



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 928 339 785
Organisasjonsform: Aksjeselskap
Foretaksnavn: SOTRA LINK HOLDCO AS
Forretningsadresse: v/ BIHE
c/o Advokatfirmaet Wiersholm AS
Dokkveien 1
0250 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Alexander Chesty Kornman
Dato for fastsettelse av årsregnskapet: 29.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 02.09.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	1, 2	136 645	66 923
Sum kostnader		136 645	66 923
Driftsresultat		-136 645	-66 923
Netto finans			
Ordinært resultat før skattekostnad		-136 645	-66 923
Income tax expense	2	-30 062	-15 948
Ordinært resultat etter skattekostnad		-106 583	-50 975
Årsresultat		-106 583	-50 975
Overføringer og disponeringer			
Transferred from other equity		-106 583	-50 975
Sum overføringer og disponeringer		-106 583	-50 975



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	2	46 010	15 948
Sum immaterielle eiendeler		46 010	15 948
Finansielle anleggsmidler			
Investering i datterselskap	3	545 000	545 000
Sum finansielle anleggsmidler		545 000	545 000
Sum anleggsmidler		591 010	560 948
Omløpsmidler			
Varer			
Fordringer			
Other short-term receivables	4	229	
Sum fordringer		229	
Sum omløpsmidler	4	229	0
SUM EIENDELER		591 239	560 948
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	5	550 570	550 570
Sum innskutt egenkapital		550 570	550 570
Opptjent egenkapital			
Other equity		-163 128	-56 545
Sum opptjent egenkapital		-163 128	-56 545
Sum egenkapital	6	387 442	494 025



Balanse

Beløp i: NOK	Note	2023	2022
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Other current liabilities	4	203 797	66 923
Sum kortsiktig gjeld		203 797	66 923
Sum gjeld		203 797	66 923
SUM EGENKAPITAL OG GJELD		591 239	560 948



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Revanue from contracts with customers	1, 2	1 757 119 456	743 939 043
Other income		1 745 994	0
Sum inntekter		1 758 865 450	743 939 043
Kostnader			
Constructruction cost	3	1 680 462 791	709 226 330
Employee benefits expense	4, 5	12 723 132	6 788 279
Depreciation and amortisation expenses	6	860 184	494 913
Other operating expenses	3, 5	65 000 342	41 719 530
Sum kostnader		1 759 046 449	758 229 052
Driftsresultat		-180 999	-14 290 009
Finansinntekter og finanskostnader			
Annen renteinntekt	7	59 474 261	13 478 587
Other financial income	7	70 424 096	8 363 286
Sum finansinntekter		129 898 357	21 841 873
Annen rentekostnad	7	103 925 046	66 883 829
Other financial expenses	7	1 259 991	54 800 260
Sum finanskostnader		105 185 037	121 684 089
Netto finans		24 713 320	-99 842 216
Ordinært resultat før skattekostnad		24 532 321	-114 132 225
Income tax expense		3 708 624	-14 365 754
Ordinært resultat etter skattekostnad		20 823 697	-99 766 471
Årsresultat		20 823 697	-99 766 471
Cash flow hedges		23 089 932	194 752 037
Income tax relating to components of OCI		-5 079 785	-42 845 448
Sum resultatkomponenter for IFRS-foretak		18 010 147	151 906 589
Totalresultat		38 833 844	52 140 118



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Owners of Sotra Link Holdco AS		20 823 699	-99 766 470
Sum overføringer og disponeringer		20 823 699	-99 766 470



Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Right-of-use assets	6	1 299 305	1 754 858
Sum immaterielle eiendeler		1 299 305	1 754 858
Varige driftsmidler			
Equipment and other movables	6	46 166	83 102
Sum varige driftsmidler		46 166	83 102
Finansielle anleggsmidler			
Derivative financial instruments	9	235 720 422	201 639 683
Sum finansielle anleggsmidler		235 720 422	201 639 683
Sum anleggsmidler		237 065 893	203 477 643
Omløpsmidler			
Varer			
Fordringer			
Contract assets	2, 9, 11	930 037 070	619 186 014
Other short-term receivables	10, 11	101 766 802	32 174 126
Other current assets	11	899 419 126	1 023 395 722
Sum fordringer		1 931 222 998	1 674 755 862
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	11	992 490 841	2 762 877
Sum bankinnskudd, kontanter og lignende		992 490 841	2 762 877
Sum omløpsmidler		2 923 713 839	1 677 518 739
SUM EIENDELER		3 160 779 732	1 880 996 382

BALANSE - EGENKAPITAL OG GJELD



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Egenkapital			
Innskutt egenkapital			
Share capital	13	550 570	550 570
Sum innskutt egenkapital		550 570	550 570
Opptjent egenkapital			
Other equity	13	90 973 964	52 140 119
Sum opptjent egenkapital		90 973 964	52 140 119
Sum egenkapital		91 524 534	52 690 689
Gjeld			
Langsiktig gjeld			
Utsatt skatt	8	37 268 103	28 479 694
Sum avsetninger for forpliktelser		37 268 103	28 479 694
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	9, 10, 15	2 765 133 537	1 694 127 710
Other non-current liabilities	9, 15	1 370 451	1 791 851
Sum annen langsiktig gjeld		2 766 503 988	1 695 919 561
Sum langsiktig gjeld		2 803 772 091	1 724 399 255
Kortsiktig gjeld			
Leverandørgjeld	9	3 110 109	9 035 916
Public duties payable		560 060	306 259
Other current liabilities		261 812 938	94 564 262
Sum kortsiktig gjeld		265 483 107	103 906 437
Sum gjeld		3 069 255 198	1 828 305 692
SUM EGENKAPITAL OG GJELD		3 160 779 732	1 880 996 381



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Annual Report 2023

Sotra Link HoldCo

Board of Directors' report

Statement of profit or loss for the company

Statement of other comprehensive income for the company

Statement of cash flow for the company

Notes to the financial statements for the company

Consolidated statement of profit or loss for the group

Consolidated statement of other comprehensive income for the group

Consolidated statement of cash flow for the group

Notes to the consolidated financial statements

Org.no.: 928 339 785



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Directors Report Sotra Link Holdco AS 2023 Annual Accounts

GENERAL

In 2021 Sotra Link Holdco AS (hereafter 'the Company') was, via its sole subsidiary Sotra Link AS (together 'the Group'), selected as the preferred bidder for the road project The Sotra Connection. The project consists of the design, build, finance, operation and maintenance (DBFOM) of a 9.4km four-lane road link on the Rv555 in Norway's Vestland County. The project is a public-private-partnership (PPP) and the largest PPP in Norway to date. It is procured by the Norwegian Public Roads Administration (NPRA), which receives funding from the Norwegian state. The Company's subsidiary is the special purpose vehicle (SPV) that shall execute the PPP-contract, the Company itself is a holding company without any operational activities. Following financial close and signing of the PPP-contract in March 2022, the road is currently in construction.

The PPP will deliver lower transport costs, better accessibility and increased traffic safety for the municipalities of Bergen and Øygarden. It includes (amongst other) the construction of:

- A four-lane 900 meters suspension bridge
- 4.6km of road in twin-tube tunnels
- Smaller bridges and road and pedestrian underpasses
- Dedicated infrastructure for public transport, as well as pedestrian and bicycle paths.

The design and construction of the project will be executed by Sotra Link Construction JV ANS which consists of the Spanish group FCC Construcción (35%), Webuild (35%), and SK ecoplant (30%) – and will be operated by Hungary's Intertoll via their Norwegian subsidiary Intertoll Norge AS.

The Sotra Connection will be opened for traffic in 2027, and the Company's subsidiary will operate and maintain the project for 15-25 years after the opening date.

The Authority reimburses the Company's subsidiary based on availability and several milestones.

The NPRA's total budget for the project is NOK 23.1 billion (in 2022 value), including preparatory work that has been going on since 2018.

On 21 January 2022 the Company registered as a limited liability company whose incorporators are: Ibsen Investment Holdings Ltd (70%); SK ecoplant Co. Ltd (20%); and Astaldi Concessions S.P.A. (10%).

The milestones during the construction period will only cover for part of the construction obligations and therefore the Company's subsidiary finances the design and construction phase. The funding consists of equity provided by the shareholders of the Company and credit facilities provided by a consortium of commercial banks and institutional lenders.

The Project is located in a high-income OECD country with stable economic and political environment and solid sovereign ratings. The primary revenue stream of the Project will comprise availability-based payments made by the Authority. The Project therefore bears no traffic risk and generates long-term stable cashflows during the concession period.

FUNDING AND IMPORTANT CONTRACTS

To reach her targets the Group has arranged on Financial Close funding from a commercial lenders and institutional lenders:

- Bank of China (Luxembourg) S.A. Stockholm Branch
- Caixa Bank, S.A.
- DZ Bank AG
- Crédit Agricole Corporate and Investment Bank
- Korea Development Bank
- Banco Santander, S.A.
- K-EXIM
- KfW IPEX-Bank GmbH



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Part of the finance package are fixed rate interest rate swaps for an aggregate notional amount equal to 100% of the anticipated outstandings under the Floating Interest Facilities (at Financial Close).

The Company's subsidiary has closed some important contracts:

- A Design and Construct (D&C) Contract, dated 15 March 2022 with Sotra Link Construction Joint Venture ANS (CJV). In the D&C Contract is stated a fixed price for the design and construction of the work until the opening of the roads. From the start of the project until and opening of the roads, the Company's subsidiary will pay an indexed price for the constructions works that are performed in that time period. The Company's subsidiary has subcontracted all design and construct obligations under the PPP Contract on a back-to-back basis to the CJV via the D&C Contract. The CJV provided a sufficient security package to the Group and the Lenders.

- An Operation and Maintenance (O&M) Contract, dated 15 March 2022, with Intertoll. In the O&M Contract is stated a fixed price for the operations and maintenance (not being lifecycle works) of the work from start of construction until the end of the PPP Contract. From the start of the project until and the end of the PPP Contract, the Company's subsidiary will pay an indexed price for the operations and maintenance works that are performed in that time period. The Company's subsidiary has subcontracted all operation and maintenance obligations (not being the lifecycle obligation) under the PPP Contract on a back-to-back basis to Intertoll via the O&M Contract. Intertoll provided a sufficient security package to the Group and the Lenders.

- Multiple employment contracts and management services agreements for both the construction and operational phase (indexed price) to manage the project and its stakeholders, the obligations from the various contracts, the health and safety elements from the project and the financial part of the project.

- Multiple financing agreements of which the Common Terms Agreement originally dated 15 March 2022 is the main agreement. Furthermore, A Shareholders Support Agreement with the sponsors of the project has been closed which arranges for the equity and subordinated debt funding.

RISK MANAGEMENT

Interest rate risk:

Interest rate risk is the risk that future cash flows differ from the initial plan due to changing market interest rates. The risk of market rate fluctuations is mitigated by hedging the interest rates via interest rate swaps. The interest rate swap is classified as effective at Financial Close as disclosed in the financial statements. The Group is monitoring the effectiveness of the interest rate swaps in order to be able to anticipate on a possible ineffectiveness of these swaps.

The possible impact on the financial statements when such event occurs is depending on the interest rate and drawdowns as per the date that the event occurs. The fair value of the interest rate swaps per 31 December 2023 is NOK 235.720k. This is the maximum impact per balance sheet date. The probability of the Group being exposed to this maximum impact is very small due to the contractual framework of the Group, thereby valuing this risk as very limited.

Credit risk:

The Group trades only with creditworthy parties and closely monitors the creditworthiness of these parties. No significant concentrations of credit risk exist within the Group.

Liquidity risk:

The risk that the Group is not able to pay their debts (liquidity risk) is managed by drawing up cash forecasts regularly. The Group manages liquidity risk through interim monitoring and by making adjustments where necessary. The expected future cash flows are corrected for the most recent price index.

Subcontractor risk:

The risk exists that the CJV and/or Intertoll will not meet the contractual obligations/construction milestones. The Group took mitigating measures in order to minimize this. Mitigating measures are: agreed security package and closely monitoring of the activities of the CJV and Intertoll. The security package of the CJV consist of a liquid performance bond of 10% of the contract value and a limitation of liability of 40% of the contract value. The security package of the Intertoll consist of a liquid performance bond of 50% of the contract value and a limitation of liability of 100% of the annual average contract value.

The progress of the CJV per balance sheet date is a little bit lacking, but still within acceptable bandwidths. Furthermore, the Group has no indication that the progress will divide significantly from our expectations. The Group considers these mitigation measures as appropriate and conclude that after these mitigating measures the risk is acceptable according to our risk appetite as described above. The possible impact varies on the specific breach of the contract.



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Operational risk:

The vast majority of the operational risks associated with the project are passed down to the CJV and/or Intertoll.

Inflation risk:

The Group has limited exposure to the risk of price inflation. The main mitigation measure that the Group took is to take out a fixed-price contract with its main suppliers, the CJV and Intertoll. The main price inflation risk is therefore born by these two subcontractors which took their own mitigating measures. One of these mitigating measures is to agree with Statens vegvesen (Norwegian Public Roads Administration) a compensation for the inflation by determining every period the level of inflation via a set inflation indices. This revenue stream is invoiced by the Company's subsidiary and paid out directly to the subcontractors on a back-to-back basis.

Main developments in earnings and activities during the reporting period

Earnings:

The 2023 period was concluded with Group after-tax earnings as shown below:

Earnings	Jan 1 st 2023 – Dec 31 st 2023	Jan 1 st 2022 – Dec 31 st 2022
Earnings after tax	NOK 20.824 k	-/- NOK 99.715 k
Total revenue	NOK 1.758.865 k	NOK 743.939 k
Earnings after tax (as % of total revenue)	3,7%	-/- 13,4%

Activities:

In October 2023, the Group successfully achieved its first milestone and received the corresponding payment of NOK 1.293M. This is a big success to the project.

During the 2023 period the project progressed mainly by ramping up to start execution activities outside and further setting up the organization, developing the design and implementing the various construction, management and environmental plans to execute the project.

Working environment & impact on the external environment

The monthly report from CJV and SPV discloses all events related to the working environment: injuries, accidents and any implemented measures of relevance to the working environment. These are reported periodically. Four injuries with lost time (less than 10 days per case), as well as two first aid injuries has been reported - meaning injuries without any lost time only minor first aid on site. There is a good level of reporting near misses, with around 2.000 reports per million working hours performed, hence also minor near misses and dangerous conditions are reported, for learning and improvement.

The monthly report from CJV and SPV discloses any aspects that may have a not insubstantial impact on the external environment. There are 45 reported incidents of environmental damage (2023: 12). These are mainly related to exceedance of noise limits, minor spills, waste handling, and temporary failures of barriers to reduce the turbidity from filling to sea/lakes, but also potential larger damages due to mishandling of masses, that were identified, stopped and handled correctly.

Future developments

Expected is that construction will continue until June 2028 when opening of traffic for phase 2A is expected to take place. During the construction phase, the Company's subsidiary receives seven separate milestones which cover for 65% of the construction costs. The last two milestone payments will be used to repay the milestone bridge facilities, the other five milestones will be used to fund the construction phase.

From the opening of the road, the Company's subsidiary will receive availability payments during the 15-year operational period that cover for the remaining 35% of the construction costs as well as the financing costs and other operational costs, such as operating, maintenance, lifecycle, SPV and insurance costs.

Liquidity & cash flow

The summary below illustrates the movement in the liquidity position on 31 December 2023 and recalls the position at previous year-end:

Liquidity	Dec 31 st 2023	Dec 31 st 2022
Current ratio (current assets / current liabilities)	11,0	16,1
Cash ratio (cash at bank / current liabilities)	375,2%	3,8%

Solvency	Dec 31 st 2023	Dec 31 st 2022
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Solvency (equity / total assets)	2,9%	2,8%
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Note: The liquidity indicates the extent to which the Group is able to meet its short-term obligations. The extent to which the Group can meet its longer-term obligations is represented by the solvency ratio.
The cash flow statement has been prepared according to the indirect method. The cash and cash equivalents in the cash flow statement consists of cash only. Receipts from Authority, payments of construction costs, taxes (VAT), SPV costs and other operational costs are included under the cash flow from operational activities. Drawdown of loans, paid interests and costs for taking out loans are recognized under the cash flow from financing activities.

Other

D&O insurance:

The Group's board of directors is covered by a Directors and Officers Liability insurance, which covers a potential liability towards to the Group's directors and/or officers up to EUR 5M. The current liability insurance expires March 9th 2025, and will then be extended.

Transparency Act:

The Group will publish a report pursuant to the Norwegian Transparency Act prior to 30 June 2024. The report will be made available on the Group's web page sotralink.no.



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Statement of profit or loss

Sotra Link HoldCo

Operating income and operating expenses	Note	2023	01.11.2021-31.12.2022
Other operating expenses	1, 2	136 645	66 923
Total expenses		136 645	66 923
Operating profit		-136 645	-66 923
Net profit before tax		-136 645	-66 923
Income tax expense	2	-30 062	-15 948
Net profit or loss		-106 583	-50 975
Attributable to			
Transferred from other equity		-106 583	-50 975
Total		-106 583	-50 975



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Statement of comprehensive income

Sotra Link HoldCo

	Note	2023	2022
Net profit or loss		-106 583	-50 975
Other comprehensive income			
Components of OCI that will not be reclassified to P&L			
Total OCI that will not be reclassified to P&L		<u>0</u>	<u>0</u>
Components of OCI that will be reclassified to P&L			
Total OCI that will be reclassified to P&L		<u>0</u>	<u>0</u>
Total other comprehensive income		<u>0</u>	<u>0</u>
Total comprehensive income		<u>-106 583</u>	<u>-50 975</u>



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Statement of financial position

Sotra Link HoldCo

Assets	Note	2023	2022
Non-current assets			
Deferred tax asset	2	46 010	15 948
Investments in subsidiaries	3	545 000	545 000
Total non-current assets		591 010	560 948
Current assets			
Other short-term receivables	4	229	0
Total current assets		229	0
Total assets		591 239	560 948



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Statement of financial position

Sotra Link HoldCo

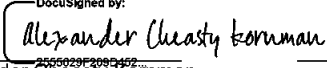
Equity and liabilities	Note	2023	2022
Equity			
Paid-in capital			
Share capital	5	550 570	550 570
Total paid-up equity		550 570	550 570
Retained earnings			
Other equity		-163 128	-56 545
Total retained earnings		-163 128	-56 545
Total equity	6	387 442	494 025
Liabilities			
Other current liabilities	4	203 797	66 923
Total current liabilities		203 797	66 923
Total liabilities		203 797	66 923
Total equity and liabilities		591 239	560 948

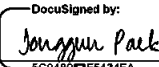
29.05.2024

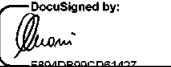
The board of Sotra Link HoldCo

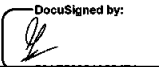
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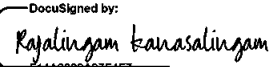
Christopher Meidell Bjerke
General Manager

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Alexander Cheasty Komman
Chairman of the board

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Jonggun Paek
Member of the board

DocuSigned by:

Emilio Ceroni
Member of the board

DocuSigned by:

Martijn Lunneker
Member of the board

DocuSigned by:

Rajalingam So Kanasalingam
Member of the board



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Cash flow statement

Sotra Link HoldCo

	Note	2023	2022
Cash flows from operating activities			
Net profit before tax		-136 645	-66 923
Change in working capital		136 645	66 923
Net cash flows from operating activities		0	0
Cash flows from investment activities			
Investments in subsidiaries		0	-550 570
Net cash flows from investment activities		0	-550 570
Cash flows from financing activities			
Proceeds from shareholder contributions		0	550 570
Net cash flows from financing activities		0	550 570
Net change in cash and cash equivalents		0	0
Cash and cash equivalents at the start of the period		0	0
Cash and cash equivalents at the end of the period		0	0



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Accounting principles

These financial statements have been prepared in accordance with simplified IFRS® Accounting Standards pursuant to the Norwegian Accounting Act § 3-9, and regulations regarding simplified application of international accounting standards as adopted by the EU (Simplified International Financial Reporting Standard - IFRS).

The principles for recognition and measurement are in accordance with the Accounting Standards. The Company has not made use of the exemptions in regards to measurement and recognition, available under the regulations to the accounting act § 3-1. The disclosures are based on the requirements in the Accounting Act with addition as specified in the regulation for simplified IFRS.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

Classification and valuation of current assets

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Subsidiaries and associated companies

Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.



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Note 1 Remuneration to the chief executive, board and auditor

Remuneration to leading personnel

	Chief Executive	Board
Salaries	4 089 656	0
Pension costs	222 126	0
Other remuneration	769 123	0
Total	5 080 905	0

The chief executive is employed and remunerated by Sotra Link HoldCo's subsidiary Sotra Link AS. He has a maximum 25% bonus agreement and no loan from the company. The bonus is based on annual salary.

Auditor

Audit fees expensed for 2023 amount to NOK 122 500 ex. vat.

Note 2 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	-30 062	-15 948
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	-30 062	-15 948

Taxable income:		
Result before tax	-136 645	-66 923
Permanent differences	0	0
Taxable income	-136 645	-66 923

Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

Calculation of effective tax rate		
Profit before tax	-136 645	-66 923
Calculated tax on profit before tax	-30 062	-14 723
Total	-30 062	-14 723
Effective tax rate	22,0 %	22,0 %

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2023	2022	Difference
Accumulated loss to be brought forward	-209 138	-72 493	136 645
Basis for deferred tax assets	-209 138	-72 493	136 645
Deferred tax assets (22 %)	-46 010	-15 948	30 062



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Note 3 Subsidiaries

Sub.	Ownership interest	Voting interest	Book value	Share of equity cap.	Share of result
Sotra Link AS	100 %	100 %	545 000	91 682 092	20 930 282
Total			545 000	91 682 092	20 930 282

Investments in subsidiaries are recognised according to the cost method in the company's financial statements.

Note 4 Receivables and liabilities

	2023	2022
Specification of other short-term receivables		
VAT receivable	229	0
Total	229	0

There are no receivables with a maturity later than one year.

	2023	2022
Specification of other short-term liabilities		
Sotra Link AS	-203 797	-66 923
Total	-203 797	-66 923

There are no liabilities with a maturity later than one year.

Note 5 Shareholders

The share capital in Sotra Link HoldCo as of 31 December 2023 consists of:

Share capital	Number of shares	Par value	Capitalised
Ordinary shares	55 057	10	0

All shares carry the same rights in the company.

Sotra Link HoldCo had the following shareholders as at 31.12.2023.

	Ordinary shares	A/B-shares	Total	Interest	Share of votes
Shareholders:					
Sibsen Investment Holdings Ltd.	38 540	0	38 540	70 %	70 %
SK Ecoplant Co., Ltd.	11 011	0	11 011	20 %	20 %
Astaldi Concessions S.p.A.	5 506	0	0	10 %	0 %
Total number of share	55 057	0	0	0 %	0 %

The financial statements of Sotra Link HoldCo; and the consolidated financial statements of , is to be found at the company's address at v/ BIHE c/o Advokatfirmaet Wiersholm, 0250 Oslo.



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Note 6 Equity capital

	Share capital	Share premium	Other paid-in equity capital	Other equity capital	Total equity capital
Pr. 31.12.2022	550 570	0	0	-56 545	494 025
Result of the year				-106 583	-106 583
Pr 31.12.2023	550 570	0	0	-163 128	387 442

7 Events after the reporting period

There have been no events after the balance sheet date with significant consequences for the Company.



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Consolidated statement of profit or loss

Sotra Link Holdco AS

Operating income and operating expenses	Note	2023	01.11.2021-31.12.2022
Revenue from contracts with customers	1, 2	1 757 119 456	743 939 043
Other income		1 745 994	0
Total income		1 758 865 450	743 939 043
Construction costs	3	1 680 462 791	709 226 330
Employee benefits expense	4, 5	12 723 132	6 788 279
Depreciation and amortisation expenses	6	860 184	494 913
Other operating expenses	3, 5	65 000 342	41 719 530
Total expenses		1 759 046 449	758 229 052
Operating profit		-180 998	-14 290 009
Financial income and expenses			
Interest income	7	59 474 261	13 478 587
Other financial income	7	70 424 096	8 363 286
Interest expenses	7	-103 925 046	-66 883 829
Other financial expenses	7	-1 259 991	-54 800 260
Net financial items		24 713 321	-99 842 215
Net profit before tax		24 532 323	-114 132 224
Income tax expense	8	3 708 624	-14 365 754
Net profit or loss		20 823 699	-99 766 470
Attributable to			
Owners of Sotra Link Holdco AS		-20 823 699	99 766 470
Total		20 823 699	-99 766 470



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Consolidated statement of comprehensive income

Sotra Link Holdco AS

	Note	2023	2022
Net profit or loss		20 823 699	-99 766 470
Other comprehensive income			
Components of OCI that may be reclassified to P&L			
Cash flow hedges		23 089 932	194 752 037
Income tax relating to components of OCI		5 079 785	42 845 448
Total OCI that may be reclassified to P&L		18 010 147	151 906 589
Total other comprehensive income		18 010 147	151 906 589
Total comprehensive income		38 833 846	52 140 119
Attributable to			
Owners of Sotra Link HoldCo AS		38 833 846	52 140 119
Total		38 833 846	52 140 119



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Consolidated statement of financial position

Sotra Link Holdco AS

Assets	Note	2023	2022
Non-current assets			
Right-of-use assets	6	1 299 305	1 754 858
Equipment and other movables	6	46 166	83 102
Derivative financial instruments	9	235 720 422	201 639 683
Total non-current assets	11	<u>237 065 893</u>	<u>203 477 643</u>
Current assets			
Contract asset	2, 9, 11	930 037 070	619 186 014
Other short-term receivables	10, 11	101 766 802	32 174 126
Other currents assets	11	899 419 126	1 023 395 722
Cash and cash equivalents	9, 12	992 490 841	2 762 877
Total current assets		<u>2 923 713 839</u>	<u>1 677 518 739</u>
Total assets		<u>3 160 779 732</u>	<u>1 880 996 382</u>



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Consolidated statement of financial position

Sotra Link Holdco AS

Equity and liabilities	Note	2023	2022
Equity			
Paid-in capital			
Share capital	13	550 570	550 570
Total paid-up equity		<u>550 570</u>	<u>550 570</u>
Retained earnings			
Other equity		90 973 964	52 140 119
Total retained earnings		<u>90 973 964</u>	<u>52 140 119</u>
Total equity	14	<u>91 524 534</u>	<u>52 690 689</u>
Liabilities			
Provisions			
Deferred tax	8	37 268 103	28 479 694
Other non-current liabilities			
Liabilities to financial institutions	9, 10, 15	2 765 133 537	1 694 127 710
Other non-current liabilities	9, 15	1 370 451	1 791 851
Total non-current liabilities		<u>2 766 503 988</u>	<u>1 695 919 561</u>
Current liabilities			
Trade payables	9	3 110 109	9 035 916
Public duties payable		560 060	306 259
Other current liabilities		261 812 938	94 564 262
Total current liabilities		<u>265 483 107</u>	<u>103 906 437</u>
Total liabilities		<u>3 069 255 199</u>	<u>1 828 305 692</u>
Total equity and liabilities		<u>3 160 779 732</u>	<u>1 880 996 382</u>



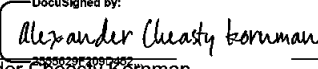
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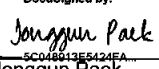
Consolidated statement of financial position

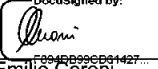
Sotra Link Holdco AS


29.05.2024

The board of Sotra Link Holdco AS

DocuSigned by:

Alexander Cheasty Korman
Chairman of the board

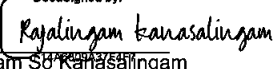
DocuSigned by:

Jonggun Paek
Member of the board

DocuSigned by:

Emilio Ceroni
Member of the board

DocuSigned by:

Martijn Linneker
Member of the board

DocuSigned by:

Christopher Meidell Bjerke
General manager

DocuSigned by:

Rajalingam S0 Karasalingam
Member of the board



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Consolidated cash flow statement

Sotra Link Holdco AS

	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax		24 532 323	-114 132 224
Change in Contract Asset		-310 851 055	-619 186 014
Interest expense and financing fees		105 047 695	70 586 456
Change in working capital		90 990 681	71 084 069
Ordinary depreciation		860 184	494 913
Hedge ineffectiveness interest rate swap		-10 990 807	-6 887 646
Prepaid expenses		123 976 596	-1 023 395 722
Net cash flows from operating activities		23 565 618	-1 621 436 171
Cash flows from financing activities			
Proceeds from the issuance of new long-term liabilities		1 093 540 255	1 958 851 194
Senior interest paid		-78 678 455	-51 687 190
Financing fees		-48 699 454	-283 515 526
Proceeds from shareholder contributions		0	550 570
Net cash flows from financing activities		966 162 346	1 624 199 048
Net change in cash and cash equivalents		989 727 964	2 762 877
Cash and cash equivalents at the start of the period		2 762 877	0
Cash and cash equivalents at the end of the period		992 490 841	2 762 877



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Notes to the financial statements

Sotra Link Holdco AS

Accounting principles

These financial statements have been prepared in accordance with simplified IFRS® Accounting Standards pursuant to the Norwegian Accounting Act § 3-9, and regulations regarding simplified application of international accounting standards as adopted by the EU (Simplified International Financial Reporting Standard - IFRS).

The principles for recognition and measurement are in accordance with the Accounting Standards. The Company has not made use of the exemptions in regards to measurement and recognition, available under the regulations to the accounting act § 3-1. The disclosures are based on the requirements in the Accounting Act with addition as specified in the regulation for simplified IFRS.

The consolidated financial statements consist of Sotra Link HoldCo AS and its subsidiary Sotra Link AS (Sotra Link or the Group). Sotra Link HoldCo AS also prepare stand-alone financial statements.

Use of significant judgment and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Significant judgement

The amount of the total contract price used to calculate the estimated revenue is subject to significant judgment, such as variable contract elements and claims against the contractor. Claims against the contractor are included in the total contract price at the amount for which the probability of a positive outcome for the company is regarded as high.

The expected outcome of legal disputes, disclosed as contingent liabilities, is subject to significant judgment.

Estimates

In the preparation of the annual accounts estimates and assumptions have been made that have affected the amounts of operational income and contract liabilities. Revenue from the contract is estimated based on an allocation of the total contract price in according to the projects' degree of completion, which is calculated as a percentage of the total cost, in accordance with IFRS 15. The amount of the total cost is subject to several uncertain assumptions.

Foreign currency

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under other financial items.

Revenue recognition

Revenue from contracts with customers are divided into two categories:

- Revenue from the construction and upgrade during the building phase.
- Revenue from the operational services during the operational phase.

The group is regarded as a service provider, delivering construction or upgrade services during the construction phase and operational services during the operation phase, in accordance with IFRIC 12. The operator recognises, and measures, revenue for the services that it performs, in accordance with IFRS 15, by:

- identifying the separate performance obligations (POBs) in the arrangement;
- determining the total transaction price for the arrangement;
- allocating the total transaction price to the separate performance obligations on the basis of their relative stand-alone selling prices; and
- recognising revenue for each performance obligation overtime, or at a point in time, as appropriate.



DocuSign Envelope ID: BDF383E8-05DE-4BCB-BB09-A2224DE87BDB

Notes to the financial statements

Sotra Link Holdco AS

The operator has identified, construction and upgrade services, and operations services as distinct promises and therefore separate performance obligations. The group allocates the transaction price to each performance obligation identified in the contract on the basis of relative stand-alone selling prices.

The project meets the definition of a PPP-project, as the contract gives Sotra Link (the operator) an unconditional contractual right to receive cash from the grantor (Statens vegvesen). Sotra Link will not receive a right to charge users of the public service, and IFRIC 12 is applied on how to account for the project. As the contract gives Sotra Link an unconditional contractual right to receive cash from the grantor, and Sotra Link will not have a right to charge users of the public service, a financial asset is being recognised together with the revenue from the contract as the performance obligations are being fulfilled.

For receivables/financial assets with a long duration, these should be discounted for the timevalue. This will in particular be relevant for the variable considerations (availability payments) in the construction phase: The SPV adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract provides either the customer or the entity with a significant benefit of financing (IFRS 15 paragraph 60).

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

Leasing

IFRS 16 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For each contract that meets this definition, IFRS 16 requires lessees to recognize a right-of-use asset and a lease liability in the balance sheet, with certain exemptions for short-term and low value leases. Lease payments are to be reflected as interest expense and a reduction of lease liabilities, while the right-of-use assets are to be depreciated over the shorter of the lease term and the assets' useful life.

Non-derivative financial assets and liabilities

Non-derivative financial assets and liabilities include cash and cash equivalents, trade and other receivables, trade payables and other liabilities. These financial instruments are recognised initially at fair value when the SPV becomes a party to the contractual provisions of the financial instruments. Non-derivative financial assets are derecognized if the company's contractual rights to the cash flows from the financial instruments expire (normally paid by the customer) or if the company transfers the financial instruments to another party without retaining control of substantially all risks and rewards of the instruments. Non-derivative financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired).

Provisions, contingent assets and contingent liabilities

Sotra Link recognises provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events, it is probable that the SPV will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost. Future operating expenses or losses are excluded from recognition as provisions as they do not meet the definition of a liability. Contingent assets and contingent liabilities are excluded from recognition in the statements of financial position.



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Notes to the financial statements

Sotra Link Holdco AS

Financial instruments at amortised cost

Amortised cost is applied according to IFRS 9. Financial liabilities are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest method. In amortised cost, transaction costs are amortised over the lifetime of the financial instrument using the effective interest method. The effective interest is included in profit or loss.

Hedge accounting

Hedge accounting is applied according to IFRS 9. Changes in fair value of financial instruments used as hedging instruments in cash flow hedges are recognised in OCI until the hedged transactions are recognised. Any ineffective part of a hedge is recognised in profit or loss. Hedge accounting ceases when the hedging instrument expires or is terminated. Hedge accounting also ceases if the hedge relationship for some reason no longer fulfills the requirements for hedge accounting.

Classification and valuation of current assets

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.



DocuSign Envelope ID: BDF383E8-05DE-4BCB-BB09-A2224DE87BDB

Notes to the financial statements

Sotra Link Holdco AS

Note 1 Long-term manufacturing contracts

	2023	2022
Income recognised on commenced construction contract	1 757 119 456	743 939 043
Costs recognised on commenced construction contract	1 680 462 791	709 226 330
Net recognised in profit and loss on continuing construction contract	76 656 665	34 712 713

The revenue from performance obligations recognised over a period of time is based on the percentage of completion. The method recognises revenue and expenses in proportion to the completeness of the contracted project. The percentage of completion is based on the costs incurred to the estimated total cost to complete the project.

The percentage of completion for each performance obligation as at 31.12.2023 has been calculated to:

- Construction performance obligation: 15,84 %
- Operations performance obligation: 0,00 %

Subcontractor risk

The design and construction of the project will be executed by Sotra Link Construction JV ANS (CJV) which consists of the Spanish group FCC Construcción (35%), Webuild (35%), and SK ecoplant (30%). Webuild and SK ecoplant are also owners of Sotra Link Holdco.

The risk exists that the CJV will not meet the contractual obligations/construction milestones in the project. Sotra Link has therefore taken mitigating measures in order to minimise this risk. The mitigating measures are an agreed security package and closely monitoring of the activities of the CJV. The security package of the CJV consist of a liquid performance bond of 10% of the CJV contract value and a limitation of liability of 40% of the CJV contract value. If the CJV does not oblige to their contract, Sotra Link can hold CJV accountable for 40% of the CJV contract price. If such a situation were to happen, the liability claims usually take quite some time to come to a conclusion, usually via the court. For that purpose, 10% of the contract price (i.e. 25% of the total liability cap) has been made 'liquid' via the CJV giving to Sotra Link a performance bond which is a bank guarantee that can be called upon immediately.



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Notes to the financial statements

Sotra Link Holdco AS

Note 2 Sales income

	2023	2022
By business area		
Construction	1 758 865 450	743 939 043
Total	1 758 865 450	743 939 043

Geographic breakdown

Norway	1 758 865 450	743 939 043
Total	1 758 865 450	743 939 043

	2023	2022
Contract asset		
Contract work in progress	2 500 070 476	742 951 020
Accumulated financial income	59 690 245	-38 852 378
Accumulated payments from customer	-1 629 723 652	-84 912 628
Total	930 037 069	619 186 014

Note 3 Related party transactions

Sotra Link Holdco AS has the following owner structure:

Owner	Ownership	Share of votes
Ibsen Investment Holdings Limited	70 %	70 %
SK Ecoplant Co., Ltd.	20 %	20 %
Astaldi Concessions S.P.A.	10 %	10 %
Total	100 %	100 %

The following internal transactions have taken place in 2023:

	Letter of credit fees	Service fee	Total
Ibsen Investment Holdings Limited	16 857 525	0	16 857 525
SK Ecoplant Co., Ltd.	4 816 436	2 397 542	7 213 978
Astaldi Concessions S.P.A.	2 408 218	0	2 408 218
Total	24 082 179	2 397 542	26 479 721

Note that even if Ibsen Investment Holdings Limited (UK) owns 70% of the shares in Sotra link Holdco AS, all general meeting majority approval matters will require 81 % of the votes in Sotra link Holdco AS and all super majority approvals will require a 91% of the votes in Sotra Unk Holdco AS. Therefore, the majority shareholders do not consolidate Sotra Link HoldCo AS in their actual consolidated financial statements.

In addition, Sotra Link AS had transactions with its subcontractor, which is a Joint Venture in which SK Ecoplant and Webuild S.P.A (owner of Astaldi S.P.A) are two of the three partners.

The following internal transactions have taken place in 2023:

	Construction of RV 555 Sotrasambandet
Sotra Link Construction JV ANS	1 707 901 299



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Notes to the financial statements

Sotra Link Holdco AS

Note 4 Defined-contribution pensions

Sotra Link AS has a defined-contribution plan in accordance with local laws. As at 31.12.2023 there were 4 members in the plan.

Contributions expensed amounted to NOK 251 118 and NOK 412 267 in 2022 and 2023 respectively.

Note 5 Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs

	2023	2022
Salaries	6 768 749	3 599 668
Employment tax	1 251 755	548 375
Pension costs	412 267	251 118
Other benefits	4 290 361	2 389 118
Total	12 723 132	6 788 279

In 2023 the company employed 3 FTS'.

Pension liabilities

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

Remuneration to leading personnel

	Chief Executive	Board
Salaries	4 089 656	0
Pension costs	222 126	0
Other remuneration	769 123	0
Total	5 080 905	0

The chief executive has a maximum 25% bonus agreement and no loan from the company. The bonus is based on annual salary.

Auditor

Audit fees expensed for 2023 amount to NOK 907 500 ex. vat.

In addition there is a fee for other services of NOK 1 088 821 ex. vat.



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Notes to the financial statements

Sotra Link Holdco AS

Note 6 Fixed assets

	Cars	Equipment and other movables	Rental apartments	Total plant and equipment
Acquisition cost as at 01.01.2023	1 001 465	110 804	1 220 604	2 332 873
Addition in the year	311 209	0	56 485	367 695
Acquisition cost 31.12.2023	1 312 674	110 804	1 277 089	2 700 568
Depreciation and write-downs as at 01.01.2023	176 211	27 702	291 000	494 913
Ordinary depreciation for the year	394 275	36 936	428 973	860 184
Depreciation and write-downs as at 31.12.2023	570 486	64 638	719 973	1 355 097
Book value 31.12.2023	742 188	46 166	557 116	1 345 471

Useful life in years

3

3

3

Sotra Link AS possesses three cars and two rental apartments through lease contracts. Outstanding lease liabilities as at December 31, 2023 were -1 370 451.

Note 7 Items that are aggregated in the accounts

Financial income	2023	2022
Effective interest on financial asset	39 133 496	11 978 963
Interest income from bank deposits	13 074 645	1 499 623
Swap interest income	46 960 792	0
Hedge ineffectiveness	10 990 807	6 887 646
Other financial income (agio)	19 597	1 475 640
Other financial income	66 679 812	0
Total financial income	176 859 149	21 841 873
Financial costs	2023	2022
Effective interest expenses	150 681 623	58 183 938
Swap interest expenses	0	8 592 668
Other interest expenses	204 214	107 223
Other financial expenses	1 122 650	54 533 968
Other interest costs (disagio)	137 341	266 292
Total financial costs	152 145 828	121 684 088



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Notes to the financial statements

Sotra Link Holdco AS

Note 8 Tax

This year's tax expense	2023	2022
Payable tax	0	0
Changes in deferred tax relating to ordinary profit/loss	3 708 624	-14 365 754
Tax expense (income) on ordinary profit/loss	3 708 624	-14 365 754
Changes in deferred tax relating to components of OCI	5 079 785	42 845 448
Tax expense (income) relating to components of OCI	5 079 785	42 845 448
Total changes in deferred tax	8 788 409	28 479 694
Tax expense on total comprehensive income	8 788 409	28 479 694

Taxable income	2023	2022
Taxable income:		
Ordinary profit/loss before tax	24 532 323	-114 132 225
Components of OCI	23 089 932	194 752 037
Permanent differences	53 786	377 412
Changes in temporary differences	-234 852 016	-458 118 871
Cut interest deduction	22 535 412	18 202 930
Taxable income	-164 640 562	-358 918 717
Tax payable	0	0

Calculation of effective tax rate	2023	2022
Profit before tax	24 532 323	-114 132 225
Calculated tax on profit before tax	3 708 624	-14 365 754
Effective tax rate	15,1 %	12,6 %

Reconciliation of the tax cost	2023	2022
Net profit before tax	24 532 323	-114 132 225
Calculated tax (22%)	5 397 111	-25 109 089
Income tax expense in income statement	3 708 624	-14 365 754
Difference	1 688 487	-10 743 336

Difference consists of		
Carry-forward losses on interest deduction not recognised	-4 957 791	-4 004 645
Permanent differences	-11 833	-83 031
Other differences not included in the basis for calculation of deferred tax	0	-6 658 111
Adjustment of previous years	6 658 111	1 225
Sum of differences	1 688 487	-10 744 561

The tax effect of temporary differences that has formed the basis for deferred tax/tax advantages specified:

	2023	2022	Difference
Tangible assets	-8 128	5 540	13 668
Production contracts	170 071 599	-5 127 688	-175 199 287
Lease agreements brought to the balance	-71 146	-36 993	34 153
Derivatives and liabilities to financial institutions	522 978 333	463 278 013	-59 700 320
Cut interest deduction	-40 738 342	-18 202 930	22 535 412
Total	652 232 316	439 915 942	-212 316 374
Accumulated loss to be brought forward	-523 570 423	-358 929 859	164 640 564
Differences not included in the basis for calculation of deferred tax	40 738 342	48 467 069	7 728 727
Basis for deferred tax	169 400 235	129 453 152	-39 947 083
Deferred tax (22 %)	37 268 103	28 479 694	-8 788 408



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Notes to the financial statements

Sotra Link Holdco AS

Note 9 Financial instruments, derivatives and hedge accounting

	Fair value through OCI	Amortised cost	2023 Total	2022 Total
Derivatives	217 841 969	17 878 453	235 720 422	201 639 683
Contract asset	0	930 037 070	930 037 070	619 186 014
Cash and cash equivalents	0	992 490 841	992 490 841	2 762 877
Financial assets	217 841 969	1 940 406 364	2 158 248 333	823 588 574
			0	
Financial liabilities			0	
Liabilities to financial institutions	0	2 765 133 537	2 765 133 537	1 694 127 710
Other non-current liabilities	0	1 370 451	1 370 451	1 791 851
Trade payables	0	3 110 109	3 110 109	9 035 916
Financial liabilities	0	2 769 614 097	2 769 614 097	1 704 955 477

The fair value of the derivatives are valued using external MTM reports from its financial bank, and is a level 2 measurement. For assets and liabilities recognised at amortised cost the carrying value is considered to be a reasonable approximation to fair value.

Derivatives and hedge accounting

	Fair value	2023 Total nominal amount (NOK)	2022 Total nominal amount (NOK)
Derivatives used for hedge accounting			
Interest rate swap	235 720 422	4 002 028 970	2 144 722 278
Total	235 720 422	4 002 028 970	2 144 722 278
- of which cash flow hedges	235 720 422	4 002 028 970	2 144 722 278
- of which fair value hedges	0	0	
Total derivatives	235 720 422	4 002 028 970	2 144 722 278

The table above shows the fair value of the derivative financial instruments together with their notional amounts. Fair value of the interest swap and the total nominal amount include hedge ineffectiveness. There are no margin calls in place on the derivative financial instruments.

Hedged items

NOK	Inherent rate risk	
	2023	2022
Cash flow hedges		
Carrying amount of hedged assets	0	0
Carrying amount of hedged liabilities	2 765 133 537	1 694 127 710
Hedge ineffectiveness		
Fair value of actual interest rate swap	235 720 422	201 639 683
Fair value of 100% effective interest rate swap	-217 841 969	-194 752 037
Accumulated hedged ineffectiveness recognised in the income statement, before tax	17 878 453	6 887 646

The Company uses derivative financial instruments such as interest rate swaps to hedge its risks associated with interest rate fluctuations. Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans. All interest rate swaps are designated as hedging instruments in a cash flow hedge. The derivative financial instruments are initially measured at fair value (usually zero). Subsequently the effective portion of changes in fair value are



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Notes to the financial statements

Sotra Link Holdco AS

recognised in other comprehensive income, while the ineffective portion is recognised in profit and loss. Hedge effectiveness is tested using the hypothetical derivative method.

The company receives 3M Nibor (same as the reference rate on the loans) and pays a fixed rate in the range 2,50% to 2,68% on the swaps. The interest rate swaps have a maturity profile from 2027-2041 corresponding to the repayment profile on the loans disclosed in note 15. Total notional amount of the interest rate swaps are NOK 0 million, which is higher than the loans currently drawn. However, some of the interest rate swaps are forward starting, covering future expected drawdowns on the financing which reduces the ineffectiveness.

The gross movements in the hedge reserve is disclosed below:

	2023	2022
Opening balance pre tax	194 752 037	0
Fair value changes on hedging instruments	-23 870 859	203 344 705
Reclassified to P&L (swap interest income/expense in note 7 and hedge ineffectiveness)	-46 960 792	8 592 668
Closing balance pre tax	217 841 969	194 752 037
Tax effect	5 079 785	42 845 448
Closing balance net of tax	222 921 754	237 597 485

Risk management

Sotra Link AS enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.

Overview

The Company is exposed to the following risks arising from the use of financial instruments:

Credit risk
Liquidity risk
Market risk

This explanation provides information about the Company's exposure to each of the aforementioned risks, the Company's objective, as well as its policies and processes for measuring and controlling the risk and capital management of the Company.

Credit risk

Credit risk is the risk of a financial loss of the Company if a customer or counterparty of a financial instrument fails to meet its contractual obligations and primarily arises from receivables from customers and derivatives that the Company holds.

The Company is exposed to the risk that counterparties to financial derivative contracts do not meet its obligations, whereby the Company would have to renegotiate derivative contracts based on current interest rates.

Management has selected sound international counterparties to mitigate such risk. In addition, the Company did not conclude any derivatives linked to the withdrawn financing of both institutions. The exposure to credit risk is limited. The only client of the Company is the Client (Norwegian Public Roads Authority), a Norwegian government institution. The Norwegian government has an excellent credit score ("AAA rating").

Liquidity risk

Liquidity risk is the risk that the Company is exposed to when it comes into difficulty to meet its obligations with regard to financial liabilities when those obligations relate to the payment of cash or other (short-term) financial obligations.

The approach of the Company is to control the liquidity of the Company so that there is always sufficient liquidity available in the Company to be able to meet its obligations at the time that these have to be discharged in both normal and stressed circumstances, without incurring unacceptable losses or sustaining reputational damage to the company.

The liquidity risk exposure for the Company is directly related to the Client's payments as discussed above. All payments with the Client are arranged through the provisions of the PPP Contract. Based on the knowledge of the Company regarding credit quality and the relationship with the Client, this liquidity risk is limited.

In addition, there is also a risk of high volatility of interest rates. For the company, this risk is limited to the accounting fair value of the (long-term) loans taken out. As all of the interest on these loans have been fixed via interest rate swaps for the entire term of the loans and they are held until maturity, the volatility is fully



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Notes to the financial statements

Sotra Link Holdco AS

controlled and the associated liquidity risk of higher interest to be paid is mitigated.

Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates, share prices and construction and maintenance costs affect the income or costs of the Company or that this affects the value of the (financial) assets of the Company. The objective of controlling market risk is to limit and control this risk within acceptable bandwidths.

The Company is not exposed to any significant market risks as set out above. The construction and maintenance costs are laid down in long-term contracts with a creditworthy and solid counterparties. The interest rate risks are managed as discussed above and the Company has a limited exposure to exchange rate fluctuations as nearly all of the transactions are conducted in Norwegian kroner. There is also no risk exposure to fluctuations in the valuation of shares as the Company is not listed.

Note 10 Receivables and liabilities

	2023	2022
Specification of other current assets		
Mobilisation fee Sotra Link Construction JV ANS	538 157 399	646 023 295
Cost to obtain contract with Statens Vegvesen	209 859 724	233 162 129
Prepaid insurance	116 219 768	141 890 010
Other prepaid expenses	35 182 236	0
Total	899 419 126	1 021 075 434

The mobilisation fee paid to Sotra Link Construction JV ANS and the costs to obtain the contract are amortised on a systematic basis that is consistent with the transfer to the customer (Statens vegvesen] of the identified performance obligations in the contract with Statens vegvesen.

	2023	2022
Specification of other short-term receivables		
VAT receivable	101 733 802	32 141 126
Other receivables	33 000	2 420 211
Total	101 766 802	34 561 337

There are no receivables with a maturity later than one year

	2023	2022
Specification of other short-term liabilities		
Construction JV ANS	256 611 967	88 448 171
Other receivables	5 200 971	6 116 091
Total	261 812 938	94 564 262

Long-term debt with a maturity later than 5 years

Debt to credit institutions	1 452 831 939	829 919 441
Other long-term debt	0	0
Total		



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Notes to the financial statements

Sotra Link Holdco AS

Note 11 Charges and guarantees

	31.12.2023	31.12.2022
Debt secured by charges	2 765 133 537	1 694 127 710

The following assets are charged:

Contract receivables
Insurances
Future contract receivables
Additional insurances
All current and future machinery and plant
All current and future inventory
All current and future trade receivables

Book value of charged assets

Contract asset	930 037 070	619 186 014
Insurances	116 245 542	141 890 010
VAT receivable	101 733 802	32 141 126
Machinery and plant	46 166	83 102
Total	1 148 062 579	793 300 253

Lenders have first priority on pledged assets above. The mobilisation payment to CJV, the cost to obtain the contract with Statens Vegvesen and the interest rate swaps are not part of charged assets as from a bank perspective these costs are certified and paid out and therefor part of the progress of the project.

Guarantees

Loan	Supporting shareholder	Expiry date	2023
Equity Bridge Loan	Ibsen Investment Holdings Limited	21.02.2025	481 643 437
Equity Bridge Loan	Astaldi Concessions S.P.A.	21.02.2025	68 806 205
Equity Bridge Loan	SK Ecoplant Co., Ltd.	21.02.2025	137 612 411
Total			688 062 053

The Equity Bridge lenders require the Shareholders to issue a "Letter of credit" which guarantees the repayment of the Equity bridge Loan on the agreed date.

Note 12 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 353 569.



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Notes to the financial statements

Sotra Link Holdco AS

Note 13 Shareholders

The share capital in Sotra Link Holdco AS as of 31 December 2023 consists of:

	Number of shares	Par value	Capitalised
Share capital			
Ordinary shares	55 057	10	0

All shares carry the same rights in the company.

Sotra Link Holdco AS had the following shareholders as at 31.12.2023.

	Ordinary shares	A/B-shares	Total	Interest	Share of votes
Shareholders:					
Sibsen Investment Holdings Ltd.	38 540	0	38 540	70 %	70 %
SK Ecoplant Co., Ltd.	11 011	0	11 011	20 %	20 %
Astaldi Concessions S.p.A.	5 506	0	0	10 %	0 %
Total number of share	55 057	0	0	0 %	0 %

Note 14 Equity capital

	Share capital	Cash flow hedges	Retained earnings	Total equity capital
Pr. 31.12.2022	550 570	151 906 588	-99 766 471	52 690 687
Result of the year			20 823 699	20 823 699
Other comprehensive income, net of tax		18 010 147	0	18 010 147
Pr 31.12.2023	550 570	169 916 736	-78 942 772	91 524 534



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Notes to the financial statements

Sotra Link Holdco AS

Note 15 Long-term liabilities

Debt that falls due more than five years after the balance sheet date

	2023	2022
Debt to credit institutions	2 765 133 537	1 694 127 710
Other long-term debt	1 370 451	1 791 851
Total	2 766 503 988	1 695 919 561

Information on convertible loan, bond loan and loans from credit institutions

	Currency	Effective interest rate	Maturity in years	Due date	Loan amount in amortised cost (NOK)	Notional amount	Total commitment
Equity Bridge Loan	NOK	7,48 %	3,6	31.07.27	626 567 859	655 297 375	655 297 375
Milestone Bridge Loan Facility 1	NOK	3,49 %	3,6	31.07.27	404 318 605	435 490 890	1 289 791 500
Milestone Bridge Loan Facility 2	NOK	3,02 %	4,7	31.08.28	281 415 134	305 665 095	905 287 000
K-EXIM Direct Term Loan Facility	NOK	2,97 %	18,0	30.11.41	555 679 731	603 676 128	1 787 904 998
Commercial Term Loan Facility	NOK	3,04 %	18,0	30.11.41	300 219 585	327 672 854	970 466 584
K-EXIM Covered Term Facility	NOK	3,03 %	18,0	30.11.41	176 470 645	215 305 710	637 669 538
K-SURE Covered Term Loan Facility	NOK	3,06 %	18,0	30.11.41	420 461 978	509 283 396	1 508 341 357
Total					2 765 133 537	3 052 391 449	7 754 758 352

Maturity profile

	2024	2025	2026	2027	2028	Subsequently	Total
	0	0	0	1 030 886 464	281 415 134	1 452 831 939	2 765 133 537
Leasing liability						1 370 451	1 791 851
Total other long-term liabilities						1 370 451	1 791 851



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Notes to the financial statements

Sotra Link Holdco AS

16 Events after the reporting period

There have been no events after the balance sheet date with significant consequences for the Group.



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To the General Meeting of Sotra Link HoldCo AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Sotra Link HoldCo AS, which comprise:

- the financial statements of the parent company Sotra Link HoldCo AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, statement of comprehensive income and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Sotra Link HoldCo AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the income statement, statement of comprehensive income and statement of cash flows 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 statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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 and the Group as required by 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 Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but

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Bode	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	

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does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

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

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen

KPMG AS

Knut Olav Karlsen
State Authorised Public Accountant
(This document is signed electronically)

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Karlsen, Knut Olav

Partner

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Att. Erik Stenvik Granly

Permission to prepare the annual accounts and directors' report in English language

With reference to your letter of 18 January 2023 with respect to the above matter regarding:

Sotra Link AS	org no 828 340 972
Sotra Link Holdco AS	org no 928 339 785

Based on a total evaluation, the view of the tax office is that the companies may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph. The exemption requires that the information the decision is based on, does not change significantly.

A copy of this letter must be sent to the Register of Company Accounts in Brønnøysund together with the financial statements. It is incumbent on the companies to document by this letter that the permit is granted.

Background

Sotra Link AS is 100 % owned by Sotra Link Holdco AS which is owned by three foreign companies.

The registered activity of Sotra Link AS is carrying out obligations under the Concession Agreement to design, build, finance, operate and maintain Rv. 555 – The Sotra Connection. The registered activity of Sotra Link Holdco AS is holding the shares in Sotra Link AS. The Sotra Link project execution includes five international companies that have specialist expertise to carry out financing, construction, and operation of this large and complex road project.

The working language and internal reporting of the companies are mainly in English. The chairperson and board members in both companies are not Norwegian.

Condition for the permission

According to the Norwegian Accounting Act § 3-4, third paragraph shall "the directors' report and annual accounts (...) be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:



“The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors, which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information.”

One of the main goals of the Accounting Act is to contribute to “informative accounts for different users of accounts”. The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors’ report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information, which has to be taken into consideration when considering the application for permission. In this assessment, the tax office has emphasized that the companies are owned by foreign companies. Furthermore, all key players and partners in this industry understand and use English.

Please state “our reference” (see above) in all written communication with the Norwegian Tax Authorities.

Yours sincerely,

Lars Waalorp
Senior Adviser
Customer Interaction Division, Customer Service
The Norwegian Tax Administration

This document has been electronically approved and therefore has no handwritten signatures.