

Bulk Infrastructure Holding AS Consolidated first half-year 2022

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The logo for Bulk Infrastructure Holding AS, featuring the word "bulk" in a bold, teal, lowercase sans-serif font. The letter "b" is stylized with a white arrow pointing to the right. A small "TM" trademark symbol is positioned to the right of the word.

bulk™

Bulk Infrastructure Holding AS

Board of Directors Report - first half-year 2022

Business description

Bulk Infrastructure Holding AS, the parent company of Bulk Infrastructure Group AS, is a leading provider of 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 will 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 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.

Investment criteria

- **Sustainability:** Target infrastructure 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 Company believes its investment criteria will ensure sound investment decisions. The Company has a strong capital reallocation capability that makes it robust to fundamental changes in market dynamics.

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

H1 2022 in short

- **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. Projects have been handed over to Leman in Vestby, Kominox at Lindeberg and Lettbutikk in Enebakk during the first half year 2022. Multiple roof top solar projects have been initiated, including agreements with Lettbutikk, DSV and Kjellmann and operative solar systems on Pet XL and Leman during the first half year. Development of Bulk Wood, a fully integrated engineering and sustainability initiative with the purpose of replacing steel with wood in the Bulk module is started during the first half year.
- **Data Centers:** New contracts are signed on our data center sites during first half year 2022. The sales pipeline is strengthened for all sites, including both Hyperscalers, HPC and industry verticals. Projects to significantly increase power capacity and prepare more land at N01 is in progress, in addition to assessment of alternatives for reuse of heat from the data centers. A project plan for a second Oslo site is established, mainly for serving hyperscale and larger IT loads with need to be close to Oslo. The remaining 50% of OS-IX was acquired during the first quarter 2022. Option signed with Esbjerg municipality for additional land at DK01, thus controlling over 30 hectares of adjacent land. Secured land ownership at N01 by declaring an option to buy ca. 80 hectares of land adjacent to already owned land.

- Fiber Networks: The Havsil Cable system, connecting Kristiansand and Esbjerg is fully operational with live traffic during the first half year 2022. The Havhingsten system connecting the UK and Ireland into Esbjerg is finalized during the first half year 2022. Following the completion of the fiber systems Havsil and Havhingsten, Fiber Networks have had a strong focus on marketing activities in the first half year with several campaigns and successful customer events notably in Esbjerg and in industry conferences. There are now active customers on all segments of the Inter City Ring. The construction and installment of the additional two telehouses between Kristiansand and Stavanger is in progress, bringing the total of telehouses to twelve on the Inter City Ring in addition to three telehouses in Denmark finalized in the first half year 2022.
- As our Data Center Business gradually moves from development to operational focus, and our Industrial Real Estate business continues to build up a portfolio of yielding assets, the Group's annual recurring revenue is becoming a relevant performance indicator. Annualized quarterly revenues were up 79% from last year to NOK 210 million in 2Q-2022. Already signed customer contracts will increase this number to an estimated NOK 300 million annual run-rate revenue by the end of 2023. New contracts to be signed in 2nd half of 2023 will further add to this metric.
- Group: The Group renewed the ISO certificate for 27001 Information Security during the first half year.
- The effects of the Coronavirus outbreak are still limited to the business. The three business segments are experiencing limited delays due to Covid-19. We do not expect Covid-19 to cause a significant long-term deterioration in economic conditions for the business.

Report on the first half year accounts

Total income for the Group was NOK 128.9 million compared to NOK 69.8 million in the first half year last year. The increase is mainly due to new investment properties in Industrial Real Estate in addition to rental income from OS-IX which is consolidated from January 2022. NOK 66.4 million of total income is generated from Industrial Real Estate in the first half year, compared to NOK 31.1 million last year. The Data Centers area generated a total income of NOK 55.8 million in the first half year 2022, compared to NOK 35.1 million last year. The increase is positively affected by the acquisition of the remaining 50% of OS-IX. In the Fiber Networks area, the income in the first half year 2022 was NOK 5.3 million compared to NOK 2.6 million in the first half year 2021. The Group's operating profit was negative with NOK 17.2 million in the first half year 2022 compared to positive NOK 253.9 million last year. The decrease is mainly related to the reduced positive fair value change on investment property compared to last year. The net profit for the first half year was NOK 46.4 million, a decrease from NOK 145.6 million last year. The total comprehensive income for the first half year ended at 59.4 million compared to 142.1 million in the first half year 2021. Other comprehensive income is mainly driven by exchange differences in foreign subsidiaries.

Cash and cash equivalents ended at NOK 183.4 million by the end of the first half year 2022, down from NOK 696.3 million at year-end 2021. The equity ratio ended at 52.6 % at the end of the first half year 2022, an increase from 50.9 % at year-end 2021. Mortgage debt increased by NOK 814.4 million during the first half year 2022, mainly due to new construction loans and the acquisition of OS-IX. Current liabilities decreased by NOK 62.5 million during the first half year 2022. The decrease is mainly due to a reduction in short-term portion of borrowings.

The Group's financial position is strong.

Financial risk

The Group is exposed to these types of risk:

Liquidity risk - The Group is dedicated 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 14/86 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 the first half of 2022. The Group's tenants normally pay quarterly and in advance. The lease agreements usually require an additional form of collateral or security.

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.

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 5.8 years June 30 last year to 8.7 years as of June 30, 2022. 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 Group's properties is 1 % as of June 30, 2022.

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.

Energy market - Availability and cost of energy is relevant for the digital infrastructure industry. Bulk is working systematically to secure future availability of power, and we support our customers on how to manage the uncertainty related to future energy pricing.

Review and risk management

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 audited consolidated financial statements for the year ended December 31, 2021, 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 covers 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. Financial and operational performance is also discussed in separate sessions in the management team on a quarterly basis.

Health, safety and environment

Bulk carried out an appraisal dialog in March 2022 focusing on both the employee's performance and well-being. The dialog is an arena for discussing improvement points, and where the employee is encouraged to bring feedback to the Company through the closest leader. As a result of the Coronavirus outbreak the majority of the employees have been working from home in the beginning of year with exception of critical operations personnel. There has been a fully functional Business Continuity team in place from March 2020. The Group also has a safety representative on each location followed by meetings together and with

HR. There were no major accidents or injuries to the Group's personnel during the first half year of 2022. At subcontractors there have been two incidents with personnel injuries that have resulted in sick leave in the period.

Bulk has a vision to build sustainable infrastructure for a global audience. We respect the environment, people, and society as a whole. We pursue opportunities to contribute to global sustainable development at scale. We use our creative power to develop new high quality, reliable and clean solutions.

Our Integrated Management System is used to soundly manage, secure, and continuously improve all work processes that affect Quality, Health, Safety and Environment. The use and follow up of our performance indicators, along with systematic risk management, helps us to build a stronger company that can handle larger and more complex business affecting larger stakeholder groups.

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 the first half-year of 2022 signed two lease agreements for existing properties. Bulk is also involved in zoning and development of new industrial real estate locations, both alone and in partnerships. The transaction market for commercial property in the Warehouse and Industrial real estate verticals has been strong and we expect the demand for goods bought online to continue to fuel market interest for our new build projects.

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 Infrastructure Group AS has, through fully and partly owned subsidiaries, improved its position for taking a substantial market share of this growth going forward with new capacity developed in 2021 and 2022, and additional plots suitable for data center secured in both Norway and Denmark. 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 customers added during the first half year 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 is completed and operational during the first half year 2022: The Havfrue System, connecting the US and the

Nordics is fully operational between the US, Norway and Denmark. The remaining branch connecting into Ireland, will be ready for service in the second half of 2022. The Norwegian Inter-City Ring is fully completed and operational and will see the two last set of Telehousing units come in place during Q3 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.

Subsequent events

There are no material subsequent events after the reporting period.

Oslo, August 25, 2022

The Board of Bulk Infrastructure Holding AS

Peder Nærbø
Founder and Executive Chair

Torbjørn T. Moe
Member of the board

Lars Oskar Bustgaard
Member of the board

Even Bratsberg
Member of the board

Lars Erich Nilsen
Member of the board

John Anthony Carrafiell
Member of the board

Jon Gravråk
General manager

Bulk Infrastructure Holding AS

Consolidated first half-year 2022

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Disclaimer

Responsibility statement

Consolidated statement of profit and loss For the first half-year ended June 30, 2022

(NOK '000)	Notes	Half-year ended		Year ended
		30.06.2022	30.06.2021	31.12.2021
		Unaudited	Unaudited	Audited
Rental income	2	75 085	33 914	83 342
Revenue property sales	2	-	-4 777	182 537
Revenue from sales	2	36 973	29 083	64 545
Other revenue	2	16 875	11 567	35 248
Total revenue and other income		128 933	69 786	365 673
Property-related expenses	2	8 489	6 234	12 269
Cost of property sales	2	-	-	173 883
Cost of sales	2	31 003	25 351	61 291
Other cost	2,3	141 239	110 267	257 356
Total expenses		180 731	141 852	504 799
Operating profit before fair value adjustments on investment properties		-51 798	-72 066	-139 127
Fair value adjustments on investment properties	4	34 581	325 970	1 352 819
Operating profit		-17 217	253 905	1 213 692
Share of profit/loss(-) of investments accounted for using the equity method		3 087	-337	77 267
Remeasurement gain of previous held equity investments	5	90 056	-	-
Finance income		38 921	17 361	18 484
Finance costs		78 224	62 553	111 360
Fair value adjustments on derivatives		27 893	2 178	4 901
Net financial items		81 733	-43 350	-10 709
Profit before income tax		64 516	210 555	1 202 983
Income tax expense		18 127	65 003	267 009
Profit for the period		46 389	145 552	935 974
Other comprehensive income				
<i>Items that may be reclassified to profit and loss</i>				
Exchange differences on translation on foreign operations	2	13 024	-3 412	-6 417
Other comprehensive income for the year, net of tax		13 024	-3 412	-6 417
Total comprehensive income		59 413	142 140	929 556
<i>Attributable to:</i>				
Shareholders in the parent Company		66 411	142 140	767 871
Non-controlling interests		-6 999	-	161 685
Earnings per share basic and diluted (NOK)	7	0,22	0,54	3,51

Consolidated balance sheet

(NOK '000)	Notes	Half-year ended		Year ended
		30.06.2022	30.06.2021	31.12.2021
		Unaudited	Unaudited	Audited
Assets				
<i>Intangible fixed assets</i>				
Goodwill	8	2 070	16 948	-
Other intangible assets	8	2 522	1 661	1 445
Total intangible assets		4 592	18 608	1 445
<i>Non-current assets</i>				
Investment property	4	4 802 213	2 826 138	4 184 248
Property, plant & equipment	9	2 179 285	1 342 236	1 328 690
Investment in Associated company	5,10	185 092	246 784	289 212
Receivable from related party	11	436	-	10 396
Derivative financial instruments	6,11	24 904	-	1 139
Other receivables	11	21 384	6 552	12 616
Investment in shares	11	1 249	1 249	1 249
Right-of-use assets	12	213 659	30 060	175 101
Total other non-current assets		7 428 221	4 453 019	6 002 651
Total non-current assets		7 432 813	4 471 627	6 004 096
<i>Current assets</i>				
Inventories		7 798	5 930	5 484
Property under development	3	-	116 805	-
Receivable from related party	11	1 488	-	15 093
Trade and other receivables	11	235 057	133 876	154 621
Cash and cash equivalents	11	183 381	77 772	696 325
Total current assets		427 725	334 382	871 523
Total assets		7 860 538	4 806 009	6 875 620

Consolidated balance sheet

(NOK '000)	Notes	Half-year ended		Year ended
		30.06.2022	30.06.2021	31.12.2021
		Unaudited	Unaudited	Audited
Equity and liabilities				
<i>Paid in equity</i>				
Ordinary shares		3 069	2 660	3 069
Own shares		-110	-110	-110
Share premium		3 055 216	2 240 949	3 055 216
Total paid in equity		3 058 175	2 243 499	3 058 175
<i>Retained earnings</i>				
Retained earnings		872 482	204 299	802 232
Total retained earnings		872 482	204 299	802 232
Non-controlling interests		204 368	-	211 367
Total equity	7	4 135 025	2 447 798	4 071 774
<i>Non-current liabilities</i>				
Bond loan	11,13	970 923	967 778	969 350
Borrowings	11	2 001 630	759 599	1 081 665
Derivative financial instruments	6,11	4 423	10 974	9 540
Lease liabilities	12	28 711	26 317	31 885
Contract liabilities		41 365	24 341	30 765
Other long-term liabilities	11	34 935	48 000	33 634
Deferred tax liabilities		349 374	109 670	290 321
Total non-current liabilities		3 431 362	1 946 679	2 447 161
<i>Current liabilities</i>				
Trade payables	11	110 155	69 336	75 143
Short-term portion of borrowings	11	35 080	240 323	140 618
Short-term portion of derivatives	6,11	593	1 429	1 279
Short-term portion lease liabilities	12	8 405	4 124	8 144
Contract liabilities		2 177	1 281	1 308
Other payables	11	137 741	95 040	130 192
Total current liabilities		294 151	411 533	356 685
Total liabilities		3 725 513	2 358 211	2 803 846
Total equity and liabilities		7 860 538	4 806 009	6 875 620

Oslo, August 25, 2022
The Board of Bulk Infrastructure Holding AS

Torbjørn T. Moe
Member of the board

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Founder and Executive Chair

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Member of the board

Lars Erich Nilsen
Member of the board

John Anthony Carrafiell
Member of the board

Jon Gravråk
General Manager

Consolidated statement of changes in equity

(NOK '000)

	Paid in equity			Exchange differences on translation on foreign operations	Retained earnings	Non-controlling interests	Total equity
	Share capital	Own shares	Share premium				
01.01.2021	2 358	-110	1 659 982		71 429	-	1 733 660
Profit of the period					145 552		145 552
Other comprehensive income - currency					-3 412		-3 412
Purchase own shares					-6 711		-6 711
Share issue	302	-	580 967		-2 560		581 269
Other changes							-2 560
30.06.2021	2 660		2 240 949	-	204 299	-	2 447 798
01.01.2022	3 069	-110	3 055 216	3 270	798 963	211 367	4 071 774
Profit of the period					53 387	-6 999	46 389
Other comprehensive income - currency				13 024			13 024
Other changes					3 839		3 839
30.06.2022	3 069		3 055 216	16 294	856 189	204 368	4 135 025

Cashflow statement - consolidated

(NOK '000)	Note	Half-year ended		Year ended
		30.06.2022	30.06.2021	31.12.2021
		Unaudited	Unaudited	Audited
Cash flow from operations				
Profit before income taxes		64 516	210 555	1 202 983
Adjust for:				
Depreciation	9,10	35 406	17 289	53 097
Fair value adj. on investment properties	4	-34 581	-325 970	-1 352 819
Share of profit/loss(-) of investments accounted for using the equity method		-3 087	337	-77 267
Remeasurement gain of previous held equity investme	5	-90 056	-	-
Finance income		-38 921	-17 361	-18 484
Finance costs		78 224	62 553	111 360
Fair value adj. on derivatives		-27 893	-2 178	-4 901
Cashflow before change in working capital		-16 392	-54 776	-86 029
Change in working capital				
Trade and other receivables		-88 085	-13 095	-56 904
Trade and other payables		57 030	-87 807	-34 299
Property under development		-	-57 071	62 759
Net cash flow from operations (A)		-47 447	-212 749	-114 474
Cash flow from investments				
Purchase and improvements of investments property	4	-590 240	-732 377	-1 093 011
Sale of real estate infrastructure	4	29 647	-	-
Dividend received		1 138	-	650
Purchase of shares in associated companies	5	-195 374	-	-761
Sale of fiber infrastructure		-	203 944	206 074
Purchase of fixed assets	9,10	-163 148	-173 783	-321 275
Net cash flow from investments (B)		-917 977	-702 217	-1 208 324
Cash flow from financing				
Sale of shares in group companies		-	-	62 530
Finance cost paid including interest paid on derivatives		-64 534	-62 553	-93 407
Interest received		2 851	17 361	1 052
Proceeds from Borrowings		515 999	377 609	601 544
Change in other long-term liabilities		1 301	-	-14 366
Change in receivable related party		2 774	-	-10 396
Principal paid on lease liabilities	12	-4 516	-2 437	-4 163
Interest paid on lease liabilities	12	-1 396	-960	-2 064
Share issue		-	581 269	1 395 944
Net cash flow from financing (C)		452 480	910 290	1 936 675
Net change in cash and cash equivalents (A+B+C)		-512 945	-4 676	613 877
Cash and cash equivalents at the beginning of the period		696 325	82 448	82 448
Cash and cash equivalents at the end of the period		183 381	77 772	696 325
Restricted funds		6 882	3 197	4 494

Notes to the consolidated accounts for first half-year 2022

Note 1 General information

Bulk Infrastructure Holding AS is a holding company registered in Norway. The head office is in Karenslyst Allé 53, Oslo, Norway. The Company is the subsidiary of Bulk Industrier AS. The Company is the parent company of Bulk Infrastructure Group AS, which in turn has the subsidiaries Bulk Industrial Real Estate AS, Bulk Data Centers AS and Bulk Fiber Networks AS.

These interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2021 annual report.

The interim financial statements have not been audited.

The accounting policies applied by the Group in these interim consolidated financial statements are consistent with those applied in the audited consolidated financial statements for the year ended December 31, 2021. Please refer to Note 2 - Accounting principles to the Consolidated Financial Statement in the 2021 annual report for information on the Group's accounting policies. The annual report is available on www.bulkinfrastructure.com/.

Notes to the consolidated accounts for first half-year 2022

Note 2 Segment information

The subsidiary of Bulk Infrastructure Holding, Bulk Infrastructure Group, has the following strategic operating segments by 30.06.22 presented in accordance with internal reporting to management

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

Operating profit and loss by segment 30.06.22 (NOK '000)	Industrial Real Estate Half-year ended		Data Centers Half-year ended		Fiber Networks Half-year ended		Group/other Half-year ended		Eliminated Half-year ended		Total Half-year ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Rental income	65 234	33 914	9 851	-	-	-	-	-	-	-	75 085	33 914
Revenue property sales	-	-4 777	-	-	-	-	-	-	-	-	-	-4 777
Revenue from sales*	-	-	31 717	26 448	5 256	2 635	-	-	-	-	36 973	29 083
Other revenue*	1 169	1 977	14 248	8 636	-	-	28 985	22 975	-27 527	-22 021	16 875	11 567
Total revenue and other income	66 403	31 114	55 816	35 084	5 256	2 635	28 985	22 975	-27 527	-22 021	128 933	69 786
Property-related expenses	5 507	6 234	2 982	-	-	-	-	-	-	-	8 489	6 234
Cost of sales**	-	-	22 492	22 328	8 511	3 023	-	-	-	-	31 003	25 351
Other cost**	24 465	17 614	90 591	59 481	18 048	37 460	35 662	17 733	-27 527	-22 021	141 239	110 267
Total expenses	29 972	23 848	116 065	81 810	26 560	40 483	35 662	17 733	-27 527	-22 021	180 731	141 852
Operating profit before fair value adjustments on investment properties	36 431	7 266	-60 249	-46 725	-21 304	-37 848	-6 676	5 242	-	-	-51 798	-72 066
Fair value adjustments on investment properties	34 581	325 970	-	-	-	-	-	-	-	-	34 581	325 970
Operating profit	71 012	333 236	-60 249	-46 725	-21 304	-37 848	-6 676	5 242	-	-	-17 217	253 905
Net financial items	-16 299	-17 198	73 396	-3 863	-7 683	-2 012	32 318	-20 277	-	-	81 733	-43 350
Profit before income tax	54 713	316 038	13 147	-50 588	-28 987	-39 860	25 642	-15 036	-	-	64 516	210 555
Income tax expense	17 725	65 003	401	-	-	-	-	-	-	-	18 127	65 003
Profit for the period	36 988	251 035	12 746	-50 588	-28 987	-39 860	25 642	-15 036	-	-	46 389	145 552
Other comprehensive income	9 870	86	3 116	-3 493	37	-5	-	-	-	-	13 024	-3 412
Other comprehensive income for the period, net of tax	9 870	86	3 116	-3 493	37	-5	-	-	-	-	13 024	-3 412
Total comprehensive income	46 858	251 121	15 862	-54 080	-28 950	-39 866	25 642	-15 036	-	-	59 413	142 140

*Electricity income is reclassified from "Revenue from sales" to "Other revenue" in 2021 figures to align with 2022 presentation, which is deemed more appropriate for the nature of revenues.

**Electricity is reclassified from "Cost of sales" to "Other costs" in 2021 figures to align with 2022 presentation, which is deemed more appropriate for the nature of costs.

Please also see note 1 for further explanation of the segments.

Notes to the consolidated accounts for first half-year 2022

Note 2 part 2 Revenue from contracts with customers

Set out below is the disaggregation of the group's revenue from contracts with customers

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

Segments (NOK '000)	Industrial Real Estate		Data Centers		Fiber Networks		Group/other		Eliminated		Total	
	Half-year ended		Half-year ended		Half-year ended		Half-year ended		Half-year ended		Half-year ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Rental income	65 234	33 914	9 851	-	-	-	-	-	-	-	75 085	33 914
Revenue property sales	-	-4 777	-	-	-	-	-	-	-	-	-	-4 777
Revenue from sales	-	-	31 717	26 448	5 256	2 635	-	-	-	-	36 973	29 083
<i>Other revenue</i>												
- Shared costs tenants	1 169	1 977	3 082	387	-	-	-	-	-	-	4 251	2 364
- Electricity*	-	-	11 166	8 249	-	-	-	-	-	-	11 166	8 249
- Business management/other	-	-	-	-	-	-	28 985	22 975	-27 527	-22 021	1 458	954
Total revenue from contracts with customers	66 403	31 114	55 816	35 084	5 256	2 635	28 985	22 975	-27 527	-22 021	128 933	69 786

*Electricity income is reclassified from "Revenue from sales" to "Other revenue" in 2021 figures to align with 2022 presentation, which is deemed more appropriate for the nature of revenues.

The group is not dependent on any single, large customer, as it has multiple business areas and a wide range of customers.

Notes to the consolidated accounts for first half-year 2022

Note 3 Share-based payments

Key Employee Share Option Plan

Bulk Infrastructure Holding AS established a share option plan in the end of 2021. 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 01.01.2025 to 01.09.2026. 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:

	30.06.2022		30.06.2021	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
As at 1 January	-	-	-	-
Granted during the period	19,94	1 271 120	-	-
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
As at 30 June	19,94	1 271 120	-	-

The share option plan was effective 1 January 2022. As such, all options are presented as granted as of 30 June 2022. Options can not be exercised until 1 January 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 30 June 2022	Share options 30 June 2021
1 January 2022	01.09.2026	19,94	1 271 120	-

Fair value of options granted

The assessed fair value at grant date of options granted during the period ended 30 June 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 30 June 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: 1 January 2022
- d) expiry date: 1 September 2026
- e) share price at grant date: NOK 19,943
- f) expected price volatility of the company's shares: 31%
- g) expected dividend yield: 0
- h) risk-free interest rate: 1,6 %

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

Notes to the consolidated accounts for first half-year 2022

Note 4 Investment property

INVESTMENT PROPERTY (NOK '000)	Half-year ended		Year ended
	30.06.2022	30.06.2021	31.12.2021
Fair value 1.1	4 184 248	1 777 179	1 777 179
Additions:			
- Capital expenditure	458 794	118 705	399 046
- Acquisition of property	131 446	649 000	693 965
- Sale of real estate infrastructure	-29 647	-	-
- Minority share of acquisition of property	-	-	18 702
Transferred to property under development	-	-40 134	-43 160
Currency translation on property in foreign subsidiaries	22 791	-4 583	-14 304
Changes in fair value	34 581	325 970	1 352 819
Fair value at period end	4 802 213	2 826 138	4 184 248

Income and expenses from investment property	30.06.2022	30.06.2021	31.12.2021
Income from rent	65 234	33 914	83 342
Other revenue - shared cost tenants	1 169	1 977	5 685
Expenses related to leased property	5 507	6 234	12 269

Notes to the consolidated accounts for first half-year 2022

Note 4 Investment property continues

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 a certified independent party, Akershus Eiendom AS. The valuation is carried out semi-annually, last performed as of June 30, 2022. Please refer to Note 2 - Accounting principles of the Consolidated Financial Statement in the 2021 annual report for further information.

Property under development (NOK '000)	Half-year ended		Year ended
	30.06.2022	30.06.2021	31.12.2021
Value 1.1	-	19 599	19 599
Additions:			
- Reclassification from investment property	-	40 134	43 160
- Additions	-	57 071	112 181
- Sale of property under development	-	-	-174 939
Inventory value period end	-	116 805	-

Notes to the consolidated accounts for first half-year 2022

Note 5 Acquisitions and business combinations

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 from Akershus Energi. 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 remeasurement 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 is paid partly in January and with a seller's credit which was settled in June 2022.

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 remeasurement of previously held equity investment amounting to NOK 2.4 million.

Notes to the consolidated accounts for first half-year 2022

Note 6 Derivative financial instruments

(NOK '000)	Half-year ended		Year ended
	30.06.2022	30.06.2021	31.12.2021
Interest rate swaps	24 904	-	1 139
Total assets	24 904	-	1 139

Interest rate swaps	5 016	-12 402	-10 819
Total liabilities	5 016	-12 402	-10 819

	30.06.2022	30.06.2021	31.12.2021
Nominal amount interest rate swaps	-424 060	-40 560	-199 060
Total nominal amount	-424 060	-40 560	-199 060

Notes to the consolidated accounts for first half-year 2022

Note 7 Paid in equity and shareholders

	Half-year ended		Year ended
	30.06.2022	30.06.2021	31.12.2021
Share capital	3 068 806	2 660 223	3 068 806

Change in paid in equity and share premium:

	Total shares			Share capital (IN NOK)			Share premium (IN NOK)		
	30.06.2022	30.06.2021	31.12.2021	30.06.2022	30.06.2021	31.12.2021	30.06.2022	30.06.2021	31.12.2021
A shares									
Issued stock and paid in capital									
At the beginning of the year	306 880 600	235 807 031	235 807 031	3 068 806	2 358 070	2 358 070	3 055 215 865	1 659 982 225	1 659 982 225
Capital increase	-	30 215 248	71 073 569	-	302 152	710 735	-	580 966 642	1 395 233 640
At the end of the period	306 880 600	266 022 279	306 880 600	3 068 806	2 660 223	3 068 806	3 055 215 865	2 240 948 867	3 055 215 865
B shares									
Issued stock and paid in capital									
At the beginning of the year	1	1	1	0,01	0,01	0,01	-	-	-
At the end of the period	1	1	1	0,01	0,01	0,01	-	-	-

The total number of shares are 306 880 600, each valued at NOK 0,01, and NOK 3 068 806 in total.

The company's shareholders at 30.06.2022

Shareholder	Type of account	Country	Number of shares	Share %	Number of B-shares	Share of votes
Bulk Industrier AS	A and B	Norway	156 085 919	52,66 %	1	76,33 %
BGO King HoldCo Sarl	A	Luxembourg	50 142 907	16,92 %		8,46 %
Gevevan Trading Co. Limited	A	Cyprus	38 680 610	13,05 %		6,53 %
Totomo AS	A	Norway	11 000 000	3,71 %		1,86 %
Prospero AS	A	Norway	9 131 215	3,08 %		1,54 %
Morellen AS	A	Norway	7 676 719	2,59 %		1,30 %
Levada AS	A	Norway	7 102 237	2,40 %		1,20 %
Elpica AS	A	Norway	5 851 270	1,97 %		0,99 %
Other shareholders (36 of > 1 %)	A	Norway	10 722 443	3,62 %		1,81 %
Total number of outstanding shares 30.06			296 393 320	100 %	1	100 %
Klub Bulk AS (own shares)	A	Norway	10 487 280			
Total number of shares			306 880 600			

Dividend

No dividend was approved or paid in 2022 as of 30.06.2022.

Own shares

The company own 10 487 280 own shares through its subsidiary Klub Bulk AS. The management own 850 320 shares (7,50%) in Klub Bulk AS.

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 weighted average number of ordinary shares outstanding during the year.

	Half-year ended		Year ended
	30.06.2022	30.06.2021	31.12.2021
Total comprehensive income, net of tax, attributable to shareholders in the parent Company	66 411 290	142 139 707	929 556 351
Weighted average number of outstanding shares	306 880 600	244 200 156	261 382 899
Basic and diluted earnings per share	0,22	0,58	3,56

Notes to the consolidated accounts for first half-year 2022

Note 8 Intangible assets

<i>(NOK '000)</i>	Goodwill	Software licenses	Other intangible assets	Total
Cost				
Balance at January 1, 2022	16 948	1 895	1 053	19 896
Additions	2 070	-	13	2 083
Acquisition of OS-IX	-	-	1 267	1 267
Balance at June 30, 2022	19 018	1 895	2 333	23 246
Balance at January 1, 2021	16 948	1 895	3 695	22 538
Additions	-	-	-	-
Transfer to property, plant & equipment	-	-	-2 644	-2 644
Other adjustments - currency	-	-	-3	-3
Balance at June 30, 2021	16 948	1 895	1 049	19 891
Accumulated amortization and impairment				
Balance at January 1, 2022	16 948	1 380	123	18 451
Amortization charge for the period	-	165	38	203
Balance at June 30, 2022	16 948	1 545	162	18 654
Balance at January 1, 2021	-	1 013	49	1 062
Amortization charge for the period	-	183	37	221
Balance at June 30, 2021	-	1 196	87	1 283
Net book value				
At January 1, 2022	-	515	930	1 445
At June 30, 2022	2 070	350	2 172	4 592
At January 1, 2021	16 948	882	3 646	21 475
At June 30, 2021	16 948	699	962	18 608

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

Goodwill: indefinite

Software licenses: 3-5 years

Software under development: n.a.

Notes to the consolidated accounts for first half-year 2022

Note 9 Property, plant & Equipment

(NOK '000)	Datacenter buildings	Datacenter technical infrastructure	Datacenter land	Under construction	Other fixed assets	Fiber networks	Total
Accumulated cost							
Balance at January 1, 2022	213 212	430 859	122 556	67 224	25 727	578 227	1 437 804
Additions	2 121	44 539	796	57 640	4 736	51 232	161 065
Other adjustments - currency	5 006	303	249	289	-	2 359	8 207
Reclassification to Right-of-use assets	-	-	-	-	-	-40 690	-40 690
Acquisition of OS-IX	480 278	389 885	36 395	56 640	-	-	963 198
Balance at June 30, 2022	700 617	865 586	159 996	181 794	30 463	591 128	2 529 584
Balance at January 1, 2021	215 612	318 696	110 893	25 902	22 945	770 135	1 464 184
Additions	5 059	79 245	7 607	21 590	488	59 792	173 783
Disposals	-	-	-	-	-	-203 944	-203 944
Transfer from assets under construction	-	-	-	-	-	-	-
Transfer from intangible assets	-	-	-	2 644	-	-	2 644
Exchange differences	-3 266	-217	-203	-226	-	-	-3 913
Balance at June 30, 2021	217 406	397 724	118 297	49 910	23 433	625 984	1 432 754
Accumulated depreciation							
Balance at January 1, 2022	17 939	56 191	3 015	-	15 761	16 210	109 114
Depreciation charge for the period	7 767	17 794	363	-	4 203	5 075	35 203
Other adjustments - currency	2 605	2 777	61	-	-	382	5 825
Acquisition of OS-IX	119 433	80 724	-	-	-	-	200 157
Balance at June 30, 2022	147 744	157 486	3 438	-	19 964	21 667	350 299
Balance at January 1, 2021	9 935	41 831	2 170	-	12 549	7 461	73 946
Depreciation charge for the period	4 183	7 458	440	-	1 887	3 101	17 069
Other adjustments - currency	-106	-371	-20	-	-	-	-497
Balance at June 30, 2021	14 012	48 918	2 590	-	14 436	10 562	90 518
Net book value							
At January 1, 2022	195 273	374 668	119 542	67 224	9 966	562 017	1 328 690
At June 30, 2022	552 874	708 100	156 558	181 794	10 499	569 461	2 179 285
At January 1, 2021	205 678	276 865	108 723	25 902	10 396	762 674	1 390 238
At June 30, 2021	203 394	348 806	115 707	49 910	8 998	615 422	1 342 236
Expected useful economic life	50 years	5-35 years	-	-	4-10 years	20-30 years	

Property, plant and equipment is located in Norway, Denmark and the United Kingdom.

Notes to the consolidated accounts for first half-year 2022

Note 10 Investments in subsidiaries, joint ventures and associated companies

Bulk Infrastructure Holding AS - Group:

Subsidiaries:	Office location	Vote-/ Ownership 30.06
Bulk Infrastructure Group AS	Oslo	100,0 %
AE Bulk Co-Invest AS*	Oslo	100,0 %
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 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 %
STC Logistics Denmark AS	Oslo	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 Vestby Nord AS	Oslo	100,0 %
Bulk Langhus AS	Oslo	100,0 %
Snipetjernveien 3 AS	Oslo	100,0 %
Bulk Danebuåsen AS	Oslo	100,0 %
Bulk Enebakk AS	Oslo	100,0 %
Bulk Landskaugveien AS	Oslo	100,0 %
Bulk Vestby II AS	Oslo	51,0 %
Bulk Park Enebakk II AS	Oslo	51,0 %
Bulk Data Centers AS	Oslo	100,0 %
N01 Services AS	Oslo	100,0 %
N01 Utilities AS	Oslo	100,0 %
N01 Real Estate AS	Oslo	100,0 %
N01 Power AS	Oslo	100,0 %
Bulk Facility Services AS	Oslo	100,0 %
Oslo Internet Exchange AS	Oslo	100,0 %
DK01 ApS	Esbjerg, Denmark	100,0 %
Bulk Innovation AS	Oslo	100,0 %
Data Center Technology AS	Oslo	100,0 %
Data Center Services AS	Oslo	100,0 %
Norway as a Service AS	Oslo	100,0 %
Bulk Infrastructure UK Ltd	London, UK	100,0 %
OS-IX Eiendom Holding AS*	Oslo	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 %
Bulk Fiber Networks Denmark ApS	Copenhagen, Denmark	100,0 %
Bulk Fiber Networks UK Ltd	London, UK	100,0 %
Fiberlykta AS	Oslo	100,0 %
Infragreen Communications AS	Oslo	100,0 %
Bulk Fiber Networks Ireland Limited	Dublin, Ireland	100,0 %

*AE Bulk Co-Invest AS and OS-IX Eiendom Holding AS were associated companies in 2021. Bulk Infrastructure Group AS and Bulk Data Centers AS acquired the remaining 50% of AE Bulk Co-Invest AS and OS-IX Eiendom Holding AS from Akershus Energi on 19 January 2022. As such, Bulk Infrastructure Group AS is the sole owner and the companies are accounted for as subsidiaries from January 2022.

Associated companies

Bulk Park Enebakk AS	Oslo	50,0 %
Berger Terminal Holding II AS**	Oslo	25 %

**Berger Terminal Holding II AS was included as an associated company as a result of the acquisition of AE Bulk Co-Invest AS. AE Bulk Co-Invest AS has an ownership of 25% in the company, which is now consolidated in the Group financials.

Notes to the consolidated accounts for first half-year 2022

Note 11 Financial assets and liabilities

(NOK '000)	Half-year ended				Year ended	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	as at 30.06.2022	as at 30.06.2022	as at 30.06.2021	as at 30.06.2021	as at 31.12.2021	as at 31.12.2021
<i>Financial assets at fair value through profit or loss</i>						
Interest rate swaps	24 904	24 904	-	-	1 139	1 139
Total financial assets at fair value	24 904	24 904	-	-	1 139	1 139
<i>Financial assets at amortised cost</i>						
Receivable from related party - non-current	436	-	-	-	10 396	10 396
Other receivables - non-current	21 384	21 384	6 552	6 552	12 616	12 616
Investment in shares	1 249	1 249	1 249	1 249	1 249	1 249
Trade and other receivables	235 057	235 057	133 876	133 876	154 621	154 621
Receivable from related party - current	1 488	-	-	-	15 093	15 093
Total financial assets at amortised cost	259 615	257 690	141 677	141 677	193 975	193 975
Cash and cash equivalents	183 381	183 381	77 772	77 772	696 325	696 325
Total financial assets	467 899	465 975	219 449	219 449	891 440	891 440
Total current	419 927	418 438	211 648	211 648	866 040	866 040
Total non-current	47 973	47 536	7 801	7 801	25 400	25 400
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	as at 30.06.2022	as at 30.06.2022	as at 30.06.2021	as at 30.06.2021	as at 31.12.2021	as at 31.12.2021
<i>Financial liabilities at fair value through profit or loss</i>						
Interest rate swaps	5 016	5 016	12 402	12 402	10 819	10 819
Total financial liabilities at fair value	5 016	5 016	12 402	12 402	10 819	10 819
<i>Financial liabilities at amortised cost</i>						
Bond loan	970 923	970 923	967 778	967 778	969 350	969 350
Borrowings	2 001 630	2 001 630	759 599	759 599	1 081 665	1 081 665
Short-term portion of borrowings	35 080	35 080	240 323	240 323	140 618	140 618
Other long-term liabilities	34 935	34 935	48 000	48 000	33 634	33 634
Trade payables	110 155	110 155	69 336	69 336	75 143	75 143
Other payables	137 741	137 741	120 662	120 662	100 056	100 056
Total current financial liabilities at amortised cost	3 290 464	3 290 464	2 205 697	2 205 697	2 400 467	2 400 467
Total financial liabilities	3 295 481	3 295 481	2 218 100	2 218 100	2 411 287	2 411 287
Total current	283 569	283 569	431 600	431 600	317 096	317 096
Total non-current	3 011 912	3 011 912	1 786 500	1 786 500	2 094 191	2 094 191

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 June 30, 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.

Notes to the consolidated accounts for first half-year 2022

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 June 30, 2022.

June 30, 2022 Assets (NOK '000)	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
Interest rate swaps		24 904		24 904

June 30, 2022 Liabilities (NOK '000)	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value through profit or loss</i>				
Interest rate swaps		5 016		5 016

June 30, 2021 Assets (NOK '000)	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
Interest rate swaps				

June 30, 2021 Liabilities (NOK '000)	Level 1	Level 2	Level 3	Total
<i>Financial liabilities at fair value through profit or loss</i>				
Interest rate swaps		12 402		12 402

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.

Notes to the consolidated accounts for first half-year 2022

Note 12 Leases - group as a lessee (IFRS 16 disclosure)

Right of use assets (NOK '000)	Seafiber	Office equipment	Land and buildings	Motor vehicles	Terrestrial fiber	Total
Balance at 01 January	20 018	85	18 705	-	136 434	175 242
Depreciations	919	64	2 500	260	1 882	5 625
Additions	1 465	254	-	373	42 573	44 664
Adjustments	-	-85	-527	-11	-	-622
Balance at 30 June	20 564	190	15 678	103	177 124	213 659

Lease liabilities

Maturity analysis - contractual undiscounted cash flows	30.06.2022	30.06.2021
Less than one year	8 405	4 124
Between one and five years	20 855	16 312
More than five years	20 921	23 028
Total undiscounted lease liabilities at 30 June	50 181	43 464
Lease liabilities included in the statement of financial position at 30 June	37 116	30 441

Amount recognised in profit or loss

	30.06.2022
Interest on lease liabilities	1 396

Amount recognised in cash flow statement

Total cash flow from leases	5 912
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Other information

The Group does not recognize right of use assets and lease liabilities for short term leases or leases where the underlying assets has low value. The lease payments for such leases are recognised as costs linearly over the lease periods.

Notes to the consolidated accounts for first half-year 2022

Note 13 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	15.10.2024
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.

Notes to the consolidated accounts for first half-year 2022

Note 14 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.

There are no material subsequent events after the reporting period.

Disclaimer

The information included in this Report may contain certain forward-looking statements that address activities, events or development that Bulk 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 annual report for 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 above about current status of the Company or its business. Any reliance on the information above is at the risk of the reader, and Bulk disclaims any liability in this respect.

Responsibility statement by the Board of Directors and the CEO - Bulk Infrastructure Holding AS

The Board of Directors and the CEO have today treated and approved the first half year report for Bulk Infrastructure Holding AS, the consolidated accounts of the Group, as of June 30, 2022. The consolidated first half year report has 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 June 30, 2022.

The first half year report for the Group is in compliance with the Accounting Act.

To the best of our knowledge, we confirm that;

- the first half year report 2022 for the Group are prepared in accordance with applicable accounting standards
- the provided information in the financial statements gives a true and fair view of the Group's assets, liabilities, financial position and results of operations as of June 30, 2022
- the Board of Directors report provides the Group and the parent company a fair view of
 - development, performance and position of the Group
 - the most important risks and uncertainties the Group faces

Oslo, August 25, 2022

The board of Bulk Infrastructure Holding AS

Torbjørn T. Moe
Member of the board

Peder Nærbø
Founder and Executive Chair

Lars Oskar Bustgaard
Member of the Board

Even Bratsberg
Member of the Board

Lars Erich Nilsen
Member of the Board

John Anthony Carrafiell
Member of the Board

Jon Gravråk
General Manager