2022

Bulk Infrastructure Group AS **Annual Report**

Sustainability as a business

Contents

Sustainability as a Business

Letter from the CEO and Executive Chair

The importance of making businesses more sustainable is growing stronger every day. Owners, decision makers and policy makers are putting sustainability at the top of their agendas. This is not a trend, it is a fundamental way of thinking and acting that should underpin everything we do.

At Bulk Infrastructure we are far from perfect when it comes to sustainability. But since the inception of our company in 2006, sustainability has been at the heart of what we do. We didn't have a large existing business where CO2 emissions could be cut to reduce our footprint. Hence, we did not have to start our journey by changing the way we work. We started by making sustainability a business in itself.

By building warehouse infrastructure at strategic locations, we have made the sustainability and efficiency of the transport and logistics industry our core business. By building data centers close to surplus of renewable power and connecting them with new fiber routes, we have made the sustainability of the digital society our core business. By investing in solar panels on our rooftops and re-use of heat, we have made renewable energy production our business.

Again and again, we see that challenges in established industries provide great business opportunities for us. The desire to combine operational know-how from infrastructure development and the courage to think large scale, expose us to opportunities for growing existing business areas and investing into new ones.

So far we have built three independent and successful companies at different stages of maturity.

Bulk Industrial Real Estate is in a phase of organic growth, maximising recurring revenue. Bulk Data Centers continues to expand capacity and increase its base of global customers. Bulk Fiber Networks develops large scale fiber infrastructure projects and makes them operational.

We celebrate their independent success and have high aspirations for continued growth and sustainability impact.

While launching and scaling three independent concepts, we have in parallel at Group level formed a capability of developing and investing in green industry. We combine our trust and experience with the capital markets and operational ability of delivering large scale infrastructure projects. We combine local knowledge of the Nordics with the ability to think on an international scale and create solutions for the most demanding customers in the world. With all of these capabilities combined in one team, we are excited to support our existing businesses and to explore adjacent opportunities within sustainability, energy and infrastructure.

We look forward to learn from existing and new partners and bring our complementary capabilities into play for even greater business and sustainability impact in 2023.

> At Bulk Infrastructure we are far from perfect when it comes to sustainability. But since the inception of our company in 2006, sustainability has been at the heart of what we do

Jon Gravråk
CEO

Peder Nærbø
Founder and Executive Chair

Group presentation

Bulk Infrastructure Group is a leading provider of sustainable digital infrastructure in the Nordics. We believe in the value creation opportunity of enabling our digital society to be fully sustainable.

The Group consists of three business areas that develop successfully with an increasing degree of autonomy, and a Group Management that explores future business opportunities as well as supporting the business areas.

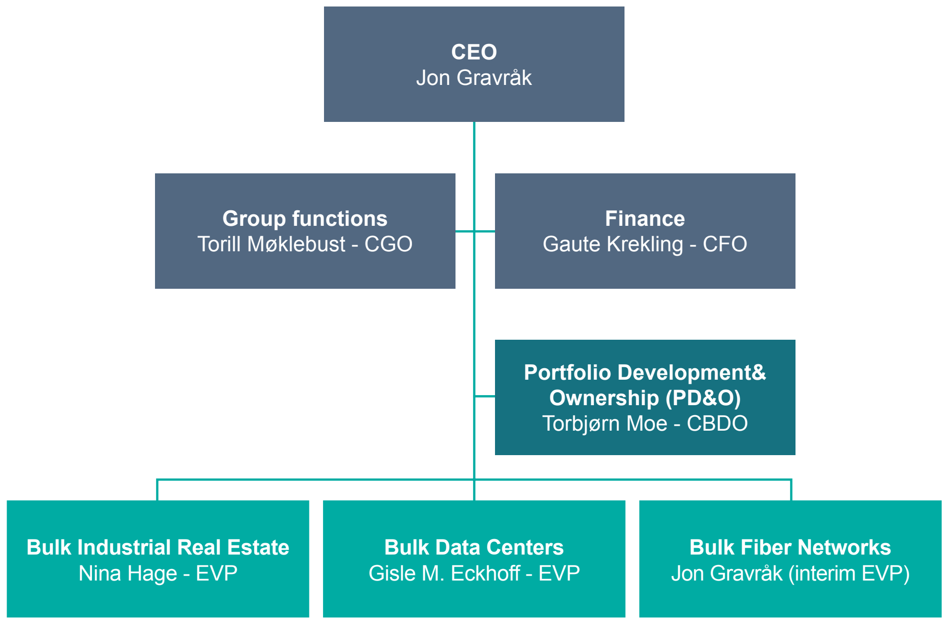
All of Bulk's business areas have an impact on the environment, on society and are confronted with governance issues. It is a fundamental part of the Bulk culture to accelerate the positive impact and reduce any potential negative effects.

The topic of this annual report is Sustainability as a Business. Transparency is necessary, especially when areas in need of improvement are exposed.

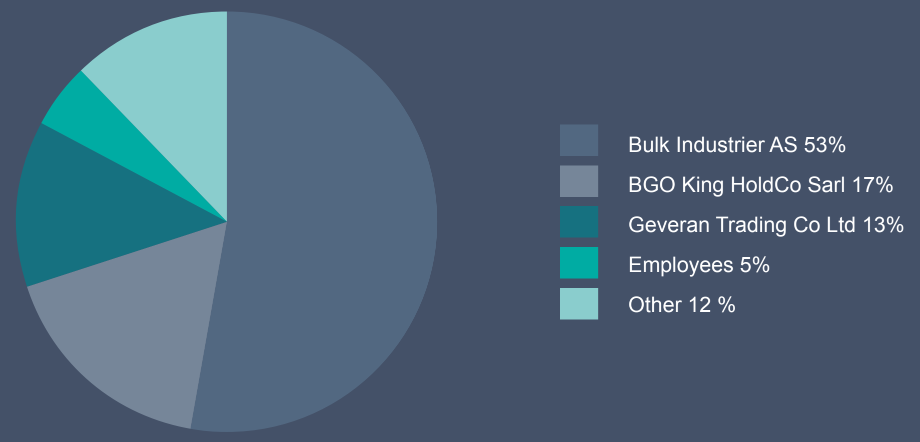
In 2022 Bulk upgraded the group's ESG framework (Environmental, Social and Governance). Previously, the framework was concentrated on environmental impact. Now, social impact and governance issues have been included. Please visit bulk.no/sustainability for more information.

A company's financing also needs to be sustainable. In a challenging financial market, Bulk Infrastructure Group AS succeeded to issue a new senior unsecured green bond of NOK 500 million. The net proceeds from the bond will be utilized in accordance with the green bond framework.

Bulk is not perfect. By exposing our imperfections, you may help us getting closer.



Bulk Infrastructure Group AS is owned by Bulk Infrastructure Holding AS, which has the following ownership structure:



Financial highlights

We are proud to see that recurring revenue is growing in line with our strategy, an increase of 55 per cent in revenue excluding property sales.

As a company with substantial exposure to investment property our financial results are influenced by macro changes in the capital market. In particular increasing interest rates and higher inflation have led to increasing yields in the Nordic real estate market, thus negatively influencing fair market value of our investment property in 2022. The fair value change in 2022 is negative by NOK 369.2 million compared to a positive fair value change in NOK 1,352.8 million the previous year.

Key Figures (Consolidated)

MNOK	2022	2021	%
Revenue excl. Property sales	284,4	183,1	55,3 %
Revenue property sales	-8,3	182,5	-104,5 %
Total revenues	276,1	365,7	-24,5 %
Fair value change on investment property	-369,2	1,352,8	-127,3 %
Profit for the year	-442,5	927,9	-147,7 %
Assets	7,974,2	6,874,2	16,0 %
- Investment property	4,628,5	4,184,2	10,6 %
- Property, plant and equipment	2,339,0	1,328,7	76,0 %
Equity ratio (%)	43, 8%	43,8 %	0,0 %
Number of employees	81	70	15,7 %

Bulk Fiber Networks

Bulk Fiber Networks owns and controls dark fiber infrastructure with the purpose of enabling the Nordics for large scale data processing. Our over 10,000 kilometer of fiber infrastructure includes new-built subsea and terrestrial cable systems.

Executing on our plans

In 2022, Bulk Fiber Networks completed the construction of two cable systems, HAVSIL and Havhingsten, and finalized the Irish landing for the Havfrue system.

Bulk HAVSIL, the new Nordic express route to Europe, was completed and set into operation early 2022. HAVSIL is the shortest route connecting Norway with continental Europe, and connects Bulk data center N01 Campus close to Kristiansand with Bulk data center DK01 in Esbjerg. HAVSIL was selected by the Norwegian Communications Authority as the new secure fiber system for the nation's international data traffic, with Arelion as the service provider. The capacity of the fiber system more than doubles the total existing fiber capacity connecting into Norway.
In March 2022, the construction of the Havhingsten subsea cable system was completed. The project is a cooperation between Aqua Comms, Meta and Bulk Fiber Networks. Havhingsten connects Denmark, the UK and Ireland. Bulk colocation is available at Bulk data center DK01 in Esbjerg, providing direct connectivity to major European and Nordic cities.

The Havfrue system was fully completed with the landing of the Irish branch in September 2022. The main trunk connecting New Jersey, US and Esbjerg, Denmark with a Norwegian branch to Kristiansand, was completed late 2020 and is a cooperation with Aqua Comms, Meta, Google and Bulk Fiber Networks.

Reliability is key in fiber operations, and in 2022 Bulk reported a 100 per cent up-time all year on all telehousing units. These units are placed along terrestrial fiber cables, enabling connections along the cables and ensuring that signals continue uninterrupted.

Planning ahead

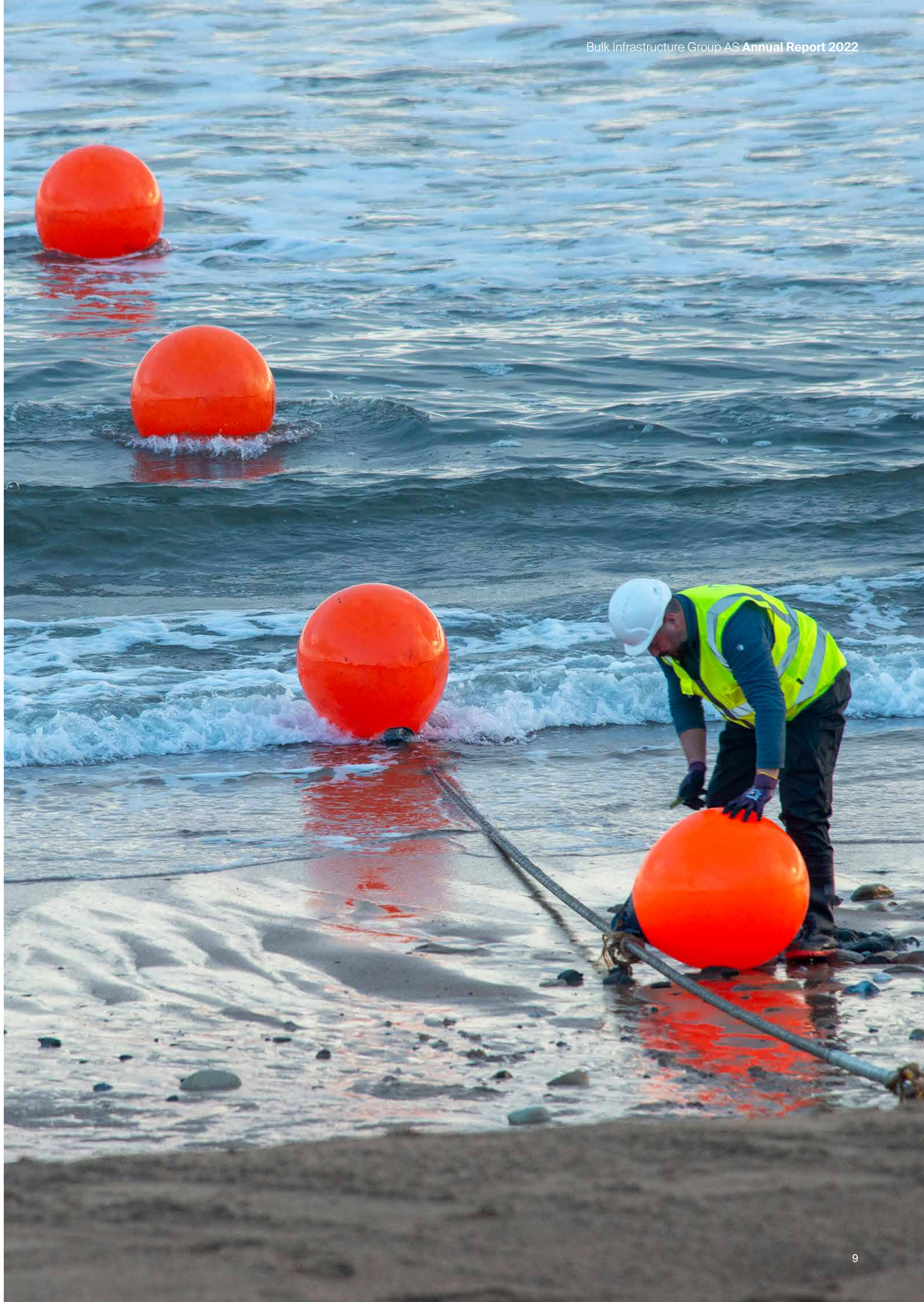
Bulk Fiber Networks' long term ambition is to become the partner of choice in the Nordics. This also includes acting as a landing party for other international cable system providers wanting to connect with the Nordics. Both N01 Campus in Kristiansand and DK01 in Esbjerg are uniquely positioned gateways for international traffic into the Nordics.
The planning of the Leif Erikson Project has made significant progress in 2022. The system aims to interconnect the two renewable energy giants in the world, the Nordics and Atlantic Canada, in order to grow sustainable digital infrastructure driven by an abundance of renewable energy.

In 2023, Bulk Fiber Networks will have all systems fully completed and in operation and will focus on fine-tuning the operating model to ensure world-class customer service level.

Sustainable operations

The global market for fiber capacity continues to grow quickly, driven by increased demand for low latency, high capacity and high quality secure data traffic. Bulk Fiber Networks' attractive offering is appreciated by customers worldwide.
A requirement for all suppliers selected by Bulk is that their operations are run sustainably. Bulk takes care to reduce the environmental impact when fiber routes are planned both subsea and on land. Surveys are done in advance to minimize impact on the seabed and avoid interfering with spawning grounds for fish and other sea animals.

Bulk's fiber networks unlock the Nordic region's sustainable data centers for customers globally. Low latency, high capacity fiber networks ensure that customers no longer need to rely on local data centers powered by non-renewable energy sources.



Telehousing

"A milestone was reached as the three last telehouses on the Inter-City Ring in Norway was completed in 2022, bringing the total of telehouses to twelve on the Inter-City Ring, in addition to three telehouses in Denmark"

Per Magne Olsen
VP Projects & Operations

Completion of Havfrue

"With the completion of the last branch into Ireland in 2022, we achieved an important milestone for sustainable transatlantic communications with our Havfrue cable system connecting the US into the Nordics"

Merete Caubet
VP Sales & Business Development

Carbon emissions for Fiber Networks according to the Green House Gas Protocol

Our locations in the Nordics provide us with the advantage of renewable power and a stable grid. Renewable power constitutes nearly 100 per cent of the energy in Norway. As a result, Bulk's emissions in scope 1 and 2 are very low. The majority of Bulk's emission derive from activities in our supply chain and is reflected in scope 3 emissions. We will continue to cooperate with our suppliers to find more sustainable alternatives. With the scaling of our solutions over the coming years, it will be our main focus to reduce the impact from scope 3.

Scope 1

Direct emissions from activities under the organizations' control, including fuel combustion.

Bulk Fiber Networks has gensets on each telehouse as back-up in case of power outage. A 100 per cent up-time was reported in 2022. The majority of emissions in scope 1 is stemming from testing of gensets, which is performed on a quarterly basis.

2.4 tCO2e

Scope 2

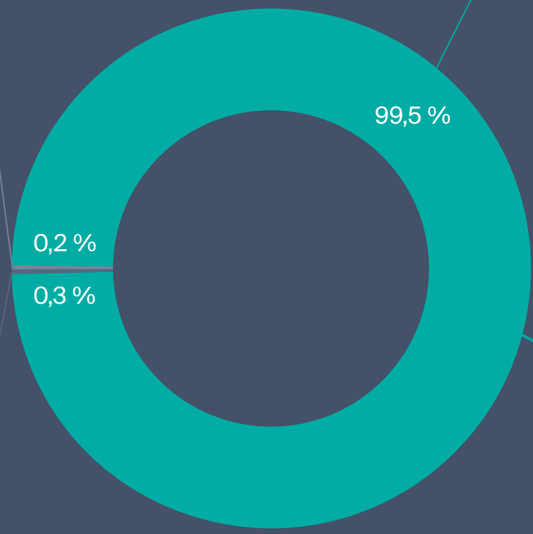
Indirect emissions from the production of purchased electricity, heating or cooling.

According to the GHG protocol there are two ways to report scope 2:

1. Market-based, include the impacts of renewable energy procurement through Guarantees of Origin. Bulk purchases Guarantees of Origins from renewable energy from where we are located.

2. Location-based, the physical approach tracking emissions that are generated by production of electricity locally where the company's operation is located. Emissions are calculated based on average emission factors[1] for each country where Bulk operates.

Market-based 0 tCO2e
Location-based 3.0 tCO2e



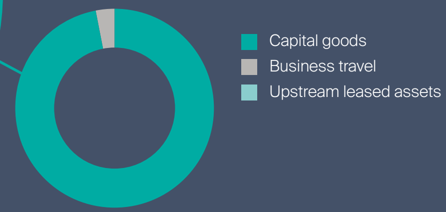
Scope 3

All other indirect emissions that occur in the company's value chain.

Scope 3 covers all parts of the value chain, upstream and downstream, and constitutes the majority of emissions for Bulk Fiber Networks. This scope includes several sub-categories, of which the relevant ones for Bulk's emissions will be outlined below.

Tracking and reporting of this category of emissions is crucial for the net zero process. Bulk strives to improve the input from our supply chain and aim to make a shift from cost-based estimates to accurate numbers from our suppliers on life cycle assessment.

1.007 tCO2e



Category 2 Capital goods
Include embodied emissions from materials, fuel combustion, equipment and activities from subcontractors' ship and machine park during the installation of fiber cables and construction of telehousing

Category 6 Business travel
Employee travel for business-related affairs during the reporting year

Category 8 Upstream leased assets
Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2, mainly related to headquarters

The carbon footprint analysis is based on the international standard; A Corporate Accounting and Reporting Standard, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol).
According to the GHG Protocol Corporate Standard, Bulk has defined the organizational boundary as operational control.
Scope 3 has 15 categories, Bulk reports on the essentials for our business
Refer our webpage bulkinfrastructure.com for our TCFD-report including more information on our emissions
1. (IEA (2022): "IEA EMISSIONS FACTORS 2022", *"ELECTRICITY INFORMATION 2022")

Bulk Industrial Real Estate

Bulk Industrial Real Estate is a Nordic real estate developer and owner, specializing in industrial buildings, large modern warehouses, cross-dock terminals and logistics parks. The Bulk logistics module is highly recognizable in key logistics areas in Norway and Scandinavia.

Growth in a challenging market

The 2022 has marked a year of high activity in Bulk Industrial Real Estate, with the completion of approximately 60 000 square meters of new builds which have been added to the Bulk real estate portfolio. The real estate portfolio grew in excess of 40 per cent, with a corresponding increase in rental income.

Bulk Industrial Real Estate completed its 50th construction project in 2022, passing 500 000 square meters of new built logistics real estate, confirming the success of the Bulk Module. The second half of the 2022 financial year was marked by a more unfavorable macroeconomic environment, and increased uncertainty in the real estate markets. Increasing yields and interest rates in addition to uncertain pricing on new projects has reduced the signing activity at the end of 2022, resulting in a smaller signed project pipeline. In addition, Bulk has not acquired any real estate in 2022.

Landbank with potential

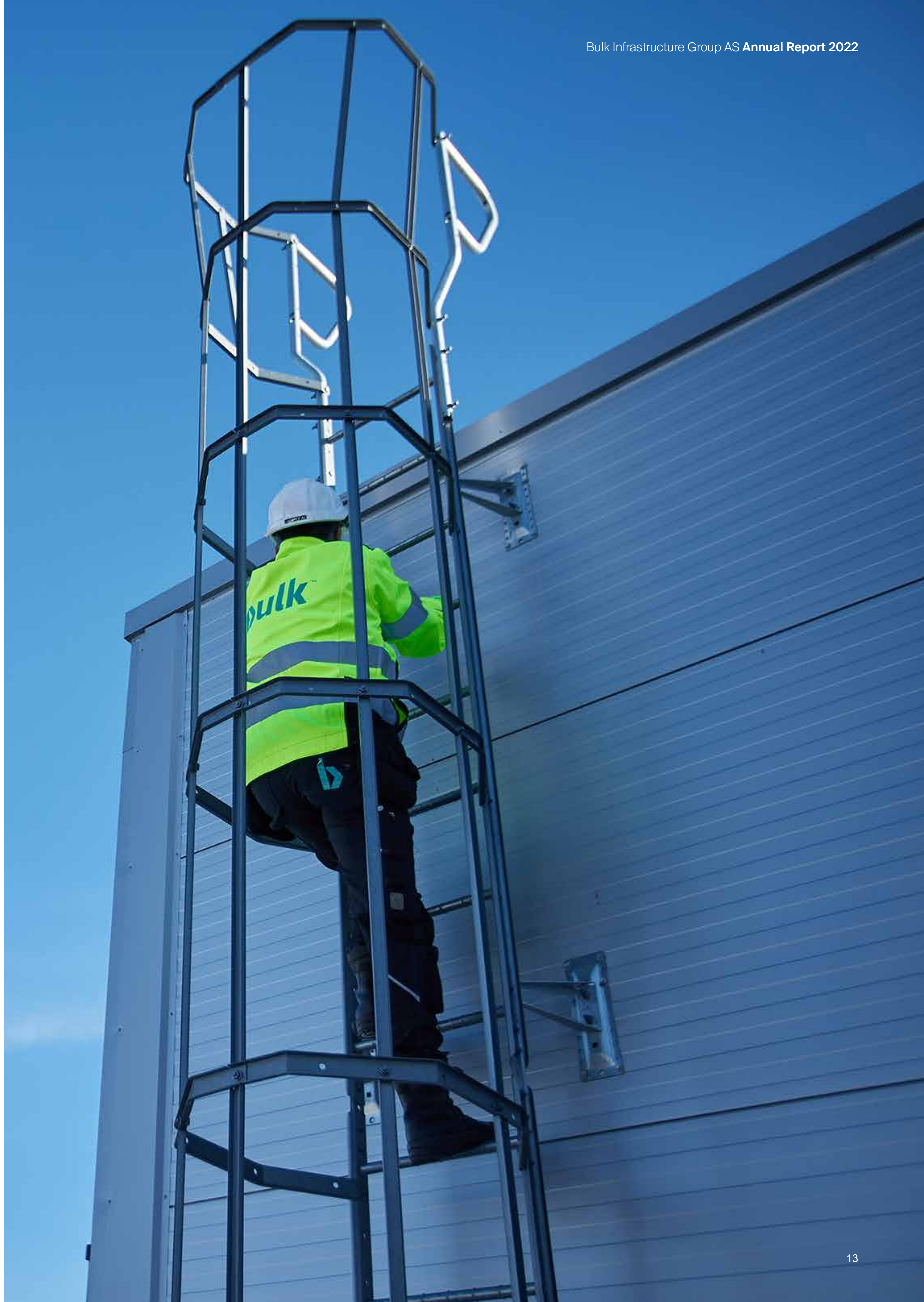
Bulk Industrial Real Estates strategic landbank contains more than 900 000 sqm of owned land, as well as options for an additional 500 000 sqm of land, all located in highly attractive logistics areas. Throughout the year, Bulk has strengthened its ability to effectively rezone and regulate land in the existing land bank, as well as the ability to identify and obtain new land areas for the land bank. Bulk strives to maintain excellent communication and cooperation with the local communities where Bulk has activities.

Sustainable operations

All Bulk projects with a size above 5,000 sqm are from 2021 BREEAM-NOR certified and equipped with roof solar panels as part of our standard offering. All larger new-builds are designed to meet energy classification of A or B. Bulk has through 2022 increased the solar production capacity to a total of 3,300 KW/p in 2022, contributing to a total production of 1,5 GWh of renewable energy through the year.

Sustainability is a key focus area for Bulk Industrial Real Estate, impacting all aspects of decision making. Bulk aims to minimize the environmental impact when developing and managing properties.

Through planning, Bulk is reducing its environmental impact through achieving the most efficient utilization of existing plots. Planning includes the performance of ecological surveys, mapping historical landmarks, the impact on water quality and more.



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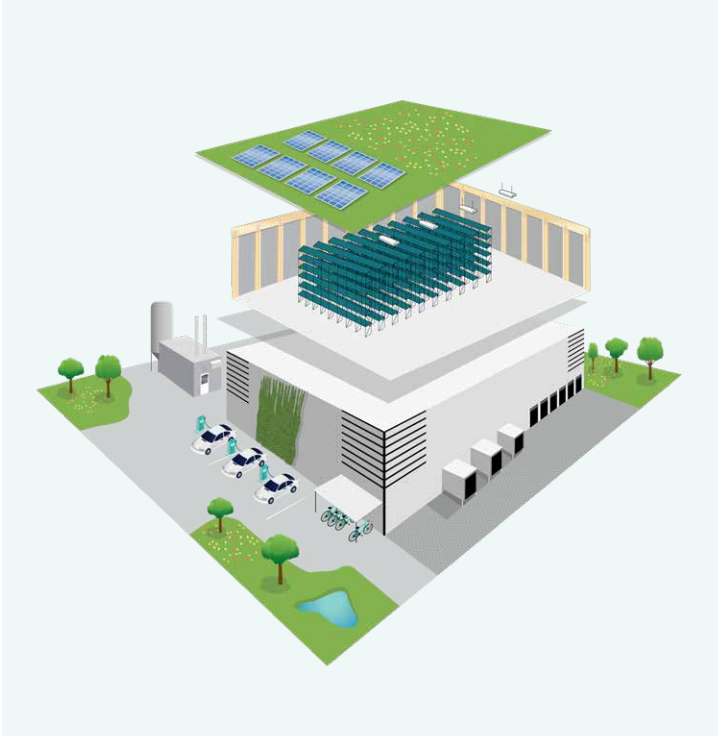
Our standard module design consists of fiber-reinforced concrete flooring, steel structures and sandwich-panels. With Bulk Wood, we replace the steel structures with glued laminated timber, also known as glulam. We also consider the ecological aspects and aim to improve them by using site specific ecological species on the roof and in the buildings surroundings.

Christoffer M. Ring-Larsen
Project Manager

Bulk wood



Solar panels

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Our first solar panels were installed in Q4 of 2021. In just over a year with solar energy production on five of our industrial buildings, we have produced 1.5 GWh of renewable energy - equivalent to the energy consumption of 60 residential households

Sandra Caffarena
Real Estate Manager Sales & Operations

Carbon emissions for Industrial Real Estate according to the Green House Gas Protocol

Our locations in the Nordics provide us with the advantage of renewable power. Renewable power constitutes nearly 100 per cent of the energy in Norway. As a result, Bulk's emissions in scope 2 is very low. The majority of Bulk's emission derive from activities in our supply chain and is reflected in scope 3 emissions. Our scope 3 is already good compared to the construction industry. The Bulk module is in the low end of scope 3 emissions, and together with our suppliers, we continue to search for more sustainable materials for our buildings and solutions for our construction sites. With the scaling of our solutions over the coming years, it will be our main focus to reduce the impact from scope 3.

Scope 1

Direct emissions from activities under the organizations' control, including fuel combustion.

Bulk has a fully electric vehicle park, with the exception of one vehicle on certified HVO in Bulk Industrial Real Estate, which is related to operations on one of the real estate locations.

0.3 tCO2e

Scope 2

Indirect emissions from the production of purchased electricity, heating or cooling.

According to the GHG protocol there are two ways to report scope 2:

1. Market-based, include the impacts of renewable energy procurement through Guarantees of Origin. Bulk purchases Guarantees of Origins from renewable energy from where we are located.

2. Location-based, the physical approach tracking emissions that are generated by production of electricity locally where the company's operation is located. Emissions are calculated based on average emission factors [1] for each country where Bulk operates.

Market-based 0 tCO2e
Location-based 0.3 tCO2e

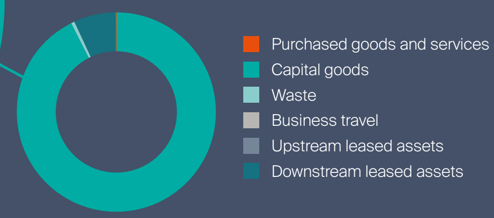
Scope 3

All other indirect emissions that occur in the company's value chain.

Scope 3 covers all parts of the value chain, upstream and downstream, and constitutes the majority of emissions for Bulk Industrial Real Estate. This scope includes several sub-categories, of which the relevant ones for Bulk's emissions will be outlined below.

Scope 3 represents the majority of Bulks' emissions and tracking and reporting against this category of emissions is critical for net zero progress. We BREEAM-NOR certify our buildings and a life cycle assessment (LCA) is included in the certification process. The assessment is based on Environmental Product Declarations (EPDsO), which is provided by our suppliers.

16.367 tCO2e



Category 1 Purchased goods and services
Embodied emissions from purchased goods and services related to operation of our buildings

Category 2 Capital goods
Embodied emissions from materials, fuel combustion, equipment and activities from subcontractors during construction of Bulk's industrial buildings

Category 5 Waste
Include waste generated both from construction and operation of our real estate.

Category 6 Business travel
Employee travel for business-related affairs during the reporting year

Category 8 Upstream leased assets
Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2, mainly headquarters

Category 13 Downstream leased assets
Operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in scope 1 and scope 2 – reported by lessor

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According to the GHG Protocol Corporate Standard, Bulk has defined the organizational boundary as operational control.
Scope 3 has 15 categories, Bulk reports on the essentials for our business
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1. (IEA (2022): “IEA EMISSIONS FACTORS 2022”, *“ELECTRICITY INFORMATION 2022”)

Bulk Data Centers

Bulk Data Centers delivers ultra-flexible, highly connected, and massively scalable data center and colocation solutions. Powered by 100 per cent carbon free energy and backed by in-house expertise in data center design, engineering and operations.

Providing the digital backbone of society

Data centers are necessary for society to function. Without them, businesses would not be able to sell their products and services, power stations and electricity networks would not function, phone systems and emergency services networks would be silent and streaming services would be down. The so-called cloud is on the ground, located in large and anonymous high-security buildings.

With three large scale data centers located in Oslo (Bulk Data Center OS-IX), Kristiansand (Bulk Data Center N01) and Esbjerg (Bulk Data Center DK01), Bulk provides for the data center needs of public and private sectors across Europe. The demand for data center capacity is increasing, despite worldwide turbulence, and data center solutions powered by renewable energy are highly preferred.

In 2022, a number of new customers were welcomed on to Bulk's premises, both hyperscalers, corporations and public entities. Among customers that put their trust in Bulk in 2022 were one of the largest UK hedge funds and one of Norway's leading IT solutions company. Esbjerg Municipality, where DK01 is located, entered into a multi-year agreement with Bulk Data Centers for secure, sustainable and flexible Colocation of the municipality's IT environment, underlining the mutual local commitment that Bulk is known for.

Bulk Data Centers also took full ownership of Bulk Data Center OS-IX, after purchasing the remaining 50 per cent from Akershus Energi.

Ready for further growth

In 2022, Bulk Data Centers completed the installation of a 125MVA sub-station at N01 campus, ensuring immediate access to large scale 100 per cent renewable energy with the highest levels of resilience. Construction is soon complete of a new 10MW data center at the same location, supporting High Performance Computing, enterprise, system integrators and cloud providers.

The levelling of additional 160,000 sqm of zoned land is well underway, and the first area has been completed ready for an additional 40MW data center. Bulk has also added 1.5MW of new white space capacity at Bulk Data Center OS-IX. Further plans for expansion will be executed in 2023.

Real-time energy consumption

The data center industry constitutes mission-critical infrastructure, but is also power intensive. The industry has a responsibility to ensure that energy is used as efficiently as possible.

To cater for customers' increased demand for documented sustainable services, Bulk Data Centers have launched Renewable Power Matching. Customers will now be able to verify that their data is powered exclusively by 100 per cent renewable energy 24 hours a day, 7 days a week. The 24/7 power matching service will initially be available at Bulk's OS-IX facility in Oslo, with power being matched against the nearby Bingsfoss hydropower station. OS-IX will be one of very few data centers in Europe to offer renewable power matching to its customers.

Bulk Infrastructure Group AS **Annual Report 2022**

Re-establishment of marshland

"Marshlands are important natural carbon sinks, and therefore a crucial step on our path towards achieving net zero. At N01, we have re-established 15,000 square meters of marshland, contributing to avoided emissions of approximately 2,700 tons CO2

Hans Kristian Odland
Senior Project Manager

24/7 matching electricity

"24/7 Renewable Power Matching represents a new level of transparency where the customers can be certain of the origin of the electricity they consume

Tor Ribland
VP DC Operations

Carbon emissions for Data Center according to the Green House Gas Protocol

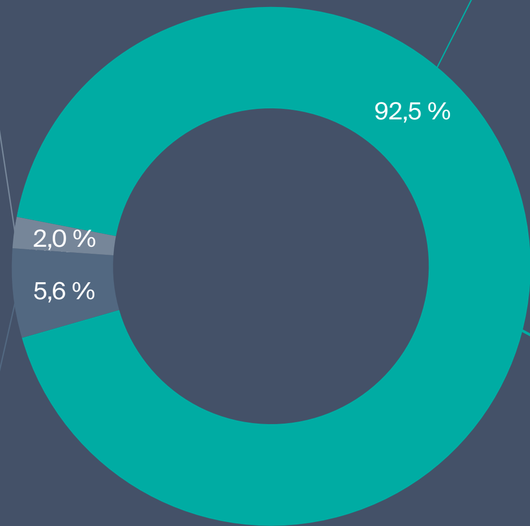
Our locations in the Nordics provide us with the advantage of renewable power and a stable grid. Renewable power constitutes nearly 100 per cent of the energy in Norway. As a result, Bulk's emissions in scope 1 and 2 are very low. The majority of Bulk's emission derive from activities in our supply chain and is reflected in scope 3 emissions. Our scope 3 is on par with the rest of the construction industry, and with the scaling of our solutions over the coming years, it will be our main focus to reduce the impact from scope 3.

Scope 1

Direct emissions from activities under the organizations' control, including fuel combustion.

The Data Center vehicles are fully electrical, hence the only emissions in scope 1 is from gensets on site. Due to the low risk of power outage, the emissions solely arise from monthly testing of gensets to ensure satisfactory functionality.

116 tCO2e



Scope 2

Indirect emissions from the production of purchased electricity, heating or cooling.

According to the GHG protocol there are two ways to report scope 2:

1. Market-based, include the impacts of renewable energy procurement through Guarantees of Origin. Bulk purchases Guarantees of Origins from renewable energy from where we are located.

2. Location-based, the physical approach tracking emissions that are generated by production of electricity locally where the company's operation is located. Emissions are calculated based on average emission factors [1] for each country where Bulk operates.

Market-based 0 tCO2e
Location-based 329 tCO2e

Scope 3

All other indirect emissions that occur in the company's value chain.

Scope 3 covers all parts of the value chain, upstream and downstream, and constitutes the majority of emissions for Bulk Data Centers. This scope includes several sub-categories, of which the relevant ones for Bulk's emissions will be outlined below.

Scope 3 tracking and reporting against this category of emissions is critical for net zero progress. We strive to improve the input from our supply chain and want to move from cost-based estimates to accurate numbers from our suppliers based on life cycle assessments.

5.476 tCO2e

Category 2 Capital goods
Include embodied emissions, which is carbon emitted during the manufacture and transport of building materials and technical components building new capacity, as well as fuel consumption related to the preparation of land from subcontractors.

Category 5 Waste
Include waste generated both from construction and operation of our datacentres.

Category 6 Business travel
Transportation of employees for business-related activities during the reporting year

Category 8 Upstream leased assets
Operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2

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According to the GHG Protocol Corporate Standard, Bulk has defined the organizational boundary as operational control.
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1. (IEA (2022): "IEA EMISSIONS FACTORS 2022", *"ELECTRICITY INFORMATION 2022")

Board of Directors Report 2022 - Bulk Infrastructure Group AS

Business description

Bulk Infrastructure Group AS is a leading provider of sustainable digital infrastructure in the Nordics. We are an industrial investor, developer and operator of industrial real estate, data centers and dark fiber networks. We believe in the value creation opportunity of enabling our digital society to be fully sustainable. Hence our vision: Racing to bring sustainable infrastructure to a global audience.

Our three Business Areas

Bulk Industrial Real Estate is a Nordic real estate developer and owner, specializing in industrial buildings, large modern warehouses, cross-dock terminals and logistics parks. We seek to be the preferred partner for our customers, offering prime locations, state-of-the-art facilities and sustainable solutions. The business area was established in 2006 and has demonstrated a significant ability to develop industrial properties for a large and diversified portfolio of customers. In 2022 we have completed more than 50 development projects since establishment, summing up to more than 500,000 square meters of high quality, flexible and energy efficient facilities. We also own a considerable portfolio of yielding properties, and a vast plot bank, allowing us to take part in value creation in all phases of real estate development and ownership.

Bulk Data Centers is an industrial developer and operator of data centers and data center services across the Nordics. Bulk has a portfolio of assets, capabilities and partners to serve any data center customer requirement in a fast, secure, cost efficient and sustainable way. We operate scalable facilities, we continue to add new sites to our portfolio, and we have access to strategically located land. We have in-house expertise in data center design, engineering and operations that combined with our industrial real estate development experience and dark fiber network deployments allow us to shape the full value chain of the data processing infrastructure. We can serve customers in dedicated hyperscale facilities and customers in need of server racks in a Colo environment.

Bulk Fiber Networks owns and controls dark fiber infrastructure with the purpose of enabling the Nordics for large scale data processing. Our fiber infrastructure is modern with high capacity including both subsea and terrestrial systems. We offer dark fiber, telehousing and cable landing facilities to carriers, large scale data center customers and others that want to produce bandwidth services on top of our infrastructure. Bulk considers itself an infrastructure provider within fiber, being a partner rather than a competitor to traditional carriers. Bulk has available thousands of km of dark fiber, including both intercontinental, North European and intra-Nordic infrastructure that connects main European markets as well as the US. We continue to explore new subsea and terrestrial fiber routes that could be strategic enablers for the data center growth in the Nordics.

Investment criteria

- ***Sustainability***: Target opportunities that enable or deliver a fundamentally more sustainable global society
- ***Infrastructure***: Invest in infrastructure that is critical for the global, modern society
- ***Long term perspective and Scalable***: Ability and willingness to invest with an industrial mindset with patience and focus on scalability from the start
- ***Nordic***: Bulk Leverage the Nordic region's favorable business climate, sustainable power sources and political stability

The investment criteria is set to ensure a mindset and focus to support the Company's long-term vision. The Company has a strong capital allocation capability that makes it robust to fundamental changes in market dynamics.

The Company´s headquarter is in the city of Oslo in Norway.

2022 in short

Our financial results are a consolidation of different business models within our three Business Areas. Some of these business models represent financial results that can vary substantially from one financial reporting period to another despite limited variability in the underlying business. The primary reason for such fluctuations are a) portfolio sales of Industrial Real Estate projects, and b) delivery of data center services (e.g., design, installation, maintenance) where revenues occasionally include a significant proportion of hardware that is procured by Bulk and included in a services delivery. Additionally, there may be a difference between timing of cash flow and revenue recognition for customer contracts within our Fiber Networks business in IFRS reports, due to the business model of selling Indefeasible Rights of Use (IRU). Please also see note 1.

- Total revenues of NOK 276,1 million compared to NOK 365.7 million last year.
- **Industrial Real Estate:** The Group acquired a plot at Danebuåsen late 2021 with hand over in the first quarter of 2022. In addition, the Group acquired the remaining 50% of AE Bulk Co-Invest AS holding 25% of Berger Terminal Holding II AS in the first quarter 2022. The Group further acquired the remaining 49% of the shares in Bulk Vestby II AS from DSV in accordance with the option agreement. Projects have been handed over to Leman in Vestby, Kominox at Lindeberg, Lettbutikk in Enebakk, Kjellmann Office at Lindeberg, and DSV at Vestby during 2022. The Group handed over the first stages of the construction project in Denmark during Q4. The last stage of the project has been delivered Q1 2023. The Group signed the third stage of the Namron building in September 2022. Multiple roof top solar projects have been initiated, including agreements with Lettbutikk, DSV and Kjellmann and operative solar systems on PetXL and Leman. The investment property portfolio saw a decrease in fair value in Q4 due to increasing interest rates with negative impact on the yield. However, vacancy is low and rent is increasing with inflation, and there is still a strong demand for logistic buildings. Industrial Real Estate is well positioned with several plots available to meet market demand
- **Data Centers**: New contracts and Letter of Intends are signed on our data center sites during 2022. Installation of 125MVA sub-station is completed at N01 Campus. The installation ensures immediate access to large scale 100% renewable energy with the highest levels of resilience. During 2022, construction has begun on new 10MW data center at N01 Campus, supporting High Performance Computing, enterprise, system integrators and cloud providers. The levelling of additional 160,000 sqm of zoned land is well underway at N01 Campus, and the first area has been completed ready for additional 40MW of data center capacity. Further, new 1.5MW of white space capacity has been added at OS-IX data center. The data center at DK01 Campus has entered into a multi-year agreement with Esbjerg Municipality for secure, sustainable and flexible Colocation of the municipality's IT environment. Regarding sustainable initiatives, Bulk has signed agreements with two businesses that will be able to re-use the heat generated at Bulk Data Center N01, thus establishing the first phase of a circular industry cluster.
- **Fiber Networks**: The Havsil Cable system, connecting Kristiansand and Esbjerg is fully operational with live traffic during 2022. The Havhingsten system connecting the UK and Ireland into Esbjerg is also finalized during the year. There are now active customers on all segments of the Inter City Ring. The two last telehouses on the Inter-City Ring in Norway was completed in Q4, bringing the total of telehouses to twelve on the Inter City Ring in addition to three telehouses in Denmark. The last branch of the Havfrue cable system was finalized in the end of 2022 and ready for service in Q1 2023. A customer has exercised options for the cable system on the Irish branch, of which the transaction is expected to be completed during Q1 2023. The pre-study for the terrestrial cable system of Leif Erikson is finalized and the project continues to mature with the customer and partner dialogues in 2023. Following the current security situation in Europe, Bulk Fiber Networks has increased its security activities concerning sub-sea and terrestrial fiber cables in general.
- **Group development**: Group development: Bulk Infrastructure and/or relevant subsidiaries are certified in accordance with ISO 9001 Quality Management, 14001 Environmental Management, 22301 Business Continuity and 27001 Information Security. EN50600 for Data Center design and operation is now implemented. As part of our focus on sustainability, Bulk have also decided to measure the Carbon Footprint of its activities and establish a budget and action plan to reduce the greenhouse gas emissions going forward.
- **Group financing**: Bulk Infrastructure Group AS completed a new senior unsecured green bond issue of NOK 500 million, with maturity date 15 September 2026. An application will be made for the bonds to be listed on Oslo Børs. The net proceeds from the bond issue will be used in accordance with the green bond framework. Under the framework, Bulk seeks to finance or refinance green buildings, sustainable infrastructure, and energy efficiency. Bulks framework is rated Medium Green shading by Cicero
- **The COVID-19 pandemic** had minor influence on the operations in 2022. The pandemic has not caused any critical incidents or situations in our deliverables or business continuity
- **Following the current security situation** in Europe, Bulk has increased its security activities concerning subsea and terrestrial fiber cables in general. The Group is monitoring the energy crisis in Europe. The impact on the Group accounts has not been material in 2022.

Going concern

In accordance with Section 3-3a of the Norwegian Accounting Act, we hereby confirm the assumption of going concern. The assumption is based on year-end

Bulk Infrastructure Group AS **Annual Report 2022**

2022 status and The Group's long-term strategic forecasts for the years ahead. The Group has a solid financial position.

Future development

Industrial Real Estate - The demand for new and modern industrial properties remains high and we expect continued healthy demand going forward. The Group has in 2022 signed three new lease agreements for existing properties, in addition to new projects where construction will start in 2023. Bulk is also involved in zoning and development of new industrial real estate locations, both alone and in partnerships. Bulk Industrial Real Estates strategic landbank contains more than 900 000 sqm of owned land, as well as options for an additional 500 000 sqm of land, all located in highly attractive logistics areas. Throughout the year, Bulk has strengthened its ability to effectively rezone and regulate land in the existing land bank, as well as the ability to identify and obtain new land areas for the land bank. Bulk strives to maintain excellent communication and cooperation with the local communities where Bulk has activities.

Data Centers - The underlying demand for data processing and storage infrastructure is fueled by the global megatrend of digitization. The Nordic market for data center capacity is expected to grow significantly going forward. At the macro level, the expected growth is driven by the global increase in need for data processing. Cool climate, energy surplus, sustainable energy mix (zero-emission), low electricity prices and political stability represents a strong value proposition for the Nordic region, positioning the region for an increasing share of the global data center market. Bulk Data Centers AS has, through fully and partly owned subsidiaries, improved our position for taking a substantial market share of this growth going forward with new capacity developed in 2022 and additional plots suitable for data center acquired in both Norway and Denmark. Data Centers has a number of expansion projects across its data center sites in Norway. The construction of a 10MW data center is ongoing at N01 Campus, and white space capacity of 1.5 MW at OS-IX is added. To meet demand for low cost and renewable powered data center capacity, a further 160,000 meters of levelled land will be complete at the N01 Campus, in readiness for 40MW data center capacity. The combination of scalable data center assets at strategic locations in the Nordics and our capability to develop new sites with a short time to market, make Bulk a leading provider in the Nordics. The underlying recurring revenue growth across our asset portfolio is positive with new Nordic and International customers added during 2022.

Fiber networks - The strong growth in data processing and storage drives the demand for new investments in underlying fiber infrastructure, including both subsea and terrestrial systems. Bulk is well positioned as a leading provider of large capacity transport fiber, both going into the Nordics and within the Nordics. Several of Bulk's new systems are completed and operational during 2022: The Havfrue System, connecting the US and the Nordics is fully operational between the US, Norway and Denmark. The branch connecting into Ireland, was finalized in the end of 2022 and ready for service in Q1 2023. The Havsil Cable system, connecting Kristiansand and Esbjerg is operational with live traffic in 2022. The capacity of the Havsil System more than doubles the total capacity existing over any other subsea system connecting into Norway, providing almost "unlimited" capacity for the years to come. The Norwegian Inter-City Ring is fully completed and operational and the two last telehouses has come in place during Q4 2022. We continue to explore opportunities for new fiber network developments being strategic enablers for the Nordic data center market. The underlying recurring revenue growth across our fiber networks portfolio is positive with new Nordic and International customers added on our fiber systems during 2022.

There should not be placed undue reliance on these forward-looking statements as they reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that may occur in the future.

Report on the annual accounts

Total income for The Group was NOK 276.1 million compared to NOK 365.7 million last year. The decrease of NOK 89.5 million mainly relates to no property sales in 2022 amounting to a variance of NOK 182.5, partly offset by increased rental income and increase in revenue from sales within Data Centers. NOK 145.4 million of total income is generated from Industrial Real Estate in 2022, compared to NOK 274.7 million last year. Data Centers generated a total income of NOK 119.0 million in 2022, compared to NOK 82.2 million in 2021. The increase within Data Centers is due to the acquisition of previously associated company, OS-IX Holding AS, as well as an increase in general customer base. In the Fiber Networks area, we gained an income of NOK 11.8 million compared to NOK 7.0 million in 2021. The Group's operating loss was NOK 502.4 million in 2022 compared to a profit of NOK 1,206.3 million last year, while the annual net loss was NOK 442.5 million in 2022, a decrease from a profit of NOK 927.9 million in 2021.

Industrial Real Estate contributed with a loss for the year of NOK 330.8 million in 2022, compared to NOK 1,101.3 million last year. The decrease is mainly driven by the negative fair value on the investment property portfolio amounting to NOK 369.2 million, compared to a positive fair value of NOK 1,352.8 million in 2021. The negative fair value in 2022 is mainly a result of demanding economic times of rapidly increasing interest rates and higher inflation, causing yielding properties and development plots to decrease in value.

Total current assets were NOK 411.2 million as of December 31, 2022 compared to NOK 870.0 million as of December 31, 2021.

Total cash was NOK 224.5 million as of December 31, 2022 compared to NOK 694.8 million as of December 31, 2021. Cashflow from operations were negative with NOK 65.8 million in 2022 compared to negative NOK 115.1 million in 2021. The increase is mainly related to a positive change in trade and other payables. Cashflow from investments in 2022 is negative with NOK 1,644.8 million, of which NOK 808.3 million is related to purchase and improvement in investment property and NOK 512.5 million is related to purchase of fixed assets, mainly in the data center and fiber segment. Cashflow from financing is positive with NOK 1,240.2 million in 2022, mainly related to proceeds from borrowings of NOK 1,406.1 million, partly offset by finance cost of NOK 173.4 million.

The Group's total liabilities amounted to NOK 4,477.9 million as of December 31, 2022, compared to NOK 3,866.5 million as of December 31, 2021. The increase is mainly due to increased borrowings related to ongoing construction projects and investment property, and issuance of a new green bond. The short-term portion of borrowings is NOK 739.8 million as of December 31, 2022, an increase of NOK 599.1 million compared to last year. NOK 685.9 million of the short-term portion of borrowings is related to construction loans, of which NOK 263.4 million is refinanced in Q1 2023. The remaining loans are in the process of refinancing prior to maturity in the second half year of 2023. The Group continuously monitors the Group's installments and expiration of the debt and prepares plans to be able to meet its obligations.

Other financial and interest costs amounted to NOK 171.1 million in 2022 compared to NOK 81.5 million in 2021. The Group monitors its financial cost and is continuously working on financial structure.

Total assets at the end of the year amounted to NOK 7,974.2 million compared to NOK 6,874.2 million last year. The equity-to-assets ratio as of December 31, 2022 was 43.8 %, which is unchanged from December 31, 2021.

The Group's financial position is strong.

Research and development

The Group has invested resources and know-how into research and development during 2022. Our largest research investment relates to standardized high-capacity data center designs that offer low cost of ownership, strong operational standards, sustainable solutions and short time to market for development. The objective is to benefit from the R&D project by being the fastest provider to deliver high quality and large data center capacity to the Nordic market going forward.

Financial risk

The Group is exposed to these types of risk:

Liquidity risk - The Group intends to have sufficient liquidity to meet all its obligations, including the new investments that are ongoing. The Group intends to maintain a reasonable amount of liquidity to meet unforeseen obligations. The Group continuously monitors the Groups liquidity and has a long-term liquidity forecast in place

Interest risk - The Group has loans with a number of financial institutions, all with long-term repayment plans. The Group is exposed to changes in NIBOR interest rates and SWAP interest. The distribution of fixed and floating interest rates was 13/87 by the end of the period.

Credit risk - The Group's warehouse and distribution properties are characterized by high standards, good locations, long lease agreements and reliable tenants. There were no material credit losses in 2022. The Group's tenants normally pay quarterly and in advance and the lease agreements usually require an additional form of collateral or security. Within Data Centers, the portfolio is diversified, limiting the effect of credit risk towards each single customer.

Currency Exchange risk – The Group is increasingly exposed to both cost and revenue in different currencies due to growth in international assets and customers. Processes and tools to manage these up and down-side risks are being developed in line with increased exposure.

Market risk

The transaction market for commercial properties
Demand for commercial real estate in Norway is currently high. Particularly properties with long-term lease agreements and low rental fees are attractive. Demand is expected to keep strong as long the interest rates remain low.

Rental Market for warehouses and logistic buildings
The Group is exposed to the risk of changes in lease and rental prices in the market. The Group has several long-term lease agreements in place. The weighted average lease term for tenants has increased from 7.7 years last year to 8.3 years as of December 31, 2022 due to several

Bulk Infrastructure Group AS **Annual Report 2022**

new signed long-term agreements. The lease agreements provide The Group with fixed and predictable revenues throughout the contract period. Most lease agreements are adjusted annually 100 % in line with the consumer price index. The rate of vacancy in the groups properties is 0.7 % as of December 31, 2022, compared to 1.8 % as of December 31, 2021.

Demand for data center services and fiber networks - The macro drivers for large scale demand for digital Nordic infrastructure are healthy and suggest strong market growth long term. The timing of such large-scale demand asset by asset is difficult to predict and hence exposes The Group to short term uncertainty on capacity development and utilization. Risk is managed by strong focus on our time to market capability that allows for better matching of capacity build-out and verified demand as well as discipline in build-up of fixed cost in early stages of new asset operations.

Climate-related risk

Bulk is exposed to climate-related risks and climate change could have a range of potential impacts on Bulk's business. Through a climate analysis based on recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we have identified increasing temperatures and extreme weather events, as key risks to our physical assets. In addition to the physical risks, there are also increasing legislative regulations at both the national and EU levels that have an impact on our operations. The climate has not had any material impact on the business in 2022. Refer to our TCFD report 2022 on the Group´s homepage, bulkinfrastructure.com, for more information.

Working environment and personnel

Bulk had a total of 81 employees at the end of year 2022. In addition to permanent employees, over 20 consultants and 50 subcontractors are performing operational services on Bulks behalf.

Bulk is committed to a goal of zero harm to people, assets, and the environment. The cornerstone of this objective is a strong, structured, and companywide HSE system, setting clear standards for HSE management and leadership. Regular audits aim to identify improvements and help address potential shortcomings. Bulk is focused on continuous improvement and learning throughout the organization. The HSE culture is founded on the principle that HSE is personally responsibility for every employee.

In total Bulk had four lost time injuries and one medical treatment within our subcontractors' personnel. One of the incidents was critical caused long term sick leave, but all injured personnel have recovered well and are back to work.

Bulk is committed to a goal of zero harm to its employees, not just through accident prevention, but also through safeguarding employee's physical and mental health. In November 2022 Bulk implemented a crisis management tool, Rayvn, to handle the whole notification and emergency response process.

The company complies with Norwegian law i.e within maternity/ paternity leave, sick leave and sick leave days for being home with children. The company gives the employees leave with full pay within the absence categories described above.

All employees are part of a Company's insurance scheme in the country they are employed in. The insurance includes different treatments such as physiotherapy, psychologist, and online access to consulting with a doctor. In addition, Bulk offers an all-around annual health assessment to all employees. All employees were offered voluntary vaccination shots against the flu virus.

The sick leave amounted to 2,6% of the total work force in 2022. The sick leave statistics are a combination of long- and short-term leave. This is an increase from 1,9% in 2021. The increase in short-term sickness can be explained by the reopening of society due to Corona. Staff returned to the offices and the general infection rate went up during the year, in addition to other flu symptoms.

The company established our first working environment committee in 2022. The committee met quarterly during the year and consisted of Safety delegates, Employee representatives as well as representatives for Management. Bulk also has two elected employee representatives to submit requests or grievances on behalf of the staff. The representatives had a quarterly meeting with CEO and HR.

Bulk has an all year People Strategy. This entails focus on Engagement, Development and Appreciation. One of the key priorities in 2022 was to further develop the people processes within the Company and standardize policies and procedures. The company also launched an initiative called Bulk Academy at the end of the year. The academy is meant to promote internal knowledge sharing between coworkers through presentations. Building on both optional and mandatory training and strengthening a learning culture.

The company introduced the Engagement & Satisfaction system Winningtemp in late 2021. Winningtemp is based on artificial intelligence in combination with international studies on job engagement and satisfaction. The employees receive a bi-weekly short questionnaire that is linked to nine categories linked by research to the topics. The survey is done anonymously. Winningtemp has been active and collecting data during 2022 with 94% survey participation among the staff. Bulks aim in introducing a system such as this, is to measure and optimize the employee experience. This enables Bulks leaders to check in with our employees across countries, time zones, at the office or working from home. The overall temperature for team spirit in 2022 was 7,9 and commitment was 8 out of 10.

Bulk has established routines for notifications & deviation reports. All employees of Bulk have the right and a duty to notify, and we encourage employees to use the opportunity when needed. Guidelines for deviation reports are listed in the company's management system.

The Company has also an internal Hotline established on an online notification channel, for employees that wants to remain anonymous and / or if want an independent party (KPMG) to receive their notice.

Gender equality and discrimination

Bulk is committed to equal career opportunities and work continuously towards a diverse and gender balanced workforce. The workforce consisted of 18% women and 82% men. The female percentage of Manager positions where 4% and executive leader team had 33% women. Bulk successfully increased their gender balance in 2021. The company unfortunately decreased the female percentage in 2022 due to large scale recruting carried out in a difficult employers market in 2022.

Bulk will continue recruitment of female professionals and maintain a focus on the best suitable candidate for each role. This also relates to orientation, age, nationality, and other types of discriminatory factors.

The Company is aware of the importance of equal opportunities relating to promotions, performance, development opportunities as well as compensation & benefits. These areas are all assessed and reviewed once a year.

Environment reporting/ Preserving the environment

Apart from legal obligations, our company will proactively protect the environment and strive to create long term sustainable solutions for the next generations.

Bulk was founded on the concept of making the sustainable and societal advantages of the Nordics available to the global market. We are proud of our vision: Racing to bring sustainable infrastructure to a global audience. We pursue opportunities to contribute to global sustainable development at scale and we use our creative power to develop new high quality, reliable and clean solutions. We respect the environment, people and society as a whole. In January 2022, Bulk joined UN Global Compact; the world's largest voluntary corporate sustainability initiative. For 2022 Bulk will report (CoP 2022) on aligning with the SDGs and the ten principles for responsible business with strategy and operations.

Our Integrated Management System is used to soundly manage, secure and continuously improve all work processes that affect Environment, and we follow up our performance indicators from our Environmental Action plan along with systematic risk management.

A key priority in 2022 was to assess climate risk in line with the Task Force on Climate-related Financial Disclosure (TCFD) framework. The results of this assessment can be found in a separate report, refer TCFD report 2022 on the Group´s homepage, bulkinfrastructure.com. Further, Bulk has focused on data collection for our climate account across all business areas. The work is a step in Bulk's plan to reduce emissions and accomplish net zero by 2050 in line with the GHG reduction targets as announced in 2021. It is the first year the climate account is published. The climate account will be integrated in the TCFD report 2022. The data collected for the climate account will be utilized to determine our most significant emissions and how we can implement measures to reduce these in the coming years.

Corporate governance - risk management and internal control

General

Bulk is subject to corporate governance reporting requirements according to the Norwegian Accounting Act, section 3-3b and 3-3c. Refer our homepage, bulkinfrastructure.com, for information regarding the Norwegian Transparency Act.

Bulk's board of directors believes that good Corporate Governance is a prerequisite for a sound and sustainable company and Bulk's corporate governance is based on openness and equal treatment of shareholders. Bulk's objective for Corporate Governance is accountability, transparency, fairness, and simplicity with the goal of maximizing shareholder value while creating added value for all in compliance with laws, regulations and ethical standards.

Governing structures and controls help to ensure that we run our business in justifiable and profitable manner for the benefit of employees, shareholders, partners, customers, and society.

Bulk is committed to operate in accordance with responsible, ethical, sustainable, and sound business principles, with respect for people, the environment, and the society. The work of the board of directors is based on the existence of a clearly defined division of roles and responsibilities between the shareholders, the board of directors and the company's management. Policies and procedures have been established to manage risks and the board of directors evaluate the overall risk management systems on a regular basis.

The board of directors ensures that Bulk has in place sound and appropriate internal control systems and systems for risk management. Having effective internal control systems and systems for risk management in place prevents the group from situations that can damage its reputation or financial standing. Furthermore, effective and proper internal control and risk management are important factors when building and maintaining trust, to reach the company's objectives, and ultimately create value. Bulk has implemented an Integrated Management System that are proportionate to and reflect the extent and nature of Bulk's activities. The Integrated Management System carries out processes to analyze: 1) the organizational context and strategic priorities; 2) the organization's interested parties and their requirements; and 3) the organization's risks and opportunities, including those which should be treated within the structure of its management system. Bulk is certified within several ISO standards; ISO 9001,14001,22301 and 27001 and main focus in 2022 was to include the new businesses in Denmark in the ISO certification.

The internal control system also addresses the organization and execution of the company's financial reporting, as well as cover the company's corporate values, compliance with all laws and regulations that apply to the Group's business activities, ethical guidelines and principles of corporate social responsibility. Bulk's core values are clearly defined and are reflected in the Company's Code of Ethics. The Code of Ethics includes ethical guidelines and guidelines for corporate social responsibility, hereunder bribery and anti-corruption, unlawful discrimination and human rights, health, safety, and environmental issues.

The Group have a directors and officers liability insurance in place. The insurance coverage is NOK 75 million and cover all Group Companies within ownership of 50% or more. The insurance applies to board members, CEO, members of the Group Management and employees that may incur independent management responsibility. The directors and officer's liability insurance covers the entire world for Companies registered in Norway. It does not cover lawsuits filed in USA and Canada in accordance with American laws.

Corporate governance in Bulk is subject to regular review and discussion by the board of directors.

Annual review and risk management in the annual report

The board of directors annually reviews the company's most important areas of risk exposure and the internal control arrangement in place for such areas. The review pay attention to any material shortcomings or weaknesses in the company's internal control and how risks are being managed.

In the annual report, the board of directors describes the main features of the company's internal control and risk management systems as they are connected to the company's financial reporting. This cover the control environment in the company, risk assessment, control activities and information, communication and follow-up. The board of directors is obligated to ensure that it is updated on the company's financial situation and shall continually evaluate whether the company's equity and liquidity are adequate in relation to the risk from the company's activities, and take immediate action if the company's equity or liquidity at any time is shown to be inadequate. The company's management focus on frequent and relevant reporting of both operational and financial matters to the board of directors, where the purpose is to ensure that the board of directors has sufficient information for decision-making and is able to respond quickly to changing conditions. Board meetings are held frequently, and management reports are provided to the board as a minimum on a quarterly basis.

Human rights

Our company is dedicated to protecting human rights. We are a committed equal opportunity employer and will abide by all fair labor practices. We will ensure that our activities do not directly or indirectly violate human rights and act in accordance with the Norwegian Transparency act.

Bulk has in 2022 follow up required activities within Human rights through the rollout of the revised Code of Conduct to employees, suppliers and partners.

Donations and aid

Our company may preserve a budget to make monetary donations. These donations will aim to:

- Advance the arts, education and community events
- Alleviate those in need
- Support initiatives related to sustainability

Instead of giving Christmas gift to employees Bulk donated an equal amount to Blue Cross Norway which is a major Norwegian volunteer organization working in the field of alcohol and drug abuse.

Supporting the community

Our company may initiate and support community investment and educational programs. It can provide support to nonprofit organizations or movements to promote cultural and economic development of global and local communities.

Bulk engaged in local initiatives like partnering with the Sustainability Festival in Kristiansand – and sponsor Sustainathon for students, Global Goals World Cup and Sustainable Conference. Bulk also collaborated with local university giving guest lectures and providing cases for Master theses and participate in local research projects – like Norce regarding hydrogen distribution and storage.

Subsequent events

The Board of Bulk Infrastructure Holding AS, the parent company of Bulk Infrastructure Group AS, has called on NOK 500 million in equity commitment from one of the investors in line with an agreement established in 2020. The transaction is expected to be finalized in Q1 2023. In December 2022 a customer exercised an option to aquire fiber on the Havfrue cable system. The fiber is classified as assets held for sale as of yearend. The transaction was completed during Q1 2023.

There are no other material subsequent events after the reporting period.

Profit/Loss for the year and allocation of funds

The Board of Directors proposes that the loss for the year for Bulk Infrastructure Group AS amounting to NOK 210,653,146 will be transferred as follows;

Other equity	-210,653,146
Total brought forward	**-210,653,146**

Oslo, March 23, 2023

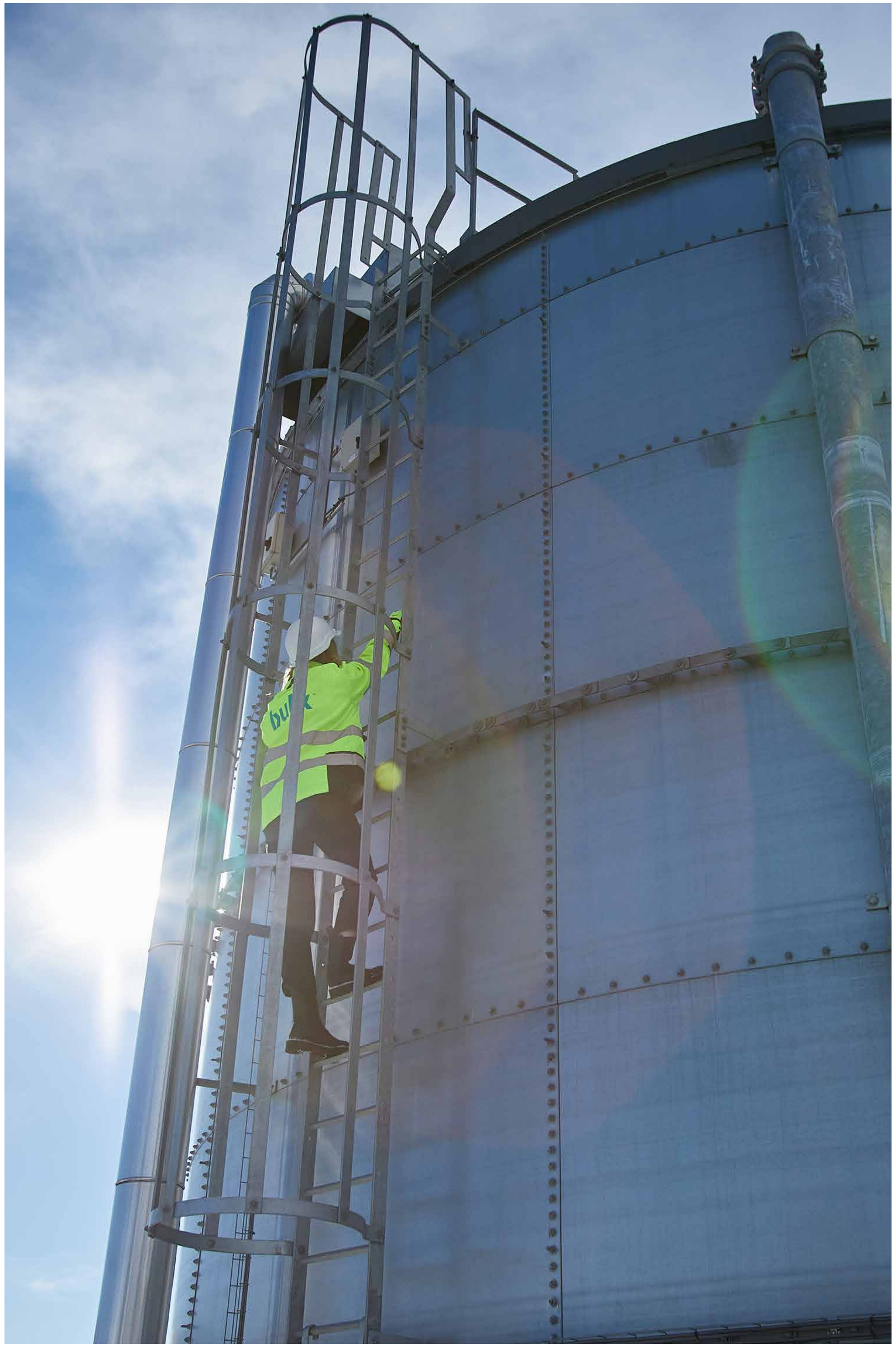
The board of Bulk Infrastructure Group AS

Peder Nærbø

Founder and Executive Chair

Bulk Infrastructure Group AS **Annual Report 2022**

Bulk Infrastructure Group AS Consolidated financial statements 2022



Consolidated financial statement 2022

Presentations

Notes to the consolidated accounts for 2022

Consolidated statement of profit and loss

For the year ended 31 December 2022

(Figures in NOK '000)	Notes	2022	2021
Rental income	4,5	177,073	87,909
Revenue property sales	4,6	-8,269	182,537
Revenue from sales	4	71,310	59,979
Other revenue	4	36,015	35,248
Total revenue and other income	**4,5**	**276,129**	**365,673**
Property-related expenses	4	21,233	12,269
Cost of property sales	4,6	-	173,883
Cost of sales	4	67,746	61,291
Other cost	7,8,9	320,386	264,751
Total expenses		**409,365**	**512,195**
Operating profit before fair value adjustments on investment properties		**-133,237**	**-146,522**
Fair value adjustments on investment properties	6	-369,200	1,352,819
Operating profit		**-502,437**	**1,206,297**
Share of profit/loss(-) of investments accounted for using the equity method	10	-42,990	77,267
Remeasurement gain of previous held equity investments	11	90,056	-
Finance income	12	102,631	19,243
Finance costs	12	233,049	112,812
Fair value adjustments on derivatives	12	27,067	4,901
Net financial items		**-56,286**	**-11,402**
Profit before income tax		**-558,722**	**1,194,895**
Income tax expense	13	-116,176	267,009
Profit for the year		**-442,546**	**927,885**

Consolidated statement of profit and loss

For the year ended 31 December 2022

(Figures in NOK '000)	Notes	2022	2021
Profit for the period		**-442,546**	**927,885**
Other comprehensive income			
Items that may be reclassified to profit and loss			
Exchange differences on translation on foreign operations	4	18,417	-6,417
Other comprehensive income for the year, net of tax		**18,417**	**-6,417**
Total comprehensive income		**-424,129**	**921,468**
Attributable to:			
Shareholders in the parent Company		-406,087	759,783
Non-controlling interests		-18,042	161,685
Earnings per share basic and diluted (NOK)	25	-1.33	2.87

Consolidated balance sheet

(Figures in NOK '000)	Notes	2022	2021
Assets			
Intangible fixed assets			
Goodwill	14,15	2,070	-
Other intangible assets	15	13,682	1,445
Total intangible assets		**15,752**	**1,445**
Other non-current assets			
Investment property	4,6	4,628,451	4,184,248
Property, plant & equipment	16	2,338,985	1,328,690
Investment in Associated company	10,11,17	136,767	289,212
Receivable from related party	18	1,190	10,497
Derivative financial instruments	18,19	23,992	1,139
Other receivables	18,20	21,565	12,616
Investment in shares	18	1,249	1,249
Right-of-use assets	21	250,790	175,101
Total other non-current assets		**7,402,989**	**6,002,752**
Total non-current assets		**7,418,741**	**6,004,197**
Current assets			
Inventories	22	8,463	5,484
Property under development - inventory	6	-	-
Receivable from related party	18	441	15,093
Trade and other receivables	18,23	177,850	154,564
Cash and cash equivalents	18,24	224,459	694,826
Total current assets		**411,213**	**869,967**
Assets classified as held for sale	16	144,248	-
Total assets		**7,974,203**	**6,874,164**

Consolidated balance sheet

(Figures in NOK '000)	Notes	2022	2021
Equity and liabilities			
Paid in equity			
Ordinary shares		3,264	2,731
Share premium		2,918,911	1,856,531
Total paid in equity	**25,31**	**2,922,175**	**1,859,261**
Retained earnings			
Retained earnings		524,045	922,399
Total retained earnings		**524,045**	**922,399**
Non-controlling interests		**50,079**	**225,975**
Total equity	**25,31**	**3,496,299**	**3,007,636**
Non-current liabilities			
Bond loan	18,26,28,29	1,463,902	969,350
Borrowings	18,26,27,28,29	1,694,089	1,081,665
Derivative financial instruments	18,19	4,274	9,540
Lease liabilities	21	60,907	31,885
Other long-term liabilities	18,26,30	61,486	66,621
Deferred tax liabilities	13	215,580	290,451
Total non-current liabilities		**3,500,239**	**2,449,513**
Current liabilities			
Trade payables	18	77,532	74,927
Short-term portion of borrowings	18,26,27,28	739,764	140,618
Short-term portion of derivatives	18,19	455	1,279
Short-term portion of lease liabilities	21	14,580	8,144
Non-registered capital increase	25	-	400,000
Debt to related party	18	-	662,768
Other payables	18,30	145,334	129,278
Total current liabilities		**977,665**	**1,417,015**
Total liabilities		**4,477,904**	**3,866,528**
Total equity and liabilities		**7,974,203**	**6,874,164**

Oslo, March 23, 2023
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

Consolidated statement of changes in equity

(Figures in NOK '000)	Note	Paid in equity		Retained earnings			
		Share capital	Share premium	Exchange differences on translation on foreign operations	Retained earnings	Non-controlling interests	Total equity
01.01.2021		**2,630**	**1,656,631**	**9,687**	**188,948**	**-**	**1,857,897**
Profit for the period					766,200	161,685	927,885
Other comprehensive income - currency				-6,417			-6,417
Share issue	25	100	199,900				200,000
Share-based payments*	9				8,947		8,947
Sale of shares to minority**					-49,682	64,290	14,608
Other changes					4,716		4,716
31.12.2021		**2,731**	**1,856,531**	**3,270**	**919,129**	**225,975**	**3,007,636**
01.01.2022		**2,731**	**1,856,531**	**3,270**	**919,129**	**225,975**	**3,007,636**
Profit for the period					-424,504	-18,042	-442,546
Other comprehensive income - currency				18,417			18,417
Share issue	25	533	1,062,380				1,062,913
Share-based payments	9				8,947		8,947
Adjustment of minority share					-2,680	2,680	-
Transaction with non-controlling interest						-160,533	-160,533
Other changes					1,465		1,465
31.12.2022		**3,264**	**2,918,911**	**21,687**	**502,358**	**50,079**	**3,496,299**

*Share-based payments are related to the assessement of mangement incentive program as outlined in note 9.
The assessement resulted in an effect in the comparative figures.

**The amounts have been altered to reflect the correct allocation of equity between majority and minority upon establishement of minority

Cashflow statement - consolidated

(Figures in NOK '000)	Note	2022	2021
Cash flow from operations			
Profit before income taxes		-558,722	1,194,895
Adjust for:			
Depreciation and impairment	15,16	77,769	53,097
Fair value adj. on investment properties	6	369,200	-1,352,819
Share of profit/loss(-) of investments accounted for using the equity method	9,10	42,990	-77,267
Remeasurement gain of previous held equity investments	11	-90,056	-
Finance income	12	-102,631	-19,243
Finance costs	12	233,049	112,812
Fair value change derivatives	12	-27,067	-4,901
Cashflow before change in working capital		-55,468	-93,425
Change in working capital			
Trade and other receivables	18	-69,973	-59,959
Trade and other payables	18	59,593	-24,466
Property under development - inventory	6	-	62,759
Net cash flow from operations (A)		**-65,847**	**-115,091**
Cash flow from investments			
Purchase and improvements of investments property	6	-808,267	-1,093,011
Sale of real estate infrastructure	6	29,647	-
Sale of fiber infrastructure	16	-	206,074
Dividend received	10	2,275	650
Purchase of shares in associated companies	11	-195,374	-761
Purchase of shares in subsidiaries		-160,533	-
Purchase of fixed assets	15,16	-512,517	-321,275
Net cash flow from investments (B)		**-1,644,768**	**-1,208,324**
Cash flow from financing			
Sale of shares in group companies		-	62,493
Finance cost paid including interest paid on derivatives	12	-173,362	-94,859
Interest received	12	10,881	1,051
Proceeds from Borrowings	26,28,29	1,406,121	601,544
Change in other long-term liabilities	18,26	-5,135	-14,366
Change in receivable related party	18	3,169	123,329
Change in payable related party	18	-662,768	662,768
Principal paid on lease liabilities	21	-7,585	-4,163
Interest paid on lease liabilities	21	-2,933	-2,064
Share issue	25	1,062,913	200,000
Non-registered share issue		-400,000	400,000
Share-based payments	9	8,947	8,947
Net cash flow from financing (C)		**1,240,248**	**1,944,679**
Net change in cash and cash equivalents (A+B+C)		**-470,367**	**621,265**
Cash and cash equivalents at the beginning of the period		694,826	73,561
Cash and cash equivalents at the end of the period		**224,459**	**694,826**
Restricted funds	24	4,799	4,494

Note 1

Corporate information

Bulk Infrastructure Group AS is a limited liability company registered in Norway. The head office of the company is in Karenslyst Allé 53, Oslo, Norway. The Company is the subsidiary of the holding company Bulk Infrastructure Holding AS. The Company is the parent company of Bulk Industrial Real Estate AS, Bulk Data Centers AS and Bulk Fiber Networks AS. The ultimate parent company of the Group is Green Keeper AS.

Bulk Industrial Real Estate is a Nordic real estate developer, specializing in industrial buildings, large modern warehouses, cross-dock terminals and logistics parks. The business area was established in 2006 and has already developed and delivered to customers more than 500,000 m² of high quality, flexible and energy efficient facilities.

Bulk Data Centers is an industrial developer and operator of data centers and data center services across the Nordics. Bulk has a portfolio of assets, capabilities and partners to serve any data center customer requirement in a fast, secure, cost efficient and sustainable way. We operate scalable facilities, we continue to add new sites to our portfolio, and we have access to strategically located land. We have in-house expertise in data center design, engineering and operations that combined with our industrial real estate development experience and dark fiber network deployments allow us to shape the full value chain of the data processing infrastructure. We can serve customers in dedicated hyperscale facilities and customers in need of server racks in a Colo environment.

Bulk Fiber Networks owns and controls dark fiber infrastructure with the purpose of enabling the Nordics for large scale data processing. Our fiber infrastructure is modern with high capacity including both subsea and terrestrial systems. We can offer dark fiber to carriers, large scale data center customers and others that want to produce bandwidth services on top of our infrastructure. Bulk considers itself as an infrastructure provider within fiber, being a partner rather than a competitor to traditional carriers. Bulk has available thousands of km of dark fiber, including both intercontinental, North European and intra-Nordic infrastructure that connects main European markets as well as the US. We continue to explore new subsea and terrestrial fiber routes that could be strategic enablers for the data center growth in the Nordics.

The Board of Directors authorized these financial statements for issue on March 23, 2023.

Note 2

Accounting principles

Bulk Infrastructure Group AS **Annual Report 2022**

2.1 Basis of preparation

The consolidated financial statement has been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The Group also present additional disclosures as required under the Norwegian Accounting Act.

The consolidated financial statement has been prepared on a historical cost basis, with the following exceptions:

- Investment properties are recognized at their fair value and changes in fair value are recognized as fair value adjustment in the income statement
- Financial derivatives are recognized at their fair value over the profit and loss statement
- Investment in shares are recognized at fair value over profit and loss
- The consolidated accounts have been prepared with consistent accounting principles for similar transactions and events
- The corresponding figures have been prepared on the basis of the same accounting principles.

2.2 Changes in accounting policies

New and amended standards effective from 2022
There are no new standards effective for the fiscal year 2022. However, there are several new amendments to standards and interpretations that are effective for the fiscal year 2022.

There have been amendments to IAS 16, IAS 37, IAS 41, IFRS 1, IFRS 3, and IFRS 9.These amendments are not further outlined as they are not considered to have significant impact on the Group's consolidated accounts.

2.3 Consolidation

Subsidiaries
When the company has control over an investee, it is classified as a subsidiary. The company controls an investee if the company has power over the investee, is exposed to variable returns from the investee, and has the ability to use its power over the investee to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. All entities of which the Group has ownership of at least 51 % is defined as a subsidiary. As of 2022, the Group has one subsidiary in the Real Estate segment with 51 % ownership.

Subsidiaries are consolidated from the date the group gains control until the date control ceases.

Acquisitions of subsidiaries – business combinations
The group applies the acquisitions method to account for acquisition of subsidiaries or other entities. The assets and debt transferred in business combinations are recognized at their fair values at the acquisition date. Deferred tax is calculated based on the difference between fair value and the tax bases of assets and debt.

Goodwill is calculated as the excess of the consideration and the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquire and the fair value of the non-controlling interest in the acquire. The minority interest is valued either at fair value or by the non-controlling interest share of the net assets. Goodwill is not depreciated but an impairment test is performed each year. If the fair value of net asset is in excess of consideration transferred ("negative goodwill") a gain is recognized in profit and loss on the date of acquisition. One business combinations were performed in 2022, refer note 11.

Acquisition of subsidiaries not viewed as business combinations
Acquisition of entities in which the activities do not constitute a business, are accounted for as a purchase of assets in accordance with IFRS 3. The acquisition cost is allocated to the acquired assets. No goodwill is calculated for this type of acquisition, and no deferred tax is recognized for temporary differences that arises at initial recognition. The Group's business continuously includes acquisitions, mostly within the Industrial Real Estate segment. During 2022 the Group has carried out one acquisitions accounted for as purchase of single asset.

Joint arrangements
A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are classified as joint operations and joint ventures depending on the rights and obligations of the parties to the arrangement.

- *Joint operations:* In joint operations, two or more organizations contribute on a specific project. The organizations operate individually and there are agreements in place regarding resources and responsibilities related to the project. The parties in the joint operation have joint control of the assets, and obligations for the liabilities, relating to the arrangement. The Group currently has such an ongoing project related to the transatlantic subsea system, Havfrue. Bulk recognizes our part, according to the Havfrue project agreement, of the assets and liabilities in the joint operation, as well as revenue and expenses. The accounting treatment is in line with IFRS 11.
- *Joint ventures:* Joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. Profits and losses arising on transactions between the Group and joint ventures are recognized only to the extent of unrelated investors' interests in the entity. The investor's share in the joint venture's profits and losses resulting from these transactions is eliminated against the carrying amount of the investment in the joint venture. Refer note disclosures for further details.

Associates
Investments in associates are entities over which the group has significant influence but not control (generally accompanying a shareholding of between 20% and 50% of the voting rights). Associates are included using the equity method from the date when the group achieves significant influence. When the group no longer have significant influence the equity method is no longer applied. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition. The Group currently has two associated companies. Refer note disclosures for further information.

Elimination of transactions
Inter-company transactions and balances between group companies are eliminated.

Unrealized gains on transactions with associates are eliminated to the extent of the group's interest in the associate. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Foreign currency translation

The Group's presentation currency is NOK. This is also the functional currency of the parent company and most of the subsidiaries. The Group has two subsidiaries in the UK of which the functional currency is GBP. Further, five subsidiaries are located in Denmark and have DKK as the functional currency. The balance sheet items of foreign subsidiaries are translated and consolidated with the year-end currency rate. The income statement is translated using the average currency rate for the period.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated to the year-end transaction date. Foreign exchange gains and losses are recognized in the income statement. The average exchange rate was 1.3581 DKK/NOK in 2022 (2021: 1.3631) and 11.8464 GBP/NOK in 2022 (2021: 11.9398). At 31 December 2022 an exchange rate of DKK/NOK 1.4138 (2021: 1.3432) and GBP/NOK 11.8541 (2021: 11.8875) was used for the valuation of balance sheet items.

2.5 Investment property

Property held with the purpose of achieving rental income, increase in value, or both, are classified as investment property. Investment property also include property under development for future use as investment property.

Owned investment property is initially measured at cost. Transaction costs are included in the initial measurement. Cost comprises of the purchase price and any directly attributable expenditure, including professional fees for legal services, property transfer taxes and other transaction costs.

After initial recognition, the investment property is measured at fair value. The Group obtains valuations on investment property semi-annually from an external party. The valuations related to projects under construction are presented at discounted fair value of the property. The valuation does not account for costs related to finalization of the projects. As such, management adjusts the valuation on these projects with remaining construction cost. Gains or losses arising from changes in fair value are recognized over profit and loss in the period they arise. Management conducts internal valuation based on input from projects on a quarterly basis.

Subsequent costs relating to investment property are included in the carrying amount if it is probable that they will result in future economic benefits for the investment property and the costs can be measured reliably. Expenses relating to operations and maintenance of the investment property are recognized in profit and loss in the financial period in which they are incurred.

Investment properties are derecognized when they are sold or are permanently withdrawn from use and no future economic benefit is expected if disposed of. All gains or losses relating to sales or disposal are recognized in profit and loss.

Investment property is transferred from investment property only when there is a change in use. A reclassification from investment property to inventories is made when development with a view to sell is commenced.

2.6 Property, plant and equipment

Properties that do not qualify as investment property is presented as property, plant and equipment. Such property is mostly related to fiber infrastructure, data center buildings, technical infrastructure, land, and other fixed assets. Other fixed assets include, among other things, electric cars and upgrade of rented office premises. All property, plant and equipment are recognized at cost less accumulated and impairment losses. Cost includeXs expenditure that is directly attributable to the acquisition of the item.

Subsequent costs are included in the assets carrying amount or recognized 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 reliable measured. All other repairs and maintenance are recognized in profit and loss as incurred.

Land is not depreciated. However, ground works that are subject to physical deterioration will be depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. All other items of property, plant and equipment are depreciated over their expected useful economic lives. The expected useful economic life currently ranges from 4 – 50 years, of which the highest expected life relates to data center buildings and fiber infrastructure.

2.7 Lease agreements

(a) When a group company is the lessee
Upon lease commencement the Group recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred. After lease commencement, the Group measures the right-of-use asset using a cost model.

Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate. Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability and are initially measured using the index or rate as at the commencement date. Amounts expected to be payable by the Group under residual value guarantees are also included. Variable lease payments that are not included in the measurement of the lease liability are recognized in profit or loss in the period in which the event or condition that triggers payment occurs.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate)
- the assessment of a purchase option (using a revised discount rate)
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate)
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate)

The remeasurements are treated as adjustments to the right-of-use asset.

The majority of leases related to the terrestrial fiber in the Group has been paid up-front. As such, there is no lease liability related to the right-of-use asset.

(b) When a group company is the lessor
The group classifies each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise a lease is classified as an operating lease.

Examples of situations that individually or in combination would normally lead to a lease being classified as a finance lease are:

- the lease transfers ownership of the asset to the lessee by the end of the lease term
- the lessee has the option to purchase the asset at a price which is expected to be sufficiently lower than fair value at the date the option becomes exercisable that, at the inception of the lease, it is reasonably certain that the option will be exercised.
- the lease term is for the major part of the economic life of the asset, even if title is not transferred.
- at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset.
- the leased assets are of a specialized nature such that only the lessee can use them without major modifications being made.

Upon lease commencement, the Group recognize assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The group recognizes finance income over the lease term of a finance lease, based on a pattern reflecting a constant periodic rate of return on the net investment. The Group recognizes operating lease payments as income on a straight-line basis or, if more representative of the pattern in which benefit from use of the underlying asset is diminished, another systematic basis.

Property leased on an operational lease is included in investment property on the group balance sheet. Rental income is included on a straight-line basis over the period of the lease. The group pays fee to consultants in negotiations of new lease agreements. Fees paid in relation to new lease agreements are included in the carrying amount of the investment property and is amortized over the lease term. Other payments, free rental periods or other incentives are also recognized on a straight-line basis over the lease term.

The Group classifies its long-term fiber IRUs (Indefeasible right of use) as finance leases for the following reasons:

- The leases transfer substantially all the risks and rewards incidental to ownership of the underlying fiber assets.
- The lease terms are for the major part of the economic life of the fiber assets.

The Group classifies its short-term fiber IRUs as operational leases, as none of the above criteria for classification as financial lease are met for these IRUs. Finance lease is relevant for the fiber sale carried out in 2021 and expected in Q1 2023 on the Havfrue cable system. For this IRU, the above criteria are met as the fiber is transferred for the expected economic life of the fiber and the risks and rewards related to the ownership is entirely transferred to the customer. Hence, Bulk will treat the sale as a finance lease and dispose the fiber infrastructure from the balance sheet. The associated gain or loss will be presented over operating profit and loss.

2.8 Goodwill

Goodwill represents the excess of the cost of a business combination over, the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired and, the total acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired.

The cost of a business combination comprises the fair value of assets given, liabilities assumed, and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and. Direct costs of acquisition are recognized immediately as an expense.

Goodwill is measured at cost less any accumulated impairment loss.

As of December 31, 2022, the goodwill in the Group is related to an acquisition in the beginning of the year. Refer note 11 for further information.

2.9 Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Goodwill, intangible assets that have an indefinite useful life or intangible assets not ready to use are also tested annually for impairment.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). An impairment loss is recognized for the amount by which the asset's/CGU'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. Prior impairments of non-financial assets other than goodwill, are reviewed for possible reversal at each reporting date.

2.10 Financial assets and liabilities

Financial assets
The group currently classifies its financial assets in one of the following categories: (a) at fair value through profit or loss and (b) loans and receivables. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit and loss
Financial assets that are not measured at amortized cost or fair value through other comprehensive income, is measured at fair value through profit or loss. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also measured at fair value through profit and loss, unless they are designated as hedge instruments. The Group does not apply hedge accounting. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

The Group currently has three interest rate swaps, of which two is related to loans in the Industrial Real Estate segment, and one in the Data Center segment. The fair value change related to swaps are measured through profit and loss. Further, the Group holds investments in shares that are measured at fair value through profit and loss.

Financial assets are initially recognized at fair value, and transaction costs are expensed. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category is presented as financial items in the income statement.

Financial assets are derecognized 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.

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(b) Financial assets at amortized cost
Financial assets are measured at amortized cost when the financial asset is held to collect contractual cash flows and when the contractual terms of the financial asst give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's financial assets at amortized cost comprise 'receivable from related party', 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

Receivable from related party
Receivable from related party is a receivable from associated company. The receivable is classified as non-current as it is expected to be collected in more than one year.

Trade receivables
Trade receivables are amounts due from customers for goods 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.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, bank deposits, other short-term highly liquid investments with original maturities of three months or less.

Financial assets at amortized cost are initially recognized at fair value, transaction costs are added to the carrying amount. Financial assets at amortized cost are subsequently carried at amortized cost.

Impairment of financial assets
The group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities at amortized cost
Financial liabilities at amortized cost include all financial liabilities not classified at fair value through profit and loss. All the group's financial liabilities, except for derivatives, are classified as financial liabilities at amortized cost.

Trade payables and other short-term payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

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

Offsetting financial assets and obligations
Financial assets and liabilities are offset, and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities
Financial assets are derecognized 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 derecognized when the obligation under the liability is discharged or cancelled or expires. This normally happens when the group pays the financial liability.

2.11 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are included in the cost of those assets.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Financial liabilities are presented as non-current liabilities when the group has an unconditional right to defer settlement for at least 12 months after of the end of the reporting period.

2.12 Inventory

Raw materials, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Share capital

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

Where any group company purchases the company's equity share capital (treasury shares), the consideration paid is deducted from equity. When such ordinary shares are subsequently reissued,

any consideration received, is included in equity attributable to the company's equity holders. Voting rights related to treasury shares are annulled and no dividend is allocated to treasury shares.

2.14 Current and deferred income tax

The tax expense for the period comprises current and changed in deferred tax. Tax expense is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

The current income tax expense 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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is not recognized 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 tax assets and liabilities are 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 tax asset is realized, or the deferred tax liability is settled.

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

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred 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
.

2.15 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Restructuring provisions typically comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.16 Revenue recognition

Revenue is recognized when or as control of a good or service transfers to a customer. The amount recognized reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue comprises of rental income, revenue from property sales, revenue from sales and other revenue. Rental income and revenue from property sales are mainly generated in the Industrial Real Estate segment. Revenue from sales is attributable to Data Centers and Fiber Networks.

Rental income
Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term.

Income arising from expenses recharged to tenants is recognized in the period the associated cost is incurred.

Revenue from sale of dark fiber (IRUs) is recognized based on the classification of individual contracts as either financial or operational leases, in accordance with IFRS 16. The majority of IRU contracts are short-term and classified as operational lease. The Group recognizes lease payments on a straight-line basis as rental income over the period of the IRU.

Revenue from property sales
Revenue from property sales is generated from sale of completed property or sale of property under construction. For sale of completed property, revenue is recognized at point of sale. In the occasion where a contract is entered into for sale of property under construction, we have considered the performance obligations satisfied over time in accordance with IFRS 15. The criteria for revenue recognition over time read as follows:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

One of the three criteria needs to be met for the revenue from the sale of property under construction to be recognized over time. The first criteria is not applicable as property is not a service that can be consumed as the construction is ongoing. The third criteria is not met as the Group could construct the property for rental purposes, and as such, create an alternative use. However, the second criteria is considered more relevant. The Group's procedure is that no control of the property is transferred to the buyer while the construction is ongoing. As such, the buyer cannot utilize the property before delivery. Further, the risk of the project lies with the Group as the price is already agreed by contract and additional costs would accrue to the Group. Following these arguments, we conclude that none of the criteria for the performance obligations satisfied over time is met. Hence, the Group recognize revenue from sale of property under construction at point of delivery when all control is transferred to the buyer. Payment terms from property sales are usually upon completion in the case of construction of a property and upon delivery in the case of sale of completed properties. Contracts generally do not have significant financing components, but occasionally contracts relating to property sales contain guarantee rent components.

Revenue from sales
Revenue from sales is comprised of sale of telehousing services in the fiber segment and revenue from sales of data center services.

Revenue from sales of data center service is comprised of sale of data center services and related goods. These services consist of cooling, security, and access to fiber for the customer's data servers. The services are invoiced up-front monthly or quarterly, based on the contracts, and revenue accrued and recognized monthly. Further, electricity is invoiced monthly and settled based on annual calculation of actual consumption at the end of the year. The revenue is recognized when control of the goods or services are transferred to the customer. The data center services are simultaneously received and consumed by the customer. As such, revenue is recognized over time in line with the performance obligations satisfied over time. In addition, "smart hands" is offered to the customer, which is a service where data center personnel make immediate physical adjustments or maintenance on the server based on customer request. The service is invoiced and recognized at point of delivery.

Revenue from sale of telehousing services is recognized in line with data center services as outlined above. The telehouses function as a small data center connecting the terrestrial fiber infrastructure.

The group satisfies its obligations in contracts with customers regarding sale of telehousing services or data center services upon delivery, or as services are rendered. Payment terms for revenue from sales are typically 30 days

Other revenue
Other revenue mainly consists of business management for external parties and common cost recharged. In addition, there will at times by presented revenue generated within a segment that is not suited for categorization on the core revenue financial lines of that segment. For instance, leasehold improvements within Bulk Industrial Real Estate. Other revenue is recognized point in time as the shared costs are invoiced to tenants.

2.17 Property-related expenses and other costs

Costs directly related to the operation of existing properties are recognized as property-related expenses, other costs are included as administration costs. Costs are recognized as incurred.

Cost of property sales and cost of sales
Cost of sales is recognized as an expense in the period in which the related revenue is recognized.

2.18 Interest income

Interest income is recognized using the effective interest method.

2.19 Classification of assets and debt

Assets and liabilities expected to be settled within 12 months, and other items that are included in the company's normal operating cycle are classified as current. First year installment of the long-term debt is classified as current liabilities.

2.20 Dividend distribution

Dividend distribution to the company's shareholders is recognized as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the corporate management.

2.22 Share-based payments

The Group currently has two arrangements with share-based payments; a key employee share option plan, and a management incentive program. The share-based payments are treated in line with IFRS 2.

The key employee share option includes synthetic options, hence the employee receives no ownership rights. Under the plan, participants are granted options which vest by 1/3 each year over a period of three years. The options may be realized in the period 01.01.2025 to 01.09.2026.

The management incentive program is established through the company Klub Bulk AS. Under the program, participants are granted A- and B-shares, of which the B-shares are preference shares. A portion of the A-shares has an option element and are assessed as options when accounted for in the financial statements. The rights of the shares are the same, except that the B-shares have a right to an annual return equal to 8% of the face value of the shares. The shares granted give voting rights, but carry no dividend. The program runs over a period of 60 to 80 months from the effective date of the program.

The fair value of the shares is calculated using an adjusted form of the Black-Scholes model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option, and the correlations and volatilities of the peer group companies. The estimated value is distributed as payroll expense over the period. The associated liability is booked as long-term debt and will be reclassified to short-term debt upon one year of potential exercise. The calculation of the fair value is assessed on an annual basis and the annual cost is adjusted accordingly.

2.23 Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The assets are measured at the lower of their carrying amount and fair value less costs to sell. Assets classified as held for sale are not depreciated while they are classified as held for sale. The asset classified as held for sale is presented separately from other assets in the balance sheet.

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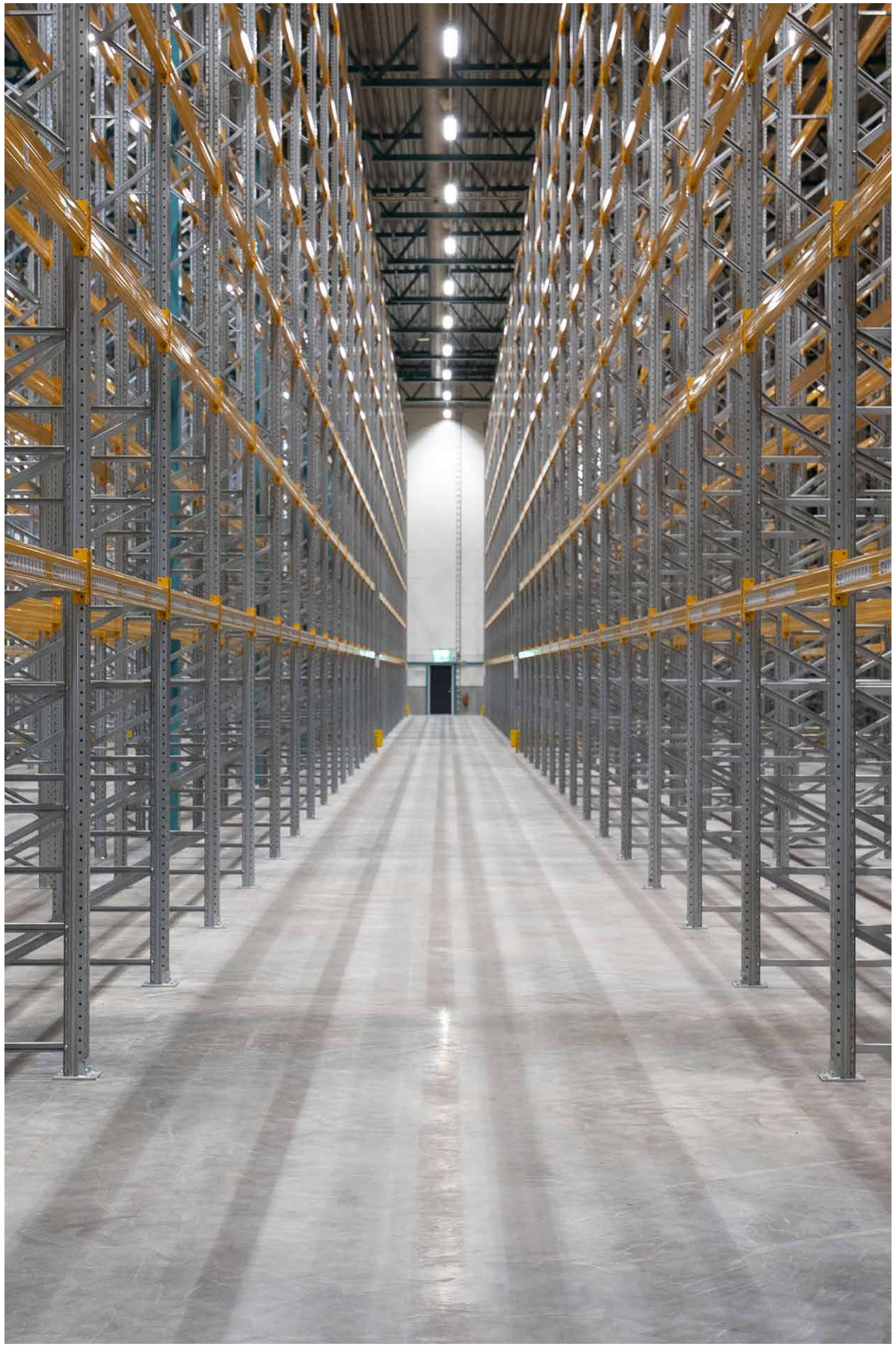

Note 3

Accounting estimates and significant judgements

When preparing the financial accounts according to IFRS the group management makes judgement that may have significant impact on the amounts recognised in the financial statements. The management also makes estimates based on assumption. Uncertainty relating to these assumptions and estimates may require material adjustement to the carrying amount of the group assets or liabilities in future periods.

Estimates

The group's most significant estimates relates to the following:

Fair value of investment property
Investment property is recognized at fair value on the year end date. As the Group collects external valuation semi-annualy for all investment property, the estimate only relates to the adjustment of the external valuation. These adjustments are made based on the remaining construction cost and risk considerations. Risk considerations are a discussion between management and engineers responsible for the respective investment. See also note 6.

Impairment considerations regarding property, plant and equipment

Data centers and fiber networks
At the end of each reporting period the Group will assess whether there is any indication of impairment. Identification of impairment indicators is based on an assessment of development in market rates, earnings for the data centers and sale of fiber networks, opex, operating profit, technological development, change in regulations, interest rates and discount rate. If any indication exist, the Group will estimate the recoverable amount of the asset. Recoverable amount is set as the highest of fair value less cost to sell and value in use. If carrying value exceeds the estimated recoverable amount, impairment is recognised. Impairments are reversed in a later period if recoverable amount exceeds carrying amount. As per year end 2021 and 2022 no indicators for impairment were identified.

Judgements

Joint arrangements related to the Havfrue cable system
The Group has conducted significant judgements related to the accounting treatment of the Havfrue cable system. The Havfrue cable system connects the US to Norway, Denmark and Ireland. The project is regulated through a Joint Build Agreements (JBA) in a consortium, which involves four parties, including Bulk. The agreement states the ownership and interests in the system, of which each party will own and have exclusive use of at least one fiber pair on the cable system. Decisions about relevant actvities concerning the cables system, require unanimous approval by the parties.

Following the outline of the agreement, management has assesed the JBA to qualify as a joint arrangement in line with IFRS 11. Further, due to the contractual agreement of joint control, the joint arrangement is considered a joint operation. As such, the assets and liabilities related to Bulk's interest in the cables system is recognised in the balance sheet, along with associated revenue and cost.

Associated company
Bulk has a 25 % ownership in the company Berger Terminal Holding II AS. If an entity holds, directly or indirectly, 20 % or more of the voting power of the investee, it is presumed that the entity has significant influence. In addition, Bulk holds the position for the Executive Chair of the Board. As such, the investment is accounted for using the equity method in line with IAS 28.

The Group performed a substancial sale of dark fiber on the Havfrue cable system in 2021. Sale of dark fiber is mainly performed through Indefeasible Right of Use contracts (IRUs). The IRU is classified as a lease, but whether the treatment is a finance or operating lease, is dependant on if the lease transfers substantially all the risks and rewards incidental to ownership of the underlying dark fiber. Based on an assessment of IFRS 16 and the details of the relevant IRU, management has concluded that the dark fiber sale qualify as a finance lease. The IRU applies for the economic life of the dark fiber, estimated to 20 years, and the risks and rewards related to the fiber is transfered to the customer in its entirety. As such, the fiber sale is treated as a disposal of fiber from property plant an equipment and the associated net gain or loss is presented over opertaing profit and loss.

A second transaction of the same nature is expected to take place in Q1 2023. The sale will be handled in line with the sale in 2021.

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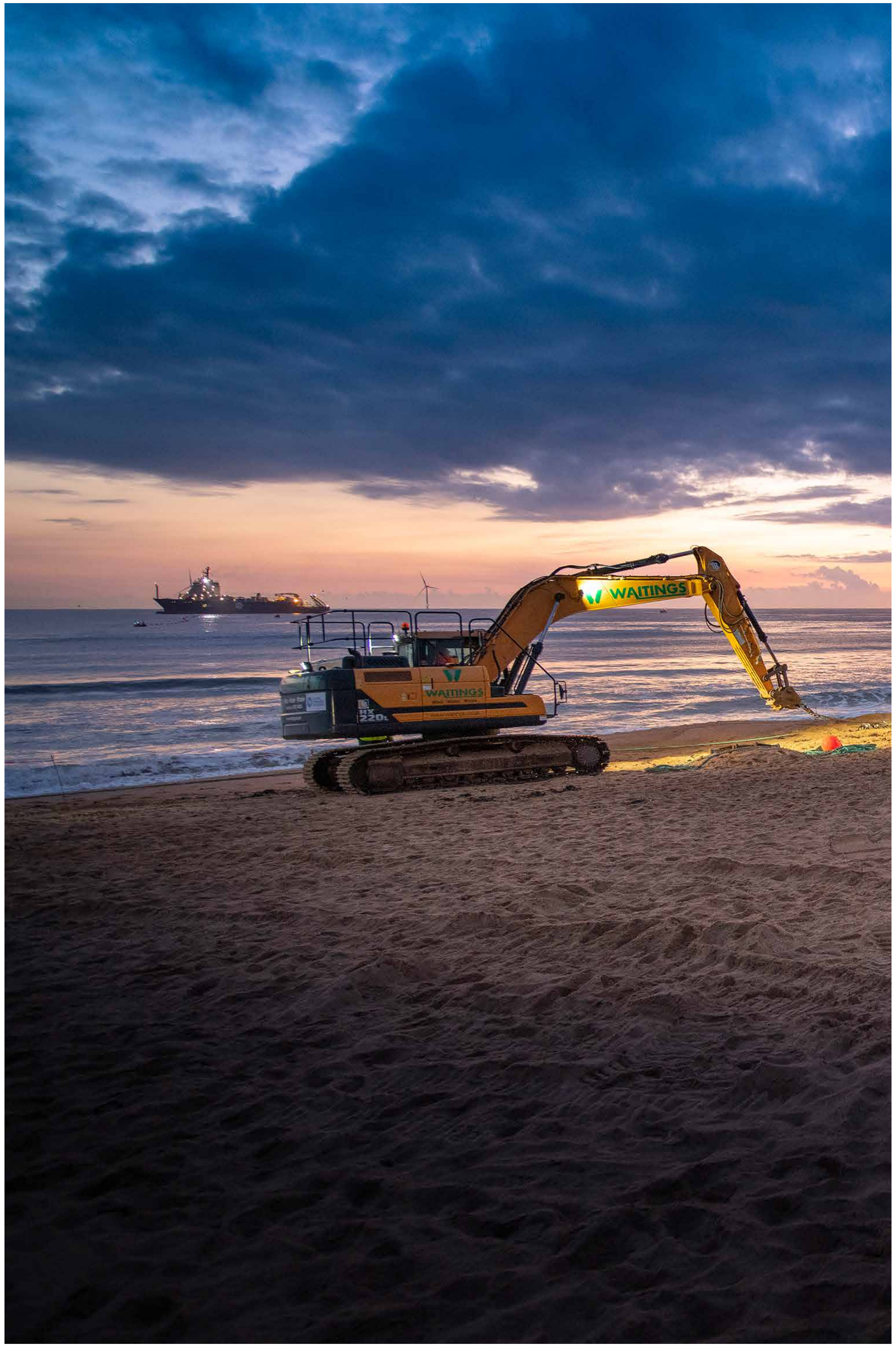

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Note 4

Segment information

Bulk Infrastructure Group has the following strategic operating segments by December 31, 2022
presented in accordance with internal reporting to management

Operating activities are based in Norway, Denmark and the United Kingdom.

Operating profit and loss after segment 31.12.22	**Industrial Real Estate**		**Data Centers**		**Fiber Networks**		**Group/other**		**Eliminated**		**Total**	
(Figures in NOK '000)	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Rental income*	147,528	83,342	19,576	-	8,561	4,567	1,408	-	-	-	177,073	87,909
Revenue property sales	-8,269	182,537	-	-	-	-	-	-	-	-	-8,269	182,537
Revenue from sales*	-	-	71,374	58,507	1,930	1,472	-	-	-1,994	-	71,310	59,979
Other revenue	6,147	8,852	28,099	23,712	1,302	943	70,158	60,777	-69,691	-59,035	36,015	35,248
- Shared costs tenants	6,147	5,685	2,157	6,350	-	-	-	-	-	-	8,304	12,035
- Leasehold improvements	-	3,166	-	-	-	-	-	-	-	-	-	3,166
- Electricity	-	-	25,942	16,293	820	-	-	-	-	-	26,762	16,293
- Business management/other	-	-	-	1,069	483	943	70,158	60,777	-69,691	-59,035	949	3,754
Total revenue and other income	**145,406**	**274,731**	**119,049**	**82,219**	**11,793**	**6,981**	**71,565**	**60,777**	**-71,686**	**-59,035**	**276,129**	**365,673**
Property-related expenses	13,510	12,269	7,723	-	-	-	-	-	-	-	21,233	12,269
Cost of property sales	-	173,883	-	-	-	-	-	-	-	-	-	173,883
Cost of sales	-	-	51,924	48,537	15,822	12,755	-	-	-	-	67,746	61,291
Other cost	57,124	46,637	206,386	155,092	48,212	54,586	71,402	67,472	-62,739	-59,035	320,386	264,751
Total expenses	**70,634**	**232,789**	**266,034**	**203,628**	**64,034**	**67,341**	**71,402**	**67,472**	**-62,739**	**-59,035**	**409,365**	**512,195**
Operating profit before fair value adjustments on investment properties	**74,772**	**41,942**	**-146,985**	**-121,410**	**-52,241**	**-60,360**	**164**	**-6,694**	**-8,947**	**-**	**-133,237**	**-146,522**
Fair value adjustments on investment properties	-369,200	1,352,819	-	-	-	-	-	-	-	-	-369,200	1,352,819
Operating profit	**-294,428**	**1,394,761**	**-146,985**	**-121,410**	**-52,241**	**-60,360**	**164**	**-6,694**	**-8,947**	**-**	**-502,437**	**1,206,297**
Net financial items	**-100,095**	**14,276**	**40,533**	**-11,389**	**-17,049**	**-8,297**	**20,326**	**-5,992**	-	-	-56,286	-11,402
Profit before income tax	**-394,523**	**1,409,037**	**-106,452**	**-132,798**	**-69,290**	**-68,657**	**20,490**	**-12,687**	**-8,947**	**-**	**-558,722**	**1,194,895**
Income tax expense	-63,735	307,719	-36,887	-22,634	-12,480	-14,245	-3,074	-3,831	-	-	-116,176	267,009
Profit for the year	**-330,788**	**1,101,318**	**-69,565**	**-110,164**	**-56,810**	**-54,412**	**23,564**	**-8,856**	**-8,947**	-	-442,546	927,885
Other comprehensive income	14,063	-1,082	4,615	-5,402	-261	67	-	-	-	-	18,417	-6,417
Other comprehensive income for the year, net of tax	**14,063**	**-1,082**	**4,615**	**-5,402**	**-261**	**67**	**-**	**-**	**-**	-	18,417	-6,417
Total comprehensive income	**-316,725**	**1,100,236**	**-64,950**	**-115,567**	**-57,071**	**-54,345**	**23,564**	**-8,856**	**-8,947**	**-**	**-424,129**	**921,468**

*Income related to dark fiber on IRU contracts has been reclassified from “Revenue from sales” to “Rental income” in 2021 figures to align with 2022 presentation, which is in line with IFRS 16.
Please also see note 2 for further explanation of the segments

Note 5

Rental income

(Figures in NOK '000)	2022	2021
Recognized rental income		
Recognized minimum rent from minimum payments	147,528	83,342
Recognized variable rent	-	-
Total income from rent	**147,528**	**83,342**

The rental income presented here is only related to investment property.
Future minimum payments to be received under non-cancellable leases:

	2022	2021
Within 1 year	190,995	150,688
During year 2	204,942	187,196
During year 3	192,196	157,188
During year 4	191,201	187,994
During year 5	189,037	181,827
After 5 years	834,343	924,354
Total	**1,802,714**	**1,789,248**

Carrying amount of assets leased under operating leases are as follow:

	31.12.2022	31.12.2021
Investment property	4,628,451	4,184,248
Total	**4,628,451**	**4,184,248**

Note 6

Investment property and inventories property

Investment property

(Figures in NOK '000)	2022	2021
Fair value 01.01	4,184,248	1,777,179
Additions:		
- Capital expenditure	676,821	399,046
- Acquisition of property	131,446	693,965
- Sale of real estate infrastructure	-29,647	0
- Minority share of acquisition of property	-	18,702
- Sale of property	-	-
Transferred to property under development	-	-43,160
Currency translation on property in foreign subsidiaries	34,783	-14,304
Changes in fair value	-369,200	1,352,819
Fair value 31.12	**4,628,451**	**4,184,248**

Income and expenses from investment property		
Income from rent	147,528	83,342
Other revenue - shared cost tenants	6,147	5,685
Expenses related to leased property	13,510	12,269

Overview over input used for valuation	2022	2021
Valuation level	3	3
Valuation model	DCF	DCF
Fair value as of December 31	4,628,451	4,184,248
Estimated CPI	4,0 %	5,1 %
Total sqm	234,439	220,247
Current rent per sqm (range)	527 - 2,146	444 - 2,060
Current rent per sqm (average)	1,014	972
Remaining lease period actual contracts (range)	3,3 - 16,4	0,8-17,7
Remaining lease period actual contracts (average)	8,3	7,7
Market rent per sqm (range)	519 - 1,700	464 - 1,602
Market rent per sqm (average)	1,060	1,109
Actual vacancy	0,7 %	1,8 %
Valuation yield/discount rate (range)	4,34% - 6,97%	4,13% - 6,75%
Valuation yield/discount rate (average)	5,27%	4,60%

All investment properties are valued using discounted cash flow. Key factors are ongoing revenue and expenses relating to the property, market lease, discount factor and inflation. Macro economic assumptions are used, but each property is also subject to individual appraisal. To determine each discount rate, the property location, attractiveness, quality and the general market conditions for real estate, credit market, solidity of tenants and contracts are considered. The sensitivity when evaluating fair value for investment property is connected to yield, interest rate level, inflation (CPI) and marked lease for the properties.

Future leasing payments: The payments are estimated based on actual location, type and condition of the current building. The estimates are supported by existing leases, as well as recently lease agreements for similar properties in the same area.

Discount rate: The discount rate is based on existing market rates, adjusted for the estimated uncertainty in terms of size and future cash flows.

Estimated vacancies : The estimate is firmly set on the basis of the actual market conditions and the expected market conditions at the end of existing leases.

Cost of Ownership: The cost of ownership expenses are estimated based on the estimated maintenance costs regarding maintaining the building's capacity over its economic lifetime.

Fair value of investment property

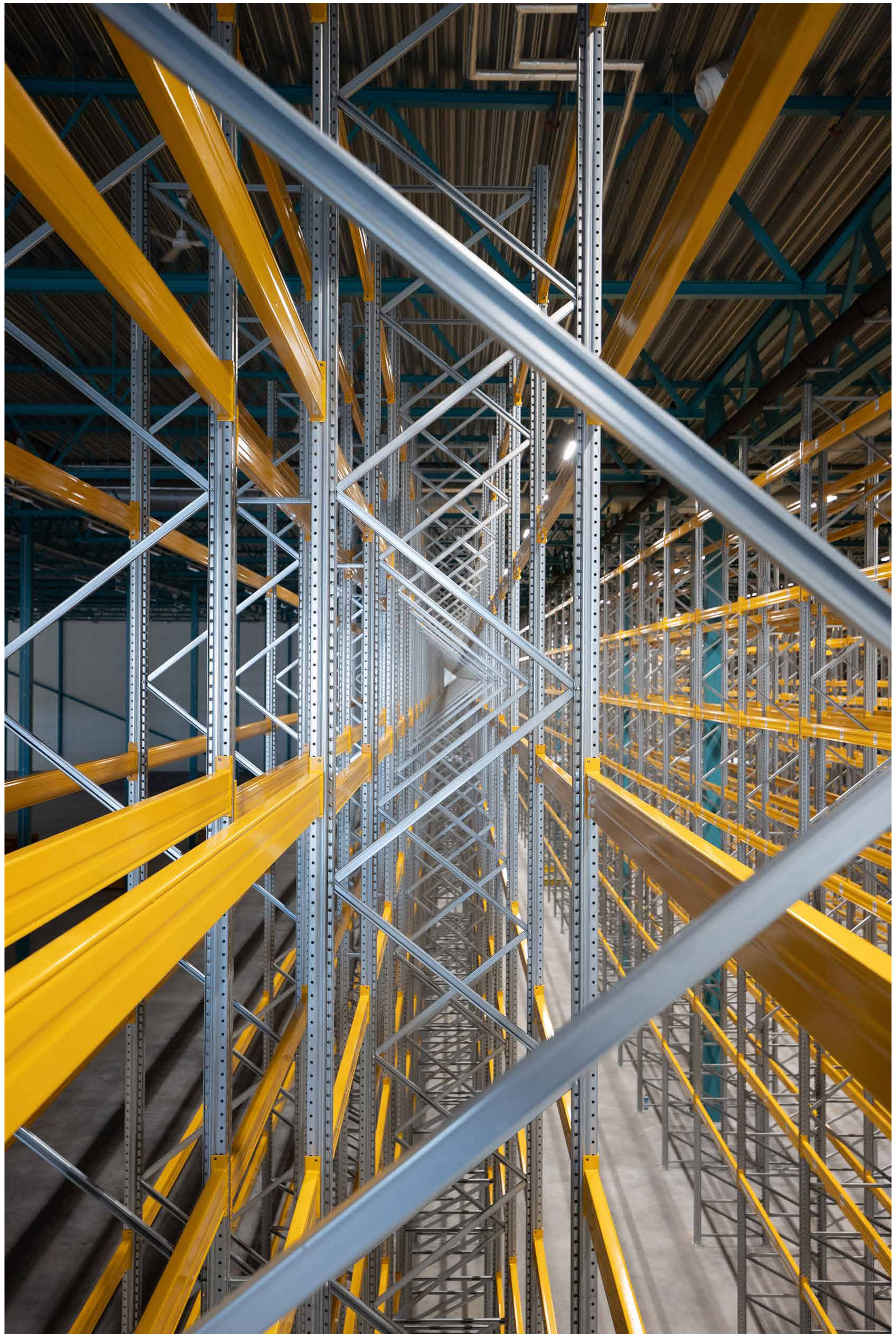
Investment property is recognized at fair value based on estimation of value from an independent party, Malling & Co. The valuation is carried out semi-annually, last performed as of December 31, 2022.

The sensitivity of the fair value of investment properties are thus among others associated yield, interest rates, inflation (CPI) and the market rent for the properties. As indicated below are the separate effects of changes in these variables (amounts in NOK million):

		Fair value change	
Variables	**Changes in variables**	**+**	**-**
Yield	+/- 0.25%	-344	379
Market rent	+/- 5%	334	-333

Property under development

(Figures in NOK '000)	**2022**	**2021**
Inventory value 01.01	-	19,599
Additions:		
- Reclassification from invenstment property	-	43,160
- Additions	-	112,181
- Sale of inventory property under development	-	-174,939
Inventory value 31.12	**-**	**-**



Note 7

Other operating expenses

Administration costs		
(Figures in NOK '000)	**2022**	**2021**
Staff costs (see note 8)	110,601	99,318
Depreciation (see note 15 and 16)	77,769	36,150
Impairment (see note 15)	-	16,948
Management, accounting, legal and consulting fees	37,624	31,934
Auditors	6,873	4,398
Depreciation right-of-use assets	12,696	4,243
Other operating expenses	74,823	71,761
Total other operating expenses	**320,386**	**264,751**

Audit fees	**2022**	**2021**
Statutory audit (including technical assistance with reporting)	5,387	3,488
Other services not related to auditing	1,040	910
Other assurance services	446	-
Total audit costs	**6,873**	**4,398**

The group recognised no operating expenses related to investment property that did not generate rental income in 2022.

Note 8

Employee benefit expense

(Figures in NOK '000)	**2022**	**2021**
Salaries and remuneration	109,843	86,662
Social security costs	14,642	11,503
Pension cost for defined contribution plan	2,868	1,936
Share-based payments*	11,546	8,947
Other employee expenses	3,437	3,746
Capitalized wages	-20,189	-13,476
Total payroll costs	**110,601**	**99,318**
Number of employees at 31 December	81	70

Pursuant to the Norwegian Act on Mandatory Occupational Pension, Bulk Infrastructure Group AS, must operate certain pension plans. The company has plans which satify these requirements (a defined contribution plan for all employees).

*Share-based payments have been assessed in 2022, which resulted in an alteration in the 2021 figures.
Refer note 9 for further information.

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Remuneration of senior management and the Board of directors 2022

Name	**Title**	**Salary**	**Bonus**	**Pension**	**Board fee**	**Other benefits**
Jon Gravråk	CEO	3,441	2,378	38	-	237
Gaute Krekling	CFO	2,183	272	38	-	123
Peder Nærbø	Executive Chair	4,300	-	38	-	12
Torbjørn T. Moe	Chief Business Development Officer	2,565	499	38	-	144
Nina Hage	EVP, Industrial Real Estate	2,430	417	38	-	15
Gisle M. Eckhoff	EVP, Data Center	2,370	333	38	-	14
Inger Gløersen Folkeson	COO, EVP Fiber Networks	1,838	143	38	-	123
Total		**19,126**	**4,041**	**269**	**-**	**668**

Remuneration of senior management and the Board of directors 2021

Name	**Title**	**Salary**	**Bonus**	**Pension**	**Board fee**	**Other benefits**
Jon Gravråk	CEO	3,233	913	35	-	151
Gaute Krekling	CFO	2,106	182	35	-	124
Peder Nærbø	Executive Chair	2,758	2,669	35	150	80
Torbjørn T. Moe	EVP Business Areas	2 484	413	35	150	144
Nina Hage*	EVP, Industrial Real Estate	1,042	-	28	-	8
Gisle M. Eckhoff*	EVP, Data Center	833	-	22	-	4
Inger Gløersen Folkeson*	COO, EVP Fiber Networks	721	-	18	-	41
Total		**13,177**	**4,176**	**209**	**300**	**551**

*Nina Hage was employed August 2, 2021. Gisle M. Eckhoff was employed September 1, 2021. Inger Gløersen Folkeson was employed August 16, 2021.

In the event of resignation, the CEO, CFO and the EVPs are entitled to 6 months of salary.

Shares held by executive officers and directors
The following board members and chief executives have indirect ownership in Bulk Infrastructure Group AS:

			Ownership	**Capital ratio**
Peder Nærbø	Executive Chair	indirect ownership	52,7%	52,7%
Torbjørn T. Moe	Board member	indirect ownership	3,7%	3,7%

CEO Jon Gravråk and CFO Gaute Krekling have ownership of 3% and 0,75%, respectively, of Klub Bulk AS, which indirectly owns 3,69% of the total number of shares in Bulk Infrastructure Group AS.

Mangement has shares in Klub Bulk AS. There is an agreement in place regarding future repurchase of shares in Bulk Infrastructure Holding AS at market price. The agreement runs over 5 years, of which 2 years remain. Refer note 9 for further information.

Note 9

Share-based payments

Key Employee Share Option Plan

The parent company of Bulk Infrastructure Group AS, Bulk Infrastructure Holding AS, established a share option plan in the end of 2021. The plan is effective as of January 1, 2022. The relevant employees is employed in Bulk Infrastructure Group AS and subsidiaries, as such the option cost is accounted for in this Group. The options are synthetic, hence the employee receives no ownership rights. The Employee Option Plan is designed to provide long-term incentives for key employees and executives to deliver long-term shareholder returns. Under the plan, participants are granted options which vest by 1/3 each year over a period of three years. The options may be realized in the period January 1, 2025 to September 1, 2026. Participation in the plan is at the board's discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

In the given period of realization, 25 % of the options has to be exercised upon each realization. The gain depends on Bulk Infrastructure Holding AS's total shareholder return, including share price growth, dividends and capital returns.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, any gain from the options are paid as an extraordinary bonus within three months of realization. The gain will only become payable if the employee is still employed and not in resignation at the time of payment.

The exercise price of options is based on the weighted average price at which the company's shares are traded in share issues targeting minority interests.

Set out below are summaries of options granted under the plan:

(Figures in NOK '000)		2022		2021
	Average exercise price per share option	**Number of options**	**Average exercise price per share option**	**Number of options**
As at January 1	-	-	-	-
Granted during the period	19,94	902,570	-	-
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
As at December 31	19,94	902,570	-	-

The share option plan was effective January 1, 2022. As such, all options are presented as granted as of December 31, 2022. Options can not be exercised until January 1, 2025.

Share options outstanding at the end of the period have the following expiry dates and exercise prices:

Grant date	**Expiry date**	**Exercise price**	**Share options Dec 31, 2022**	**Share options Dec 31, 2021**
January 1, 2022	September 1, 2026	19,94	902,570	-

Fair value of options granted

The assessed fair value at grant date of options granted during the period ended December 31, 2022 was NOK 19,943 per option. The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option, and the correlations and volatilities of the peer group companies.

The model inputs for options granted during the period ended December 31, 2022 included:

a) options are granted for no consideration and vest based on Bulk Infrastructre Holding AS ranking within a peer group of 16 selected companies over a four-year period. Vested options are exercisable for a period of 1,75 years after vesting
b) exercise price: NOK 19,943
c) grant date: January 1, 2022
d) expiry date: September 1, 2026
e) share price at grant date: NOK 19,943
f) expected price volatility of the company's shares: 37%
g) expected dividend yield: 0
h) risk-free interest rate: 3,1 %

The expected price volatility is based on the historic volatility of 16 peer group companies, adjusted for dividend and stock splits.

Management incentive program - Klub Bulk AS

The parent company of Bulk Infrastructure Group AS, Bulk Infrastructure Holding AS, established a management incentive program through the company Klub Bulk AS in the end of 2019. The program was effective as of January 1, 2020. Based on an updated assessment of the program in Klub Bulk AS, a new conclusion has been drawn for the financial treatment of the program and the related commitment. The treatment of the commitment is in line with IFRS 2 Share-based payments. As such, the effect of the program is calculated and accounted for in 2022 for the first time. The accumulated effects from the beginning of the program in 2020 is incorporated in the comparative figures for 2021.

The incentive program is designed to provide long-term incentives for management to deliver shareholder returns. Under the program, participants are granted A- and B-shares, of which the B-shares are preference shares. A portion of the A-shares has an option element and are assessed as options when accounted for in the financial statements. The rights of the shares are the same, except that the B-shares have a right to an annual return equal to 8% of the face value of the shares. The shares granted give voting rights, but carry no dividend.

The program runs over a period of 60 to 80 months from the effective date of the program. After 60 months, the management share-holders has a right, but no obligation, to exercise a put option, which needs to include a minimum of 25% of the A- and B-shares. After 80 months, The Company has a right, but no obligation to purchase all of the shares in Klub Bulk AS related to the management incentive program.

Set out below are summaries of the option element of the A-shares granted under the program:

		2022		2021
	Average exercise price per share	**Number of A-shares**	**Average exercise price per share**	**Number of A-shares**
As at January 1	158,94	55,278	158,94	55,278
Granted during the period	-	-	-	-
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
As at December 31	**158,94**	**55,278**	**158,94**	**55,278**

Shares outstanding at the end of the period have the following expiry dates and exercise prices:

Grant date	**Expiry date**	**Exercise price**	**A-shares December 31, 2022**	**A-shares December 31, 2021**
January 1, 2020	December 31, 2025	158,94	55,278	55,278

Fair value of shares granted

The assessed fair value of the shares upon establishment of the program was NOK 100,16 per share as of January 1, 2020. The fair value is determined by using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the shares, and the correlations and volatilities of the peer group companies.

The model inputs for the calculation for the period ended December 31, 2022 included:

a) shares vest until December 31, 2024. Vested shares are exercisable for a period of 20 months after vesting
b) exercise price: NOK 158,94
c) grant date: January 1, 2020
d) expiry date: December 31, 2025
e) share price at grant date: NOK 100,16
f) expected price volatility of the company's shares: 37%
g) expected dividend yield: 0
h) risk-free interest rate: 3,1 %

The expected price volatility is based on the historic volatility of 16 peer group companies, adjusted for dividend and stock splits.

Note 10

Joint venture and associated companies

Acquisition of AE Bulk Co-Invest AS

On January 19, 2022, Bulk Infrastructure Group AS acquired additional 50 % of the shares in AE Bulk Co-Invest AS from Akershus Energi. With the acquisition follows a ownership share of 25% in Berger Terminal Holding II AS, which is treated as an investment in associated company. With that, the Group takes full ownership of AE Bulk Co-Invest AS, and the company is consolidated in full from January 2022.

The acquisition is treated as an asset acquisition. The conclusion is made based on the identification of the individual asset related to the ownership of shares in Berger Terminal Holding II AS. The acquisition resulted in a gain from the fair value of the remeasurment of previously held equity investment amounting to NOK 2.4 million.

Acquisition of OS-IX Eiendom Holding AS

On January 19, 2022, Bulk Data Centers AS acquired additional 50 % of the shares in OS-IX Eiendom Holding AS. As such, the company is no longer condisered an associated company, but a fully consolidated subsidiary. Refer note 11 for further information.

Associated companies 2022

(Figures in NOK '000)	Foundation / Acquisition date	Country	Office location	Owner-ship	Book value 01.01	Share issues / dividends	Share of net profit after tax	Book value 31.12
Berger Terminal Holding II AS	19.01.2022	Norway	Oslo	25%	47,703	-2,275	15,320	60,749
Bulk Park Enebakk AS	06.07.2020	Norway	Oslo	50%	134,235	93	-58,310	76,018
Total					**181,939**	**-2,182**	**-42,990**	**136,767**

Associated companies 2021

(Figures in NOK '000)	Foundation / Acquisition date	Country	Office location	Owner-ship	Book value 01.01	Share issues / dividends	Share of net profit after tax	Book value 31.12
OS-IX Eiendom Holding AS	20.11.2015	Norway	Oslo	50%	118,717	-	-1,356	117,361
AE Bulk Co-Invest AS	02.11.2016	Norway	Oslo	50%	19,817	-650	18,449	37,616
Bulk Park Enebakk AS	06.07.2020	Norway	Oslo	50%	108,506	-34,445	60,174	134,235
Total					**247,040**	**-35,095**	**77,267**	**289,212**

Summary of financial information in the consolidated financial statement of Berger Terminal Holding II AS on 100% basis in accordance with IFRS

Income statement:

(Figures in NOK '000)	2022	2021
Total income	**20,517**	**20,017**
Total expenses	**1,539**	**834**
Operating profit before fair value adjustments on investment properties	**18,978**	**19,183**
Fair value adjustments on investment properties	70,000	135,000
Operating profit	**88,978**	**154,183**
Net financial items	**-11,844**	**-8,568**
Profit before income tax	**77,134**	**145,615**
Income tax expense	15,853	31,669
Profit for the year	**61,281**	**113,946**

Balance sheet:		
Assets		
Non-current assets	605,000	535,000
Current assets	11,434	7,392
- Cash and cash equivalents	11,191	6,697
Total assets	**616,434**	**542,392**
Equity and liabilities		
Equity	256,276	163,522
Current liabilities	8,126	1,789
Non-Current liabilities	352,032	377,081
- Deferred tax	31,032	56,081
Total Equity and liabilities	**616,434**	**542,392**

Reconciliation of carrying amount

	Shareholding (%)	2022	2021
Net assets	100%	256,276	-
Group's shareholding in the company	25%	64,069	-
Carrying amount of Group's shareholding	**25%**	**64,069**	**-**

Summary of financial information in the consolidated financial statement of Bulk Park Enebakk AS on 100% basis in accordance with IFRS

Income statement:

(Figures in NOK '000)	**2022**	**2021**
Total income	**2,223**	**2,303**
Total expenses	**853**	**1,265**
Operating profit before fair value adjustments on investment properties	**1,371**	**1,037**
Fair value adjustments on investment properties	-105,529	163,353
Operating profit	**-104,159**	**164,390**
Net financial items	**-6,580**	**-10,098**
Profit before income tax	**-110,739**	**154,292**
Income tax expense	31,424	-33,944
Profit for the year	**-79,315**	**120,348**

Balance sheet:		
Assets		
Non-current assets	301,194	438,264
Current assets	19,979	30,696
- Cash and cash equivalents	17,596	14,184
Total assets	**321,173**	**468,960**
Equity and liabilities		
Equity	120,824	236,161
Current liabilities	5,530	6,430
- current financial liabilities other than accounts payable and provisions	-	6,158
Non-current liabilities	194,819	226,369
- non-current financial liabilities other then accounts payable and privisions	-	-
-Deferred tax	40,671	72,094
Total Equity and liabilities	**321,173**	**468,960**

Reconciliation of carrying amount

	Shareholding (%)	**2022**	**2021**
Net assets	100%	120,824	236,161
Group's shareholding in the company	50%	60,412	118,081
Added value	50%	-	-
Carrying amount of Group's shareholding	**50%**	**60,412**	**118,081**

Note 11

Business combinations and acquisitions

Acquisistion of OS-IX Eiendom Holding AS
On January 19, 2022, Bulk Data Centers AS acquired additional 50 % of the shares in OS-IX Eiendom Holding AS from Akershus Energi AS. Acquiring the final 50 % of OS-IX is a natural step in Bulk's strategy to scale a pan-Nordic platform of sustainable data centers. With that, the Group takes full ownership of the OS-IX data center, and the company is consolidated from January 2022.

The acquisition is treated as a business combination and accounted for using the acquisition method. The consideration transferred is measured at acquisition date fair value. No non-controlling interests were acquired. The acquisition resulted in a gain from the fair value of the remeasurment of previously held equity investment amounting to NOK 87.6 million. Goodwill arising from the acquisition was calculated to NOK 2 million. The consideration for the company was paid partly in January and with a seller's credit settled in June 2022.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of OS-IX Eiendom Holding AS as at the date of acquisition were:

Assets	**Fair value recognised on acquisition**
Property, plant and equipment	763,526
Patents and licenses	1,267
Deferred tax asset	13,248
Interest rate swap	1,675
Inventories	738
Trade and other receivables	29,309
Cash and cash equivalents	12,962
	822,725
Liabilities	
Borrowings	300,000
Other long-term debt	10,077
Trade and other payables	50,230
Deferred tax liability	54,489
	414,795
Purchase consideration	
Total consideration	205,000

The fair value of the trade and other receivables equals the gross value and amounts to NOK 29,309,464. It is expected that the full contractual amounts can be collected.

The deferred tax asset relates to losses carried forward and temporary differences related to property, plant and equipment.

The goodwill of NOK 2,069,960 comprises the value of expected synergies arising from the acquisition. None of the goodwill recognised is expected to be deductable for income tax purposes.

The deferred tax liability mainly comprises the tax effect of the added value on property. In addition, some deferred tax is related to fair value interest rate swaps.

Note 12

Financial income and costs

(Figures in NOK '000)	**2022**	**2021**
Share of profit/loss(-) of investments accounted for using the equity method	-42,990	77,267

	2022	**2021**
Remeasurement gain of previous held equity investments	90,056	-

Finance income

	2022	**2021**
Interest income	8,306	1,051
Currency gain	94,086	16,589
Other finance income	239	1,603
Total finance income	**102,631**	**19,243**

Finance costs

	2022	**2021**
Interest expense on borrowings measured at amortised cost	158,474	74,540
Finance expense on derivatives	2,046	2,711
Currency loss	61,945	31,311
Other finance costs	10,585	4,250
Total finance costs	**233,049**	**112,812**
Net financial items	**-83,353**	**-16,303**

Net gains / losses on financial assets / liabilities valued at fair value

Derivatives	**2022**	**2021**
Fair value adjustments on derivatives	27,067	4,901
Net gain on financial instruments at fair value	**27,067**	**4,901**

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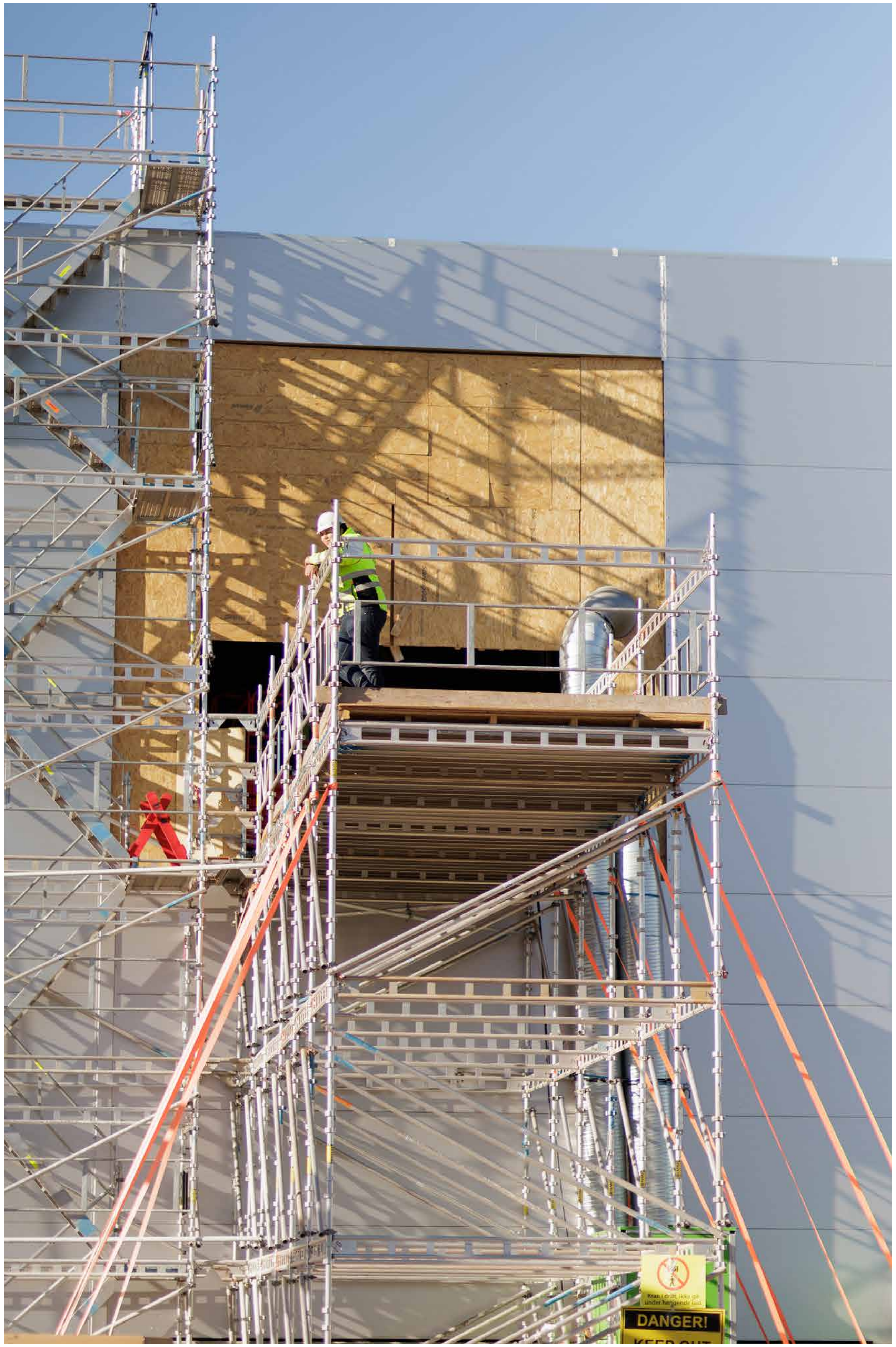

Note 13

Tax

(Figures in NOK '000)	Loss carried forward	Investment property	Financial derivatives	Real Estate and fixed assets	Other items	Total deferred tax/ (-)tax assets
Changes in deferred tax/(-)tax assets						
01.01.2022	-174,608	467,761	-2,130	-	-572	290,451
Changes in deferred tax	-85,682	-42,790	1,089	14,341	-3,134	-116,176
Changes related to purchased/sold companies	-5,409	45,309		2,117	-713	41,304
31.12.2022	**-265,700**	**470,281**	**-1,041**	**16,458**	**-4,419**	**215,580**

(Figures in NOK '000)	Loss carried forward	Investment property	Financial derivatives	Profit and loss account	Other items	Total deferred tax/ (-)tax assets
Changes in deferred tax/(-)tax assets						
01.01.2021	-140,026	147,425	-3,208	-	5,825	10,017
Changes in deferred tax	-34,718	307,046	1,078		-6,398	267,009
Changes related to purchased/sold companies	135	13,290				13,425
31.12.2021	**-174,608**	**467,761**	**-2,130**	**-**	**-572**	**290,451**

(Figures in NOK '000)	2022	2021
Reconciliation net recognized deferred tax /(-)tax assets		
01.01.	290,451	10,017
Change related to purchased/sold companies	41,304	13,425
Deferred tax expense (income) recognized in profit and loss	-116,176	267,009
Net recognized deferred tax liability 31.12	**215,580**	**290,451**

(Figures in NOK '000)	2022	2021
Current income tax liabilities		
Current income tax	-	-
Change in prior years	-	-
Total current income tax liabilities	**-**	**-**

	2022	2021
Loss carried forward		
No expiring date	-1,207,727	-793,674
Total loss carried forward	**-1,207,727**	**-793,674**

There is no deferred tax recognized in comprehensive income.

Income tax

(Figures in NOK '000)	2022	2021
Tax payable		
Change in deferred tax	-116,176	267,009
Income tax expense	**-116,176**	**267,009**
Profit before income tax	-558,722	1,203,841
Income tax expense calculated at 22 %	-122,919	264,845
Permanent differences	6,743	101,282
Non taxable revenue	-	-99,118
Income tax expense	**-116,176**	**267,009**
Effective tax rate	20,8 %	22,2 %

*The difference between change in deferred tax in the P&L and change in deferred tax in the Balance sheet is related to deferred tax positions taken over from purchased companies, which is not accounted for in the P&L but booked to Equity.

Note 14

Goodwill and impairment

The goodwill included in the balance sheet is related to the acquisition of OS-IX Eiendom Holding AS on January 19, 2022. Refer note 11 for further information. As the acquisition was carried out in the current period, the value of the company and the corresponding goodwill is still considered to be valid as of year-end. There has not been any significant changes in the valuation factors. As such, the factors applied as a basis for the acquisition were also the basis for the impairment test at yearend. No indicators of impairment was identified.

Note 15

Intangible assets

(Figures in NOK '000)	Goodwill	Software licenses	Other intangible assets	Total
Cost				
Balance at January 1, 2022	16,948	1,895	1,053	19,896
Additions	2,070	-	12,015	14,085
Acquisition of OS-IX			1,267	1,267
Balance at December 31, 2022	19,018	1,895	14,335	35,248
Balance at January 1, 2021	16,948	1,895	3,695	22,538
Additions	-	-	2	2
Reclassification to PPE	-	-	-2,644	-2,644
Balance at December 31, 2021	16,948	1,895	1,053	19,896
Accumulated amortization and impairment				
Balance at January 1, 2022	16,948	1,380	123	18,451
Amortization charge for the year	-	330	715	1,045
Balance at December 31, 2022	16,948	1,709	839	19,496
Balance at January 1, 2021	-	1,013	49	1,062
Amortization charge for the year	-	367	74	441
Impairment	16,948	-	-	16,948
Balance at December 31, 2021	16,948	1,380	123	18,451
Net book value				
At January 1, 2022	**-**	**515**	**930**	**1,445**
At December 31, 2022	**2,070**	**186**	**13,497**	**15,752**
At January 1, 2021	**16,948**	**882**	**3,646**	**21,475**
At December 31, 2021	**-**	**515**	**930**	**1,445**

Current estimates of useful economic life of intangible assets are as follows:

Goodwill: indefinite
Software licenses: 3-5 years
Software under development: n.a.

Note 16

Property, plant & Equipment

(Figures in NOK '000)	Datacenter buildings	Datacenter technical infrastructure	Datacenter land	Under con-struction	Other fixed assets	Fiber infra-structure	Total
Accumulated cost							
Balance at January 1, 2022	213,212	430,859	122,556	67,224	25,727	578,227	1,437,804
Additions	2,621	65,711	31,229	328,547	4,165	66,158	498,432
Other adjustments - currency	6,484	447	366	426	-	3,406	11,130
Reclassification to Right-of-use assets	-	-	-	-	-	-40,931	-40,931
Reclassification to Assets held for sale*	-	-	-	-	-	-144,248	-144,248
Aquisition of OS-IX	480,278	389,885	36,395	56,640	-	-	963,198
Balance at December 31, 2022	**702,595**	**886,902**	**190,547**	**452,838**	**29,892**	**462,612**	**2,725,385**
Balance at January 1, 2021	215,612	318,696	110,893	25,902	22,945	770,135	1,464,184
Additions	4,013	112,533	11,871	39,047	2,782	151,026	321,273
Disposals	-	-	-	-	-	-206,074	-206,074
Transfer from assets under construction	-6,414	-371	-208	-368	-	-428	-7,789
Reclassification from intangible assets	-	-	-	2,644	-	-	2,644
Exchange differences	-	-	-	-	-	-136,434	-136,434
Balance at December 31, 2021	**213,212**	**430,859**	**122,556**	**67,224**	**25,727**	**578,227**	**1,437,804**
Accumulated depreciation							
Balance at January 1, 2022	17,939	56,191	3,015	-	15,761	16,210	109,114
Depreciation charge for the year	19,761	37,875	1,206	-	6,033	11,849	76,724
Other adjustments - currency	174	194	5	-	-	31	404
Acquisition of OS-IX	119,433	80,724	-	-	-	-	200,157
Balance at December 31, 2022	**157,307**	**174,984**	**4,225**	**-**	**21,793**	**28,090**	**386,399**
Balance at January 1, 2021	9,935	41,831	2,170	-	12,549	7,461	73,946
Depreciation charge for the year	8,129	14,753	866	-	3,212	8,749	35,709
Other adjustments - currency	-126	-393	-21	-	-	-	-540
Balance at December 31, 2021	**17,939**	**56,191**	**3,015**	**-**	**15,761**	**16,210**	**109,114**
Net book value							
At January 1, 2022	**195,273**	**374,668**	**119,542**	**67,224**	**9,966**	**562,017**	**1,328,690**
At December 31, 2022	**545,288**	**711,918**	**186,321**	**452,838**	**8,098**	**434,522**	**2,338,985**
At January 1, 2021	**205,678**	**276,865**	**108,723**	**25,902**	**10,396**	**762,674**	**1,390,238**
At December 31, 2021	**195,273**	**374,668**	**119,542**	**67,224**	**9,966**	**562,017**	**1,328,690**
Expected useful economic life	50 years	5-35 years	-	-	4-10 years	20-30 years	

All property, plant and equipment is located in Norway, Denmark, United Kingdom and Ireland.

*In December 2022 a customer exercised an option to acquire fiber on the Havfrue cable system.
The sale is expected to be completed during Q1 2023.

Note 17

Investments in subsidiaries, joint ventures and associated companies

Group:
Bulk Infrastructure Group AS

Subsidiaries:	**Office location**	**Vote- / Ownership 31.12**
Bulk Industrial Real Estate AS	Oslo	100,0 %
Bulk Eiendom Farex AS	Oslo	100,0 %
Bulk Lindeberg II AS	Oslo	100,0 %
Bulk Lindeberg V AS	Oslo	100,0 %
Bulk Lindeberg VI AS	Oslo	100,0 %
Bulk Gardermoen IV AS	Oslo	100,0 %
Bulk Vinterbro II AS	Oslo	100,0 %
Bulk Eiendom Vestby II AS	Oslo	100,0 %
Bulk Vestby I AS	Oslo	100,0 %
Bulk Marina AS	Oslo	100,0 %
Bulk Berger IV AS	Oslo	100,0 %
Bulk Forus AS	Oslo	100,0 %
Bulk Eiendom Solgaard Skog AS	Oslo	100,0 %
Logibulk I AS	Oslo	100,0 %
Bulk Ormlia AS	Oslo	100,0 %
Hofstad Næring 5 AS	Oslo	100,0 %
Hofstad Næring 10 AS	Oslo	100,0 %
Bulk Industrial Real Estate ApS	Copenhagen, Denmark	100,0 %
Bulk Jernholmen ApS	Copenhagen, Denmark	100,0 %
Logistik Terminal Køge ApS	Copenhagen, Denmark	100,0 %
Bulk Lindeberg VII AS	Oslo	100,0 %
Bulk Lindeberg IX AS	Oslo	100,0 %
Bulk Lindeberg X AS	Oslo	100,0 %
Bulk Vestby Nord AS	Oslo	100,0 %
Bulk Langhus AS	Oslo	100,0 %
Bulk Danebuåsen AS	Oslo	100,0 %
Bulk Enebakk AS	Oslo	100,0 %
Bulk Vestby II AS*	Oslo	100,0 %
Bulk Park Enebakk II AS	Oslo	51,0 %
C5 Invest AS	Oslo	51,0 %
AE Bulk Co Invest AS	Oslo	100,0 %
Bulk Data Centers AS	Oslo	100,0 %
Bulk Data Centers OS-IX AS	Oslo	100,0 %
Bulk Data Centers N01 AS	Oslo	100,0 %
N01 Utilities AS	Oslo	100,0 %
N01 Real Estate AS	Oslo	100,0 %
Bulk Data Centers DK01 ApS	Esbjerg, Denmark	100,0 %
Bulk Infrastructure UK Ltd	London, UK	100,0 %
Bulk Fiber Networks AS	Oslo	100,0 %
Electric City-Link Norway AS	Oslo	100,0 %
Optibulk Skagerak AS	Oslo	100,0 %
Optibulk Havfrue AS	Oslo	100,0 %
Infragreen Communications AS	Oslo	100,0 %
Bulk Fiber Networks Denmark ApS	Copenhagen, Denmark	100,0 %
Bulk Fiber Networks UK Ltd	London, UK	100,0 %
Bulk Fiber Networks Ireland Limited	Dublin, Ireland	100,0 %
Bulk Powered Land AS	Oslo	100,0 %
Norway as a Service AS	Oslo	100,0 %
Bulk Innovation AS	Oslo	100,0 %
Associated companies		
Berger Terminal Holding II AS**	Oslo	25,0 %
Bulk Park Enebakk AS	Oslo	50,0 %

**Bulk Industrial Real Estate AS aqcuired 49% of the shares in Bulk Vestby II AS as part of the option agreement with the minority interest.*

***Berger Terminal Holding II AS became an associated company as part of the aquisition of 50% of the shares in AE Bulk Co Invest AS in the beginning of the year. Refer note 10 for further information.*

Note 18

Financial assets and liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial assets and financial liabilities included in the financial statements.

(Figures in NOK '000)	**Carrying amount as at 31.12.2022**	**Fair value as at 31.12.2022**	**Carrying amount as at 31.12.2021**	**Fair value as at 31.12.2021**
Financial assets at fair value through profit or loss				
Interest rate swaps	23,992	23,992	1,139	1,139
Total financial assets at fair value	**23,992**	**23,992**	**1,139**	**1,139**
Financial assets at amortised cost				
Receivable from related party - non-current	1,190	1,190	10,497	10,497
Other receivables	21,565	21,565	12,616	12,616
Investment in shares - non-current	1,249	1,249	1,249	1,249
Receivable from related party - current	441	441	15,093	15,093
Trade and other receivables	177,850	177,850	154,564	154,564
Total financial assets at amortised cost	**202,296**	**202,296**	**194,018**	**194,018**
Cash and cash equivalents	**224,459**	**224,459**	**694,826**	**694,826**
Total financial assets	**450,746**	**450,746**	**888,845**	**888,845**
Total current	402,750	402,750	864,483	864,483
Total non-current	47,997	47,997	24,362	24,362

(Figures in NOK '000)	**Carrying amount as at 31.12.2022**	**Fair value as at 31.12.2022**	**Carrying amount as at 31.12.2021**	**Fair value as at 31.12.2021**
Financial liabilities at fair value through profit or loss				
Interest rate swaps	4,729	4,729	10,819	10,819
Total financial liabilities at fair value	**4,729**	**4,729**	**10,819**	**10,819**
Financial liabilities at amortised cost				
Bond loan	1,463,902	1,463,902	969,350	969,350
Borrowings	1,694,089	1,694,089	1,081,665	1,081,665
Short-term portion of borrowings	739,764	739,764	140,618	140,618
Non-registered capital increase	-	-	400,000	400,000
Debt to related party	-	-	662,768	662,768
Other long-term liabilities	20,248	20,248	33,634	33,634
Trade payables	77,532	77,532	74,927	74,927
Other payables*	67,730	67,730	89,926	89,926
Total financial liabilities at amortised cost	**4,063,266**	**4,063,266**	**3,452,889**	**3,452,889**
Total financial liabilities	**4,067,995**	**4,067,995**	**3,463,709**	**3,463,709**
Total current	885,481	885,481	306,750	306,750
Total non-current	3,182,513	3,182,513	3,156,959	3,156,959

*Other payables only represent financial liabilities. Refer note 30 for accruals and prepayments.

For trade receivables, trade payables and other short-term receivables and payables, the carrying amount is a reasonable approximation for fair value due to the short term nature of these assets and liabilities. The borrowings has an interest rate that is considered similar to the terms the Group could achieve as of December 31, 2022 and carrying amount of the borrowings is considered not to be significantly different from the fair value. Fair value of derivatives are based on mark to market reports received from banks.

Fair value hierarchy

The Group uses financial hierarchy under IFRS 13 for determining and disclosing the fair value of financial instruments by valuation techniques. Below table presents fair value measurement to the Group's assets and liabilities at December 31, 2022.

December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets *(NOK '000)*				
Financial assets at fair value through profit or loss				
Interest rate swaps		23,992		23,992

December 31, 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities *(NOK '000)*				
Financial liabilities at fair value through profit or loss		4,729		4,729
Interest rate swaps				

December 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets *(NOK '000)*				
Financial assets at fair value through profit or loss				
Interest rate swaps		1,139		1,139

December 31, 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Liabilities *(NOK '000)*				
Financial liabilities at fair value through profit or loss				
Interest rate swaps		10,819		10,819

The fair value of financial instruments traded in an active market is based on unadjusted quoted market prices for identical assets or liabilities at the balance sheet date and are included in level 1. For Bulk this category is not relevant as of period close.

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly, are level 2 inputs. For Bulk this will typically apply for interest rate swaps, which are over-the-counter derivatives.

Level 3 inputs are unobservable inputs and are applied when relevant observable inputs are not available. The fair values presented in this category are mainly based on internal assumptions. There were no transfers between any of the levels during the reporting period.

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Note 19

Derivative financial instruments

(Figures in NOK '000)	**31.12.2022**	**31.12.2021**
Interest rate swaps	23,992	1,139
Total assets	**23,992**	**1,139**
Interest rate swaps	4,729	10,819
Total liabilities	**4,729**	**10,819**

Interest rate swaps

	31.12.2022	**31.12.2021**
Nominal amount interest rate swaps	-516,960	-199,060
Total nominal amount	**-516,960**	**-199,060**

The Company receives floating interest and pay fixed interest.

Note 20

Options, contingent assets and contingent liabilities

The Group has options to acquire land on certain terms and conditions, both zoned and unzoned. The group is not obliged to exercise any of the options. Obligation only occurs if regulation of the land is completed in accordance with the purchase agreement.

Note 21

Leases - group as a lessee (IFRS 16 disclosure)

Right of use assets

(Figures in NOK ´000)	Seafiber	Office equipment	Land and buildings	Motor vehicles	Terrestrial fiber	Total
Balance at January 1, 2022	19,877	85	18,705	-	136,434	175,101
Depreciations	1,717	106	5,964	332	4,577	12,696
Additions	1,465	254	41,440	373	45,335	88,866
Adjustments	141	-85	-527	-11	-	-481
Balance at December 31, 2022	**19,766**	**148**	**53,654**	**31**	**177,191**	**250,790**
Balance at January 1, 2021	21,387	231	9,979	-	-	31,597
Depreciations	1,510	146	2,588	-	-	4,243
Additions	-	-	11,313	-	-	11,313
Reclassification from PPE*	-	-	-	-	136,434	136,434
Balance at December 31, 2021	**19,877**	**85**	**18,705**	**-**	**136,434**	**175,101**
Rental period	1-38	2-3	3-10	1-3	20	

Lease liabilities

Maturity analysis - contractual undiscounted cash flows	**2022**	**2021**
Less than one year	14,580	8,144
Between one and five years	47,748	22,311
More than five years	33,267	22,239
Total undiscounted lease liabilities at 31 December	**95,595**	**52,694**
Lease liabilities included in the statement of financial position at 31 December	**75,487**	**40,029**

Amount recognised in profit or loss	**2022**
Interest on lease liabilities	2,933
Amount recognised in cash flow statement	
Total cash flow from leases	10,518

Other information

The IRU´s for the Terrestrial fiber are paid up-front for a period of 20 years with an option for another 20 years. The option period is not included in the disclosure of the Right-of-use asset. As the fiber is prepaid there are no liability related to the the Right-of-use assets.

The Group does not recognize right-of-use assets and lease liabilities for short-term leases or leases where the underlying assets have low value.

The lease payments for such leases are recognised as costs linearly over the lease periods.

Note 22

Inventories

(Figures in NOK ´000)	**12/31/2022**	**12/31/2021**
Gravel	4,587	4,539
Inventory data center	3,876	944
Total Inventories	**8,463**	**5,484**

Note 23

Trade and other receivables

(Figures in NOK ´000)	**31.12.2022**	**31.12.2021**
Trade receivables	89,569	81,775
Other current receivables	88,281	72,788
Trade and other receivables	**177,850**	**154,564**

Other current receivables consists of earned not accrued revenue, VAT and other short-term receivables.

	31.12.2022	**31.12.2021**
Provision for impairment of trade receivables at 01.01	**946**	**934**
This years provision for receivables impairment	550	12
Loss on receivables	-	-
Reversal of prior years provision	-946	-
Provision for impairment of trade receivables at 31.12	**550**	**946**

Refer also note 26 for ellaboration on credit risk and assessment of provisions.

Ageing of trade and other receivables

	Total	**Not due**	**0-30d**	**30-60d**	**60-90d**	**>90d**
December 31, 2022	177,850	136,576	479	1,339	-	39,456
December 31, 2021	154,564	151,993	654	877	-	1,040

The Group has a receivable of NOK 38 million related to a collaborative project on a real estate plot. The receivable is overdue as of December 31, 2022, but will be settled upon the final agreement in relation to the project. Management has assessed the risk of loss on the receivable as low. As such, no provison for impairment is made. The agreement is estimated finalized in 2023.

Book value of trade and other receivables in the group's balance sheet is considered to provide a reasonable estimate of the fair value.

Note 24

Cash and cash equivalents

(Figures in NOK '000)	31.12.2022	31.12.2021
Cash and cash equivalents	219,660	690,333
Restricted funds	4,799	4,494
Total	**224,459**	**694,826**

Restricted funds are related to withholding tax accounts.

Note 25

Paid in equity and shareholders

	2022	2021
Share capital	3,263,503	2,730,527

Change in paid in equity and share premium:

	Total shares		Share capital (IN NOK)		Share premium (IN NOK)	
(Figures in NOK '000)	2022	2021	2022	2021	2022	2021
Ordinary shares						
Issued stock and paid in capital						
As at January 1	273,052,737	263,024,156	2,730,527	2,630,242	1,856,530,919	1,656,631,214
Capital increase	53,297,569	10,028,581	532,976	100,286	1,062,380,444	199,899,705
As at December 31	**326,350,306**	**273,052,737**	**3,263,503**	**2,730,527**	**2,918,911,363**	**1,856,530,919**

The total number of shares are 326,350,306, each valued at NOK 0,01, and NOK 3,263,503 in total share capital.

The company's shareholders at December 31, 2022

Shareholder	Type of account	Country	Number of shares	Share %
Bulk Infrastructure Holding AS	Ordinary shares	Norway	326,350,306	100%

Dividend

The company did not pay any dividend in 2022. No dividend has been proposed for approval in 2023.

Average number of shares

Basic and diluted earnings per share are calculated by dividing total comprehensive income attributable to shareholders in the parent Company by the weightet average number of ordinary shares outstanding during the year.

	2022	2021
Total comprehensive income, net of tax, attributable to shareholders in the parent Company	-406,086,880	759,782,802
Weighted average number of outstanding shares	304,309,579	264,751,301
Basic and diluted earnings per share	-1,33	2,87

Note 26

Financial risk management

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The group's overall risk management programme seeks to minimise potential adverse effects on the group's financial performance.

Market risk
The group is exposed to market risk arising from changes in interest rates and foreign exchange rates. The exposure is reduced mainly by the use of financial derivatives. The group has operations in Norway, Denmark, Ireland and the UK.

Interest rate risk
The group's interest rate risk arises on short- and long-term basis because part of the company's borrowings are held at variable rates. The lease is not altered according to interest rate levels, but according to the terms of the lease contract. Changes in the interest rate level will have a direct impact on the future cash flow for the group.

To reduce the interest rate exposure, it is group policy to maintain a share of its borrowings at fixed interest rates. The distribution between floating and fixed rates will not necessarily be the same for all group companies. Some of the current loan agreements have hedging ratio-covenants. The group use interest rate derivatives to manage their interest rate exposure.

As of December 31, 2022 NOK 517,0 million of the Group's borrowings of NOK 3 897,8 million is hedged at a fixed rate. Hedged nominal amount of NOK 517,0 expires in 2033. The sensitivity is calculated by the Group, and the Groups interest cost is estimated to increase/decrease by NOK 19,5 million for 2023 based on a change in the interest rate of +/- 0.5%.

Credit risk
Credit risk is the risk of loss when a party is unable to redeem their obligations to the group. The risk is mainly linked to trade receivables and other receivables and based on historical losses the risk is considered not significant. The risk is managed by doing thorough evaluations of the credit quality of the customer when new lease agreements are signed, demand deposits or guarantees, and perform regular monitoring of the credit quality of material customers. The maximum exposure to credit risk at year end is equal to the carrying amount of financial assets. The majority of the Group's customers pay in advance for the services received. As such, the credit risk is deemed as low. There are one material amount outstanding to a spesific customer. Refer note 23 for further information. The group deems obligations to the group to be in default when payments are 90 days past due.

Liquidity risk
Liquidity risk is the risk that the group will not be able to meet their obligations at maturity, and the risk that the group will not be able to meet their liquidity obligations without a significant increase in cost. At a broader perspective, liquidity risk also include the risk that the group is not able to finance necessary investments in the properties. The Group continuously monitors the Group's liquidity and has a long-term liquidity forecast in place. Management also monitors the Group's installments and expiration of the long-term debt and prepares action plans to be able to meet its obligations.

Liquidity risk is reduced by having a sufficient liquidity reserve, and by ensuring that the debt maturities are distributed over time.

The table below illustrates the maturity structure of liabilities

(Figures in NOK ´000)			**Expected cashflow**		
Financial liability 2022	**Carrying amount**	**Year 1**	**Year 2**	**Year 3-5**	**After year 5**
Bond loan	1,463,902	-	963,902	500,000	-
Borrowings (bank)	2,433,853	739,764	545,631	1,148,459	-
Other long-term liabilities - seller credit	20,248	-	16,000	-	4,248
Trade payables	77,532	77,532	-	-	-
Interest costs (bond loan)	-	123,750	107,401	78,942	-
Interest costs (bank)	-	122,600	84,424	34,109	-
Other current payables*	67,730	67,730	-	-	-
Total non-derivative financial obligations	**4,063,266**	**1,131,376**	**1,717,357**	**1,761,510**	**4,248**
Derivative financial intruments	4,729	455	501	1,704	2,069
Total derivative financial obligations	**4,729**	**455**	**501**	**1,704**	**2,069**

(Figures in NOK ´000)			**Expected cashflow**		
Financial liability 2021	**Carrying amount**	**Year 1**	**Year 2**	**Year 3-5**	**After year 5**
Bond loan	969,350	-	-	969,350	-
Borrowings (bank)	1,222,284	140,618	181,384	900,281	-
Other long-term liabilities	33,634	-	16,000	16,000	1,634
Trade payables	74,927	74,927	-	-	-
Interest costs (bond loan)	-	46,723	46,723	82,280	-
Interest costs (bank)	-	34,674	29,729	13,504	-
Other current payables*	89,926	89,926	-	-	-
Total non-derivative financial obligations	**2,390,121**	**386,868**	**273,836**	**1,981,415**	**1,634**
Derivative financial intruments	10,819	1,411	1,098	2,892	5,418
Total derivative financial obligations	**10,819**	**1,411**	**1,098**	**2,892**	**5,418**

*Other current payables are not complete as the table only presents financial liabilities. As such, accruals are not included. Refer note 30 for remaining payables.

When calculating interest costs only ordinary instalments are taken into consideration.

Fair value of financial derivatives

Fair value of derivatives, including interest rate swaps, is determined upon the present value of future cash flows relating to the agreements. The present value is calculated based on interest rate curves on the date of appraisal. The calculations are made by the bank with which the agreement is made.

Sensitivity effect of change in variables (MNOK):

		Fair value change	
Variables	**Change in variables**	**+ 1 %**	**- 1%**
NIBOR	+/- 1 %	3,59	-3,95

Sensitivity is obtained from DnB

Note 27

Capital structure and capital management

The group's objectives relating to capital management are to ensure continued operation, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The main objective of the group's capital management is to maintain a good debt and equity ratio and reduce the Groups interest cost. The group seeks to maintain a satisfactory equity ratio, but the main focus is related to the debt ratio (loan-to-value/LTV). The LTV ratio is calculated as interest bearing debt divided by fair value of investment property and book value of Property, Plant and Equipment. The group's goal is to have a debt ratio below 60 %. According to the group's loan agreements the LTV ratio should not exceed 65 % respectively. Requirements related to LTV in the loan agreements are adhered to both by year-end and for the first half year periods in 2021 and 2022. The Group's LTV is 52% as of December 31, 2022. To change the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group's capital needs are influenced by the need for a liquidity reserve for existing and possible new projects.

Solidity and liquidity
Equity and liquidity reserve are central key figures in the management of the group capital structure. The group liquidity reserve should be in proportion to all ongoing projects and any new projects.

Group covenants
As of December 31, 2022, the Group is in compliance with all financial covenants. The Group has two bonds, of which the financial covenants include a minimum equity ratio on consolidated group level. The Group also holds a credit facility with a requirement to minimum book value of equity, LTV and minimum cash left on credit. Further, Industrial Real Estate has several construction loans with associated covenants. The covenants include LTV and minimum cash requirements. For some of the loans, the Industrial Real Estate Group function as a guarantor. In addition, one of the subsidiaries in the Data Center segment has a loan facility with financial covenants related to debt service coverage ratio, minimum equity ratio and EBITDA.

The financial covenants are monitored by management continuously. The majority of the covenants are reported on a quartely basis to the Board and the relvant credit facility. No financial covenants were in breach during the year.

Telehousing in Denmark

Note 28

Interest-bearing debt

(Figures in NOK ´000)	**31.12.2022**	**31.12.2021**
Total interest-bearing debt, nominal value	3,897,755	2,191,634
- of which hedged (fixed interest rate)	516,960	199,060
Hedge Ratio*	13 %	9 %
Average interest rate at floating rate, including margin (%)	5,5%	3,4 %
Average remaining duration, borrowings (years)	2,2	2,5
Average remaining duration, hedging contracts (years)	10,0 years	11,0 years
Total interest-bearing debt, nominal value	3,897,755	2,191,634
First year instalments of debt (short-term)	739,764	140,618
Long-term interest-bearing debt excluding first year instalments	**3,157,991**	**2,051,016**

*The hedge ratio implies the degree of economic security. This is the percentage of debt which is hedged through interest rate swaps. The Group does not apply hedge accounting.

	31.12.2022	**31.12.2021**
Maturity on long-term debt		
Year 1	739,764	140,618
Year 2	1,509,533	181,384
Year 3-5	1,648,459	1,869,631
After year 5	-	-
Total	**3,897,755**	**2,191,634**

The recognized carrying amount of the assets pledged as security for liabilities as per 31.12

	31.12.2022	**31.12.2021**
Investment property and property, plant and equipment	5,525,306	4,184,248
Total pledged assets	**5,525,306**	**4,184,248**
Borrowings secured with pledged assets	**2,433,853**	**2,191,634**

In addition to pledged investments property and property, plant and equipment, the group has established priority pledge in the shares of subsidiaries, factoring and bank accounts.

Please refer note 27 for further info regarding the Groups covenants.

Bond loan

Bulk Infrastructure Group AS 19/24 FRN
Bulk Infrastructure Group AS issued a 5 year NOK 500 million senior unsecured FRN bond 15 October 2019.
The Group further performed a tap issue of an additional NOK 500 million on the unsecured bond on 9 September 2020.

Specification	
ISIN	NO0010865876
Maturity date	October 15, 2024
Amount	NOK 1,000,000,000
Coupon	Nibor 3m + 4,5%
Coupon type	FRN
Coupon frequency	Quarterly
Trustee	Nordic Trustee AS

Financial covenants
Equity ratio > 35%.

Security
Unsecured.

Listing
The Bond is listed as of 15 September, 2020.

Bulk Infrastructure Group AS 22/26 FRN
Bulk Infrastructure Group AS issued a new senior unsecured green bond of NOK 500 million September 9, 2022. An application will be made for the bond to be listed on Oslo Børs. The net proceeds from the bond will be utilized in accordance with the green bond framework.

Specification	
ISIN	NO0012701269
Maturity date	September 15, 2026
Amount	NOK 500,000,000
Coupon	Nibor 3m + 6,5%
Coupon type	FRN
Coupon frequency	Quarterly
Trustee	Nordic Trustee AS

Financial covenants
Equity ratio > 35%.

Security
Unsecured.

Listing
The bond is not listed as of December 31, 2022.

Note 29

Reconciliation of net debt

(Figures in NOK ´000)

Liabilities arising from financing activities	Cash and cash equivalents	Borrowings	Leases	Total
Net debt as at 01.01	**694,826**	**-2,191,633**	**-40,029**	**-1,536,836**
Cash flows				
Net cash flow from operations	-64,580			-64,580
Net cash flow from investing	-1,646,035			-1,646,035
Net cash flow from financing	1,240,248	-1,258,965		-18,717
New leases			-40,110	-40,110
Installment on lease liabilities			7,585	7,585
Bank loan in aquired company		-300,000		-300,000
Interest expense		-147,156	-2,933	-150,089
Net debt as at 31.12	**224,459**	**-3,897,754**	**-75,487**	**-3,748,782**

Note 30

Accruals and prepayments from customers

(Figures in NOK ´000)

	31.12.2022	**31.12.2021**
Prepayments from customer - long-term	41,238	32,987
Prepayments from customer - short-term	2,170	1,736
Accrued salaries, public duties	39,923	34,987
Accrued expenses	35,510	2,630
Total	**118,842**	**72,339**

Prepayments from customer primarily consist of prepaid fiber revenue related to IRU agreements in the Fiber Networks segment. The Group delivers dark fiber on fiber networks. The IRUs has an average lifetime of 20 years, of which the revenue related to the the next year is classified as short-term. Refer note 2 for additional information.

Note 31

Subsequent events after the reporting period

Events after the balance sheet date are events, favourable or unfavourable, that occurs between the balance sheet date and the date that the financial statements are authorised for issue.

Such events can be events that provide information regarding conditions that existed at the balance sheet date resulting in adjustments of the financial statement, or events that do not require such adjustments.

The Board of Bulk Infrastructure Holding AS, the parent company of Bulk Infrastructure Group AS, has called on NOK 500 million in equity commitment from one of the investors in line with an agreement established in 2020. The transaction is expected to be finalized in Q1 2023.

In December 2022 a customer exercised an option to acquire fiber on the Havfrue cable system. The fiber is classified as assets held for sale as of yearend. The transaction was completed during Q1 2023.

There are no other material subsequent events after the reporting period.

Bulk Infrastructure Group AS Financial statement 2022

Income statement

(NOK '000)	Note	2022	2021
Operating income and operating expenses			
Sales revenue	1	69,691	60,626
Rental income		1,565	142
Other income	1	2,861	1,850
Total income		**74,117**	**62,618**
Raw materials and consumables used		20	15
Employee benefits expense	2	55,994	52,971
Depreciation of tangible and intanglible fixed assets	3	3,203	2,917
Impairement of tangible and intangible assets	3	570	-
Other expenses	1,2	24,141	15,393
Total expenses		**83,927**	**71,296**
Operating profit/loss		**-9,810**	**-8,678**
Financial income and expenses			
Income from associated companies		0	4,645
Interest income from group companies	4	135,362	33,688
Other interest income		52	40
Other financial income		20	1
Writ-down of other financial fixed assets	5	218,396	-
Interest expense to group companies	4	30,132	1,607
Other interest expenses	6	79,202	51,137
Other financial expenses		3,975	3,361
Net financial items		**-196,272**	**-17,732**
Result before tax		**-206,082**	**-26,410**
Tax expense	7	4,571	-4,619
Result for the year		**-210,653**	**-21,791**
Allocation of result for the year			
Other equity	8	-210,653	-21,791
Total brought forward		**-210,653**	**-21,791**

Balance sheet

(NOK '000)	Note	2022	2021
Assets			
Non-current assets			
Intangible assets			
Licences, patents etc.	3	186	515
Deferred tax assets	7	35,102	39,673
Total intangible assets		**35,287**	**40,188**
Property, plant and equipment			
Land, buildings and other real estate	3	9,154	10,290
Equipment, fixtures and fittings and other movables	3, 9	1,549	3,322
Total property, plant and equipment		**10,702**	**13,612**
Non-current financial assets			
Investments in subsidiaries	1, 5, 9	1,979,155	2,197,551
Loan to group companies	4	28,239	101
Investments in associated companies		-	13,285
Investments in shares and other securities		2,672	-
Other long-term receivables	2	2,803	2,788
Total non-current financial assets		**2,012,869**	**2,213,726**
Total non-current assets		**2,058,858**	**2,267,526**
Current assets			
Receivables			
Accounts receivables		17	-
Other short-term receivables		4,390	3,462
Receivables from group companies	4	2,296,414	565,398
Total receivables		**2,300,821**	**568,861**
Bank deposits, cash and cash equivalents			
Bank deposits, cash and cash equivalents	10	36,663	544,952
Total bank deposits, cash and cash equivalents		**36,663**	**544,952**
Total current assets		**2,337,484**	**1,113,813**
Total assets		**4,396,342**	**3,381,339**

Balance sheet

(NOK '000)	Note	2022	2021
Equity and liabilities			
Equity			
Paid in equity			
Share capital	8, 11	3,264	2,731
Share premium reserve	8	2,918,911	1,856,531
Non-registered share capital increase		-	400,000
Total paid-up equity		**2,922,175**	**2,259,261**
Retained earnings			
Other equity	8	-87,665	114,041
Total retained earnings		**-87,665**	**114,041**
Total equity		**2,834,510**	**2,373,303**
Liabilities			
Non-current liabilities			
Provisions			
Other provisions		49,416	-
Total provisions		**49,416**	**-**
Other non-current liabilities			
Bonds	6	1,463,902	969,350
Liabilities to financial institutions	4	3,200	3,794
Total non-current liabilities		**1,467,102**	**973,144**
Current liabilities			
Trade payables		7,967	4,951
Public duties payable		2,424	4,131
Other current liabilities	6	34,923	25,809
Total current liabilities		**45,314**	**34,892**
Total liabilities		**1,561,833**	**1,008,036**
Total equity and liabilities		**4,396,342**	**3,381,339**

Oslo, March 23, 2023

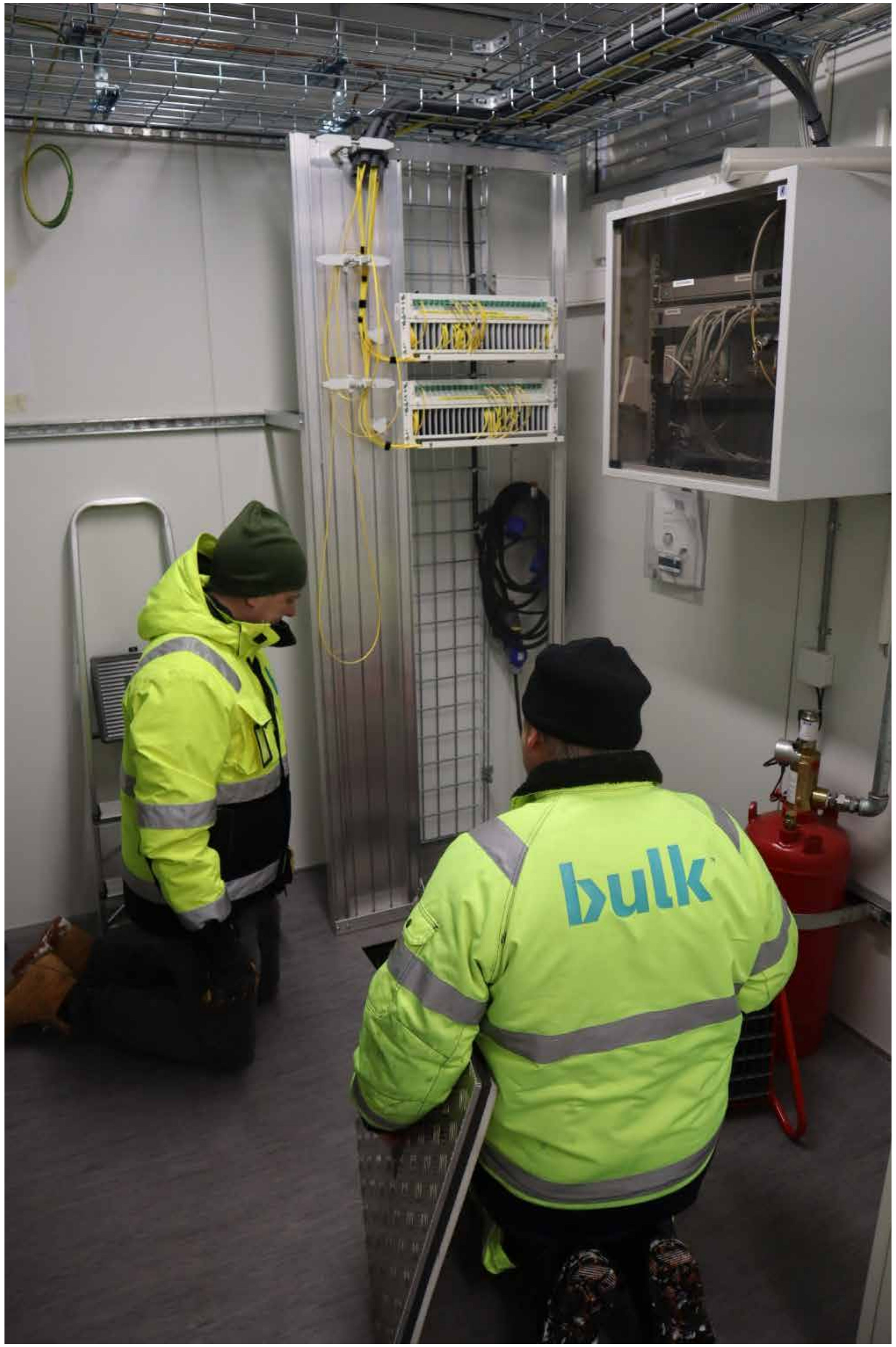
The board of Bulk Infrastructure Group AS

Peder Nærbø

Founder and Executive Chair

Indirect cash flow

(NOK '000)	Note	2022	2021
Cash flows from operating activities			
Profit/loss before tax		-206,082	-26,410
Loss/gain on the sale of fixed assets	3	-	-9
Ordinary depreciation	3	3,203	2,917
Impairment of fixed assets		570	-
Impairment of Investments	5	218,396	-
Change in accounts receivable		-17	12
Change in accounts payable		3,016	3,187
Items classified as investment or financing activities		-	-4,645
Change in other accrual items		6,480	-11,607
Net cash flows from operating activities		**25,566**	**-36,556**
Cash flows from investment activities			
Proceeds from the sale of fixed assets	3	50	2,653
Payments to buy tangible assets	3	-583	-2,547
Dividend received		-	650
Proceeds from sale of shares and participations in other com	5	99,201	-
Payments to buy shares and participations in other companie	5	-36,500	-
Payments to buy other investments	6	-2,672	-
Net cash flows from investment activities		**59,496**	**756**
Cash flows from financing activities			
Proceeds from the issuance of new long-term liabilities	6	493,958	-
Repayment of long-term liabilities	9	-	137,758
Net change in accrued items related to group cash pool	9	-1,731,016	-529,372
Proceeds from equity	8	671,860	608,947
Change in receivable related party	4	-28,153	611,324
Proceeds from Group contributions		-	3,610
Net cash flows from financing activities		**-593,351**	**556,751**
Net change in cash and cash equivalents		-508,289	520,951
Cash and cash equivalents at the start of the period		544,952	24,001
Cash and cash equivalents at the end of the period		**36,663**	**544,952**



Accounting principles

The financial statements are presented in accordance with relevant Norwegian laws and generally accepted accounting principles for other enterprises. The principles are outlined below and have been consistently applied to all periods presented, unless otherwise is stated.

CURRENT ASSETS AND LIABILITIES
Balances that fall due within a year are classified as current assets and liabilities. The value of current assets is presented as the lower historical cost and fair value.

BOND LOAN
The bond is measured by amortized cost according to the Norwegian Accounting Act chapter 5. Amortized cost calculated by effective interest rate is accepted in the standard assessment guidelines. The amortized cost of an asset is comprised by original cost, minus transactions between the parties (eg. payments, interest and fees), plus effective interest. An impairment would decrease the calculated value.

INTANGIBLE ASSETS
Expenditure on own research is expenced as and when incurred. Expenditure on Research and Development is capitalised providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be measured reliably. Otherwise, such expenditure is expensed as and when incurred. Capitalised development costs are amortised linearly over the asset's expected useful life.

PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment (PPE) are assets held for long-term ownership and use. PPE are valued at historical cost less subsequent depreciation and impairments. Historical cost includes expenditure directly attributable to the acquisition of the items.

Depreciation is calculated based on estimated useful lives for the assets. Impairments occur when historical cost exceeds long-term fair value. Previous impairments may be reversed if there are significant changes in value.

INVESTMENTS IN OTHER COMPANIES
The cost method is applied to investments in subsidiaries and associated companies. Cost may vary with capital contributions. Investments are subject to impairments if permanent fair value is lower than cost. Previous impairments may be reversed if there are significant changes in value.

Dividends are classified as financial income. Capital contributions from previous ownership are classified as return of capital and will reduce historic cost.

The management in the Group owns shares in the group through Klub Bulk AS. IFRS 2 Share-Base Payments applies to the Consolidated Financial Statements for the group. A change of recognition with effect from 01.01.2021 implies a cost effect for Bulk Infrastructure Group AS (employee benefits expense) and a corresponding capital increase from Bulk Infrastructure Holding AS. Comparable numbers are changed in the 2021 Profit and loss statement, Balance Sheet and the Cash Flow Statement, as well as the equity note (note 8).

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

REVENUES
Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered. Income from the sale of services and long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. When the transaction's outcome cannot be estimated reliably, only income corresponding to a projects' incurred costs can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

COSTS
Costs are expensed in the same period as the associated income. When there is no clear connection between costs and associated income, costs are expensed in the period they are incurred.

RECEIVABLES
Receivables are recognized at fair value. A provision for impairment is established when objective evidence exists that the company will be unable to collect the entire amount due in accordance with the original terms of each receivable.

TAX
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences that exist between accounting and tax values, as well as any possible taxable loss carried forwards at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated.

CASH FLOW STATEMENT
The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

CHANGES IN ACCOUNTING PRINCIPLES
There were no changes in the accounting principles applied by the company in 2022.

CONSOLIDATED FINANCIAL STATEMENTS
Bulk Infrastructure Group AS is included in the consolidated financial statements of Bulk Infrastructure Holding AS, Bulk Industrier AS and Green Keeper AS. The consolidated financial statements are available at www.bulkinfrastructure.com and www.bulkindustrier.no.

Note 1

Transactions with related parties

Bulk Infrastructure Group AS provide services in accounting and administration to related companies and companies in the group. The services are priced according to current market conditions.

In 2022, fees for accounting, administration and project management of TNOK 69,691 have been recognized as income. In addition TNOK 13,817 has been allocated as share of Group costs (recognized as cost reduction in Bulk Infrastructure Group AS).

Note 2

Personnel expenses, number of employees, remuneration, loan to employees

(Figures in NOK ´000)

Payroll,expenses	2022	2021
Salaries / wages	49,075	46,717
Social security fees	5,577	4,782
Pension expenses	932	594
Other remuneration	1,779	1,458
Allocated salaries to other group companies	-1,369	-580
Total	**55,994**	**52,971**
Average number of employees during the financial year	22	21

(Figures in NOK ´000)

Salaries and remunerations to executives*	Board chairman
Salaries and bonuses	4,300
Other remunerations	12
Total	**4,313**

*The CEO and additional members of the board of Bulk Infrastructure Holding AS (the parent company) recieves salaries and remunerations from Bulk Infrastructure Group. The amounts are stated in the financial statement of Bulk Infrastructure Holding AS.

Loan to employees
Other employees have loans in the company totalling TNOK 2,803. These loans are repaid within three years (due in 2025). The interest rate corresponds to the tax-free interest rate determined by the authorities. All loans are secured by liens in real estate.

OTP (Statutory occupational pension)
The company is required to have a pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension scheme meets the requirement of this law.

Expensed audit fee
Expenses paid to the auditor for 2022 amounts to TNOK 2,678,- excl.VAT.

Statutory audit fee	
Tax advisory	1,822
Assurance services	-
Other assistance	856
Total audit fees	**2,678**

Note 3

Fixed assets

(NOK ‘000)	**Land**	**Buildings/ adjustments rented buildings**	**Moveables and machines**	**R&D and software**	**Total**
Purchase cost 01.01	5,126	9,727	13,261	1,895	30,009
Additions	-	533	51	-	584
Disposals	-50	-	-	-	-50
Purchase cost 31.12	5,076	10,260	13,312	1,895	30,543
Acc. depr. 31.12	-	6,182	11,763	1,709	19,655
Book value 31.12	**5,076**	**4,078**	**1,549**	**186**	**10,888**
Depr. this year	-	1,619	1,824	330	3,773
	Not depreciated	*10-15 years, linear*	*3-5 years, linear*	*5 years, linear, not depreciated*	

Note 4

Debtors, liabilities, pledged assets and guarantees etc.

Long-term receivables with minimum maturity of 1 year
Receivables due later than 1 year amounts to TNOK 28,239.

Long-term debt with minimum maturity of 5 years
Bulk Infrastructure Group AS does not have any debt with minimum maturity of 5 years.

(Figures in NOK ´000)

Balances with group companies	**2022**	**2021**
Long-term claims on group companies	28,239	101
Accounts receivable from group companies	27,052	36,026
Claims on group companies / group contributions	2,269,362	529,372
Short-term debt to group companies	-	5
Total	**2,324,653**	**565,505**

Other debt have priority over debt to group companies. Balances with group companies are charged with an interest rate equal to NOWA 3M + 4% p.a.

Bulk Infrastrcture Group AS is the owner of a group cash pool. Of the company’s short term claims on group companies TNOK 2,269,362 are claims regarding the cash pool.

Bulk Infrastructure Group AS **Annual Report 2022**

Note 5

Investments in subsidiaries

Investments in subsidiaries are booked according to the cost method.

Company *(NOK ‘000)*	**Ownership/voting rights**	**Cost price**	**Write-down**	**Book value**
Bulk Industrial Real Estate AS	100 %	499,478	-	499,478
Bulk Data Centers AS	100 %	933,392	-	933,392
Bulk Fiber Networks AS	100 %	764,682	218,396	546,285
Bulk Powered Land AS	100 %	-	-	-
Sum		**2,197,551**	**218,396**	**1,979,155**

The companies are based in Oslo, Norway.

Company *(NOK ‘000)*	**Book value**	**P/L for 2022 (100 %)**	**Equity pr. 31.12 (100 %)**
Bulk Industrial Real Estate AS	499,478	-59,948	470,196
Bulk Data Centers AS	933,392	-54,540	706,391
Bulk Fiber Networks AS	546,285	-89,297	577,693
Bulk Powered Land AS	-	-84	-602
Sum	**1,979,155**	**-203,869**	**1,753,678**

Note 6

Bond loan

Bulk Infrastructure Group AS AS issued a 5 year NOK 500 million senior unsecured FRN bond 15 October 2019. Bulk Infrastructure Group AS further performed a tap issue of an additional NOK 500 million on the unsecured bond on 9 September 2020. Bulk Infrastructure Group AS issued a new senior unsecured green bond of NOK 500 million 9 September 2022. An application will be made for the bond to be listed on Oslo Børs. The net proceeds from the bond will be utilized in accordance with the green bond framework.

Spesification	**Bond 2019/2020**	**Bond 2022**
ISIN	NO001 10865876	NO0012701269
Maurity date	15.10.2024	15.09.2026
Amount	NOK 1,000,000,000	NOK 500.000.000
Coupon	Nibor 3 m + 4,5% FRN	Nibor 3m + 6,5% FRN
Coupon type	FRN	FRN
Coupon Freqency	Quarterly	Quarterly
Trustee	Nordic Trustee AS	Nordic Trustee AS
Financial Covenants	Equity ratio > 35%	Equity ratio > 35%
Security	Unsecured	Unsecured
Listed	15 September, 2020	Not listed as of 31.12.22

Note 7

Tax

(NOK '000)	2022	2021
This year's tax expense		
Payable tax	-	-
Changes in deferred tax assets	4,571	-4,619
Tax expense on ordinary profit/loss	**4,571**	**-4,619**
Taxable income:		
Ordinary result before tax	-206,082	-26,410
Permanent differences	226,858	5,413
Changes in temporary differences	2,875	6,964
Allocation of loss to be brought forward	-23,651	-
Taxable income	**-**	**-14,033**
Payable tax in the balance:		
Payable tax on this year's result	-	-
Total payable tax in the balance	**-**	**-**

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

(NOK '000)	2022	2021	Difference
Tangible assets	-2,992	-892	2,100
Allocations and more	-11,459	-10,684	775
Total	**-14,452**	**-11,576**	**2,875**
Accumulated loss to be brought forward	-145,103	-168,754	-23,651
Basis for deferred tax assets	**-159,554**	**-180,330**	**-20,776**
Deferred tax assets (22 %)	**-35,102**	**-39,673**	**-4,571**

Bulk Infrastructure Group AS **Annual Report 2022**

Note 8

Equity

(NOK '000)	Share capital	Share premium reserve	Non-registered capital increase	Other paid in capital	Retained earnings	Total equity
Equity 01.01	2,731	1,856,531	400,000	8,947	114,041	2,373,303
Share capital increase	533	1,062,380				1,062,913
Non-registered share capital increase			-400,000			-400,000
Other adjustments				8,947		8,947
Annual net profit/loss					-210,653	-210,653
Equity 31.12	**3,264**	**2,918,911**	**-**	**17,893**	**-105,558**	**2,834,510**

Other adjustments of 8,947 consist of effects from Share-Based Payments for Group Management employed in Bulk Infrastructure Group AS, covered by Bulk Infrastructure Holding AS and recognised as equity in Bulk Infrastructure Group AS. The 2021 Financial statement is also adjusted to recognize an effect of 8,947 as increased Other paid in capital, a total effect of 17,893 as of 31.12.22.

Note 9

Liabilities to credit institutions

(NOK '000)	2022	2021
Liabilities secured by collateral:		
Debt to credit institutions	3,200	3,794
Book value of collateral:		
Shares in subsidiaries	1,979,155	2,197,551
Cars	1,237	2,794
Total book value of collateral	**1,980,392**	**2,200,345**

Note 10

Restricted funds

Funds of TNOK 1,680 restricted to employees taxes are included in the cash-post in the balance sheet.

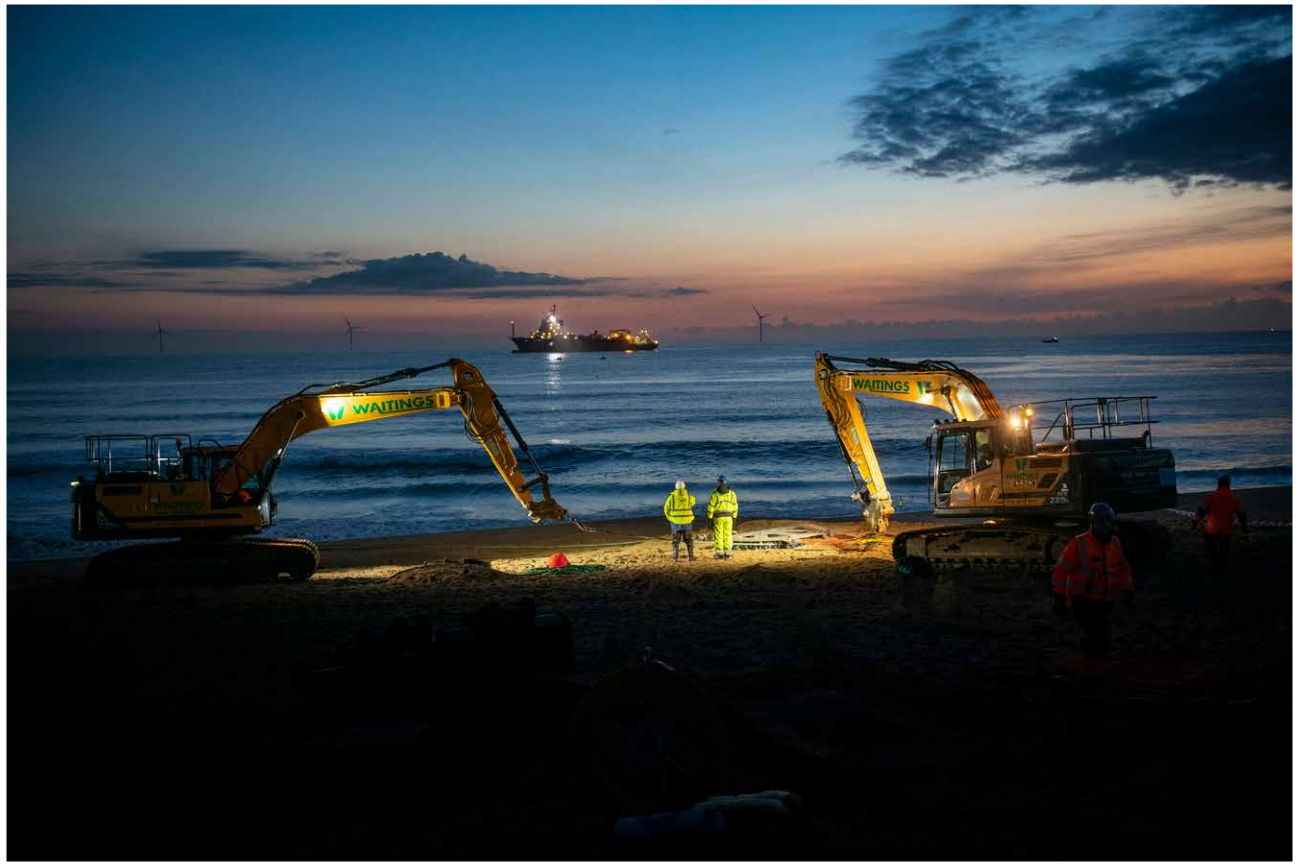
Note 11

Share capital and shareholder information

(NOK '000)	Share capital	Number	Nominal value	Book value
Ordinary shares		326,350,306	0,0100	3,264

Shareholders	Country	Number of shares	Share of capital %
Bulk Infrastructure Holding AS	Norway	326,350,306	100 %

Board Chairman, Peder Nærbø, has an indirect ownership of 52.66 % in Bulk Infrastructure Group AS



Responsibility statement by the Board of Directors - Bulk Infrastructure Group AS

The Board of Directors have today treated and approved the annual report and financial statements for Bulk Infrastructure Group AS (the parent company) and the Group, the consolidated accounts, as of December 31, 2022. The consolidated financial statements have been prepared in accordance with the EU-approved IFRS standards and interpretations, together with the additional disclosure requirements in the Norwegian Accounting Act to be applied as of December 31, 2022. The financial statements for the parent company are prepared in accordance with relevant Norwegian laws and generally accepted accounting principles in Norway as of December 31, 2022.

The annual report for the Group and the parent company is in compliance with the Accounting Act.

To the best of our knowledge, we confirm that;

- the 2022 financial statements for the Group and the parent company are prepared in accordance with applicable accounting standards
- the provided information in the financial statements gives a true and fair view of the Group and the parent company's assets, liabilities, financial position and results of operations as of December 31, 2022
- the Board of Directors report provides the Group and the parent company a fair view of

- development, performance and position of the Group and parent company
- the most important risks and uncertainties the Group and the parent company faces

Oslo, March 23, 2023
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

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NO-0103 Oslo
Norway

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To the General Meeting of Bulk Infrastructure Group AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bulk Infrastructure Group AS, which comprise:

- The financial statements of the parent company Bulk Infrastructure Group AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Bulk Infrastructure Group AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, 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, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, 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 relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

We have been the auditor of the Company for 1 year from the election by the general meeting of the shareholders on 23.09.2022 for the accounting year 2022.

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.

Valuation of investment property

Key audit matter	How the matter was addressed in the audit
Investment property represents a substantial portion of the group's total assets. Investment property is recognised at fair value. Fair value is estimated by management with assistance from third party valuers. The fair value is based on assumptions and estimates as well as property specific information like future leasing payments, vacancies, and discount rate. These assumptions and estimates require significant judgment and therefore valuation of investment property is a key audit matter. We refer to note 3 "Critical accounting estimates and significant judgments" for further information.	The Group has established internal control to ensure relevant property information is included in the external valuations. We have assessed the design and implementation of the control. For a sample of the investment properties, we reconciled the property information regarding annual rent and square meters in the third party valuers' report to the Group`s own records. We met with the third party valuers' and discussed and challenged their judgements used in the valuation of investment properties, particularly market rent, yield and discount rate. We assessed the third party valuers' qualifications and expertise and reviewed their terms of engagement in order to determine whether there were any matters that might have affected their objectivity. We assessed the valuation methods used against generally accepted valuation standards and practices. In carrying out the procedures related to valuation of investment property, we used our internal valuation specialists. We assessed whether the disclosures in note 6 regarding valuation of investment properties was adequate.

Other Information

The Board of Directors and the Managing Director (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 appear 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 statutory requirements.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group 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. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 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 Requirement on European Single Electronic Format (ESEF)
Opinion
As part of the audit of the financial statements of Bulk Infrastructure Group AS, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name "*Bulk Infrastructure Group AS Annual Report 2022.zip*", have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Deloitte.

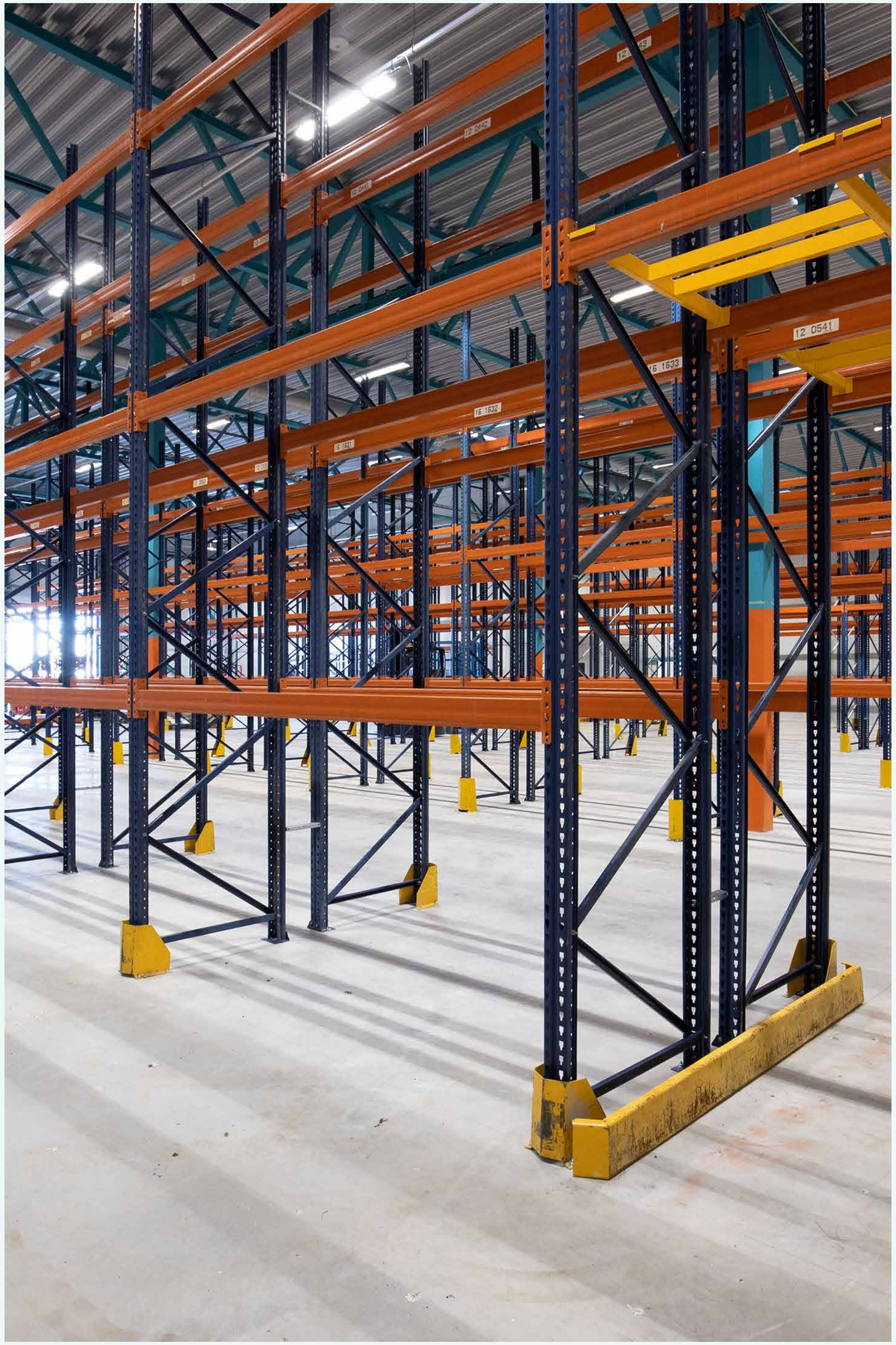
Auditor’s Responsibilities
Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – “Assurance engagements other than audits or reviews of historical financial information”. The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company’s processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management’s use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 23 March 2023
Deloitte AS

Eivind Ungersness
State Authorised Public Accountant

(this document is signed electronically)



Bulk is racing to bring sustainable infrastructure to a global audience

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