Liquidity risk

The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs, while maintaining sufficient headroom at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Board is not aware of any additional financial risk factors facing the Group other than those outlined in this report.

HEALTH, SAFETY AND WORK ENVIRONMENT

As of 31 December 2019, the Group employed 37 full time staff, made up of 9 females and 28 males. The Group gives equal opportunities to its employees regardless of gender and will continue this policy in the future.

The Group's ambition is to conduct its operations with zero injuries through effective risk management. The Group considers the working environment as positive and there have been no serious work incidents or damages to material. Only two smaller accidents with personal injuries have been reported during the course of 2019. The Group also maintains a log of sick leave days taken. The absence percentage due to sick leave for 2019 was 2.9 %.

All employees are part of a pension scheme.

EXTERNAL ENVIRONMENT

Within our environmental impact it is energy use and consequently carbon emissions that determine the biggest part of our environmental agenda. The Group is committed to operating sustainably with continuous improvements in environmental performance.

The initial target for the DigiPlex group of entities in this area was to purchase all our electricity from certified, renewable sources. We first achieved this in July 2004. We have maintained this achievement ever since.

Our aim is to be the most environmentally friendly data centre provider in Europe and we have put this into action with our fiercely competitively low PUE (Power Usage Effectiveness) achievements to date. We particularly welcome the opportunity to work with our customers and help them to achieve their own environmental performance improvement goals. With the above processes and initiative in place, the Board is very proud of the comparably small environmental footprint that it leaves behind.

CORPORATE SOCIAL RESPONSIBILITY

The Group's policy is designed and implemented to help tackle the challenges we face in today's society. The policy ensures that we responsibly and fairly recruit and manage DigiPlex employees on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background. We strive on our ability to provide our customers an unprecedented level of support and flexibility in all aspects of providing a Data Centre service and do so in a manner that ensures our businesses future and the prosperity of all stakeholders involved.

The Group is committed to maintaining an open working environment in which employees and contractors are able to report instances of unethical, unlawful or undesirable conduct without fear of intimidation or reprisal. In order to maintain a current and effective responsibility strategy we promote transparency in the actions of all stakeholders and act on all relevant concerns highlighted for attention.

We take the responsibility of fairness and equality beyond our own walls and ensure that external parties with whom we engage in business are also focused on their responsibility to the wider community. The Group's tendering process clarifies whether the supplier has established its own policy and guidelines for corporate social responsibility, and whether it has been involved in incidents related to corruption, child labour or breaches of human rights or the rights of employees to unionise. Information on such matters is obtained from the suppliers themselves or from other investigations. Possible conditions uncovered will be significant in qualifying the supplier for participation in the tendering process.

RESEARCH AND DEVELOPMENT

The Group is continually undertaking confidential research and development with the view of improving its processes, customer service, costs and its environmental footprint.

DIGIPLEX NORWAY HOLDING 2 AS

The parent company, DigiPlex Norway Holding 2 AS, has a solid financial position. The Board confirms that the conditions for continued operations as a going concern are present for the parent company and the Group as a whole, and that the annual financial statements have been prepared under this presumption. No circumstances have occurred since the end of the year that are important in the assessment of the company. However, reference is made to the below section regarding outlook and subsequent events. DigiPlex Norway Holding 2 AS had a loss after tax in 2019 that the board proposes to allocate as follows:

Transfers and allocations:	
Allocated to uncovered loss:	-3.0 MNOK
Total transfers and allocations:	-3.0 MNOK

The company has a book equity of NOK 2.118 million at the end of 2019. The company had no employees as of 31 December 2019, and does not pollute the external environment. The company's head office is in Oslo.

OUTLOOK AND SUBSEQUENT EVENTS

In 2020, the primary goal is continued focus on providing highly reliable IT housing services to our customers; ensuring renewals when due and providing tailor-made solutions to meet new customers' requirements. Nordic cloud adoption is rapidly outpacing the rest of the market driving strong hyperscale demand for local infrastructure. DigiPlex is the only Pan-Nordic provider of reliable, sustainable and cost-efficient data centres, and the largest operator in Norway.

International customers are increasingly attracted to Norway because of its cool climate, low cost 100% renewable energy and proximity to large European markets. DigiPlex has been building on these natural advantages for nearly two decades by securing premium land and bringing in the engineering and deployment capability to meet the specific requirements of these global businesses. DigiPlex thus sees a stable and growing demand for its services.

The situation around COVID-19 has in 2020 led to major challenges for the entire society. DigiPlex is closely monitoring the spread of COVID-19 and recommendations from local public health authorities in all the countries of operation. The Board and Management are strongly committed to continue serving the customers while ensuring the safety of employees, customers, contractors and suppliers. During these challenging times a robust digital infrastructure is crucial, and in this period of social distancing, DigiPlex's responsibility and stable operations are critical.

The Group follows the information and recommendations from local authorities in Norway. The following actions have been taken:

- DigiPlex have pooled all available resources across the business into a "COVID-19 Response Team", significantly strengthening its ability to plan for different scenarios and monitor the threat levels and best practice for each of the data centers.

- DigiPlex implemented a full segregation of the work force on March 9th with several dedicated teams at each location. Members of these teams are not permitted to travel between DigiPlex locations or physically interact with members of other dedicated teams. DigiPlex has invoked the same segregation for our contractors and suppliers to the extent practicably possible.

- The Group has significantly increased safety protocols across the data centers including implementing heightened sanitary measures, placing signage in the facilities and advising visitors and staff how to minimize the risk of infection. For DigiPlex employees guidelines have been invoked involving no business travel, working from home for all non-critical onsite staff, avoiding crowds, etc.

- On Friday March 13th, DigiPlex sites closed for all visits and deliveries except those deemed business critical. Customer dialogue is ongoing to ensure business critical access while at the same time ensuring the health and safety of all that interact with the facilities.

As the Group's data centres form part of services that are critical for society, and its customers are mainly larger public and private corporations, no loss of revenue or of accounts receivable have been registered. The Group's liquidity situation is strong, and the data centres have been able to continue the 100% delivery to customers, as such the Board does not expect any significant negative effects for the financial results for 2020. In summary, the Board is confident that the Group will exit this period stronger than before.

The Board is not aware of any additional risk factors facing the Group other than those outlined in this report.

Oslo, 29 April 2020

James Byrne Murphy
Chairman of the Board

Torleif Dahl
Board member

Simen Weiby
Board member

Wiljar Nesse
CEO

GROUP

Financial statements and notes

GROUP

Consolidated statement of comprehensive income

Amounts in NOK '000.	Note	2019	2018
Revenue from services	19	337 384	276 513
Revenue from goods sold	19	42 802	26 387
Total revenue		**380 186**	**302 900**
Cost of goods sold		- 38 913	- 17 613
Employee benefits expense	17	- 56 703	- 38 730
Other operating expenses	17	- 90 902	- 76 426
EBITDA		**193 668**	**170 132**
Depreciation and amortisation	6	- 109 737	- 97 893
Operating profit		**83 932**	**72 239**
Finance income	18	16 726	2 803
Finance costs	18	- 99 729	- 60 734
Net financial gains/(losses)		- 83 003	- 57 931
Profit/(loss) before tax		**929**	**14 308**
Income tax expense/(benefit)	12	47	- 5 424
Profit/(loss) for the period		**976**	**8 884**
Profit/(loss) for the year attributable to the shareholders		**976**	**8 884**

Amounts in NOK '000.	Note	2019	2018
Other comprehensive income:			
Items that may be reclassified to profit or loss		0	0
Items that will not be reclassified to profit or loss		0	0
Other comprehensive income net of tax		0	0
Total comprehensive income/(loss) for the period		**976**	**8 884**
Total comprehensive income/(loss) attributable to shareholders		**976**	**8 884**

GROUP

Consolidated statement of financial position

Amounts in NOK '000.	Note	31.12.19	31.12.18
ASSETS			
Non-current assets			
Deferred tax asset	12	48 646	48 603
Property, plant and equipment	6, 7	1 449 369	1 480 939
Loans to related parties	14, 20	285 834	20 000
Interest derivatives	14	5 894	0
Other non-current assets		13 020	4 132
Total non-current assets		**1 802 763**	**1 553 674**
Current assets			
Other receivables related parties		0	2 147
Inventories		3 953	3 106
Trade and other receivables	8	103 332	117 991
Cash and cash equivalents	9	110 646	119 435
Total current assets		**217 931**	**242 679**
TOTAL ASSETS		**2 020 693**	**1 796 353**

Amounts in NOK '000.	Note	31.12.19	31.12.18
EQUITY AND LIABILITIES			
Equity			
Paid-in equity			
Share capital	10	150	150
Share premium reserve	10	39 578	39 578
Total paid-in equity		**39 728**	**39 728**
Earned equity			
Other equity		9 860	8 884
Total earned equity		**9 860**	**8 884**
Total equity		**49 588**	**48 612**
Liabilities			
Non-current liabilities			
Borrowings	13, 14	1 777 133	452 096
Long term lease obligation	7	58 168	64 109
Other long term liabilities		682	682
Total non-current liabilities		**1 835 984**	**516 887**
Current liabilities			
Borrowings	13	16 532	1 055 924
Deposits from customers	14, 22	8 252	8 603
Trade payables and other liabilities	14, 15, 20	103 224	158 154
Public tax liabilities	16	7 113	8 174
Total current liabilities		**135 121**	**1 230 855**
Total liabilities		**1 971 106**	**1 747 741**
TOTAL EQUITY AND LIABILITIES		**2 020 693**	**1 796 353**

Oslo, 29 April 2020

James Byrne Murphy
Chairman of the Board

Torleif Dahl
Board member

Simen Weiby
Board member

Wiljar Nesse
CEO

GROUP

Consolidated statement of changes in equity

Amounts in NOK '000.	Note	Share capital	Share premium reserve	Other equity	Total equity
Balance at 1 January 2018	**10**	**150**	**39 578**	**0**	**39 728**
Profit for the period		0	0	8 884	8 884
Other comprehensive income		0	0	0	0
Balance at 31 December 2018		**150**	**39 578**	**8 884**	**48 612**
Balance at 1 January 2019	**10**	**150**	**39 578**	**8 884**	**48 612**
Loss for the period		0	0	976	976
Other comprehensive income		0	0	0	0
Balance at 31 December 2019		**150**	**39 578**	**9 860**	**49 588**

GROUP

Consolidated statement of cash flow

Amounts in NOK '000.	Note	2019	2018
Cash flows from operating activities			
Profit before income tax		929	14 312
Adjusted for:			
Depreciation and amortisation	6	109 737	97 893
Financial activities	18	83 003	57 931
Changes in inventories		- 847	- 273
Change in trade and other receivables	8	- 15 167	- 40 558
Change in trade and other payables	14, 15	14 304	86 670
Net cash from operating activities		**191 957**	**215 971**
Cash flows from investing activities			
Purchase of property, plant and equipment	6	- 140 128	- 228 265
Issue of loan to related party	20	- 250 280	0
Repayment of loan from related party		0	40 000
Interest received		1 638	458
Net cash from investing activities		**- 388 770**	**- 187 807**

Amounts in NOK '000.	Note	2019	2018
Cash flows from financing activities			
Net issue of bond loan / shareholder loan	13	1 777 500	88 132
Repayment of bond loan / shareholder loan	13	- 1 502 095	0
Repayment of other loans		- 4 778	- 4 045
Interests paid	18	- 82 604	- 60 840
Net cash from financing activities		**188 023**	**23 247**
Net change in cash and cash equivalents		**- 8 789**	**51 410**
Carried forward cash and cash equivalents		119 435	68 025
Cash and cash equivalents on closing date	**9**	**110 646**	**119 435**
Of which restricted cash and cash equivalents	9	3 021	6 017

NOTE 1 – GENERAL INFORMATION

DigiPlex Norway Holding 2 AS ("the Company") is a Norwegian private limited liability company incorporated on 5 March 2019 and regulated by the Norwegian Private Limited Liability Companies Act and supplementing Norwegian laws and regulations. The Company is registered in the Norwegian Companies Registry with company registration number 922 393 257, its registered business address is Ulvenveien 82E, 0581 Oslo, Norway.

DigiPlex Norway Holding 2 AS is the parent company for three wholly owned subsidiaries, DigiPlex Norway AS (DNAS), DigiPlex Fet AS (DFAS) and DigiPlex Rosenholm AS (DRAS), (together - the Group), all of which provides highly secure, high-powered, energy-efficient and carrier-neutral data centre space for their customer's information and communication technology equipment.

The ownership of the tree subsidiaries was transferred from the parent company, DigiPlex Norway Holding 1 AS, by a contribution in kind on the 24 April 2019. As the parent company has no other activity than financing of the Group's activities and owning the shares in the subsidiaries, predecessor accounting has been applied when showing the Group activity. The Group business going forward will be based on the subsidiaries as a combination of entities under common contol using book values for the individual entities.

The financial statements for the Group and Company for the year ended 31 December 2019 were authorised for issue by the Board of Directors on 29 April 2020. The financial statements will be approved by the shareholders meeting on 29 April 2020. The financial statements are presented in Norwegian kroner (NOK).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on a historical cost basis, and in accordance with IFRS as adopted by the EU, and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in the notes to these financial statements.

The financial statements have been prepared on a going concern basis.

2.1 Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations.

For business combinations under common control the Group has used predecessor accounting se further note 3.1. For comparison purposes the accounts are prepared as if the combination took place 1 January 2019.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.2 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Significant acquisition costs related to new service agreements are amortised over the contract period.

2.2.1 Sales of services

The Group mainly provides IT housing services including the infrastructure and security of a dedicated data centre, engineering support, connectivity and other IT services. Both private and public organisations, including security sensitive customers such as government and financial institutions, trust the Group's data centre solutions. The Group recognises revenue from rendering of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. The Group recognises revenue over time by applying the agreed service fee per kilowatt and square meter per month. The IT Housing service agreements are typically for a specific contract term, and cannot be terminated during the agreed contract period. Generally, the IT Housing service fees are payable in advance of the next contract period.

2.2.2 Sales of goods

Sales of goods are mainly related to sales of Added Value Services ('AVS') which is a range of data center managed equipment, infrastructure and services. The Group recognises revenue from the sale of goods at the point in time when control of the equipment is transferred to the customer and/or the service has been delivered. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits from the asset, and the ability to prevent others from directing the use of and receiving the benefits from the asset.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board and CEO, who is responsible for allocating resources and assessing performance of the operating segments.

The Group has identified three primary segments; DNAS, DFAS and DRAS, all providing IT housing services, and one geographical segment; greater Oslo area.

2.4 Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. Instalments payable or receivable within one year on long term liabilities and long term receivables are classified as short term liabilities and current assets.

2.5 Trade receivables

Trade receivables are amounts due from customers for equipment sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.6 Cash and cash equivalents

Cash and cash equivalents are classified at amortised cost. In the statement of cash flows, cash and cash equivalents includes cash in hand and deposits held at call with banks.

2.7 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Foreign currencies

(i) Presentation currency

The financial statements of the Group are presented in thousand Norwegian kroner (NOK '000).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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 recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the income statement within 'Other gains and losses'.

2.9 Employee benefits

The Group has defined contribution plans in all Group companies. With a defined contribution plan the Group companies pays contributions to an insurance company. After the contribution has been made the Group company has no further commitment to pay. The contribution is recognised as payroll expenses.

2.10 Taxation

Income tax expense represents the current tax calculated on taxable profits for the year, any adjustments in respect of prior periods and the deferred tax charge or credit for the year.

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted and that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is reflected at nominal value.

2.11 Property, plant and equipment
Fixed assets are reflected in the balance sheet, initially measured at cost, and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date. Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term.

The 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 the income statement for the period.

2.12 Impairment of tangible assets
On an annual basis, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The test is performed on the lowest level of fixed assets at which independent cash flows can be identified (Cash Generating Unit - CGU). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

2.13 Provisions
Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

2.14 Financial instruments
2.14.1 General principles and definitions

Recognition and derecognition
Regular purchases and sales of financial assets are recognised on the transaction date and financial liabilities are recognised at the settlement date. On initial recognition of a financial asset or liability, it is measured at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire or when the group transfers the financial asset in a transaction where all or virtually all risk and opportunities for profit related to ownership of the asset are transferred. Financial liabilities are derecognised from the balance sheet when they have ceased to apply – in other words, when the obligation specified in the contract is fulfilled, cancelled or expired.

Classification
The group classifies financial instruments in the categories at fair value through profit and loss and at amortised cost. The classification depends on the purpose the instrument, and the group assesses the classification of financial instruments on their acquisition.

2.14.2 Financial instruments at fair value through profit and loss
Financial instruments at fair value through profit and loss are derivatives. See note 2.14.4

2.14.3 Financial instruments at amortised cost
The group's financial instruments at amortised cost primarily comprise borrowings and bank deposits as well as receivables and payables arising from regular operation.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any differences between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the duration of the borrowings.

Cash and cash equivalents
Cash and cash equivalents are classified at amortised cost. They include cash in hand, bank deposits and other current highly liquid investments with original maturities of three months or less. Bank overdrafts are included in borrowings in the balance sheet under current liabilities.

Trade receivables
Trade receivables are amounts due from customers for equipment sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Impairment
Impairment of financial assets, primarily trade receivables, is based on an expected credit loss model. The group utilises the exception defined in the standard for trade

receivables which permits provision for expected credit loss to be based on loss over the whole lifecycle of the receivable.

2.14.4 Derivatives and hedging
Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently recognised continuously at their fair value. Changes in the fair value of derivatives are recognised in the income statement under change in market value of financial derivative instruments.

The group's interest-rate swap contract is used as economic hedge. Hedge accounting is not applied.

2.15 Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Government grant
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are deducted from the cost of the asset and are credited to the income statement on a straight line basis over the expected lives of the related assets as part of depreciation.

In 2018 and 2019, one of the Group companies (DNAS) were approved for a Skatte-FUNN R&D tax incentive grant, a government program designed to stimulate research and development (R&D) in Norwegian trade and industry, for a some energy efficiency projects at the Ulven site. SkatteFUNN grants are recognised as a reduction of acquisition cost of assets or cost reduction in the income statement, depending on where the underlying cost has been recognised.

2.17 Inventories
Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. No impairments were made in 2019 nor in 2018.

NOTE 3 – SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The application of accounting standards and policies requires the Group to make estimates and assumptions about future events that directly affect its reported financial condition and operating performance. The accounting estimates and assumptions discussed are those that the Group considers to be most critical to its financial statements. An accounting estimate is considered critical if both (a) the nature of estimates or assumptions is material due to the level of subjectivity and judgement involved, and (b) the impact within a reasonable range of outcomes of the estimates and assumptions is material to the Group's financial condition or operating performance. Management have identified the following material estimates:

(i) Deferred tax asset:
The Group has a significant deferred tax asset. Deferred tax assets are only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available against which the temporary difference will be utilised. A change in this assumption will have significant effect on the financial statements.

(ii) Depreciation:
Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. Changes in the estimated useful life will have significant effect on the financial statements.

3.1 Business combinations under common control
The group accounts have been prepared using predecessor values as the group is founded as a business combination under common control. IFRS 3 do not cover such business combinations as the combination lacks substance from an accounting perspective.

As the accounts are prepared using predecessor accounting, the comparative figures for periods prior to the fundation of DNH2 and the Group formation have been prepared using the accounting priciples decribed above.

The Group has applied IFRS 16, 'Leases' when preparing comparative figures.

The new standards have not had any material effects. Refer to note 2.2, 2.14 and 3.2 for further information.

3.2 IFRS 16 Leases
New accounting standards are applied in preparation of the accounts. This note explains the impact of the adoption of IFRS 16 Leases on the Group's financial statements and discloses the accounting policies that have been applied from 1 January 2019.

The Group has adopted IFRS 16 retrospectively from 1 January 2019, and has restated comparatives for the 2018 reporting period. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the balance sheet on 1 January 2018.

Adjustments recognised on adoption of IFRS 16
On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted at a interest rate of 5.27%, which is considered the most relevant interest rate on commencement date for the leases.

The Group held no leases previously classified as finance leases. For leases previously classified as operational leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application using the measurement principles of IFRS 16. The comparative figures for 2018 has been restated accordingly.

This resulted in Right-of-use assets / Lease liabilities as disclosed below. The amounts are specified by operating segment and by accounting line:

	DNAS		DFAS		DRAS		Group	
Amounts in NOK '000. Value per 1 January	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Operating lease commitments, tenancy	2 044	1 973	0	0	4 790	4 661	6 834	6 634
Operating lease commitments, machines	639	319	0	0	0	0	639	319
Right-of-use asset, building	4 136	5 803	0	0	61 519	46 718	65 655	52 521
Right-of-use asset, machines	2 498	2 677	0	0	0	0	2 498	2 677
Long term lease obligation	4 301	6 634	0	0	59 075	44 519	63 376	51 153
Short term lease obligation	2 332	1 846	0	0	2 444	2 199	4 776	4 045

The right-of use assets were measured at the amount equal to the lease liability as at 31 December 2018.

The change in accounting policy affected the following items in the Income Statement for 2018 and 2019:

Amounts in NOK '000.	2019	2018
Other operating expenses	- 7 449	- 6 954
Depreciation	6 496	4 045
Finance cost	2 672	2 909
Income tax expense	- 378	0
Profit/(loss) for the period	- 1 341	0

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group's activities expose it to a variety of financial risks namely; market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance department, covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investment of excess liquidity. Major risks and or deviations are reported to the Board on a regular basis.

4.1 Market risk

(i) Currency risk
The Group operates domestically and is therefore exposed to a limited currency risk.

(ii) Interest rate risk on cash flows
The Group's interest rate risk arises from a long-term bond loan in the parent company, DNH2. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest on the bond loan is adjusted quarterly.

An interest hedge was entered into for 50% of the bond loan in July 2019 for the remaining term of the loan. The interest swap was made at 171.5 basis points. At 31 December 2019, if the Norwegian key policy rate had been 10 basis points higher/lower with all other variables held constant, post-tax profit for any year would have been approximately NOK 900 000 higher/lower, as a result of higher/lower interest expense on bond borrowings.

4.2 Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. Management assesses the credit quality of the customers, taking into account its financial position, past experience and other factors. Given the customers dependability of the services provided by the Group, there is a low collection risk, demonstrated through immaterial overdue accounts receivable at year end. Credit risk related to bank insolvency is closely monitored.

4.3 Liquidity risk

The Group's finance department monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs, while maintaining sufficient headroom at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Group has completed the re-financing of the bond loans which fell due on 11 June and 17 July 2019.

Amounts in NOK '000.	Bond loan	Lease obligations	Trade payables and other liabilities
< 1 year	101 340	7 652	110 338
1 - 3 years	202 680	11 864	0
3 - 5 years	1 935 120	11 122	0
> 5 years	0	63 861	0
Expected cash flow	**2 239 140**	**94 498**	**110 338**
Book value	**1 793 665**	**63 376**	**110 338**

The carrying amount of cash and cash equivalents and bank overdrafts approximates fair value because these instruments have a short-term maturity date. Similarly, the carrying amount of accounts receivable and accounts payable approximates fair value as the impact of discounting is not significant.

The bond loan was issued at 30 April 2019. Fair value of the bond loan is correspond to the issuer price. The bond was listed on the Oslo Stock Exchange on 22 October 2019.

NOTE 5 – GROUP COMPANIES AND INVESTMENT IN SUBSIDIARIES

Group company	Location	Formed	Acquired	Ownership
DigiPlex Norway AS	Oslo	2000	2019	100%
DigiPlex Rosenholm AS	Oslo	2009	2019	100%
DigiPlex Fet AS	Lillestrøm	2013	2019	100%

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

Amounts in NOK '000.	Land	Plant and equipment	Furniture and fixtures	Right of use assets	Total
As at 1 January 2019					
Accumulated cost	48 967	2 013 252	8 993	72 199	2 143 410
Accumulated depreciation	0	- 652 361	- 6 066	- 4 045	- 662 472
Net book value	**48 967**	**1 360 891**	**2 927**	**68 154**	**1 480 939**
Year ended 31 December 2019					
Opening net book value	48 967	1 360 891	2 927	68 154	1 480 939
Additions	-419	77 224	1 362	0	78 167
Disposals	0	0	0	0	0
Depreciation charge	0	- 102 113	- 1 128	- 6 496	- 109 737
Closing net book value	**48 548**	**1 336 003**	**3 161**	**61 658**	**1 449 369**
As at 31 December 2019					
Accumulated cost	48 548	2 090 476	10 355	72 199	2 221 577
Accumulated depreciation	0	- 754 474	- 7 193	- 10 541	- 772 208
Net book value	**48 548**	**1 336 003**	**3 161**	**61 658**	**1 449 369**

Amounts in NOK '000.	Land	Plant and equipment	Furniture and fixtures	Right of use assets	Total
As at 1 January 2018					
Accumulated cost	48 570	1 790 727	6 326	72 199	1 917 822
Accumulated depreciation	0	- 560 448	- 4 130	0	- 564 578
Net book value	**48 570**	**1 230 279**	**2 196**	**72 199**	**1 353 244**
Year ended 31 December 2018					
Opening net book value	48 570	1 230 279	2 196	72 199	1 353 244
Additions	396	222 525	2 667	0	225 588
Disposals	0	0	0	0	0
Depreciation charge	0	- 91 913	- 1 935	- 4 045	- 97 893
Closing net book value	**48 967**	**1 360 891**	**2 927**	**68 154**	**1 480 939**
As at 31 December 2018					
Accumulated cost	48 967	2 013 252	8 993	72 199	2 143 410
Accumulated depreciation	0	- 652 361	- 6 066	- 4 045	- 662 472
Net book value	**48 967**	**1 360 891**	**2 927**	**68 154**	**1 480 939**
Depreciation plan	None	Straight line	Straight line	Straight line	
Expected useful life		10 - 50 years	3 - 6 years	3 - 17 years	

NOTE 7 – LEASES

The Group leases some assets, such as one of the data center facilities; DRAS, offices and office equipment. The Group's right-of-use assets and corresponding lease liabilites are categorised and presented in the table below:

Amounts in NOK '000.	Property rent	Server lease	Total
Right of use assets			
As at 1 January 2019	65 655	2 499	68 154
Additions	0	0	0
Depreciation expense	- 5 941	- 555	- 6 496
As at 31 December 2019	**59 714**	**1 943**	**61 658**
Remaining lease term	1 - 15 years	3.5 years	
As at 1 January 2018	69 522	2 677	72 199
Additions	0	0	0
Depreciation expense	- 3 867	- 178	- 4 045
As at 31 December 2018	**65 655**	**2 499**	**68 154**
Lease liabilities			
As at 1 January 2019	65 655	2 499	68 154
Additions	0	0	0
Accretion of interest	2 564	132	2 696
Lease payment	- 6 834	- 639	- 7 473
As at 31 December 2019	**61 385**	**1 991**	**63 376**
Short term lease liability	4 673	534	5 208
Long term lease liability	56 711	1 457	58 168
As at 1 January 2018	69 522	2 677	72 199
Additions	0	0	0
Accretion of interest	2 768	141	2 909
Lease payment	- 6 635	- 319	- 6 954
As at 31 December 2018	**65 655**	**2 499**	**68 154**

Expenses related to low value asset leases and short-term leases for the Company are considered immaterial.

Some leases include extension options exercisable near the end of the lease term. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The following table sets out a maturity analysis of lease payables, showing the undiscounted lease payments to be paid after closing date:

Amounts in NOK '000.	Irrevocable lease payments	Payments related to options considered	Total lease payments, considered	Payments related to options not considered
< 1 year	7 652	0	7 652	0
1 - 5 years	22 986	0	22 986	4 355
> 5 years	234	63 627	63 861	79 883
Expected cash flow	**30 871**	**63 627**	**94 498**	**84 238**
Book value			**63 376**	

NOTE 8 – TRADE AND OTHER RECEIVABLES

Amounts in NOK '000.	2019	2018
Trade receivables	66 753	69 775
Trade receivables related parties	4 799	5 074
Less: provision for impairment of trade receivables	0	0
Trade receivables - net	**71 551**	**74 849**
Prepayments	7 023	8 101
Other receivables	0	10 717
Other receivables related parties	5 695	12 997
Accrued income not invoiced	19 063	11 327
Total receivables	**103 332**	**117 991**

Amounts in NOK '000.	2019	2018
Not yet due	25 640	50 570
0 - 30 days	34 748	14 035
31 - 60 days	9 295	9 290
61 - 90 days	692	43
>90 days	1 177	910
Total	**71 551**	**74 849**

Trade receivables arise from the sale of services or goods within the normal operations. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. The Group has evaluated potential losses on trade receivables based on historic losses. The Group has recorded no losses for 2019 or 2018. Based on this the Group does not expect to record any losses on trade receivables recorded as at 31 December 2019.

NOTE 9 – CASH AND CASH EQUIVALENTS

Amounts in NOK '000.	2019	2018
Short term cash deposits, cash equivalents	107 625	113 418
Restricted cash	3 021	6 017
Cash and cash equivalents	**110 646**	**119 435**

Amounts in NOK '000.	2019	2018
Restricted cash		
Employees' taxes withheld	1 726	1 860
Lease deposits	1 295	1 284
Deposits for credits from suppliers	0	2 873
Total restricted cash	**3 021**	**6 017**

NOTE 10 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Amounts in NOK	No of shares	Ordinary shares	Share par value	Share capital	Share premium	Total paid in capital
As at 1 January 2019	0	0	0	0	0	**0**
Foundation	300	300	100	30 000	0	**30 000**
Share capital from contribution in kind	0	0	400	120 000	39 577 705	**39 697 705**
As at 31 December 2019	**300**	**300**	**500**	**150 000**	**39 577 705**	**39 727 705**

All shares have equal rights and are fully paid.

Shareholders	No of shares	Percentage ownership
DigiPlex Norway Holding 1 AS	300	100%
Total	**300**	**100%**

NOTE 11 – DIVIDENDS

Amounts in NOK '000.	2019	2018
Dividends paid	0	0

No dividend is proposed to be paid after the balance sheet date.

NOTE 12 – INCOME TAX

Amounts in NOK '000.	2019	2018
Tax payable	0	0
Change in deferred tax	- 47	3 215
Effect of change in tax rate to deferred tax positions	0	2 209
Income tax expense	**- 47**	**5 424**
Basis for tax payable		
Profit before income tax	929	14 312
Permanent differences	- 1 142	- 316
Change in temporary differences	- 20 717	2 214
Group contribution	0	0
Change in interest limitation	0	0
Change in tax losses carry forward	20 930	- 16 210
Basis for tax payable	**0**	**- 0**
Tax rate for calculation of tax payable	**22%**	**23%**
Calculated tax payable	**0**	**- 0**

Amounts in NOK '000.	2019	2018
Temporary differences		
Non-current assets	5 936	19 114
Right-of-use assets	- 131	2 501
Interest derivatives	5 894	2 501
Amortisation transaction costs	22 867	2 501
Amortisation sales contracts	9 666	1 880
Total temporary differences	**44 232**	**23 495**
Interest limitation	- 1 375	- 1 375
Tax loss carry forward	- 263 973	- 243 043
Basis for deferred tax asset in the balance sheet	**- 221 116**	**- 220 923**
Tax rate for calculation of deferred tax / deferred tax asset	**22%**	**22%**
Calculated deferred tax / deferred tax asset	**- 48 646**	**- 48 603**
Recognised deferred tax / deferred tax asset	**- 48 646**	**- 48 603**
Net deferred tax positions		
Non-current assets	1 306	4 205
Right of use assets and lease liabilities, net	- 29	0
Interest derivatives	1 297	0
Amortisation transaction costs	5 031	550
Amortisation sales contracts	2 127	414
Interest limitation	- 302	- 302
Tax loss carry forward	- 58 074	- 53 469
Net at 31 December	**- 48 646**	**- 48 603**
Calculation of effective tax rate		
Profit before income tax	**929**	**14 312**
Tax calculated using nominal tax rate	204	3 287
Effect of permanent differences	- 251	- 73
Effect of change in tax rate for deferred tax positions	0	2 209
Income tax expense	**- 47**	**5 424**
Effective tax rate	**- 5,0%**	**37,9%**

Deferred tax asset is recognised. Deferred income tax assets are recognised for tax loss carry forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. Even though the Group recorded a taxable loss in 2019, its underlaying operations normally generates a positive taxable profit. Due to the refinancing in 2019, where the new bond loan was interest bearing from the settlement date of 30 April 2019 while the refinanced bonds were not settled until due date on 11 June 2019 and 17 July respectively, the interest for that period was NOK 9.0 million higher due to double loans for a period. Further, the Group recorded NOK 26 million in transaction costs related to the new bond loan. Without these one-off costs, the Group would have had a taxable profit in 2019 of NOK 14 million. The Group recorded a taxable profit each of the latest years, and expects to continue doing so in the coming years.

NOTE 13 – BORROWINGS AND SECURITIES/PLEDGES

The lending facility was drawn up by DigiPlex Norway Holding 2 AS at 30 April 2019. The borrowing limit is NOK 2 250 000 000 of which 1 800 000 000 was drawn up in tranche 1. The bond shall be repaid in full on final maturity date 30 April 2024. Interest payment quarterly.

As security for the bond loan DigiPlex Norway AS , DigiPlex Fet AS and DigiPlex Rosenholm AS all has issued jointly and several, unconditional and irrevocable Norwegian law guarantee and indemnity.

Under the terms of the bond loan the Group is required to comply with the following financial covenants:

- Minimum liquidity of NOK 50 million
- Loan to Value Ratio not to exceed 75 per cent
- Interest cover ratio not less than 1.5x

No breach of financial covenants has occured during 2019.

Changes in liabilities arising from financial activities

	Bond loans				
Amounts in NOK '000.	**DIPL01**	**DIPNO01**	**DPNH01**	**Shareholder loans**	**Total**
Issuer	DigiPlex Fet AS	DigiPlex Norway AS	DigiPlex Norway Holding 2 AS		
Coupon rate	Nibor + 375 bps	Nibor + 375 bps	Nibor + 365 bps		
Maturity date	11/06/2019	17/07/2019	30/04/2024		
Carrying amount as at 31.12.2018	**499 060**	**548 439**	**0**	**452 096**	**1 499 595**
Changes from financial flows	- 500 000	- 550 000	1 800 000	- 452 096	297 904
Transaction cost paid	0	0	- 26 385	0	- 26 385
Non-cash movements:					
Change in accured interest	- 1 400	- 7 025	16 532	0	8 107
Transaction cost expensed	940	1 561	3 518	0	6 019
Carrying amount as at 31.12.2019	**0**	**0**	**1 793 665**	**0**	**1 793 665**
Non-current part	**0**	**0**	**1 777 133**	**0**	**1 777 133**
Current part	**0**	**0**	**16 532**	**0**	**16 532**

NOTE 14 – FINANCIAL INSTRUMENTS

Financial assets represent contractual rights for the Group to receive cash or other financial assets in the future. Financial liabilities correspondingly represent contractual obligations for the Group to make future payments. Financial instruments are included in several accounting lines in the Group's balance sheet and income statement, and are classified in different categories in accordance with their accounting treatment.

The interest derivative is measured at fair value using information according to level 2 of the fair value hierarchy as presented in IFRS 13. The Group's bond loan is listed on the Oslo Stock Exchange and the fair value of the loan is NOK 1,872 million at 31 December 2019 using information according to level 2 of the fair value hiearchy. The bond loan is measured at amortised cost.

The remaining financial instruments are measured at amortised cost. A categorisation of the Group's financial instruments is presented below.

Amounts in NOK '000.	Amortised cost	Fair value through profit or loss	Other items	Total
Assets				
As at 31 December 2019				
Loans to related parties	285 834	0	0	285 834
Interest derivatives	0	5 894	0	5 894
Trade receivables (non interest bearing)	81 947	0	0	81 947
Other receivables (non interest bearing)	0	0	44 800	44 800
Cash and cash equivalents	110 646	0	0	110 646
Total financial assets as at 31 December 2019	**478 427**	**5 894**	**44 800**	**529 121**
As at 31 December 2018				
Loans to related parties	20 000	0	0	20 000
Interest derivatives	0	0	0	0
Trade receivables (non interest bearing)	81 229	0	0	81 229
Other receivables (non interest bearing)	0	0	49 421	49 421
Cash and cash equivalents	119 435	0	0	119 435
Total financial assets as at 31 December 2018	**220 664**	**0**	**49 421**	**270 085**

Amounts in NOK '000.	Amortised cost	Fair value through profit or loss	Other items	Total
Liabilities				
As at 31 December 2019				
Borrowings	1 793 665	0	0	1 793 665
Long term lease liabilities	58 168	0	0	58 168
Other non-current liabilities	682	0	0	682
Short term lease liabilities	5 208	0	0	5 208
Contract liabilities	0	0	52 029	52 029
Deposits from customers	8 252	0	0	8 252
Trade payables (non interest bearing)	24 977	0	0	24 977
Accrued public taxes (non interest bearing)	0	0	7 113	7 113
Other current liabilities (non interest bearing)	21 011	0	0	21 011
Total financial liabilities as at 31 December 2019	**1 911 963**	**0**	**59 143**	**1 971 106**
As at 31 December 2018				
Borrowings	1 508 020	0	0	1 508 020
Long term lease liabilities	64 109	0	0	64 109
Other non-current liabilities	682	0	0	682
Short term lease liabilities	3 908	0	0	3 908
Contract liabilities	0	0	45 208	45 208
Deposits from customers	8 603	0	0	8 603
Trade payables (non interest bearing)	51 921	0	0	51 921
Accrued public taxes (non interest bearing)	0	0	8 174	8 174
Other current liabilities (non interest bearing)	57 117	0	0	57 117
Total financial liabilities as at 31 December 2018	**1 694 359**	**0**	**53 382**	**1 747 741**

NOTE 15 – TRADE PAYABLES AND OTHER LIABILITIES

Amounts in NOK '000.	2019	2018
Trade payables	24 596	49 131
Trade payables related parties	381	2 791
Liabilities to related parties	2 794	0
Accrued salaries to employees	6 756	5 888
Contract liabilities	52 029	45 208
Short term lease obligation, right of use assets	5 208	3 908
Other liabilities	11 461	51 229
Total trade payables and other liabilities	**103 224**	**158 154**

NOTE 16 – PUBLIC TAX LIABILITIES

Amounts in NOK '000.	2019	2018
Withheld tax for employees	1 723	1 858
VAT settlement	3 919	4 901
Accrued and unpaid employees social contribution	1 470	1 416
Total public tax liabilities	**7 113**	**8175**

NOTE 17 – PAYROLL AND AUDITOR REMUNERATION

Amounts in NOK '000.	2019	2018
Salaries	45 139	31 533
Payroll tax	6 953	5 026
Defined contribution plan	2 798	1 942
Other benefits	1 813	228
Total personnel expenses	**56 703**	**38 730**
Number of employees	37	36
Average number of full-time employees	36	34

The Company maintains a pension scheme which is applicable for all employees. The Company fulfils the regulations regarding mandatory pension fund.

Key management personnel are defined as directors of the board and the CEO. The Chairman of the Board charges management fee, see note 18 for details. No loans have been granted to the CEO, the Chairman of the Board or other individual related parties.

Remuneration to key personnel

Amounts in NOK '000.	Salaries	Bonus	Pension	Other benefits	Sum
Directors of the board	0	0	0	0	0
CEO	2 435	2 017	160	254	4 866

Auditor remuneration (all amounts are excluding VAT)

Amounts in NOK '000.	2019	2018
Statutory audit	480	463
Other assurance services	70	25
Tax compliance	150	39
Other assistance	17	0
Total auditor remuneration (excluding VAT)	**717**	**527**

NOTE 18 – FINANCIAL INCOME AND EXPENSES

Amounts in NOK '000.	2019	2018
Interest income on short term bank deposits	1 638	458
Interest income from related parties	9 031	2 172
Fair value change on interest derivative	5 894	0
Other interest and financial income	163	174
Total financial income	**16 726**	**2 803**
Interest expenses	94 710	57 091
Interest expenses from related parties	0	2 909
Other financial expenses	5 019	734
Total financial expenses	**99 729**	**60 734**
Net financial (expenses)/income	**- 83 003**	**- 57 931**

NOTE 19 – SEGMENTS AND REVENUE INFORMATION

The group derives its revenues and profits from the operation of three separate data centres. The data centres are considered as reporting segments as they are monitored separately. The chief operating decision maker, consisting of the Chairman of the Board and Chief Executive Officer, considers the business from both a product and a geographic perspective.

The table shows the segment information provided to the chief operating decision maker for the reportable segments for the year ended 31 December 2019.

The Group uses EBITDA as a measure to assess the performance of the segments. The segment overview excludes the effects of unrealised gains/losses on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central finance function, which manages the cash position of the Group.

The majority of the Group's revenue derives from non-cancelable long term contracts. The Group also have some short term contracts that can be terminated.

Amounts in NOK '000.	**DNAS**	**DRAS**	**DFAS**	**Group items and eliminations**	**Consolidated**
2019					
Revenue from external customers	189 189	52 027	138 970	0	380 186
Inter-segment revenue	26 923	1 655	700	- 29 278	- 0
Total segment revenue	**216 111**	**53 683**	**139 670**	**- 29 278**	**380 186**
EBITDA	**87 567**	**23 875**	**77 604**	**4 622**	**193 668**
At 31 December 2019					
Property, plant and equipment	392 890	278 723	777 756	0	1 449 369
Other segment assets	164 598	32 384	125 880	248 462	571 324
Total segment assets	**557 488**	**311 107**	**903 636**	**248 462**	**2 020 693**
Segment liabilities	**461 880**	**324 699**	**933 125**	**251 402**	**1 971 106**
2018					
Revenue from external customers	160 556	50 761	91 584	0	302 901
Inter-segment revenue	18 709	0	0	- 18 709	- 0
Total segment revenue	**179 265**	**50 761**	**91 584**	**- 18 709**	**302 900**
EBITDA	**80 492**	**22 537**	**60 153**	**6 949**	**170 132**
At 31 December 2018					
Property, plant and equipment	421 659	286 880	772 400	0	1 480 939
Other segment assets	292 886	25 360	141 977	- 144 809	315 414
Total segment assets	**714 545**	**312 240**	**914 377**	**- 144 809**	**1 796 353**
Segment liabilities	**629 910**	**324 103**	**938 563**	**- 144 834**	**1 747 741**

NOTE 20 – RELATED PARTY DISCLOSURES

The Group is controlled by DigiPlex Norway Holding 1 AS, which in turn is ultimately jointly controlled by William Conway and James Byrne Murphy. The following transactions were carried out with related parties:

Amounts in NOK '000.	2019	2018
Purchase of services		
Management services	1 030	8 920
Support services	12 154	7 395
Total	**13 184**	**16 314**

Trade payables related to purchases of services from related parties are included in Trade and other payables (see also note 15).

Amounts in NOK '000.	2019	2018
Sale of services		
Support services	19 972	6 091
Interest charged	3 426	2 171
Total	**23 398**	**8 262**

Trade receivable from the sale of services to related parties are included in Trade and other receivables (see also note 8).

Long term loans to related parties:

Amounts in NOK '000.	2019	2018
As of 1 January	20 000	20 000
Loans advanced	265 834	0
Reclassified to current	0	0
As of 31 December	**285 834**	**20 000**
Interest charged	**3 426**	**2 171**

Long term loans from related parties:

Amounts in NOK '000.	2019	2018
As of 1 January	452 096	602 533
Repayment	- 452 096	0
Reclassified to current	0	- 150 437
As of 31 December	**0**	**452 096**
Interest charged	**36 767**	**6 801**

The loan issued in 2019 is to DigiPlex Norway Holding 1 AS. Loan issued in 2015 is to DigiPlex Norway Acquisitions LLC. Both loans are interest bearing (NIBOR 3 months + a margin of 365 bps and 390 bps respectively), unsecured intra-group loan and with no set repayment date.

The Group has identified the following related parties:

Name of company	Type of relationship	Type of services
DigiPlex Norway Holding 1 AS	Parent	Financing and Support services
DigiPlex Fet 2 AS	Related party	Support services
DigiPlex Holtskogen AS	Related party	Support services
DigiPlex Stockholm 1 AB	Related party	Support services
DigiPlex Stockholm 2 AB	Related party	Support services
DigiPlex Copenhagen 1 Aps	Related party	Support services
DigiPlex Copenhagen 2 Aps	Related party	Support services
DigiPlex London 1 Limited	Related party	Support services
Kitebrook Partners LLC	Related party	Management services
DigiPlex Fet LLC	Related party	Financing
DigiPlex Rosenholm LLC	Related party	Financing
DigiPlex Norway Acquisitions LLC	Related party	Financing

NOTE 21 – CONTINGENCIES AND COMMITMENTS

The Group does not have any contingent liabilities as at 31 December 2019.

NOTE 22 – DEPOSITS FROM CUSTOMERS

Deposits from customers are held as security for contractually obligated payments in the event of a default .The deposits are non-interest bearing and will be repaid upon termination of contract. The customer contract does not include a time clause, hence no amortisation has been made.

NOTE 23 – ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

The Company has the following assets and liabilities related to contracts with customers:

Amounts in NOK '000.	2019	2018
Current contract assets	0	0
Current contract liabilities	52 029	45 208

Current contract liabilities consist of prepayments of IT Housing service fees which DigiPlex invoice in advance on a quarterly basis in accordance with company policy and underlying contracts.

NOTE 24 – EVENTS AFTER THE CLOSING DATE

The situation around COVID-19 has in 2020 led to major challenges for the entire society. DigiPlex is closely monitoring the spread of COVID-19 and recommendations from local public health authorities in all the countries of operation. During these challenging times a robust digital infrastructure is crucial, and in this period of social distancing, DigiPlex's responsibility and stable operations are critical. As the Group's data centres form part of services that are critical for society, and its customers are mainly larger public and private corporations, no loss of revenue or of accounts receivable have been registered. The COVID-19 situation has not affected assesments or assumptions in the preparation of the financial statements for 2019.

PARENT COMPANY

Financial statements and notes

PARENT

Statement of comprehensive income

Amounts in NOK '000.	Note	2019
Revenue from services		0
Revenue from goods sold		0
Total revenue		**0**
Cost of goods sold		0
Employee benefits expense		0
Other operating expenses	4	- 168
EBITDA		**- 168**
Depreciation and amortisation	10	0
Operating profit		**- 168**
Finance income		64 187
Finance costs		- 67 827
Net financial gains/(losses)		**- 3 640**
Profit/(loss) before tax		**- 3 808**
Income tax expense/(benefit)	3	838
Profit/(loss) for the year		**- 2 970**
Profit/(loss) for the year attributable to the shareholders		- 2970
Other comprehensive income:		
Items that may be reclassified to profit or loss		0
Items that will not be reclassified to profit or loss		0
Other comprehensive income, net of tax		**0**
Total comprehensive income/(loss) for the period		**- 2 970**
Total comprehensive income/(loss) attributable to shareholders		**- 2 970**

PARENT

Statement of financial position

Amounts in NOK '000.	Note	31.12.19
ASSETS		
Non-current assets		
Deferred tax asset	3	838
Loans to related parties	5,9	1 785 855
Shares in subsidiaries	6	2 121 300
Interest derivatives	8	5 894
Total non-current assets		**3 913 887**
Current assets		
Trade and other receivables		689
Bank deposits	11	248
Total current assets		**937**
TOTAL ASSETS		**3 914 824**

Amounts in NOK '000.	Note	31.12.19
EQUITY AND LIABILITIES		
Equity		
Paid-in equity		
Share capital	2	150
Share premium reserve	2	2 121 180
Total paid-in equity		**2 121 330**
Earned equity		
Other equity		- 2 970
Total earned equity		**- 2 970**
Total equity		**2 118 360**
Liabilities		
Non-current liabilities		
Borrowings	7	1 777 133
Total non-current liabilities		**1 777 133**
Current liabilities		
Borrowings	7	16 532
Trade and other payables		2 800
Total current liabilities		**19 331**
Total liabilities		**1 796 465**
TOTAL EQUITY AND LIABILITIES		**3 914 824**

Oslo, 29 April 2020

James Byrne Murphy
Chairman of the Board

Torleif Dahl
Board member

Simen Weiby
Board member

Wiljar Nesse
CEO

PARENT

Statement of changes in equity

Amounts in NOK '000.	Note	Share capital	Share premium reserve	Other equity	Total equity
Balance at 1 January 2018		**0**	**0**	**0**	**0**
Foundation, 5 March 2019		30	0	0	30
Share capital contribution in kind, 24 April 2019		120	2 121 180		2 121 300
Profit for the period				- 2 970	- 2 970
Other comprehensive income		0	0	0	0
Balance at 31 December 2019		**150**	**2 121 180**	**- 2 970**	**2 118 360**

PARENT

Statement of cash flow

Amounts in NOK '000.	Note	2019
Cash flows from operating activities		
Profit before income tax		- 3 808
Adjusted for:		
Financial activities		3 640
Change in trade and other receivables		- 689
Change in trade and other payables		2 800
Net cash from operating activities		**1 942**
Cash flows from investing activities		
Issue of loan to related party	10	- 1 752 027
Net cash from investing activities		**- 1 752 027**

Amounts in NOK '000.	Note	2019
Cash flows from financing activities		
Issue of bond loan	7	1 773 615
Short term loan from related parties		24 196
Interests paid		- 47 479
Net cash from financing activities		**1 750 333**
Net change in cash and cash equivalents		**248**
Carried forward cash and cash equivalents		0
Cash and cash equivalents on closing date		**248**
Of which restricted cash and cash equivalents		0

NOTE 1 – ACCOUNTING PRINCIPLES

DigiPlex Norway Holding 2 AS ("the Company") is a Norwegian private limited liability company incorporated on 5 March 2019 and regulated by the Norwegian Private Limited Liability Companies Act and supplementing Norwegian laws and regulations. The Company is registered in the Norwegian Companies Registry with company registration number 922 393 257, its registered business address is Ulvenveien 82E, 0581 Oslo, Norway.

The financial statements have been prepared on a historical cost basis, and in accordance with IFRS as adopted by the EU, and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in the notes to these financial statements.

The financial statements have been prepared on a going concern basis.

Subsidiaries
Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

General principles and definitions

Classification and valuation of balance sheet items
Assets intended for long-term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Receivables are classified as current assets if they are recoverable within one year after the transaction date. Similar criteria apply to liabilities.

Current assets are valued at the lower of purchase cost and net realisable value. Short term liabilities are reflected in the balance sheet at nominal value on the establishment date.

Recognition and derecognition
Regular purchases and sales of financial assets are recognised on the transaction date and financial liabilities are recognised at the settlement date. On initial recognition of a financial asset or liability, it is measured at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire or when the company transfers the financial asset in a transaction where all or virtually all risk and opportunities for profit related to ownership of the asset are transferred. Financial liabilities are derecognised from the balance sheet when they have ceased to apply – in other words, when the obligation specified in the contract is fulfilled, cancelled or expired.

Classification
The company classifies financial instruments in the categories at fair value through profit and loss and at amortised cost. The classification depends on the purpose the instrument, and the company assesses the classification of financial instruments on their acquisition.

Financial instruments at fair value through profit and loss

Financial instruments at fair value through profit and loss are derivatives.

Financial instruments at amortised cost

The company's financial instruments at amortised cost primarily comprise borrowings and bank deposits as well as receivables

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any differences between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the duration of the borrowings.

Loans to related parties
Loans to related parties are recognised initially at fair value, net of transaction costs incurred. Loans are subsequently stated at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents are classified at amortised cost. They include cash in hand, bank deposits and other current highly liquid investments with original maturities of three months or less. Bank overdrafts are included in borrowings in the balance sheet under current liabilities.

Trade payables
Trade payables were assessed at amortised cost.

Impairment
Impairment of financial assets, primarily loans to group companies, is based on an expected credit loss model. The expected 12

Derivatives and hedging

The company's interest-rate swap contract is used as economic hedge. Hedge accounting is not applied.

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently recognised continuously at their fair value. Changes in the fair value of derivatives are recognised in the income statement under change in market value of financial derivative instruments.

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents are classified at amortised cost. In the statement of cash flows, cash and cash equivalents includes cash in hand and deposits held at call with banks.

Taxation
Income tax expense represents the current tax calculated on taxable profits for the year, any adjustments in respect of prior periods and the deferred tax charge or credit for the year.

Financial risk management

(i) Currency risk
The company operates domestically and is

(ii) Interest rate risk on cash flows
The Company's interest rate risk arises from a long-term bond loan. Borrowings issued at variable rates expose the company to cash flow interest rate risk. The interest on the bond loan is adjusted quarterly.

At 31 December 2019, if the Norwegian key policy rate had been 10 basis points higher/ lower with all other variables held constant, post-tax profit for any half year would have been approximately NOK 900,000 higher/ lower, as a result of higher/lower interest expense on bond borrowings.

Credit risk
Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to loans to related parties, including outstanding receivables and committed transactions. Management assesses the credit quality of the related parties, taking into account its financial position, past experience and other factors. Credit risk related to bank insolvency is closely monitored.

Liquidity risk
The Company's finance department monitors rolling forecasts of the company's liquidity requirements to ensure it has sufficient cash to meet operational needs, while maintaining sufficient headroom at all times so that the company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Amounts in NOK '000.	Bond loan	Trade payables and other liabilities
< 1 year	101 340	2 800
1 - 3 years	202 680	0
3 - 5 years	1 935 120	0
> 5 years	0	0
Expected cash flow	**2 239 140**	**2 800**
Book value	**1 793 665**	**2 800**

The carrying amount of cash and cash equivalents and bank overdrafts approximates fair value because these instruments have a short-term maturity date. Similarly, the carrying amount of accounts receivable and accounts payable approximates fair value as the impact of discounting is not significant.

The bond loan was issued at 30 April 2019. Fair value of the bond loan is correspond to the issuer price. The bond was listed on the Oslo Stock Exchange on 22 October 2019.

NOTE 2 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Shareholders	Number of shares	Ownership
DigiPlex Norway Holding 1 AS	300	100%
Total	**300**	**100%**

The share capital of NOK 150 000 consists of 300 shares at a par value of NOK 500 each. All shares have equal rights.

NOTE 3 – TAX

Amounts in NOK '000.	2019
Tax payable	0
Change in deferred tax	- 838
Income tax expense	**- 838**
Calculation of tax payable	
Profit before income tax	- 3 808
Change in temporary differences	- 28 761
Change in tax losses carry forward	32 569
Basis for tax payable	**0**
Tax rate for calculation of tax payable	**22%**
Calculated tax payable	**0**

Amounts in NOK '000.	31.12.2019	05.03.2019	Change
Temporary differences			
Interest derivatives	5 894	0	5 894
Capitalised transaction cost	22 867	0	22 867
Total temporary differenses	**28 761**	**0**	**28 761**
Tax loss carry forward	- 32 569	0	- 32 569
Basis for deferred tax asset in the balance sheet	**- 3 808**	**0**	**- 3 808**
Tax rate for calculation of deferred tax / deferred tax asset	**22%**	**22%**	
Calculated deferred tax / deferred tax asset	**- 838**	**0**	**- 838**
Deferred tax / deferred tax asset in balance sheet	**- 838**	**0**	**- 838**

Deferred tax asset is recognised. Deferred income tax assets are recognised for tax loss carry forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

NOTE 4 – PAYROLL EXPENSES, REMUNERATIONS ETC.

The company has no employees. As there are no employees in the company, there is no obligation to establish a pension fund which is applicable for all employees (Norwegian: OTP).

Other remunerations

Amounts in NOK '000.	2019
Remuneration, Board of Directors	0
Auditor's fee, staturory audit	78
Auditor's fee, other services	65
Total	**143**

NOTE 5 – LOANS TO GROUP COMPANIES

Amounts in NOK '000. Long term debt	Relationship	2019
DigiPlex Norway Holding 1 AS	Parent company	258 246
DigiPlex Norway AS	Subsidiary	387 459
DigiPlex Rosenholm AS	Subsidiary	246 263
DigiPlex Fet AS	Subsidiary	893 888
Total		**1 785 855**

NOTE 6 – SHARES IN SUBSIDIARIES

Amounts in NOK '000. Name of company	Location (municipality)	Ownership	Book value
DigiPlex Norway AS	Oslo	100%	1 209 141
DigiPlex Rosenholm AS	Oslo	100%	395 976
DigiPlex Fet AS	Lillestrøm	100%	516 183
Total			**2 121 300**

NOTE 7 – BORROWINGS

Amounts in NOK '000.	2019
Bond loan	1 800 000
Capitalised transaction cost	- 22 867
Book value at amortised cost	**1 777 133**

The lending facility was drawn up by DigiPlex Holding 2 AS at 30 April 2019. The borrowing limit is 2 250 000 000 of which 1 800 000 000 was drawn up in tranche 1. The bond shall be repaid in full on final maturity date 30 April 2024.

Interest payment quarterly. Reference rate is NIBOR 3 months + 365 bps.

As security for the loan DigiPlex Norway AS, DigiPlex Rosenholm AS and DigiPlex Fet AS all has issued jointly and several, unconditional and irrevocable Norwegian law guarantee and indemnity.

See also note 14 to the Group financial statements for more details.

NOTE 8 – DERIVATIVES AND HEDGING

In 2019, the Group entered into a forward interest rate agreement to hedge 50% of the floating interest rate exposure of the bond loan. The forward interest rate agreement for the bond loan is fixed at 171.5 bps.

NOTE 9 – FINANCIAL INSTRUMENTS

Financial assets represent contractual rights for the company to receive cash or other financial assets in the future. Financial liabilities correspondingly represent contractual obligations for the company to make future payments. Financial instruments are included in several accounting lines in the company's balance sheet and income statement, and are classified in different categories in accordance with their accounting treatment.

The interest derivative is measured at fair value using information according to level 2 of the fair value hierarchy as presented in IFRS 13. The company's bond loan is listed on the Oslo Stock Exchange and the fair value of the loan is NOK 1,872 million at 31 December 2019 using information according to level 2 of the fair value hiearchy. The bond loan is measured at amortised cost.

The remaining financial instruments are measured at amortised cost is assumed equal to fair value. A categorisation of the company's financial instruments is presented below.

Amounts in NOK '000.	Amortised cost	Fair value through profit or loss	Other items	Total
Assets				
As at 31 December 2019				
Loans to related parties	1 785 855	0	0	1 785 855
Interest derivatives	0	5 894	0	5 894
Trade receivables (non interest bearing)	0	0	0	0
Other receivables (non interest bearing)	0	0	689	689
Cash and cash equivalents	248	0	0	248
Total financial assets as at 31 December 2019	**1 786 103**	**5 894**	**689**	**1 792 687**

Amounts in NOK '000.	Amortised cost	Fair value through profit or loss	Other items	Total
Liabilities				
As at 31 December 2019				
Borrowings	1 793 665	0	0	1 793 665
Trade payables (non interest bearing)	16	0	0	16
Other current liabilities (non interest bearing)	2 783	0	0	2 783
Total financial liabilities as at 31 December 2019	**1 796 465**	**0**	**0**	**1 796 465**

NOTE 10 – RELATED PARTY DISCLOSURES

The company is controlled by DigiPlex Norway Holding 1 AS, which in turn is ultimately jointly controlled by William Conway and James Byrne Murphy.

The following transactions were carried out with related parties:

Amounts in NOK '000.	2019
Related party transactions	
Interest charged	58 024
Total	**58 024**

Long term loans to related parties:

Amounts in NOK '000.	2019
As of 1 January	
Loans advanced	1 785 855
As of 31 December	**1 785 855**

The loan issued in 2019 is to DigiPlex Norway Holding 1 AS and subsidiaries listed below. The loan is interest bearing (NIBOR 3 months + 365 bps), unsecured intra-group loan and with no set repayment date.

The Company has identified the following related parties:

Name of company	Type of relationship	Type of services
DigiPlex Norway Holding 1 AS	Parent	Financing and Support services
DigiPlex Fet 2 AS	Related party	Support services
DigiPlex Holtskogen AS	Related party	Support services
DigiPlex Stockholm 1 AB	Related party	Support services
DigiPlex Stockholm 2 AB	Related party	Support services
DigiPlex Copenhagen 1 Aps	Related party	Support services
DigiPlex Copenhagen 2 Aps	Related party	Support services
DigiPlex London 1 Limited	Related party	Support services
Kitebrook Partners LLC	Related party	Management services
DigiPlex Fet LLC	Related party	Financing
DigiPlex Rosenholm LLC	Related party	Financing
DigiPlex Norway Acquisitions LLC	Related party	Financing

NOTE 11 – RESTRICTED CASH

The company has no restricted cash at year end.

Alternative performance measures

DigiPlex Norway Holding 2 AS Group's financial information is prepared in accordance with International Financial Reporting Standards ('IFRS'). Additionally, some alternative performance measures have been provided, these are defined as follows:

CAGR
The annual growth rate over a period of years, calculated on the basis that each year's growth is compounded.

EBITDA
Earnings before interest, tax, depreciation and amortisation.

DESIGN PUE
Power Usage Effectiveness (PUE) is the relation between the total energy entering a data center and the energy used by the IT equipment inside the data center.

NUMBER OF CARRIERS
Carriers are network providers in the data centres and a higher number of carriers at a data center provide the customer with more connection options at the site.

TOTAL WHITE SPACE
The space allocated or contracted to customers, for their IT equipment.

WEIGHTED AVERAGE CONTRACT TERM
A calculation which shows the weighted average amount of time until contract expiry for all running contracts at the site. Early termination options and extension options are not considered.

Statement by the Board of Directors and CEO

We confirm that, to the best of our knowledge, the financial statements for the Group for 2019 have been prepared in accordance with IFRS as adopted by the EU, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

The Board of Directors' report provides a true and fair review of the development, profit or loss and position of the Group and the Parent company.

Oslo, 29 April 2020

James Byrne Murphy
Chairman of the Board

Torleif Dahl
Board member

Simen Weiby
Board member

Wiljar Nesse
CEO

Auditor's report

pwc

To the General Meeting of Digiplex Norway Holding 2 AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Digiplex Norway Holding 2 AS, which comprise:

- The financial statements of the parent company Digiplex Norway Holding 2 AS (the Company), which comprise the statement of financial position as at 31 December 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Digiplex Norway Holding 2 AS and its subsidiaries (the Group), which comprise of the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm

The 3 companies Digiplex Norway AS, Digiplex Rosenholm AS and DigiPlex Fet AS, all containing largely the same type of business activities, have combined during the year, to form; The Digiplex Norway Holding 2 Group. The combination has been an important focus area during our audit.

Key Audit Matter	How our audit addressed the Key Audit Matter
Business combinations under common control The Digiplex Norway Holding 2 group is established as the result of a reorganization of Digiplex Norway AS, Digiplex Rosenholm AS and DigiPlex Fet AS. The 3 companies are combined under the principle of common control where the tree previously uncombined businesses have been contributed in kind to Digiplex Norway Holding 2 thus forming the Digiplex Norway Holding 2 group. The accounting treatment of transactions under common control are scoped out of IFRS 3. As a result, management has used judgement developed a policy which is relevant to the decision-making needs of users and that is reliable. The judgmental policy choice had a material effect on the financial statements of the group and has as a consequence been considered a key audit matter.	We obtained and spent time understanding the content of relevant documents pertaining to company law and the underlying transactions, managements accounting memo and relevant accounting standards. To further support our understanding, we carried out meetings and discussions with the company's management team and advisors We assessed the appropriateness of the accounting treatment applied to the business combination under common control by comparing our knowledge about the transaction with relevant standards and relevant accounting principles. We included our own internal accounting specialists in our work. We further compared the accounting treatment choses by management to the treatment of similar business combinations. We found that management based their conclusions using predecessor values reasonable as the reorganization lack substance from an accounting perspective In addition, we performed detailed substantive procedures in order to evaluate the accuracy and completeness of recognition and presentation of the transaction including tracing entries to predecessor accounting values from the individual entities involved in the business combination under common control. We evaluated the appropriateness of the related disclosures in note 3.1 and found that they gave reasonable information of the accounting implication of the business combination under common control.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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 or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting 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 and the Group'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 and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 29 April 2020
PricewaterhouseCoopers AS

Stig Lund
State Authorised Public Accountant

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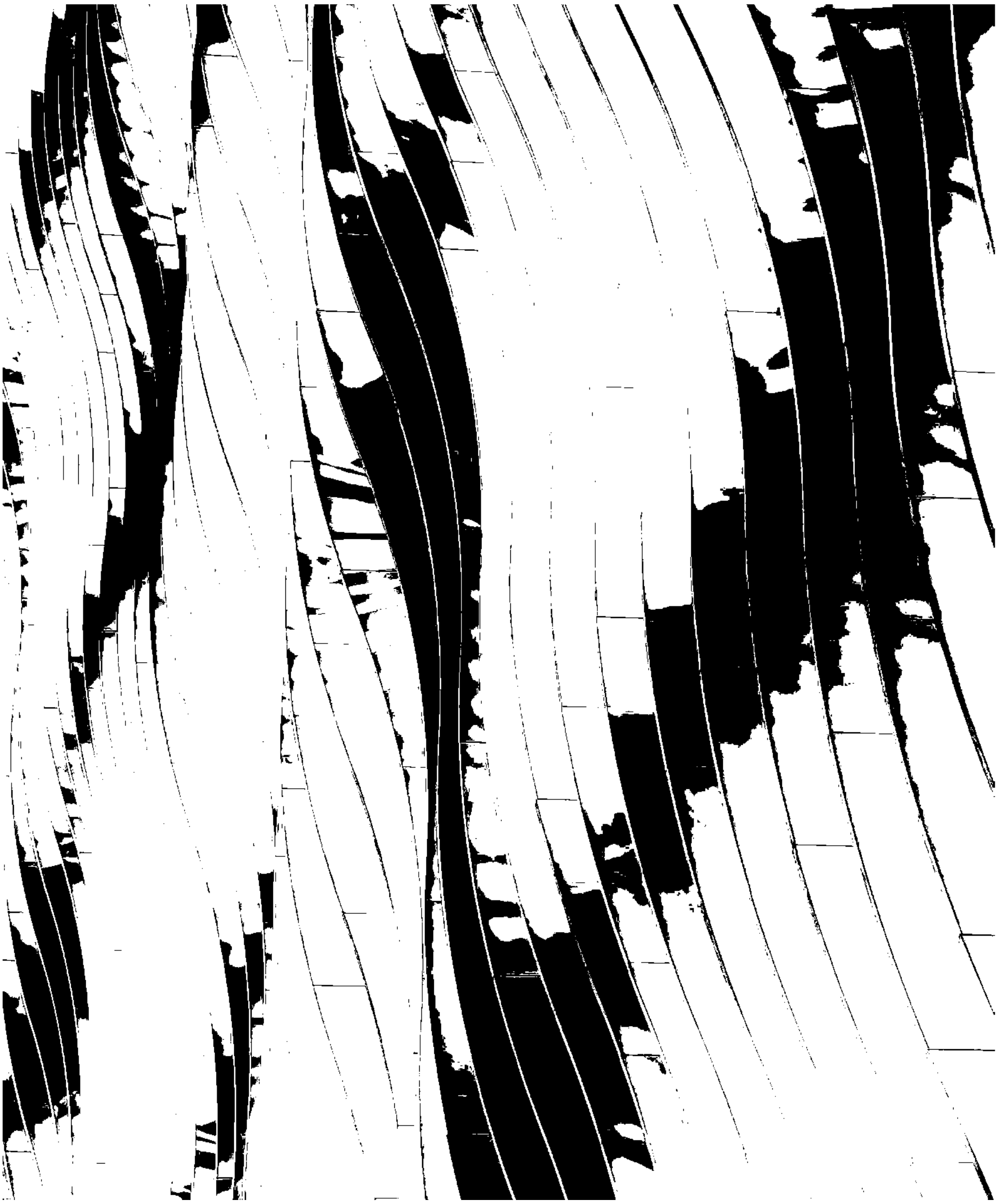

Skatteetaten

Vår dato 05.06.2019	Din/Deres dato 07.05.2019	Saksbehandler Henning Stokke
800 80 000 Skatteetaten.no	Din/Deres referanse Alexandra Wallestad	Telefon 800 80 000
Org.nr 974761076	Vår referanse 2019/5921625	Postadresse Postboks 9200 Grønland 0134 OSLO

DigiPlex Norway AS
Ulvenveien 82E
0581 OSLO

Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk

Vi viser til deres brev av 7. mai 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

DigiPlex Norway Holding 1 AS	org.nr. 922 393 265
DigiPlex Norway Holding 2 AS	org.nr. 922 393 257

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering selskapene nevnt ovenfor dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Fra søknaden gjengis:

> *Begge selskaper er holdingselskaper med formål om å konsolidere de underliggende driftsselskapene.*
>
> *DigiPlex Norway Holding 2 AS (DNH2), som er heleid av DigiPlex Norway Holding 1 AS, inngår DigiPlex Norway AS, DigiPlex Rosenholm AS og DigiPlex Fet AS. For samtlige av disse selskapene utarbeides det årsregnskap og årsberetning på engelsk allerede.*
>
> *DigiPlex Norway Holding 1 AS (DNH1) er holding for DigiPlex Holding 2 AS, DigiPlex Fet 2 AS og DigiPlex Holtskogen AS som er under etablering i disse dager. Selskapet er heleid av de amerikanske selskapene DigiPlex Norway LLC, DigiPlex Rosenholm LLC og DigiPlex Fet LLC. Selskapenes styreleder og styremedlemmer er engelskspråklige og selskapene opererer i en internasjonal bransje med engelsk som arbeidsspråk. Regnskapsinformasjon internt i selskapet utarbeides også på engelsk.*
>
> *Det vises til at det er allerede gitt dispensasjon til selskapene DigiPlex Fet AS, DigiPlex Rosenholm AS, DigiPlex Norway AS og DigiPlex Fet 2 AS.*

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er del av et utenlansk konsern. Eierkretsen er begrenset. I tillegg opererer selskapene i en internasjonal bransje, og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Juridisk avdeling, næring
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2