Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 192 354
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ICE GROUP SCANDINAVIA HOLDINGS AS
Forretningsadresse:	Nydalsveien 18B
	0484 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

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:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	geirmagne.flyum@ice.no
Dato for fastsettelse av årsregnskapet:	29.03.2022

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, 28.05.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		0	0
Sum inntekter		**0**	**0**
Kostnader			
Annen driftskostnad	P6	20 000 000	14 000 000
Sum kostnader		**20 000 000**	**14 000 000**
Driftsresultat		**-20 000 000**	**-14 000 000**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	P3	141 000 000	140 000 000
Annen renteinntekt		0	0
Sum finansinntekter		**141 000 000**	**140 000 000**
Rentekostnad til foretak i samme konsern	P3	9 000 000	5 000 000
Annen rentekostnad		176 000 000	191 000 000
Annen finanskostnad		22 000 000	22 000 000
Unrealised currency effects		0	0
Impairments	P2,P4	1 057 000 000	
Sum finanskostnader		**1 264 000 000**	**218 000 000**
Netto finans		**-1 123 000 000**	**-78 000 000**
Ordinært resultat før skattekostnad		**-1 143 000 000**	**-92 000 000**
Ordinært resultat etter skattekostnad		**-1 143 000 000**	**-92 000 000**
Årsresultat		**-1 143 000 000**	**-92 000 000**
Overføringer og disponeringer			
Udekket tap	P4	-1 143 000 000	-92 000 000
Sum overføringer og disponeringer		**-1 143 000 000**	**-92 000 000**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	P2	2 736 000 000	3 792 000 000
Lån til foretak i samme konsern	P3,P4	2 379 000 000	2 477 000 000
Andre fordringer	P4	58 000 000	55 000 000
Prepaid expenses		10 000 000	0
Sum finansielle anleggsmidler		**5 183 000 000**	**6 324 000 000**
Sum anleggsmidler		**5 183 000 000**	**6 324 000 000**
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		49 000 000	50 000 000
Sum bankinnskudd, kontanter og lignende		**49 000 000**	**50 000 000**
Sum omløpsmidler		**49 000 000**	**50 000 000**
SUM EIENDELER		**5 232 000 000**	**6 374 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	P5	5 000 000	5 000 000
Sum innskutt egenkapital		**5 000 000**	**5 000 000**
Opptjent egenkapital			
Annen egenkapital	P5	2 296 000 000	3 440 000 000
Sum opptjent egenkapital		**2 296 000 000**	**3 440 000 000**

Balanse

Beløp i: NOK	Note	2021	2020
Sum egenkapital		**2 301 000 000**	**3 445 000 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	P9	2 265 000 000	1 398 000 000
Borrowings from Parent Company	P3,P4	101 000 000	91 000 000
Sum annen langsiktig gjeld		**2 366 000 000**	**1 489 000 000**
Sum langsiktig gjeld		**2 366 000 000**	**1 489 000 000**
Kortsiktig gjeld			
Current borrowings		520 000 000	1 400 000 000
Leverandørgjeld		14 000 000	0
Kortsiktig konserngjeld		1 000 000	1 000 000
Annen kortsiktig gjeld		29 000 000	39 000 000
Sum kortsiktig gjeld		**564 000 000**	**1 440 000 000**
Sum gjeld		**2 930 000 000**	**2 929 000 000**
SUM EGENKAPITAL OG GJELD		**5 231 000 000**	**6 374 000 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Service revenue		2 109 000 000	1 910 000 000
Other operating revenue		64 000 000	84 000 000
Sum inntekter	4,5,6	**2 173 000 000**	**1 994 000 000**
Kostnader			
National roaming expenses	17	195 000 000	441 000 000
Employee benefit expenses	8	263 000 000	232 000 000
Depreciation, amortisation and impairment losses	12,13,14	581 000 000	525 000 000
Operating expenses	17,7,18	1 322 000 000	1 265 000 000
Sum kostnader		**2 361 000 000**	**2 463 000 000**
Driftsresultat		**-188 000 000**	**-469 000 000**
Finansinntekter og finanskostnader			
Annen finansinntekt	10	1 000 000	1 000 000
Sum finansinntekter		**1 000 000**	**1 000 000**
Annen finanskostnad	11,14	425 000 000	368 000 000
Sum finanskostnader		**425 000 000**	**368 000 000**
Netto finans		**-424 000 000**	**-367 000 000**
Ordinært resultat før skattekostnad		**-612 000 000**	**-836 000 000**
Ordinært resultat etter skattekostnad		**-612 000 000**	**-836 000 000**
Skattekostnad på ekstraordinære poster		-2 000 000	-2 000 000
Årsresultat		**-610 000 000**	**-834 000 000**
Overføringer og disponeringer			
Equity holders of the Parent Company		-610 000 000	-834 000 000
Sum overføringer og disponeringer		**-610 000 000**	**-834 000 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Licenses and similar rights		1 959 000 000	1 565 000 000
Customer relationships		71 000 000	99 000 000
Other intangible assets		351 000 000	307 000 000
Sum immaterielle eiendeler	12,14	**2 381 000 000**	**1 971 000 000**
Varige driftsmidler			
Property, plant and equipment		54 000 000	64 000 000
Technical equipment		2 462 000 000	2 515 000 000
Work in progress		456 000 000	331 000 000
Sum varige driftsmidler	13,14	**2 972 000 000**	**2 910 000 000**
Finansielle anleggsmidler			
Other financial assets	9,15,16	22 000 000	21 000 000
Capitalised cost to obtain/fulfil customer contracts	6	405 000 000	405 000 000
Sum finansielle anleggsmidler		**427 000 000**	**426 000 000**
Sum anleggsmidler		**5 780 000 000**	**5 307 000 000**
Omløpsmidler			
Varer			
Varer		2 000 000	4 000 000
Sum varer		**2 000 000**	**4 000 000**
Fordringer			
Kundefordringer	16,18	104 000 000	115 000 000
Andre fordringer	16,19	0	14 000 000
Prepaid expenses and accrued income	6,20	77 000 000	88 000 000
Sum fordringer		**181 000 000**	**217 000 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	21,25	345 000 000	525 000 000
Sum bankinnskudd, kontanter og lignende		**345 000 000**	**525 000 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum omløpsmidler		**528 000 000**	**746 000 000**
SUM EIENDELER		**6 308 000 000**	**6 053 000 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		5 000 000	5 000 000
Annen innskutt egenkapital		5 052 000 000	5 052 000 000
Sum innskutt egenkapital		**5 057 000 000**	**5 057 000 000**
Opptjent egenkapital			
Reserves		0	0
Udekket tap		6 106 000 000	5 497 000 000
Sum opptjent egenkapital		**-6 106 000 000**	**-5 497 000 000**
Sum egenkapital	1	**-1 049 000 000**	**-440 000 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	16,22	3 096 000 000	1 994 000 000
Non-current lease liabilities	14	2 639 000 000	2 072 000 000
Other non interest-bearing liabilities		4 000 000	2 000 000
Sum annen langsiktig gjeld		**5 739 000 000**	**4 068 000 000**
Sum langsiktig gjeld		**5 739 000 000**	**4 068 000 000**
Kortsiktig gjeld			
Leverandørgjeld	16	289 000 000	269 000 000
Current borrowings	22	520 000 000	1 400 000 000
Current lease liabilities	14	193 000 000	175 000 000
Other current liabilities	16,23	58 000 000	38 000 000
Accrued expenses and deferred income	6,24	557 000 000	542 000 000
Sum kortsiktig gjeld		**1 617 000 000**	**2 424 000 000**

Konsernets balanse

Beløp i: NOK	Note	2021	2020
Sum gjeld		**7 356 000 000**	**6 492 000 000**
SUM EGENKAPITAL OG GJELD		**6 307 000 000**	**6 052 000 000**

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	04.02.2015	12.02.2015
Telefon	Deres referanse	Vår referanse
22078139	Herman Skibrek	2015/94196

PRICEWATERHOUSECOOPERS AS
Postboks 748 Sentrum
0106 OSLO

Tillatelse til å utarbeide årsregnskapet og årsberetning på engelsk språk for AINMT Scandinavia Holdings AS, org. nr. 913 192 354

Vi viser til deres brev av 4. februar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for AINMT Scandinavia Holdings AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering AINMT Scandinavia Holdings AS 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
AINMT Scandinavia Holdings AS er 100 % eiet av det svenske selskapet AINMT Holdings AB som igjen er eiet med 96 % AI Media Holdings (NMT) LLC. Selskapet er morselskap i et norsk underkonsern og har datterselskaper i Norge og utlandet. AINMT Scandinavia Holdings AS er hovedsakelig involvert i bransjen for mobilt bredbånd. Konsernets arbeidsspråk er engelsk. Engelsk språk benyttes i all hovedsak både ved intern og ekstern kommunikasjon. Styreleder i morselskapet er utenlandsk og styret består av to medlemmer. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter 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."*

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

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60

"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 selskapet er datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Styret består av to medlemmer der den ene er engelskspråklig. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Geir Johannessen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer

Annual Report 2021

Ice Group Scandinavia Holdings AS

ice group

Firstly, I would like to give credit to our team for making very important contributions during another demanding year. The continued Covid-19 pandemic and the challenging refinancing process has been handled admirably by our employees, maintaining operations and securing high regularity and service towards our customers. I am proud to call them my colleagues.

Ice has continued its growth journey in 2021 and it is rewarding to experience that our key operational parameters are strengthened throughout the year. Revenues and EBITDA results developed positively throughout the year, the network continued to grow, and we delivered several new products to our customers during the year.

For mobile phone customers, we continue to grow the subscriber base and gained market share every single quarter and reached 12% by the end of 2021. Ice continues to see positive results from our customer centric approach, with improved NPS score and reduced churn.

On 15 November 2021 "NiceMobil" was launched. This is to our knowledge the first fully digital only mobile concept in the market. The fully digital concept of NiceMobil allows for very competitive price points as all customer interactions are digital and the concept is app based with eSIM only and credit card payment to make user experience easier for the customers. The initial response from the market is very positive and the Nice concept is expected to allow us to boost the subscriber growth rate and optimize value creation going forward.

In 2021 Ice invested NOK 497 million and added 318 new smartphone base stations on air, delivering on our mission of building the third mobile network in Norway. The modern Ice network has been rated as one of the top networks globally when it comes to network quality.
We see that the increased coverage of our network is improving the on-net share to new records as planned. The average data on-net share for Q4 2021 was 91%, while the average voice on-net share was 74%. This development strengthens quality for our customers further and reduced NRA costs for the company.

In September, Ice was awarded 80MHz of valuable frequency blocks in the 3,600 MHz band in the national frequency auction in Norway. The frequencies will be highly valuable for the build-out of 5G and for securing the third nationwide mobile network in Norway in the coming years. In November we successfully switched on our commercial 5G offering in Oslo, and in the short term we plan to have 5G in the 4-5 largest cities in Norway.

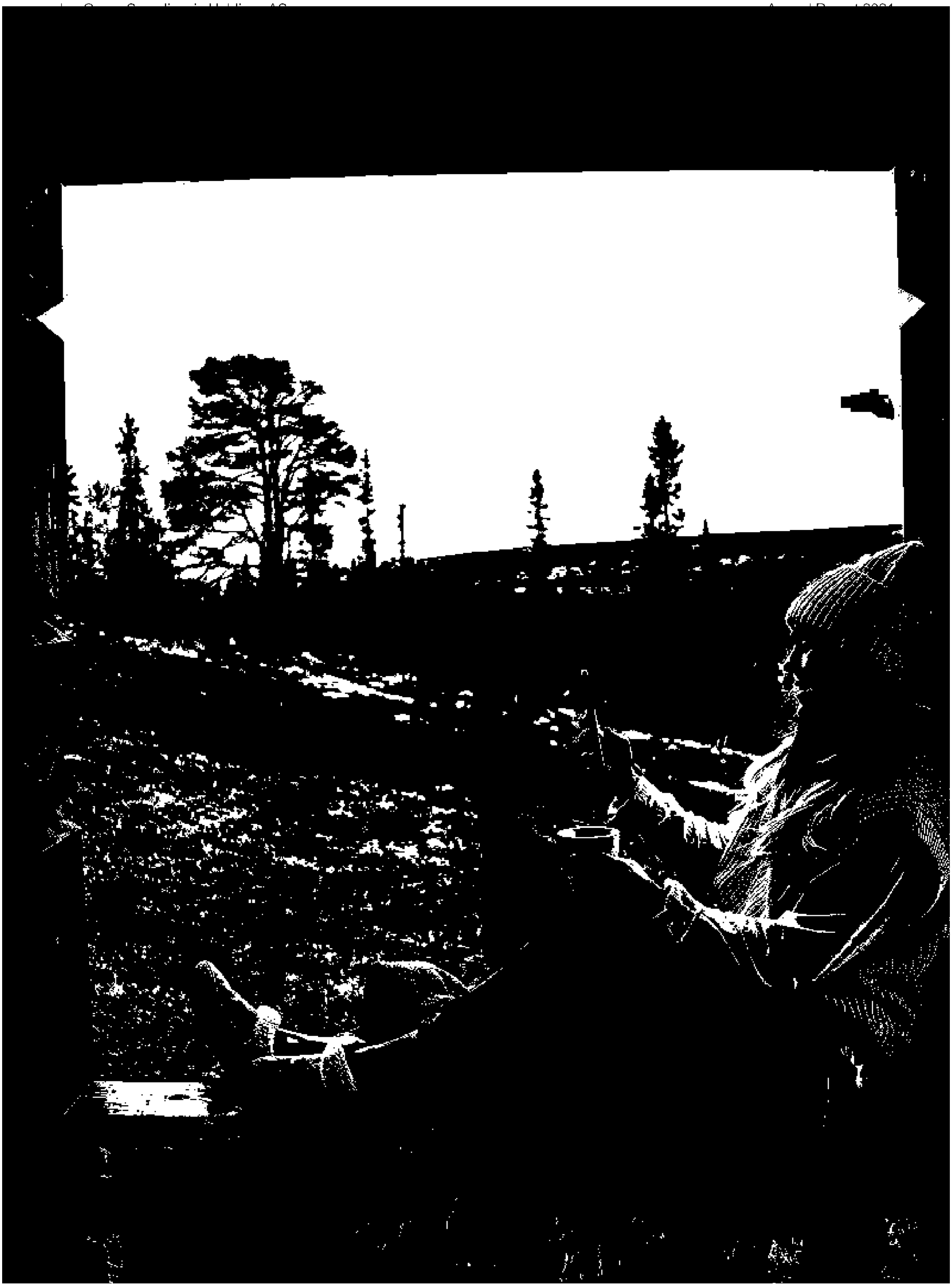
We continue to grow market share in the Norwegian market and added 55,000 new subscribers in 2021. Our digital sales channels are delivering strong results, and in 2021 we also saw record-low churn with only 21% for the year. Our efforts in improving customer experience are also showed by Ice once again winning the award for the best customer care in mobile in Norway.

We are also pleased to see that we continue to see a positive development in sales per customer, with an underlying positive growth in smartphone ARPU to 230 NOK for 2021. In June, Ice announced a summer campaign together with streaming service Strim, offering free streaming and Data Freedom throughout the summer. We also launched a Family package with included insurance for ID theft and safe e-commerce. These products are the first steps into value added services for Ice, and products like these are intended to improve customer loyalty, sales and ARPU going forward.

In parallel with building our position in the Norwegian telecom market, we have in 2021 also worked on a refinancing process. The refinancing process has been challenging due to the complex capital structure and different creditor preferences. The board and management of Ice have received and evaluated offers and proposals on several different transaction structures from different investor groups. The goal has been to maximize all stakeholder value in this process. Following this process, in February 2022 Ice decided to enter into an agreement with Lyse regarding the sale of all operating assets and companies in Ice Group. This process has not impacted the operations of the business or our relationship with customers or suppliers and it will enable the continued development of the third mobile network in Norway and strengthening the overall telecom infrastructure.

With an ongoing pandemic and the challenging refinancing process, the organization has been faced with more challenges than just developing our business and winning new customers. I would like to give credit to each and everyone for making very important contributions during a demanding year. Ice has now delivered 27 consecutive quarters of smartphone subscription growth and I remain confident that we will continue to win market share and grow the business further in the next phase of the company's journey.

EIVIND HELGAKER
CEO



NOK million	**2021**	**2020**
Total service revenues	2,109	1,910
Smartphone service revenues	1,786	1,593
NRA cost	-195	-441
NRA cost as share of smartphone service revenues	11%	28%
EBITDA adjusted	404	71
EBITDA adjusted – margin	19%	4%
Net result for the period	-611	-834
CAPEX excluding contracts with customers	497	662
Cash flow for the period	-181	-489
No. of smartphone subscriptions, thousand	694	639
No. of mobile broadband subscriptions, thousand (Norway)	67	78
Smartphone ARPU (Average Revenue Per User – in NOK)	230	228
Smartphone churn (annualised)	21%	25%
Smartphone base stations in service	3,205	2,887
Average data on-net share	90%	84%
Average Voice on-net share	71%	50%

2,173 mnok

+9% yoy

404 mnok

+333 mnok

694,000

+55,000

Ice Group is a mobile network operator with a customer-centric business model. Our operations are lean and digital-first so we can deliver an exceptional customer experience at low cost.

Customer centricity
At Ice Group we believe in customer centricity. We strive to understand what really matters to our customers in each market and use that insight to drive everything that we do. We believe in establishing differentiation through creating an emotional connection with our customers to drive cost-effective growth.

Mobile data
We also believe in the future of mobile data. By acquiring low band spectrum and building 5G and 4G LTE networks, we aim to deliver mobile data at the lowest unit costs in our markets while simultaneously building future-proof networks. These networks are ready to cater for exponentially growing data demand from both consumers and connected devices (IoT).

At Ice Group we also believe in the power of digitization. We use digital touchpoints, automation and data analytics to ensure that our organisations are lean, flexible and efficient with fast time-to-market at low cost of delivery.

Operations
Ice Group operates in Norway through the well-established ice brand and the newly estiablished NiceMobil concept. Ice is Norway's third largest mobile network operator and provider of voice and wireless data services, challenging the two incumbent operators. Ice is also Norway's third largest provider of wireless broadband services.

5G and 4G LTE network
The cornerstone of our Norwegian business is the utilisation low frequency bands, providing superior geographical and indoor coverage and significant cost advantages (both capex and opex). Ice Group's smartphone proposition, for both consumers and B2B customers, is based on a brand new multi-frequency 5G and 4G LTE network characterised by superior speed, capacity and coverage.

Ice Group's operation in brief:
- Continuous growth in revenues and customers since 2009
- #3 network operator controlling 21% of available mobile phone and MBB frequencies
- Pure data smartphone network (5G and 4G) with +95% population coverage
- #3 provider of mobile phone voice services with total market share (B2C and B2B) of 12% at year-end 2021, based on number of subscriptions (Nkom figures)
- #3 provider of wireless broadband, with market share of 25% at year-end 2021, based on number of subscriptions (Nkom figures)
- No legacy, with state of the art support systems

The Operations

Ice Group Scandinavia Holdings AS ("the Company"), and its subsidiaries (together, "the Group" or "Ice Scandinavia") is a telecom operator under the trademark ice in Norway. The business is to provide telecommunications services, including wireless data services, voice, messaging, mobile broadband services, telephony and other related telecom services under the brand names ice and NiceMobil.

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA.

Ice is Norway's third largest network operator and provider of wireless data, voice and messaging services, challenging the existing duopoly. Ice is also Norway's third largest provider of wireless broadband services. The organic customer growth in Norway has been supported by disruptive and customer-centric initiatives, and a strategy of operating openly and honestly with easy-to-understand subscription packages without any hidden fees.

The following marks the events in the year of 2021.

A new national roaming agreement (NRA) came into effect on 1 January 2021. The new agreement drove costs down substantially, and was an important factor for the improved EBITDA margin for 2021.

In February, Ice Scandinavia successfully issued a new senior secured bond issue of NOK 1,400 million with maturity in March 2025.

In June, Ice announced a summer campaign together with streaming service Strim, offering free streaming and Data Freedom throughout the summer. Ice also launched a Family package with included insurance for ID theft and safe e-commerce. These products were the first steps into value added services for Ice, products intended to improve customer loyalty, sales and ARPU.

In September, Ice was awarded 80MHz of valuable frequency blocks in the 3,600 MHz band in the national frequency auction in Norway. The frequencies will be highly valuable for the build-out of 5G and for securing the third nationwide mobile network in Norway in the coming years.

In November Ice successfully switched on the commercial 5G offering in Oslo, and Bergen and Trondheim followed in the beginning of 2022.

On 15 November 2021 "NiceMobil" was launched. This is the first fully digital only mobile concept in the market. The fully digital concept of NiceMobil allows for very competitive price points as all customer interactions are digital and the concept is app based with eSIM only and credit card payment to make user experience easier for the customers.

In October 2020, Ice Group announced that GoldenTree Asset Management LP (GoldenTree) had submitted a statement of claim to Oslo District Court to obtain a judgement that the loan agreement with the Group has been breached and that the lenders are entitled to an increase in the interest rate. In August 2021 Ice announced that the court had decided that the main hearing, originally scheduled for September 2021, will be rescheduled at GoldenTree's request. The rescheduling was decided on the background that GoldenTree terminated its legal team and appointed a new team from another law firm. The court has decided that the new start date for the main hearing will be 4 April 2022. Neither Ice Group Scandinavia Holdings AS nor Ice Communication Norge AS are parties in the GoldenTree Loan Agreement.

On 18 November 2021 Ice Group announced a refinancing process. The has been challenging due to the complex capital structure and different creditor preferences. The board and management of Ice have received and evaluated offers and proposals on several different transaction structures from different investor groups. Following this process, In February 2022 Ice decided to enter into an agreement with Lyse regarding the sale of all operating assets and companies in the group.

Turnover, expenses and profit

The service revenue for the year amounted to NOK 2,109 million (1,910), a y-o-y growth of 10%.

Costs for the National Roaming ("NRA") for the year was NOK -195 million compared with NOK -441 million in 2020. A new national roaming agreement (NRA) came into effect on 1 January 2021. The new agreement has significantly lower unit cost than the old agreement. The operating expenses for the year was NOK -532 million compared with -494 million. Sales and administrative costs for the year was NOK -791 million compared to NOK -770 million last year. The operating result for 2021 improved to NOK -188 million compared with NOK -469 million.

The net financial items for the year ended at NOK -424 million compared to NOK -367 million. Interest expense amounted to NOK 262 million (221). The Group paid NOK 187 million (201) in interest on borrowings. Financial expenses related to IFRS 16 amounted to NOK 158 million (143).

EBITDA

EBITDA adjusted for the year amounted to NOK 404 million (71). Non-recurring and non-operational expenses identified during the year of 2020 amounted to net NOK 10 million (14), representing an 15%-points margin improvement from 4% to 19% of revenues. Non-recurring items are mainly related to share-based compensation expenses.

Please also see note 4 and the Alternative Performance Measures section.

Significant events after the end of the period

On 18 February 2022 Ice Group ASA announced that Ice Group had decided to enter into an agreement with Lyse regarding the sale of all operating assets and companies in the group, please see separate disclosure on this transaction in note 28 regarding subsequent events.

Operating profit and cash flows

Cash flow from operating activities was NOK 110 million (-353) for the year. The period's cash flow from investing activities was NOK -660 million (-451). Investing activities for 2019 holds the NOK 166 million net proceeds from the divestment of the Swedish operations.

Cash flow from financing activities was NOK 61 million (1,548). NOK -238 million (-113) relates to lease liability payments for the year. Financing activities holds the net proceeds from the NOK 1,400 million bond issue in in the first quarter of 2021 and the bond repayment of NOK 1,400 million. Financing activities last year holds the net proceeds from the NOK 1.2 billion cash financing received from the Parent company and the new NOK 900 million bond issued in October 2019, net of NOK 280.5 million re-purchased own bonds.

The items making the difference between operating result and operating cash flows of NOK -579 million (-307) consist of depreciation and amortisation, interest payments and changes in net working capital. See also note 26 Adjustments for non-cash items.

Investments (CAPEX)

The Group's acquisition of non-current assets amounted to NOK 497 million (662), The investments are mainly related to the smartphone network build-out project in Norway, both on existing and new sites as well as on core modernization and IT.

The Group capitalises costs related to contracts with customers as other non-current assets in accordance with IFRS 15. These investments are presented within the working capital in the consolidated statement of cash flows, NOK 263 million (302) for 2020.

Financing

The Group is financed through owners' capital and loans. The total assets of the Group were NOK 6,307 million (6,052) at the end of the period, of which total non-current assets were NOK 5,779 million (5,306). Total equity ended at -1,049 million (-440). The Group's cash position at the end of the period was NOK 345 million (525).

In the first quarter of 2021, the Group issued a new senior secured bond of NOK 1,400 million of which the proceeds were used to redeem the existing NOK 1,400 million (ISIN NO0010807092) senior secured bond.

Please refer to note 22 Borrowings for details.

Research and development

A key priority for Ice Scandinavia is to continue to invest in network infrastructure and technology. Key focuses during the year have been related to improving the customer offerings and service experience through implementing VoLTE and to further strengthening the networks performance through optimisation and improving its security and reliability.

Statement of corporate governance

The Group's corporate governance principles are based on the recommendations set out in the Norwegian Code of Practice for Corporate Governance. In accordance with section 3-3b of the Norwegian Accounting Act, a policy document describing the Group's corporate governance principles has been prepared and included as a separate section in the annual report. The policy document is an integral part of the Board of Directors' report.

Sustainability Report

In accordance with section 3-3c of the Norwegian Accounting Act, a report of sustainability has been prepared. The report is included as a separate document in the annual report and includes details on working environment, injuries, accidents, sickness absence, equality and non-discrimination, as well as social responsibility and external environment. This report is an integral part of the Board of Directors' report.

Directors and officers insurance

Ice Group Scandinavia has a Directors and Officers Liability Insurance on behalf of the members of the Board of directors and the CEO.

ESEF

The financial statements are published in accordance with the European Single Electronic Format (ESEF) reporting requirements and regulation given with legal basis in Section 5-5 of the Norwegian Securities Trading Act. The format is Extensible Hypertext Markup Language (XHTML), and the primary statements have been labelled with the appropriate XBRL tags.

Risks and factors of uncertainty

Ice Scandinavia's continuing operations are in the highly competitive and regulated mobile telecommunications industry in Norway and is exposed to certain risks that could have impact on earnings or its financial position. The Group has defined risk as anything that could have a material adverse effect on the achievement of its goals or activities. Risks can be threats, uncertainties or lost opportunities relating to the Group's current or future operations. Ice Scandinavia divides the risks into related to disease outbreaks, risks related to the industry and market conditions, risks related to the Group's operations, legal and regulatory risks and financial risks.

The COVID-19 pandemic outbreak shows that disease outbreaks can put significant restrictions on the prerequisites for continuing operations of assets, including movement of people and their ability to get to their place of work. Such restrictions on and the outbreak itself could have an adverse impact on Ice Scandinavia's business, including on supply of both network equipment and handsets or other customer premises, equipment, and could also impact the availability and performance of service staff with the Group's suppliers. A general reduction in macroeconomic activity, both domestic and international, following disease outbreaks could directly impact the growth and/or demand for the services the Group provides.

As significant risks related to the industry and market conditions, management identifies failure to develop, or obtain access to, new technologies or equipment, or to obtain the necessary licenses or spectrum to provide services using these new technologies. This could have a material adverse effect on the Group's business, financial condition and results of operations.

Management has identified several operational risks. The failure to maintain and develop robust telecommunication networks could hinder the Group's financial and operational performance in the future. Furthermore, the Group is dependent on certain material contracts, including (i) a national roaming agreement (the "National roaming agreement") with Telia, until it has sufficient coverage through its own network; (ii) a supplier agreement with Nokia for the delivery of equipment and software to the network. The failure or breakdown of key components of the Group's network, including hardware and software, may have a material negative effect on the Group's financial and operational performance. Any interruptions in Group's ability to provide services could seriously harm the Group's reputation and reduce subscriber confidence. Since the Group depends on a limited number of suppliers and vendors to provide equipment and services, the Group may experience future problems related to increased prices or procurement of necessary equipment and services. As the Group's telecommunication frequency licenses have expiry dates (the first being in 2032 and the last in 2039) and will need to be renewed in order for the Group to be able to continue to provide its products and services, there is a risk that the Group will not be able to renew its licences due to factors outside its control. Finally, cyber-attacks, computer virus attacks, other database security breaches or acts of terrorism or vandalism could result in equipment failures or disruptions in the Group's operations, impact its reputation and lead to loss in subscribers.

Amongst legal and regulatory risks, the Group operates in a highly regulated industry; changes may have material consequences for the Group's telecommunications licences and business operations. The current Market 15 regulation regulating Telenor's obligation to provide roaming and access to Telenor's masts is given for a limited period of time, and there can be no guarantee that the regulation will continue in its present form. Furthermore, there is a risk of an unfavourable ruling by the court in the current dispute with GoldenTree relating to the GoldenTree Loan Agreement.

As significant operational risks, management sees the risk that it may not be able to successfully carry out its strategy or realise any or all of its anticipated gains in market share, higher ARPU and cost scalability. It also identifies that it is dependent on a national roaming agreement until it has sufficient coverage through its own network in order to secure access to a network when customers travel outside of the Group's own network coverage. The related strategy to build out the network faces the risks of being dependent on suppliers and vendors in order to continue its investments in maintaining, upgrading and expanding its technical network. Furthermore, there is a risk of significant IT or network outages in the future, which could harm the company's reputation, and thereby the ability to grow the revenues. Ice Scandinavia's networks are also vulnerable to damage or service interruptions, including interruptions or data breaches coming from targeted cyber-attacks. As another operational risk, management identifies the risk of financial loss, disruption or damage to the Group's reputation from some sort of failure of its information technology systems, or loss, alteration or unauthorised disclosure of personal data handled by the Group.

Amongst financing risks, the Group has a substantial amount of debt. The level of debt affects the valuation of the Company, and makes it exposed to risks relating to obtaining additional financing and refinancing of existing debt. Financing agreements include financial and operational covenants, and failure by the Group to meet these may entitle the lenders to call for immediate repayment of amounts outstanding. Furthermore, the Group is exposed to interest rate risks in interest bearing current and non-current liabilities. As the bonds carry variable interest rates, the relatively high level of debt results in exposure to interest rate risk.
Please refer to notes 2 and 29 for a detailed walk-through of the risks identified.

Liquidity and going concern

As of 31 December 2021, the consolidated total equity is negative by NOK 1,049 million. The Group is in need of new capital in order to satisfy its obligations.

Ice Group has since November 2021 been in discussions with several parties regarding new capital to fund a new business plan.

Ice Group has since November 2021 been in discussions with several parties regarding new capital which has been challenging due to a complicated capital structure, which the Group is looking to optimize. The Group contemplated a capital raise of NOK 2,500 million, where the proceeds were going to repay the Goldentree PIK notes and fund a new business plan.

The Group has, together with its advisors DNB Bank ASA, Pareto Securities AS and Lazard, received and evaluated offers and proposals on several different structures from different investors. This has left the Group with various options to secure the continued business operation of the Group and various impact on the capital structure and operations.

On 18 February 2022 Ice Group ASA announced that Ice Group ASA and its subsidiary AINMT Holdings AB ("AINMT", together with Ice Group ASA referred to as "Ice") have decided to enter into a Heads of Terms agreement with Lyse AS ("Lyse") regarding the sale of Ice Group Scandinavia Holdings AS ("IGSH") (the "Transaction"). The Transaction includes the acquisition by Lyse of all issued and outstanding shares of IGSH, and such additional assets and shares which normally belong to the business of Ice (including 100% of the shares of Ice Communication Norge AS and subsidiary), Phonepartner Norge Holding AS and subsidiary and Ice Retail Holding AS and subsidiary (the "Business"). The enterprise value of the Business implied by the Transaction is approximately NOK 5,560 million and Ice expects to receive cash proceeds of approximately NOK 3 billion following completion of the Transaction. The cash proceeds (net of transaction fees) will be applied in repayment of the settlement amount regarding the dispute between GoldenTree and AINMT and the Ice Group ASA's liabilities under the SEK 340 million perpetual loan and the NOK 689.1 million convertible bond (each including capitalised interest, accrued and uncapitalised interest and applicable call premium) totalling approximately NOK 2.9 billion. After closing of the Transaction, the Ice Group ASA expects that there will only be a limited residual amount left for the equity holdersThe board and management of Ice Group ASA have explored multiple potential transactions to achieve a successful refinancing solution. A refinancing has been deemed necessary to have a sufficient liquidity and equity to continue its current and planned business. The refinancing process has been challenging due to the complex capital structure and different creditor preferences. Discussions with creditors, shareholders and a range of potential new investors have been conducted to explore all options for a successful refinancing solution, and the goal has been to protect and maximise all stakeholder values in this process. The board and management of Ice Group ASA have received and evaluated offers and proposals on several different structures and solutions from several investor groups. The board's decision is unanimous and is due to the Transaction being the overall best alternative for the Ice Group ASA's stakeholders. The Transaction will enable continued development of the third mobile network in Norway and strengthening the overall telecom infrastructure.

On 4 March 2022 Ice Group ASA announced that it has entered into a definitive sale and purchase agreement with Lyse. Completion of the Transaction is subject to regulatory approvals and approval by the stakeholders of the Ice Group ASA, including shareholders of Ice Group ASA in the EGM. Ice Group ASA has received preapprovals for the transaction from shareholders representing approximately 80% of the shares as well as from relevant creditors, and the sales agreement was approved by the General Meeting on 21 March by 94.5% of the shares represented. Closing of the Transaction is targeted for the end of March. The Transaction is contingent on approval by the regulators and the stakeholders. On 21 March 2022, Ice Group ASA announced that the Norwegian Competition Authority ("NCA") has processed and closed the case. On 25 March 2022, Ice Group ASA announced that the Norwegian Communications Authority ("Nkom") will approve the transfer of all frequency licenses. All material closing conditions are now completed.

Please refer to note 28 – Subsequent events for more information.

The Board confirms that the prerequisites for the going concern assumption exist, and that the financial statements have been prepared based on a going concern basis in accordance with section 3-3a of the Norwegian Accounting Act and IAS1, p. 25-26.

Legal disclaimer

Certain statements in this Ice Group Scandinavia AS report are forward-looking and the actual outcomes may be materially different. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, fluctuations in exchange rates and interest rates and political risks.

Proposed distribution of earnings of the Company

At the disposal of the Annual General Meeting:	*NOK millions*
Net result for the year	-1,143
Total	**-1,143**

The Board proposes that this sum be distributed as follows:	*NOK millions*
To be carried forward	-1,143
Total	**-1,143**

Oslo, 29 March 2022

Martin Westersø
Chairman of the Board

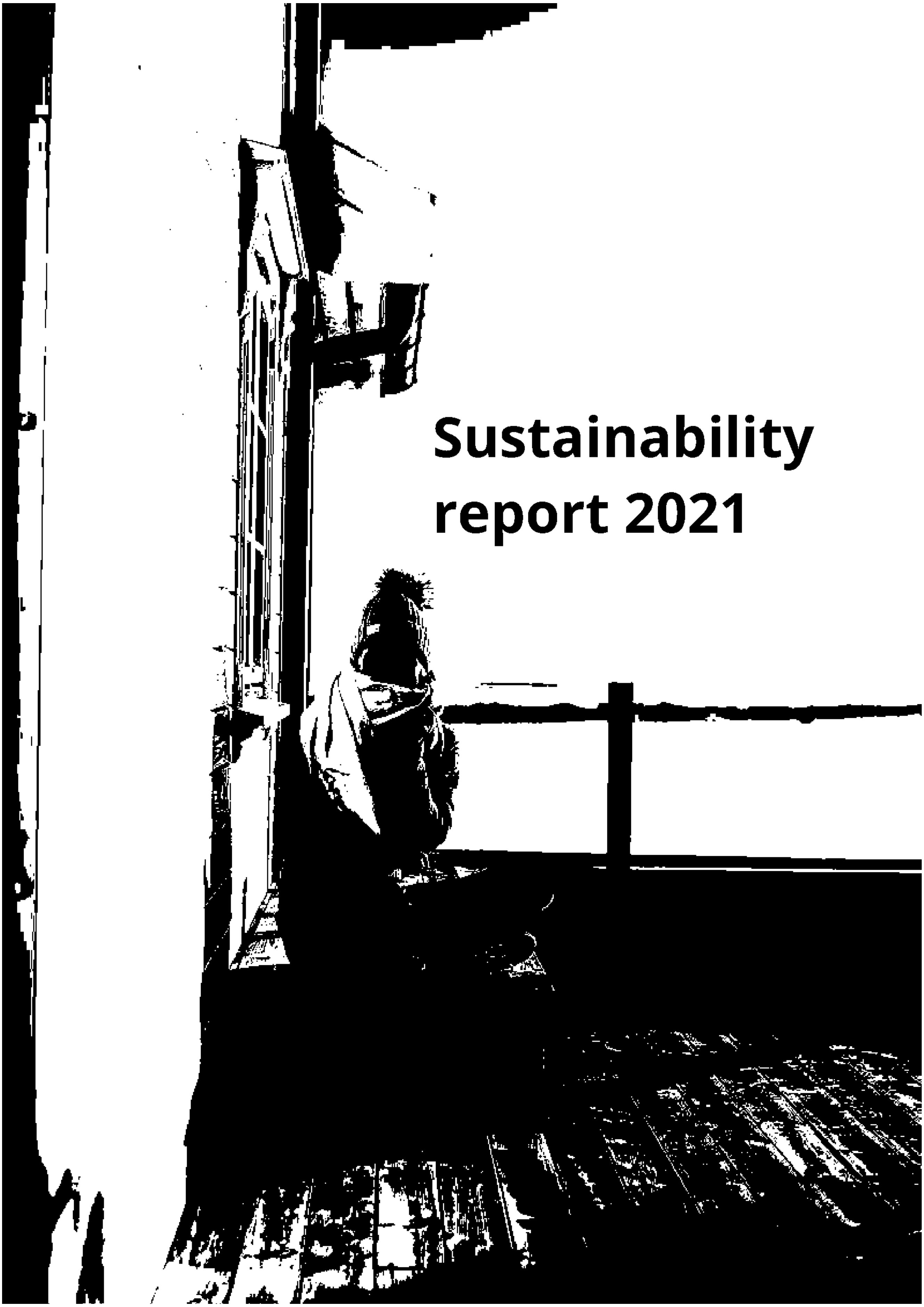
Eivind Helgaker

Geir Magne Flyum

Martin Westersø
Born 1973
Board Chair

Eivind Helgaker
Born 1975
Board Member

Geir Magne Flyum
Born 1985
Board Member



Sustainability report 2021

The focus and importance of sustainable business development has never been higher than in the past year. A decade or so ago, the term sustainability was a term that many companies had a relatively distanced relationship to. Today, having sustainability fully integrated in companies' business models is a prerequisite to attract employees, customers and investors. In 2021 we have seen a continued impact of the Covid-19 pandemic, the publication of the IPCC report and gradually more expectations from customers and authorities to us as a business.

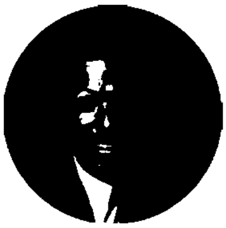
As a telecom operator we deliver critical infrastructure and services for the society we operate in and on behalf of. We understand the expectations and obligations this put on us as a company. It is a responsibility we carry with pride and the utmost respect.

The same for goes for sustainability. We are proud to take on this responsibility too. It is an undisputed fact that our operations have an impact on our surroundings and this is something I see as an opportunity to drive the development in the right direction. Because by having a conscious approach to how to manage this impact, we can make the world, our local society and workplace a better place.

This is Ice Group's second sustainability report. We hope it gives you an understanding of what is important to us as a company, both from a sustainability and business perspective. We genuinely believe business and sustainability are interwoven, to the benefit of both the company and the world that surrounds us. We focus on the most material topics that are most important to us and our stakeholders:

- A good working environment and an attractive employer
- Climate-friendly operation and responsible consumption
- Ethics and responsible business culture

In this report we present status on these topics. We have for this report for the first time included a carbon footprint accounting for the Group. Throughout 2022, we will further increase our sustainability efforts within our defined topic areas and identify how we should report on progress in future sustainability reports from Ice Group.



Eivind Helgaker
CEO of Ice Group ASA

This is Ice Group's second sustainability report and covers the period from 1 January to 31 December 2021. In this report, "Ice Group" refers to both Ice Group ASA and its subsidiary companies.

Our ambition for this report is to be transparent and share our approach, performance, progress and targets for our sustainability efforts. Ice Group publishes sustainability reports on an annual basis; and the next report will be published together with the 2022 annual report.

This report is inspired by the GRI Standards and the Euronext Guidelines for Environmental, Social and Governance (ESG) reporting.

The report has been approved by the Board of Directors (the Board). It is not quality assured by an external body.

For questions about this report and its content, please contact Ice Group's Head of Investor Relations Espen Risholm, ir@ice.no.

Ice Group is a telecommunications company with a nationwide network in Norway. The company operates a pure data (4G and 5G) mobile network, providing smartphone, m2m, IoT and mobile broadband services to B2C and B2B customers.

The company is a mobile network operator with a customer centric business model. Ice Group's operations are lean and digital-first so that it can deliver an exceptional customer experience at low cost.

Ice Group believes in customer centricity. The company strives to understand what really matters to its customers in each market and utilises that insight to drive everything it does. The company believes in establishing differentiation through creating an emotional connection with our customers to drive cost-effective growth.

The company also believes in the future of mobile data. By acquiring low band spectrum and building 4G and 5G networks, Ice Group aims to deliver mobile data at the lowest unit costs while simultaneously building future-proof networks.

Ice Group operates in Norway through the well-established Ice brand and the new mobile e-SIM concept NiceMobil. Ice is Norway's third largest mobile network operator and provider of voice and wireless data services, challenging the two incumbent operators. Ice is also Norway's third largest provider of wireless broadband services.

In 2021, Ice Group delivered revenues of NOK 2.3 billion, with an adjusted EBITDA-result of NOK 380 million.

The company is headquartered in Oslo, Norway with 258 employees (246 FTEs). Including external resources, such as dedicated people with contract suppliers and subcontractors, Ice Group employed 394 people at year-end 2021.

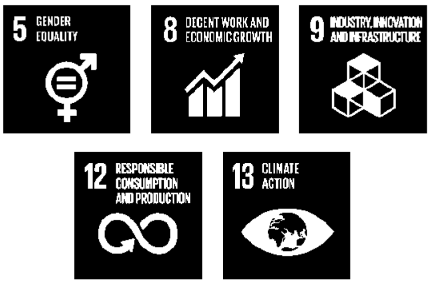
Ice Group ASA is listed on Euronext Expand in Oslo, Norway (ticker: ICEGR).

Sustainability is included in Ice Group's strategy and The Board of Directors is responsible for the sustainability strategy and review performance. The CEO is responsible for following up the implementation of the ESG strategy in Ice Group. Ownership and management of all risks is assigned to members of the corporate management, who are responsible for ensuring the operating effectiveness of the internal control systems and for implementing key risk mitigation plans. Implementation is mostly handled by the individual business units and is reported to the CEO/CFO through quarterly business reviews and in corporate management meetings.

Ice corporate governance requirements follows from the Norwegian Accounting Act section 3-3 b (available at www.lovdata.no), the Continuing Obligations (available at www.euronext.com), and the Norwegian Code of Practice for Corporate Governance, "NUES", (available at www.nues.no). Corporate governance is an important element to secure that the interest of shareholders, management and employees as well as other shareholders are aligned. Ice sees corporate governance as an integral part of our operations and believe that good corporate governance is an important factor in securing our value creation. Ice Group ASA provides its report on corporate governance as part of the Report of the Board of Directors.

UN Sustainable Development Goals

Ice Group is committed to supporting the UN Sustainable Development Goals (SDGs). An assessme of our activities reveals five SDGs in particular where our contribution delivers the most impact.



5 GENDER EQUALITY
Achieve gender equality: ICE is fully committed to empowering all women and girls

8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns

13 CLIMATE ACTION
Take urgent action to combat climate change and its impact

In a workshop during autumn 2020, Ice Group with assistance from Price Waterhouse Coopers (PWC) conducted a stakeholder assessment, determining the most relevant stakeholders for Ice to focus on. The assessment concluded with the following stakeholder groups:

- **Employees:** Primary stakeholders that directly affect or are affected by the company's internal policies and activities
- **Owners:** Primary stakeholders and directly affects the company's priorities and strategic direction
- **Governments / authorities:** Affect Ice Group directly through defining and regulating the regulatory framework that Ice Group must operate within as a telecommunication operator
- **Customers:** Directly affect the company financially and customer expectations contribute towards setting Ice Group's sustainability priorities
- **Suppliers:** Are directly economically affected by Ice Group and indirectly affected by the company's focus on responsible business practices and the expectations placed on them
- **NGOs / civil society:** Local communities are indirectly affected by the company's activities in job creation, tax payment and environmental impact

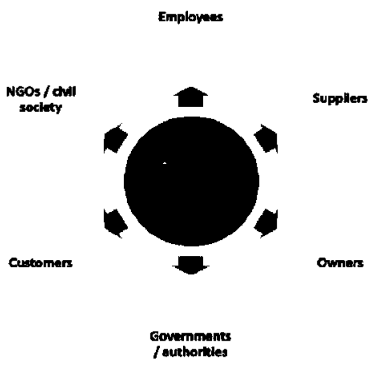


Figure 1: Ice Group's stakeholders

Stakeholder group	Expected of Ice Group
Employees	Flexible workplace Health and lifestyle Competence development Equality and diversity Competitive and fair renumeration Leadership, respect and attention
Owners	Economic growth Business model in line with consumer patterns Attractive earnings and growth Leadership and market positioning Strong corporate governance High standards in compliance and internal control
Customers	Price and quality Freedom to choose Data security Climate / environment certificates Customer service Product innovation Environmentally friendly offer Strong business ethics
Suppliers	Requirements for suppliers Energy efficient products (Nokia)
Governments / authorities	Data privacy and security Working environment Responsible marketing Anti-money laundering and corruption Contributing to society: Job creation, taxes and supporting Norwegian ESG goals
NGOs / civil society	Greenwashing Electromagnetic radiation Environmental impacts Transparency and cooperation

Table 1: Stakeholders' expectations

It is important for Ice Group to maintain an open and honest dialogue with its main stakeholders. Such dialogue provides valuable feedback and enables Ice Group to continue to improve, to build trust and to enhance its reputation.

The company conducted stakeholder dialogue during autumn 2020, speaking to key people in Ice Group who have regular contact with and a good understanding of various stakeholders' priorities, including shareholders, investors, analysts, employees, corporate and private clients, and the authorities. Furthermore, the company has held meetings and reviewed relevant documents from business partners, shareholders, customers, investors, and authorities. Other sources of information include an assessment of media and industry reports.

Ice Group's stakeholders are particularly interested in how we handle environmental matters, governance, ethics and anti- corruption measures and our corporate culture and employee satisfaction.

Ice Group believes that a systematic approach towards understanding and managing the company's impact on society and external stakeholders is a prerequisite for value creation. The main steps in selecting the focus areas involve identifying and understanding topics that are important to our business strategy and to our stakeholders.

The focus areas and priorities made for this sustainability report are mainly based on the stakeholder dialogue conducted in autumn 2020, relevant document review and a broader materiality analysis of areas where Ice Group and its stakeholders believe the company can make an important and sustainable impact.

The following methodology has been used to map Ice's significant sustainability topics:

- Interviews with Ice employees in various positions to map which topics in sustainability are important for internal and external stakeholders, including the main owner, other investors, authorities, customers and Ice's own employees.
- Review sustainability reporting and materiality analysis for comparable companies to identify topics that companies in the telecom industry typically prioritise, and where comparable companies have a significant impact.

The methodology is inspired by the GRI Standards, the most widely used framework for sustainability reporting both in Norway and globally. The identified KPIs are inspired by GRI Standards' indicators and a survey of which KPIs other companies use to measure the impact on similar sustainability themes. These topics are believed to be important for future progress and long-term value creation. The outcome of the analysis is illustrated below:

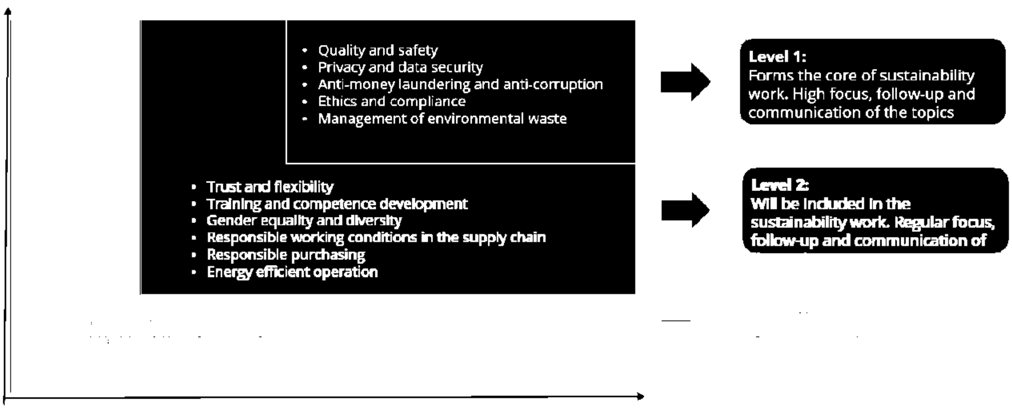


Figure 2: Materiality matrix

In the following chapters, the material sustainability topics and Ice Group's approach to each of them are discussed in detail, specifically:

- Providing a good working environment and being an attractive employer
- Ensure climate-friendly operations and responsible consumption
- Promoting an ethical and responsible business culture

A good working environment and an attractive employer

Material sustainability areas:

- Trust and flexibility
- Training and competence development
- Gender equality and diversity
- Responsible working conditions in the supply chain

Includes the following SDGs: 5 Gender equality, 8 Decent work and economic growth

Climate-friendly operation and responsible consumption

Material sustainability areas:

- Management of environmental waste
- Energy efficient operation
- Electromagnetic radiation -
- Local environmental impact

Includes the following SDGs: 12 Responsible consumption and production, 13 Climate action

Ethics and responsible business culture

Material sustainability areas:

- Quality and safety
- Privacy and data security
- Anti-money laundering and anti-corruption
- Ethics and compliance
- Responsible purchasing

Includes the following SDG: 9 Industry, innovation and infrastructure

Our employees are our company's most important assets. The company operates in accordance with all applicable laws and regulations concerning workers' rights, and the company's internal guidelines on working environment and workers' rights are rendered in the Employee Handbook, which also contains information on work regulations and health and safety.

Following the Norwegian Working Environment Act, Ice has established a working environment committee (WEC), which regularly meets to discuss safety and environmental matters and to monitor developments in safety, health and welfare in the company. The company has appointed three employee representatives that serves as board members on Ice Communication Norge AS' Board of Directors and appointed a safety representative (Norwegian: "verneombud").

The employment is currently not regulated by a collective bargaining agreement.

Trust and flexibility

How the workday is designed for the individual to thrive and succeed

Ice Group wants to be an employer that makes it easy for its employees to deliver the best possible work performance and operational results. To achieve this, Ice Group strives to create a working environment built on mutual trust between the company and its employees. It believes that trust and flexibility are fundamental to both do a good job and be a great family member at home.

As a result, Ice Group has implemented a "24-hour person" approach, which means that the workday in the company is designed so that employees can work whenever they want, wherever they want. Such an approach only works if the business culture is based on trust instead of control. Ice Group's business culture is therefore largely centred on human needs such as being seen and recognised.

To facilitate this trust-based culture, Ice Group has developed an activity-based workplace, where the Oslo headquarters are adapted to everyone's work needs and preferences. It means that each employee can tailor his or her workday to how and where they perform their job best. The company's Oslo headquarters invites employees to utilise customised meeting rooms, project rooms, creative zones, quiet zones, reflection room, library, squares with coffee shop and the possibility to:

- Exercise during working hours
- Juggling work and home life
- Subsidised car parking
- Bicycle parking and wardrobe with towel arrangement

To maintain and strengthen this trust-based business culture, Ice Group has implemented a number of processes that aim to ensure alignment with the company's values and culture and continuously strengthen the company's operational performance. Such processes include:

- The company's leaders are trained in trust, relationships, flexibility and being conscious of the "24-hour person"
- The company's employees are trained to lead themselves, whether they are in the office or at home
- Processes to involve employees in strategy work, both to ensure that the company's strategy is right and that all employees have an equally good strategy understanding as the senior management

Ice Group believes that employees get pride and motivation from helping to shape the workplace of the future. By involving employees, they get the chance to implement the plans they have been involved in developing themselves, where they have the lead roles and dare to be ambitious and courageous, both on behalf of customers and colleagues. Ice Group receives regular feedback from employees that this approach inspires and make colleagues want to stay with the company.

The Ice Employee Handbook is available on the intranet and provides information and guidelines supplementing the employment contract and includes information on i.e. policies and benefits. The Code of Conduct and Compliance Manual are also available on the intranet. The Code of Conduct summarises the standards of ethical business behaviour required in all matters carried out during the daily business activities of Ice and includes summaries of reporting channels for possible violations of the Code of Conduct. The responsibility for administering the Code rests with the DNA Director.

The purpose of the Compliance Manual is to provide employees/consultants with detailed information and a series of policies regarding the professional and ethical standards and compliance requirements of companies within the Ice Group of companies. The Compliance Manual includes the Whistleblowing Policy, the purpose of which is to encourage the raising of concerns about matters occurring within or related to the Compliance Manual.

To monitor progress within this area, Ice Group utilises both internal measurements and external third-party analyses of the company's attractiveness as an employer. In accordance with the Norwegian Working Environment Act, the company monitors sick leave and staff turnover through internal systems.

For both external and internal assessment of Ice Group's attractiveness as an employer, which is closely linked to its ability to foster a positive and trust-based business culture, the company is each year assessed by Great Place to Work®. The latter utilises a methodology where it collects and evaluates employee feedback and recognise those companies that have a trusting and high-performing workplace culture. In the past four years, Ice Group has been on the top-10 list of Norway's best places to work, and for 2021 Ice came in at 4th place in Norway.

In total, Ice Group believes that all these activities lead to reduced sick leave and build employee pride and workplace loyalty. The sickness absence rate increased slightly in 2021. However, the sickness absence rate is less than 2%, which is very low in a Norwegian context. Ice Group provides health insurance for all its employees.

Ice Group during Covid-19 – how the company adapted through the pandemic

Ice Group experienced that the company's existing culture and mind-set, built on trust and flexibility, made the transition to the Covid-19 situation relatively seamlessly.

Throughout the pandemic, the company has worked systematically to make this new and unpredictable situation as tolerable as possible for employees, by focusing on both practical facilitations, ensuring sufficient and correct information, and trying to create a sense of psychological safety. Measures taken includes:

- More frequent townhall meetings / CEO briefings
- A colour system, with code green, code yellow and code red to make it easy to communicate the degree of actions to be taken with regards to the level of infections at any given time
- Continuously adapting the office to the codes mentioned above
- Offering screens and office chairs on loan to employees on home office, also delivering the equipment to the homes of some employees at their homes
- Free face masks
- Free parking offered to the employees, plus extended the amount of available car parking spaces
- A psychologist offering training to employees in self-management and self-care
- Giving every employee two hours "mandatory" outdoor time each week, to make sure that they prioritise daylight and fresh air
- Organised social, digital activities to engage the employees, such as competitions, after work activities, podcasts and Ice Awards
- Re-organised parts of the office to comply to the new work situation, such as establishing a podcast studio and supplying more big meeting rooms and arenas with sufficient distance and infection control measures, making it safer for colleagues and teams to meet up

KPI	2019	2020	2021
Great place to work KPI	Top 10	Top 10	Top 10 (#4)
Total sick leave	1.3 %	1.8 %	1.9 %
Staff turnover	8.3 %	5.5 %	14.5 %

Training and competence development

Focus on employee training and development

To attract, further develop and retain the best employees – at all levels – Ice Group invests heavily in training and competence development of its staff. In addition to subject or competence-specific development measures, the company also work systematically to improve employees' ability to lead themselves. This is also as part of Ice Group's efforts to maintain a trust-based business culture for the benefit of both individuals and the business as a whole. Such ongoing initiatives include:

- Regular courses for all employees in managing themselves and structuring their workday and workload
- The staff journey in Ice – with focus on opportunities

Ice Group make it clear to its employees that there are many ways to engage in the workplace, and that the development paths are varied. Amongst the development opportunities Ice Group's employees have are the following:

- Interdisciplinary work streams, safety representative, employee representative, fire protection aide, social group, training group, tour group, interaction group, Ice ambassador (representing the Ice culture and DNA to external parties), course holder, manager, buddy, mentor
- Value Proposition Workshops, where employees are regularly invited to participate in creative processes and get external breakfast seminars or relevant lectures and courses business previews
- Leadership training programme
- Interdisciplinary projects in the creative zone on the 4th floor, where employees across departments and fields of expertise are invited to enter processes or other workshops that are centred around the creative wall
- Design Sprints, which are quick workshops designed for rapid innovation processes
- Departmental delivery descriptions
- "Ice Talks" or "Ice Talents", where employees are asked to contribute and be part of, which is a great way to see people
- Microsoft training-courses (primarily digital) within Microsoft 365: Teams, OneDrive, Cloud Storage, One Note-Office apps (Excel, PPT)
- Own training page on the company intranet page
- A ninja network, which consists of resources in each department that assist employees in questions about Microsoft 365 and as a good-use supervisor
- Ice learning portal, where all training and sources of tutorials are gathered
- Inspirational talks and presentations delivered by external speakers
- Development conversation – personal feedback from your manager every six weeks
- Investment in competence and competence mapping
- Personal development race – "me in Ice"
- Leadership development programme DiSC – training in basic understanding of yourself in interaction with others
- Pre-boarding in Ice

Ice Group has two main purposes for taking such an extensive and systematic approach to competence development in the workplace. Firstly, the company wants to have employees who are growing and possess the right skills to deliver on the company's business strategy. Secondly, because it is important for people to know that they are moving forward, that they learn something new, that they are evolving, and that they are seen as individual contributors in a fast-growing company.

The company's people development initiatives are continuously evaluated through Officevibe, Great Place to Work, one-to-one development and goal conversations between leader and employee, and in department meetings.

Gender equality and diversity

Ice Group is a diversity of people who create results together

Ice Group has a strong focus on culture and recognition of the human dimension in the workplace. In addition to being recognised for what you contribute, the company is also working to ensure that everyone is recognised for being precisely who they are. In Ice Group there is room for everyone!

In addition to following the Norwegian Working Environment Act, Ice Group also operates in accordance with the Gender Equality Act, which aims to protect against discrimination based on gender, as well as the Anti-Discrimination Act, which protects against discrimination on the grounds of ethnicity, religion, disabilities or the like.

We work to promote equal treatment of all. Further, it is the company's position that different treatment or discrimination based on person's gender, race, colour, national origin, age, religion, sexual orientation or any other characteristic protected by applicable law is unacceptable. Requirements to the work environment is set out in the Code of Conduct and the Whistleblowing Policy is included in the Compliance Manual.

Furthermore, Ice Group is committed to equal opportunity for all qualified employees and job applicants. All employment decisions (such as hiring, discipline, terminations, promotions and job assignments) are based on the company's needs and an employee's performance and potential.

As a consequence, Ice Group is a company that consists of more than 15 different nationalities, all of which contribute greatly to the culture and DNA the company strives to foster. Although Norwegian is Ice Group's official working language, the company attempts to facilitate for those who speak other languages. For example, most presentations used in meetings are created in English to enable all colleagues to understand its contents. Ice Group respect that its employees have different beliefs, and have, among other things, rooms that also serve as prayer rooms.

Management roles within technology have historically been male dominated. To ensure a healthy gender balance, Ice has focused on increasing the number of women in key positions, especially within technology roles. Ice Group currently has female leaders in the current roles: head of PMO, head of implementation, head of 24/7 operations office, head of retail operations, head of strategy and new business, DNA/HR director and General Counsel.

Salaries are also important, and the company will publish a separate remuneration report ahead of the annual general meeting. The company's salary philosophy is based on the principle that it should always pay the right salary for the right role. The company pays for the skills and experiences it requires to be competitive and pay more for roles that contribute exceptionally towards growth in the company, or in connection with key expertise with limited availability in the market. As of end-2021, the average salary level for female employees is 5.36% lower than average salary level for male employees.

In 2021 the company has encouraged all employees to evaluate Ice's standing regarding culture, inclusion and diversity through Equality Check (www.EqualityCheck.it), aiming to accelerate equality in the workplace. The company's score overall is 4.5 where 5 is best score. Highest score in area of inclusive culture, recommended company and no unwanted sexual attention. Ice will continue the work to further strengthen values and initiatives related to culture, inclusion and diversity.

In Ice Group's annual employee satisfaction survey performed by Great Place to Work (www.GreatPlacetoWork.no), where the company uncovers actionable insights and identify its company culture, Ice Group also asks questions regarding equality and diversity. The feedback and insight received through these surveys, is actively used to both improve or amplify current culture and the way the company prioritises.

In Norway, where Ice Group has its operations, the parental benefit period consists of a maternal quota of 15 weeks, a paternal quota of 15 weeks, a period of three weeks before the due date for the mother and a joint period of 16 weeks – in total 49 weeks. The company pays full salary to employees on parental leave.

Based on the Norwegian Activity Duty for employers (Aktivitets- og redegjørelsesplikten, ARP), the company is reporting the following employee data (data for Ice Communication AS):

Number of men and women in total and per position level:

	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Organisation total	168	52	162	60	153	75
Employee	140	37	134	43	125	58
Non-executive level management	21	13	21	16	21	16
Executive level management	7	2	7	1	7	1
Board of Directors	2	2	2	2	2	2

Permanent, part time and temporarily hired employees:

	2019		2020		2021	
	Men	Women	Men	Women	Men	Women
Number of permanent employees	168	55	162	60	153	75
Part time employee	0	0	0	0	0	0
Temporarily hired	0	0	1	1	2	1

Number of weeks average parental leave:

Number of weeks average parental leave	2019	2020	2021
Women	8.1 weeks	33.4 weeks	26.6 weeks
Men	9.8 weeks	9.9 weeks	9.2 weeks

Salary:

	Employee	Manager 1	Manager 2	Top management
2019				
Average salary men	675 299	924 900	803 280	1 635 205
Average salary women	676 056	803 500	760 888	1 289 009
2020				
Average salary men	702 604	1 037 016	843 077	1 680 581
Average salary women	695 021	966 750	818 421	1 314 789
2021				
Average salary men	704 857	1 125 911	918 787	1 720 376
Average salary women	676 390	1 029 603	850 044	1 300 000

Newly hired employees and employee turnover:

	2020			2021		
	Men	Women	Total	Men	Women	Total
Total number of newly hired employees	24 Avg. age: 39,3	13 Avg. age: 37,7	37 Avg. age: 38,8	11 Avg. age 31,8	14 Avg. age: 33,7	25 Avg. age: 32,8
Number of employees who have left the company	7 Avg. Age: 37,6	5 Avg. Age: 37,8	12 Avg. Age: 37,6	15 Avg. age: 36,6	26 Avg. age: 39,5	41 Avg. age: 38,4

Age distribution:

	2020			2021		
	Under 30	30-49	50+	Under 30	30-49	50+
Organisation total	21	177	33	25	168	35
Board of Directors (BoD)	0	0	4	0	1	3
Executive level management	0	8	0	0	8	0
Non-executive level management	0	32	5	0	32	5

Responsible working conditions in the supply chain

A robust system for monitoring the supply chain

Ice Group seeks an open and transparent relationship with its suppliers and partners. Suppliers are expected to adhere to Ice Group's business ethics and values, including the company's standards for health and safety, human and labour rights, environment, quality management, business integrity, and corporate social responsibility, as well as being competent and trustworthy.

Ice Group's standards and expectations to health and safety also extend to its suppliers. Currently, Ice Group's main supplier is Nokia, who is in charge of building Ice Group's mobile network on both 4G and 5G. Nokia and its subcontractors operate within a solid health and safety planning framework that is based on Norwegian legislation.

To ensure that the network build-out is conducted in line with Ice Group's health and safety standards, the company conducts the following activities:

- Weekly status meetings with Nokia where health and safety is an agenda topic every week
- Quarterly health and safety meetings with Nokia and all its subcontractors

Ice Group's vision is zero harm to people, assets and the environment. Health and safety is a responsibility that requires continuous effort and is a natural part of the Ice Group's daily operations. The company has no records of accidents or injuries in recent years and has therefore not deemed it necessary to take special measures in this area.

KPI	2019	2020	2021
Lost time incidents	1	2	0
Fatalities	0	0	0

Goals and targets: A good working environment and an attractive employer

2021 goals	Status	2022 goals
Continue to promote gender equality and diversity throughout the organisation.	**Completed:** A new initiative, Equalice, was established in 2021 to further promote gender equality and diversity throughout the organisation.	Increase the number of women in management roles.
Achieve top-10 status in 'Great place to work' survey.	**Completed:** For 2021, Ice came in at 4th place in GPTW in Norway.	Achieve top-10 status in 'Great place to work' survey.
Zero lost time incidents and zero fatalities.	**Completed:** Ice had zero lost time incidents and zero fatalities in 2021.	Zero lost time incidents and zero fatalities.
Continue to provide training and development for employees.	**Completed:** In 2021 the ice leadership training programme continued with two new classes and the company continue to further develop its other development programmes.	Complete at least two new classes of the Ice leadership training programme.
Carry out a risk assessment for suppliers, focusing on HSE specifically.	**In progress:** In 2021 Ice started planning the work related to the different documents in the supplier risk assessment, the work will continue in 2022.	Carry out a risk assessment for suppliers, focusing on HSE specifically.

Ice Group's business activities have both direct and indirect environmental impacts. The company's main impact on the environment is through energy use, building of new masts for base stations, and some waste generation.

Ice Group does not manufacture own products, but is a reseller of other manufacturers products, for example mobile phones. Additionally, Ice Group is building its first smartphone network, meaning that the company does not have to replace existing legacy network and equipment. A lean and cost-effective digital operation also contributes to a reduced environmental footprint from Ice Group.

Management of environmental waste

Good systems for receiving and disposing of environmental waste from customers (handsets and routers) and from network build out (base station equipment)

In the work of establishing a circular economy and waste-free society, we must ensure both recycling and reuse of both electronic equipment, as well as the materials from which the equipment is built. Old and unusable equipment can become part of the production of new technology.

Ice Group sells both mobile phones, mobile broadband routers and builds a mobile network consisting of core networks and base stations throughout Norway. At the same time, Ice Group has had a long-term collaboration with Nokia, who is committed to reusing and recycling produced equipment that Ice deploys.

Waste, including discarded batteries, are disposed of through Franzefoss and Serva AS, both of which are certified for waste management by the Norwegian Environment Agency (Miljødirektoratet). One of the company's main suppliers, Site Service, is certified according to the Eco-lighthouse standard (Miljøfyrtårn), an environmental management system for public and private companies.

Ice Group can influence waste management through both the online store and its own physical stores, as well as via retail partners and the main supplier Nokia, which is helping to expand the new mobile network. At the same time, Ice Group's own products such as Mobilbytte (handset swap programme) can help give customers a stronger incentive to repair the mobile phone instead of throwing it away, as well as return the old before they buy a new. All handsets that are returned are either sold as is or upgraded to be sold.

Ice Group has both an online store, the possibility to shop through customer services channels and five own physical stores in the central eastern part of Norway and have plans for more stores in the coming years.

Good contact with customers provides an opportunity to ensure that the customer buys the right product for him or her, since they have the right to return products in accordance with the Consumer Purchase Act. That way, Ice Group wants to reduce equipment returns due to wrong purchases. If the customer for any other reason returns equipment, it is important that it is either reused, resold or refurbished by Ice Group or an external logistics partner. Phones that are returned by customers are currently for sale at One2cel on teleoutlet.no.

Ice wants to reduce the number of returns, as well as continue to develop the possibilities for recycling, reuse and repair. It has an economic upside while benefiting the environment. Ice is also convinced that working in this way will over time result in more satisfied and environmentally conscious customers.

Ice Group measures how many mobile phones are returned to the company from consumers that exercise their right to return in accordance with the Consumer Purchase Act. All returned telephone handsets that are fully functionals, which is a prerequisite to exercise the right to return, are re-sold.

In 2021, ice launched the new mobile concept NiceMobil, a fully digital mobile concept. By removing the SIM-card altogether, NiceMobil will reduce the waste and transport related to changing operator.

KPI	2019	2020	2021
% of sold mobile handsets returned under Consumer Purchase Act	3.1 %	1.8 %	1.8 %
Share of returned mobile handsets that are reused	100 %	100 %	100 %

Energy efficient operation

Modern infrastructure technology and a climate-friendly office leads to less energy consumption

Using energy more efficiently and opting for renewable sources is essential for combating climate change and for lowering the organisation's overall environmental footprint.

Energy consumption occurs primarily in powering Ice Group's network base stations and IT infrastructure and in the form of lighting, heating, and cooling of the company's headquarter in Oslo, Norway. The headquarter in Nydalen in Oslo is located in an energy efficient passive house that is BREEAM (excellent) certified. The office has sustainable solutions and materials, as well as delivery of environmentally friendly energy, providing a modern and climate-efficient building.

The ice network is a data only network, only producing 4G and 5G. Legacy services on 2G is handled through a national roaming agreement with Telia. The new ice network is equipped with modern and efficient components. Combined with only producing on 4G and 5G this is giving the company an energy efficient network to operate.

Ice Group's energy consumption increased in 2021 compared to 2020, as both the number of customers and data usage per customer also increased. The energy consumption per TB data produced decreased in the same period.

Climate accounting

Ice Group started climate accounting in 2021 using CEMAsys' digital solution. A full overview can be found in the separate climate report on the company's website.

The information used in the climate accounting stems from both external and internal sources and is converted to tonnes of CO2 equivalents. The analysis is based on the international standard "A Corporate Accounting and Reporting Standard", which has been developed by "the Greenhouse Gas Protocol Initiative" – the GHG protocol. This is the most widely used method worldwide for measuring greenhouse gas emissions, and the ISO standard 14064-I is also based on this.

During 2021, Ice Group had a total greenhouse gas emissions of 378 tonnes of CO2 equivalents (tCO2e). Compared to 2020, this is an increase of 12%.

Ice Group has no company cars and does not use heating oil and thus has no emissions in Scope 1.

The company's Scope 2 emissions include electricity which the company leases from Telenor and Telia, as well as data that Ice's customers consume, converted to kWh. Leased power is included in Scope 2. The consumption of electricity increased from 31,001 MWh in 2020, to 35,750 MWh in 2021 (28.1%). Ice Group purchased guarantees of origin (OG / REC) for parts of the reported electricity consumption in 2021, and emissions are estimated at 7,348.2 tCO2e using a market-based approach.

Ice Group's Scope 3 emissions includes business travel and use of privately own cars for business purposes. The number of flights, distributed domestically, in Europe and in the world, has all had a clear decline during the reporting period. In 2020, the emissions related to business travel were 28.2 tCO2e, while in 2021 the emissions were 4.9 tCO2e.

In 2021, compensation was paid for 130 428.6 km for fossil cars, compared to 191,630 km in 2020 (a reduction of 52.4%). Km compensation was paid for 36,305.4 km for electric cars in 2021, compared to 68,968.8 km in 2020.

The number of train journeys in Norway was reduced by 67% compared to 2020. Train journeys in England and Sweden were reduced by 100%, as it was not registered in 2021. 563.2 pkm was reported in 2020 for bus trips in Norway, compared with 387 pkm in 2021 (a decrease of 31.3%). No bus trips were registered in Sweden in 2021, and thus have an emission of 0 tCO2e.

The emissions associated with trains and buses are marked with a line in the table below as the emissions are less than 0.1 tCO2e.

Finally, reported waste amounted to 33,500 kg in 2021, divided into electronic and residual waste. This corresponds to an emission of 0.7 tCO2e and is a reduction of 1.5% compared to 2020.

Key figures GHG Emissions (tCO2e)

Category	**2020**	**2021**	**Change %**
Electricity	279	357.5	28.1 %
Scope 2 emission	**279**	**357.5**	**28.1 %**
Business travel	115.2	39.5	-65.7 %
Waste	0.7	0.7	-1.5 %
Scope 3 emission	**58.4**	**20.5**	**-64.9 %**
Total emission	**337.4**	**378**	**12.0 %**
KPI:			
kgCO2e per TB	4.8	4.3	-10.4 %

Climate risk assessment:

In order to reach the Paris climate agreement goal of limiting global warming to below 1.5°C, the world will need to rapidly cut global emissions of greenhouse gases.

Climate risks include damage to vital infrastructure and utilities through the impact of more extreme weather events. At the same time, the telecom industry's technology have the potential to cut global carbon emissions, reduce resource intensity, stimulate economic growth and deliver substantial social benefits.

In Ice' climate risk assessment the most material risks to Ice are as follows:

- Increased pricing of GHG emissions, and consequent cost increases
- Limited availability and/or cost increase of renewable energy
- Increased severity and frequency of storms and other extreme weather impacting infrastructure

Ice have ambitions to conduct a thorough TCFD (Task Force on Climate-related Financial Disclosures) climate risk assessment of both risks and opportunities in 2022.

Electromagnetic radiation

Minimise electromagnetic radiation when operating base stations

Today most people use a lot of wireless technology that emits electromagnetic waves, also called radiation. These technologies are found all around us through wireless communication technology. Research shows that electromagnetic radiation from wireless technology does not pose a health risk, as long as the levels are below the limit values.

It is important for a mobile operator such as Ice Group to stay up to date on the latest research and have a good dialogue with the authorities. The latest research and measurements indicate that the exposure of the population from wireless technology is far below the set limit values. Based on current knowledge, there is no reason to assume that the radiation impacts animal and plant life negatively.

All mobile phones and broadband routers must use electromagnetic waves, when communicating with the base station network. The mobile networks use frequencies in the frequency range 450 MHz - 3.6 GHz. Electromagnetic waves in this frequency range are called non-ionising radiation, and do not have sufficient energy to ionise (destroy) human tissue.

Our radio planners carefully consider where the antennas should be placed to achieve the best coverage while at the same time the radiation level is as low as possible where people travel. The antennas are normally placed high in masts, ceilings or facades to achieve long range, so that the radiation level does not exceed guidelines and requirements set by the Norwegian authorities: The Directorate for Radiation Protection and Nuclear Safety (DSA) and the National Communications Authority (NKOM). DSA and NKOM work closely with other countries' authorities and adhere to guidelines issued by international cooperation bodies such as the World Health Organization (WHO) and the International Commission on Non-Ionizing Radiation Protection (ICNIRP).

If the roof antennas are placed so that operating personnel in some cases have to pass in front of the antennas, the area is normally marked with a notice prepared by DSA / NKOM about which risk area one should avoid staying in over time.

The base station network automatically reduces the signal strength from the user equipment (mobile phones and broadband routers) and the antennas to as low a level as possible in order to achieve optimal coverage while the antennas do not interfere with each other. To take full advantage of the new 5G network, it is important that 5G base stations are built closer together than before. The smaller the distance between the transmitters, the lower the output power it is necessary to use, and thus the radiation level becomes smaller. This means that the mobile phones can also lower the output power and thus the batteries will last longer.

Ice monitors the discussion that 5G radiation is more negative for the environment than other types of mobile radiation. In such discussions, we choose to be loyal to the Norwegian professional authorities.

From time to time, Ice is in contact with neighbours, living near base stations, who are concerned about radiation levels in nearby areas. In such cases, the company either hires or uses its own resources to carry out radiation measurements. If we are ordered by NKOM to take special measures such as moving or twisting antennas or reducing the output power, we always do this, but such cases are very rare.

Local environmental impact

Gentle development of infrastructure with a focus on minimising damage to nature

Taking care of the local environment is becoming increasingly important as society develops with ever more infrastructure. It is therefore important that all parties contribute to reducing the footprint, especially in green areas or other similar outdoor areas. It is also important to avoid creating unnecessary visual pollution in cities where base stations can become numerous and clogged.

It is expected that there is mobile coverage everywhere, both in the city, out in the woods and at sea. It requires large amounts of fibre in the ground, base stations and not least mobile masts. With more than 3,000 base stations, Ice Group has a significant footprint in Norway. In 2021, Ice Group installed 318 new base stations throughout Norway as well as increasing the company's share of co-located base stations with other operators, thus completing the 2021-goal of installing between 300 and 500 new smartphone base stations.

Where Ice Group has the opportunity, the company will co-locate with other operators, or utilise buildings, silos or other existing infrastructure to avoid building new masts.

Where Ice Group builds its own masts, it offers other operators to place their equipment if they request it and there is room in the mast. Ice has a good dialogue with both public and commercial property managers, and the different transport authorities to gain access to existing infrastructure.

KPI	2019	2020	2021
Number of base stations	2,217	2,914	3,218
% of Ice Group base stations co-located with other operators	37.3 %	44.8 %	45.6 %
Number of newbuild Ice Group masts	1	2	2

Goals and targets: Climate-friendly operation and responsible consumption

2021 goals	Status	2022 goals
Install between 300 and 500 new smartphone base stations in Norway and co-locate with other operators wherever possible.	**Completed:** ICE installed a total of 318 new smartphone base stations across Norway in 2021 and also managed to increase the share of co-located base stations from 44.8% in 2020 to 45.6% in 2021.	Increase the 5G network coverage further by adding bands to existing base stations and limiting the construction of new base stations.
Start climate accounting on scope 1,2 and 3.	**In progress:** The company has in 2021 started climate accounting on Scope 1, 2 and 3 by utilising CEMAsys' reporting solution.	Further developing the climate accounting, giving more details on Scope 3 emissions.
Further reduce electronic waste.	**Completed:** In 2021 Ice had 0.9 tons of electronic waste, a reduction from 1.0 tons of electronic waste in 2020.	Further reduce electronic waste.
	NEW.	Complete a TCFD assessment on climate risk.

Ice Group is committed to ensuring that all its activities comply with or exceed the standards of the jurisdictions in which it conducts its business.

Ethics and compliance

The company's reputation for honesty, integrity and professionalism is its most valuable asset, which it aims to maintain and protect at all times, and is dependent upon the good judgment, ethical standards and personal integrity of every individual in the company.

It is the obligation of Ice Group employees to conduct themselves in a manner to ensure the maintenance of these standards. Such actions and conduct will be important factors in evaluating an employee's judgment and competence, and an important element in the evaluation of an employee for promotion. Correspondingly, insensitivity to or disregard for the principles of the Ice Group's professional and ethical standards will be grounds for appropriate disciplinary actions.

Compliance requires adherence to laws, regulations and Ice Group's compliance policy documents. The company works systematically to ensure implementation and has established a governance structure defining roles and responsibilities throughout the group.

The company's ethical guidelines are outlined in the Compliance Manual and Code of Conduct to which all employees have received introductory training. The Compliance Manual and Code of Conduct are subject to annual review and is approved by the Board of Directors at least annually. The company has appointed the general counsel as compliance officer to oversee the implementation of its Compliance Manual and guidelines.

Compliance in Ice is based on a clear governance structure defining roles and responsibilities. Compliance risk and mitigating actions are reviewed on an ongoing basis and are also integrated in the annual risk review.

Ice Group has established an internal, cross-functional governance workstream to ensure that compliance actions and risks are integrated and followed-up in our day-to-day actions.

The company's compliance work is structured around its annual compliance programme with specified compliance actions for each quarter structured to ensure awareness and striving to further increase the overall understanding of compliance and risks for all employees. These efforts include tone-at-the top messages, compliance workshops, department workshops, group training for all employees and consultants, training for specific departments and functions that have compliance responsibilities, reminders onto intragroup channels etc.

The general counsel is the compliance officer and reports to the Audit Committee and the Board of Directors. The general counsel participates in all Board and Audit Committee meetings.

An independent third-party undertook a compliance maturity assessment in 2018. At the end of 2019, the independent auditor then reviewed follow-up of the recommendations from 2019 which were found to all have been completed. Ice Group tracks compliance actions through the year, and report status and any non-compliance items to the management on a regular basis and furthermore report to our board of directors twice yearly. Ice Group will also consider external review in 2022.

Ice Group has established a whistleblowing system as further governed by its whistleblowing policy contained in the Compliance Manual and as also described in the Code of Conduct. Information on the whistleblowing channel and policy is available on the intranet and information on this is also regularly provided in town hall meetings and through reminders on intragroup channels. The whistleblowing system is available for use on a voluntary and anonymous basis.

In 2021, Ice Group established an external whistle blowing channel. Next steps include to communicate this to all employees and make information publicly available on the company's internal website.

KPI	**2019**	**2020**	**2021**
Share of employees that has completed annual compliance training	100 %	100 %	100 %
Number of whistle blower cases	0	0	0

Anti-money laundering, sanctions and anti-corruption

The company is committed to ensuring that all its activities meet or exceed the standards of the jurisdictions in which we conduct our business.

Ice Group has a zero-tolerance to corruption and bribery. Corruption undermines all sorts of business activities and free competition, and it is prohibited by law in Norway, which is considered a low-risk country in terms of corruption. Corruption is destructive for the countries involved and would erode Ice Group's reputation, exposing the company and the individual employee to considerable risk.

The company's Compliance Manual and Code of Conduct contain separate policies on anti-bribery, anti-money laundering and sanctions. As part of Ice Group's risk review, the company considers higher risk areas for the company, and as part of this risk review an extensive process for counterparty due diligence has been implemented.

As a listed company, following legislation and regulations in terms of anti-money laundering and anti-corruption is not only our moral obligation but part of our license to operate. The Anti-Money Laundering, Anti-corruption and Sanctions Policy forms an integral part of our compliance programme and has been implemented based on the company's risk review.

Extensive training to departments and functions who have specific responsibilities under the policies have been implemented to ensure knowledge and awareness. This is also a focus area for the annual training and compliance test and is regularly a theme for town hall meetings and billboard/Teams reminders. The company's Counterparty Due Diligence Policy provides a stepwise guide for conducting counterparty due diligence, and the company also uses an external database provider to conduct counterparty due diligence screening.

The policies and programme are managed by the General Counsel and compliance officer, who is responsible for programme design and annual planning. Progress is regularly reported as part of the compliance reporting to Audit Committee and the Board of Directors.

KPI	2019	2020	2021
Share of employees who have completed training in anti-corruption and anti-money laundering	100 %	100 %	100 %
Number of confirmed incidents related to money laundering and corruption	0	0	0

Responsible purchasing

Responsible sourcing consists of looking at what Ice Group purchases beyond the more traditional aspects of cost, quality and delivery time.

This is one of the strategic objectives for the company's procurement operations and means it considers transparency, ethics, fair treatment of our suppliers / partners guiding principles when sourcing products and services across all purchasing categories.

Ice Group's Code of Conduct specifies that customers, suppliers, competitors and colleagues must be dealt with fairly. Ice employees must at all times avoid manipulation, concealment, abuse of confidential information, misrepresentation of facts, or any other practice that could be considered unfair dealing. The company is dedicated to treating customers and suppliers honestly and fairly, and sales and purchasing decisions should be based on price, product quality, service quality and the consistency and dependability of customer and supplier relationships involved.

Towards the end of 2021, Ice Group established a Supplier Code of Conduct that will be used as a mutual platform when agreeing new contracts and partnerships. The content of the Supplier Code of Conduct will be included in all new contracts and partnerships with suppliers.

During 2021, Ice Group has continued to implement and include the principles of its procurement policy into its way of work. It has endeavoured to implement and follow the processes laid down in the policy in the purchase of products, services and commodities through the development of 4 specific categories namely:

a) Networks: RAN, core and wireless equipment and services
b) IT: IT platforms, services, software and equipment
c) Commercial: Media services, handset, accessories

d) Indirect: Finance and Legal services, consultancy services

In addition to the above, the formal partner / supplier management process introduced in 2020 has been developed further and is in the process of implementation with regular quarterly or bi-annual meetings with strategic suppliers.

Privacy and data security

Customers are increasingly aware of and informed about their right to privacy and expect that their privacy is safeguarded. As a mobile service operator, ensuring the right to privacy and the right to freedom of expression of our customers is fundamental.

Compliance with privacy requires adherence to law and regulations. Ice Group adheres to the EU General Data Protection Directive (GDPR) and has implemented privacy guidelines and policies and continue to work systematically to ensure implementation throughout the group. The company is also working to comply with the international standard for information security ISO 27001.

Ice Group has established an operating model defining roles and responsibilities under our different policies and guidelines throughout the Group and has further established a cross-functional privacy workstream that includes privacy representatives from all the different departments of the company to ensure that Ice is able to identify and address privacy matters and ensure that policies and guidelines are implemented in the first-line.

By having good internal control, guidelines and policies in place, the company will ensure that it complies with the requirements under the privacy legislation. Data privacy forms an integral part of the company's compliance programme and it ensures awareness by providing extensive training to departments and functions which have responsibilities under the policies. This is also a focus area for Ice Group's compliance test and is regularly a subject for our town hall meetings and compliance reminders that is regularly published to intragroup channels. Ice Group will continue to strive to not only comply with relevant privacy regulations, but to meet the privacy expectations of its customers.

The company's privacy work is structured around its annual compliance wheel with specified privacy actions for each quarter, structured to ensure awareness and always striving to further increase the overall understanding of privacy and risks for all employees. In addition, the company has an annual wheel for internal privacy audits. Furthermore, Ice Group's Code of Conduct specifically addresses data protection for all its stakeholders. The company is committed to respecting the confidentiality of the personal information of all employees, staff contract members and consultants.

In line with applicable regulations, Ice Group will only acquire and retain personal data which is required for the effective operation of Ice or required by law or regulation in the places it operates. Access to personal records is limited to personnel who have appropriate authorisation and a clear business need for such information. Personal information will not be provided to anyone outside of Ice Group's operations without proper authorisation.

The data security in the transmission networks is archived by following the international cryptographic standards that are defined in the communication standards. In addition, Ice have chosen also to encrypt all communication on the distribution network in order to secure the data when transmitted on leased lines.

Security on internal systems is obtained by several methods and is documented in internal policy and routines, and risk evaluations are performed for all projects where PMO is involved.

The security is regularly checked from out external experts in addition that all inbound internet traffic is monitored for malicious traffic. Through membership in the National Cyber Security Agency, the company gets early warnings and pre-alerts of cases that may affect our systems and software.

The company's Data Protection Officer map Ice Group's privacy actions through the year, and reports status and any non-compliance items to the management on a regular basis and furthermore report to our board of directors twice yearly. Ice Group will also consider an external review in 2022.

There have been no major security breaches during 2021. Seven personal data breaches were reported to the Norwegian Data Protection Authority, which has closed six of the cases without a need for further explanation. Ice Group has taken measures to deal with the vulnerabilities and limit the consequences, as well as to reduce the risk of this happening again. The remaining breach has been rectified and the company do not expect this to result in any further actions from the authorities.

Quality and safety

Despite the fact that Norway is one of Europe's most digitalised countries, its situation is unique in the EEA.

It is the only country that has only two nationwide mobile networks – all other countries in the EEA have at least three. Establishing a third mobile network has been a long-standing policy objective, and the Norwegian government has used regulation and other instruments to stimulate the establishment of at least three competitive networks. This also became a key goal in the white paper on consumer policy in the spring of 2020.

There is no doubt that a third mobile network is important for the country's security, as the consequences of increased digitalisation and only two mobile networks with limited redundancy are becoming increasingly challenging. More and more socially essential services are being connected to the mobile networks and the services' dependence on the mobile networks is increasing. Secure networks that can withstand tougher weather conditions and cyberattacks are a necessity to protect the economy, society and democratic processes.

> *Establishing the third network has been a long-standing policy objective in Norway. The third network is expected to eventually bring down prices for mobile services, increase innovation and make this critical infrastructure less vulnerable to adverse events due to cyberattacks, technical malfunctioning and bad weather. These positive effects of the third network are likely to be further accentuated in the future with the move to 5G, which is expected to lead to even greater dependency on telecommunication networks. (Source: ESA)*

Society's dependence on digital infrastructure is strong and growing. There is no doubt that the many billions of Norwegian kroners that have been invested in the country's digital foundation have already given an enormous return to the society, even though it is difficult to measure all the gains. It benefits everyone today, but also the next generations can take over a country in even better condition.

As with the foundation of any physical building, its condition will determine what one can or dares to build on top of it. With Ice Group and the third mobile network, Norway's digital foundation is strengthened, which allows for further digitisation. The pandemic in 2020 and 2021 showed how important digital infrastructure is, and the attacks in 2020 and 2021 on the National Assembly's IT systems also demonstrates how vulnerable our society is.

> *The dependency on a single hardware supplier for networks, especially 5G, presents a security risk. The Commission strongly recommends diversity of hardware suppliers for 5G networks on a nationwide basis. Ice, on the one hand, and Telia and Telenor, on the other, have chosen different hardware suppliers for their networks. Therefore, supplier diversity on a nationwide basis is best ensured with the continued presence and expansion of Ice's network. Assuming a targeted attack on a particular piece of a supplier's hardware or software, or a non-intended design error in a hardware component or in the software, the reliance on any single supplier could lead to greater technical risks for Norwegian mobile networks, with potentially very serious consequences if the risk materialises. (Source: ESA)*

In February 2022, after the Russian invasion of Ukraine, ice made it easier for customers stay in touch with friends and family in Ukraine. Ice, as most other mobile operators in Europe, decided to make SMS, phone calls and data to and from Ukraine free of charge for all subscribers.

Development of new infrastructure that also ensures increased supplier diversity can provide new opportunities for further digitisation of products and services. At the same time, it is important to have a good dialogue internationally as the threats to the digital society do not take into account national borders. In this context, Ice Group believes it is important that Norway has good security agreements. As stated by ESA:

> *A security agreement regulates the exchange and protection of classified information between the parties. There is for example a security agreement between the Nordic countries. Although not required by public authorities for 2G, 3G and 4G networks, Ice has on its own initiative chosen to exclusively use Nokia, an equipment vendor based in Finland, with which Norway has a security agreement. (Source: ESA)*

Ice Group's biggest contribution towards ensuring increased supplier diversity is to continue to build out its mobile network and increase its 4G and 5G coverage. Each quarter, the company reports its key operational network parameters, such as number of base stations and population coverage, to the financial market, plus through regular meetings with regulatory bodies in Norway. As of 31 December 2021, the company had 3,205 smartphone sites in Norway. For 2022, Ice Group has an ambition of growing it's 5G coverage further, starting with the 4-5 largest cities in Norway.

Goals and targets: Ethics and responsible business culture

2021 goals	Status	2022 goals
Establish an external whistle blowing channel	**Completed:** Whistleblowing channel established in 2021.	Communicate and provide training to all employees in when and how to use the whistleblowing channel. KPI: 100% of employees having received such training. Publish information on Ice's external website about reporting irregularities.
Establish supplier code of conduct	**Completed:** Supplier Code of Conduct established in 2021.	Apply the Supplier Code of Conduct to new supplier deals as well as incorporate it into existing deals. KPI: 50% of new critical suppliers having signed the Supplier Code of Conduct. Publish the Supplier Code of Conduct on the company's external website.
	NEW.	Become a UN Global Compact signatory.

Corporate governance is an important element to secure that the interest of shareholders, management and employees as well as other shareholders are aligned. We see corporate governance as an integral part of our operations and believe that good corporate governance is an important factor in securing our value creation.

Ice Scandinavia, being a part of Ice Group, has made a strong commitment to ensure trust and to enhance shareholder value through efficient decision-making and improved communication between the management, the Board of Directors and the shareholders and will seek to ensure that the Group complies with the requirements of section 3-3b of the Norwegian Accounting Act ((available at www.lovdata.no) and the Norwegian Code of Practice for Corporate Governance ("NUES"), (available at www.nues.no"). Ice Group's framework for corporate governance is intended to decrease business risk, maximise value and utilise the Group's recourses in an efficient, sustainable manner, to the benefit of shareholders, employees and society at large.

The overall objective of Ice Group's corporate governance policies is to meet Shareholders' demands for returns on their invested capital as well as the long-term health and overall success of the business.

Corporate governance within the Ice Group is mainly based on the Companies Act, the Norwegian Code of Practice, other applicable laws and regulations, the Company's Articles of Association and Ice Group's internal governance documents. The governance of Ice Group is also designed to support Ice group's business model, where decisions are made at local level as far as possible, in the most effective manner possible.

The Annual General Meeting ("AGM"), the Board of Directors and the Chief Executive Officer ("CEO") are the main governing bodies of Ice Group:

- The AGM is the Company's highest decision-making authority and serves as the forum through which Ice Group's shareholders exercise their influence over the business.
- The Board of Directors, who is elected by the shareholders, is ultimately responsible for the strategy and the organisation of Ice Group and the management of its operations.
- The CEO, appointed by the Board of Directors, is responsible for handling the day-to-day management of Ice Group in accordance with instructions from the Board. The CEO is supported by the Group Executive Management team.

The external auditor of Ice Scandinavia is appointed at the Annual General Meeting.

Ice Group believes in adhering to responsible business practices and practicing good corporate citizenship. Promotion, adoption and effective implementation of guidelines for the responsible conduct of business and business relationships are consistent with the fiduciary responsibility of protecting long-term investment interests.

Risk management and internal control are given high priority by the board of directors ensuring that adequate systems for risk management and internal control are in place. The control system consists of interdependent areas which include risk management, control environment, control activities, information and communication and monitoring.

The board of directors shall ensure that the Company has sound internal control and systems for risk management, including compliance to the Company's corporate values, ethical guidelines and guidelines for corporate social responsibility. The Company's Code of Conduct and Compliance Manual describes the Company's ethical commitments and requirements related to business practice and personal conduct. If employees experience situations or matters that may be contrary to rules and regulations or the Company's Code of Conduct/ Compliance Manual, they are urged to raise their concern with their immediate superior or the Compliance Officer. The Company has established a whistle-blowing function that enable employees to alert the Company's governing bodies about possible breaches of the Code of Conduct/Compliance Manual.

The board of directors conduct an annual organisational risk review in order to identify real and potential risks, and remedy any incidents that have occurred. In relation to this review, the board of directors analyse the most important areas of exposure to risk and its internal control arrangements, and evaluate the Company's performance and expertise.

The Company's management is responsible for establishing and maintaining sufficient internal control over financial reporting. Company specific policies, standards and accounting principles have been developed for the annual and quarterly financial reporting of the group. The Chief Executive Officer and Chief Financial Officer supervise and oversee the external reporting and the internal reporting processes. This includes assessing financial reporting risks and internal controls over financial reporting within the group. The consolidated external financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards as adopted by the EU.

The board of directors shall present an in-depth report of the Company's financial statement in the annual report.

The framework for internal control includes routines to ensure that risks associated with the Company's day-to-day operations are identified, analysed and managed, routines to review the Company's commercial risk and operational risk and routines for internal control of various processes, including compliance with guidelines, routines, instructions and authorisations.

Please also refer to the Corporate Governance Statement in the 2021 annual report of the Group Parent Company, Ice Group ASA.

NOK millions	*Note*	**2021**	**2020**
Service revenue		2,109	1,910
Other operating revenue		64	84
Total operating revenue	*4, 5, 6*	**2,173**	**1,994**
National roaming expenses		-195	-441
Operating expenses	*17*	-532	-494
Sales and administrative expenses	*7, 18*	-791	-770
Employee benefit expenses	*8*	-263	-232
Depreciation, amortisation and impairment losses	*12, 13, 14*	-581	-525
Total operating expenses		**-2,361**	**-2,463**
Operating result		**-188**	**-469**
Financial income	*10*	1	1
Financial expenses	*11, 14*	-425	-368
Financial items – net		**-424**	**-367**
Share of net profit from joint ventures	*15*	0	0
Result before tax		**-611**	**-835**
Income taxes	*9*	2	2
Net result for the year		**-610**	**-834**
Items that may be subsequently reclassified to profit or loss:			
Translation differences on foreign operations		0	0
Other comprehensive income		**0**	**0**
Total comprehensive income for the year		**-610**	**-834**
Net result for the year attributable to:			
Equity holders of the Parent Company		-610	-834
Net result for the year		**-610**	**-834**
Total comprehensive income for the year attributable to:			
Equity holders of the Parent Company		-610	-834
Total comprehensive income for the year		**-610**	**-834**

NOK millions	*Note*	**31 Dec 2021**	**31 Dec 2020**
ASSETS			
Licenses and similar rights		1,959	1,565
Customer relationships		71	99
Other intangible assets		351	307
Total intangible assets	*12, 14*	**2,381**	**1,971**
Property, plant and equipment		54	64
Technical equipment		2,462	2,515
Work in progress		456	331
Total tangible assets	*13, 14*	**2,972**	**2,910**
Other financial assets	*9, 15, 16*	22	21
Capitalised cost to obtain/fulfil customer contracts	*6*	405	405
Total other non-current assets		**427**	**426**
Total non-current assets		**5,779**	**5,306**
Inventory		2	4
Trade receivables	*16, 18*	104	115
Other receivables	*16, 19*	0	14
Prepaid expenses and accrued income	*6, 20*	77	88
Cash and cash equivalents	*21, 25*	345	525
Total current assets		**528**	**746**
TOTAL ASSETS		**6,307**	**6,052**
EQUITY AND LIABILITIES			
Share capital		5	5
Other contributed capital		5,052	5,052
Reserves		0	0
Retained earnings/deficit		-6,106	-5,496
Total equity	*1*	**-1,049**	**-440**
Borrowings	*16, 22*	3,096	1,994
Non-current lease liabilities	*14*	2,639	2,072
Other non interest-bearing liabilities		4	2
Total non-current liabilities		**5,739**	**4,068**
Trade payables	*16*	289	269
Current borrowings	*22*	520	1,400
Current lease liabilities	*14*	193	175
Other current liabilities	*16, 23*	58	38
Accrued expenses and deferred income	*6, 24*	557	542
Total current liabilities		**1,617**	**2,424**
TOTAL LIABILITIES		**7,356**	**6,492**
TOTAL EQUITY AND LIABILITIES		**6,307**	**6,052**

Oslo, 29 March 2022

Martin Westersø
Chairman of the Board

Eivind Helgaker

Geir Magne Flyum

NOK millions	*Note*	**2021**	**2020**
Result before tax		-611	-835
Payments related to lease interest		118	143
Paid interest expense		187	201
Depreciation & amortisation of non-current assets	*12, 13*	394	353
Depreciation & amortisation of right-of-use assets	*14*	187	172
Amortisation of costs to obtain/fulfil contracts		263	262
Net interest expense		94	-0
Adjustments for other non-cash items	*26*	-4	3
Change in inventory		2	3
Change in current receivables		36	73
Change in current liabilities		150	12
Change in contracts with customers		-263	-302
Other adjustments		-8	26
Cash flows from operating activities		**543**	**110**
Investments in intangible assets	*12*	-131	-122
Investments in tangible assets	*13*	-366	-540
Net cash flows from other financial assets		0	1
Cash flows from investing activities		**-497**	**-660**
Borrowings	*22*	1,538	500
Repayments		-1,400	-
Payments related to lease liabilities	*14*	-178	-238
Interest paid, borrowings	*22*	-187	-201
Cash flows from financing activities		**-227**	**61**
Cash flow for the year		**-181**	**-489**
Cash and cash equivalents at the beginning of the year		525	1,014
Exchange rate difference in cash and cash equivalents		0	0
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**345**	**525**

NOK millions	Share capital	Other contributed capital	Reserves	Retained earnings	**Total Equity**
Opening balance 1 January 2020	**5**	**5,052**	**0**	**-4,666**	**391**
Net result for the period	-	-	-	-834	-834
Other comprehensive income for the period					
Translation differences on foreign operations	-	-	0	-	0
Total comprehensive income for the period	**-**	**-**	**0**	**-834**	**-834**
Capital contribution from share-based payments	-	-	-	3	3
Total transactions with owners, recognised directly in equity	**-**	**-**	**-**	**3**	**3**
Closing balance 31 December 2020	**5**	**5,052**	**0**	**-5,496**	**-440**
Net result for the period	-	-	-	-610	-610
Other comprehensive income for the period					
Translation differences on foreign operations	-	-	0	-	0
Total comprehensive income for the period	**-**	**-**	**0**	**-610**	**-610**
Capital contribution from share-based payments	-	-	-	-	-
Total transactions with owners, recognised directly in equity	**-**	**-**	**-**	**-**	**-**
Closing balance 31 December 2021	**5**	**5,052**	**0**	**-6,106**	**-1,049**

Ice Group Scandinavia Holdings AS ("the Company") is a limited liability company incorporated in Norway and operates with its subsidiaries (together, "the Group" or "Ice Scandinavia") under the trademark ice. The business is to provide telecommunications services, including wireless data services, voice, messaging, mobile broadband services, telephony and other related telecom services.

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA, Norway, listed at Euronext Expand in Norway with ticker "ICEGR" (together, "Ice Group"). The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware.

The Company has three bonds listed at Oslo Børs in Norway (ISIN NO 001 0789035, ISIN NO 001 0864002 and ISIN NO 001 0939788).

This annual report for the Ice Group Scandinavia Holdings AS Group, including Parent Company Financial Statements and notes, is available at www.icegroup.com.

The consolidated financial statements for Ice Scandinavia have been prepared in accordance with IFRS as adopted by the EU and have been prepared on a going concern basis. The most significant accounting principles applied in these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to make certain judgments in applying the Group's accounting policies, see note 3 Critical accounting estimates and judgements for further details.

There may be figures and percentages that do not always add up correctly due to rounding differences. All numbers are presented in NOK millions (MNOK), unless otherwise indicated. Amounts in brackets relate to previous year if not otherwise indicated.

These consolidated financial statements have been approved for issuance by the Board of Directors on 30 March 2022.

New and revised standards and interpretations

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January, 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced by an alternative nearly risk-free interest rate (RFR). The amendments include certain practical expedients.

These amendments have no impact on the consolidated financial statements of the Group. The Group intends to use practical expedients in future periods if they become applicable.

The amendments provide relief to lessees from applying IFRS 16 guidance on lease modifications accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic.

This amendment had no impact on the consolidated financial statements of the Group.

Standards issued but not yet effective

Certain new accounting standards, amendments to 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, amendments or interpretations are not expected to have material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The excess of the consideration of the transferred amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

Foreign currency translation

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 the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. Exchange rate gains and losses related to trade receivables and liabilities are reported on the applicable line in the statement of income and are included in operating result. Exchange rate differences related to financial assets and financial liabilities are reported as financial items in the statement of income, except exchange rate differences related to non-current debt that is part of the Group's net investment in a subsidiary.

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency. 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 income statement are translated at average exchange rates for the reporting period. All resulting exchange differences are recognised in other comprehensive income.

Revenue recognition

The allocation of revenue is based on the stand-alone selling price for each separate performance obligation in the contract with the customer, and the revenue is recognised when the service/good is delivered. The Group divides the revenue into two categories in the Statement of Comprehensive Income; Service revenue and Other operating revenue.

Mobile voice services are separate performance obligations, and revenue is recognised as the service is being delivered. Revenues from Mobile voice services are reported within Service revenues.

Mobile broadband services are separate performance obligations, and revenue is recognised as the service is being delivered. Revenues from Mobile broadband services are reported within Service revenues.

Consumer mobile broadband routers are not separate performance obligations if offered together with a subscription with a binding period. Revenue is recognised over the same contract period as when the related mobile broadband service is delivered to the customer, regardless of whether the consumer rents the router or buys the router. Revenues from Consumer routers are reported within Service revenues.

Industry routers are deemed to be separate performance obligations, and revenue is recognised either at one point in time if the customer buys the router, or over the contract period if the customer rents the router. The Group's assessment is that the industry router qualifies as an operational lease because they do not transfer substantially all the risks and rewards incidental to ownership of the router Revenue from Industry routers are reported within Other revenue.

Lease income is recognised on a straight-line basis over the lease period.

Start-up fees are, in all cases, not separate performance obligations, and revenue is recognised with the delivered service for which the start-up fee belongs to is recognised. Start-up fees are reported either in Service revenue or Other revenue depending on what type of service they are related to.

Discounts are, in all material aspects, not recognised in their full effect in the period the discounts are given to the customer. The discount is proportionally allocated to all performance obligations (distinct goods/services delivered) in the contract and recognised when the underlying performance is recognised over the contract period.

Operating and other expenses

Operating expenses comprises cost of goods sold for operating the network; site leases, transmission costs, carrier services, IT-costs and fieldwork and maintenance.

Other expenses are related to retailer commissions and other customer acquisition costs, marketing and public relations, customer services and office costs. All these operating costs are expensed as incurred.

Intangible assets

Separately acquired trademarks and licenses are shown at historical cost less amortisation. Licenses and trademarks acquired in a business combination are recognised at fair value at the acquisition date. Licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives of 10 to 20 years.

Separately acquired customer relationships are shown at historical cost less amortisation. Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and amortisation is calculated using an accelerated amortisation method over their estimated useful lives, meaning higher amortisation expense in the first few years after the acquisition.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use it;
- there is an ability to use the webpage or software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Costs that are directly attributable as part of the software product, including the software development employee costs, are capitalised within other intangible assets but also within technical equipment (tangible assets). Some of the work is strongly connected do the development of the technical equipment.

Capitalised development costs are shown at historical cost less accumulated amortisation. Amortisation is commenced when the asset is ready for use. Useful lifetime is assessed based on the period of the future economic benefits. The useful lifetimes are estimated to 3-5 years and amortisation is recognised linearly over the period. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Property and technical equipment

Property and technical equipment are 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 or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Each part of a tangible asset with an acquisition value that is significant in relation to the total acquisition value is depreciated separately. Constructions in progress are not depreciated until they are ready for use. Depreciation on tangible assets is made on a linear basis;

- Property 11 years
- Technical equipment 5-25 years
- Equipment and tools 5 years
- Other tangible assets 3-5 years

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 immediately 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 the proceeds with the carrying amount and are recognised in line 'Other expenses' in the statement of comprehensive income.

Leases

Ice Scandinavia recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The cost of a right-of-use asset also includes an estimate of costs to be incurred by the Group in dismantling and removing the underlying leased asset (Asset Retirement Cost). Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment assessments.

The lease contracts primarily consist of site leases, office leases and frequency leases. The lease agreements, except as described below, is set to the non-cancellable period of the lease. The lease terms for the site- and office leases include extension and termination options for lessee and lessor, with a varied extension period. Ice Scandinavia assesses if these options give either lessee or lessor a more than insignificant economic penalty by either exercising the option for early termination or not exercising the option for extension. The Group has assessed that there is economic penalty that is more than insignificant in this regard. As a consequence, the Group has assessed that it will choose to exercise the option to extend site leases, and not exercise the options for early termination, since site leases are vital for the Group's business. It is also assessed that it is reasonably certain that options to extend office leases will be exercised, as there is no indication that the Group would need to increase or decrease the office areas in the unforeseeable future.

The lease term for site- and office leases is set to the date of which a majority of the Group's frequency licenses expire (at 31 December 2033). As long as the Group has the frequency licenses, each of the Group can, and have significant incentive to, continue to run the business and will incur cost when changing site locations.

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

In calculating the present value of lease payments, Ice Scandinavia uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Ice Scandinavia remeasures the lease liability upon the occurrence of certain events. Generally, the amount of remeasurement of the lease liability is recognised as an adjustment to the right-of-use asset.

The right-of-use asset is accounted for as a non-current asset in the consolidated balance sheet. The liability is recorded in "Finance lease liabilities", broken down into current and long-term components on separate accounts.

Lease payments are broken down into interest and amortisation of the liability.

The interest is distributed over the lease period so that an amount corresponding to the fixed interest amount payable on the liability reported in each period is charged to each reporting period.

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

There are no contracts with variable lease payments.

If there is an implicit interest rate in the contracts that is readily determinable, that rate is applied. Generally, the interest rate implicit in the lease contracts is not readily determinable. Ice Scandinavia has assessed an incremental borrowing rate to be applied on all contracts where there is not an implicit interest rate readily determinable, to discount the present value of future lease payments.

The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

In assessing the incremental borrowing rate, the Group uses the weighted average interest rate of issued bonds as the basis for determining the rate. Ice Scandinavia further evaluates the credit spread for the lessee companies in the Group. Due to the fact that the bonds are issued in the parent company of the lessee holding the majority of the lease contracts, Ice Scandinavia has assessed that there will only be a slight difference between the bonds being issued in the parent company or the lessee company. This means there will be a low credit spread added on the weighted average interest rates of the issued bonds when assessing the incremental borrowing rate for the lessee company.

To reflect the change in the economic environment over time, the Group adds the change in 10-year swap rates from bond issue to reporting period to the assessment of the incremental borrowing rate. This has been chosen since the lease term on almost all of the Group's lease contracts is site leases that run for a time period of at lease ten years.

Ice Scandinavia will not use the change in market value of the bond loans as an element in the calculation of the incremental borrowing rate as the bonds are not liquid and Management has assessed that is has no direct correlation with the financial development within the Group.

Please see note 3 for management judgement on renewal options. For additional information on leases and carrying values, see note 14.

At each balance date the lease liability and right-of-use asset are subsequently remeasured in case of a change in: lease term, assessment of a purchase option, or future lease payments.

Ice group remeasures the right-of-use asset using a cost model as described in IFRS 16.30 to 33. The right-of-use asset is depreciated using a straight-line method of depreciation over the lease period.

Right-of-use assets shall be tested for impairment in accordance with IAS 36 *Impairment of assets*. Ice Group defines a revenue generating unit (RGU) as a unique number identifier enabling a customer access to a product offering in the billing system (subscription). Examples of product offerings are smartphone services and mobile broadband. Further, the Group separates between a subscriber and a customer. A subscriber is the end user of the RGU while the customer is the legal owner (individual or business) who has a contract with Ice Group for the provision of products and services. A customer can have one or more RGUs. Subscriptions sold by the Group are not recognised as assets and are thus not a CGU as defined in IAS 36.

The Group's assets consist of base stations, antennas, other technical equipment, site leases, licenses and IT software. These are all necessary components in order to give the customers access to the complete infrastructure and the services bought by the customers. Each separate component dose not generate cash flows that at independent of each other. The cash flows are dependent on the leased areas for the base stations in order to be able to set up masts and technical equipment to be able to offer customers voice and data traffic in a given geographical area. Furthermore, there is a dependency between all the base stations in the Group's network as customers are roaming and thus use different parts of the network depending on geographical location. Finally, IT software is important in order to ensure that the customers get the service they need from the individual base stations.

It is not possible to estimate which RGU to use to calculate value for an individual asset, as the RGU uses different assets based on geographical location, and the RGUs roam. Because of this, assets are tested for impairment in total.

Ice Group uses a discounted cash flow method to estimate future earnings from RGUs and compare this value to booked value of total assets.

The Group remeasures the carrying amount of lease liabilities in accordance with IFRS 16.39 to 43.

Costs to obtain and fulfil customer contracts

Ice Scandinavia capitalises the incremental costs to obtain and to fulfil customer contracts as an other non-current asset if the cost is expected to be recovered, which means that these items are now amortised as investment expenditures ("Costs to obtain and fulfil customer contracts") instead of being a direct operating expense. The useful lives are evaluated on a quarterly basis and reflect the customer lifetime, currently 3 years on average. Costs to obtain and fulfil customer contracts are amortised as Other expenses and Operating expenses, respectively.

Impairment of non-financial non-current assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Tangible and intangible non-financial assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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 largely independent cash inflows (cash-generating units). The Group uses discounted cash-flow calculations for the impairment tests.

Financial instruments

The Group classifies its financial assets and liabilities in the following categories: financial assets at fair value through profit (FVTPL), and financial assets and financial liabilities at amortised cost. The classification of financial assets depends on the business model of Hold to collect or Hold to collect and sell, as well as the financial asset meeting the criteria of SPPI (cash flows consist of solely payments of principle and interest). Management determines the classification of its financial instrument at initial recognition. Currently the Group does not have any financial liabilities at FVTPL. There are no financial assets at FVTPL or the other IFRS 9 category of fair value over other comprehensive income (FVOCI).

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments meeting the SPPI criteria and that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting. These are classified as non-current assets. The Group's financial assets at amortised cost comprise 'trade receivables' and 'cash and cash equivalents' in the balance sheet and the financial instruments recorded in other receivables.

Financial liabilities

All financial liabilities are at amortised cost, and interest is determined using the effective interest method, except for the lease liabilities where Ice Scandinavia uses the incremental borrowing rate. These liabilities are the Group's borrowings, trade payables, lease liabilities and the part of current liabilities related to financial instruments are classified as other financial liabilities.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the contractual obligations have been completed or otherwise terminated.

All financial assets and financial liabilities at amortised cost are measured using the effective interest method.

The Group assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See note 18 for additional details.

As of 31 December 2021, the Group has no financial assets held at fair value over the profit or loss.

Joint ventures

Joint venture is a joint arrangement whereby the partners that have joint control of the arrangement have rights to the net asset of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities requires unanimous consent of the parties sharing control. The Group has one joint venture, Smartkom AS.

Joint ventures are included in the consolidated financial statements using the equity method from the date the Group's significant influence or joint control commences until the date it ceases. The Group's share of the joint venture's profit for the financial period is shown as a separate item after the Group's operating result, on the line Share of net profit from joint ventures. The Group's share of the joint venture's changes recorded in other comprehensive income is recorded in the Group's other comprehensive income. If the Group's share of the joint venture's losses exceeds its interest in the company, the carrying amount is written down to zero.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade receivables

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

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less a loss allowance for impairment determined using the expected credit loss model for lifetime expected losses.

Cash and cash equivalents

Cash and cash equivalents in the cash flow statement include highly liquid short-term investments that can be easily converted into a known amount, are exposed to insignificant risk and have a maximum maturity of 3 months. Cash and cash equivalents for 2021 and 2020 did not include any highly liquid short-term investments.

Trade payables

Trade payables are financial instruments and represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Account payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

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.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income.

Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income. In such cases, the tax is also recognised in other comprehensive income.

Deferred income tax is recognised 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 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 balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Employee benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity. The Group 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.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits when the Group can no longer withdraw the offer of those 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 their present value.

Share-based payments

IFRS 2 distinguishes between payments settled with cash and payments settled with equity instruments. The fair value of an equity-settled share-based payment is determined on the allotment date and the difference between this value and the payment the employee makes for the warrants is recognised as a cost over the vesting period with equity as the offsetting entry. Social security costs are recognised through profit or loss. The Group has only equity instrument settled payments.

Cash flow statement

The Group presents the statement of cash flows using the indirect method. Cash inflows and outflows are shown separately for investing and financing activities, while operating activities include both cash and non-cash line items. Operating interests received and paid are reported as a part of operating activities. Interests paid on borrowings are included as a part of financing activities. Value Added Tax and other similar taxes are regarded as collection of tax on behalf of authorities and are reported net.

The cash flow statement includes businesses disposed of up to the date of disposal.

Share capital

All shares are classified as equity.

Transaction costs in relation to equity transactions are recognised in equity net of tax.

The Group's activities expose it to a variety of financial risks: market risk (currency risk, fair value interest rate risk and cash), credit risk and liquidity risk. The Group does not use derivative instruments to hedge risk exposures.

Risk management is handled by Group management under policies approved by the Board. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board establishes written policies for overall risk management.

The following describes the Group's estimated risk exposure and related risk management.

(a) *Foreign exchange risk*

Exchange rate fluctuations affect the Group's financial results through translation of the profit and loss accounts and balance sheets of foreign subsidiaries to Norwegian krone (translation exposure). All external debts are denoted in NOK. After divesting the Danish operations in May 2020, the foreign exchange risk exposure from balance sheets of foreign subsidiaries is deemed as very low.

(b) *Interest rate risk relating to cash flows and fair values*

As the Group has no significant interest-bearing assets, the Group's revenues and cash flows from operating activities are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings at variable interest rates, where the risk lies in the fluctuation of 3-month NIBOR. The Senior Secured and two Senior Unsecured bonds of a total NOK 3.1 billion are running with an interest rate of NIBOR +4.00%, NIBOR +5.25% and NIBOR +8.00%, respectively. All other loans run with fixed interest rates.

See the sensitivity analysis below.

Credit risk is managed on Group level, with the exception of credit risk relating to outstanding accounts receivable. Each Group company is responsible for monitoring and analysing the credit for each new customer before the standard terms of payment and delivery offered. Due to the end customer structure, the Group deems this risk as fairly low.

Liquidity risk is the risk that the Group may not have sufficient liquid financial resources to meet its obligations when they fall due or would have to incur excessive costs to do so. The Group assesses, monitors and manages its liquidity needs on an ongoing basis. The Group maintains a ten year business plan and compares its liquid financial resources against the business plan as well as known commitments and change in planned operational development on a monthly basis. Through this analysis the Group seeks to identify liquidity needs in a timely manner and make the necessary adjustments to address the risk of insufficient liquid resources.

The Group also prepares expected cash flow forecasts for the short and long term and the level of liquid assets necessary to meet these are considered. This is generally carried out in the respective companies in the Group. Furthermore, balance sheet liquidity ratios are monitored against internal and external regulatory requirements on a monthly basis.

Please see the Group's main long-term financial liabilities classified according to the time on the closing date until the contractual maturity date, in note 22 Borrowings and in note 14 Leases.

The Group's target with respect to capital is to safeguard the Group's ability to continue its operations so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. With regards to the capital structure, please also see the financial covenants to the bondholders in note 22 Borrowings.

To maintain or adjust the capital structure, the Group may adjust the dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Similar to other companies in the industry, the Group assesses capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total gross borrowings (including current borrowings and non-current borrowings) less cash and cash equivalents. Total capital is calculated as equity plus net debt.

NOK millions	**2021**	**2020**
Gross Interest-bearing Debt	3,651	3,415
Less cash and cash equivalents (note 21)	-345	-525
Net debt	**3,306**	**2,890**
Total equity	-1,049	-440
Total capital	**2,257**	**2,450**
Net Debt/Total capital ratio	146%	118%

The following table shows the Group's financial liabilities measured at amortised cost in the consolidated statements of financial position as at 31 December 2021.

	31 Dec 2021		**31 Dec 2020**	
NOK millions	Carrying amount	Fair value	Carrying amount	Fair value
Senior Unsecured bond ISIN NO 001 0864002	912	934	908	930
Senior Unsecured bond ISIN NO 001 0789035[1]	525	516	521	511
Senior Secured bond ISIN NO 001 0939788	1,375	1,375	-	-
Senior Secured bond ISIN NO 001 0807092	-	-	1,407	1,411
Ice Group ASA loan	731	731	504	504
AINMT Holdings AB loan	101	101	91	91

1) Bondholders of the NOK 800 million Senior Unsecured Bond (ISIN NO 001 0789035) issued in April 2017 were offered to redeem their current bond holdings and reinvest in the new bond. As a result of the offer, Ice Group Scandinavia Holdings AS redeemed NOK 280.5 million of the total NOK 800 million par outstanding during Q4 2019 from bondholders in the NOK 800 million bond issue that then reinvested in the NOK 900 million bond.

The factors below show the hypothetical effect on Group's profit, should some factors change. The calculations are hypothetical and should neither be considered as an indicator of either of these factors being more or less likely to change, nor the size of the magnitude of the change. Real changes and their effects may be larger or smaller than presented below. In addition, it is likely that the real changes will affect other items, and that actions by the Group and others, as a result of the changes, may come to affect other items. The sensitivity analysis should therefore be interpreted with caution.

The Group's debts, except for the bonds, all run with fixed interest rates. The bonds run with NIBOR +8.00% points, +5.25% points and +4.00% points, respectively. A decrease/increase of 1% point in NIBOR would have had a positive/negative effect on the Group's interest expense of approximately NOK 26 million for the year 2021.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

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

If the recoverable amount of an intangible or tangible non-current asset – licenses, customer relationships, property, technical equipment, equipment and tools and other tangible and intangible assets - falls below the book value, an impairment loss is recognised. The assets are tested for impairment annually. If there are indications of impairment during the year, an impairment test is prepared. A number of factors are analysed in order to assess whether there is any indication of impairment. If such indication exists, an impairment test is prepared based on management's estimate of future discounted cash flows.

As the RGU uses different assets based on geographical location and the RGU's roam, it is not possible to estimate which RGU to use to calculate value for an individual asset. Therefore, assets are tested for impairment in total.

The estimates used to determine future cash flows and the discount rate used when calculating value in use are subject to uncertainty. The assumptions applied are as follows:

Average rates of *growth* in operating revenue are based on management's expectations of future conditions in the markets in which the business operates. The assumed long-term growth rate beyond the budgets and strategic plans approved by the Board cannot be higher than the long-term rate of growth in the economy where the business operates.

EBITDA margins are based on the volume/margins achieved historically, adjusted for expected future developments in market conditions. Programs to improve efficiency that are approved and committed are taken into account in determining the expected future EBITDA margins.

Investments needs and costs may vary significantly depending on external factors and technical development. It is assumed that the investments that are necessary to achieve the expected growth in revenue will be carried out.

Future cash flows are discounted to present value using a *discount rate* based on a calculation of a weighted average cost of capital ("WACC").

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise an option to renew a lease contract, considering all relevant factors that create an economic incentive for the Group to exercise the renewal or not exercise an option to terminate. The threshold for being reasonably certain is lower than virtually certain and higher than more likely than not under IAS 37 Provision, contingent liabilities and contingent assets. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to, or not to, exercise the option to renew.

The main part of Scandinavia's lease contracts, excluding spectrum licences, relates to the sites with the mobile networks and office property. For assessing the useful life of these assets, the Group considers factors such as technology development, business model and potential business combinations. Hence, the lease term does not affect the Group's determination of useful life of own assets or other non-removable leasehold improvements determined for the purposes of depreciation charges.

As of 31 December 2021, the consolidated total equity is negative by NOK 1,049 million. The Group is in need of new capital in order to satisfy its obligations.

Ice Group has since November 2021 been in discussions with several parties regarding new capital to fund a new business plan.

Ice Group has since November 2021 been in discussions with several parties regarding new capital which has been challenging due to a complicated capital structure, which the Group is looking to optimize. The Group contemplated a capital raise of NOK 2,500 million, where the proceeds were going to repay the Goldentree PIK notes and fund a new business plan.

The Group has, together with its advisors DNB Bank ASA, Pareto Securities AS and Lazard, received and evaluated offers and proposals on several different structures from different investors. This has left the Group with various options to secure the continued business operation of the Group and various impact on the capital structure and operations. The Board has chosen to focus on certain limited options.

On 18 February 2022 Ice Group ASA announced that Ice Group ASA and its subsidiary AINMT Holdings AB ("AINMT", together with Ice Group ASA referred to as "Ice") have decided to enter into a Heads of Terms agreement with Lyse AS ("Lyse") regarding the sale of Ice Group Scandinavia Holdings AS ("IGSH") (the "Transaction"). The Transaction includes the acquisition by Lyse of all issued and outstanding shares of IGSH, and such additional assets and shares which normally belong to the business of Ice (including 100% of the shares of Ice Communication Norge AS and subsidiary), Phonepartner Norge Holding AS and subsidiary and Ice Retail Holding AS and subsidiary (the "Business"). The enterprise value of the Business implied by the Transaction is approximately NOK 5,560 million and Ice expects to receive cash proceeds of approximately NOK 3 billion following completion of the Transaction. The cash proceeds (net of transaction fees) will be applied in repayment of the settlement amount regarding the dispute between GoldenTree and AINMT and the Ice Group ASA's liabilities under the SEK 340 million perpetual loan and the NOK 689.1 million convertible bond (each including capitalised interest, accrued and uncapitalised interest and applicable call premium) totalling approximately NOK 2.9 billion. After closing of the Transaction, the Ice Group ASA expects that there will only be a limited residual amount left for the equity holders.

The board and management of Ice Group ASA have explored multiple potential transactions to achieve a successful refinancing solution. A refinancing has been deemed necessary to have a sufficient liquidity and equity to continue its current and planned business. The refinancing process has been challenging due to the complex capital structure and different creditor preferences. Discussions with creditors, shareholders and a range of potential new investors have been conducted to explore all options for a successful refinancing solution, and the goal has been to protect and maximise all stakeholder values in this process. The board and management of Ice Group ASA have received and evaluated offers and proposals on several different structures and solutions from several investor groups. The board's decision is unanimous and is due to the Transaction being the overall best alternative for the Ice Group ASA's stakeholders. The Transaction will enable continued development of the third mobile network in Norway and strengthening the overall telecom infrastructure.

On 4 March 2022 Ice Group ASA announced that it has entered into a definitive sale and purchase agreement with Lyse. Completion of the Transaction is subject to regulatory approvals and approval by the stakeholders of the Ice Group ASA, including shareholders of Ice Group ASA in the EGM. Ice Group ASA has received preapprovals for the transaction from shareholders representing approximately 80% of the shares as well as from relevant creditors, and the sales agreement was approved by the General Meeting on 21 March by 94.5% of the shares represented. Closing of the Transaction is targeted for the end of March. The Transaction is contingent on approval by the regulators and the stakeholders. On 21 March 2022, the Company announced that the Norwegian Competition Authority ("NCA") has processed and closed the case. On 25 March 2022, the Company announced that the Norwegian Communications Authority ("Nkom") will approve the transfer of all frequency licenses. All material closing conditions are now completed.

Please refer to Note 28 – Subsequent events for more information.

The Board confirms that the prerequisites for the going concern assumption exist, and that the financial statements have been prepared based on a going concern basis in accordance with section 3-3a of the Norwegian Accounting Act and IAS1, p. 25-26.

The segment information is reported in accordance with the reporting to Group Executive Management (chief operating decision-makers) and is consistent with financial information used by this body for assessing performance and allocating resources and is based on geographical location. Growth is measured from service revenues, and profitability is measured from EBITDA performance, both by business activity.

2021

NOK millions	**Smartphone service revenue**	**MBB service revenue**	**Other operating revenue**	**Total revenue**	**EBITDA adjusted**	**CAPEX**
Norway	1,786	323	64	2,173	423	760
Other	0	0	0	0	-20	0
Total	**1,786**	**323**	**64**	**2,173**	**404**	**760**

2020

NOK millions	**Smartphone service revenue**	**MBB service revenue**	**Other operating revenue**	**Total revenue**	**EBITDA adjusted**	**CAPEX**
Norway	1,593	313	84	1,990	81	963
Other	0	4	0	4	-11	0
Total	**1,593**	**317**	**84**	**1,994**	**71**	**963**

The 'Other' segment consists of reporting figures from the Group's non-operating companies. Furthermore, the reporting figures from Denmark, which was sold in May 2020, are included in the 'Other' segment due to it being an immaterial part of Ice Group's financial information, not of continuing significance to Group Executive Management for assessing performance and allocation of resources and not satisfying the criteria of operating segments in accordance with IFRS 8.

Revenue from intercompany transactions is not included in the segment information. Non-current assets exclude financial assets and deferred tax assets, include investments in contracts assets and business combinations.

Ice Scandinavia defines EBITDA (Earnings Before Interests, Taxes, Depreciations and Amortisations) adjusted as operating profit after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included. Also see Definitions.

NOK millions	**2021**	**2020**
Operating result	**-188**	**-469**
Depreciation and amortisation	581	525
EBITDA	**393**	**56**
Items related to network technical upgrade	1	6
Redundancy and other non-recurring costs	-0	-0
Share-based compensation expenses (incl. social security costs)	10	9
EBITDA adjusted	**404**	**71**

NOK millions	**2021**	**2020**
Smartphone service revenue	1,786	1,593
MBB service revenue	323	317
Revenue from sale of Customer Premises Equipment (“CPE”)	-2	8
Other operational revenue	66	76
Total revenues	**2,173**	**1,994**

Smartphone service revenue includes sale related to voice subscriptions, messaging, data and content, extra packages, startup-fees, interconnect, and carrier services.

MBB service revenue is related to sale of MBB subscriptions, data and content, extra packages, startup-fees, CPE rent, interconnect, carrier services and wholesale (including M2M).

CPE revenue is mainly related to sale of routers, accessories (antennas, batteries, etc.) and smartphone handsets.

Other operational revenue includes invoice fees, breach-of-contract fees, and admin fees as billing, reminder and collection fees.

Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of services over time and at a point in time in the following major service lines and geographical regions:

2021 Jan – Dec	**Service revenue**		**Other revenue**		
NOK millions	Norway	Other	Norway	Other	**Total**
Revenue from external customers	2,109	0	64	0	**2,173**
Timing of revenue recognition:					
At a point in time	469	0	64	0	**534**
Over time	1,640	0	0	0	**1,640**

2020 Jan – Dec	**Service revenue**		**Other revenue**		
NOK millions	Norway	Other	Norway	Other	**Total**
Revenue from external customers	1,906	4	84	0	**1,994**
Timing of revenue recognition:					
At a point in time	409	0	83	0	**492**
Over time	1,497	4	1	0	**1,502**

Revenue from external customers comes in all material aspects from service subscriptions, which are over time, and CPE sales which are recognised at the point in time of the sale.

Other revenue consists of CPE sales and other operational revenue.

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

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Trade receivables	104	115
Contract assets included in Prepaid expenses and accrued income	43	40
Contract liabilities included in Accrued expenses and deferred income [1]	37	41

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

NOK millions	**2021**	**2020**
Revenue from contract liabilities	36	42

In addition to the contract balances disclosed above, the group has also recognised an asset in relation to costs to fulfil long-term contracts.

NOK millions	**2021**	**2020**
Costs to fulfil a contract at the beginning of the period	405	366
Costs capitalised during the period	263	302
Amortisation during the period	-263	-262
Costs to fulfil a contract at the end of the period	**405**	**405**

NOK millions	**2021**	**2020**
Fees to auditors (see specification below)	2	2
Marketing costs	234	260
External services	90	80
Sales costs	395	350
Other expenses	69	78
Total	**791**	**770**

Fees and other remuneration to auditors

NOK thousands	**2021**	**2020**
PwC		
Audit assignment	1,847	2,149
Other assurance services	-	-
Tax advisory [1]	70	252
Other advisory services	91	54
Total	**2,008**	**2,454**

1) *Tax advisory services regarding technical tax assistance and tax compliance.*

Audit assignments involve examination of the annual accounts, the Board and the CEO, other tasks incumbent upon the auditor to perform. Further assurance services principally include other attestation services required by laws and regulations, attestations related to information system, audits, attestations and agreed upon procedures required by regulators and other third parties. Other advisory services include advice or other assistance resulting from observations of such review or implementation of such other tasks. All amounts are excluding VAT. The Group has not received any services from any other audit firm than PricewaterhouseCoopers.

Average number of employees divided by country	**2021**		**2020**	
	Total	**Of which men**	**Total**	**Of which men**
Norway	233	156	234	157
Total	**233**	**156**	**234**	**157**

Employee benefit expenses

NOK millions	**2021**	**2020**
Salaries and other remuneration	237	206
Pension benefits [1]	9	8
Other social costs	32	30
Other personnel related expenses	21	21
Capitalised expenses for development work [2]	-37	-33
Total	**263**	**232**

1) *Post-employment benefits. The Group has only defined contribution pension plans. All the related costs have been recognised in the statement of comprehensive income, which is the same as the amount paid. The Group has no other post-employment benefits to employees.*

2) *See note 1 for further details on capitalisation.*

NOK thousands
2021

Remuneration and other benefits Senior executives	Base salary	Bonus	Other benefit	Pension benefit	Total	Of which carried by the Group [5]	Options EoP
Eivind Helgaker / CEO	2,863	1,642	176	463	**5,144**	2,572	1,150,000
Henning Karlsrud[1] / CFO	1,085	-	21	20	**1,126**	563	-
Ola Beinnes Fosse [2] / CFO	800	680	19	79	**1,578**	789	250,000
Shiraz Abid / CCO	1,586	790	7	57	**2,440**	2,440	367,500
Martin Westersø / Chief of Staff	1,514	435	7	58	**2,014**	1,007	367,500
Jan-Erik Hvidsten / CTIO	1,460	510	7	58	**2,035**	2,035	367,500
Hans Heggenhaugen / B2B Director	1,395	412	7	58	**1,872**	1,872	367,500
Reynir Jóhannesson / Communication Director	1,368	366	7	57	**1,798**	1,798	367,500
Cathrine Wiig Ore [3] / General Counsel	598	73	2	15	**686**	686	-
Kirsti Eidsvik [4] / General Councel	731	200	4	58	**993**	993	180,000
Total	**13,400**	**5,107**	**257**	**923**	**19,686**	**14,755**	**3,417,500**

NOK thousands
2020

Remuneration and other benefits Senior executives	Base salary	Bonus	Other benefit	Pension benefit	Total	Of which carried by the Group [5]	Options EoP
Eivind Helgaker / CEO	2,852	1,679	148	453	**5,132**	2,566	800,000
Henning Karlsrud / CFO	2,659	1,736	127	118	**4,640**	2,320	250,000
Shiraz Abid / CCO	1,540	664	7	58	**2,269**	2,269	250,000
Martin Westersø / Chief of Staff	1,425	374	7	58	**1,864**	932	250,000
Jan-Erik Hvidsten / CTIO	1,418	425	7	58	**1,908**	1,908	250,000
Hans Heggenhaugen / B2B Director	1,367	333	7	58	**1,765**	1,765	250,000
Reynir Jóhannesson / Communication Director	1,263	307	7	57	**1,634**	1,634	250,000
Cathrine Wiig Ore / General Counsel	1,578	380	7	59	**2,023**	2,023	250,000
Total	**14,102**	**5,898**	**317**	**919**	**21,236**	**15,418**	**2,550,000**

1) Part of the executive management team until 28 February 2021.

2) Part of the executive management team from 1 September 2021.

3) Part of the executive management team from until 31March 2021.

4) Part of the executive management team from 1 June 2021.

5) Part of the senior executive team also carry out services for the non-Scandinavian part of Ice Group. Only the proportion of the time that they contribute to Ice Scandinavia is expensed in the Group's statement of comprehensive income.

The Board of Directors consist of 3 persons, with 2 persons from the Senior executives. No separate Board fee has been paid to the Board members.
Costs expensed for Share-based incentive programs (see below) related to Senior executives amounted to NOK 8 (3) million.

Remuneration to the Chief Executive Officer ("CEO") and other senior executives consists of base salary, variable remuneration, other benefits and share-based compensation. Other senior executives are those seven people who, together with the CEO, comprise the Group management. Distribution between basic salary and variable compensation shall be proportionate to the executive's responsibility and authority. For senior executives, variable pay is ranged between 15% and 85% of base salary. Variable compensation is based on performance in relation to individual targets.

The CEO is eligible to receive an annual bonus of up to 75% of the annual base salary if conditions apply. The CEO is entitled to a severance pay of 6 months base salary in case of notice based on Company circumstances. The Group has no difference in retirement benefits for executives compared to other employees.

On 29 March 2019, a long-term incentive program was announced, a total of 3,522,000 options, each entitling the holder to the issue of one share in Ice Group ASA with a strike price of NOK 15.13. The latest exercise date for the

1,825,000 options held by current employees and board members was 31 December 2020, while the latest exercise date for the options held by others was 31 December 2019. Ice Group ASA aims to issue options for around 1.5% of the shares to the employees within Ice Group ASA every year.

On 20 December 2019 the Board extended the share option program for former employees that expired in December 2019 to 31 December 2020. The extension included a total of 1,847,000 options, each entitling the holder to the issue of one share in Ice Group ASA with a strike price of NOK 15.13. All stock options lapsed in 31 December 2020 except for 20,000 options that were exercised.
On 24 February 2020 the Board approved a new long-term incentive program. The total number of options granted was 2,550,000 where each option gives the holder the right to acquire one share in Ice Group ASA with a strike price of NOK 25. The options have a vesting period of four years, with 25% of the options vesting each year and first vesting one year after the grant date. Two exercise periods per year will be set by Ice Group ASA. The options will expire 7 years after the grant date.

On 3 February 2021 the Board approved a new long-term incentive program. The total number of options granted was 2,019,000 where each option will give the holder the right to acquire one Ice Group ASA share with a strike price of NOK 25. The options have a vesting period of four years, with 25% of the options vesting each year and first vesting one year after the grant date. Two exercise periods per year will be set by the Company. The options will expire 7 years after the grant date.

At year-end 2021, the total number of outstanding options is 3,417,500.

NOK millions	**2021**	**2020**
Current taxes	-	-
Deferred taxes	-2	-2
Total tax	**-2**	**-2**

Reconciliation of effective tax	**2021**	**2020**
Result before tax	-611	-835
Income tax calculated at applicable tax rate of the Parent Company	135	184
Tax effects from:		
- Non-taxable income and non-deductible items	9	8
- Adjustments of prior-year taxes	-	-
- Non-capitalised unused tax losses	-145	-194
Total tax	**-2**	**-2**

Deferred taxes	**2021**	**2020**
Positive changes in deferred taxes	0	26
Negative changes in deferred taxes	-2	-28
Total deferred tax in the statement of income	**-2**	**-2**

Deferred tax assets	**2021**	**2020**
Opening carrying amount	2	28
Changes recognised as income in the statement of income	2	2
Changes recognised as cost in the statement of income	-2	-28
Currency translation differences	2	0
Closing carrying amount	**4**	**2**
Whereof attributable to capitalised tax losses	4	2
Whereof attributable to temporary differences	0	0

Deferred tax liabilities	**2021**	**2020**
Opening carrying amount	0	-28
Changes recognised as income in the statement of income	0	26
Changes recognised as cost in the statement of income	0	2
Currency translation differences	0	0
Closing carrying amount	**0**	**0**
Whereof attributable to non-current assets	0	0
Net deferred taxes presented in the statement of positions	**0**	**0**

Deferred tax assets are recognised for tax loss carry forwards to the extent that it is probable that they can be utilised by future taxable profits. The Group did not recognise deferred tax assets amounting to NOK 1,123 (954) million related to losses of NOK 5,105 (4,453) million, which can be offset against future taxable profits. The Group's loss carry-forwards does not expire at any given time, except for non-deductible internal interest that has a lifetime of 10 years.

NOK millions	**2021**	**2020**
Interest income	1	1
Currency gains	0	0
Other financial income	-	0
Total	**1**	**1**

NOK millions	**2021**	**2020**
Interest expenses	-262	-221
Interest expenses related to leases	-158	-143
Currency losses	-4	0
Other financial expenses [1]	0	-4
Total	**-425**	**-368**

Intangible assets are presented below. For information regarding ROU-assets, please see note 14 - Leases.

NOK millions	Licenses and similar rights	Customer relationships	Other intangible assets	Total
Accumulated acquisition value		395	387	781
Accumulated amortisation		-258	-118	-377
Opening carrying value 1 January 2020		**136**	**268**	**405**
Changes during the year				
Discontinued operations		-	-	-
Investments		-	120	120
Disposals		-	-0	-0
Currency translation differences		-	0	0
Amortisation		-38	-82	-119
Closing carrying value		**99**	**307**	**406**
Accumulated acquisition value		393	499	892
Accumulated amortisation		-294	-192	-486
Closing carrying value 31 December 2020		**99**	**307**	**406**
Closing carrying value 31 December 2020, right-of-use assets	*1,565*	-	-	*1,565*
Closing carrying value 31 December 2020, intangible assets and right-of-use assets	**1,565**	**99**	**307**	**1,971**
Changes during the year				
Discontinued operations		-	-	-
Investments		-	131	131
Disposals		-	-0	-0
Currency translation differences		-	-	-
Amortisation		-28	-87	-115
Closing carrying value		**71**	**351**	**422**
Accumulated acquisition value		393	624	1,017
Accumulated amortisation		-322	-274	-595
Closing carrying value 31 December 2021		**71**	**351**	**422**
Closing carrying value 31 December 2021, right-of-use assets	*1,959*			*1,959*
Closing carrying value 31 December 2021, intangible assets and right-of-use assets	**1,959**	**71**	**351**	**2,381**
Amortisation periods in years	10-20	-	3-5	-

Other intangible assets mainly consist of IT software and capitalised development costs.

Tangible assets are presented below. For information regarding ROU-assets, please see note 14 - Leases.

NOK millions	Property	Technical equipment	Equipment and tools	Other tangible assets	Work in progress	Total
Accumulated acquisition value		1,689	8	7	503	2,207
Accumulated depreciation		-679	-3	-6	-	-688
Opening carrying value 1 January 2020		**1,010**	**5**	**1**	**503**	**1,518**
Changes during the year						
Discontinued operations		-0	-	-0	-0	-0
Investments		-	1	-	591	591
Disposals		-1	-	-1	-	-3
Reclassifications, net		762	-	-	-762	-
Currency translation differences		1	-0	0	-	1
Depreciation		-232	-1	-0	-	-234
Closing carrying value		**1,539**	**4**	**-0**	**331**	**1,874**
Accumulated acquisition value		2,419	7	-	331	2,763
Accumulated depreciation		-880	-4	-0	-	-885
Closing carrying value 31 December 2020		**1,539**	**4**	**0**	**331**	**1,874**
Closing carrying value 31 December 2020, right-of-use assets	*58*	*977*	*0*	*1*	-	*1,036*
Closing carrying value 31 December 2020, tangible assets and right-of-use assets	**58**	**2,515**	**4**	**1**	**331**	**2,910**
Changes during the year						
Discontinued operations		-	-	-	-	-
Investments		-	-	-	323	323
Disposals		-2	-	-	-	-2
Reclassifications, net		198	-	-	-198	-
Currency translation differences		0	0	-	0	0
Depreciation		-278	-1	-	-	-280
Closing carrying value		**1,457**	**3**	**0**	**456**	**1,916**
Accumulated acquisition value		2,614	7	-	456	3,077
Accumulated depreciation		-1,157	-3	0	-	-1,161
Closing carrying value 31 December 2021		**1,457**	**3**	**0**	**456**	**1,916**
Closing carrying value 31 December 2021, right-of-use assets	*50*	*1,005*	*0*	*0*	-	*1,055*
Closing carrying value 31 December 2021, tangible assets and right-of-use assets	**50**	**2,462**	**3**	**0**	**456**	**2,972**
Depreciation periods in years	3-11	5-25	5	3-5	-	-

Technical equipment primarily consists of investments in the Group's mobile telephone network, including amongst other mobile telephone network equipment, radio installations and other equipment.

Work in progress by 31 December 2021 consists primarily of capitalised costs related to the technology upgrade and migration projects. No interest has been capitalised related to the projects.

The note provides information for leases where the Group is a lessee. The rights-of-use assets stated below have been recognised in the balance sheet as tangible and intangible fixed assets.

NOK millions	Licenses and similar rights	Property	Technical equipment	Equipment and tools	Other tangible assets	Total
Accumulated acquisition value	2,026	83	1,048	1	2	3,160
Accumulated amortisation	-371	-17	-258	-	-1	-648
Opening carrying value 1 January 2020	**1,655**	**66**	**790**	**1**	**2**	**2,512**
Changes during the year		-	-	-	-	-
Discontinued operations		-	-4	-	-	-4
Investments	2	-	306	-	-	308
Disposals / write-downs		-	-44	-	-	-43
Currency translation differences		-	1	-	-	1
Amortisation	-91	8	-73	-	-1	-172
Closing carrying value	**1,565**	**59**	**977**	**-**	**1**	**2,601**
Accumulated acquisition value	2,022	82	1,272	1	2	3,380
Accumulated amortisation	-457	-25	-296	-	-1	778
Closing carrying value 31 December 2020	**1,565**	**58**	**977**	**-**	**1**	**2,601**
Changes during the year						
Investments	489	-	115	-	-	604
Disposals / write-downs		-	-3	-	-	-3
Amortisation	1,959	-8	-83	-	-	1,867
Closing carrying value	**1,959**	**50**	**1,005**	**-**	**-**	**3,015**
Accumulated acquisition value	2,511	82	1,384	1	2	3,981
Accumulated amortisation	-552	-32	-379	-1	-2	-966
Closing carrying value 31 December 2021	**1,959**	**50**	**1,005**	**-**	**-**	**3,015**
Depreciation periods in years	*10-20*	*3-11*	*5-25*	*5*	*3-5*	-

The below table shows the commercial mobile spectrum licences that the Group holds as of 31 December 2021:

Spectrum (MHz)	Bandwidth (MHz)	Valid until
3,600 MHz	80 MHz	31 Dec 2041
410 MHz	2 x 1.8 MHz	31 Dec 2039
450 MHz	2 x 5 MHz	31 Dec 2039
700 MHz	2 x 10 MHz	31 Dec 2039
800 MHz	2 x 10 MHz	31 Dec 2033
900 MHz	2 x 5.1 MHz	31 Dec 2033
1,800 MHz	2 x 20 MHz	31 Dec 2033
2,100 MHz	2 x 20 MHz	31 Dec 2032

Ice Group ASA's subsidiary has been awarded 80 MHz in the 3,600 MHz band in the frequency auction organised by the Norwegian Communication Authority ("Nkom"). The frequencies are valid from 1 January 2022 until 31 December 2041. The 80 MHz was awarded for NOK 554 million, a sum that may be paid down over 20 years. The frequencies are recognised in the balance sheet in the fourth quarter of 2021, giving a right-of-use asset and lease liabilities.

As over three years remain before the expiry of the frequencies, the process for renewal is not yet known and, as such, the Group has not yet defined a plan for renewal. However, to the Group's knowledge, no other operators have network or end-customer equipment supporting 450 MHz frequencies, which would make the indirect acquisition and utilisation cost substantially higher for other operators.

Lease liabilities measured at amortised costs:

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Lease liabilities		
Licenses	193	175
Non-current	2,639	2,072
Total	**2,832**	**2,247**

The lease liabilities maturity profile based on undiscounted cash flows is as following:

NOK millions

Maturity table, lease liabilities

	Cash payments due by period			
2021	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Lease liabilities	269	588	993	2,134

NOK millions

Maturity table, lease liabilities

	Cash payments due by period			
2020	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Lease liabilities	269	534	837	2,040

Changes in lease liabilities during 2021 and 2020 are presented below:

NOK millions		**2021**	**2020**
	Lease liabilities as of 1 January	2,247	2,030
	of which non-current	*2,072*	*1,919*
	of which current	*175*	*111*
Cash flows	Payment of lease liabilities	-178	-238
Non-cash changes	New leases	604	306
	Interest	159	148
	Lease liabilities as of 31 December	2,832	2,247
	of which non-current	*2,639*	*2,072*
	of which current	*193*	*175*

The Group has a spectrum charge of NOK 303 million which is due in 2025. This is due to the postponement of 90% of the auction proceeds from the Group's 700MHz and 2,100 MHz frequencies from 2019. The Group has reclassified the deferred payment from Other non-current liabilities to Non-current lease liabilities in the 2020 comparable figures. The reclassifications have no effects on any results or KPIs.

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Depreciation charge of right-of-use asset		
Licenses	-95	-91
Property	-8	-8
Technical equipment	-83	-73
Equipment and tools	-0	-0
Other tangible assets	-0	-1
Total	**-187**	**-172**
Interest expense (included in financial expenses)	-158	-143
Expenses related to low-value leases (included in sales and admin. expenses)	-2	-2

Total cash outflow related to leases in 2021 amounted to NOK 178 million (238).

NOK thousands	**Holding**		**Book value of shares**		**Result from shares**	
Company name	**31 Dec 2021**	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**	**2021**	**2020**
Smartkom AS	50%	50%	291	282	9	-28
Total book value of shares in joint ventures at 31 December	**50%**	**50%**	**291**	**282**	**9**	**-28**

Voting shares equals the capital share.

Result from shares in joint ventures	**2021**	**2020**
Holdings	50%	50%
Participation in result of joint ventures	9	-28
Net result	18	-56
Total result of shares in joint ventures	**9**	**-28**

Extracts from the income statement of joint ventures	**2021**	**2020**
Operating result	18	-57
Net result	**18**	**-56**

Extracts from the balance sheet of joint ventures	**2021**	**2020**
Current assets	460	477
Total assets	**460**	**477**
Equity	228	382
Total liabilities	232	94
Total equity and liabilities	**460**	**477**

Shares in joint ventures		
Acquisition value	**2021**	**2020**
Investments	282	310
Share of result for the year	9	-28
Total shares in joint ventures at 31 December	**291**	**282**

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Financial assets at amortised costs		
Other financial assets	20	21
Trade receivables	104	115
Cash and cash equivalents	345	525
Total	**468**	**661**
Financial liability at amortised costs		
Borrowings	3,616	3,394
Other non-interest bearing liabilities	4	2
Non-current lease liabilities	2,639	2,072
Trade payables	289	269
Current lease liabilities	193	175
Other current liabilities	58	38
Total	**6,799**	**5,950**

NOK millions	**2021**	**2020**
Carrier services	265	251
COGS	56	51
Network costs	211	192
Total	**532**	**494**

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Trade receivables	112	126
Less provision for bad debts	-8	-10
Trade receivables – net	**104**	**115**

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2021 or 1 January 2021, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

	Gross		**Net**	
Aging analysis of trade receivables	**31 Dec 2021**	**31 Dec 2020**	**31 Dec 2021**	**31 Dec 2020**
Trade receivables not due	83	77	83	77
Trade receivables past due	30	49	21	39
of which less than 30 days	*6*	*12*	*6*	*12*
of which 30-180 days	*4*	*9*	*3*	*7*
of which more than 180 days	*19*	*28*	*12*	*20*
Total accounts receivable	**112**	**126**	**104**	**115**

Specification of provision for bad debt	31 Dec 2021	31 Dec 2020
Loss allowance as of 1 January	**-10**	**-12**
Change during the year	2	1
Loss allowance as of 31 December	**-8**	**-10**
Realised losses for the year	-8	-8

Allocations to and reversals of provisions for bad debts are included in Sales and administrative expenses in the Statement of Comprehensive income. There is no collateral or other security on the outstanding trade receivables at period end(s).

NOK millions	31 Dec 2021	31 Dec 2020
VAT receivable	0	13
Other	0	0
Total	**0**	**14**

NOK millions	31 Dec 2021	31 Dec 2020
Prepaid expenses	77	87
Accrued income related to contract with customers	0	1
Accrued interest income	0	0
Total	**77**	**88**

NOK millions	31 Dec 2021	31 Dec 2020
Cash at bank	331	512
Payroll withholdings and other restricted cash	13	13
Total	**345**	**525**

NOK millions	31 Dec 2021	31 Dec 2020
Senior unsecured bonds	1,413	1,406
Senior secured callable bonds	1,371	1,392
Ice Group ASA loan	731	504
AINMT Holdings AB loan	101	91
Total borrowings	**3,616**	**3,394**

Please see also *Net Interest-Bearing Debt* ("NIBD") under Alternative Performance Measures section.

In Q2 2017, Ice Group, through Ice Group Scandinavia Holdings AS, issued a five-year NOK 800 million senior unsecured bond (ISIN NO 001 0789035) at a blended debt financing cost of NIBOR +5.25% points. The bond was successfully admitted to Oslo Stock Exchange on 3 October 2017.

Voluntary redemption of the bond from the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount. From the First Call Date to, but not including, the Interest Payment Date in April 2020 at a price equal to 104.00% of the Nominal Amount of each redeemed Bond, which is reduced to 102.50% of the Nominal Amount if redeemed after the Interest Payment Date in April 2020 to, but not including, the Interest Payment Date in April 2021. If redeemed from the Interest Payment Date in April 2021 to, but not including, the Maturity Date, the price is equal to 101.25% of the Nominal Amount.

In Q4 2017, Ice Group, through Ice Group Scandinavia Holdings AS, issued a four-year NOK 1.4 billion senior secured bond (ISIN NO 001 0807092). The bond had a coupon of 3 months NIBOR +4.60% points. The bond was successfully admitted to Oslo Stock Exchange on 8 November 2017. The bond was redeemed in the first half of 2021.

In Q4 2019, Ice Group, through Ice Group Scandinavia Holdings AS, issued a four-year NOK 900 million senior unsecured bond (ISIN NO 001 0864002). The bond has a coupon of 3 months NIBOR +8.00% points. The bond was successfully admitted to Oslo Stock Exchange on 1 April 2020.

Voluntary redemption of the bond from the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount. From the First Call Date to, but not including, the Interest Payment Date in October 2022 at a price equal to 104.852% of the Nominal Amount of each redeemed Bond, which is reduced to 102.911% of the Nominal Amount if redeemed after the Interest Payment Date in October 2022 to, but not including, the Interest Payment Date in April 2023. If redeemed from the Interest Payment Date in April 2023 to, but not including, the Maturity Date, the price is equal to 100.970% of the Nominal Amount.

In Q1 2021, Ice Group, through Ice Group Scandinavia Holdings AS, issued a new four-year NOK 1,4 billion senior secured bond (ISIN NO 001 0939788). The bond has a coupon of 3 months NIBOR +4.00% points. The bond was successfully admitted to Oslo Stock Exchange on 4 August 2021.

Voluntary redemption of the bond from the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount. From the First Call Date to, but not including, the Interest Payment Date in March 2024 at a price equal to 102.22% of the Nominal Amount of each redeemed Bond, which is reduced to 101.11% of the Nominal Amount if redeemed after the Interest Payment Date in March 2024 to, but not including, the Interest Payment Date in September 2024. If redeemed from the Interest Payment Date in September 2024 to, but not including, the Maturity Date, the price is equal to 100.25% of the Nominal Amount.

In November 2020, Ice Group ASA granted a loan in the aggregate principal amount of NOK 500 million. On 12 October 2021, an additional NOK 150 million was granted, and on 31 December NOK 23 million was granted. The interest rate is 10% per annum, accrued annually, The loan, including all accrued and unpaid interests, shall be repaid in full by 31 August 2025.

The Borrower may prepay all or any part of the debt at any time, without penalty or premium.

"In Q1 2015, the Norwegian business acquired the B2B business from Network Norway. The commitment to pay the seller's credit related to this purchase was overtaken by AINMT Holdings AB and consequently Ice Group Scandinavia Holdings AS entered an internal loan, amounting to NOK 50 million, with its Parent Company instead of its external party. The interest is annually fixed 9.75%. The loan is subordinated.

The total borrowings from AINMT Holdings AB includes capitalised interests of NOK 41 million per 31.12.2020.

In March 2021, AINMT Holdings AB and Ice Group Scandinavia Holdings AS entered into a new agreement replacing the previous loan agreement entered into between the parties with effect from 1 January 2021. The loan amount is NOK 91 million, and the interest rate is 10% per annum, accrued annually, The loan, including all accrued and unpaid interests, shall be repaid in full by 31 December 2025. The loan is subordinated.

The total borrowings from AINMT Holdings AB includes capitalised interests of NOK 9 million per 31.12.2021.

The Borrower may prepay all or any part of the debt at any time, without penalty or premium.

In Q3 2020, Ice Group ASA issued a five-year convertible bond of NOK 689 million with Ice Group Scandinavia Holdings AS as co-debtor. The interest rate is 8% p.a. if paid in cash or 10% if paid in kind (PIK). The bonds may be converted to shares in Ice Group ASA. The conversion price is initially set to NOK 19.5089 per share, and subject to adjustments under given circumstances described in the bond terms.

The Issuer may redeem all, but not some only, of the Outstanding Bonds each at their Principal Amount, plus accrued but unpaid interest to (but excluding) the Issuer Optional Redemption Date at any time on or after 31 August 2022, if on each of not less than 20 Dealing Days in any period of 30 consecutive Dealing Days ending not more than five calendar days prior to giving the relevant Optional redemption Notice, the Volume Weighted Average Price of a share on such Dealing Days exceeds 130% of the Conversion Price in effect on such Dealing Day, or at any time, if 85% or more of the aggregate Principal Amount of the Bonds originally issued have been redeemed, converted and/or purchased by the Issuer and cancelled.

For the Senior Secured Callable Bond 2021/2025, the Senior Unsecured Callable Bond 2017/2022 and the Senior Unsecured Bond 2019/2023 the Group has to comply with certain covenants:

- Liquidity must at all times exceed NOK 150 million
- Loan to value, where net interest-bearings debts to enterprise value must not exceed 50%

As per 31 December 2021, loan to value tested to 31%.

The maturity table below shows the classification of the Group's main long-term interest-bearing liabilities by closing date until the contractual maturity date, all amounts stated in nominal values assuming fixed currency rates. For maturity table regarding leases, see note 14.

NOK millions

Maturity table, borrowings		**31 Dec 2021**	**Cash payments due by period**			
2021	Original Loan Amount (contract currency)	Outstanding amount (NOK millions)	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Senior Unsecured Callable Bond 17/22 [1]	520	518	-543	-	-	-
Senior Secured Callable Bond 21/25	1,400	1,371	-68	-136	-1,417	-
Senior Unsecured Callable Bond 19/23	900	895	-79	-979	-	-
Ice Group ASA loan [2]	673	731	-	-	-1,005	-
AINMT Holdings AB loan [3]	91	101	-	-	-147	-
Total		**3,616**	**-690**	**-1,115**	**-2,275**	**-**

[1] Principal netted with own bond of NOK 280.5 million. Interest income is received each period, and is included in the cash payments overview
[2] Interest can be capitalised.
[3] New loan agreement entered into in March 2021 with effect from 1 January 2021 replaces the loan agreement from 2015

Maturity table, borrowings		**31 Dec 2020**	**Cash payments due by period**			
2020	Original Loan Amount (contract currency)	Outstanding amount (NOK millions)	Within 1 year	Between 1 and 3 years	Between 3 and 5 years	Over 5 years
Senior Unsecured Callable Bond 17/22 [1]	520	514	-45	-542	-	-
Senior Secured Callable Bond 17/21	1,400	1,392	-1 469	-	-	-
Senior Unsecured Callable Bond 19/23	900	892	-85	-1,078	-	-
Ice Group ASA loan [2]	500	504	-	-	-788	-
AINMT Holdings AB loan	50	91	-	-	-	-116
Total		**3,394**	**-1,599**	**-1,620**	**-788**	**-116**

[1] Principal netted with own bond of NOK 280.5 million. Interest income is received each period, and is included in the cash payments overview
[2] Interest can be capitalised.

For information regarding liquidity risk management, see note 2 section "Liquidity risk".

Reconciliation of debt arising from financing activities:

2021	*NOK millions*	Borrowings
	January 1, 2021	3,394
	of which current	*1,400*
	of which non-current	*1,994*
Cash flows	Repayment of interest-bearing debt	-1,400
	Issuance of interest-bearing debt	1,538
	PIK capitalisation	84
	Foreign exchange movement	-
	December 31, 2021	3,616
	of which current	*520*
	of which non-current	*3,096*

Reconciliation of debt arising from financing activities:

2020	*NOK millions*	Borrowings
	January 1, 2020	2,842
	of which current	0
	of which non-current	2,842
Cash flows	Repayment of interest-bearing debt	0
	Issuance of interest-bearing debt	500
	PIK capitalisation	52
	Foreign exchange movement	0
	December 31, 2020	3,394
	of which current	*1,400*
	of which non-current	*1,994*

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Employee benefit related liabilities	17	14
Other payables	41	25
Total	**58**	**38**

NOK millions	**31 Dec 2021**	**31 Dec 2020**
Accrued interests	29	39
Accrued personnel related expenses	45	39
Other accrued expenses	354	333
Accrued expenses related to leases	92	91
Deferred income	37	41
Total	**557**	**542**

Assets pledged as per 31 December 2021 were all related to the issuing of the Senior Secured Callable bond (ISIN NO 001 0939788) in favour of the bondholders (Nordic Trustee ASA, Norway, as bond trustee on behalf of the bondholders):

- All shares in Ice Group Scandinavia Holdings AS and its subsidiary Ice Communication Norge AS
- Ice Group Scandinavia Holdings AS: Pledge over (i) all bank accounts (NOK 49 million), (ii) operating assets (NOK 68 million), (iii) inventory and (iv) factoring registered in the Register of Mortgaged Movable Property
- Ice Communication Norge AS: Pledge over (i) bank accounts (NOK 296 million), (ii) operating assets (NOK 68 million), (iii) inventory (NOK 2 million), (iv) technical equipment (NOK 1,457 million), (iv) factoring registered in the Register of Mortgaged Movable Property
- In addition to the above, pledges were set out over the monetary claims under the following Group internal loans and loan agreements:
    - Ice Group Scandinavia Holdings AS loan to Ice Norge Communication AS of NOK 1,850,000,000

All pledges related to the issuing of the Senior Secured Callable bond (ISIN NO 001 0807092) were duly released in connection with the redemption of the bond in the first half of 2021. All pledges related to Ice Danmark ApS were duly released in connection with the divestment in May 2020.

NOK millions

Other contractual commitments	**2021**	**2020**
Commitments, investments	528	518
Commitments, other	49	17
Total future fees for other contractual commitments	**578**	**535**

Other commitments mainly relate to commitments for ordered and contracted goods and services that cannot be cancelled without economic effects.

NOK millions	**2021**	**2020**
Share-based compensation expenses (see note 8)	0	3
Currency related items	-4	0
Total	**-4**	**3**

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA, Norway. The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware. The ultimate parent which is deemed to have a controlling influence over AINMT Group is AI International Investments LLC, registered in Delaware, USA with address 730 5th Avenue, 20th Floor, New York NY10019. Other related parties are all subsidiaries within the Group and senior executives of the Group, i.e. Board and Management, as well as its family members.

In November 2020, Ice Group ASA granted a loan in the aggregate principal amount of NOK 500 million. In October 2021, Ice Group ASA granted a loan in the aggregate principal amount of NOK 150 million. In December 2021, an additional NOK 23 million was granted. See note 22 Borrowings.

Goods and services are bought and sold by and to all the Scandinavian subsidiaries on normal commercial terms with cost plus margin of 7%.

There are no other events after 31 December 2021 that have a material effect on the financial statement for 2021. However, the below items are relevant for on the future business of Ice Scandinavia:

On 18 February 2022, Ice Group ASA announced that Ice Group ASA and its subsidiary AINMT Holdings AB ("AINMT", together with Ice Group ASA referred to as "Ice") have decided to enter into a Heads of Terms agreement with Lyse AS ("Lyse") regarding the sale of Ice Group Scandinavia Holdings AS ("IGSH") (the "Transaction"). The Transaction includes the acquisition by Lyse of all issued and outstanding shares of IGSH, and such additional assets and shares which normally belong to the business of Ice (including 100% of the shares of Ice Communication Norge AS and subsidiary), Phonepartner Norge Holding AS and subsidiary and Ice Retail Holding AS and subsidiary (the "Business"). The enterprise value of the Business implied by the Transaction is approximately NOK 5,560 million and Ice expects to receive cash proceeds of approximately NOK 3 billion following completion of the Transaction.

Completion of the Transaction is subject to entering into final transaction documents, limited customary confirmatory due diligence, regulatory approvals and approval by relevant Ice stakeholders, including the shareholders of the Ice Group ASA in an extraordinary general meeting. Ice Group ASA has received preapprovals for the Transaction from shareholders representing approximately 80% of the shares as well as from relevant creditors, and the sales agreement was approved by the General Meeting on 21 March by 94.5% of the shares represented. Closing of the Transaction is targeted for the end of March.

Furthermore, regarding the previously announced dispute between GoldenTree Asset Management LP ("GoldenTree") and AINMT relating to the loan agreement between GoldenTree, certain other lenders and AINMT (the "GT Loan Agreement"). AINMT has entered into a contingent settlement agreement with GoldenTree and the other lenders under the GT Loan Agreement, whereby the parties agree that upon payment by AINMT of approximately NOK 1,550 million (exact amount depending on settlement date and prevailing exchange rate), the GT loan will be settled in full and the parties will release each other from any and all claims and counterclaims relating to the dispute and the GT Loan Agreement, provided that the lenders under the GT Loan Agreement receive payment within the earliest of the Completion of the Transaction and 30 June 2022. The court hearings scheduled to start 4 April 2022 will be conducted as scheduled however will be cancelled if GoldenTree receives payment of the settlement amount before 4 April 2022.

The cash proceeds (net of transaction fees) will be applied in repayment of the above settlement amount and Ice Group ASA's liabilities under the SEK 340 million perpetual loan and the NOK 689.1 million convertible bond (each including capitalised interest, accrued and uncapitalised interest and applicable call premium) totalling approximately NOK 2.9 billion (exact amount depending on discharge date and prevailing exchange rate). After closing of the Transaction, Ice Group ASA expects that there will only be a limited residual amount left for the equity holders.

The board and management of Ice have explored multiple potential transactions to achieve a successful refinancing solution. A refinancing has been deemed necessary for Ice to have a sufficient liquidity and equity to continue its current and planned business. The refinancing process has been challenging due to the complex capital structure and different creditor preferences. Discussions with creditors, shareholders and a range of potential new investors have been conducted to explore all options for a successful refinancing solution, and the goal has been to protect and maximize all stakeholder values in this process. The board and management of Ice have received and evaluated offers and proposals on several different structures and solutions from several investor groups. The board's decision is unanimous and is due to the Transaction being the overall best alternative for the Ice Group ASA's stakeholders. The Transaction will enable continued development of the third mobile network in Norway and strengthening the overall telecom infrastructure.

On 4 March 2022, Ice Group ASA announced that reference is made to the announcement of 18 February by ICE Group ASA regarding a sale of Ice Group Scandinavia Holding AS and associated assets to Lyse AS, and the notice dated 28 February 2022 of an extraordinary general meeting ("EGM") to approve the transaction. Ice Group ASA has now entered into a definitive sale and purchase agreement (the "SPA") with Lyse on the terms described in the announcement and the notice of the EGM. Completion of the Transaction is subject to regulatory approvals and approval by the stakeholders of the Ice Group ASA, including shareholders of the Ice Group ASA in the EGM. Ice Group ASA has received preapprovals for the transaction from shareholders representing approximately 80% of the shares as well as from relevant creditors, and the sales agreement was approved by the General Meeting on 21 March by 94.5% of the shares represented. Closing of the Transaction is targeted for the end of March.

On 21 March 2022, an extraordinary general meeting of Ice Group ASA was held in which the sale of Ice Group Scandinavia Holdings AS and other assets was approved. Furthermore, the general meeting adopted a couple of amendments to the Articles of Association.

On 21 March 2022, reference is made to the announcement of 18 February by ICE Group ASA regarding a sale of Ice Group Scandinavia Holding AS and associated assets to Lyse AS, and the notice dated 4 March 2022 regarding entering into a definitive sale and purchase agreement. Ice Group ASA has today been informed by the Norwegian Competition Authority ("NCA") that the case has been processed and closed with the NCA. Completion of the

Transaction is still subject to certain regulatory approvals.
On 25 March 2022, reference is made to the previous announcement by Ice Group ASA regarding the sale of Ice Group Scandinavia Holdings AS and associated assets to Lyse. The Company has been informed that the Norwegian Communications Authority ("Nkom") will approve the transfer of all frequency licenses. All material closing conditions are now complete. Closing of the Transaction is targeted for the end of March.

Ice Scandinavia operates in the highly competitive and regulated mobile telecommunications industry in Norway and is exposed to certain risks that could have impact on earnings or its financial position. Ice Scandinavia has defined risk as anything that could have a material adverse effect on the achievement of its goals or activities. Risks can be threats, uncertainties or lost opportunities relating to Ice Scandinavia's current or future operations. Ice Scandinavia divides the risks into related to disease outbreaks, risks related to the industry and market conditions, risks related to the Group's operations, legal and regulatory risks and financial risks.

Risks related to disease outbreaks

While Ice Scandinavia's operations are today foremost based in Norway, it relies on a significant number of operational staff and third-party suppliers to run smoothly, as well as the continuous and stable supply of handsets and other equipment to our customers. As evidenced by the recent COVID-19 pandemic outbreak, disease outbreaks may cause significant disruptions to our continuing business operations, including the supply of stocks and the movement of staff and their ability to commute to their place of work. Such restrictions and the outbreak itself could have an adverse impact on the Ice Scandinavia's business, including on supply of both network equipment and handsets or other consumer premises, equipment, and could also impact the availability and performance of service staff with our suppliers.

Given the rapidly evolving landscape of the COVID-19 pandemic, where information, impacts and even the regulatory environment can change in a matter of hours, it is extremely difficult to estimate the potential impact of pandemic outbreaks to the Group's financial results. Ice Scandinavia has however implemented precautionary measures and protocols based on recommendations from official health authorities, such as the Norwegian Institute of Public Health (No. Folkehelseinstituttet) and the World Health Organization ("WHO"). To the extent possible, business continuity and contingency plans have been updated and implemented to mitigate any negative impact on the business from a wide-spread and long-lasting disease of the Coronavirus type.

It is clear that restrictions resulting from pandemic outbreaks such as COVID-19 on movement of people, transportation of equipment and other governmental or regulatory restrictions could limit Ice Scandinavia's ability to meet operational and financial targets and commitments to customers. Furthermore, the general reduction in macroeconomic activity – both domestically and internationally – following the disease outbreaks could directly impact the growth and/or demand for the services Ice Scandinavia provides, which in turn could result in lower service revenues, and thereby have a material adverse effect on Ice Scandinavia's business, financial condition and results of operations.

Risks related to the industry and market conditions

The telecommunications industry is characterised by rapid increases in the diversity and sophistication of the technologies and services offered. As a result, the Group may face increasing competition from the application of technologies which are currently being developed, such as fifth generation mobile services ("5G"), or which may be developed in the future by the Group's existing competitors, new market entrants or telecommunications equipment firms. Future development or application of new or alternative technologies, services or standards could require significant changes to the Group's business model, the development of new products, the provision of additional services or substantial new investment. The Group cannot guarantee that it will be able to adapt its services in an adequate and timely manner in order to keep up with the rapid development in the market. If the Group fails to develop, or obtain timely access to, new technologies or equipment, or if the Group fails to obtain the necessary licenses or spectrum to provide services using these new technologies, the Group's products may be less competitive, causing the Group to lose subscribers and market share. As a consequence, the Group may need to make further investments in order to remain competitive, which would increase costs and affect profitability, which again could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks related to the Group's operations

The Group's success is dependent on its ability to continue its investments in maintaining, upgrading and expanding its telecommunication networks. The Group has made substantial investments in its networks and is expected to continue with those investments. However, certain factors outside the control of the Group could restrict or limit the Group's ability to continue with those investments. These include the availability of new and attractive products in the market to build and maintain the network, the ability of equipment suppliers to deliver their products in an effective and satisfactory manner, the Group's ability to negotiate with its suppliers and the Group's ability to obtain financing on a timely basis and on commercially reasonable terms. In the mobile broadband segment, efficient and affordable equipment is important to be able to deliver competitive services. Failure to maintain and develop robust telecommunication networks could hinder the Group's financial and operational performance in the future.

In addition, the Group must also continuously maintain and upgrade its existing networks and IT systems in order to allow ongoing operations to function properly and to expand such subscriber function as the subscriber base grows. Further, the Group could be required to upgrade the functionality of its networks, increase customer service efforts, update network management and administrative system and upgrade older systems and networks to adapt them to new technologies by regulatory obligations. Many of these tasks are not fully under the Group's control, and may be affected by, among other things, regulatory regime under the which the Group operates. If the Group fails to successfully maintain, expand or upgrade its networks and IT systems, the Group's offerings and services may become less attractive to new subscribers and the Group may lose existing subscribers to its competitors. In addition, the Group's future and ongoing network and IT systems upgrades may fail to generate a positive return on investment, which may have an adverse effect on the Group's business, financial condition and results of operations. Finally, if the Group's capital expenditure exceeds projections or the Group's operating cash flow is lower than expected, the Group may be required to seek additional financing for future maintenance and upgrades, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The National Roaming Agreement Ice Communication Norge AS has signed with Telia allows the Group's customers in Norway to secure access to a network when customers travel outside of the Group's own network coverage and is hence material to the Group's business in Norway. The National Roaming Agreement lasts until 31 December 2023 with a 1+1 year extension option, whereas the last 1 year option is subject to certain conditions. There is no absolute certainty that the agreement will be prolonged on current (or better) terms, or that the agreement will be renewed or replaced after the expiry of its term. Although Telenor is required under current regulation to offer national roaming services and, access to Telenor`s masts, and could therefore be considered a potential alternative provider to the Group in this respect, there may be changes to the current regulation resulting in Telenor no longer being obliged to provide such services, or the Group may be unable to secure as favourable terms under an agreement with Telenor. Should the Group not succeed in prolonging and/or renewing or replacing the National Roaming Agreement after it has expired, this may have a material adverse effect on churn and hence the Group's business, financial condition and results of operations.

In 2016, AINMT Holdings AB entered into a framework supply agreement with Nokia whereby Nokia was elected as vendor for the rollout of LTE Radio Access Network ("RAN") in Scandinavia. On 30 May 2018, AINMT Holdings AB entered into the Amended Nokia Agreement, which provides the framework to facilitate further network build-out in Norway as a turnkey. The Group is in particular subject to material payment obligations pursuant to the amendment to the Nokia Agreement, which is a material component in the Group's growth strategy. Should the Group fail to meet its obligations under the Amended Nokia Agreement, this could have a materially adverse impact on the Group's financial condition, results of operation and ability to further expand its business.

The Group's business plan assumes significant growth in its smartphone customer base in Norway. The Group faces competition from other telecommunications operators, as well as fixed line operators in some markets. The Group's main competitors are Telenor and Telia.

Competition from current market participants, potential new entrants and new products and services, may adversely affect the Group's performance. In Norway, both Telenor and Telia offer Mobile Virtual Network Operator ("MVNO") access to infrastructure and network, allowing potential competitors in the market to offer mobile services through entering into service provider agreements with Telenor or Telia. A service provider agreement means that the capital expenditure required to enter the mobile market in Norway as a competitor is much lower since such new entrants are not dependent on investing in infrastructure or core network.

The Group's ability to operate successfully is dependent on the Group's ability to deploy sufficient network resources and operate the Group's networks. The failure or breakdown of key components of the Group's networks, including hardware and software, may have a material negative effect on the Group's financial and operational performance. Although all system parts are redundant, if two or more business critical nodes fail, the network might have unstable and weak services to the end-user which could lead to customers terminating their services with Group.

The Group has experienced system failures, and while the Group has taken measures to prevent or limit future failures and their impact, there can be no assurance that the Group will not experience disruptions to its services in the future. Any interruptions in the Group's ability to provide its services could seriously harm the Group's reputation and reduce subscriber confidence, which could materially impair the Group's ability to acquire and retain subscribers. In addition, the Group may incur significant capital expenditures to restore the functionality of the Group's networks and provide its subscribers with reliable service, network capacity and security.

Further, part of the Group's network infrastructure is located on the premises of third parties. If this infrastructure encountered any disruptions, it may take longer to resolve the problem, which would impair the Group's ability to restore services, and accordingly affect its reputation and ability to obtain and retain subscribers. In addition, disputes between these third parties and the Group or legal proceedings involving third parties or the Group's property may cause part of the Group's network infrastructure to be inaccessible, which could have a material adverse effect on the Group's ability to efficiently operate, maintain and upgrade the Group's network.

The Group depends on a limited number of suppliers and vendors to provide equipment and services to develop and upgrade its networks and operate its businesses. Although the Group believes that there exist alternative suppliers and vendors if the existing relationships were to be terminated, no assurance can be given that the Group will be able to replace the suppliers on equal or better terms. The Group's suppliers of core network, radio and access equipment may not continue to supply equipment and provide services to the Group on terms that are favourable or may discontinue with the manufacturing of the necessary equipment required to operate the telecommunications networks. The Group may experience problems such as the availability of new devices, higher than anticipated prices of new devices, and potential difficulties with new suppliers. Given that the number of 450 MHz band operators and subscribers globally is limited, the attractiveness for suppliers to supply equipment for this frequency band is limited which could lead to fewer suppliers and higher prices for equipment and devices. Any failure in relation to the supply chain may have an adverse effect on the Group's financial and operational performance.

The Group cannot assure that its suppliers will continue to provide the Group with products and services on commercially attractive terms, or that the Group will be able to obtain required services or equipment in the future from the Group's current or alternative suppliers on commercially attractive terms, if at all. If the Group's key suppliers are unable to provide the Group with adequate supplies of products and services, the Group's ability to attract subscribers could be negatively affected, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

When the Group's telecommunications frequency licenses held by Ice Communication Norge AS expire, the Group will need to renew them in order to continue its operations. The Group's ability to renew its licenses in the future may be affected by factors outside of its control, such as competition from other operators when bidding for license renewals in auctions or the government's decision to revoke licenses or limit the number of license-holders.

The existing 2,100 MHz frequency license held by the Issuer Group will expire in 2032. The 800, 900 and 1,800 MHz frequency licenses will expire in 2033, and the 450 and 700 MHz frequency licenses will expire in 2039. The 3,600 MHz frequency license will expire in 2041.

Failure to renew licenses in the future could have a significant impact on the Group's ability to continue to deliver its products and services, and/or require the Group to undertake further investments through building further sites to compensate for loss of frequencies in order to maintain the same level of coverage for subscribers and subsequently impact the Group's business, financial condition and results of operations.

Ice Scandinavia is dependent on acquiring frequencies in order to achieve its growth strategy in the long term and in order to maintain its competitive position. The authorities in Norway may hold auctions for new licenses in the future which may lead to new licenses being assigned to current or new competitors of the Group, which would increase competition in the markets in which the Group operates, adversely affecting the Group's ability to gain market share to the extent it cannot provide consistent coverage or add capacity to its network to support its subscriber base. To the extent the Group is unsuccessful in frequency actions, this could adversely affect its strategy and have a material adverse effect on its business, financial condition and results of operations.

If any of the license owning companies in Ice Scandinavia enters into bankruptcy, the licenses will be part of the bankruptcy estate. Should however the bankruptcy lead to a breach of the license requirements or the license fee not being paid, there is a risk that the licenses may be revoked by the authorities. In normal circumstances the bankruptcy estate will, thus, be allowed to find a buyer for the license(s) and assign them to the buyer, but in order to assign licenses in Norway the authorities must consent to the assignments. There is a risk that the authorities do not consent to the assignment and for all licenses there is a risk that there is no existing market for the license(s) when the bankruptcy estate offers the license(s) for sale. If licenses for one of more reasons prove impossible to assign, there is a risk that the license(s) will be revoked by the authorities without any compensation to the license holder.

The Group may be exposed to database piracy, unauthorised access or other database security breaches which could result in the leakage and unauthorized dissemination of information about the Group's subscribers, including their names, addresses, home phone numbers and personal identity number, which could materially adversely impact the Group's reputation, prompt lawsuits against the Group by subscribers, lead to violations of data protection laws and adverse actions by telecommunications regulators and other authorities, lead to a loss in subscribers and hinder the Group's ability to attract new subscribers. In addition, the Group's network and IT infrastructure may be exposed to cyber-attacks, computer virus attacks or acts of terrorism or vandalism. Any such attack could result in equipment failures or disruptions in the Group's operations. Any inability to operate the Group's network as a result of such events may result in significant expense and/or customer churn. These factors, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition and results of operations.

Legal and regulatory risks

The Group operates in a highly regulated industry. The Group's business is subject to regulation set by Government authorities in each of the markets where the Group operates. Changes in regulation or Government policy could restrict the Group's ability to manage its operations. Regulatory authorities could inter alia amend or revoke licenses, which could materially impact the Group's business performance and operational results.

GoldenTree Asset Management LP ("GoldenTree") as agent and certain other lenders entered into an unsecured and subordinated loan agreement dated 30 September 2015 (the "GoldenTree Loan Agreement") with AINMT Holdings AB, which owns directly 100 % of the shares in Ice Group Scandinavia Holding AS. On 10 October 2020 GoldenTree submitted a claim against AINMT Holdings AB before Oslo District Court to obtain a judgement that the GoldenTree Loan Agreement has been breached 14 times since 2017 (7 of these alleged breaches consisting of not informing GoldenTree of the alleged breaches) and that the lenders are entitled to an increase in the interest rate of 5 percentage points for each breach. According to GoldenTree this implies that interest accrued in the last year ending 30 September 2020 alone amounts to USD 112,376,900. GoldenTree alleges that this interest amount is due and payable and requests that the Ice Group ASA subsidiary, AINMT Holdings AB, be ordered to pay this amount to GoldenTree. GoldenTree has been informed of the public bond issues and has never before objected to or raised any concerns in relation thereto.

On 12 April 2021, GoldenTree submitted a pleading to the court in the dispute. In the pleading, GoldenTree admits that it received information about the disputed historic financing transactions when they took place – despite not raising any objections until August 2020 – which AINMT Holdings AB already had invoked as a key defense against the claim. In the same pleading, GoldenTree agreed to refer the dispute to mediation. In the pleading GoldenTree has further expanded its claim to include 6 additional alleged breaches (connected to Ice Group Scandinavia Holdings AS' refinancing of its NOK 1,400 million senior secured bond), based on the same legal arguments as for the original claim. The formal court-led mediation meetings were conducted in June.

In Ice Group's opinion there is no merit to any of GoldenTree's claims that the loan agreement has been breached. Ice Group will vigorously oppose all GoldenTree's allegations in a possible law-suit.

None of Ice Group Scandinavia Holdings AS or Ice Communication Norge AS are parties to the GoldenTree Loan Agreement. GoldenTree has, therefore, not made any direct claims towards the Company or its subsidiary, and will have no direct recourse towards the Company or the Group. Indirectly, the Company and its subsidiary may be affected if AINMT Holdings AB becomes liable under the lawsuit for an amount higher than they are able to pay without selling the Company, which will be a breach of the ownership requirement in the bond terms.

Please also see note 28 – Subsequent events.

In order to provide its services, the Group collects and processes large amounts of personal data with respect to, inter alia, its customers, as a data controller. The EU General Data Protection Regulation and local data protection laws ("GDPR") provide strict obligations on data controllers and rights for data subjects. Breach of GDPR may result in fines and penalties as well as loss of reputation. The implementation of GDPR has required amendments to the Group's procedures and policies, including measures to ensure compliance with the rules. If there are breaches of these measures, the Group could face significant administrative and monetary sanctions or reputational damage which may have an adverse effect on the Group's financial condition and results of operation.

Financial risks

Ice Scandinavia has a relatively high level of outstanding debt.

Ice Group Scandinavia Holdings AS has issued the following bonds:

a) NOK 800 million Senior Unsecured Callable Bonds issued in 2017 and maturing 7 April 2022,

b) NOK 900 million Senior Unsecured Callable Bonds issued in 2019 and maturing 10 October 2023

c) NOK 1,400 million Senior Secured Callable Bonds issued 10 March 2021, maturing 10 March 2025, and

d) NOK 689 million PIK Toggle Subordinated Convertible Bond in 2020 maturing 31 August 2025, where Ice Group Scandinavia Holdings AS is co-debtor and Ice Group ASA is issuer.

The level of debt of the Group could adversely affect the overall financial flexibility of the Group. It is mainly the Group's level of debt that is likely to have the most important negative consequences for the Group. For example, the Group's substantial debt could (i) require the Group to dedicate a large portion of its cash flow from operations to service debt and fund repayments on the Group's debt, thereby reducing the availability of its cash flow to fund working capital, capital expenditures and other general corporate purposes; (ii) increase the Group's vulnerability to adverse general economic or industry conditions; (iii) limit the Group's flexibility in planning for, or reacting to, changes in the Group's business or the industry in which it operates; (iv) place the Group at a competitive disadvantage compared to its competitors that have less debt; (v) require the Group to comply on certain covenants and undertakings, and (vi) make it more difficult to attract both existing and new investors to participate in new equity issues. Please also see note 28 – Subsequent events regarding the sale of Ice Group Scandinavia Holdings AS.

The bond agreements for the bond issues include financial and operational covenants applicable for the Group. A failure by the Group to meet these covenants will constitute an event of default entitling the bondholders (acting through the bond trustee) to call for immediate repayment of amounts outstanding under the Bond. The GoldenTree Loan Agreement and the RG Loan contain put options, which would require the Group to repay the loans, in whole or in part, prior to their respective maturity date. In the event of an acceleration of the loans or an exercise of these put options, there is a risk that the Group will not have sufficient funds at the relevant time to make the required repayments.

In addition, future credit facilities entered into by the Group may require it to satisfy a maximum total leverage test and potentially additional financial covenants. The ability of the Group to comply with the covenants in the bond agreements and in future credit facilities may be affected by events beyond their control and it cannot be assured that the Group will continue to meet these tests. The failure of the Group to comply with these obligations could lead to a default under its credit facilities unless the Group can obtain waivers or consents in respect of any breaches of its obligations thereunder. It cannot be assured that such waivers or consents will be granted. A breach of any covenants or the inability to comply with the required financial ratios could result in a default under such credit facilities. In the event of any default under the credit facilities, the lenders will not be required to lend any additional amounts to the Group and could elect to declare all outstanding borrowings, together with accrued interest, fees and other amounts due thereunder, to be immediately due and payable. If the debt under the Group's credit facilities were to be accelerated, the Group cannot assure that its assets would be sufficient to repay such debt in full.

Financing risk refers to risks relating to the Group's ability to obtain additional financing or refinancing of existing debt, or that it can only be obtained only at a significantly higher cost.

Further expansion of the Group in Norway could lead to an amended capital requirement profile for the Group, and the Group could have, inter alia, operating expenses and capital expenditures which are difficult to foresee at this point in time, making the existing financing insufficient to meet the capital requirements. For instance, the capital requirements of the Group may increase on a short-term basis should the customer growth of the Group be greater than expected. Further, the actual revenue and customer base of the Group may negatively deviate from the Group's expectations, creating a need for additional financing. The Group may not be able to obtain additional financing on reasonable terms or at all in order to finance the necessary operating expenses and/or capital expenditures.

There is always refinancing risk when it comes to refinancing existing debt. The Group believes the two unsecured bonds have a good refinancing runway. Ice Scandinavia Group is progressing well on revenue growth, EBITDA and cash flow compared to when the bonds were entered into, and, therefore, expects that it will be able to refinance the bonds before they mature. However, no assurance can be given that such refinancing will be granted on equal or better terms.

Although Ice Group's main shareholders have supported the Group in all equity issues so far, there is no guarantee that they will continue to do so in the future.

As a result of Ice Scandinavia's high leverage, the Group uses a large share of its cash flow for payment of liabilities, which means that the Group's financial flexibility is limited.

Please also see note 28 – Subsequent events regarding the sale of Ice Group Scandinavia Holdings AS.

The Group is exposed to interest rate risks in interest bearing current and non-current liabilities. As the bonds carry variable interest rates (NIBOR), the relatively high level of debt results in exposure to interest rate risk.

Further financial risks are described in note 2.

Ice Scandinavia's financial information is prepared in accordance with IFRS. In addition to the ordinary financial performance measures prepared in accordance with IFRS, it is management's intent to provide alternative performance measures ("APM") to enhance the understanding of the Group's underlying performance.

Financial APMs are intended to enhance comparability of the results and cash flows from period to period, and Ice Svandinavia believes that these are frequently used by analysts, investors and other parties. These measures are adjusted IFRS measures, defined, calculated and used in a consistent and transparent manner over the years and across the company where relevant. The alternative performance measures take into consideration items regarded as special due to their nature and include among others provision for non-recurring or non-operational items as technical migrations, restructurings, write-downs, strategic processes, refinancing and share-based compensation expenses.

Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS.

APMs may be calculated differently by other companies.

EBITDA adjusted

EBITDA (Earnings Before Interests, Taxes, Depreciations and Amortisations) adjusted is a financial parameter that the Ice Group considers to be relevant to an investor who wants to understand the generation of earnings before investment in fixed assets. Ice defines EBITDA adjusted as operating profit after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included.

NOK millions	**2021**	**2020**
Operating result	**-188**	**-469**
Depreciation and amortisation	581	525
EBITDA	**393**	**56**
Items related to network technical upgrade	1	6
Redundancy and other non-recurring costs	-0	-0
Share-based compensation expenses	10	9
EBITDA adjusted	**404**	**71**

CAPEX

Ice Scandinavia considers CAPEX, CAPEX excluding contracts with customers, CAPEX excluding licenses and spectrum and CAPEX excluding licences, spectrum and contracts with customers as important measures to be able to understand the Group's investments in intangible, tangible and other non-current assets.

NOK millions	**2021**	**2020**
Investments in intangible assets	131	122
Investments in tangible assets	366	540
Change contracts with customers	263	302
CAPEX	**760**	**963**
Change in contracts with customers	-263	-302
CAPEX excluding contracts with customers	**497**	**662**
CAPEX	**760**	**963**
Licences and spectrum	0	-2
CAPEX excluding licences and spectrum	**760**	**961**
Change in contracts with customers	-263	-302
CAPEX excluding licences, spectrum and contracts with customers	**497**	**660**

NIBD

Ice Scandinavia considers NIBD (Net Interest-Bearing Debt) to be an important measure to be able to understand the group's indebtedness. NIBD presented below is based on the total group for continuing operations and is defined as Gross Interest-Bearing Debt less Cash and cash equivalents.

NOK millions	**2021**	**2020**
Total borrowings as specified in note 22	3,616	3,394
Adjusted for:		
Capitalised loan costs	35	22
Gross Interest-bearing Debt	**3,651**	**3,415**
Cash and cash equivalents	-345	-525
Net Interest-bearing Debt	**3,306**	**2,890**

The Group issued a new senior secured bond in the first quarter of 2021 of NOK 1,400 million of which the proceeds were used to redeem the existing NOK 1,400 million (ISIN NO0010807092) senior secured bond. Accrued interests have been capitalised.

NOK millions	*Note*	**2021**	**2020**
Revenue		0	0
Operating income		**0**	**0**
Other operating expenses	*P6*	-20	-14
Operating expenses		**-20**	**-14**
Operating result		**-20**	**-14**
Interest income from group companies	*P3*	141	140
Other interest income		0	0
Interest expense to Parent company	*P3*	-9	-5
Other interest expenses		-177	-192
Other financial expenses		-22	-22
Unrealised currency effects		-0	-0
Impairments	*P2, P4*	-1,057	-
Net financial income and expenses		**-1,123**	**-78**
Operating result before tax		**-1,143**	**-92**
Tax on ordinary result	*P5*	-	-
Operating result after tax		**-1,143**	**-92**
ANNUAL NET PROFIT		**-1,143**	**-92**
Brought forward			
From other equity	*P4*	-1,143	-92
Net brought forward		**-1,143**	**-92**

NOK millions	*Note*	**31 Dec 2021**	**31 Dec 2020**
ASSETS			
Investments in Group companies	*P2*	2,736	3,792
Loans to Group companies	*P3, P4*	2,379	2,477
Total financial non-current assets		**5,114**	**6,269**
Other receivables	*P4*	58	55
Prepaid expenses		10	-
Cash and cash equivalents		49	50
Total current assets		**116**	**105**
TOTAL ASSETS		**5,231**	**6,374**
EQUITY AND LIABILITIES			
Share capital	*P5*	5	5
Total restricted equity		**5**	**5**
Other equity	*P5*	2,296	3,440
Total retained equity		**2,296**	**3,440**
Total equity	*P5*	**2,302**	**3,445**
Bond loans	*P9*	2,265	2,798
Borrowings from Parent Company	*P3, P4*	101	91
Total non-current liabilities		**2,366**	**2,889**
Trade payables		14	0
Current borrowings		520	1,400
Payables to Group companies		1	1
Other liabilities		29	39
Total current liabilities	*P1*	**564**	**1,440**
Total liabilities		**2,929**	**2,929**
TOTAL EQUITY AND LIABILITIES		**5,231**	**6,374**

Oslo, 29 March 2022

Martin Westersø
Chairman of the Board

Eivind Helgaker

Geir Magne Flyum

NOK millions	*Note*	**2021**	**2020**
Result before tax		-1,143	-92
Paid interest expense		187	202
Other financial expenses		22	22
Net interest expense		-142	-145
Currency and other non-cash items		1,053	22
Change in current receivables		0	6
Change in current liabilities		4	-37
Cash flows from operating activities		**-19**	**-22**
Loans to subsidiaries		240	-430
Cash flows from investing activities		**240**	**-430**
Borrowings, net		1,365	-
Repayments		-1,400	-
Interest payments on borrowings		-187	-202
Cash flows from financing activities		**-222**	**-202**
Cash flow for the year		**-1**	**-654**
Cash and cash equivalents at the beginning of the year		50	704
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**49**	**50**

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Operating expenses

Purchases from other Group companies consist mainly of consultancy fees in strategic Group projects, property lease, IT-operations and maintenance and audit fees.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long-term liabilities and long-term receivables are, however, not classified as short-term liabilities and current assets.

Shares in subsidiaries and loans to subsidiaries

The Company conducts the main part of the external debt financing in the Group and finances its operating subsidiaries with equity and loans.

Shares in subsidiaries and loans provided to subsidiaries are evaluated at the lower of cost or fair value. Any impairment losses and reversal of impairment losses are classified as net gains (loss and impairment) on financial assets in the income statement.

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount. Previous impairment charges are reversed in later periods if the conditions causing the write-down are no longer present.

Liabilities

Liabilities are recognised in the balance sheet at amortised cost.

Foreign currencies

Receivables and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Currency effects are recognised through the income statement as a part of net financial items.

Pensions

The Company has no employees.

Taxes

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 carry-forward 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 carry-forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

The tax effect of group contributions given to parent or sister companies are recognised in the income statement if the amount represents distribution of prior earnings. The tax effect of group contributions given to subsidiaries is recognised net with the contribution as an additional cost of the shares. The tax effect of group contributions received from parent or sister companies is recognised net with the contribution as an equity increase. The tax effect of group contributions received from subsidiaries are recognised in the income statement. Deferred tax is reflected at nominal value.

Cash flow statement

The cash flow statement has been prepared using the indirect method. This means that result before tax is adjusted for transactions that do not result in cash payments during the period and for any income or expense associated with investing or financing cash flows.

Founding

The Company was founded as Startfase 654 AS in February 2014.

Direct investments in subsidiaries, associated companies and joint ventures are booked according to the cost method. Amounts in the table below are stated in NOK millions.

Subsidiary	**Location**	**Ownership and voting share**	**Book value**
Ice Communication Norge AS	Oslo, Norway	100%	2,736
Balance sheet value 31 December 2021			**2,736**

Shares in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the fair value of the investment, as described in note P1. Following the announcement in of the Heads of Terms agreement with Lyse as described in note 28 in the Group's consolidated financial statement, the asset value from the impairment test has been compared with the Transaction value of the agreement with Lyse. The Transaction is between two independent parties, and therefore the Transaction gives the best indication of actual enterprise value, as it reflects what the market is willing to pay for the assets of the Group. The shares have therefore been impaired. Please see below.

NOK millions	**2021**	**2020**
Investments in Group companies 01.01	3,792	3,792
Impairment	-1,057	-
Investments in Group companies 31.12	**2,736**	**3,792**

The Company is wholly owned by AINMT Holdings AB, Sweden, (the "Parent Company") which is wholly owned by Ice Group ASA, Norway. The major shareholder of Ice Group ASA is AI Media Holdings (NMT) LLC, Delaware. The ultimate parent which is deemed to have a controlling influence over AINMT Group is AI International Investments LLC, registered in Delaware, USA with address 730 5th Avenue, 20th Floor, New York NY10019. Other related parties are all subsidiaries within the Group and senior executives of the Group, i.e. Board and Management, as well as its family members.

The Company has an internal loan to its subsidiary, Ice Communications AS. The interest rate is 6% per annum, capitalised annually. See note P4.

Goods and services are bought and sold by and to all the Scandinavian subsidiaries on normal commercial terms with cost plus margin of 7%.

	31 Dec 2021		**31 Dec 2020**	
NOK millions	**Non-current**	**Current**	**Non-current**	**Current**
Loans to subsidiaries	2,379	-	2,477	-
Other short-term receivables	-	55	-	53
Total	**2,379**	**55**	**2,477**	**53**
Loans from AINMT Holdings AB[1]	101	-	91	-
Trade payables to Group companies	-	1	-	1
Other current liabilities	-	-	-	-
Total	**101**	**1**	**91**	**1**

In March 2021, AINMT Holdings AB and the Company entered into a new agreement replacing the previous loan agreement entered into between the parties with effect from 1 January 2021. The loan amount is NOK 91 million, and the interest rate is 10% per annum, accrued annually, The loan, including all accrued and unpaid interests, shall be repaid in full by 31 December 2025. The loan is subordinated.

Interest income from subsidiaries amounts to NOK 141 million (140). Interest expense to AINMT Holdings AB amounts to NOK 9 million (5).

The Company has no employees. No loans/sureties have been granted to the general manager, Board chairman or other related parties.

NOK millions	No of shares	Share capital	Other equity	Total
As per 1 January 2020	**30**	**5**	**3,531**	**3,536**
Profit for the year	-	-	-92	-92
As per 31 December 2020	**30**	**5**	**3,440**	**3,445**
Profit for the year	-	-	-1,143	-1,143
As per 31 December 2021	**30**	**5**	**2,296**	**3,302**

The shares have one vote each. The shares have a nominal value of 170,000 NOK (150,000) each, are all fully paid and are all held by AINMT Holdings AB, which is owned to 100% by Ice Group ASA. The ultimate Parent Company is AI Media Holdings (NMT) located in Delaware, USA.

NOK millions

Calculation of deferred tax/deferred tax benefit	**2021**	**2020**
Temporary differences		
Net temporary differences	35	22
Tax losses carried forward	-636	-535
Basis for deferred tax	**-600**	**-514**
Deferred tax (22%)	-132	-113
Deferred tax benefit not shown in the balance sheet	132	113
Deferred tax in the balance sheet	**-**	**-**

The reason deferred tax benefit is not reflected in the balance sheet is that there are not enough historical results to evidence that future taxable profits will be sufficient to utilise the tax benefit.

Basis for income tax expense, changes in deferred tax and tax payable	**2021**	**2020**
Result before taxes	-1,143	-92
Permanent differences	1,057	3
Basis for the tax expense for the year	-87	-88
Change in temporary differences	-13	19
Change in tax losses carried forward	100	70
Basis for payable taxes in the income statement	**-**	**-**
+/- Group contributions received/given	-	-
Taxable income	**-100**	**-70**
Components of income tax expenses		
Payable tax on this year's result	-	-
Adjustment in respect of priors	-	-
Total payable tax	**-**	**-**
Change in deferred tax	-	-
Change in deferred tax due to change in tax rate	-	-
Tax expense	**-**	**-**
Payable taxes in the balance sheet		
Payable tax in the tax charge	-	-
Tax effect of group contribution	-	-
Payable tax in the balance sheet	**-**	**-**

NOK thousands	**2021**	**2020**
PwC		
Audit assignment	517	355
Other assurance services	0	0
Tax advisory	25	75
Other advisory services	8	54
Total	**550**	**484**

VAT is not included in the audit fees. All audit fees are with PwC.

In relation with issuing the Senior Secured Callable bond in 2021, collaterals were set out in favour of the bondholders (Nordic Trustee ASA, Norway, as bond trustee on behalf of the bondholders).

Please see note 25 in the Group's consolidated financial statements for details.

	31 Dec 2021		**31 Dec 2020**	
NOK millions	**Original loan amount**	**Outstanding amount**	**Original loan amount**	**Outstanding amount**
Senior Unsecured Callable Bond 17/22 [1]	520	518	520	514
Senior Secured Callable Bond 17/21	-	-	1,400	1,392
Senior Secured Callable Bond 21/25	1,400	1,371	-	-
Senior Unsecured Callable Bond 19/23	900	894	900	892
Total	**2,820**	**2,784**	**2,820**	**2,798**

1) Principal netted with own bond of NOK 280.5 million.

Paid interest expense amounts to NOK 187 million (202) in 2021. Interest expense for the bond loans amounts to NOK 177 million (192).

In Q4 2017, Ice Group Scandinavia Holdings AS, issued a four-year NOK 1.4 billion senior secured bond (ISIN NO 001 0807092). The bond has a coupon of 3 months NIBOR +4.60% points. The bond was admitted to Oslo Stock Exchange on 8 November 2017. The bond was redeemed in the first half of 2021.

In Q4 2017, Ice Group Scandinavia Holdings AS, issued a four-year NOK 1.4 billion senior secured bond (ISIN NO 001 0807092). The bond has a coupon of 3 months NIBOR +4.60% points. The bond was admitted to Oslo Stock Exchange on 8 November 2017. The bond was redeemed in the first half of 2021.

In Q4 2019, Ice Group Scandinavia Holdings AS, issued a four-year NOK 900 million senior secured bond (ISIN NO 001 0864002). The bond has a coupon of 3 months NIBOR +8.00% points. The bond was successfully admitted to Oslo Stock Exchange on 1 April 2020.

In Q1 2021, Ice Group, through Ice Group Scandinavia Holdings AS, issued a new four-year NOK 1,4 billion senior secured bond (ISIN NO 001 0939788). The bond has a coupon of 3 months NIBOR +4.00% points. The bond was successfully admitted to Oslo Stock Exchange on 4 August 2021.

The Group has to, for all the above bonds, comply with certain financial covenants:

Minimum liquidity of NOK 150 million
Loan to value cannot exceed 50%

As per 31 December 2021, loan to value tested to 31

Please refer to note 28 in the Group's consolidated financial statements for subsequent events.

From the Board of Directors of Ice Group Scandinavia Holdings AS:

"We confirm to the best of our knowledge that:

- the consolidated financial statements for 2021 have been prepared in accordance with IFRS as adopted by the EU as well as additional information requirements in accordance with the Norwegian Accounting Act
- the financial statements for the Parent Company for 2021 have been prepared in accordance with the Accounting Act and accounting principles generally accepted in Norway.

and that

- the information presented in the financial statements gives a true and fair view of the Company's and Group's assets, liabilities, financial position and result for the period viewed in their entirety and that
- the Board of Directors' report gives a true and fair view of the development performance and financial position of the Company and Group and includes a description of the principle risks and uncertainties."

29 March 2022

Martin Westersø
Chairman of the Board

Eivind Helgaker

Geir Magne Flyum

ARPU	Average monthly Revenue Per User
Churn	The number of lost subscriptions expressed as a percentage of the average number of subscriptions.
EBITDA	Ice Scandinavia defines EBITDA as Operating result after adjustment of expenses for depreciation, amortisation and impairment losses, foreign exchange differences recognised in income pertaining to revaluation of items in the balance sheet and non-recurring items. Any effects from business combinations are not included in EBITDA.
EBITDA adjusted	Ice Scandinavia defines EBITDA adjusted as operating income after adjustment of expenses for depreciation, amortisation, impairment, network upgrades, share based compensation expense, non-recurring and other non-operational items. Any effects from business combinations are not included.
Equity/assets ratio	Equity divided by total capital.
CAPEX	CAPEX is defined as investments in non-current assets as stated in the statement of cash-flows
Gross interest-bearing debt	Total interest-bearing debts including capitalised interests
Operating result	Profit before financial items and tax
Operating margin	Operating result expressed as a percentage of Total operating revenue
Net interest-bearing debt	Gross interest-bearing debts less cash and cash equivalents
NRA	National Roaming Agreement
VoLTE	Voice over LTE
CPE	Customer Premises Equipment

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To the General Meeting of Ice Group Scandinavia Holdings AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ice Group Scandinavia Holdings AS, which comprise:

- The financial statements of the parent company Ice Group Scandinavia Holdings AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, 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 Ice Group Scandinavia Holdings AS and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at 31 December 2021, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements 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 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

We have been the auditor of the Company for 8 years from the election by the general meeting of the shareholders on 10 March 2014 for the accounting year 2014.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The Groups business activities are largely unchanged compared to last year. *Recognition of Smartphone service revenue* remain a Key Audit Matter as they contain approximately the same complexity and risks as previous years.

Key Audit Matter	How our audit addressed the Key Audit Matter
Recognition of Smartphone service revenue	
The Group's total Smartphone service revenue for the year ended 31 December 2021 amounts to NOK 1,786 million. Total Smartphone service revenue continued to grow during 2021 and the group has launched new customer programs during the year. There is an inherent risk of errors in recognized revenue due to the impact of changing pricing models, the magnitude of transactions and the complexity of the IT applications related to revenue recognition. We focused on this area because of the large amount of data and transactions which adds a degree of complexity. See also note 1, 4, 5 and 6 to the financial statement where management explain how they account for revenue from contracts with customers.	We obtained an understanding of the revenue recognition process based on interviews with management and review of the group's processes and policy documentation. Understanding the IT environment in which billing and other relevant supporting applications to the financial statements reside, has been a material part of our audit. We tested internal controls and performed analytical procedures to ensure whether different incentive and discount programs were correctly recognized. Our testing of internal controls included an evaluation of design and effectiveness of key controls directed at uncovering abnormalities in credit notes and manual bookings as well as irregular activity in specific customer accounts. We also tested controls related to the monthly reconciliations in invoiced amounts to booked amounts in the general ledger designed to ensure accuracy, completeness, cut off and occurrence in recognition of revenue. We found that we were able to base our audit on the controls we tested. We performed analytical procedures to identify non-standard revenue streams or abnormalities in manual journal entries. These procedures included reconciling payments throughout the year with booked revenue. We found no material errors through this testing. We also evaluated whether management's application of revenue recognition principles was in accordance with relevant accounting regulations. We tested application of the accounting principles for a sample of contracts.

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We assessed the appropriateness of the related disclosure notes in notes 1,4,5 and 6 and found them to be appropriately explain accounting for revenue and to be in accordance with IFRS requirements.

Other Information

The Board of Directors (Management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but 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 nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. 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 legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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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 or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves 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.

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

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name 5967007LIEEXZXJ76807-2021-12-31-en have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation and publication of the financial statements.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, 30 March 2022

PricewaterhouseCoopers AS

Øystein Blåka Sandvik

State Authorised Public Accountant

(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	*Method*	*Date*
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To the General Meeting of Ice Group Scandinavia Holdings AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ice Group Scandinavia Holdings AS, which comprise:

- The financial statements of the parent company Ice Group Scandinavia Holdings AS (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, 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 Ice Group Scandinavia Holdings AS and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at 31 December 2021, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements 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 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and 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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

We have been the auditor of the Company for 8 years from the election by the general meeting of the shareholders on 10 March 2014 for the accounting year 2014.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The Groups business activities are largely unchanged compared to last year. *Recognition of Smartphone service revenue* remain a Key Audit Matter as they contain approximately the same complexity and risks as previous years.

Key Audit Matter	How our audit addressed the Key Audit Matter
Recognition of Smartphone service revenue	
The Group's total Smartphone service revenue for the year ended 31 December 2021 amounts to NOK 1,786 million. Total Smartphone service revenue continued to grow during 2021 and the group has launched new customer programs during the year. There is an inherent risk of errors in recognized revenue due to the impact of changing pricing models, the magnitude of transactions and the complexity of the IT applications related to revenue recognition. We focused on this area because of the large amount of data and transactions which adds a degree of complexity. See also note 1, 4, 5 and 6 to the financial statement where management explain how they account for revenue from contracts with customers.	We obtained an understanding of the revenue recognition process based on interviews with management and review of the group's processes and policy documentation. Understanding the IT environment in which billing and other relevant supporting applications to the financial statements reside, has been a material part of our audit. We tested internal controls and performed analytical procedures to ensure whether different incentive and discount programs were correctly recognized. Our testing of internal controls included an evaluation of design and effectiveness of key controls directed at uncovering abnormalities in credit notes and manual bookings as well as irregular activity in specific customer accounts. We also tested controls related to the monthly reconciliations in invoiced amounts to booked amounts in the general ledger designed to ensure accuracy, completeness, cut off and occurrence in recognition of revenue. We found that we were able to base our audit on the controls we tested. We performed analytical procedures to identify non-standard revenue streams or abnormalities in manual journal entries. These procedures included reconciling payments throughout the year with booked revenue. We found no material errors through this testing. We also evaluated whether management's application of revenue recognition principles was in accordance with relevant accounting regulations. We tested application of the accounting principles for a sample of contracts.

We assessed the appropriateness of the related disclosure notes in notes 1,4,5 and 6 and found them to be appropriately explain accounting for revenue and to be in accordance with IFRS requirements.

Other Information

The Board of Directors (Management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but 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 nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. 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 legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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Oslo, 30 March 2022

PricewaterhouseCoopers AS

Øystein Blåka Sandvik

State Authorised Public Accountant

(This document is signed electronically)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	***Method***	***Date***
Sandvik, Øystein Blåka	BANKID_MOBILE	2022-03-31 14:08

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