



Q1 2023 FINANCIAL REPORT

About N0r5ke Viking I AS

N0r5ke Viking I AS (the “Company”) is a fully owned subsidiary of N0r5ke Fibre AS, a digital infrastructure company founded in 2017 and based in Oslo, Norway. The Company was established 20 October 2021 as a legal entity to build, own and operate “N0r5ke Viking”, an 810 km subsea cable along the western coast of Norway between Bergen and Trondheim. The cable contains 192 dark fibers for lease, significantly increasing regional connectivity to important national and international fiber/data transportation hubs. Dark fiber is the name of the physical fiber cable infrastructure that lays the foundation for international data traffic and our digital economy. Some 99% of the worlds data and internet traffic is transported via subsea cables.

CEO Comments on 1st Quarter 2023

After finalising the construction work ahead of our 15 December 2022 target date, we shifted our focus towards operationalising the network and customer onboarding.

First IRU payment and recurring Operation and Maintenance (“O/M”) fees have been received as we have successfully onboarded our first customer. Further IRU customers are scheduled to be be onboarded during April and May, which is somewhat delayed from our initial schedule. The delay is due to that the contractor for the southern part of the network needed more time to meet our strict quality requirements regarding fiber splicing and measurement.

In terms of operationalisation, we have signed necessary O/M agreements with qualified and certified suppliers of 24/7 Network Operation Center (“NOC”) services for our fiber network and technical installations, standby cable vessel with equipment and personnel for subsea repairs, standby personnel and equipment for terrestrial duct and fiber repairs, as well as personnel for periodic inspection and maintenance of telco huts and landing-sites. We have procured and are stocking spare subsea cable and bespoke subsea cable repair joints.

We are pleased with the overall progress per 31 March 2023.

Stig Salater, CEO

Business update

- Through IRU customer onboarding, the Company has achieved sales revenues of NOK 0.8 million for the quarter. Note- the lump-sum IRU contract payments are subject to accrual accounting over the contract lifetime.
- The Company is in constructive dialog with further prospect customers for dark fiber lease on parts of N0r5ke Viking, these contracts are expected to materialise during H1 2023.
- In 2022 the Company successfully qualified to take part in two public tenders initiated by large Norwegian public entities with a need to lease dark fiber between Bergen and Trondheim. The RFP process for one of these entities has been initiated, with deadlines for relevant information to be handed in during H1 2023 and dark fiber allocations expected in H1 2024.
- N0r5ke Fibre AS (“N0r5ke Fibre”), the parent company of N0r5ke Viking I AS, sees increasing demand and need for redundant long-haul fiber in Norway to accommodate the growth in international data traffic. Thus, N0r5ke Fibre is working on detailed plans and permitting for further subsea- and terrestrial fiber network build out between Bergen and Oslo and between Oslo and Trondheim. This is supported by the recent announcement by Green Mountain Data Centers to build a purpose-built data center of up to 150 MW for an international social media company at Hamar, only 1.5 hours north of Oslo.

Financial update

- Approximately NOK 160.2 million has now been paid out against a budget of NOK 166.2 million. As a consequence, the remaining budget is approximately NOK 6.0 million.
- The NOK construction account has per 31 March 2023 a holding of approximately NOK 28.0 million, and as such a solid buffer vs the remaining budget.
- The quarterly bond coupon of 11.36% p.a. was paid from the debt service account as scheduled on 3rd of February 2023. The debt service account balance following the payment was NOK 1.5 million.
- The interest rate for the next quarterly coupon was set to 11.24% p.a. for payment on the 3rd of May 2023.
- In addition to the Company’s liquidity buffer, the Guarantor N0r5ke Fibre AS holds further cash of approximately NOK 5.2 million.
- The pre-tax loss for the quarter is NOK 3.8 million.

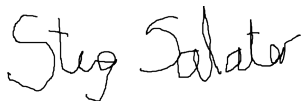
Statement by the board of directors and executive management

The Board of Directors and the Executive Management have today reviewed and approved the interim report for the period 1 January to 31 March 2023 of NOR5ke Viking I AS. We believe, to the best of our knowledge, that the financial statements presented in this report, gives a fair representation of the Company's financial position of assets and liabilities and the profits earned for this quarter. Furthermore, in our opinion, the report gives a fair representation of the Company's activities as well as a fair description of the material risks and uncertainties which the Company is currently facing.

Oslo, 13.04.2023

Executive Management

Stig Salater, CEO NOR5ke Fibre AS



Board of Directors

Anders Vik, Chairman of the Board



Unaudited quarterly financial statements

Balance sheet	31.03.2023	31.12.2022
<i>Numbers in NOK 1,000</i>		
Assets		
<i>Fixed assets</i>		
Tangible fixed assets		
Land, buildings and other real property	166'884	159'567
Sum tangible fixed assets	166'884	159'567
Financial fixed assets		
Other receivables	2'797	3'227
Total financial fixed assets	2'797	3'227
Sum fixed assets	169'681	162'795
<i>Current assets</i>		
Receivables		
Accounts receivable from customers	8'694	-
Other debtors	18	9'057
Sum receivables	8'712	9'057
Bank deposits, cash etc.		
Bank deposits, cash etc.	29'500	35'311
Sum Bank deposits, cash etc.	29'500	35'311
Sum current assets	38'212	44'368
Sum assets	207'894	207'163
Equities and liabilities		
<i>Equity</i>		
Paid-in capital		
Subscribed capital	680	680
Other paid-in capital	45'352	45'352
Unregistered share capital increase	-30	-30
Sum paid-in capital	46'002	46'002
Retained earnings		
Undistributed profit/loss 2023	-3'898	-
Sum retained earnings	-3'898	-
Sum equity	42'104	46'002
<i>Liabilities</i>		
Other long-term liabilities		
Bond loans	150'000	150'000
Sum other long-term liabilities	150'000	150'000
Current liabilities		
Accounts payable	5'047	6'996
Public duties payable	35	-
Other short-term liabilities	10'708	4'165
Sum current liabilities	15'790	11'161
Sum liabilities	165'790	161'161
Sum equities and liabilities	207'894	207'163

Income statement	31.03.2023	31.12.2022
<i>Numbers in NOK 1,000</i>		
Sales reveue	884	-
Deffered income	-	-
Total operating income	884	-
Other operating expenses	-161	-583
Sum operating expenses	-161	-583
Result of operations	723	-583
Other financial income	56	1'923
Total financial income	56	1'923
Other interest charge	-4231	-14'878
Other financial expences	-446	-1'881
Total financial expenses	-4'677	-16'759
Net financial income/expenses	-4'621	-14'836
Ordinary profit/loss before tax	-3'898	-15'420
Ordinary profit/loss	-3'898	-15'420
Undistributed profit/loss	-3'898	-15'420

Cash flow statement	31.03.2023	31.12.2022
<i>Numbers in NOK 1,000</i>		
Profit/(loss) before taxation	-3'898	-15'420
Depreciation and amortisation	-	-
Changes in accounts receivables	-8'694	-
Changes in accounts payables	-1'949	-17'308
Changes in other current receivables/liabilities	16'048	58'263
Cash flow from operating activities	1'507	25'535
CapEx	-7'316	-134'611
Cash flow from investing activities	-7'316	-134'611
Proceeds from new shares issue	-	-395
Proceeds from long-term debt	-	-
Repayment of debt	-	-
Dividends	-	-
Cash flow from financing activities	-	-395
Net change in cash and cash equivalents	-5'810	-109'472
Cash and cash equivalents at start of the period	35'311	144'783
Cash and cash equivalents at end of the period	29'500	35'311

General accounting principles

The financial statements have been prepared in accordance with the provisions of the Accounting Act and associated regulations, as well as generally accepted accounting practice. In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Disclaimer

The information included in this Report may contain certain forward-looking statements that address activities, events or development that the Company expects, projects, believes or anticipates will or may occur in the future. These statements are based on various assumptions made by the Company, which are beyond its control and are subject to certain additional risks and uncertainties. The Company is subject to a large number of risk factors, including, but not limited to, economic and market conditions in the geographic areas and markets in which the Company is or will be operating, counterparty risk, interest rates, access to financing, fluctuations in currency exchange rates, and changes in governmental regulations. For a further description of other relevant risk factors, we refer to the Investor Presentation dated 25 October 2021 in connection with the NOK 150 million senior secured bond issue on 3 November 2021. As a result of these and other risk factors, actual events and actual results may differ materially from those indicated in or implied by such forward-looking statements. Inaccuracies or mistakes may occur in the information given below about the current status of the Company or its business. Any reliance on the information below is at the risk of the reader, and the Company disclaims any liability in this respect.

