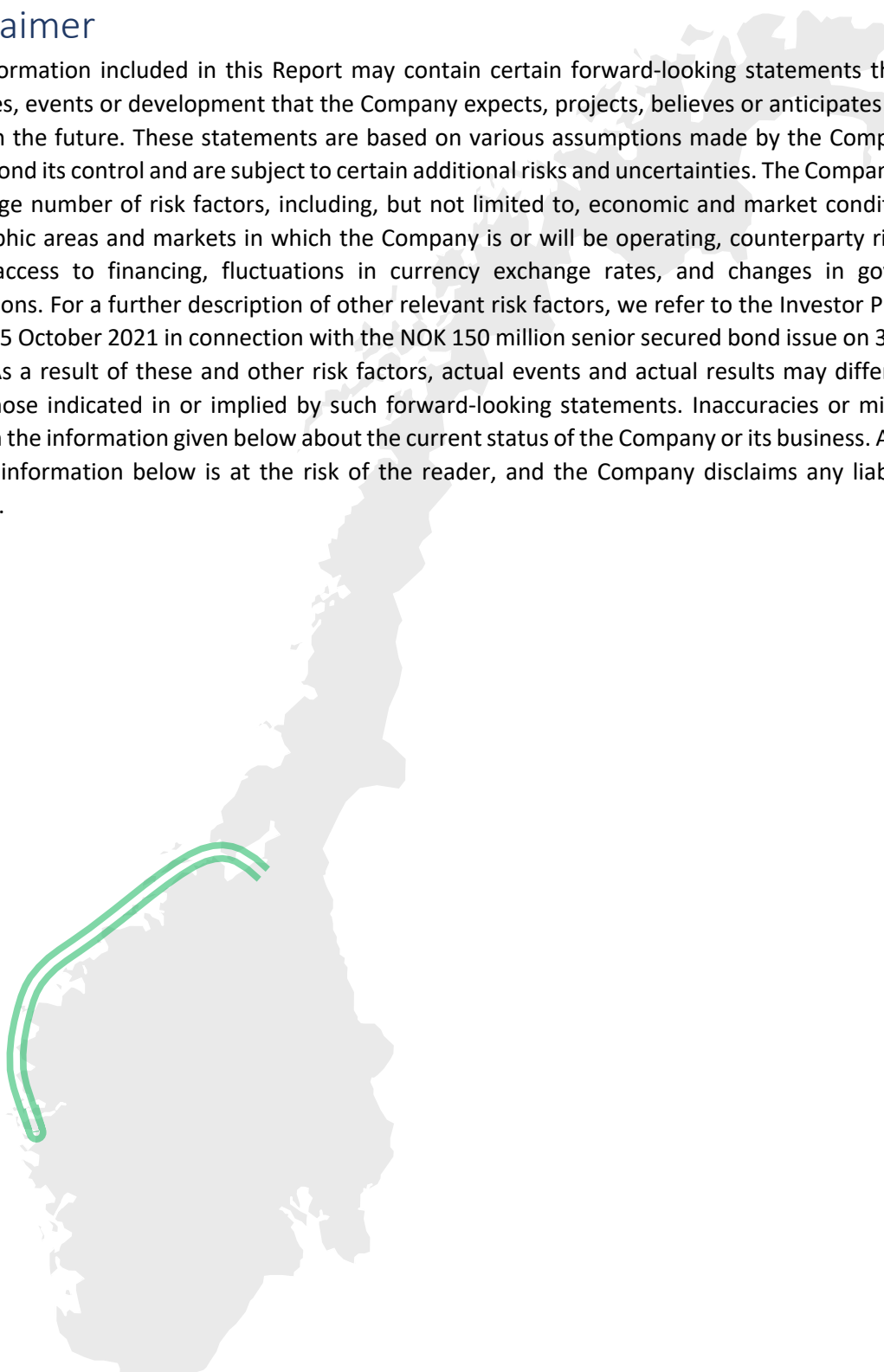


# NOR5KE VIKING I AS Q3 2022 FINANCIAL REPORT

## 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.



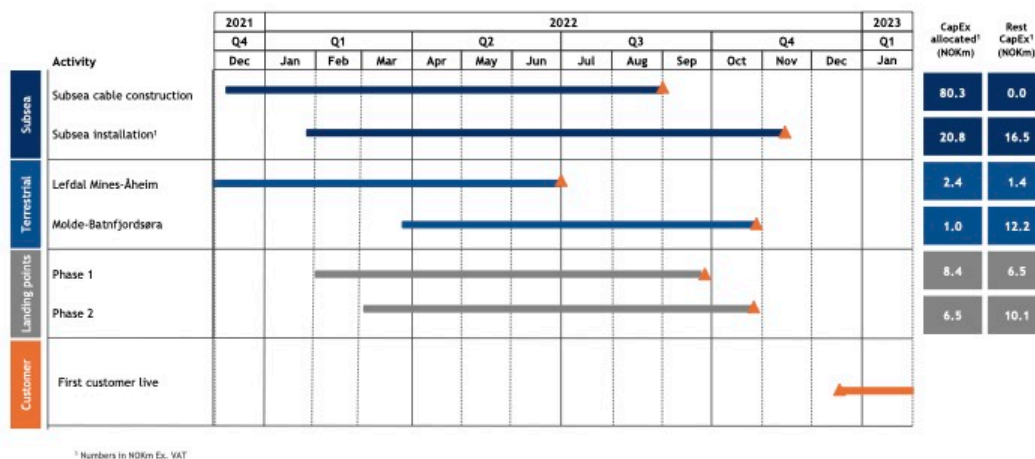
## About N0r5ke Viking I AS

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 in subsea cables.

## Construction update

- Norddeutsche Seekabelwerke GmbH (a part of Prysmian Group) has finished on schedule production of the N0r5ke Viking cable. Representatives from the Company visited the factory in Germany on 12 July and 15 September 2022 and took part in the subsea cable Factory acceptance test (FAT) for batch 1 and batch 2 respectively. Batch 1 has been successfully installed subsea and securely connected to the constructed landing sites between Bergen and Ålesund. Batch 2 is loading on vessel and will subsequently sail for Norway where Seaworks Kabel AS will perform the subsea installation between Ålesund and Trondheim during October and first weeks of November.
- As per 30 September 2022, the construction of landing sites and terrestrial fiber stretches has progressed according to plan with all landing sites scheduled to be ready ahead of Seaworks Kabel AS’ arrival for batch 2 installation. Furthermore, the 14.5 km terrestrial fiber along the new built powerlines from Lefdal Mines Datacenter has been built by Linja AS and are being readied for handover to the Company.
- The project is progressing according to schedule and there are currently no known sources of delays. Of the NOK 185 million initial amount on the construction accounts, approximately NOK 119.4 million has now been paid out to cover all five instalments for subsea cable production, three of five instalments for subsea installation, first two instalments for landing site build and terrestrial fiber build along powerlines. As a consequence, the remaining budget is approximately NOK 46.9 million and the available amount on the construction account is approximately NOK 67.1 million which is approximately 43.0% higher than the remaining project budget.

Figure 1. N0r5ke Viking Timeline Project Milestones



## Business update

- The Company has signed two additional dark fiber IRU lease agreements:
  - A 20-year dark fiber IRU lease agreement with one of Europe's largest telecom companies for one fiber pair and embedded option for up to ten additional fiber pairs on our entire network.
  - A 20-year dark fiber IRU lease agreement with a large Norwegian power company for one fiber pair along some 275 km of our network.
  - The combined IRU lease agreements signed with customers per 30 June 2022, total approximately NOK 40 million of day one payments payable during H1 2023.
- As the Company has 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. RFP related meetings are expected to be set during Q4 2022 and Q1 2023.
- On the 7<sup>th</sup> and 8<sup>th</sup> of September, Co-founder Bjørn Vik, attended as both speaker and panel participant at the *25th Submarine Networks Submarine World* in Singapore - the largest annual event for the global subsea community, contributing to the marketing of N0r5ke Viking and Norway's benefits as a datacenter destination.

## Financial update

- The NOK construction account has per 30 September 2022 a holding of approximately NOK 67.1 million.
- The third quarterly bond coupon of 9.27% p.a. was paid from the debt service account as scheduled on 3<sup>rd</sup> of August 2022. The debt service account balance following the payment was NOK 9.8 million.

- The interest rate for the fourth quarterly coupon was set to 10.22% p.a. for payment on the 3<sup>rd</sup> of November 2022.
- In addition to the Company's liquidity buffer, the Guarantor NOR5ke Fibre AS holds further cash of approximately NOK 5.2 million.
- At the time of this report the buffer to the remaining construction budget is approximately 43.0%, the Company is in a good financial position with a healthy buffer of cash to complete the NOR5ke Viking construction on time and on budget.
- The pre-tax loss for the quarter is NOK 1.7 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 July to 30 September 2022 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, 05.10.2022

### Executive Management

Stig Salater, CEO NOR5ke Fibre AS

### Board of Directors

Anders Vik, Chairman of the Board

## Unaudited quarterly financial statements for Q3 2022

Balance sheet	30.09.2022	31.12.2021
<i>Numbers in NOK 1,000</i>		
<b>Assets</b>		
<i>Fixed assets</i>		
<b>Tangible fixed assets</b>		
Land, buildings and other real property	130'880	24'956
<b>Sum tangible fixed assets</b>	<b>130'880</b>	<b>24'956</b>
<b>Financial fixed assets</b>		
Other receivables	3'667	4'972
<b>Total financial fixed assets</b>	<b>3'667</b>	<b>4'972</b>
<b>Sum fixed assets</b>	<b>134'547</b>	<b>29'929</b>
<i>Current assets</i>		
<b>Receivables</b>		
Other debtors	471	73
Subscribed capital	-	65'000
<b>Sum receivables</b>	<b>471</b>	<b>65'073</b>
<b>Bank deposits, cash etc.</b>		
Bank deposits, cash etc.	69'007	144'784
<b>Sum Bank deposits, cash etc.</b>	<b>69'007</b>	<b>144'784</b>
<b>Sum current assets</b>	<b>69'478</b>	<b>209'857</b>
<b>Sum assets</b>	<b>204'025</b>	<b>239'785</b>
<b>Equities and liabilities</b>		
<i>Equity</i>		
<b>Paid-in capital</b>		
Subscribed capital	680	30
Other paid-in capital	63'290	-693
Unregistered share capital increase	-30	65'000
<b>Sum paid-in capital</b>	<b>63'940</b>	<b>64'337</b>
<b>Retained earnings</b>		
Undistributed profit/loss 2021	-2'518	-2'518
Undistributed profit/loss	-8'760	
<b>Sum retained earnings</b>	<b>-11'278</b>	<b>-2'518</b>
<b>Sum equity</b>	<b>52'662</b>	<b>61'818</b>
<i>Liabilities</i>		
<b>Other long-term liabilities</b>		
Bond loans	150'000	150'000
<b>Sum other long-term liabilities</b>	<b>150'000</b>	<b>150'000</b>
<b>Current liabilities</b>		
Accounts payable	9'756	24'305
Public duties payable	-9'273	
Short-term group liabilities	881	663
Other short-term liabilities	-	2'999
<b>Sum current liabilities</b>	<b>1'364</b>	<b>27'967</b>
<b>Sum liabilities</b>	<b>151'364</b>	<b>177'968</b>
<b>Sum equities and liabilities</b>	<b>204'026</b>	<b>239'786</b>

Income statement	30.09.2022	31.12.2021
<i>Numbers in NOK 1,000</i>		
<b>Total operating income</b>	<b>779</b>	-
Other operating expenses	-734	-146
<b>Sum operating expenses</b>	<b>-734</b>	<b>-146</b>
<b>Result of operations</b>	<b>45</b>	<b>-146</b>
Other interest income	37	38
Exchange rate income (Agio)	-	-
<b>Total financial income</b>	<b>37</b>	<b>38</b>
Other interest charge	-1'738	-2'128
Other financial expenses	-	-282
<b>Total financial expenses</b>	<b>-1'738</b>	<b>-2'410</b>
<b>Net financial income/expenses</b>	<b>-1'701</b>	<b>-2'372</b>
<b>Ordinary profit/loss before tax</b>	<b>-1'656</b>	<b>-2'518</b>
<b>Ordinary profit/loss</b>	<b>-1'656</b>	<b>-2'518</b>
<b>Cash flow statement</b>		
	<b>30.09.2022</b>	<b>31.12.21</b>
<i>Numbers in NOK 1,000</i>		
Profit/(loss) before taxation	-8'761	-2'518
Depreciation and amortisation	-	-
Changes in accounts receivables	-313	-
Changes in accounts payables	-14'548	24'305
Changes in other current receivables/liabilities	54'165	-66'383
<b>Cash flow from operating activities</b>	<b>30'543</b>	<b>-44'596</b>
CapEx	-105'923	-24'957
<b>Cash flow from investing activities</b>	<b>-105'923</b>	<b>-24'957</b>
Proceeds from new shares issue	-395	64'337
Proceeds from long-term debt	-	150'000
Repayment of debt	-	-
Dividends	-	-
<b>Cash flow from financing activities</b>	<b>-395</b>	<b>214'337</b>
Net change in cash and cash equivalents	-75'776	144'784
Cash and cash equivalents at start of the period	144'784	-
<b>Cash and cash equivalents at end of the period</b>	<b>69'008</b>	<b>144'784</b>

## 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.