



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	998 622 719
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	BRENT HOLDING AS
Forretningsadresse:	Hinna Park - Stadion blokk C Jåttåvågveien 7 4020 STAVANGER

### Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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### Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Arve Grude
Dato for fastsettelse av årsregnskapet:	22.06.2022

### Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert  
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

*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, 23.08.2023



### Resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	1	0	2 158 812
<b>Sum inntekter</b>		<b>0</b>	<b>2 158 812</b>
<b>Kostnader</b>			
Employee benefits expense	6	0	1 037 714
Other expenses	6	279 587	435 123
<b>Sum kostnader</b>		<b>279 587</b>	<b>1 472 837</b>
<b>Driftsresultat</b>		<b>-279 587</b>	<b>685 975</b>
<b>Finansinntekter og finanskostnader</b>			
Group contribution	2	95 598 895	0
Renteinntekt fra foretak i samme konsern	1	3 360 089	
Annen renteinntekt		6 665	9 346
<b>Sum finansinntekter</b>		<b>98 965 649</b>	<b>9 346</b>
Rentekostnad til foretak i samme konsern	1	155 704 169	155 493 319
Other financial expenses		3 749 959	3 476 934
<b>Sum finanskostnader</b>		<b>159 454 128</b>	<b>158 970 253</b>
<b>Netto finans</b>		<b>-60 488 479</b>	<b>-158 960 907</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-60 768 066</b>	<b>-158 274 932</b>
Income taxes	5	-13 368 975	-11 124 878
<b>Ordinært resultat etter skattekostnad</b>		<b>-47 399 091</b>	<b>-147 150 054</b>
<b>Årsresultat</b>		<b>-47 399 091</b>	<b>-147 150 054</b>
<b>Overføringer og disponeringer</b>			
Transferred from other equity	4	-47 399 091	-147 150 054
<b>Sum overføringer og disponeringer</b>		<b>-47 399 091</b>	<b>-147 150 054</b>



### Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	5	17 893 853	4 524 878
<b>Sum immaterielle eiendeler</b>		<b>17 893 853</b>	<b>4 524 878</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	2,8	1 958 810 472	1 958 810 472
Lån til foretak i samme konsern	1	37 047 061	32 508 942
<b>Sum finansielle anleggsmidler</b>		<b>1 995 857 533</b>	<b>1 991 319 414</b>
<b>Sum anleggsmidler</b>		<b>2 013 751 386</b>	<b>1 995 844 292</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Other short-term receivables		43 198	6 903 670
Konsernfordringer	1	95 668 035	43 041 896
<b>Sum fordringer</b>		<b>95 711 233</b>	<b>49 945 566</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	7	6 322 531	1 607 533
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>6 322 531</b>	<b>1 607 533</b>
<b>Sum omløpsmidler</b>		<b>102 033 764</b>	<b>51 553 099</b>
<b>SUM EIENDELER</b>		<b>2 115 785 150</b>	<b>2 047 397 391</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	3,4	50 409 400	50 409 400
Overkurs		61 108 372	61 108 372



### Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Sum innskutt egenkapital</b>		<b>111 517 772</b>	<b>111 517 772</b>
<b>Opptjent egenkapital</b>			
Udekket tap		47 399 091	
<b>Sum opptjent egenkapital</b>		<b>-47 399 091</b>	
<b>Sum egenkapital</b>		<b>64 118 681</b>	<b>111 517 772</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	1	2 051 666 385	1 935 536 670
<b>Sum annen langsiktig gjeld</b>		<b>2 051 666 385</b>	<b>1 935 536 670</b>
<b>Sum langsiktig gjeld</b>		<b>2 051 666 385</b>	<b>1 935 536 670</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld			230 900
Public duties		85	13 921
Other current liabilities			98 128
<b>Sum kortsiktig gjeld</b>		<b>85</b>	<b>342 949</b>
<b>Sum gjeld</b>		<b>2 051 666 470</b>	<b>1 935 879 619</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 115 785 151</b>	<b>2 047 397 391</b>



## Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	30.10.2014	07.11.2014
Telefon	Deres referanse	Vår referanse
22078139	Per Morten Torvildsen	2014/810909

BRENT HOLDING AS  
Hinna Park - Stadion blokk C Jättåvågveien 7  
4020 STAVANGER

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres søknad av 30. oktober 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

**Brent Holding AS** org. nr. 998 622 719  
**Brent Invest AS** org. nr. 998 622 735  
**Tampnet AS** org. nr. 983 991 742

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at 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

Brent Holding AS er morselskap til Brent Invest AS og Tampnet AS. Morselskapet til Brent Holding AS er Brent Infrastructure I BV som kontrolleres av equityfondet EQT. Konsernet driver innenfor telekommunikasjon ut til sokkel og har en strategi om å utvide til å bli en internasjonal tilbyder av disse tjenestene. Kundene er hovedsakelig oljeselskaper. Foruten aktiviteten i de norske selskapene nevnt ovenfor, har konsernet datterselskaper i Australia, Skottland og i USA. Selskapet opererer i en bransje hvor engelsk er det klart dominerende språket. Virksomheten er internasjonal og alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Arbeidsspråket er engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### 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.”*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene inngår i et utenlandsk konsern. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



Skatteetaten

Vår dato  
26.11.2021

Din/Deres dato  
16.11.2021

Saksbehandler  
Lars Waalorp

800 80 000  
Skatteetaten.no

Din/Deres referanse  
AR455351528

Telefon  
90833418

Org.nr  
974761076

Vår referanse  
2021/6573594

Postadresse  
Postboks 9200 Grønland  
0134 OSLO

BRENT HOLDING AS  
Hinna Park - Stadion blokk C  
4020 STAVANGER

Att. Arve Grude

## Fritak for konsernregnskapsplikt for Brent Holding AS, org.nr. 998 622 719

Vi viser til deres brev av 16. november 2021 hvor dere søker om fritak fra plikten til å utarbeide konsernregnskap for Brent Holding AS.

Skattekontoret finner med hjemmel i regnskapsloven § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for Brent Holding AS. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

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

### Bakgrunn

Brent Holding AS er morselskap i et underkonsern, hvor Colombo Bidco Ltd. er det ultimate morselskapet og er hjemmehørende i Storbritannia. Konsernregnskap utarbeides av Colombo Bidco Ltd. på engelsk språk etter IFRS, hvor Brent Holding AS med datterselskaper er omfattet.

### Skattekontorets vurdering

Det forutsettes at Colombo Bidco Ltd. utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskaper. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med IFRS og at kravene i regnskapsloven § 3-7 med forskrifter for øvrig følges. Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 7. september 2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten å være på norsk, kan være på svensk, dansk eller engelsk.

Skattekontoret gir etter en konkret helhetsvurdering tillatelse til at det gjøres unntak for konsernregnskapsplikten.



Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp  
seniorrådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*



**2021 Directors report and financial statements**

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**BRENT HOLDING AS, org.nr 998 622 719**



## 2021 Directors report and financial statements

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**BRENT HOLDING AS, org.nr 998 622 719**

### Annual report from the Board of Directors for 2021

#### Company business and location

Brent Holding AS holds 100 % of the shares in the subsidiary Tampnet AS. Tampnet AS is the Norwegian operating company and owns the shares in the foreign subsidiaries Tampnet Sweden AB, Tampnet Netherlands B.V., Tampnet Telecom do Brasil Ltda (99.5% ownership) and Tampnet Oceania Pty.

Brent Holding AS and its subsidiaries serves more than 200 Oil & Gas ("O&G") platforms, Floating Production Storage and Offloading units (FPSOs) and exploration rigs on the Danish, Dutch, and Norwegian continental shelves of the North Sea. The infrastructure consists of submarine fibre-optic cables, a network of radio lines and an LTE network in the central part of the North Sea. The company has through its subsidiaries Tampnet AS, Tampnet Netherlands B.V., and Tampnet Sweden AB agreements for delivery of communication services to oil and gas operators in the North Sea. These contracts are mostly long-term contracts based on a duration of 3-10 years with extension options. The Company is continuously working to enter into new agreements to connect new customers in the North Sea.

The financial development and results discussed below for Brent Holding AS is based on NGAAP.

The company is managed from offices in Jättåvågen 7, Hinna Park in the municipal of Stavanger, Norway.

#### Financial development and results

The income statement for 2021 shows a loss of NOK 47.4 million compared to a loss of NOK 147.2 million in 2020. Total assets at 31.12.2021 were NOK 2 115.8 million and at 31.12.2020 it was NOK 2 047.4 million. The equity share at 31.12.2021 was 3% compared to 5.4% at 31.12.2020. Total cash flows used in operating activities was NOK 101.5 million in 2021 compared to NOK -34.4 million in 2019.

The company is a holding company and is financed through its foreign parent company Colombo Bidco Ltd. The financial position of the company is satisfactory. The Board and management are satisfied with the company's result and development.

#### Financial risk

The company's financial risk coincides for most part with the financial risks of its subsidiaries. These companies' purpose is to operate high speed communication networks offshore, and to offer future-oriented communication solutions to oil and gas operators. Historically, these companies have had a low rate of bad debt, with customers consisting mainly of oil companies with solid economic capacity. The anticipated future return of Brent Holding AS's subsidiaries is considered sufficient for the company to be able to honor its future commitments.



## 2021 Directors report and financial statements

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### Future outlook

The group's telecom infrastructure plays a key role in enabling new and cost-effective ways of operating offshore assets. The modern oil industry is developing remote and intelligent operations where more manpower and expertise can be placed onshore and decision making is both improved and accelerated. Consequently, the offshore market demand for low latency, high capacity and reliable telecommunication services is fundamentally strong. In 2020 however, the market for our services was impacted by the global pandemic of Sars Covid-19 and the reduction in oil demand and oil price that followed. We experienced some early decommissioning of fixed production units, less exploration activity as well as some delays in accessing units to install our equipment and start new services for our clients. In 2021 although there was still some impact on our work practices from Sars Covid-19, the market recovered well, and we saw an improvement in oil demand and oil prices assisting that recovery. As a result, investments returned to the offshore industry, not only in Oil and Gas but also in energy transition areas such as windfarms. Decommissioning of fixed production units are back to normal and exploration activity has increased. These factors have impacted our revenue growth positively.

The company has high expectations for the increasing coverage of the group's 4G network which continued in 2021, in addition to the increased coverage from further extending our Fibre Optic Cable (FOC) network.

The group has high expectations for the increasing coverage of the group's 4G network which continued in 2021, in addition to the increased coverage from further extending our Fibre Optic Cable (FOC) network.

Entering the offshore renewable energy sector was a key strategic priority and although early in our development, successful inroads were made into this new market during the year.

The company quickly adapted the business to the consequences of the pandemic, changing ways of working internally and externally to safe-guard personnel and operations. Customers' covid 19 guidelines have been implemented (travel, meetings and offshore work), and internal protocols have been updated in accordance with local regulations. A number of employees have tested positive for Covid-19, without having any material impact on our business.

We have facilitated flexible working conditions and had a strong focus on keeping our employees safe throughout the period.

### Reporting on the Norwegian Gender Equality Act

Brent Holding AS has no employees.

The Board of Directors is comprised of two males and no female. The Board of Directors is not aware of circumstances where the group nor Brent Invest AS is in non-compliance with the Norwegian Gender Equality Act.

### Working Environment

The company has no employees.

### Going concern

The Board confirms that the going concern criteria are met under the Accounting Act § 3-3 for the group and for the company, and the financial statements have been prepared accordingly. The Board considers that the financial statement fairly presents the financial position of the company as of 31 December 2021.

### Environmental reporting

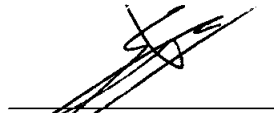
The activities of the company are not considered to negatively impact the external environment. When installing new fiber cables offshore or performing maintenance on such cables, the external environment may however be impacted. There were no reported incidents that impacted the external environment negatively during the year.



## 2021 Directors report and financial statements


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Stavanger, June 22, 2022



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Elie Hanna  
Chairman of the Board  
CEO




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Ulf Bonnevier  
Board Member



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Matthew Giles Barker  
Board Member



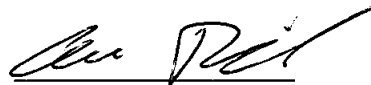
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Scott Moseley  
Board Member



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Christian Grinde  
Board Member



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Oscar Tylegård  
Board Member



## Brent Holding AS

### Statements of income

	Note	2021	2020
<b>Operating expenses</b>			
Revenue	1	-	2 158 812
Total Revenue		<u>-</u>	<u>2 158 812</u>
Employee benefits expense	6	-	1 037 714
Other expenses	6	279 587	435 123
Operating expenses		<u>279 587</u>	<u>1 472 837</u>
Operating profit/loss		<u>-279 587</u>	<u>685 975</u>
<b>Financial income and expenses</b>			
Interest income from group companies	1	3 360 089	-
Interest income		6 665	9 346
Group contribution	2	95 598 895	-
Interest expense to group companies	1	-155 704 169	-155 493 319
Other financial expenses		-3 749 959	-3 476 934
Net financial income and expenses		<u>-60 488 479</u>	<u>-158 960 908</u>
<b>Result before income tax</b>		<u>-60 768 066</u>	<u>-158 274 933</u>
Income taxes	5	13 368 975	11 124 878
<b>Result after income tax</b>		<u>-47 399 091</u>	<u>-147 150 055</u>
<b>Net income / annual result</b>		<u>-47 399 091</u>	<u>-147 150 055</u>
<b>Attributable to</b>			
Transferred from other equity		47 399 091	147 150 055
<b>Total</b>	4	<u>-47 399 091</u>	<u>-147 150 055</u>



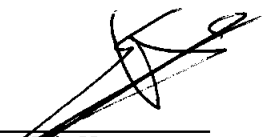

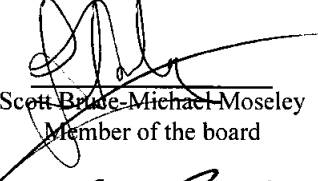


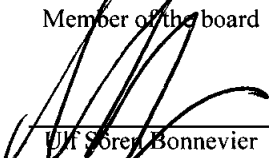
## Brent Holding AS

### Balance sheet

Assets	Note	2021	2020
<b>Non-current assets</b>			
Deferred tax assets	5	17 893 853	4 524 878
<b>Total intangible assets</b>		<b>17 893 853</b>	<b>4 524 878</b>
<b>Financial fixed assets</b>			
Investments in subsidiaries	2, 8	1 958 810 472	1 958 810 472
Loans to group companies	1	37 047 061	32 508 942
<b>Total non-current financial assets</b>		<b>1 995 857 533</b>	<b>1 991 319 414</b>
<b>Total non-current assets</b>		<b>2 013 751 386</b>	<b>1 995 844 292</b>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from group companies	1	95 668 035	43 041 896
Other short-term receivables		43 198	6 903 670
<b>Total receivables</b>		<b>95 711 233</b>	<b>49 945 566</b>
<b>Cash and cash equivalents</b>	7	<b>6 322 531</b>	<b>1 607 533</b>
<b>Total current assets</b>		<b>102 033 764</b>	<b>51 553 099</b>
<b>Total assets</b>		<b>2 115 785 150</b>	<b>2 047 397 390</b>

**Brent Holding AS****Balance sheet**

Equity and liabilities	Note	2021	2020
<b>Equity</b>			
<b>Paid in capital</b>			
Share capital	3, 4	50 409 400	50 409 400
Share premium	4	61 108 372	61 108 372
<b>Total paid in capital</b>		<b>111 517 772</b>	<b>111 517 772</b>
Other equity	4	-47 399 091	-
Total retained earnings		<b>-47 399 091</b>	-
<b>Total equity</b>		<b>64 118 681</b>	<b>111 517 772</b>
<b>Liabilities</b>			
<b>Long term liabilities</b>			
Liabilities to group companies	1	2 051 666 385	1 935 536 670
<b>Total long term liabilities</b>		<b>2 051 666 385</b>	<b>1 935 536 670</b>
<b>Current liabilities</b>			
Accounts payable		-	230 900
Public duties		85	13 921
Other current liabilities		-	98 128
<b>Total current liabilities</b>		<b>85</b>	<b>342 949</b>
<b>Total liabilities</b>		<b>2 051 666 470</b>	<b>1 935 879 619</b>
<b>Total equity and liabilities</b>		<b>2 115 785 150</b>	<b>2 047 397 390</b>

  
Elie Hanna  
CEO/Chairman of the board  
Christian Grinde  
Member of the boardStavanger, 22/0622  
  
Scott Bruce-Michael Moseley  
Member of the board  
Lars Oscar Tylegård  
Member of the board  
Matthew Giles Barker  
Member of the board  
  
Ulf Søren Bonnevier  
Member of the board



## Brent Holding AS

### Cash flow statement

	2021	2020
<b>Cash flows from operating activities</b>		
Result before income taxes	-60 768 066	-158 274 933
Income taxes paid	6 600 000	-31 409 470
Accumulated interest	155 704 169	155 493 319
Change in accounts payable	-230 900	230 900
Change in other working capital items	148 507	-449 104
<b>Net cash flow from operating activities</b>	<b>101 453 710</b>	<b>-34 409 288</b>
<b>Cash flow used in financing activities</b>		
Repayment of to loan parent company	-30 000 000	-
Change in loan from group companies	-66 738 712	34 201 346
<b>Net cash flow from/used in financing activities</b>	<b>-96 738 712</b>	<b>34 201 346</b>
<b>Net cash flows for the period</b>	<b>4 714 998</b>	<b>-207 942</b>
Cash and cash equivalents at the beginning of the period	1 607 533	99 498
Cash from merger with Brent Invest AS	-	1 715 977
<b>Cash and cash equivalents at the end of the period</b>	<b>6 322 531</b>	<b>1 607 533</b>



## Notes to the financial statements for 2021

### Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. The main accounting principles have been described below.

### Use of estimates

Preparation of financial statements in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Foreign currency

Transactions in foreign currency are translated to NOK at the prevailing exchange rate on the date of the transaction. Monetary items in foreign currency are measured at the foreign exchange rate on the balance sheet date. Realized and unrealized foreign exchange effects are recognized as financial items in the income statement.

### Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Provisions for expected guarantee work are recognised as expenses and provisions for liabilities upon sh. Services are recognised in proportion to the work performed.

### Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

### Classification and valuation of current assets

Assets intended for long term ownership or use have been classified as non-current assets. Other assets are classified as current assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. Current assets are measured at lower of cost or fair market value. Current liabilities are measured at nominal value at their recognition date. Non-current assets are measured at cost, but written down to recoverable amount if the decline in value is not expected to be temporary.

**Subsidiaries and associated companies**

Subsidiaries are measured at cost in the parent company. The investment is measured at acquisition cost unless the investment is impaired. The investments are written down to recoverable amount if the decline in value is not expected to be temporary and it is deemed necessary according to accounting standards and practices. Write downs are reversed when the basis for the write down are no longer present.

Dividends, group contributions and other distributions from subsidiaries are recognised the same year it is allocated in the subsidiary's financial statements. If the dividend/group contribution exceeds the share of earned result after the acquisition, the excess part represents repayment of invested capital, and the dividend/group contribution will be deducted from the book value of the investment in the parent company's financial statement.

**Receivables**

Accounts receivable and other receivables are recognized in the balance sheet at nominal value. Any provision for bad debts is based on an individual assessment of each receivable. Receivables in foreign currency at 31.12 are translated to NOK based on the Central Bank of Norway end of day foreign exchange rate at 31.12. Measurement changes are recorded in the income statement as foreign currency gains/losses.

**Cash flow statement**

The cash flows statement has been prepared based on the indirect method in accordance with the Preliminary accounting standard on cash flows statements from the Norwegian Accounting Standards Board.

**Defined contribution plans**

The company have made contributions to local pension plans. These contributions have been made to the pension plan for full-time employees. The pension premiums are charged to expenses as they are incurred.



## Note 1 Intercompany receivables/payables

Long term receivables/interest	2021		2020	
	Receivables	Interest	Receivables	Interest
Brent Invest AS			-	-
Tampnet AS			-	-
Tampnet Inc	37 047 061	3 360 089	32 508 942	-
<b>Total</b>	<b>37 047 061</b>	<b>3 360 089</b>	<b>32 508 942</b>	<b>-</b>

Short term receivables/interest	2021		2020	
	Receivables	Interest	Receivables	Interest
Tampnet AS	95 486 931		42 117 758	
Tampnet INC	181 104		181 104	
Tampnet AB	-		35 000	
Tampnet BV	-		109 196	
Tampnet UK	-		598 838	
<b>Total</b>	<b>95 668 035</b>	<b>-</b>	<b>43 041 896</b>	<b>-</b>

Long term debt/interest	2021		2020	
	Debt	Interest	Debt	Interest
Colombo Bidco Ltd	1 764 929 254	129 649 596	1 680 279 658	131 450 286
Tampnet UK	286 737 131	26 054 573	255 257 012	23 205 183
Tampnet AS		-		837 850
<b>Total</b>	<b>2 051 666 385</b>	<b>155 704 169</b>	<b>1 935 536 670</b>	<b>155 493 319</b>

## Note 2 Subsidiaries

Name	Location	Carrying Value	Result 2021	Equity 2021
Tampnet AS	Norway	1 958 810 472	73 716 428	366 997 280

Brent Holding AS owns 100% of the shares in the subsidiary. Owner share is equal to voting share. Brent Holding AS has business office in Stavanger.

Brent Holding AS has received group contribution from the group company Tampnet AS of NOK 95.598.895.

Brent Holding AS investment in Tampnet AS is supported by expected cash flows based on financial budgets approved by the Board for the following year, and prognoses approved by management for the subsequent five years.



### Note 3 Number of shares, owners etc.

The share capital in Brent Holding AS as at 31.12 consists of the following share classes:

	<b>Total</b>	<b>Face value</b>	<b>Entered</b>
A-shares	2 289 574	10	22 895 740
B-shares	2 751 366	10	27 513 660
<b>Total</b>	<b>5 040 940</b>		<b>50 409 400</b>

The shares have equal voting rights. A- and B-shares have different dividend rights which are regulated in the company by-laws.

100% of the shares are owned by Colombo Bidco Limited

Brent Holding AS uses the exemption provided by Norwegian Accounting Act § 3-7.

The consolidated accounts which includes Brent Holding AS is prepared by the parent Colombo Investment Holdings Limited and can be collected at the company's registered business address:  
Jåttåvågveien 7, 4020 Stavanger, Norway

### Note 4 Equity

	<b>Share capital</b>	<b>Share premium</b>	<b>Other equity</b>	<b>Total</b>
<b>As at 01.01.2021</b>	<b>50 409 400</b>	<b>61 108 372</b>		<b>111 517 772</b>
Result for the period			-47 399 091	-47 399 091
<b>As at 31.12.2021</b>	<b>50 409 400</b>	<b>61 108 372</b>	<b>-47 399 091</b>	<b>64 118 681</b>



## Note 5 Income taxes

Deferred taxes are calculated on the basis of temporary differences existing between the carrying values and tax values at the balance sheet date. A specification of temporary differences and the calculation

of deferred taxes is provided below. The relationship between the result from the financial statements and taxable income is also presented.

Calculation of income tax expense and taxable result	2021	2020
<b>Tax on ordinary profit/loss:</b>		
Payable tax	-	-
Changes in deferred tax asset	-13 368 975	-11 124 878
<b>Tax expense on ordinary profit/loss</b>	<b>-13 368 975</b>	<b>-11 124 878</b>
<b>Taxable income:</b>		
Ordinary profit/loss before tax	-60 768 066	-158 274 933
<b>Taxable income</b>	<b>-60 768 066</b>	<b>-158 274 933</b>
Group contribution is included in profit before tax	95 598 895	-
<b>Payable tax in balance:</b>		
Tax receivable from taxable loss utilized against prior year profit	-	-6 600 000
<b>Total payable/(receivable) tax in the balance</b>	<b>-</b>	<b>-6 600 000</b>
<b>Reconciliation of the tax expense:</b>		
Result before taxes	-60 768 066	-158 274 933
Calculated tax 22%	-13 368 975	-34 820 485
Tax expense	13 368 975	-11 124 878
<b>Difference</b>	<b>-</b>	<b>-23 695 607</b>
<b>The difference consist of:</b>		
Group contribution recognised through equity		23 695 607
<b>Sum explained differences</b>		<b>23 695 607</b>
The tax effect from temporary differences and loss to be carried forward that has formed the basis for deferred tax/tax advantage, specified on type of temporary differences.		
<b>Temporary differences:</b>		
Interest subject to interest limitation	198 892 367	198 892 366
Not included in the deferred tax calculation	-198 892 367	-198 892 366
Tax losses carried forward	-81 335 694	-50 567 628
Tax losses utilized against prior year profit	-	30 000 000
<b>Basis for calculation of deferred tax</b>	<b>-81 335 694</b>	<b>-20 567 628</b>
Deferred tax asset 22%	-17 893 853	-4 524 878

Deferred tax related to limitation on interest deduction has not been recognised as deferred tax asset, as it is not much likely that the deferred tax asset will be utilised.

Deferred tax related to taxable loss has been recognised as we expect Brent Holding AS forward will be able to utilize the loss against taxable profit.



Brent Holding AS has elected to utilize 2020 tax losses against previous year profit in line with the Norwegian Tax Legislation §§ 16-60 to 16-64.

## Note 6 Payroll expenses and other operating expenses

<b>Salary costs</b>	<b>2021</b>	<b>2020</b>
Salaries	-	914 797
Employment tax	-	118 989
Pension costs	-	-
Other benefits	-	3 928
<b>Total</b>	<b>-</b>	<b>1 037 714</b>

There was one employee until August 2020.

### Pension liabilities

The company is not liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act.

<b>Operating expenses:</b>	<b>2021</b>	<b>2020</b>
Office expenses	-	-
Travel	-	17 061
Consultant fees*	18 000	136 357
Other operating expenses	261 587	281 705
<b>Total Other operating expenses</b>	<b>279 587</b>	<b>435 123</b>

\* Fees to the elected auditor is included in other operating expenses, please make reference to the table below.

<b>Audit fees</b>	<b>2021</b>	<b>2020</b>
Statutory audit including technical assistance with financial statements	18 000	62 688
Other attestation services	-	-
Tax assistance	-	-
Other services	-	73 669
<b>Total</b>	<b>18 000</b>	<b>136 357</b>

## Note 7 Bank deposits

	<b>2021</b>	<b>2020</b>
Restricted cash for employee taxes	-	-
Unrestricted cash per 31.12	6 322 531	1 607 533
<b>Cash in total</b>	<b>6 322 531</b>	<b>1 607 533</b>



## Note 8 Loans and securities

Colombo Bidco Limited's long-term loan is secured by pledges:

	<b>Carrying value 31.12.21</b>
Share charge over the shares in Tampnet AS held by Brent Holding AS	1 958 810 472
Security agreement in respect of Material Receivables, Bank accounts, floating charge over operating assets, inventory/stock in trade and account receivables.	139 080 825

## Note 9 Subsequent events – Russia’s war in Ukraine

Following the war in Ukraine we have assessed implications for the company. Our judgement is that breach of sanctions against Russia could be detrimental as such we have already investigated and taken legal advice together with our owners to make sure that we do not have any business dealings that would be even near a breach of sanctions. Also field life of assets could change our long-term plans and ambitions. Based on market outlook the war has a very limited impact on the market long term outlook. In the general demand for our services and for our clients’ products we see that investment in the sector has been strong for the last year and it is even stronger now since the war began. This has led to an even stronger demand for our services. Drilling is on a record high level and new fields are being sanctioned.

Supply chain shortages were already a factor long before the conflict. This has the potential to delay our new installation projects but does not impact the day to day running of our business and our current earnings. Inflation is running at the highest level we have seen in a long time. We are partly covered through CPI clauses. We are constantly reviewing our prices and have a high awareness on this point. Based on the points above we do not see any of them having material impact on our positive earnings and cash flow development in the next 18-24 months.



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Ernst & Young AS

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www.ey.no  
Medlemmer av Den norske Revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Brent Holding AS

### Opinion

We have audited the financial statements of Brent Holding AS (the Company), which comprise the balance sheet as at 31 December 2021, the statements of income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for opinion

We conducted our audit in accordance with 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 in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), 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.

### Other matters

The financial statements for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 3 June 2021.

### Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the managing director) is responsible for the other information. 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 board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

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## Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with 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, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and 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.



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.

Stavanger, 24 June 2022  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Jan Kvalvik  
State Authorised Public Accountant (Norway)

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# PENNEO

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"By my signature I confirm all dates and content in this document."

**Jan Kvalvik**

Partner

Serial number: 9578-5994-4-497669

IP: 79.160.xxx.xxx

2022-06-24 14:16:01 UTC



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**COLOMBO INVESTMENT HOLDINGS LIMITED**  
11909540

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2021**



## COLOMBO INVESTMENT HOLDINGS LIMITED

### COMPANY INFORMATION

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<b>Directors</b>	Matt Barker Scott Moseley Oscar Tylegard	(Appointed 27 March 2019) (Appointed 27 March 2019) (Appointed 27 March 2019)
<b>Company number</b>	11909540	
<b>Registered office</b>	1 Park Row Leeds Yorkshire England LS1 5AB	
<b>Company secretary</b>	Chief Legal Officer Christian Grinde, Tampnet AS, Jättåvågveien 7, 4020 Stavanger, Norway	
<b>Bankers</b>	SEB United Kingdom, One Carter Lane, London, EC4V 5AN	
<b>Independent auditors</b>	EY LLP 2 St Peter's Square Manchester M2 3EY	



**COLOMBO INVESTMENT HOLDINGS LIMITED**

**CONTENTS**

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	<b>Page</b>
Strategic report	4 - 9
Directors' report	10
Directors' responsibilities statement	11
Independent auditor's report	12 - 15
Consolidated statement of comprehensive income	16
Consolidated and company Balance sheet	17 - 18
Statement of consolidated cash flows	19
Consolidated and company statements of changes in equity	20
Notes to the financial statements	21 - 41



## COLOMBO INVESTMENT HOLDINGS LIMITED

### STRATEGIC REPORT

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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The directors present the strategic report for the Period ended 31 December 2021.

#### **Fair review of the business**

The company was incorporated on 27 March 2019 to be a holding company providing financing, including equity, for the acquisition of Brent Holding AS and its subsidiaries. On 14 March 2019, Colombo Bidco Limited, a UK entity and a fully owned subsidiary within the group headed by the company, acquired all the shares in Brent Holding AS, which was the owner of the Tampnet group. Colombo Holdco Limited, which is the direct owner of Colombo Bidco Limited, is fully owned by Colombo Investment Holdings Limited, a UK entity.

The loss for the Company for the financial period was NOK 23 mill NOK for the year ended 31 December 2021, compared to a loss of 123 mill NOK in prior period. The group had a loss for the financial period January 1 – December 31, 2021, of NOK 135 mill while the group had a loss of NOK 204 mill for the prior period. The revenue of the group is driven by telecommunication services provided to the offshore industry.

The cash position as at 31 December 2021 is NOK 228 mill. The company has a loan owed to its parent company of NOK 996 mill.

#### *Going concern assessment for the period to 30 June 2023*

The company and group are supported through being self-sufficient on future cashflows in order to secure continued operations. The company and the group meet its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty, due to the outbreak of the COVID-19 virus and the war in Ukraine, but we also saw an improvement in oil demand and oil prices leading to increased demand for the group's products. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities. However, the group's vast telecom infrastructure plays a key role in enabling new and cost-effective ways of operating offshore assets.

Having assessed the principal risks and the other relevant matters, the directors consider it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements. The majority of income is contracted and fixed and scenarios have been run assuming very little variable revenue, but which still demonstrate liquidity and compliance with debt covenants.

The group's telecom infrastructure plays a key role in enabling new and cost-effective ways of operating offshore assets. The modern oil industry is developing remote and intelligent operations where more manpower and expertise can be placed onshore and decision making is both improved and accelerated. Consequently, the offshore market demand for low latency, high capacity and reliable telecommunication services is fundamentally strong. In 2020 however, the market for our services was impacted by the global pandemic of Sars Covid-19 and the reduction in oil demand and oil price that followed. We experienced some early decommissioning of fixed production units, less exploration activity as well as some delays in accessing units to install our equipment and start new services for our clients. In 2021 although there was still some impact on our work practices from Sars Covid-19, the market recovered well, and we saw an improvement in oil demand and oil prices assisting that recovery. As a result, investments returned to the offshore industry, not only in Oil and Gas but also in energy transition areas such as windfarms. Decommissioning of fixed production units are back to normal and exploration activity has increased. These factors have impacted our revenue growth positively.

The group has high expectations for the increasing coverage of the group's 4G network which continued in 2021, in addition to the increased coverage from further extending our Fibre Optic Cable (FOC) network.

Entering the offshore renewable energy sector was a key strategic priority and although early in our development, successful inroads were made into this new market during the year.

Our network operations centre performed well delivering continued high-quality services and uptimes to our clients and proving the robustness of our well invested network infrastructure, despite challenges from weather, the pandemic and the fishing industry breaking our subsea cables on a few occasions.

The Board of Directors are satisfied with the development of group and the company and results for the period.

The group quickly adapted the business to the consequences of the pandemic, changing ways of working internally and externally to safe-guard personnel and operations. Customers' covid 19 guidelines have been implemented (travel, meetings and offshore work), and internal protocols have been updated in accordance with local regulations. A number of employees have tested positive for Covid-19, without having any material impact on our business.

We have facilitated flexible working conditions and had a strong focus on keeping our employees safe throughout the period.



## COLOMBO INVESTMENT HOLDINGS LIMITED

### STRATEGIC REPORT

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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##### **Non-financial information statement**

###### • • Environmental matters

The company's subsidiaries provide telecommunications through fibre optic cables and antennas. The company has HESQ procedures and policies in place and manages HESQ issues accordingly. Our activity shall always be in accordance with applicable environmental laws and regulations, regardless of where we operate. No environmental or human incidents have been registered in the last 5 years.

Tampnet has established an ESG strategy approved by the board describing Tampnet's contribution to sustainable operation by ensuring our customers access to affordable, reliable, sustainable and modern telecommunications solutions.

Our most important contribution is to offer services that enable digitization and remote offshore operations, with the goal of reducing carbon footprint.

In addition to increased and systematic awareness internally, we require that our suppliers and partners commit themselves to the UN's Sustainable Development Goals.

The company has a limited environmental impact from travel, office activities, including waste management, energy consumption, CO2 emissions and others. Despite a limited carbon footprint, we have identified areas for improvement. For this, data is collected, analysed and reported systematically.

The company applies the exemption from SECR reporting since the group are exempt from reporting since no companies in the group are obliged to SECR reporting on its own.

###### • The company's employees;

The company has zero employees. The group has 135 employees where 10 are part-time employees and 125 are full-time employees. Gender equality and equal opportunities are ensured through our policies and procedures. The company has 3 Directors where all are male, and none are female. The group has 26 female employees and 109 male employees. The senior management team consists of 1 female and 13 male employees. The company focus on the employees' health and well-being and have achieved a sick leave percentage below average for 2021. The retention rate in the company is very high resulting in a stable, skilled and driven workforce.

###### • Community issues;

The company and the subsidiaries contribute to the communities in which it operates by its activities, including employment of staff, rental of property, purchase of goods and services, and payment of taxes.

###### • Social matters and Respect for human rights;

The company have adopted policies to support the UN sustainability targets including social matters for the communities in which we operate.

###### • Anti-corruption and anti-bribery matters.

The company has established and implemented anti-corruption and anti-bribery policies, including whistle-blower policy.



## COLOMBO INVESTMENT HOLDINGS LIMITED

### STRATEGIC REPORT

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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##### **Principal risks and uncertainties**

The company aims to deliver sustainable value by identifying and responding successfully to risks. Risk management is integrated into the process of planning and performance management at a group level. Monitoring and accountability for the management of these risks occur through quarterly performance reviews at a group level.

##### **Prices and markets**

Being a holding company for a group of companies providing telecommunication services to the offshore industry where the oil industry is a large part, the group is susceptible to changes in the oil price. Oil, gas, product prices and margins can be volatile and are subject to international supply and demand. A decrease in these prices are likely to have an adverse effect on revenues for our customers, with an increasing risk of delay of offshore projects, decommissioning of oil producing installations or possible insolvency of clients. The group actively seeks to enter into long term agreements with its clients and has a base of such agreements with highly solvent clients. The oil price has recovered well since 2020 and the price levels of 2021 as well as oil consumption have in general been quite positive for investments in the sector. The impact on clients and thus revenue have been positive, with clients requiring more services than previous year.

##### **Compliance and control risks**

##### **Regulatory**

The company remains exposed to changes in the regulatory environment such as new laws and regulations (whether imposed by international treaty whereby national or local government in the jurisdiction in which it operates), changes in tax or royalty regimes. Such factors could reduce the company's profitability, limit its opportunities for new access, require it to divest or write down certain assets or curtail certain operations, or affect the adequacy of its provisions, tax, environmental and legal liabilities.

##### **Reporting**

External reporting of financial and non-financial data is reliant on the integrity of systems and people. Failure to report data accurately and in compliance with external standards could result in regulatory action, legal liability and damage to the company's reputation.

##### **Safety and operational risks**

The nature of the company's operations exposes the company to a limited range of health, safety, security and environmental risks. In many of the group's major structural projects, risk allocation and management are shared with third parties, such as contractors, sub-contractors and associates.



## COLOMBO INVESTMENT HOLDINGS LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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##### **Development and performance**

The company's performance largely reflects interest income and interest expenses received from and paid to other companies within the group. As such the company's financial performance would be anticipated to be relatively consistent period on period subject to any significant changes in interest rates applied and/ or changes in the level of intercompany indebtedness.

##### **Key performance indicators**

The parent company is a holding company and is reliant on its subsidiaries to be profitable. The group revenue is driven by the total capacity of telecommunication services provided annually to the offshore industry. In 2021 although there was still some impact on our work practices from Sars Covid-19, the market recovered well, and we saw an improvement in oil demand and oil prices assisting that recovery. As a result, investments returned to the offshore industry, not only in Oil and Gas but also in energy transition areas such as windfarms. Decommissioning of fixed production units are back to normal and exploration activity has increased. These factors have impacted our revenue growth positively. The group has continued to identify and acquire new contract opportunities in the sector and continues to create sales initiatives that are increasing the total capacity of offshore telecommunication services provided to customers.

The group has a high focus on quality of our services and performance of our network, as we provide critical infrastructure to our customers. Policies and procedures are implemented to ensure that this meets the standards required by our customers. Risks are identified and monitored, and actions are taken to mitigate the risks to an acceptable level.

The group has established policies and procedures to ensure that the customer satisfaction level is monitored, and actions are taken to improve when needed.

The employees are key resources for the group, and we have implemented HESQ policies and procedures which includes monitoring of the work environment, employee satisfaction, turnover and sick-leave statistics, and other issues related to human resources.



## COLOMBO INVESTMENT HOLDINGS LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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##### **Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were in place during the period and remain in force at the date of this report. The Company maintains directors' and officers' liability insurance for its Directors and officers.

##### **DIRECTORS' STATEMENT IN PERFORMANCE OF THEIR DUTIES UNDER SECTION 172(1)**

The Directors consider, both individually and collectively, that they have acted in the way they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in 172(1)(a-f) of the Companies Act 2006) in the decisions taken during the period.

This includes considering the interests of our customers, vendors, and employees, maintaining high standards of business conduct, and considering our impacts on local communities and the environment.

##### **Employees**

We consider that our employees are a significant asset to our business. Frequent Management meetings chaired by the Chief Executive Officer and live-streamed Townhalls attended by the CEO facilitate two-way communications with employees. Employees are encouraged to submit suggestions which include where we can improve safety and operating efficiency. We invest in developing future leaders of the company and promote a mindset of continuous improvement to achieve the Company's vision and goals.

##### **Business relationships – suppliers, customers**

We work closely with our customers and suppliers to delivery our services at a high-quality level with high reliability and safety. We engage regularly with operators and partners to share knowledge, offer support, and use our influence to establish best practices. We treat suppliers equally, without discrimination, promoting a 'one-team' culture.

##### **Community and environment**

We comply with all relevant legislation in the areas where we have our operations and disclose all necessary information. The Group's external advisors provide advice in respect of changes to legislation or regulation and advise the Management directly.

##### **Business conduct**

We comply with the relevant legislation regarding ethical issues, including anti-bribery legislation, tax legislation and safety regulations. We conduct our business in a responsible manner to the benefit of the society in which we operate, our employees, our customers, and other stakeholders.



COLOMBO INVESTMENT HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

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On behalf of the board

Matt Barker  
Director

Scott Moseley  
Director

Oscar Tylegard  
Director

Date: 22/6/2022



## COLOMBO INVESTMENT HOLDINGS LIMITED

### DIRECTORS' REPORT

#### FOR THE PERIOD ENDED 31 DECEMBER 2021

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The directors present their annual report and audited consolidated financial statements for the Period ended 31 December 2021.

#### Principal activities

The company was incorporated in the UK on 27 March 2019. The principal activity of the company is that of a holding company. The registered address is 16 Palace street, London SW1E 5JD, UK. The parent company is Colombo Topco Limited, incorporated in the UK, with the ultimate owners being 3i Infrastructure PLC incorporated in Jersey and Arbejdsmarkedets Tilægspension (ATP) incorporated in Denmark.

The company does not have any branches outside the UK, but it has subsidiaries indirectly owned, which operates in Norway, Sweden, the Netherlands, the US, Brazil, Canada and Trinidad and Tobago.

#### Directors

The directors who held office during the Period and up to the date of signature of the financial statements were as follows:

Matt Barker	(Appointed 27 March 2019)
Scott Moseley	(Appointed 27 March 2019)
Oscar Tylegard	(Appointed 27 March 2019)

The company does not provide any pension plan to the Directors. The company has an insurance coverage for Director's liability.

#### Research and development

The company and the group do not have any research and development activities.

#### Political donations

The company and the group have not given any political donations.

#### Results and dividends

The results for the Period are set out on page 10.

Dividends of NOK 75 mill was paid out during the year. The directors do not recommend payment of a final dividend.

#### Future developments

The group and company's performance largely reflect dividend/interest income received from, and interest expense received paid to, other companies within the group along with management charges to subsidiaries. As such, the company's financial performance would be anticipated to be relatively consistent period on period subject to any significant changes in interest rates applied and/or changes in the level of intercompany indebtedness or any variation on management charges as a result of changes in the trading activities of those subsidiaries. In 2021 although there was still some impact on our work practices from Sars Covid-19, the market recovered well, and we saw an improvement in oil demand and oil prices assisting that recovery. As a result, investments returned to the offshore industry, not only in Oil and Gas but also in energy transition areas such as windfarms. Decommissioning of fixed production units are back to normal and exploration activity has increased. These factors have impacted our revenue growth positively. We continue to see a strong market for our products and expect our business to grow further in 2022.



**COLOMBO INVESTMENT HOLDINGS LIMITED**

**DIRECTORS' REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2021**

**Independent Auditor**

EY LLP were appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

**Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

On behalf of the board

Matt Barker  
Director

Scott Moseley  
Director

Oscar Tylegard  
Director

Date: 22/6/2022



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLOMBO INVESTMENT HOLDINGS LIMITED**

**Opinion**

We have audited the financial statements of Colombo Investment Holdings Limited ('the parent company') and its subsidiaries ('the group') for the year ended 31 December 2021 which comprise the Consolidated statement of profit or loss, the Consolidated statement of comprehensive income, the parent company and Consolidated balance sheet, the Consolidated statement of cash flows, the Consolidated and parent company Statement of changes in equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard 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.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for the period to 30 June 2023.



Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the parent company and determined that the most significant are the Companies Act 2006, UK and overseas tax legislation, and UK and overseas Health & Safety legislation.
- We understood how the parent company is complying with those frameworks by performing enquiries from management and those responsible for legal and compliance procedures. We corroborated our enquiries through the review of the following documentation or completion of the following procedures:
  - Review of all minutes of management meetings held during the year through the most recent meeting held prior to the approval of these financial statements;
  - Review of the parent company's code of conduct in their employee handbook setting out the key principles and requirements for all staff in relation to compliance with laws and regulations;



- Reviewed of accounting policies and disclosures for compliance with FRS 101 and Company Law requirements; and
- Review of relevant correspondence received from regulatory bodies.
- We assessed the susceptibility of the parent company's financial statements to material misstatement, including how fraud might occur by holding a discussion within the audit team which included identification of related parties, understanding the parent company's business and its control environment, and assessing the inherent risk for relevant assertions at the significant account level. We also held discussion with management to gain an understanding of those areas of the financial statements which were susceptible to fraud, as identified by management. Following these procedures, the fraud risk identified was around manipulation of revenue recognition to increase revenue. We then considered the controls that the parent company established to address risks identified by the entity or that otherwise seek to prevent, deter, or detect fraud. We gained an understanding of the entity level controls and policies that the parent company applies.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved performing analytical reviews, reviewing accounting estimates for evidence of management bias, testing of journal entries and enquiries of management regarding their knowledge of any instances of noncompliance with laws and regulations that could impact the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

Jamie Dixon (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Manchester  
Date: 24 June 2022



**Colombo Investment Holdings Limited**  
Registered number 11909540

*Consolidated statement of profit or loss*

all figures in NOK

	Notes	Consolidated	
		January 1 - December 31, 2021	January 1 - December 31, 2020
<i>Operating income and operating expenses</i>			
Revenue	3	940 168 145	843 862 465
<b>Operating income</b>		<b>940 168 145</b>	<b>843 862 465</b>
Cost of infrastructure operations		-88 284 678	-90 034 175
Payroll expenses	4	-152 506 031	-148 114 392
Depreciation and amortisation	6, 7	-533 169 183	-470 029 577
Other operating expenses	4	-37 210 691	-47 764 479
<b>Operating expenses</b>		<b>-811 170 583</b>	<b>-755 942 623</b>
<b>Operating profit(loss)</b>		<b>128 997 562</b>	<b>87 919 842</b>
<i>Financial income and expenses</i>			
Interest income		110 921	377 562
Other financial income	14	589 453	292 817 628
Interest expense		-124 592 483	-104 540 822
Interest expense to parent company	11	-376 836 961	-374 631 736
Other financial expenses	14	-65 926 230	-410 451 348
Net financial income and expenses		-566 655 300	-596 428 716
<b>Loss before income taxes</b>		<b>-437 657 738</b>	<b>-508 508 874</b>
Income taxes	5	36 129 964	42 833 278
<b>Loss for the period</b>		<b>-401 527 774</b>	<b>-465 675 596</b>
<i>Loss is attributable to</i>			
Owners of Colombo Investment Holdings Limited		-401 527 774	-465 675 596
<b>Total</b>		<b>-401 527 774</b>	<b>-465 675 596</b>

*Consolidated statement of comprehensive income*

all figures in NOK

	Notes	January 1 -	January 1 -
		December 31, 2021	December 31, 2020
<b>Loss for the period</b>		<b>-401 527 774</b>	<b>-465 675 596</b>
<i>Other comprehensive income/(expense)</i>			
<i>Items that may be reclassified to profit or loss</i>			
Cash flow hedges		33 912 576	-34 123 864
Net investment hedge	9	36 954 431	42 803 497
Exchange differences on translation of foreign operations		32 807 043	-1 622 976
Income tax relating to these items	5	-7 021 342	-8 132 664
<b>Other comprehensive income/(expense) for the period</b>		<b>96 652 708</b>	<b>-1 076 007</b>
<b>Total comprehensive expense for the period</b>		<b>-304 875 066</b>	<b>-466 751 603</b>
<i>Total comprehensive expense for the period is attributable to:</i>			
Owners of Colombo Investment Holdings Limited		-304 875 066	-466 751 603
<b>Total</b>		<b>-304 875 066</b>	<b>-466 751 603</b>

The profit for the financial period for the Company was NOK 72 237 233 and for prior period the loss was NOK 720 723. The directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and not presented a profit and loss account for the Company.



Colombo Investment Holdings Limited  
Registered number 11909540

Company balance sheet

all figures in NOK

	Notes	Company	
		31.12.2021	31.12.2020
<b>Assets</b>			
Investment in subsidiaries	15	1 150 711 405	1 150 711 405
<b>Total financial non-current assets</b>		<b>1 150 711 405</b>	<b>1 150 711 405</b>
<b>Total non-current assets</b>		<b>1 150 711 405</b>	<b>1 150 711 405</b>
<b>Current assets</b>			
Receivables from group companies		4 831 827,00	-
<b>Total receivables</b>		<b>4 831 827,00</b>	<b>-</b>
Cash and cash equivalents		370 530	7 350
<b>Total current assets</b>		<b>5 202 357</b>	<b>7 350</b>
<b>Total assets</b>		<b>1 155 913 762</b>	<b>1 150 718 755</b>
<b>Current liabilities</b>			
Short-term debt to group companies		-	10 000
Other current liabilities		7 824 856	-
<b>Total current liabilities</b>		<b>7 824 856</b>	<b>10 000</b>
<b>Net Current assets</b>		<b>-2 622 489</b>	<b>-2 650</b>
<b>Total assets less current liabilities</b>		<b>1 148 088 906</b>	<b>1 150 708 755</b>
<b>Net assets</b>		<b>1 148 088 906</b>	<b>1 150 708 755</b>
<b>Equity</b>			
Share capital	12	1 051 750 749	1 051 746 781
Share premium		82 236 515	96 741 846
<b>Total restricted equity</b>		<b>1 133 987 264</b>	<b>1 148 488 627</b>
Retained earnings - surplus/(deficit)		14 101 642	2 220 128
<b>Total other equity</b>		<b>14 101 642</b>	<b>2 220 128</b>
<b>Total equity</b>		<b>1 148 088 906</b>	<b>1 150 708 755</b>



Colombo Investment Holdings Limited  
Registered number 11908540

Consolidated balance sheet

all figures in NOK


	Notes	Consolidated	
		31.12.2021	31.12.2020
<b>Assets</b>			
<b>Non-current assets</b>			
Licences	7	50 251 935	45 584 812
Customer relationships and customer contracts	7	3 155 291 875	3 318 245 403
Goodwill	7, 8	3 500 958 848	3 483 884 535
Deferred tax assets	5	89 743 187	87 785 860
<b>Total intangible assets</b>		<b>6 796 246 646</b>	<b>6 923 470 410</b>
Fibre optic cables and communication media	6	2 151 938 181	1 343 789 864
Right of use asset	6	380 405 592	301 297 747
Furniture, fixtures and machinery	6	8 402 547	9 448 534
<b>Total tangible non-current assets</b>		<b>2 514 746 300</b>	<b>1 854 536 145</b>
<b>Total non-current assets</b>		<b>9 314 992 946</b>	<b>8 578 006 555</b>
<b>Current assets</b>			
Accounts receivable	8	127 588 082	101 343 896
Unbilled revenue	8	4 281 133	3 610 489
Other receivables	8	50 588 554	187 772 584
<b>Total receivables</b>		<b>182 477 748</b>	<b>292 726 979</b>
Cash and cash equivalents	9, 10	232 712 186	351 322 455
<b>Total current assets</b>		<b>415 189 947</b>	<b>644 049 234</b>
<b>Total assets</b>		<b>9 730 182 893</b>	<b>9 222 055 789</b>

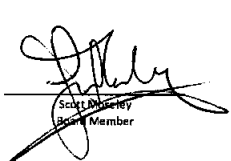
all figures in NOK


	Notes	Consolidated	
		31.12.2021	31.12.2020
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	12	1 051 750 748	1 051 746 781
Share premium		82 238 515	96 741 848
<b>Total restricted equity</b>		<b>1 133 989 264</b>	<b>1 148 488 627</b>
Retained earnings		1 411 170 815	-888 221 256
<b>Total other equity</b>		<b>1 411 170 815</b>	<b>-888 221 256</b>
<b>Total equity</b>		<b>2 545 160 179</b>	<b>150 267 371</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Advance payment from customers	13	254 816 785	240 860 185
Deferred taxes	5	782 217 107	808 714 779
Leasing liability	9	295 783 944	239 006 643
Debt to parent company	9, 11	1 309 827 389	3 943 890 134
Liabilities to financial institutions	9	4 152 875 458	3 498 614 481
<b>Total non-current liabilities</b>		<b>6 775 120 683</b>	<b>8 728 686 222</b>
<b>Current liabilities</b>			
Accounts payable	9	66 771 948	24 280 830
Tax payable	5	5 488 356	5 955 604
Public duties		9 081 181	7 395 178
Leasing liability	9	86 297 006	75 711 807
Other current liabilities	9	240 287 540	229 758 797
<b>Total current liabilities</b>		<b>409 904 031</b>	<b>343 102 216</b>
<b>Total liabilities</b>		<b>7 185 024 714</b>	<b>9 071 788 418</b>
<b>Total equity and liabilities</b>		<b>9 730 182 893</b>	<b>9 222 055 789</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

June 22, 2022

  
 Oscar Tylegard  
 Board Member

  
 Scott O'Sullivan  
 Board Member

  
 Matt Barker  
 Board Member



Colombo Investment Holdings Limited  
Registered number 11909540

Consolidated statement of cash flows

	Notes	Consolidated	
		January 1 - December 31, 2021	January 1 - December 31, 2020
all figures in NOK			
<i>Cash flows from operating activities</i>			
<b>Loss before income taxes</b>		<b>-437 657 738</b>	<b>-508 508 874</b>
<b>Adjustments for:</b>			
Income taxes paid		-36 395 642	-34 426 006
Depreciation and amortization	6, 7	533 169 183	470 029 577
Loss on disposals of fixed assets		-	811 635
Change in deferred revenue, net		36 985 750	8 521 330
Change in accounts receivable		-26 254 366	7 411 378
Change in accounts payable		44 491 118	-1 864 914
Change in other working capital items and other currency adjustments		163 803 338	-41 546 322
Expensed interest		501 318 523	478 794 996
Effect of exchange rate differences on long term loans		60 969 453	13 952 489
<b>Net cash inflow from operating activities</b>		<b>840 429 619</b>	<b>393 175 289</b>
<i>Cash flow used in investing activities</i>			
Investment in tangible assets		-1 033 073 902	-292 864 083
Sale of fixed assets		-	94 004
<b>Net cash outflow used in investing activities</b>		<b>-1 033 073 902</b>	<b>-292 770 079</b>
<i>Cash flow from financing activities</i>			
Proceeds from borrowings obtained	9	601 601 000	174 205 300
Repayment of long term loan	9	-236 276 753	-
Paid interest		-133 775 293	-104 948 839
Paid dividend		-75 255 718	-
Repayment of leasing liability	9	-85 187 657	-62 371 151
New equity issued		398 637	719 038
Received interest		110 921	377 562
<b>Net cash inflow from financing activities</b>		<b>71 615 137</b>	<b>7 981 910</b>
<b>Net cash inflows for the period</b>		<b>-121 029 146</b>	<b>108 387 120</b>
Cash and cash equivalents at the beginning of the period		351 322 455	242 511 982
Effects of exchange rate changes on cash and cash equivalents		2 418 889	423 353
Cash and cash equivalents at the end of the period		232 712 198	351 322 455
Cash and cash equivalents is comprised of:			
Bank deposits		232 712 198	351 322 455



## Consolidated and company statement of changes in equity for the year ended 31 December, 2021

all figures in NOK

### Consolidated

	Share capital	Share premium	Retained earnings	Currency translation reserve	Total equity	
Balance at 1 January, 2021	1 051 746 781	96 741 846	-	1 003 711 566	5 490 310	150 267 371
Capital injection	3 968	394 669	-	2 774 622 954	-	2 775 021 591
Loss for the period	-	-	-	401 527 774	-	401 527 774
Dividends	-	-	-	75 255 718	-	75 255 718
Translation differences	-	-	-	-	32 807 043	32 807 043
Other comprehensive income for the period	-	-	-	-	63 845 665	63 845 665
Other adjustments	-	14 900 000	-	14 900 000	-	0
Balance at 31 December, 2021	1 051 750 749	82 236 515	-	1 309 027 897	102 143 018	2 545 158 179

	Share capital	Share premium	Retained earnings	Currency translation reserve	Total equity	
Balance at 1 January, 2020	1 051 739 589	96 030 000	-	538 378 910	6 566 317	615 956 996
Capital injection	7 192	711 846	-	-	-	719 038
Loss for the period	-	-	-	465 675 596	-	465 675 596
Translation differences	-	-	-	-	1 622 976	1 622 976
Other comprehensive income for the period	-	-	-	-	546 969	546 969
Other adjustments	-	-	-	342 940	-	342 940
Balance at 31 December, 2020	1 051 746 781	96 741 846	-	1 003 711 566	5 490 310	150 267 371

### Company

	Share capital	Share premium	Retained earnings - surplus/(deficit)	Total equity	
Balance at 1 January, 2021	1 051 746 781	96 741 846	-	2 220 128	1 150 708 755
Capital injection	3 968	394 669	-	-	398 637
Loss for the period	-	-	-	72 237 233	72 237 233
Dividends	-	-	-	75 255 718	75 255 718
Other adjustments	-	14 900 000	-	14 900 000	0
Balance at 31 December, 2021	1 051 750 749	82 236 515	-	14 101 642	1 148 088 906

	Share capital	Share premium	Retained earnings - deficit	Total equity	
Balance at 1 January, 2020	1 051 739 589	96 030 000	-	966	1 147 768 623
Capital injection	7 192	711 846	-	-	719 038
Loss for the period	-	-	-	720 723	720 723
Other adjustments	-	-	-	2 941 817	2 941 817
Balance at 31 December, 2020	1 051 746 781	96 741 846	-	2 220 128	1 150 708 755



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

## 1. Significant accounting policies

The consolidated financial statements of Colombo Investment Holdings Limited and its subsidiaries (collectively, the Group) for the period ended 31 December 2021 were authorized for issue in accordance with a resolution of the directors on June 22, 2022.

The Group operates the largest offshore high-capacity communication network in the world in the North Sea and the Gulf of Mexico (GoM) – serving more than 240 Oil & Gas Platforms, FPSOs and Exploration Rigs.

This note includes the significant accounting policies adopted in the preparation of these consolidated financial statements. The financial statements are for the consolidated group consisting of Colombo Investment Holdings Ltd and its subsidiaries Colombo Holdco Limited, Colombo Bidco Limited, Brent Holding AS, Tampnet AS, Tampnet Telecom do Brasil Limitada, Tampnet Servicos De Telecomunicacao do Brasil Limitada, Tampnet Netherlands B.V., Tampnet Sweden AB, Tampnet Canada Incorporate, Tampnet Oceania Proprietary Limited, Tampnet UK Limited, Tampnet Licensee LLC, Tampnet Holdco Incorporated, Tampnet USA LLC, Colombo US Bidco Incorporated and Tampnet Incorporated.

### *Basis of preparation*

The consolidated financial statements of the Colombo Investment Holdings Group have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Accounting policies have been applied consistently. The company financial statements of Colombo Investment Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1.

The following exemptions from the requirements of IFRS have been applied in the preparation of company financial statements, in accordance with FRS 101:

Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).

IFRS 7, 'Financial instruments: Disclosures'.

- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
  - iii. Paragraph 79(a)(iv) of IAS 1;
  - iv. Paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
  - v. Paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements': 10d (statement of cash flows); 16 (statement of compliance with all IFRS); 38A (requirement for minimum of two primary statements, including cash flow statements); 38B–D (additional comparative information); 111 (statement of cash flows information); and 134–136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

#### *Going concern*

The company and group are supported through being self-sufficient on future cashflows in order to secure continued operations. The company and the group meet its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty, due to the outbreak of the COVID-19 virus and the war in Ukraine, but we also saw an improvement in oil demand and oil prices leading to increased demand for the group's products. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities. However, the group's vast telecom infrastructure plays a key role in enabling new and cost-effective ways of operating offshore assets.

Having assessed the principal risks and the other relevant matters, the directors consider it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements. The majority of income is contracted and fixed and scenarios have been run assuming very little variable revenue, but which still demonstrate liquidity and compliance with debt covenants. Further information on the group's borrowings is given in note 9 to the consolidated financial statements.

#### *Historical cost convention*

The financial statements have been prepared on a historical cost basis, apart from derivatives that are recognized at fair value.

#### *New and amended standards adopted by the group*

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2021:

- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39, IFRS 4 and IFRS 16
- Definition of Material – Amendments to IAS 1 and IAS 8; and
- Revised Conceptual Framework for Financial Reporting.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### *New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods on foreseeable future transactions.

#### *Principles of consolidation*

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity where 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.

Inter-company 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.

When the group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may result in amounts previously recognized in other comprehensive income being reclassified to profit or loss.

#### *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Colombo Investments Holdings Ltd has appointed a group management which assesses the financial performance and position of the group and makes strategic decisions. The group management, which has been identified as being the chief operating decision maker, consists of the chief executive officer, the chief financial officer and the manager for corporate planning.

#### *Investment in subsidiaries*

Investments in subsidiaries are held at cost less accumulated impairment losses.

#### *Foreign currency translation*

##### *Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian Kroner (NOK), which is Colombo Investments Holdings Ltd's functional and presentation currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within other financial expenses. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis, within 'financial income and expenses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

##### *Group companies*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### *Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable. Revenue is presented net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The group recognizes revenue when the performance obligations promised in the contracts with customers are delivered. Specific criteria have been established for each of the group's revenue generating activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The specific accounting policies for the group's main revenue generating activities are as follows:

#### **Carrier**

Carrier revenue is derived from service contracts where the customer is paying for a capacity of a cable. The Group recognizes revenue linearly over the firm period of the contract, based on the contracted price.

#### **Roaming**

Roaming revenue is based on actual usage and the revenue is recognized based on usage.

#### **Long term contracts with revenue from rental of fibre optic cables**

The contracts where, typically, a customer enters into a service agreement with the Group for the rental of fibre cable capacity, that provides for monthly charges for bandwidth requested by the customer, and a one-time charge (OTC) for rigs and vessels. Revenue is recognized over the life of the contract, evenly distributed.

#### **One time charges (OTC)**

Typically, the service contracts entered into with customers as described above under long term contracts with revenue from rental of fibre optic cables, contains a one-time charge that the customer pays up front when Tampnet is installing the fibre optic cable. The OTC is part of the contract above, and evenly distributed over the life of the contract.

The group as are exempt from full IFRS 8 note disclosures as it is not listed.

#### *Income tax*

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### *Leases*

Lease contracts where the group is a lessee are capitalized. Upon commencement of the lease the right-to-use asset is recognized at cost being the present value of the lease payments in the contract as defined by IFRS 16 in addition to initial direct costs. The corresponding lease liability is recognized in the balance sheet at present value using the interest rate implicit in the lease, if that rate can be readily determined, or else the lessee's incremental borrowing rate. The lease liability is subsequently increased by the effective interest in the lease and reduced by payments made. The lease liability is also reassessed subsequently if the payments or the interest rate changes. The change in liability is added to or deducted from the right-of-use asset.

The right-of-use asset acquired under leases is depreciated over the asset's useful life or the lease term, if shorter, if the lease does not transfer ownership at the end of the lease term, or there is no purchase option that is in the money. The right-of-use asset is tested for impairment for similar assets owned by the entity.

The group has leases in these categories, offices, regulatory licenses and colocation.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

measurement of the liability.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in a number of equipment leases across the group. These are used to maximize operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

#### *Business combinations*

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of

- the consideration transferred, and
- the amount of any non-controlling interest in the acquired entity, and
- the acquisition-date fair value of any previous equity interest in the acquired entity



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase gain.

Where settlement of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability based on the actual content of the arrangement. Contingent consideration classified as a financial liability is subsequently remeasured at fair value with changes in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interests in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

#### *Impairment of assets*

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### *Cash and cash equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### *Accounts receivables*

Trade receivables with maturities less than 12 months are initially measured at nominal amount, less provision for expected lifetime impairment. See note 8 for further information about the group's accounting for trade receivables and note 8 for a description of the group's impairment policies.

#### *Financial assets*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Dividends on financial assets at fair value through profit or loss and fair value through other comprehensive income are recognized in profit or loss as part of revenue when the group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on other financial assets are calculated using the effective interest method and recognized in profit or loss as interest.

Details on how the fair value of financial instruments is determined are disclosed in note 9.



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

### *Impairment*

For accounts receivables and contract assets, the lifetime credit loss is recognized upon initial recognition of the asset. For other debt instruments, twelve months estimated credit loss is recognized upon initial recognition. When a significant increase in the expected credit loss is observed, lifetime credit losses is estimated and recognized.

### *Derivatives and hedging activities*

Derivatives are initially recognised at fair value on the date that a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with expected future cash flows (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 9. Movements in the hedging reserve in shareholders' equity are shown in note 9. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

### *Cash flow hedge*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss within other income or other expense.

Amounts accumulated in equity are reclassified to profit or loss through other comprehensive income in the periods when the hedged item affects profit or loss (for instance when the hedged interest rate payment that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in profit or loss within 'finance costs'.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

### *Net investment hedges*

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss within other income or other expenses.

Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

#### *Derivatives that do not qualify for hedge accounting*

Certain derivative instruments may not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in profit or loss and are included in net other financial income and expenses.

#### *Property, plant and equipment*

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount unless it is defined as day-to-day maintenance. The carrying amount of any component accounted for separately is derecognized when replaced. Day-to-day repairs and maintenance are charged to profit or loss as they are incurred.

The depreciation methods and periods used by the group are disclosed in note 6.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

#### *Intangible assets*

##### *Goodwill*

Goodwill is recognized and measured as described above in the note for business combinations. Goodwill is not amortized but tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

##### *Licenses and customer contracts*

Separately acquired trademarks and licenses are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

##### *Amortization methods and periods*

Refer to note 7 for details about amortization methods and periods used by the group for intangible assets.

##### *Trade and other payables*

Trade payables represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at nominal value unless there is a significant financing component, when fair value is used, and subsequent measurement is by use of the effective interest method.

##### *Borrowings*

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### *Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

#### *Provisions*

Provisions for legal claims and make good obligations are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

#### *Employee benefits*

##### *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. The Group's companies have made contributions to local pension plans. These contributions have been made to the pension plan for full-time employees and as a percentage of the employee's salary. The pension premiums are charged to expenses as they are incurred.

##### *Pension obligations*

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.



Colombo Investment Holdings Limited  
Notes to the financial statements 2021

#### *Termination benefits*

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognizes termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### *Contributed equity*

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### *Dividends*

A provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### *Statement of cash flows*

The Group presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown gross for investing and financing activities. Cash flows from operating activities are arrived at by removing income and charges related to investments and financing activities, as well as adjusting for net working capital and non-cash transactions. Interest and dividends received are presented as investment activities, interest and dividends paid are presented as financing activities.



## 2. Significant estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

### Impairment of intangible assets

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget and prognoses for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 8.

### Asset acquisition

During 2021 the group received Federal Communications Commission approval in connection with the purchase of subsea fiber asset in Gulf of Mexico. Based on the group's assessment the transactions is deemed to be an asset acquisition.

### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The losses recognised relates to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. Even so, based on the prognoses for the individual subsidiaries, the Group has determined that it can recognise deferred tax assets on the tax losses carried forward. The tax loss carried forward recognised as part of deferred tax asset is related to the US subsidiary Tampnet INC. and is, in all material respects, related to the three prior years of operating losses. The operating losses suffered in the three prior years is, for the most part, related to start-up costs in relation to the acquisition of Broadpoint. As the Group extends its coverage in the GoM, the tax loss carried forward is expected to be utilised during the coming year. Consequently, the utilisation is dependent on future profits.

There is no tax loss carried forward that is not recognised.

## 3. Revenue

Reporting segments	NOK	2021	2020
North Sea		696 932 117	678 077 675
Gulf of Mexico		192 693 707	113 273 050
Carrier		50 542 321	52 511 740
<b>Total</b>		<b>940 168 145</b>	<b>843 862 465</b>

Geographical region	NOK	2021	2020
United Kingdom		477 952 447	473 597 555
Norway		174 334 196	164 597 910
USA		208 884 340	135 816 035
Netherlands		68 344 683	64 586 538
Sweden		2 663 218	2 166 671
Denmark		5 678 739	2 789 117
Other		2 310 563	348 640
<b>Total</b>		<b>940 168 145</b>	<b>843 862 465</b>

Timing of revenue recognition	NOK	2021	2020
Services transferred at a point i time			
Services and services transferred over time		940 168 145	843 862 465
<b>Total</b>		<b>940 168 145</b>	<b>843 862 465</b>

## 4. Other income/expenses

### 4.1 Payroll expenses

Employee benefit expense during the year:

	NOK	2021	2020
Wages and salaries		122 338 470	117 404 414
Social security costs		17 229 513	16 071 038
Pension cost		6 175 156	5 623 014
Board fees		2 020 706	1 397 445
Other personnel cost		4 742 186	7 618 482
<b>Total</b>		<b>152 506 031</b>	<b>148 114 392</b>

Monthly average number of people (including executive directors) employed:

	2021	2020
Carrier	4	4
North Sea	43	44
Gulf of Mexico	29	28
Group	39	39
Brazil	1	1
Trinidad & Tobago	1	-
<b>Total</b>	<b>117</b>	<b>116</b>

No loans or securities have been granted to the Chairman of the Board, CEO or other related parties.

### 4.2 Other operating expenses

Operating expenses	NOK	2021	2020
Office expenses		4 047 679	5 029 469
Travel expenses		3 449 032	3 575 111
Consultant fees*		15 843 288	22 380 999
Transaction related fees		-	-
Other operating expenses		13 870 692	16 778 899
<b>Total other operating expenses</b>		<b>37 210 691</b>	<b>47 764 479</b>

\* fees to the elected auditor is included in consultant fees, reference is made to the table below.

Expensed audit fees, excl. VAT:	NOK	2021	2020
Fees payable to the company's auditors and its associates for the audit of parent company and consolidated financial statements		2 135 000	1 679 752
Fees payable to company's auditors and its associates for other services:		-	-
Audit-related attestation services		-	11 150
Tax compliance services		248 713	1 405 972
Other services		343 942	40 000
<b>Total</b>		<b>2 727 655</b>	<b>3 136 874</b>



## 5. Income taxes

This note provides an analysis of the group's income tax credit, and shows what amounts are

The major components of income tax credit for the years ended 31 December 2021 are:

Consolidated statement of profit or loss	NOK	2021	2020
<b>Current income tax:</b>			
Current income tax charge		26 717 785	17 294 860
Adjustments in respect of current income tax of previous year		-	505 127
<b>Total current tax charge</b>		<b>26 717 785</b>	<b>17 799 987</b>
<b>Deferred tax:</b>			
Relating to origination and reversal of temporary differences		-67 941 838	-65 866 369
Adjustment in previous years		-217 609	5 177 778
Impact of change in tax rate		5 311 698	55 328
<b>Total deferred tax credit</b>		<b>-62 847 749</b>	<b>-60 633 264</b>
<b>Income tax income reported in the statement of profit or loss</b>		<b>-36 129 964</b>	<b>-42 833 278</b>

### Consolidated statement of comprehensive income

Deferred tax related to items recognised in other comprehensive income during the year:

Investment hedges	7 021 342	8 132 664
<b>Income tax recognised in other comprehensive income</b>	<b>7 021 342</b>	<b>8 132 664</b>

A reconciliation between tax income and the product of accounting profit multiplied by UK's domestic tax rate for the years ended 31 December 2021 is as follows:

	2021	2020
Accounting loss before tax	-437 657 738	-508 508 875
At UK's statutory income tax rate of 19 % (2021 and 2020)	-83 154 970	-96 616 686
Adjustments in respect of current income tax of previous years	0	505 127
Other non-deductible expenses	10 159 708	7 397 058
Difference in Norwegian, Dutch & US tax rate (22 %, 25 % & 21 %) vs. UK (19%)	-3 904 733	-9 909 033
Group relief UK	49 474 669	50 070 690
Effect of change in tax rate	5 311 698	55 328
Not recognised earlier years	-408 394	-
Other differences	-13 607 941	5 664 237
Calculated income taxes recognised in profit and loss	-36 129 964	-42 833 278
Income taxes recognised in other comprehensive income	7 021 342	8 132 664
<b>Total income tax recognised in profit and loss and other comprehensive income</b>	<b>-29 108 622</b>	<b>-34 700 614</b>

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These changes included a reduction in the main rate to 17% from April 2020. In March 2020, the UK Government substantively enacted by a resolution under the Provisional Collection of Taxes Act 1968 to cancel the reduction in corporate tax rate, from 1 April 2020, and maintain the rate at 19%. Deferred taxes at the balance sheet date, in relation to UK companies, continue to be measured using tax rates enacted as at the balance sheet date (19%). In the Spring Budget 2021, the Government announced that from 1 April 2023 the standard rate of corporation tax rate will increase to 25%. The proposal was substantively enacted on 24 May 2021. Deferred taxes, in relation to UK companies, are measured using 25% rate.

Deferred tax	NOK	2021	2020
<b>Deferred tax relates to the following:</b>			
Fixed assets & intangibles		-4 049 938 161	-4 283 650 545
Basis for deferred tax liability		-4 049 938 161	-4 283 650 545
Deductible on paid basis (defined contribution scheme)		-	21 394
Derivatives		-20 689 342	54 576 113
Other differences		372 351 372	273 635 069
<b>Total temporary differences</b>		<b>-3 698 276 131</b>	<b>-3 955 417 969</b>
Deferred tax liability recognized in the balance sheet		-762 217 107	-808 714 779
Losses available for offsetting against future taxable income		306 062 378	288 713 224
Basis for deferred tax asset		306 062 378	288 713 224
Deferred tax asset recognized in the balance sheet		89 743 187	67 765 860
Deferred tax liabilities net recognized in the balance sheet		-672 473 920	-740 948 919
Not included in the basis for deferred tax		-173 744 621	-249 035 604
Basis for deferred taxes		-3 565 958 375	-3 915 740 349
Deferred tax (19-34%)		-672 473 920	-740 948 919
<b>Deferred tax recognized in the balance sheet</b>		<b>-672 473 920</b>	<b>-740 948 919</b>
		0	0
<b>Reconciliation of deferred tax liabilities net</b>			
Opening balance		-740 948 919	-804 460 963
Adjustment in previous years		-17 988	-5 177 778
Tax income during the period recognised in profit or loss		67 941 838	65 866 369
Currency translation adjustment		2 322 392	-5 364 942
Tax income during the period recognised in other comprehensive income		3 540 467	8 132 664
Impact of change in tax rate		-5 311 698	55 328
<b>Closing balance</b>		<b>-672 473 920</b>	<b>-740 948 921</b>



## 6. Tangible non-current assets

NOK

At 31 December 2021	Fibre optic cables and communication media	Furniture, fixtures and machinery	Right of use asset	Total
Opening net book amount	1 343 789 864	9 448 534	301 297 747	1 654 536 144
Additions	1 043 360 922	1 267 520	154 014 823	1 198 643 265
Disposals	-	-	49 466 987	49 466 987
Exchange rate differences	28 053 521	-1 409 543	34 204 366	60 848 344
Depreciation	263 266 146	2 903 963	79 644 357	345 814 467
Closing net book amount	2 151 938 161	6 402 547	360 405 592	2 518 746 300

At 31 December 2021				
Cost	3 210 719 935	21 336 476	554 465 139	3 786 521 550
Accumulated depreciation	1 058 781 774	14 933 928	194 059 547	1 267 775 250
Net book amount	2 151 938 161	6 402 547	360 405 592	2 518 746 300

Depreciation method	Straight line	Straight line	Straight line
Years	5-12 yrs	3-5 yrs	3-10 yrs

Year end 31 December 2020	Fibre optic cables and communication media	Furniture, fixtures and machinery	Right of use asset	Total
Opening net book amount	1 253 615 557	8 635 762	337 323 549	1 599 574 868
Acquired through business combinations 14 March 2019	-	-	-	-
Additions	290 254 012	2 610 072	28 393 368	321 257 451
Disposals	592 426	313 213	-	905 639
Exchange rate differences	-3 703 830	1 441 924	2 767 973	506 067
Depreciation	195 783 449	2 926 010	67 187 143	265 896 603
Closing net book amount	1 343 789 864	9 448 534	301 297 747	1 654 536 145

At 31 December 2020				
Cost	2 123 008 807	21 570 961	415 712 936	2 513 064 658
Accumulated depreciation	779 218 942	12 122 426	114 415 189	858 528 513
Net book amount	1 343 789 864	9 448 534	301 297 747	1 654 536 145

Depreciation method	Straight line	Straight line	Straight line
Years	5-15 yrs	3-5 yrs	3-10 yrs

### Leases

#### Amounts recognised in the balance sheet

Right of use asset	2021	2020
Offices	19 851 626	14 224 773
Regulatory licenses	42 636 140	88 637 413
Colocation	297 917 826	198 435 561
Total	360 405 592	301 297 747

#### Lease liabilities

Current	86 297 006	75 711 807
Non-current	295 783 944	239 006 643
Total	382 080 950	314 718 450

#### Amounts recognised in the statement of profit or loss

Depreciation charge of right-of-use assets	2021	2020
Offices	6 310 533	4 805 302
Regulatory licenses	6 183 152	10 410 103
Colocation	67 150 671	51 971 738
Total	79 644 357	67 187 143

#### Movement in borrowing cost, included in fibre optic cables

	2021	2020
Opening balance	26 892 276	15 613 374
Additions	20 700 850	19 619 890
Depreciation	9 508 800	3 340 988
Outgoing balance	38 084 327	26 892 276

#### Movement in assets under construction, included in fibre optic cables

	2021	2020
Opening balance	464 181 234	381 193 820
Additions	1 016 197 215	270 643 761
Transfer to fixed assets	-1 057 076 712	-181 524 434
Exchange rate differences	5 832 051	-6 131 912
Outgoing balance	429 133 788	464 181 234



## 7. Intangible assets

	Customer relationships and customer contracts	Goodwill	Licenses	Total
At 31 December 2021				
Opening net book amount	3 316 245 403	3 493 894 535	45 564 612	6 855 704 550
Additions	-	-	8 192 978	8 192 978
Exchange rate differences	21 883 733	7 065 114	1 011 799	29 960 647
Amortisation charge	182 837 261	-	4 517 456	187 354 717
Closing net book amount	3 155 291 875	3 500 959 649	50 251 933	6 706 503 457

At 31 December 2021				
Cost	3 676 068 204	3 500 959 649	77 510 848	7 254 538 701
Accumulated amortisation and impairment	520 776 329	-	27 258 913	548 035 242
Net book amount	3 155 291 875	3 500 959 649	50 251 933	6 706 503 459

Depreciation method	Straight line	None	Straight line
Years	20 yrs		15 - 20 yrs

	Customer relationships and customer contracts	Goodwill	Licenses	Total
Year-end 31 December 2020				
Opening net book amount	3 519 612 049	3 499 996 448	64 144 062	7 083 752 559
Exchange rate differences	-17 015 200	-6 101 913	-797 324	-23 915 037
Amortisation charge	186 351 447	-	17 781 525	204 132 973
Closing net book amount	3 316 245 403	3 493 894 535	45 564 612	6 855 704 550

At 31 December 2020				
Cost	3 650 912 370	3 493 894 535	63 600 228	7 208 407 132
Accumulated amortisation and impairment	334 666 967	-	18 035 615	352 702 583
Net book amount	3 316 245 403	3 493 894 535	45 564 612	6 855 704 550

Depreciation method	Straight line	None	Straight line
Years	20 yrs		15 - 20 yrs

## 8. Goodwill

Goodwill acquired through business combinations are allocated to four CGUs, for impairment

CGUs	31.12.2021	31.12.2020
	NOK	Carrying amount
Corporate level		2 707 800 000
North Sea		557 100 000
Gulf of Mexico		217 259 649
International carrier		18 800 000
Total		3 500 959 649

Specified below is the split of goodwill on relevant CGUs on the date of the business acquisition. The only change in carrying values until the balance sheet date is related to translation of goodwill balances nominated in USD (Gulf of Mexico).

Corporate level:

This represents the value of head office assembled workforce and other goodwill (residual) that is not possible to allocate to segments. Functional currency NOK as NOK is the dominating functional currency within this segment.

North Sea:

This equals to assembled workforce fair value allocated to the segment and technical goodwill from deferred tax on fair value adjustments for the segment. Functional currency NOK as NOK is the dominating functional currency within this segment.

Gulf of Mexico:

This equals to assembled workforce fair value allocated to the segment and technical goodwill from deferred tax on fair value adjustments for the segment. Functional currency is USD as USD is the dominating currency within this segment.

International carrier:

This equals to assembled workforce fair value allocated to the segment and technical goodwill from deferred tax on fair value adjustments for the segment denominated in NOK functional currency as this is the functional currency within this segment.

### Impairment testing

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on fair value calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the Board for the following year, and prognosis approved by management for the subsequent five years.

A weighted average cost of capital (WACC) of 7.3% has been applied based on observable market information and assessment of inherent risk in the group future cash flows.

It is assumed 2% growth in the terminal value calculation applying Gordon's growth formula. This is based on Tampnet's expectations on the future revenue.

Sales volume is based on past performance and management's expectations of market development.

Budgeted EBITDA-margin is based on past performance and management's expectations for the future.

Discount rates reflect the specific risks relating to the relevant segments and the countries in which they operate.

### Sensitivity to changes in assumptions (amounts in NOK millions)

The tables below shows the change in headroom at 31.12.2021 for a combination of scenarios for WACC, change in EBITDA-margin and change in revenue growth.

Change in EBITDA margin (pp)	WACC				
	9 %	8 %	7 %	6 %	5 %
5,0 %	2 585,5	3 036,1	3 514,0	4 021,2	4 559,8
2,5 %	2 064,8	2 491,2	2 943,5	3 423,4	3 933,1
0,0 %	1 544,2	1 946,3	2 372,9	2 825,6	3 306,4
-2,5 %	1 023,5	1 401,4	1 802,3	2 227,8	2 679,7
-5,0 %	502,9	856,6	1 231,8	1 630,0	2 053,0

Change in rev. growth (pp)	WACC				
	9 %	8 %	7 %	6 %	5 %
4,0 %	1 856,0	2 288,5	2 706,0	3 170,1	3 662,7
2,0 %	1 697,3	2 104,5	2 536,4	2 994,7	3 481,3
0,0 %	1 544,2	1 946,3	2 372,9	2 825,6	3 306,4
-2,0 %	1 396,5	1 793,8	2 215,3	2 662,7	3 137,9
-4,0 %	1 254,2	1 646,8	2 063,4	2 505,7	2 975,6



## 9. Financial assets and financial liabilities

### 9.1 Financial assets

	NOK	31.12.2021	31.12.2020
<i>Financial assets at amortised cost:</i>			
Accounts and other receivables		178 186 616	289 116 280
Unbilled revenue		4 291 133	3 610 499
Total financial assets at amortised cost		182 477 749	292 726 779
Total current		182 477 749	292 726 779
Total non-current		-	-

### 9.2 Financial liabilities

	NOK	31.12.2021	31.12.2020
<i>Derivatives designated as hedging instruments:</i>			
Interest rate swaps		19 418 058	53 330 633
<i>Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings:</i>			
Trade and other payables		298 722 611	208 104 171
Total other financial liabilities		318 140 669	261 434 805
Total current		318 140 669	261 434 805
Total non-current		-	-

Derivative designated as hedging instruments reflect the change in fair value of interest rate swaps, designated as cash flow hedges to hedge the future interest payments.

### 9.3 Interest-bearing loans and borrowings

Borrower	Drawdown	Currency	31.12.2021		Final maturity	Interest rate
			Balance in currency	Balance in NOK		
Colombo Bidco Limited	07.10.2019	NOK	735 000 000	735 000 000	01.10.2024	NIBOR + 2.35%
Colombo Bidco Limited	07.10.2019	GBP	111 375 826	1 323 980 131	01.10.2024	LIBOR + 2.35%
Colombo Bidco Limited	07.10.2019	EUR	44 250 000	442 004 401	01.10.2026	Fixed - 2.50%
Colombo Bidco Limited	07.10.2019	GBP	27 100 000	322 151 250	01.10.2026	Fixed - 3.28%
Colombo Bidco Limited	07.10.2019	GBP	15 000 000	178 312 500	01.10.2029	Fixed - 3.47%
Colombo Bidco Limited	07.10.2019	USD	20 000 000	176 388 000	01.10.2026	Fixed - 4.14%
Colombo Bidco Limited	07.10.2019	USD	10 000 000	88 194 000	01.10.2029	Fixed - 4.32%
Colombo Bidco Limited	07.10.2019	GBP	5 000 000	59 437 500	01.10.2026	LIBOR + 2.60%
Colombo Bidco Limited	07.10.2019	GBP	5 000 000	59 437 500	01.10.2029	LIBOR + 2.75%
Colombo Bidco Limited	23.07.2020	USD	89 000 000	784 926 600	01.10.2024	LIBOR + 2.35%
Colombo Holdco Limited	13.03.2019	NOK	1 309 627 389	1 309 627 389	01.03.2024	Fixed - 10%
				5 479 459 271		
Amortised debt expenses				17 156 423		
Carrying value				5 462 302 847		

	31.12.2021	31.12.2020
<b>Non-current interest bearing loans and borrowings</b>		
Secured loan	5 462 302 847	7 440 304 595
Total non-current interest-bearing loans and borrowings	5 462 302 847	7 440 304 595
<b>Total interest bearing loans and borrowings</b>	<b>5 462 302 847</b>	<b>7 440 304 595</b>

	2021	2020
<i>Movement in interest bearing loans</i>		
Opening balance	7 440 304 595	6 870 987 779
Loans obtained to finance business combinations and asset purchase	601 601 000	174 205 300
Repayment	-3 010 899 706	-
Amortised debt expenses	6 509 456	6 527 288
Interest expense added to loan balance	376 836 961	374 631 736
Currency effect recognised in profit and loss	47 950 542	13 952 492
Outgoing balance	5 462 302 847	7 440 304 595
Long-term portion	5 462 302 847	7 440 304 595
Short-term portion	-	-
Total	5 462 302 847	7 440 304 595

	2021	2020
<i>Movement in amortised loan fees</i>		
Opening balance	23 665 879	30 193 167
Amortisation (included in interest expenses) after refinancing	6 509 456	6 527 288
Outgoing balance	17 156 423	23 665 879

	2021	2020
<i>Movement in leasing liability</i>		
Opening balance	314 718 450	344 096 544
New agreements	154 014 823	28 333 368
Payments	-85 187 657	-62 371 151
Currency effect recognised in profit and loss	-1 464 666	4 599 689
Outgoing balance	382 080 950	314 718 450

Interest expense recognised for the lease liability

	2021	2020
<i>Movement in debt to parent company</i>		
Opening balance	3 943 690 134	3 571 188 563
Repayment	-3 010 899 706	-
Other changes without cash-effect	-	-2 130 165
Interest accumulated	376 836 961	374 631 736
Outgoing balance	1 309 627 389	3 943 690 134

	NOK	Borrowings	Leases	Sub-total	Cash/bank overdraft	Total
<i>Net debt reconciliation</i>						
Opening balance		7 440 304 595	314 718 450	7 755 023 045	351 322 455	7 403 700 590
Movement in the period		-2 025 952 289	-85 187 657	-2 111 139 946	-121 029 119	-1 990 110 827
Acquisitions - finance leases and operating lease incentives		-	154 014 823	154 014 823	-	154 014 823
Foreign exchange adjustments		47 950 542	-1 464 666	46 485 876	2 418 862	44 067 014
Net debt as at 31 December 2021		5 462 302 847	382 080 950	5 844 383 798	232 712 198	5 611 671 600



## Covenants

The covenants are calculated on the Group's consolidated numbers. The relevant covenants are:

Name	Definition	Ratio 31.12.2021	Ratio 31.12.2020
Interest Cover Ratio	EBITDA minus Taxes and Operating Lease Rental Payments / Net Finance Charges)	Above 1.35	Above 1.35
Leverage ratio	Total net debt / EBITDA	Below 9,25	Below 9,25

As at 31.12.2021 the Group was in compliance with the relevant covenants.

## The long-term loan is secured by pledges:

	NOK	Carrying value 31.12.2021	Carrying value 31.12.2019
<b>Parent (Colombo Holdco Limited)</b>			
Security agreement over the shares of the Company held by the Parent		1 150 711 405	1 150 711 405
Security agreement over the Parent's rights under any shareholder loans made to the Company		-	-
<b>Company (Colombo BidCo Limited)</b>			
Debtenture comprising Security Interests over the shares of Tampnet UK Limited, Material Receivables, Bank accounts, and floating charge over all of its assets.		8 125 802 431	7 728 134 819
Pledge over the shares of Brent Holding AS held by the Company		1 760 555 807	1 760 555 807
Security agreement over shares of Colombo US Bidco Inc. held by the Company		1 246 316 030	649 028 850
<b>Tampnet UK Limited</b>			
Debtenture comprising Security Interests over the shares of Tampnet UK Limited, Material Receivables, Bank accounts, and floating charge over all of its assets.		928 315 049	972 994 241
<b>Colombo US Bidco Inc.</b>			
All assets security agreement		1 773 400 805	1 114 074 532
Pledge agreement over the shares of Tampnet Inc. held by Colombo US Bidco Inc.		1 758 995 656	1 107 072 271
<b>Tampnet Inc.</b>			
All assets security agreement		1 337 148 330	537 900 436
<b>Brent Holding AS</b>			
Share charge over the shares in Tampnet AS held by Brent Holding AS		1 958 810 472	1 554 029 222
Security agreement in respect of Material Receivables, Bank accounts, floating charge over operating assets, inventory stock in trade and account receivables.		139 080 825	194 375 699
<b>Brent Invest AS</b>			
Share charge over the shares in Tampnet AS held by Brent Invest AS		-	-
Security agreement in respect of Material Receivables, Bank accounts, floating charge over operating assets, inventory stock in trade and account receivables.		-	-
<b>Tampnet AS</b>			
Notarial deed of pledge of shares over the shares in Tampnet Netherlands B.V. held by Tampnet AS		4 742 300	4 742 300
Security agreement in respect of Material Receivables, Bank accounts, floating charge over operating assets, inventory stock in trade and account receivables.		282 003 615	293 892 518
<b>Tampnet Netherlands B.V.</b>			
Security agreement in respect of bank accounts in Norway		-	-
Security agreement in respect of its rights under Material Receivables and bank accounts in the Netherlands		27 420 158	16 505 176

## 9.4 Financial instruments risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that arrive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by the Group's senior management, and it is considered they have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### Market risk

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep between 50% and 90% of its borrowings at fixed rates of interest. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

	NOK	31.12.2021	31.12.2020
Nominal amount interest rate swaps		1 653 086 633	1 632 258 626
Principal borrowings outstanding		2 962 781 731	2 310 686 544
% of borrowings kept at fixed interest rate		56 %	71 %

#### Derivative instruments designated as cash flow hedges

In order to manage interest rate risk a portion of the debt may be swapped to fixed interest rate by using interest rate swaps. Cash flow hedge accounting is applied when hedge accounting criteria are met.

The table below shows the effects of the Group's cash flow hedges. The change in fair value of the hedging instrument recognised through OCI. Effectiveness testing is performed on an accumulated basis. There were no hedging ineffectiveness during the year presented.

Hedging instruments	NOK	31.12.2021	31.12.2020
Fair value, included in other current liabilities		19 418 058	53 330 633

#### Interest rate risk sensitivity analysis

##### Effects on changes in fair value

As the Group's financial liabilities are measured at amortised cost, except from the interest rate swaps, the only financial liability that will be affected by a change in the interest rate will be the interest rate swaps. The effect of the change, as the hedging is considered effective, will be recognised over OCI.

#### Exchange rate risk

The Group is exposed to changes in the value of NOK relative to other currencies. The carrying amount of the Group's net investments in foreign entities and proceeds from these investments varies with changes in the foreign exchange rate. The net income of the Group is also affected by currency fluctuations, as the profit and losses from foreign operations are translated into NOK using average exchange rates for the period. Exchange rate risk related to some net investments in foreign operations is partly hedged by obtaining loans in the currencies involved, when this is considered appropriate. Net investment hedge accounting is applied when possible. Exchange rate risk also arises when Colombo Investment Holdings Limited or any of its subsidiaries enter into transactions or holds monetary items denominated in other currencies than their own functional currency. The Group does not hedge these transactions.

#### Financial instruments designated as hedging instruments of net investment in foreign operations

The Group account for net investment hedge using the long-term loans obtained in the same currency as the foreign operations as a net investment hedge.

	NOK	2021	2020
Amount recognised in OCI as net investment hedge		36 954 431	42 803 497



## Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and British pound exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities and presentation currency NOK). The Group's exposure to foreign currency changes for all other currencies is not considered material.

	NOK	Change in rate	Effect on result before tax		
			USD	GBP	EUR
2021		+10 %	9 557 811	36 667 831	39 962
		-10 %	9 557 811	36 667 831	39 962
2020		+10 %	11 960 755	35 390 791	969 659
		-10 %	11 960 755	35 390 791	969 659

The Group's exposure to foreign currency risk at the end of each reporting period, expressed in NOK, are as follows:

	NOK					Total
	31.12.2021	USD	GBP	EUR	Other currencies	
Accounts receivables	60 180 086		28 475 936	12 530 179	397 332	101 583 534
Interest-bearing loans and borrowings	1 049 508 600		1 943 318 881	442 004 401	-	3 434 831 882
Accounts payables	32 749 289		935 168	1 029 054	453 889	35 167 400
Interest rate swaps	10 701 211		9 143 543	23 826 083	-	43 670 838
Cash and cash equivalents	55 019 359		90 634 377	15 720 226	5 056 359	166 430 322
	31.12.2020	USD	GBP	EUR	Other currencies	Total
Accounts receivables	8 529 418		43 765 292	12 385 115	1 832 593	66 512 417
Interest-bearing loans and borrowings	418 097 400		1 903 872 164	463 310 776	-	2 785 280 340
Accounts payables	2 262 265		3 362 933	5 156 815	332 764	11 114 777
Interest rate swaps	10 701 211		9 143 543	23 826 083	-	43 670 838
Cash and cash equivalents	23 836 505		89 283 815	10 754 618	5 806 038	129 680 976

## Price risk

The Group is not exposed to any significant price risk in relation to its financial instruments.

## Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

## Trade receivables

### Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method. Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed on an individual basis. The Group's customers are primarily either well established international or national companies, or joint ventures thereof.

### Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

### Impairment of trade receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within the relevant period.

To measure the expected credit losses, trade receivables and unbilled revenue assets have been grouped based on shared credit risk characteristics and the days past due. They have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the unbilled revenue.

	31.12.2021	31.12.2020
Numbers of customers owing more than NOK 500 000		
Aggregated amount owed by the customers owing more than NOK 500 000	107 374 085	94 430 121
Trade receivables total	129 001 336	104 230 858
% outstanding to customers owing more than NOK 500 000	83,2 %	90,6 %

The following table sets forth details of the age of trade receivables of the Group:

	31.12.2021	31.12.2020
Total	129 001 336	104 230 858
Less provision for doubtful trade receivables	-1 403 274	-2 887 161
Total trade receivables, net	127 598 062	101 343 696
Of which:		
Current	81 155 166	86 869 619
Past due less than 90 days	45 886 563	15 466 788
Past due more than 90 days	1 959 607	1 894 451
Total	129 001 336	104 230 858

## Financial instruments and cash deposits

The bank institutions which the company holds cash with are rated as high grade by external credit agencies.



## Liquidity risk

The Group actively holds cash on deposit and has access to revolving credit facilities that are designed to ensure that the Group has sufficient available funds for operations and planned expansions.

Group Management monitors rolling forecasts of the group's liquidity reserve on the basis of expected cash flows. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

## Financing agreements

The Group had access to the following undrawn borrowing facilities at the end of each reporting period:

	NOK	31.12.2021	31.12.2020
Secured loan, expiring beyond one year		415 073 400	1 037 880 600

The secured loan may be drawn at any time and expires together with the Group's financing October 2024.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date.

Contractual maturities of financial liabilities	NOK					Total contractual cash flows
	31.12.2021	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	
Trade payables	68 771 948	-	-	-	-	68 771 948
Borrowings, including interest*	114 067 357	225 312 793	5 832 674 980	356 248 239	6 528 303 369	6 528 303 369
Lease liabilities, including interest	82 674 250	68 296 191	163 874 144	118 232 512	433 077 097	433 077 097
Other short term liabilities	240 287 540	-	-	-	-	240 287 540
<b>Total financial liabilities</b>	<b>505 801 095</b>	<b>293 608 984</b>	<b>5 996 549 124</b>	<b>474 480 750</b>	<b>7 270 439 954</b>	
	31.12.2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows
Trade payables	24 280 830	-	-	-	-	24 280 830
Borrowings, including interest*	135 710 401	131 605 125	8 468 573 273	1 431 898 544	10 167 787 342	10 167 787 342
Lease liabilities, including interest	77 700 467	75 729 391	127 537 379	83 115 017	364 082 244	364 082 244
Other short term liabilities	229 758 796	-	-	-	-	229 758 796
<b>Total financial liabilities</b>	<b>467 450 495</b>	<b>207 334 516</b>	<b>8 596 110 652</b>	<b>1 515 013 560</b>	<b>10 785 909 223</b>	

\*For shareholder loans (refer table in section 8.3), the Group has the right to postpone payments of loans and interest until final maturity. As such, these borrowings have been included in the maturity interval between 2 and 5 years in the table.

## 9.5 Fair values

The fair value of trade and other payables, trade and other receivables, cash and cash equivalents, and revolving credit facilities approximates to the carrying amount because of the short maturity of interest rates in respect of these instruments.

Primary financial instruments held or issued to finance the Group's operations:	NOK		31.12.2021		31.12.2020	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
Accounts receivable	127 598 062	127 598 062	101 343 696	101 343 696		
Other receivables and unbilled revenue	54 879 687	54 879 687	191 383 083	191 383 083		
Cash and cash equivalents	228 861 044	228 861 044	351 322 455	351 322 455		
Accounts payable	68 771 948	68 771 948	24 280 830	24 280 830		
Borrowings, including interest	5 462 302 847	5 479 459 271	7 440 304 595	7 463 970 474		
Other liabilities	1 017 052 184	1 017 052 184	1 051 824 358	1 051 824 358		

## Capital management

The capital of the company is managed as part of the capital of the group as a whole.

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group might adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.



## 10. Cash and cash equivalents

	NOK	31.12.2021	31.12.2020
Cash at bank and in hand		228 861 044	347 420 526
Restricted cash		3 851 154	3 901 929

Restricted cash relates to withheld tax in Norwegian companies in addition to restricted cash in Tampnet Inc that is required for maintaining Competitive Local Exchange Carrier (CLEC) license.

## 11. Transactions with related parties

### 11.1 Parent entities

Other than the loans that have been obtained from 3i Tampnet Holdings Limited, Arbejdsmarkedets Tilægspension and Colombo Topco Limited with corresponding interest, there are no transactions with related parties.

	NOK	3i Tampnet Holdings Limited	Arbejdsmarkedets Tilægspension	Colombo Topco Limited	31.12.2021
Transactions with related parties		654 813 694	654 813 694	-	1 309 627 389
Long term loan					
Net Interest cost		-58 168 552	-58 168 552	-260 499 856	-376 836 961

	NOK	3i Tampnet Holdings Limited	Arbejdsmarkedets Tilægspension	Colombo Topco Limited	31.12.2020
Transactions with related parties		596 645 142	596 645 142	2 750 399 850	3 943 690 134
Long term loan					
Net Interest cost		-55 899 336	-55 899 336	-262 833 064	-374 631 736

The loans are subject to interest calculation according to the agreement which is based on transfer pricing regulations.

### 11.2 Key management personnel compensation

	NOK	2021	2020
Short-term employee benefits		21 484 274	18 596 225
Post-employment benefits		1 603 221	538 472
Total		23 087 495	19 134 697

### 11.3 Directors

	NOK	2021	2020
Aggregate emoluments		2 020 706	1 397 445
Total		2 020 706	1 397 445

## 12. Share capital

The share capital of NOK 1 051 750 749 consists of 1 051 750 749 shares with a nominal value of NOK 1 each.

The shares consists of two share classes:

Preference shares: 1 050 769 587 shares with nominal value of NOK 1 each

Ordinary shares: 981 162 shares with nominal value of NOK 1 each

Ordinary shares holds the right to exercise fifty votes per share, while preference shares holds the right to exercise one vote per share.

Ordinary- and preference shares have different dividend rights which are regulated in the company by-laws.

89,58 % of the shares are owned by Colombo Topco Limited, whilst the remaining are owned by management.

The company has determined that the preference shares as detailed in note 12 do not contain features that cause the instrument not to meet the definition of an equity instrument. Both the common shares and the preference shares are only redeemable by the Company by resolution of the shareholders and therefore any decision to redeem either class of shares would be made by the shareholders acting in their role as decision makers for the Company in a General Meeting.

## 13. One-time charges

As described in the accounting principles, the one time charges paid by customers are deferred in the balance sheet and recognised as revenue over the life of the contract. The below table shows the movement in the one time charges:

	NOK	2021	2020
Current liabilities one time charge, included in other current liabilities			
Opening balance		50 751 683	50 767 519
Additions		2 738 783	-
Recognised as revenue during the year		60 092 588	-59 303 404
Reclassified from non-current liabilities		79 167 837	58 864 162
Effect of exchange rates		1 705 752	423 406
At 31 December		74 261 467	50 751 683
Non-current liabilities, included in deferred revenue			
Opening balance		240 660 185	230 984 734
Acquired through business combinations 27 March 2019		-	-
Reclassified to current liabilities		79 059 976	-57 323 710
Paid one time charges		89 213 051	68 799 577
Effect of exchange rates		4 003 525	-1 800 417
At 31 December		254 816 785	240 660 185

## 14. Finance income and costs

	NOK	2021	2020
Finance income			
Foreign exchange gain		-	292 052 604
Other financial income		589 453	765 023
Finance income		589 453	292 817 628

	NOK	2021	2020
Finance costs			
Foreign exchange loss		54 021 594	339 741 678
Debt issuance costs and commitment fees		11 293 556	16 113 345
Realized loss on interest rate swaps		-	18 383 558
Other financial costs		611 080	67 603 461
Finance costs		65 926 230	441 842 042



## 15. Investment in subsidiaries

The group's subsidiaries at 31 December 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Address of the registered office	Place of business/country of incorporation	Ownership interests held directly by the company %	Ownership interest held by the group	Principal activities
Colombo Holdco Limited	16 Palace street, London, UK	UK	100	100	Holding company
Colombo Bidco Limited	16 Palace street, London, UK	UK	0	100	Group managing company
Colombo US Bidco Incorporated	Corporation Trust Center, 1209 Orange street, USA	USA	0	100	Holding company
Tampnet UK Limited	1 Park Row, Leeds, UK	UK	0	100	UK operating company
Brent Holding AS	Jåtåvågveien 7, Stavanger, Norway	Norway	0	100	Holding company
Tampnet AS	Jåtåvågveien 7, Stavanger, Norway	Norway	0	100	Norway operating company
Tampnet Incorporated	Corporation Trust Center, 1209 Orange street, USA	USA	0	100	US operating company
Tampnet Licensee LLC	Corporation Trust Center, 1209 Orange street, USA	USA	0	100	Asset company
Tampnet Holdco Incorporated	Corporation Trust Center, 1209 Orange street, USA	USA	0	100	Holding company
Tampnet USA LLC	Corporation Trust Center, 1209 Orange street, USA	USA	0	100	Holding company
Tampnet Telecom Do Brasil LTDA	Rua Lauro Muller, No. 116, Rio de Janeiro, Brazil	Brazil	0	100	Brazil operating company
Tampnet Servicos De Telecomunicacao LTDA	Rua Lauro Muller, No. 116, Rio de Janeiro, Brazil	Brazil	0	100	Brazil asset company
Tampnet Netherlands B.V.	Neptunesstraat 29, The Netherlands	The Netherlands	0	100	Netherlands operating company
Tampnet Sweden AB	Norra Spanslyckevägen 5 B, Skanör, Sweden	Sweden	0	100	Sweden operating company
Tampnet Canada Incorporated	130 Water street, St. John's, Canada	Canada	0	100	Canada operating company
Tampnet Oceania Pty	Level 1, 29 Station street Subiaco, Australia	Australia	0	100	Australia operating company

All subsidiary undertakings are included in the consolidation. The company does not have any shareholdings in the preference shares of subsidiary undertakings included in the group.

### Company

Investment in subsidiaries of NOK 1 150 711 405 refers to the ownership of Colombo Holdco Limited. For details we refer to the table above.

## 16. Parent company and ultimate parent company

The immediate and ultimate parent undertaking is Colombo Topco Limited, which is jointly controlled by 3i Infrastructure plc and Arbejdsmarkedets Tilægspension (ATP). The largest group to consolidate these financial statements is Colombo Investment Holdings Limited.

The ultimate controlling parties are 3i Infrastructure plc and Arbejdsmarkedets Tilægspension (ATP).

## 17. Subsequent events

Following the war in Ukraine we have assessed implications for the company. Our judgement is that breach of sanctions against Russia could be detrimental as such we have already investigated and taken legal advice together with our owners to make sure that we do not have any business dealings that would be even near a breach of sanctions. Also field life of assets could change our long-term plans and ambitions. Based on market outlook the war has a very limited impact on the market long term outlook. In the general demand for our services and for our clients' products we see that investment in the sector has been strong for the last year and it is even stronger now since the war began. This has led to an even stronger demand for our services. Drilling is on a record high level and new fields are being sanctioned. Supply chain shortages were already a factor long before the conflict. This has the potential to delay our new installation projects but does not impact the day to day running of our business and our current earnings. Inflation is running at the highest level we have seen in a long time. We are partly covered through CPI clauses. We are constantly reviewing our prices and have a high awareness on this point. Based on the points above we do not see any of them having material impact on our positive earnings and cash flow development in the next 18-24 months.