Annual Report 2023

Bulk Infrastructure Group AS

Executing in a new reality

The past year has once again shown us how fast things can change in our business environment. It also showed the importance of a strong foundation enabling companies to take advantage of the opportunities this represents. Bulk Infrastructure has been a trusted infrastructure partner for more than 15 years.

In 2023 our systematic approach of building a solid infrastructure platform really paid off. We were able to leverage and execute on our platform across all business areas and truly capitalize on the foundation we have spent the last years building.

The rise of artificial intelligence has triggered an exponential increase in the need for robust and scalable data center solutions. We are pleased to report that Bulk Infrastructure has not only recognized this demand but has proactively responded by enhancing and expanding our infrastructure capabilities. This has allowed us to meet the evolving needs of businesses and organizations seeking reliable and high-performance data center solutions. In 2023 we sold out all of our built capacity at our locations in Norway and we are prepared to take on the rising demand going forward.

Our industrial real estate team demonstrated remarkable agility, responding swiftly to the dynamic demands of the market. The team's ability to execute with speed and flexibility has allowed us to capitalize on emerging opportunities in the industrial sector. We have successfully delivered high-quality industrial spaces that meet the evolving needs of our clients, contributing significantly to our overall success this year.

Our fiber team has been at the forefront of overseeing large digital infrastructure projects for some of the world's most renowned and demanding customers. The complexity of digital infrastructure projects requires precision, expertise, and a relentless commitment to excellence. Our fiber team's proven track record in project management and execution has positioned Bulk Infrastructure as a trusted partner in the digital realm.

While the company has taken leaps and develop a lot in the past year, we still have sustainability and sustainable business at the core of our operations. Sustainability is not just a checkbox on our agenda—it is an integral part of our identity and a guiding principle in every decision we make.

Our Bulk-team based on respect, creative power and passion is the foundation we are built on. As we reflect on our successes in 2023, we look ahead with enthusiasm and a sense of responsibility. Bulk Infrastructure is poised for growth, innovation, and leadership in the Nordic infrastructure space as we continue our journey forward.

Jon Gravråk
CEO

Peder Nærbø
Founder and Executive Chair


Photo credit: InterGlobix Magazine

"In 2023 our systematic approach of building a solid infrastructure platform really paid off. We were able to leverage and execute on our platform across all business areas and truly capitalize on the foundation we have spent the last years building.

Group presentation

Bulk Infrastructure Holding 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.

Financial highlights

Throughout the year, Bulk has achived a significant growth in signed annual recurring revenue within the Data Center business. We are already observing parts of this effect through the growth in this year's revenue excluding asset sales, which increased by 40 per cent compared to last year. We expect to see the full potential of revenue growth as a result of these signings in the coming years. 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 2023, as well as 2022.

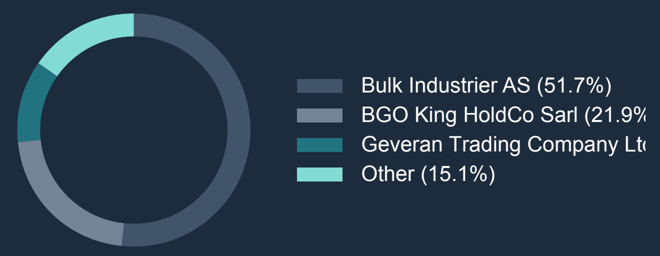
The decrease in investment property is due to the investment properties held for sale as of year end 2023, amounting to approximately NOK 670 million.

Key figures (Consolidated)

(Figures in NOK million)	2023	2022	%
Revenue	396.8	284.4	40%
Revenue property sales	15.3	-8.3	284%
Revenue fiber sales	52.0	-	100%
Total revenues	464.1	276.1	68%
EBITDA	131.7	-42.8	408%
Fair value change on investment property	-176.6	369.2	52%
Profit for the year	-415.8	-442.5	6%
Assets	9,813.0	7,974	23%
- Investment property	4,169.1	4,628	-10%
- Property, plant and equipment	3,210.5	2,339	37%
Equity ratio (%)	41%	44%	15%
Number of employees	89	81	10%

Ownership structure

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



Bulk Data Centers

In 2023, Bulk Data Centers affirmed its position as one of the leading digital infrastructure players in the Nordic region, leveraging renewable energy and the right locations to power a scalable, sustainable platform that includes state-of-the-art colocation solutions. The expanding development of Artificial Intelligence (AI) technologies has triggered a significant surge in demand for the services, positioning Bulk Data Centers for success in the forthcoming years.

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.

Operational Excellence

Throughout the year, Bulk Data Centers have focused on enhancing the operational efficiencies and expanding the infrastructure to meet the escalating demand. The data centers are designed to exceed industry standards for energy efficiency, operational reliability, and security.

In May a US Global Investment Manager relocated to the N01 Datacenter campus in under 10 week, exceeding the customer's expectations with its unique customer-based approach. The company was constrained by their existing data center site in NY and London as a result of their increasing requirements for high density GPU and CPU-based hardware. The ability to scale up their operations to meet these growing demands played an important role in why they relocated to the N01 datacenter campus.

Bulk Data Centers and CTS Nordics joined forces this year to expand the world's largest renewable-powered data center campus. CTS Nordics AS, the leading Nordic design and build contractor for sustainable data centers, was selected to further develop Bulk's N01 Datacenter campus in Kristiansand, Norway. The campus currently has available capacity in excess of 100MW, is in the process of adding an additional 300MW, and has potential to grow to a 1 GW campus.

Moreover, Bulk Data Center secured Taiga Cloud with Ardent Data Centers (part of Northern Data AG) to launch their European Service from the N01 Datacenter campus. In September the new 12 MW data center went live on N01 datacenter campus and is fully contracted with a combination of new and existing customers. The design for high density power and cooling solutions to meet growing market demand was also developed. 2023 also marked the start of the new 42 MW data center incorporating the new design principles. The new expansion of additional 42 MW of IT capacity will be online within the next 18 months.

The OS-IX facility located in Oslo also saw a lot of progress during 2023 by securing local and international customers including hyperscale and building a foundation for new and existing business opportunities going into 2024.
The Bulk Data Center team is growing and hired a new Partner Director this year focused on building strategic relationship with strong partners including Nvidia and OEM's.

Sustainability and Renewable Energy

Sustainability is at the core of the business model. By harnessing the power of renewable energy sources, Bulk Data Centers have significantly reduced the carbon footprint, aligning with global efforts to combat climate change. This approach has not only benefited the environment but also provided a competitive edge, as clients increasingly prioritize green solutions in their data storage and processing needs.

Bulk Data Centers aims to minimize the environmental impact and seek solutions together with renowned partners and research groups for heat reuse from our data centers enabling other industries to develop.

This includes:
- SINTEF Digital
- SINTEF Energy Research
- The University of Oslo
- NORCE Norwegian Research Centre
- NIBIO Norwegian Institute of Bioeconomy Research

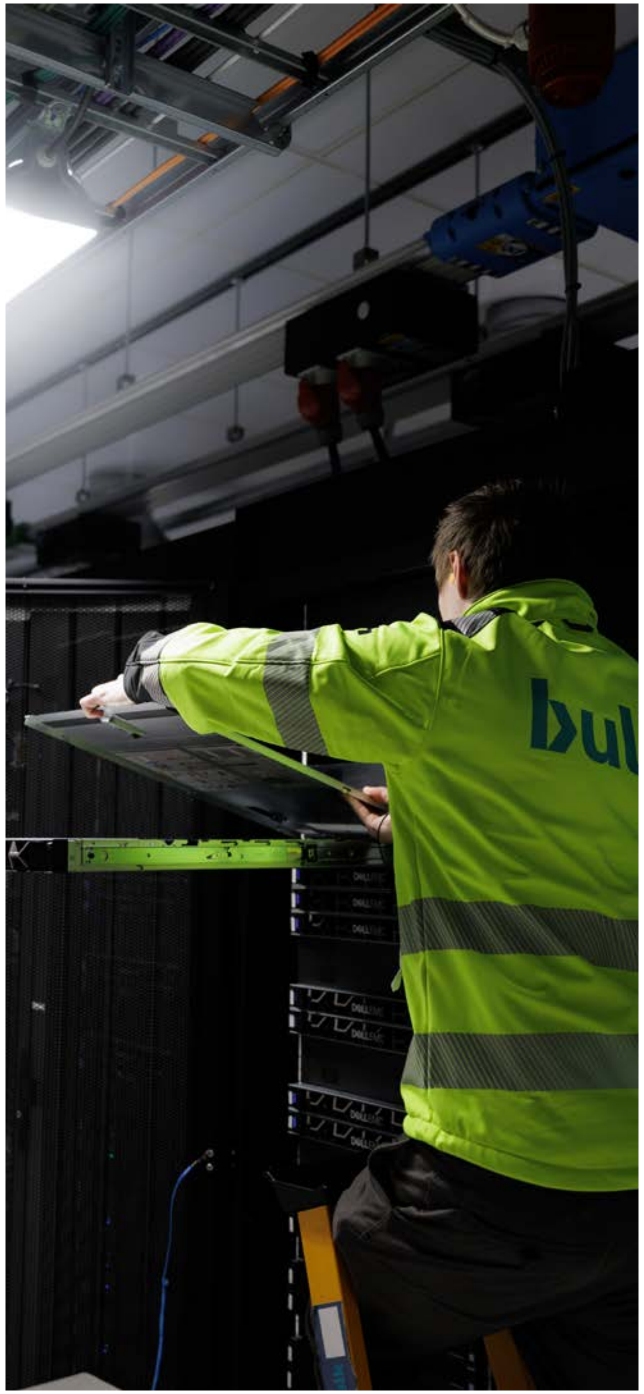
Market Demand and Growth

The exponential growth in AI development has been a major catalyst for the increased demand for our data center solutions. AI technologies require substantial computational power and data storage capabilities, both of which are hallmarks of the service offerings. The ability to provide scalable solutions has made Bulk Data Centers a go-to provider for companies at the forefront of AI research and development, ensuring that the team are well-positioned to capture further market share as this sector continues to evolve.

Looking Forward

As we look to the future, the strategic focus will remain on expanding the infrastructure and customer base, enhancing our sustainability initiatives, and exploring innovative technologies to further improve our service offerings. The digital transformation journey is accelerating, and with the robust platform, Bulk Data Centers are uniquely positioned to support the growing needs of the global economy.
Bulk Data Centers are committed to investing in the development of the facilities and services to ensure that we continue to offer some of the best data center solutions in the Nordic region.

The Bulk Data Centers business area stands on the brink of an exciting new era. With a solid foundation built on sustainability, innovation, and operational excellence, we are poised for growth in the years to come. The journey this far has been an exciting one, but the path ahead promises even greater achievements as we continue to support the digital infrastructure needs of a rapidly advancing world.



Bulk Fiber Networks

While 2022 was the year completing construction, 2023 was the first year fully operational with live traffic on all systems. Bulk Fiber Networks continues to manifest its position as a Nordic expert for global players. Several existing customers acquired additional capacity in the network and new customers have signed for long term agreements to further grow their presence in the Nordic region.

The growing recognition of the vital role that digital infrastructure plays in the Nordics underscore the need to improve the diversity and capacity of fiber routes to the global market. Bulk Fiber Networks plays an instrumental role for the necessary long-haul fiber backbone connection for the Nordics, enabling large scale data processing.

Our systems consist of more than 10,000 kilometers of new-built subsea and terrestrial fiber cable systems. Bulk Fiber Networks has five systems in operation or under development:

- **Havfrue:** Trans-Atlantic system connecting US and Denmark with branches to Ireland and Norway
- **Havhingsten**: Subsea system linking the UK and Ireland with Denmark
- **Havsil:** Express route from N01 campus Kristiansand to DK01, Esbjerg, which includes the shortest subsea cable between Norway and Denmark and a unique terrestrial route across Denmark.
- **Inter-city Ring**: Connecting Oslo, Kristiansand, Stavanger and Bergen
- **Leif Erikson:** Subsea system connecting Canada into the Nordics

"Gateways into Norway"

The Fiber Network-team's commitment to connecting the Nordic region with a robust backbone fiber infrastructure is underlined by their focus on solving for a healthy carrier community. In 2023, BFN completed the third fiber route for N01 Data Center Campus, securing even further resilience for the data center. The landing of a new third-party fiber system into Bulk premises in both OS-IX and N01 Data Center also enhanced the position of the sites as the main "gateways into Norway" for customers worldwide. This dedication ensures that Bulk Data Center customers have the flexibility to scale their capacity in a competitive landscape with a variety of carriers, which allows them a global reach from all Bulk data centers-powered by local renewable energy sources.

Bulk Fiber Networks maintained 100% up-time for all Telehousing services through the full year of 2023 and continue to focus on fine-tuning the operational model to ensure world-class customer service level.

Sustainable operations

The global market for fiber capacity continues to grow, driven by increased demand for network resilience, higher volumes and diversity, fueled by the explosive growth from AI and focus on security for critical applications.

Recognizing the need to create new fiber routes to areas with a surplus of renewable energy, Bulk Fiber Networks has taken the lead in investigating a potential cable connection between Norway and Canada, known as the Leif Erikson system. This cable system would significantly enhance data processing efficiency by shifting compute-loads to more efficient northern locations and at the same time give regional and remote communities high-capacity connectivity.

A requirement for all suppliers selected by Bulk is that their operations are run sustainably. Bulk takes pride in our efforts to reduce environmental impact when fiber routes are planned both subsea and on land.

Bulk's Fiber Networks unlocks the Nordic region's sustainable data centers for customers globally. High-capacity and diverse fiber networks ensure that global customers no longer need to rely on local data centers powered by non-renewable energy sources.

Bulk takes pride in our efforts to reduce environmental impact when fiber routes are planned both subsea and on land.

Bulk Industrial Real Estate

Bulk Industrial Real Estate (BIRE) aims to be the Nordics’ leading real estate developer of warehousing, logistics and industrial buildings, offering superior locations with strategic locations and sustainable logistics solutions. In a rapidly changing market, BIRE continues to deliver new projects and securing key contracts.

In 2023 BIRE completed Bulk Wood, a new innovation project exploring more sustainable building concept for BIRE’s warehouse- and logistics buildings. The Bulk Wood-module is based on BIRE’s standardized warehouse-module, yet with specifications that give the finished building up to 50 percent lower carbon footprint than an equivalent reference warehouse building. Bulk Wood replaces the steel support structure with glulam (glued laminated timber). The goal is that this will eventually become part of the established standard module.

BIRE signed a key contract with MEKO, one of the leading automotive spare-parts chains in the northern Europe, at Bulk Park Vestby. The new facility will unify MEKO’s goods handling in Norway and is expected to provide improved service and accessibility for customers. The approximately 32,000-square-foot warehouse will be handed over in February 2025 and is scheduled to be fully operational by the end of 2025.

Other key highlights in 2023

- **Jernholmen 49 in Denmark:** Total rebuild of existing office building to new headquarter for global logistics company
- **Namron III in Vestby**: New building and completion of third and final building stage for Namron/ Elektroimportøren
- **Bulk Park Lindeberg:** Rebuild of the Farex-property for tenant Tamek

Landbank with potential

BIRE's strategic landbank contains more than 700,000 sqm of owned land, as well as options for an additional 700,000 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 BIRE 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 A. Bulk has through 2023 increased the solar production capacity to a total of 4.6 MWp in 2023, contributing to a total production of 2.6 GWh of renewable energy through the year. With additional solar panels ordered to be installed during 2024 and 2025, we will have a total installed capacity of more than 9 MWp and an estimated annual production of approx. 7.4 GWh.

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

BIRE currently use two internationally recognized environmental certifications for the industrial properties: BREEAM in Norway and Sweden, and DGNB in Denmark.

This year Bulk also completed its first fossil free construction site at Bulk Park Vestby. Bulk Industrial Real Estate aims to implement fossil-free construction sites on all our future construction projects.

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.

Bulk aims to minimize the environmental impact when developing and managing properties.

Board of Directors Report 2023

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 2023 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 are set to ensure a mindset and focus to support the Group’s long-term vision. The Group has a strong capital reallocation capability that makes it robust to fundamental changes in market dynamics.

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

2023 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 reasons for such fluctuations are a) sales of Industrial Real Estate projects, and b) 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 2. However, as our projects are finalized, and the volume of customer contracts grows, the underlying recurring revenue is increasing at a steady pace. The effect of one-offs as mentioned above, will have less impact on our financials as the overall revenue is higher.

Total revenues of NOK 464.1 million compared to NOK 276.1 million last year.

Industrial Real Estate: The Group signed five contracts in 2023, of which two were renewals for existing tenants, and the others were with new tenants. One of the new signings was at Bulk Wood, the fully integrated engineering and sustainability initiative with the purpose of replacing steel with wood. Bulk Wood was handed over at the end of 2023. The second signing allows the development of a plot in Hanekleiva, which was acquired by Bulk in the third quarter of 2023. The third new signing was at one of Bulk’s existing plots in Vestby. The Jernholmen project in Denmark was successfully handed over to the tenant. Six more roof top solar systems have been completed in 2023. The accumulated effect on Bulk’s roof top solar systems is now more than 2,000 MWp. Leman II and DSV in Vestby, and Lettbutikk in Enebakk received their final BREEAM-NOR certificates. All projects achieved the certification “Very Good.

Data Centers: In 2023, the Data Center business unit experienced significant growth, with total revenue increasing by 36% and signed annual recurring revenue by 169% compared to 2022. We observed a significant increase in our IT capacity in 2023, with megawatts sold tripling from 7 to 21 and continue to experience consistent interest and demand from existing and new customers. The 12MW fully contracted forth data center at N01 Campus went live in Q3 2023, with the first customer deployed. In Q1 2024 the facility has seen one of Bulk's largest customer deployment (to date). Subsequently, investment has been committed for the fifth facility of 42MW IT capacity, designed for AI and HPC workloads - installation of the steel struts and shell is progressing. When complete the campus will be close to 60MW IT capacity. Simultaneously, construction is in progress for three new data halls at our OS-IX facility, totaling more than 5MW IT capacity. The expansion is positioned to effectively address the demand from regional and international cloud and enterprise companies for our Oslo site. In addition, we have signed additional grid connection for 30MW at our DK01 campus in Esbjerg, Denmark and have secured the purchase of 173,000sqm of additional land. Planning for site development, including the construction of supporting power stations, is underway.

Fiber Networks: The last branch of the Havfrue cable system landed successfully in Ireland in the end of 2022 and was ready for service in Q1 2023. A customer exercised an option for the cable system on the Irish branch, of which the first part of the transaction was completed in Q1, and the second part was finalized in the end of Q4 2023. The Group acquired the remaining part of the Havhingsten cable system in 2023. Fiber Networks is a co-builder of the system. The subsea cable system connects Denmark, the United Kingdom and Ireland and has been ready for service since Q1 2022.

Group development: Bulk Infrastructure and/or relevant subsidiaries have transitioned from ISO 27001:2013 to 27001:2022 during the year. In addition, the data center in Denmark was certified for the first time under ISO 22301 in 2023.

Group financing: Bulk Infrastructure Group AS completed a new senior unsecured green bond issue of NOK 1,250 million, with a 4.5 year tenor. The bond is listed on Oslo Børs as of October 2023. The net proceeds from the bond issue will be used in accordance with the green bond framework, including repurchasing approximately NOK 413 million in the outstanding bond ISIN NO0010865876.

Following the current security situation in Europe, Bulk has increased its security activities concerning sub-sea and terrestrial fiber cables in general.

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 2023 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 strong and we expect stable demand going forward. The Group has in 2023 signed two new lease agreements for existing properties, in addition to one new project already delivered in the end of 2023, and two new projects to be handed over in 2024 and beginning of 2025. Bulk is also involved in zoning and development of new industrial real estate locations, both alone and in partnerships. Bulk In-dustrial Real Estates' strategic landbank contains more than 700 000 sqm of owned land, as well as options for an additional 700 000 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. The company is in a dispute with the municipality of Køge in Denmark regarding development of a plot acquired in 2020. The outcome of the dis-pute is uncertain, and no provision has been made as of year end 2023.

Data Centers - The Nordic data center market is experiencing notable growth and expansion in capacity with big projects such as the well-publicized Google data center in Norway. Fueled by increasing demand for AI/HPC data processing and storage infrastructure, our prime focus remains on cultivating a strong pipeline for all our sites. We will continue to take a proactive approach to meet market demand. In Denmark, our strategy will give top priority to expanding the DK01 campus. Our specific plan involves expanding the DK01 data center to cater for the rising demand from Europe, effectively positioning it as another site to reinforce our capabilities in AI and high-performance computing. This will complement our current operations at N01, strengthening our presence and activities across the Nordic region. Having attained Nvidia Preferred Partner status for our data centers, we are in close collaboration with Nvidia and other OEM partners to ensure the adaptability of our data centers to forthcoming technologies. This effort strengthens our ability to fulfil the increasing demand for high-density IT resources. We are in the process of certifying for the EU Code of Conduct for Energy Efficiency in Data Centers, demonstrating our commitment to sustainability. Our data center in Denmark was certified in February 2024 and the Norwegian data centers are in progress. This certification aligns us with green EU taxonomy requirements for reporting purposes. To maintain our momentum, we are committed to increasing our data center team through strategic appointments across leadership, business development, technical, and operational roles.

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. The Havfrue System, connecting the US and the Nordics is fully operational between the US, Norway, Denmark and Ireland, of which the Irish branch was ready for service in Q1 2023. The Havsil System is the shortest route connecting Norway with continental Europe. 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. The Group acquired the remaining part of the Havhingsten cable system in 2023. Fiber Networks is a co-builder of the system. The subsea cable system connects Denmark, the United Kingdom and Ireland and has been ready for service since Q1 2022. We continue to explore opportunities for new fiber network developments being strategic enablers for the international data center market. The underlying recurring revenue growth across our fiber networks portfolio is positive.

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 464.1 million compared to NOK 276.1 million last year. The increase of NOK 187.9 million relates to increased rental income in Industrial Real Estate and revenue from sales within Data Centers. In addition, a one-off gain on sale of fiber infrastructure. NOK 231.0 million of total income is generated from Industrial Real Estate in 2023, compared to NOK 145.4 million last year. Data Centers generated a total income of NOK 162.8 million in 2023, compared to NOK 119.0 million in 2022. In the Fiber Networks area, we gained an income of NOK 70.9 million compared to NOK 11.8 million in 2022. The increase is mainly due to the gain from sale of IRU contracts, treated as a financial lease. The Group's operating loss was NOK 186.7 million in 2023 compared to a loss of NOK 502.4 million last year, while the annual net loss was NOK 415.8 million in 2023, a decrease from NOK 442.5 million in 2022.

Industrial Real Estate contributed with a loss for the year of NOK 198.4 million in 2023, compared to a loss of NOK 330.8 million last year. The increase is mainly driven by increased rental income, partly offset by the negative fair value on the investment property portfolio amounting to NOK 176.6 million, compared to a negative fair value of NOK 369.2 million in 2022. The negative fair value in 2023 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. However, signings of new projects have resulted in less negative fair value than we saw in 2022.

Total current assets were NOK 1,347.9 million as of December 31, 2023 compared to NOK 411.2 million as of December 31, 2022. In addition, assets classified as held for sale amounts to NOK 673.0 million as of December 31, 2023 compared to NOK 144.2 million last year.

Total cash was NOK 1,026.4 million as of December 31, 2023 compared to NOK 224.5 million as of December 31, 2022.

Cashflow from operations were positive with NOK 223.7 million in 2023 compared to negative NOK 27.9 million in 2022. The increase is mainly related to an improvement in profit and loss, and a positive change in trade and other payables driven by high activity in our data center projects. Further, the deviation between the operating profit and the cashflow from operations is due to a relatively large depreciation and impairment cost, as well as the fair value on investment properties. Cashflow from investments in 2023 is negative with NOK 1,165.7 million, of which NOK 338.5 million is related to purchase and improvement in investment property and NOK 1,056.7 million is related to purchase of fixed assets, mainly in the data center and fiber segment. Cashflow from financing is positive with NOK 1,744.0 million in 2023, mainly related to proceeds from borrowings of NOK 1,602.7 million and share issue of NOK 928.1 million, partly offset by finance cost of NOK 343.1 million.

The Group's total liabilities amounted to NOK 5,790.6 million as of December 31, 2023, compared to NOK 4,477.9 million as of December 31, 2022. 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 1,327.9 million as of December 31, 2023, an increase of NOK 588.2 million compared to last year. One of the bond loans are due in October 2024. NOK 177.3 million of the short-term portion of borrowings is related to construction loans, which will be refinanced upon finalization of the construction projects. The remaining loans are in the process of refinancing prior to maturity in 2024. The Group continuously monitors the Groups installments and expiration of the debt and prepares plans to be able to meet its obligations.

Other financial and interest costs amounted to NOK 347.5 million in 2023 compared to NOK 171.1 million in 2022. The Group monitors its financial cost and is continuously working on financial structure.

Total assets at the end of the year amounted to NOK 9,813.0 million compared to NOK 7,974.2 million last year. The equity-to-assets ratio as of December 31, 2023 was 41.0%, which is down from 43.8% in December 31, 2022.

The Group's financial position is strong.

Research and development

The Group has invested resources and know-how into research and development during 2023. 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 the following types of risk:

Liquidity risk - The Group is focusing on having 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 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. The Group's tenants normally pay quarterly and in advance. 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. There were no material credit losses in 2023.

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
The Group is experiencing an uncertainty related to the transaction market for commercial real estate. This is driven by changes in fundamental macroeconomic factors, hereunder interest rates, consumer price index and yield expectations. The Group is currently set up to take advantage of potential investment opportunities and is following the market to identify these.

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. As several other companies, the weighted average lease term for tenants was 8,2 years as of December 31,2023 compared to 8.3 years in the previous year. 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 2.1% as of December 31, 2023, compared to 0.7% as of December 31, 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.

Climate-related risk

As several other companies, 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.

Transitional risks, such as energy and land use regulations, are the short- and medium-term climate-related risks that are identified to have the greatest impact on Bulk. Location has been one of the key elements in our sustainability framework from the beginning, of which availability of renewable energy and further plans for development in the area are among the main decision criteria.

As climate changes and temperatures continue to rise, Bulk's assets may face increased challenges in maintaining optimal operational conditions. Extreme weather events such as downpours and storms can lead to power outages, flooding, and other disruptions to operations. In a long term-scenario, we need to adapt our strategies to account for these changing conditions, such as implementing more advanced cooling systems, increase the resilience of building infrastructure, and keep the focus on right locations as our key assessment in site development. Through our analysis we have not identified risks which imply that any of our assets have decreased in value as a result of climate-related conditions. The useful life of our assets is also unchanged.

Changes in regulations on land-use will be implemented in the short- and medium-term, such as national regulations based on the global biodiversity framework, adopted at the UN Biodiversity Conference in 2022, and EU-regulations. This may be a risk for the company's project planning and may have an impact on access to plots of land. Mitigation measures are already in place, such as internal and external professionals on local regulations and biodiversity in the project planning teams. The risk will be mitigated through a continuous dialog with relevant local authorities. In addition, Bulk has a substantial land bank available at attractive locations which secures further development of real estate and digital infrastructure on short- and medium-term.

The identified risks will be included in the ongoing process for developing sustainability targets and initiatives for the three business units. New measures to mitigate the identified risks will be assessed and implemented. With 2022 as a baseline year, Bulk will continue to work on emission targets and actions to support Bulk's plan to reduce greenhouse gas emissions in line with the Science Based Targets initiative. The targets will be established based on the 2022 climate account. Please refer to our homepage, bulkinfrastructure.com, and our TCFD-report 2022, for more information.

Working environment and personnel

Bulk had a total of 89 employees at the end of year 2023. In addition to permanent employees, over 100 contractors and consultants have been performing services on Bulk's 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 a personal responsibility for every employee. Bulk had in total four lost time injuries and one medical treatment within our subcontractors' personnel. One of the incidents was critical and 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.

The company complies with Norwegian law and 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 1,5% of the total work force in 2023. The sick leave statistics are a combination of long- and short-term leave. This is a decrease from 2,7% in 2022 where Covid and the flu had an impact after reopening of offices.

The company had quarterly working environment committee meetings in 2023. The committee consisted of safety delegates, employee representatives as well as representatives of management. Bulk 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 Process. This entails focus on engagement, development and appreciation. The company has continued the initiative called Bulk Academy during 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. Bulk Academy had over 15 knowledge presentations through the year.

The company introduced the engagement and 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 every second week a short questionnaire that is linked to academic research based on categories and topics. The survey is done anonymously. Winningtemp has been collecting data during 2023 with 96% survey participation among the staff. Bulk's aim in introducing a system such as this, is to measure and optimize the employee experience. This enables Bulk's 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 2023 was 8,1 and leadership 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 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 25% women and 75% men. Bulk has increased their gender balance for women by 7% since 2022. The company has 33% female Managers and 2 out of 6 are female executives at C-level management. There is an age average of 45 across staff. 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.

Regarding the gender distribution in the Group, with a predominance of men; Data centers and certain engineering disciplines have a shortage of female candidates in the job market. The company always encourages recruitment partners to actively seek out qualified female candidates, with the ambition to hire them if they possess the required qualifications. Bulk engages in dialogues with educational institutions to promote interest in fields historically dominated by men.

The Company is aware of the importance of equal opportunities relating to promotions, performance, development opportunities as well as compensation and benefits. These areas are all assessed and reviewed once a year. The Group has an annual process where each employee's development, salary, and opportunities are addressed. The company has historically also had an annual KPI adjustment for all employees. Employees on parental or other leave are always included in compensation adjustments that apply to the majority. Female employees can express interest in leadership positions and will be evaluated against the qualifications required for the position.

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 2023 Bulk will report (CoP 2023) on aligning with the Sustainable Development Goals (SDG) 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 2023 was to implement the assessment of climate risk in line with the Task Force on Climate-related Financial Disclosure (TCFD) framework as carried out in 2022. 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 second year the climate account will be published. The climate account will be integrated in the environmental report 2023. 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.

Further, management has started to prepare for the new reporting requirements from EU in line with the Corporate Sustainability Reporting Directive (CSRD). Bulk will report on CSRD for the first time for the reporting year 2025. A double materiality analysis will be performed in 2024.

Climate impact

Bulk started to collect data on emissions and perform climate accounting in 2020, according to the Greenhouse Gas Protocol (GHG Protocol). However, 2022 was the first year where the climate account was published. We are continuously working to improve the quality of the data. Bulk is reporting on scope 1, 2 and 3, of which scope 3 is the most challenging. The emission data is partly based on reports of actual carbon emissions, but also cost estimates for the emissions in the supply chain where actual emissions are not available. As such, the emission data for scope 3 is subject for estimation uncertainty.

The majority of Bulk's emission derive from activities in our supply chain and is reflected in scope 3 emissions. Scope 3 tracking and reporting against this category of emissions is critical for reduction in emissions. 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. Within scope 3, Category 2 Capital goods, is the largest source of emissions. The category includes 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. 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.

Emission targets - Bulk has set a net-zero target by 2050 across its scopes 1, 2 and 3 emissions. We will reduce our scopes 1 and 2 emissions by 50 per cent by 2030 and our emission intensity by 30 per cent for scope 3 by 2030. The combination of absolute and intensity targets has been chosen because we are a company in growth. Intensity targets enable a visible effect of climate actions, even when a company is expanding, by measuring emissions per unit, such as MNOK. The base line is 2022. As a part of our double materiality assessment to be carried out in 2024, we are in the process of setting targets to improve our business' environmental impact. As of 2023, no accruals or contingent liabilities have been made related to our emission targets

Energy targets - Bulk was awarded Norway's first BREEAM-NOR certification for industrial buildings, where we achieved the level "very good". We aim to certify all properties over 5,000 sqm to be BREEAM-NOR, and ensure that such projects will be designed to meet energy classification standards of A or B.

The data center industry is energy intensive. By locating data centers in locations with cooler climate, Bulk reduces the energy needed. Bulk's data centers have a PUE (Power Usage Effectiveness) below industry average and target design PUE of 1.2 for new data centers.

Bulk is currently exploring various applications to re-use excess heat from its data center operations to nearby business. Please refer to our homepage, bulkinfrastructure.com, and our TCFD report, for more information.

As of 2023, climate impact has not affected our assessment of impairment of assets as we consider the impact to be immaterial. It has neither been deemed necessary to make provisions for loss as the demand of our services as a result of climate related conditions remain unchanged. Our business is not impacted by the climate to a material degree and business is running as usual.

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 c. Refer our homepage, bulkinfrastructure.com, for information regarding the Norwegian Transparency Act, where the 2022 report is published. The 2023 Transparency Act will be made available on our homepage in June 2024.

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 a 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 the main focus in 2023 was to include the new businesses in Denmark in the ISO certification. Certifications were satisfactory obtained in Denmark.

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 covers 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 pays 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.

Further, an audit committee was established in 2023. The committee will prepare matters relating to financial reporting, internal control and auditing for consideration by the board, or to carry such tasks on behalf of the board.

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 2023 followed up required activities within human rights in line with our Code of Conduct. Please refer our homepage bulkinfrastructure.com for more information.

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 gifts to employees Bulk made a donation to Doctors without borders, Gaza. The holiday initiative was based on a collective vote for contributions to a worthy cause.

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.

Subsequent events

The investment properties held for sale as of December 31, 2023 were sold according to plan during Q1 2024. The sales amount to approximately NOK 670 million.

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 232,278,254 will be transferred as follows;

Other equity	NOK 232,278,254
Total brought forward	NOK 232,278,254

Oslo, March 21, 2024
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

Bulk Infrastructure Group AS Consolidated financial statements 2023

Consolidated financial statements 2023

Presentations

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Consolidated statement of comprehensive income

For the year ended 31 December 2023

(Figures in NOK '000)	Notes	2023	2022
Rental income	5,6	242,241	177,073
Revenue property sales	5,6	-	-8,269
Revenue from sales	5	106,484	71,310
Gain from sale of investment property	5,7	15,270	-
Gain from sale of fiber infrastructure	5	52,048	-
Other revenue	5	48,025	36,015
Total revenue and other income		**464,068**	**276,129**
Property-related expenses	5	23,183	21,233
Cost of sales	5	76,761	67,746
Administrative expenses	8	113,933	122,147
Other cost	9,10	260,326	198,239
Total expenses		**474,204**	**409,365**
Operating profit before fair value adjustments on investment properties		**-10,136**	**-133,237**
Fair value adjustments on investment properties	7	-176,571	-369,200
Operating profit		**-186,707**	**-502,437**
Share of profit/loss(-) of investments accounted for using the equity method	11	-39,051	-42,990
Remeasurement gain of previous held equity investments		-	90,056
Finance income	12	98,321	102,631
Finance costs	12	359,413	233,049
Fair value adjustments on derivatives	12	1,209	27,067
Net financial items		**-298,935**	**-56,286**
Profit before income tax		**-485,642**	**-558,722**
Income tax expense	13	-69,882	-116,176
Profit for the year		**-415,760**	**-442,546**
Attributable to:			
Shareholders in the parent Company		-405,965	-424,504
Non-controlling interests		-9,795	-18,042

(Figures in NOK '000)	Notes	2023	2022
Other comprehensive income			
Currency translation difference		10,962	18,417
Other comprehensive income for the year, net of tax		**10,962**	**18,417**
Total comprehensive income		**-404,798**	**-424,129**
Attributable to:			
Shareholders in the parent Company		-395,003	-406,087
Non-controlling interests		-9,795	-18,042
Earnings per share basic and diluted (NOK)	26	-1.11	-1.33

Consolidated balance sheet

Figures in NOK '000	Notes	2023	2022
ASSETS			
Intangible fixed assets			
Goodwill	14,15	2,070	2,070
Other intangible assets	15	26,779	13,682
Total intangible assets		**28,849**	**15,752**
Other non-current assets			
Investment property	7	4,169,120	4,628,451
Property, plant & equipment	16	3,210,473	2,338,985
Investment in Associated company	11,17	83,616	136,767
Derivative financial instruments	18,19	24,808	23,992
Other receivables	18,20	60,161	22,755
Investment in shares	18	1,249	1,249
Right-of-use assets	21	213,727	250,790
Total other non-current assets		**7,763,154**	**7,402,989**
Total non-current assets		**7,792,003**	**7,418,741**
Current assets			
Inventories	22	19,774	8,463
Trade and other receivables	18,23	301,777	178,291
Cash and cash equivalents	18,24	1,026,391	224,459
Total current assets		**1,347,942**	**411,213**
Assets classified as held for sale	7,25	673,020	144,248
Total assets		**9,812,965**	**7,974,203**

Figures in NOK '000	Notes	2023	2022
EQUITY AND LIABILITIES			
Paid in equity			
Ordinary shares		3,726	3,264
Share premium		3,841,445	2,918,911
Total paid in equity	26,32	**3,845,172**	**2,922,175**
Retained earnings			
Retained earnings		136,863	524,045
Total retained earnings	26	**136,863**	**524,045**
Non-controlling interests	26	**40,284**	**50,079**
Total equity	26,31	**4,022,319**	**3,496,299**
Non-current liabilities			
Bond loan	18,27,29,30	1,722,463	1,463,902
Borrowings	18,27,28,29,30	1,623,896	1,694,089
Derivative financial instruments	18,19	3,815	4,274
Lease liabilities	21	51,551	60,907
Other long-term liabilities	18,27,31	57,369	61,486
Deferred tax liabilities	13	143,172	215,580
Total non-current liabilities		**3,602,265**	**3,500,239**
Current liabilities			
Trade payables	18	182,391	77,532
Short-term portion of borrowings	18,27,29,30	1,327,914	739,764
Short-term portion of derivatives	18,19	520	455
Short-term portion of lease liabilities	21	11,512	14,580
Other payables	18,31	294,446	145,334
Total current liabilities		**1,816,782**	**977,665**
Liabilities directly associated with the assets held for sale	25	371,599	-
Total liabilities		**5,790,646**	**4,477,904**
Total equity and liabilities		**9,812,965**	**7,974,203**

Oslo, March 21, 2024
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

bulk

Consolidated statement of changes in equity

		Paid in equity		Retained earnings			
(Figures in NOK '000)	Note	Share capital	Share premium	Exchange differences on translation on foreign operations	Retained earnings	Non-controlling interests	**Total equity**
01.01.2023		3,264	2,918,911	21,687	502,358	50,079	3,496,299
Profit for the period					-405,965	-9,795	-415,760
Other comprehensive income - currency				10,962			10,962
Share issue		463	922,534				922,997
Share -based payments					8,947		8,947
Changes in deferred tax estimates					-459		-459
Other changes					-666		-666
31.12.2023		**3,726**	**3,841,445**	**32,649**	**104,213**	**40,284**	**4,022,319**
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	22	533	1,062,380				1,062,913
Share -based payments					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**

Cashflow statement – consolidated

(Figures in NOK '000)	Note	2023	2022
Cash flow from operations			
Profit before income taxes		-485,642	-558,722
Adjust for:			
Depreciation and impairment	15,16	141,821	77,769
Fair value adj. on investment properties	7	176,571	369,200
Share of profit/loss(-) of investments accounted for using the equity method	11	39,051	42,990
Remeasurement gain of previous held equity investments		-	-90,056
Finance income	12	-98,321	-102,631
Finance costs	12	359,413	233,049
Fair value change derivatives	12	-1,209	-27,067
Gain from sale of investment property	7	-15,270	-
Gain from sale of fiber infrastructure	16	-52,048	-
Cashflow before change in working capital		**64,366**	**-55,468**
Change in working capital			
Trade and other receivables	18	-89,903	-32,046
Trade and other payables	18	249,245	59,593
Net cash flow from operations (A)		**223,708**	**-27,920**
Cash flow from investments			
Purchase and improvements of investments property	7	-338,495	-808,267
Sale of investment property	7	15,270	-
Sale of real estate infrastructure	7	-	29,647
Dividend received	11	2,100	2,275
Purchase of shares in associated companies		-	-195,374
Purchase of shares in subsidiaries		-	-160,533
Sale of fiber infrastructure	16	200,400	-
Purchase of fixed assets	15,16	-1,056,732	-512,517
Purchase or disposal of Right-of-use assets[1]	21	11,714	-34,758
Net cash flow from investments (B)		**1,165,743**	**-1,679,526**

(Figures in NOK '000)	Note	2023	2022
Cash flow from financing			
Finance cost paid including interest paid on derivatives	12	-343,107	-173,362
Interest received	12	38,986	10,881
Proceeds from Borrowings	28,29,30	1,602,741	1,435,989
Repayment of borrowings	28,29,30	-59,588	-29,868
Purchase of own shares in bond	28,29,30	-413,000	-
Change in other long-term liabilities	18,27	-4,117	-5,135
Change in payable related party	18	-	-662,768
Principal paid on lease liabilities	21	-5,979	-7,585
Interest paid on lease liabilities	21	-3,911	-2,933
Share issue	21	922,997	1,062,913
Non-registered share issue	18	-	-400,000
Share-based payments	10	8,947	8,947
Net cash flow from financing (C)		**1,743,968**	**1,237,079**
Net change in cash and cash equivalents (A+B+C)		**801,932**	**-470,368**
Cash and cash equivalents at the beginning of the period		224,459	694,826
Cash and cash equivalents at the end of the period		**1,026,391**	**224,459**
Restricted funds	24	4,962	4,799

[1] This line item was added in 2023 causing an alteration in the comparative figures from 2022. A lease agreement for HQ was terminated causing a disposal of Righ-of-use asset in the beginning of 2023.

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 of the Group is Bulk Industrier 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 21, 2024.

Note 2 Accounting principles

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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 2023
IFRS 17 Insurance contracts is a new accounting standard, which replaces IFRS 4. The accounting standard is not relevant for the Group and has not been implemented. Further, there are several new amendments to standards and interpretations that are effective for the fiscal year 2023.

There have been amendments to IFRS 9, IAS 1, IAS 8 and IAS 12. The amendments to IFRS 9 IAS 8 and IAS 12 are not further outlined as they are not considered to have a material impact on the Group's consolidated accounts. In addition, Pilar II is effective as of 2023, but is deemed not in scope for the Group. The amendment to IAS 1 specifies that a company should give material accounting policy information, rather than information about significant accounting principles. In addition, the information given should not be general, but rather be adapted to the company in question. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

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 2023, 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.

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 in accordance with IAS 12.15. The Group's business continuously includes acquisitions, mostly within the Industrial Real Estate segment. During 2023 the Group has carried out one acquisition 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 has one joint operation 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.

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 details.

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 and one subsidiary in Ireland as of 2023 with EUR as the functional currency. 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 1.5327 DKK/NOK in 2023 (2022: 1.3581), 13.1348 GBP/NOK in 2023 (2022: 11.8464) and 11.4206 EUR/NOK in 2023. At 31 December 2023 an exchange rate of DKK/NOK 1.5082 (2022: 1.4138), GBP/NOK 12.9342 (2022: 11.8541) and 11.2405 EUR/NOK was applied 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, areclassified 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. The Group sold one property in 2023.

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, and land, and other fixed assets. Other fixed assets include, among other things, upgrade of rented office premises, electric cars, fixtures and office furniture, and network components. All property, plant and equipment are recognized at cost less accumulated depreciation and impairment losses. Cost includes 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

The Group assesses at contract inception whether a contract is, or contains, a lease. It is assessed if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leased assets with a remaining lease period of less than 12 months at inception are excluded from lease accounting. Further, leases of assets of a low value (small asset leases), mainly items as PCs, office equipment and similar, are excluded from lease accounting.

(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 measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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 majority of leases related to the terrestrial fiber in the Group have 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.

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.

Fiber leases

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.

Long-term IRUs are typically between 20 and 40 years depending on if the fiber in question is subsea or terrestrial, of which the economic life of terrestrial fiber is longer.

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 Q1 and Q4 2024 on the Havfrue cable system. A customer has exercised the option agreement to purchase the fiber. For this IRU, the fiber is transferred for the expected economic life of the fiber, 20 years, and the risks and rewards related to the ownership are entirely transferred to the customer. Bulk does not expect to retrieve the fiber after the 20 years of the agreement. 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. Direct costs of acquisition are recognized immediately as an expense.

Goodwill is measured at cost less any accumulated impairment loss.

As of December 31, 2023, the goodwill in the Group is related to an acquisition in 2022. Refer note 14 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 classifies its financial assets in the following measurement categories:
a) those to be measured subsequently at fair value through profit or loss, and
b) those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(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 five interest rate swaps, of which four are 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.

(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 changes 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. 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 is present in all three business areas. Revenue from property sales are relevant in the Industrial Real Estate business area. 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. Income is presented gross in the statement of profit & loss.

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.

Rental income in the Data Center business area is related to a couple of tenants who do not receive data center services, but only rent the space for their own operations. These tenants were present before Bulk started the data center business and the contracts have been carried forward based on the historical lease terms.

Revenue from property sales
Revenue from property sales is generated from sale of completed property or sale of property under construction. The Group did not generate any revenue from sale of property under construction in 2023. When the group performs a sale of completed property, revenue is recognized at point of sale.

Revenue from sale of fiber infrastructure is treated in line with sale of property, of which revenue is recognized at point of sale. The Group sold fiber infrastructure in 2021 and in 2023, where the assets in questions were first classified to held for sale based on an option agreement with the customer.

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 contract terms, 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 fiber 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, including electricity to data center customers. 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. Any liabilities directly associated to the asset classified as held for sale is presented separately from other liabilities in the balance sheet. The Group has fiber infrastructure classified as assets held for sale related to a transaction which is scheduled for the first half of 2024. In addition, two investment properties are classified as held for sale of which the transactions are to be finalized in Q1 2024.

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

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 7.

Impairment considerations regarding property, plant and equipment
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 2023 impairment has been carried out for a few data center projects of minor value and a ROU asset related to a fiber system. Refer note 16 and note 21.

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.

Fiber sale - finace or operating lease
The Group performed a substantial sale of dark fiber on the Havfrue cable system in 2023. 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.

Note 4 Climate-related risk

Bulk has set ambitious emission targets to combat climate change, including a goal to achieve net-zero emissions across all scopes (1, 2, and 3) by 2050. Additionally, we will reduce our scope 1 and 2 emissions by 50 per cent and decrease our emission intensity by 30 per cent for scope 3 by 2030.

We conducted a climate risk assessment in late 2022 and incorporated the identified risks and opportunities into our overall risk management strategy early in 2023. As a company, it is crucial for us to understand the impact of climate change on our operations in order to achieve our long-term goals.

Strategy
Transitional risks, such as energy and land use regulations, are the short- and medium-term climate-related risks that are identified to have the greatest impact on Bulk. Location has been one of the key elements in our sustainability framework from the beginning, of which availability of renewable energy and further plans for development in the area are among the main decision criteria.

As climate changes and temperatures continue to rise, Bulk's assets may face increased challenges in maintaining optimal operational conditions. Extreme weather events such as downpours and storms can lead to power outages, flooding, and other disruptions to operations. In a long term-scenario, we need to adapt our strategies to account for these changing conditions, such as implementing more advanced cooling systems, increase the resilience of building infrastructure, and keep the focus on right locations as our key assessment in site development.

Changes in regulations on land-use will be implemented in the short- and medium-term, such as national regulations based on the global biodiversity framework, adopted at the UN Biodiversity Conference in 2022, and EU-regulations. This may be a risk for the company's project planning and may have an impact on access to plots of land. Mitigation measures are already in place, such as internal and external professionals on local regulations and biodiversity in the project planning teams. The risk will be mitigated through a continuous dialog with relevant local authorities.

These identified risks will be included in the ongoing process for developing sustainability targets and initiatives for the three business units. New measures to mitigate the identified risks will be assessed and implemented. With 2022 as a baseline year, emission targets and actions will be implemented in order to support Bulk's plan to reduce greenhouse gas emissions in line with the Science Based Targets initiative. The targets will be established based on the 2022 climate account.

Sustainability reporting
Bulk started to collect data on emissions and perform climate accounting in 2020, according to the Greenhouse Gas Protocol (GHG Protocol). However, 2022 was the first year where the climate account was published.

Bulk has conducted a thorough analysis of climate-related risks in accordance with the guidelines set forth by the Task Force on Climate-related Financial Disclosures (TCFD). Please refer our webpage for more details on climate risk and our climate accounts.

Note 5 Segment information

Bulk Infrastructure Group has the following strategic operating segments by December 31, 2023 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 31.12.23

	Industrial Real Estate		Data Centers		Fiber Networks		Group/other		Eliminated		Total	
(Figures in NOK '000)	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Rental income	205,087	147,528	21,337	19,576	14,861	8,561	2,302	1,408	-1,345	-	242,241	177,073
Revenue property sales	-	-8,269	-	-	-	-	-	-	-	-	-	-8,269
Revenue from sales	-	-	105,332	71,374	2,528	1,930	-	-	-1,376	-1,994	106,484	71,310
Gain from sale of investment property	15,270	-	-	-	-	-	-	-	-	-	15,270	-
Gain from sale of fiber infrastructure	-	-	-	-	52,048	-	-	-	-	-	52,048	-
Other revenue	10,639	6,147	36,097	28,099	1,477	1,302	47,259	70,158	-47,447	-69,691	48,025	36,015
- Shared costs tenants	9,681	6,147	4,801	2,157	-	-	-	-	-	-	14,482	8,304
- Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
- Electricity	-	-	30,566	25,942	1,353	820	-	-	-	-	31,919	26,762
- Business management/other	958	-	730	-	124	483	47,259	70,158	-47,447	-69,691	1,624	949
Total revenue and other income	**230,997**	**145,406**	**162,765**	**119,049**	**70,913**	**11,793**	**49,561**	**71,565**	**-50,168**	**-71,686**	**464,068**	**276,129**
Property-related expenses	15,689	13,510	7,495	7,723	-	-	-	-	-	-	23,183	21,233
Cost of property sales	-	-	-	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	60,453	51,924	19,458	15,822	-	-	-3,150	-	76,761	67,746
Administrative expense	20,078	12,049	36,297	49,482	6,847	4,622	50,711	55,994	-	-	113,933	123,473
Other cost	43,707	45,076	184,780	156,905	52,048	43,590	26,810	15,408	-47,018	-62,739	260,326	199,747
Total expenses	**79,473**	**70,634**	**289,025**	**266,034**	**78,353**	**64,034**	**77,521**	**71,402**	**-50,168**	**-62,739**	**474,204**	**409,365**
Operating profit before fair value adjustments on investment properties	**151,523**	**74,772**	**-126,260**	**-146,985**	**-7,440**	**-52,241**	**-27,960**	**164**	**-**	**-8,947**	**-10,136**	**-133,237**
Fair value adjustments on investment properties	-176,571	-369,200	-	-	-	-	-	-	-	-	-176,571	-369,200
Operating profit	**-25,048**	**-294,428**	**-126,260**	**-146,985**	**-7,440**	**-52,241**	**-27,960**	**164**	**-**	**-8,947**	**-186,707**	**-502,437**

	Industrial Real Estate		Data Centers		Fiber Networks		Group/other		Eliminated		Total	
(Figures in NOK '000)	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Share of profit/loss(-) of investments accounted for using the equity method	-39,051	-42,990	-	-	-	-	-	-	-	-	-39,051	-42,990
Remeasurement gain of previous held equity investments	-	2,417	-	87,639	-	-	-	-	-	-	-	90,056
Finance income	33,714	63,573	23,359	15,110	24,572	17,220	341,532	135,413	-324,857	-128,685	98,321	102,631
Finance costs	212,051	144,322	154,496	68,056	24,377	34,269	293,346	115,087	-324,857	-128,685	359,413	233,049
Fair value adjustments on derivatives	3,443	21,227	-2,233	5,840	-	-	-	-	-	-	1,209	27,067
Net financial items	**-213,946**	**-100,095**	**-133,370**	**40,533**	**195**	**-17,049**	**48,186**	**20,326**	**-**	**-**	**-298,935**	**-56,286**
Profit before income tax	**-238,994**	**-394,523**	**-259,630**	**-106,452**	**-7,245**	**-69,290**	**20,226**	**20,490**	-	-8,947	-485,642	-558,722
Income tax expense	-40,609	-63,734	-42,124	-36,887	5,794	-12,480	7,058	-3,074	-	-	-69,882	-116,176
Profit for the year	**-198,385**	**-330,788**	**-217,506**	**-69,565**	**-13,039**	**-56,810**	**13,168**	**23,564**	**-**	**-8,947**	**-415,760**	**-442,546**
Other comprehensive income	9,858	14,063	1,905	4,615	-800	-261	-	-	-	-	10,962	18,417
Other comprehensive income for the year, net of tax	**9,858**	**14,063**	**1,905**	**4,615**	**-800**	**-261**	**-**	**-**	**-**	**-**	**10,962**	**18,417**
Total comprehensive income	**-188,527**	**-316,725**	**-215,601**	**-64,950**	**-13,839**	**-57,071**	**13,168**	**23,564**	**-**	**-8,947**	**-404,798**	**-424,129**

Please also see note 2 for further explanation of the segments.

Note 6 Rental income

	Industrial Real Estate		Data Centers		Fiber Networks		Group	
(Figures in NOK '000)	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Recognized rental income								
Recognized minimum rent from minimum payments	205,087	147,528	21,337	19,576	14,861	8,561	2,302	1,408
Recognized variable rent	-	-	-	-	-	-	-	-
Total income from rent	**205,087**	**147,528**	**21,337**	**19,576**	**14,861**	**8,561**	**2,302**	**1,408**

Future minimum payments to be received under non-cancellable leases:

	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Within 1 year	245,181	190,995	12,920	21,587	8,301	8,170	2,027	2,027
During year 2	275,083	204,942	5,932	12,920	6,942	8,301	169	2,027
During year 3	289,865	192,196	4,756	5,932	6,845	6,942	-	169
During year 4	266,213	191,201	4,701	4,756	6,729	6,845	-	-
During year 5	237,332	189,037	4,657	4,701	6,664	6,729	-	-
After 5 years	1,183,960	834,343	14,767	19,424	70,097	76,761	-	-
Total	**2,497,634**	**1,802,714**	**47,733**	**69,320**	**105,578**	**113,748**	**2,196**	**4,223**

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

	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022
Investment property / property, plant and equipment	4,169,120	4,628,451	90,905	95,745	493,534	418,245	5,686	6,949
Total	**4,169,120**	**4,628,451**	**90,905**	**95,745**	**493,534**	**418,245**	**5,686**	**6,949**

The carrying amount of assets leased under operating leases related to Group are Right-of-use assets, which are subleased. The same apply for the terrestrial fiber included in the carrying amount for assets in Fiber Networks.

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Note 7 Investment property and inventories property

Investment property

(Figures in NOK '000)	**2023**	2022
Fair value 01.01	**4,628,451**	**4,184,248**
Additions:		
- Capital expenditure	257,960	676,821
- Acquisition of property	80,535	131,446
- Sale of real estate infrastructure	-	-29,647
Transferred to assets held for sale	-668,339	-
Currency translation on property in foreign subsidiaries	47,084	34,783
Changes in fair value	-176,571	-369,200
Fair value 31.12	**4,169,120**	**4,628,451**
Income and expenses from investment property		
Income from rent	205,087	147,528
Other revenue - shared cost tenants	9,681	6,147
Property-related expenses	15,689	13,510

Sale of investment property
In November 2023, the Group sold a property with a carrying value of zero. The gain of the sale amounted to 15,3 million.

Overview over input used for valuation	**2023**	2022
Valuation level	3	3
Valuation model	DCF	DCF
Fair value as of December 31	4,169,120	4,628,451
Estimated CPI	2.0%	4.0%
Total sqm	254,159	234,439
Current rent per sqm (range)	447 - 2 130	527 - 2 146
Current rent per sqm (average)	1,185	1014
Remaining lease period actual contracts (range)	3,7 - 15,4	3.3 - 16.4
Remaining lease period actual contracts (average)	8.2	8.3
Market rent per sqm (range)	553 - 1 918	519 - 1 700
Market rent per sqm (average)	1,127	1,045
Actual vacancy	2.1%	0.7%
Valuation yield/discount rate (range)	4,72% - 6,86%	4,34% - 6,97%
Valuation yield/discount rate (average)	5.49%	5.27%

Bulk Industrial Real Estate (BIRE) has, based on the nature, characteristics and risks of the investment and development properties, determined that the properties should be presented based on geographical segments. BIRE's properties, including project properties and development sites are primarily clustered around the Oslo region. BIRE's other geographical segments, in addition to project properties and zoned development sites, is included in the total management portfolio.

Ranges and weighted averages from the external appraisers are presented for the areas where BIRE has 2 or more properties.

The appraisers have for the valuation as of 31.12.23 in average assumed inflation of 4.0 per cent for 2024, 2.8 per cent for 2025 and 2.3 per cent for 2026.The assumed inflation upon terminal value is 2.0 per cent.

Analysis is excluding Denmark.

Market yield takes into account current market conditions and expectations, while contract/valuation yield represents the actual return guaranteed through existing lease agreements.

As of 31.12.23	Lindeberg	Vestby	Langhus	Enebakk	Total portfolio
No. Properties	**12**	**7**	**4**	**2**	**34**
Market value (NOKm)	**1,029**	**1,858**	**661**	**426**	**4,688**
Market yield					
Min	5.0%	5.8%	5.4%	6.3%	5.0%
Max	6.2%	6.5%	6.8%	6.7%	7.7%
Average	5.7%	6.2%	6.2%	6.7%	6.2%
Required rate of return					
Min	4.7 %	4.9 %	5.5 %	6.0 %	4.7 %
Max	5.5 %	6.0 %	5.6 %	6.9 %	6.9 %
Average	5.0 %	5.4 %	5.5 %	6.2 %	5.5 %
Market rent (NOK/sqm)					
Min	1,311	930	1,397	1,356	553
Max	1,918	1,166	1,600	1,850	1,918
Average	1,411	996	1,419	1,454	1,127
Operating cost					
Min	3.0%	3.3%	4.6%	2.4%	2.4%
Max	5.7%	5.3%	5.0%	2.7%	9.6%
Average	3.5%	3.5%	4.6%	2.7%	4.0%
Construction capex (NOK/sqm)					
Min	14,000	13,000	14,000	-	12,500
Max	14,000	13,000	14,000	-	14,000
Average	14,000	13,000	14,000	-	12,695

As of 31.12.22	Lindeberg	Vestby	Langhus	Enebakk	Total portfolio
No. Properties	**12**	**5**	**3**	**2**	**31**
Market value (NOKm)	**1,039**	**1,489**	**666**	**449**	**4,171**
Market yield					
Min	4.0%	5.1%	5.3%	5.5%	4.0%
Max	5.3%	5.8%	6.0%	6.0%	6.9%
Average	4.9%	5.4%	5.5%	5.9%	5.5%
Requred rate of return					
Min	4.3%	4.8%	5.5%	5.6%	4.3%
Max	5.1%	5.2%	5.8%	6.6%	7.0%
Average	4.6%	5.0%	5.6%	5.8%	5.2%
Market rent (NOK/sqm)					
Min	1,207	869	1,247	1,312	519
Max	1,687	1,050	1,300	1,700	1,700
Average	1,268	953	1,282	1,389	1,045
Operating cost					
Min	3.2%	3.6%	4.8%	2.5%	2.5%
Max	6.2%	4.2%	5.1%	2.8%	10.0%
Average	4.0%	3.6%	4.9%	2.8%	4.3%
Construction capex (NOK/sqm)					
Min	14,000	13,000	-	-	12,500
Max	14,000	13,000	-	-	14,000
Average	14,000	13,000	-	-	12,718

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, Malling & Co. The valuation is carried out semi-annually, last performed as of December 31, 2023.

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%	-304	330
Market rent	+/- 5%	321	-321

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Note 8 Employee benefit expense

(Figures in NOK '000)	**2023**	2022
Salaries and remuneration	138,023	109,843
Social security costs	21,529	14,768
Pension cost for defined contribution plan	3,000	2,868
Share-based payments	9,795	11,546
Other employee expenses	5,517	4,637
Capitalized wages	-62,603	-20,189
Total payroll costs	**115,260**	**123,473**
Number of employees at 31 December	89	81

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).

Remuneration of senior management and the Board of directors 2023

Name	Title	Salary	Bonus	Pension	Board fee	Other benefits
Jon Gravråk	CEO	3,827	3,313	40	-	199
Gaute Krekling	CFO	2,584	1,085	40	-	145
Peder Nærbø	Executive Chair	4,626	-	40	150	-
Torbjørn T. Moe	Chief Business Development Officer	2,686	1,113	40	150	168
Nina Hage	EVP, Industrial Real Estate	2,736	1,167	40	-	34
Gisle M. Eckhoff	EVP, Data Center	2,727	1,037	40	-	13
Torill Møklebust	Chief Governance Officer	1,991	441	40	-	130
Total		**21,176**	**8,155**	**281**	**1,200**	**688**

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	150	12
Torbjørn T. Moe	EVP Business Areas	2,565	499	38	150	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**	**1,200**	**668**

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

The management bonus is based on the individual managers' annual performance.

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	22.6%	22.6%
Torbjørn T. Moe	Chief Business Development Officer	indirect ownership	3.2%	3.2%

Executive Chair, Peder Nærbø, still has significant influence in Bulk Infrastructure Holding AS through his joint control in Bulk Industrier AS, which holds the majority of the votes in Bulk Infrastructure Holding AS. Refer note 26 for shareholder information.

CEO Jon Gravråk and CFO Gaute Krekling have ownership of 3% and 0.75%, respectively, of Klub Bulk AS, which indirectly owns 3.21% of the total number of shares in Bulk Infrastructure Holding 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 1 year remain until start of vesting period. Refer note 10 for further information.

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Note 9 Other operating expenses

Administration costs

(Figures in NOK '000)	2023	2022
Staff costs (see note 8)	115,260	123,473
Depreciation (see note 15 and 16)	103,786	77,769
Impairment (see note 16 and 21)	24,180	-
Management, accounting, legal and consulting fees	33,336	37,624
Auditors	3,544	6,873
Depreciation right-of-use assets	13,855	12,696
Other operating expenses	80,299	74,823
Total other operating expenses	**374,259**	**333,258**

Audit fees

(Figures in NOK '000)	2023	2022
Statutory audit	3,439	5,387
Other services not related to auditing	-	1,040
Other assurance services	105	446
Total audit costs	**3,544**	**6,873**

The group recognised no operating expenses related to investment property that did not generate rental income in 2023.

Note 10 Share-based payments

Key Employee Share Option Plan

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 January 1, 2029, depending on grant date. 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 in the company's share issues.

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

	2023		2022	
(Figures in NOK)	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
As at January 1	19.94	902,570	-	-
Granted during the period	19.94	230,658	19.94	902,570
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
As at December 31	**19.94**	**1,133,228**	**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.

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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, 2023**	Share options Dec 31, 2022
January 1, 2022	September 1, 2026	19.94	902,570	902,570
January 1, 2023	September 1, 2026	19.94	80,230	-
May 1, 2023	September 1, 2029	19.94	150,428	-

Fair value of options granted
The assessed fair value at grant date of options granted during the period ended December 31, 2032 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, 2023 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: May 1, 2023
d) expiry date: September 1, 2029
e) share price at grant date: NOK 19,943
f) expected price volatility of the company's shares: 40%
g) expected dividend yield: 0
h) risk-free interest rate: 3.3%

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

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. 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 shareholders 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:

	2023		2022	
	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, 2023**	A-shares December 31, 2022
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, 2023 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: 40%
g) expected dividend yield: 0
h) risk-free interest rate: 3.6%

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

Note 11 Joint venture and associated companies

Associated companies 2023

(Figures in NOK '000)	Foundation / Acquisition date	Country	Office location	Ownership	Book value 01.0	Dividends / Impairment	Share of net profit after tax	**Book value 31.12**
Berger Terminal Holding II AS	19/01/2022	Norway	Oslo	25%	60,749	-2,100	-4,871	53,778
Bulk Park Enebakk AS	06/07/2020	Norway	Oslo	50%	76,018	-11,999	-34,181	29,839
Total					**136,767**	**-14,099**	**-39,051**	**83,616**

Associated companies 2022

(Figures in NOK '000)	Foundation / Acquisition date	Country	Office location	Ownership	Book value 01.0	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**

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

Income statement

(Figures in NOK '000)	2023	2022
Total income	**21,030**	**20,517**
Total expenses	**948**	**1,539**
Operating profit before fair value adjustments on investment properties	**20,082**	**18,978**
Fair value adjustments on investment properties	-35,000	70,000
Operating profit	**-14,918**	**88,978**
Net financial items	**-11,638**	**-11,844**
Profit before income tax	**-26,556**	**77,134**
Income tax expense	-7,072	15,853
Profit for the year	**-19,483**	**61,281**

Balance sheet

(Figures in NOK '000)	2023	2022
Assets		
Non-current assets	570,000	605,000
Current assets	5,035	11,434
- Cash and cash equivalents	4,384	11,191
Total assets	**575,035**	**616,434**
Equity and liabilities		
Equity	226,588	256,276
Non-Current liabilities	346,137	352,032
- Deferred tax	25,137	31,032
Current liabilities	2,310	8,126
Total Equity and liabilities	**575,035**	**616,434**

Reconciliation of carrying amount

(Figures in NOK '000)	Shareholding (%)	2023	2022
Net assets	100%	226,588	256,276
Group's shareholding in the company	25%	56,647	64,069
Carrying amount of Group's shareholding	**25%**	**56,647**	**64,069**

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

Income statement

(Figures in NOK '000)	2023	2022
Total income	**2,100**	**2,223**
Total expenses	**6,521**	**853**
Operating profit before fair value adjustments on investment properties	**-4,421**	**1,371**
Fair value adjustments on investment properties	-68,689	-105,529
Operating profit	**-73,111**	**-104,159**
Net financial items	**-10,362**	**-6,580**
Profit before income tax	-83,473	-110,739
Income tax expense	-15,112	-31,424
Profit for the year	**-68,361**	**-79,315**

Balance sheet

(Figures in NOK '000)	2023	2022
Assets		
Non-current assets	232,305	301,194
Current assets	11,138	19,979
- Cash and cash equivalents	6,206	17,596
Total assets	**243,443**	**321,173**
Equity and liabilities		
Equity	52,883	120,824
Non-current liabilities	183,233	194,819
-Deferred tax	25,559	**40,671**
Current liabilities	7,328	**5,530**
Total Equity and liabilities	**243,443**	**321,173**

Reconciliation of carrying amount

(Figures in NOK '000)	Shareholding (%)	2023	2022
Net assets	100%	52,883	120,824
Group's shareholding in the company	50%	26,441	60,412
Added value	50%	-	-
Carrying amount of Group's shareholding	**50%**	**26,441**	**60,412**

Note 12 Financial income and costs

(Figures in NOK '000)	**2023**	2022
Share of profit/loss(-) of investments accounted for using the equity method	-39,051	-42,990
Remeasurement gain of previous held equity investments	-	90,056
Finance income		
Interest income	32,096	8,306
Currency gain	65,978	94,086
Other finance income	247	239
Total finance income	**98,321**	**102,631**
Finance costs		
Interest expense on borrowings measured at amortised cost	329,809	158,474
Finance expense on derivatives	-	2,046
Currency loss	11,917	61,945
Other finance costs	17,687	10,585
Total finance costs	**359,413**	**233,049**
Net gains / losses on financial assets / liabilities valued at fair value		
Derivatives		
Fair value adjustments on derivatives	1,209	27,067
Net gain on financial instruments at fair value	**1,209**	**27,067**
Net financial items	**-298,935**	**-56,286**

Note 13 Tax

Changes in deferred tax/(-)tax assets

(Figures in NOK '000)	Loss carried forward	Investment property	Financial derivatives	Real Estate and fixed assets	Other items	**Total deferred tax/ (-)tax assets**
01.01.2023	-265,700	470,281	-1,040	16,458	-4,419	215,580
Changes in deferred tax	-57,708	-14,311	266	1,963	-92	-69,882
Change related to purchased/sold companies	730	-	-	-	-	730
Changes related to tax estimates	-	-	-	-	-3,256	-3,256
31.12.2023	**-322,678**	**455,969**	**-774**	**18,422**	**-4,511**	**143,172**

Changes in deferred tax/(-)tax assets

(Figures in NOK '000)	Loss carried forward	Investment property	Financial derivatives	Profit and loss account	Other items	**Total 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
Change related to purchased/sold companies	-5,409	45,309		2,117	-713	41,304
31.12.2022	**-265,700**	**470,281**	**-1,040**	**16,458**	**-4,419**	**215,580**

bulk

Reconciliation net recognized deferred tax /(-)tax assets

(Figures in NOK '000)	2023	2022
01.01	215,580	290,451
Change related to sold companies	730	41,304
Deferred tax expense (income) recognized in profit and loss	-69,882	-116,176
Changes related to tax estimates	-3,256	-
Net recognized deferred tax liability 31.12	**143,172**	**215,580**

Current income tax liabilities

(Figures in NOK '000)	2023	2022
Current income tax	-	-
Change in prior years	-	-
Total current income tax liabilities	-	-

Loss carried forward

(Figures in NOK '000)	2023	2022
No expiring date	-1,466,560	-1,207,727
Total loss carried forward	**-1,466,560**	**-794,855**

There is no deferred tax recognized in comprehensive income

Income tax

(Figures in NOK '000)	2023	2022
Tax payable		
Change in deferred tax	-69,882	-116,176
Income tax expense	**-69,882**	**-116,176**
Profit before income tax	-485,642	-558,722
Income tax expense calculated at 22 %	-106,841	-122,919
Permanent differences	36,898	6,743
Non taxable revenue	-	-
Income tax expense	**-69,944**	**-116,176**
Effective tax rate	14.4 %	20.8 %

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. The value of the company and the corresponding goodwill is still considered to be valid as of year-end 2023. The value of the company is assessed to have increased sine the aquisition, mainly due to new signings of customers and expansion of the data center facilities. As such, no indicators of impairment were identified.

Note 15 Intangible assets

(Figures in NOK '000)	Goodwill	Software licenses	Software under development	Other intangible	Total
Cost					
Balance at January 1, 2023	19,018	1,895	-	14,335	35,248
Additions	-	1,380	12,593	1,898	15,871
Transfer from "other intangible assets"	-	-	11,966	-11,966	-
Balance at December 31, 2023	**19,018**	**3,275**	**24,560**	**4,268**	**51,120**
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**
Accumulated amortization and impairment					
Balance at January 1, 2023	16,948	1,709	-	839	19,496
Amortization charge for the year	-	207	-	2,567	2,775
Balance at December 31, 2023	**16,948**	**1,916**	**-**	**3,406**	**22,271**
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**
Net book value					
At January 1, 2023	**2,070**	**186**	**-**	**13,497**	**15,752**
At December 31, 2023	**2,070**	**1,358**	**24,560**	**861**	**28,849**
At January 1, 2022	**-**	**515**	**-**	**930**	**1,445**
At December 31, 2022	**2,070**	**186**	**-**	**13,497**	**15,752**

Current estimates of useful economic life of intangible assets are as follows:
Goodwill: indefinite
Software licenses: 3-5 years
Software under development: n.a.
Other intangible assets: 3-5 years

bulk

Note 16 Property, plant & Equipment

(Figures in NOK '000)	Datacenter buildings	Datacenter technical infrastructure	Datacenter land	Under construction	Other fixed assets	Fiber infrastructure	**Total**
Accumulated cost							
Balance at January 1, 2023	702,595	886,902	190,547	452,838	29,892	462,612	2,725,385
Additions	51	181,023	-	763,508	2,699	93,581	1,040,861
Disposals	-	-	-	-	-	-70,100	-70,100
Other adjustments - currency	9,377	3,663	217	1,077	-	7,474	22,807
Reclassification to Assets held for sale[1]	-	-	-	-	-	-4,680	-4,680
Balance at December 31, 2023	**712,023**	**1,071,588**	**190,763**	**1,217,422**	**32,590**	**488,886**	**3,713,272**
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
Reclassification to Right-of-use assets	-	-	-	-	-	-40,931	-40,931
Reclassification to Assets held for sale[1]	-	-	-	-	-	-144,248	-144,248
Aquisition of OS-IX	480,278	389,885	36,395	56,640	-	-	963,198
Other adjustments - currency	6,484	447	366	426	-	3,406	11,130
Balance at December 31, 2022	**702,595**	**886,902**	**190,547**	**452,838**	**29,892**	**462,612**	**2,725,385**
Accumulated depreciation							
Balance at January 1, 2023	157,307	174,984	4,225	-	21,793	28,090	386,399
Depreciation charge for the year	16,856	58,525	1,414	-	5,642	19,503	101,940
Impairment	-	7,322	-	-	-	-	7,322
Other adjustments - currency	2,609	3,688	89	-	-	752	7,138
Balance at December 31, 2023	**176,772**	**244,520**	**5,729**	**-**	**27,435**	**48,344**	**502,800**
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
Acquisition of OS-IX	119,433	80,724	-	-	-	-	200,157
Other adjustments - currency	174	194	5	-	-	31	404
Balance at December 31, 2022	**157,307**	**174,984**	**4,225**	**-**	**21,793**	**28,090**	**386,399**
Net book value							
At January 1, 2023	**545,288**	**711,918**	**186,321**	**452,838**	**8,098**	**434,522**	**2,338,985**
At December 31, 2023	**535,251**	**827,068**	**185,035**	**1,217,422**	**5,155**	**440,542**	**3,210,472**
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**
Expected useful economic life	50 years	5-35 years	25 years	-	4-10 years	20-30 years	

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

[1] In December 2023 a customer exercised an option to aquire fiber on the Havfrue cable system. The sale is expected to be completed during Q1 2024. Refer also note 25.

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 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 Hanekleiva 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%
Bulk Data Centers N01 DCM101 AS	Oslo	100.0%
N01 Utilities AS	Oslo	100.0%
N01 Real Estate AS	Oslo	100.0%

Subsidiaries	Office location	Vote- / Ownership 31.12
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	Office location	Vote- / Ownership 31.12
Berger Terminal Holding II AS	Oslo	25.0%
Bulk Park Enebakk AS	Oslo	50.0%

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 31.12.2023**	**Fair value as at 31.12.2023**	Carrying amount as at 31.12.2022	Fair value as at 31.12.2022
Financial assets at fair value through profit or loss				
Interest rate swaps	24,808	24,808	23,992	23,992
Total financial assets at fair value	**24,808**	**24,808**	**23,992**	**23,992**
Financial assets at amortised cost				
Receivable from related party - non-current	1,242	1,242	1,190	1,190
Other receivables	58,919	58,919	21,565	21,565
Investment in shares - non-current	1,249	1,249	1,249	1,249
Receivable from related party - current	-981	-981	441	441
Trade and other receivables	302,758	302,758	177,850	177,850
Total financial assets at amortised cost	**363,187**	**363,187**	**202,296**	**202,296**
Cash and cash equivalents	**1,026,391**	**1,026,391**	**224,459**	**224,459**
Total financial assets	**1,414,386**	**1,414,386**	**450,746**	**450,746**
Total current	1,328,168	1,328,168	402,750	402,750
Total non-current	86,218	86,218	47,997	47,997

(Figures in NOK '000)	**Carrying amount as at 31.12.2023**	**Fair value as at 31.12.2023**	Carrying amount as at 31.12.2022	Fair value as at 31.12.2022
Financial liabilities at fair value through profit or loss				
Interest rate swaps	4,336	4,336	4,729	4,729
Total financial liabilities at fair value	**4,336**	**4,336**	**4,729**	**4,729**
Financial liabilities at amortised cost				
Bond loan	1,722,463	1,722,463	1,463,902	1,463,902
Borrowings	1,623,896	1,623,896	1,694,089	1,694,089
Short-term portion of bond loan	565,000	565,000	-	-
Short-term portion of borrowings	762,914	762,914	739,764	739,764
Other long-term liabilities	7,077	7,077	20,248	20,248
Trade payables	182,391	182,391	77,532	77,532
Other payables[1)]	134,283	134,283	67,730	67,730
Total financial liabilities at amortised cost	**4,998,024**	**4,998,024**	**4,063,266**	**4,063,266**
Total financial liabilities	**5,002,360**	**5,002,360**	**4,067,995**	**4,067,995**
Total current	1,080,108	1,080,108	885,481	885,481
Total non-current	3,922,251	3,922,251	3,182,513	3,182,513

[1)] Other payables only represent financial liabilities. Refer note 31 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, 2023 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

(NOK '000)	Level 1	Level 2	Level 3	Total
Assets				
December 31, 2023				
Financial assets at fair value through profit or loss				
Interest rate swaps		24,808		**24,808**

(NOK '000)	Level 1	Level 2	Level 3	Total
Liabilities				
December 31, 2023				
Financial liabilities at fair value through profit or loss				
Interest rate swaps		4,336		**4,336**

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

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

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.

Note 19 Derivative financial instruments

(Figures in NOK '000)	2023	2022
Interest rate swaps	24,808	23,992
Total assets	**24,808**	**23,992**
Interest rate swaps	4,336	4,729
Total liabilities	**4,336**	**4,729**

Interest rate swaps

(Figures in NOK '000)	2023	2022
Nominal amount interest rate swaps	-688,023	-516,960
Total nominal amount	**-688,023**	**-516,960**

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.

In addition, the group has agreements to purchase land, contingent of finalized zoning, hence with uncertain timing. These agreements, with the corresponding land and liability, have not been accounted for in the balance sheet, and will be accounted for upon purchase.

Note 21 Leases - group as a lessee (IFRS 16 disclosure)

(Figures in NOK '000)	Seafiber	Office equipment	Land and buildings	Motor vehicles	Terrestrial fiber	**Total**
Right of use assets						
Balance at January 1, 2023	19,766	148	53,654	31	177,191	250,790
Depreciations	1,578	85	6,828	31	5,333	13,855
Impairment	16,858	-	-	-	-	16,858
Additions	-	-	-	-	96	96
Adjustments	-	-	-6,446	-	-	-6,446
Balance at December 31, 2023	**1,330**	**63**	**40,379**	**-**	**171,954**	**213,727**
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**
Rental period	1-40	2-3	3-10	1-3	20	

In 2023, a right-of-use asset related to one of the IRU agreements for seafiber was concluded to be impaired as the agreement was assessed as non profitable.

Lease liabilities

	2023	2022
Maturity analysis - contractual undiscounted cash flows		
Less than one year	11,512	14,580
Between one and five years	44,846	47,748
More than five years	22,648	33,267
Total undiscounted lease liabilities at 31 December	**79,005**	**95,595**
Lease liabilities included in the statement of financial position at 31 December	**63,062**	**75,487**

Amount recognised in profit or loss

	2023
Interest on lease liabilities	3,911
Depreciation expense of right-of-use assets	13,855
Gains and losses due to terminations, purchases, impairments, and other changes	16,858
Expense relating to short-term leases	-
Expense relating to leases of low-value assets	64
Variable lease payments	-
Total amount recognised in profit or loss	**34,688**
Amount recognised in cash flow statement	
Total cash flow from leases	**9,890**

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)	2023	2022
Gravel	-	4,587
Inventory data center	19,774	3,876
Total Inventories	**19,774**	**8,463**

The gravel is located at one of the properties. In 2023 it was decided that the gravel was to be impaired as the cost of removing it exceeded the carrying value.

Note 23 Trade and other receivables

(Figures in NOK '000)	2023	2022
Trade receivables	161,186	89,569
Other current receivables	140,684	88,504
Trade and other receivables	**301,870**	178,073

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

(Figures in NOK '000)	31.12.2023	31.12.2022
Provision for impairment of trade receivables at 01.01	550	946
This years provision for receivables impairment	3,678	550
Loss on receivables	-	-
Reversal of prior years provision	-550	-946
Provision for impairment of trade receivables at 31.12	**3,678**	**550**

Refer also note 27 for ellaboration on credit risk and assessment of provisions.

(Figures in NOK '000)	Total	Not due	0-30d	30-60d	60-90d	>90d
December 31, 2023	301,777	182,881	75,518	4,246	84	39,049
December 31, 2022	177,850	136,576	479	1,339	-	39,456

The Group has a receivable of NOK 33 million related to a collaborative project on a real estate plot. The receivable is overdue as of December 31, 2023, but will be settled upon the final agreement in relation to the project. Management has decided to make a provison for impairment of NOK 3,7 million in relation to the receivable. The risk of loss on the remaining receivable is assessed as low.

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

Related party disclosures
The Group provides accounting and asset management services to its parent companies, Bulk Industrier AS and Green Keeper AS, and joint venture, Berger Terminal Holding II AS. The costs related to the transactions amounts to 423,068 NOK in 2023 and 344,707 NOK in 2022.

Note 24 Cash and cash equivalents

(Figures in NOK '000)	2023	2022
Cash and cash equivalents	1,021,428	219,660
Restricted funds	4,962	4,799
Total	**1,026,391**	**224,459**

Note 25 Non-current assets and disposal groups classified as held for sale

In September 2023 the Group initiated a process to locate a buyer for the property Bulk Jernholmen located outside of Copenhagen, Denmark. On 23 December 2023 the group signed a letter of intent (LOI) to sell the property. The sale is expected to be completed during Q1 2024.

(Figures in NOK '000)	2023	2023
Assets classified as held for sale		
Property, plant and equipment	617,201	503,856
Other receivables	14,735	10,113
Total assets of disposal group held for sale	**631,936**	**513,969**
Liabilities directly associated with assets held for sale		
Borrowings	371,599	269,022
Intercompany debt	59,499	257,464
Other current liabilities	22,489	4,205
Total liabilities of disposal group held for sale	**453,586**	**530,692**

The Group has been assessing a potential sale of Bulk Vinterbro II since 2021, but the sale did not fulfill the criteria to classify as held for sale until 2023. The sale of the property became highly probable in November 2023 when Bulk and the buyer agreed on the contract terms, which has been discussed for a longer period. The transaction is expected to be completed in Q1 2024.

(Figures in NOK '000)	2023	2022
Assets classified as held for sale	21,409	36,833
Property, plant and equipment	14,994	797
Other receivables	36,404	37,630
Total assets of disposal group held for sale		
Liabilities directly associated with assets held for sale		
Intercompany debt	6,700	5,712
Other current liabilities	140	3
Total liabilities of disposal group held for sale	**6,840**	**5,715**

In addition, a customer excercised the option in 2023 to purchase the last span of fiber on the Havfrue fiber cable in accordance with the option agreement. The transaction was carried out in Q4 2023. However, a small portion of the terrestrial fiber connected to the Havfrue cable is not sold, but expected to be tranferred to the same customer in Q1 2024. The disposal group of fiber which is held for sale amounts to NOK 4,7 million.

Note 26 Paid in equity and shareholders

	2023	2022
Share capital	3,726,321	3,263,503

Change in paid in equity and share premium

(Figures in NOK '000)	Total shares		Share capital		Share premium	
	2023	2022	**2023**	2022	**2023**	2022
Issued stock and paid in capital						
At the beginning of the year	326,350,306	273,052,737	3,263,503	2,730,527	2,918,911,363	1,856,530,919
Capital increase	46,281,750	53,297,569	462,818	532,976	922,534,123	1,062,380,444
At the end of the year	**372,632,056**	**326,350,306**	**3,726,321**	**3,263,503**	**3,841,445,485**	**2,918,911,363**

The total numer of shares are 372,632,056, each valued at NOK 0,01, and NOK 3,726,321 in total share capital.

The company's shareholders at December 31, 2023

Shareholder	Type of account	Country	Number of shares	Share %
Bulk Infrastructure Holding AS	Ordinary shares	Norway	372,632,056	100%

Dividend
The company did not pay any dividend in 2023. No dividend has been proposed for approval in 2024.

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.

	2023	2022
Total comprehensive income, net of tax, attributable to shareholders in the parent Company	-395,003,062	-406,086,880
Weighted average number of outstanding shares	354,568,473	304,309,579
Basic and diluted earnings per share	-1.11	-1.33

Note 27 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 finical 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 agreementshave hedging ratio-covenants. The group use interest rate derivatives to manage their interest rate exposure.As of December 31, 2023 NOK 689,3 million of the Group's borrowings of NOK 4 674,3 million is hedged at a fixed rate. The liability directly related to the asset held for sale is not included. Hedged nominal amount of NOK 688,0 expires between 2024 and 2033. The sensitivity is calculated by the Group, and the Groups interest cost is estimated to increase/decrease by NOK 25,2 million for 2024 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 managedby 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 is 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.

The table below illustrates the maturity structure of liabilities.

Financial liability 2023

		Expected cashflow			
Figures in NOK ´000)	**Carrying amount**	**Year 1**	**Year 2**	**Year 3-5**	**After year 5**
Bond loan	2,287,463	565,000	-	1,722,463	-
Borrowings (bank)	2,386,810	762,914	506,815	1,056,081	61,000
Other long-term liabilities - seller credit	7,077	-	-	7,077	-
Trade payables	182,391	182,391	-	-	-
Interest costs (bond loan)	-	259,746	187,075	334,900	-
Interest costs (bank)	-	148,396	101,416	43,589	4,514
Other current payables[1]	134,283	134,283	-	-	-
Liabilities directly associated with the assets held for sale	371,599	371,599	-	-	-
Total non-derivative financial obligations	**5,369,622**	**2,424,329**	**795,306**	**3,164,110**	**65,514**
Derivative financial intruments	4,336	-36	449	1,667	2,256
Total derivative financial obligations	**4,336**	**-36**	**449**	**1,667**	**2,256**

Financial liability 2022

		Expected cashflow			
(Figures in NOK ´000)	**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	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[1]	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**

[1] 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.

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 %	3.26	-3.56

Sensitivity is obtained from DnB.

Note 28 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 net 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 2022 and 2023. The Group's LTV is 50 % as of December 31, 2023. 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, 2023, the Group is in compliance with all financial covenants. The Group has three 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.

Note 29 Interest-bearing debt

(Figures in NOK ´000)	**31.12.2023**	31.12.2022
Total interest-bearing debt, nominal value[1]	5,045,871	3,897,755
- of which hedged (fixed interest rate)	688,023	516,960
Hedge Ratio[2]	14%	13%
Average interest rate at floating rate, including margin (%)	8.5%	5.5%
Average remaining duration, borrowings (years)	2.5	2.2
Average remaining duration, hedging contracts (years)	5.6 years	5.7 years
Total interest-bearing debt, nominal value	5,045,871	3,897,755
First year instalments of debt (short-term)	1,699,512	739,764
Long-term interest-bearing debt excluding first year instalments	**3,346,358**	**3,157,991**

[1] The liabilities directly associated with the assets held for sale is also included in total interest-bearing debt for 2023.
[2] 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.

Maturity on long-term debt

	31.12.2023	31.12.2022
Year 1	1,699,512	739,764
Year 2	506,815	1,509,533
Year 3-5	2,778,543	1,648,459
After year 5	61,000	-
Total	**5,045,871**	**3,897,755**

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

	2023	2022
Investment property and property, plant and equipment	5,172,769	5,525,306
Total pledged assets	**5,172,769**	**5,525,306**
Borrowings secured with pledged assets	**2,951,810**	**2,433,853**

I 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 28 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 October 15, 2019. The Group further performed a tap issue of an additional NOK 500 million on the unsecured bond on September 9, 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.

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	15.09.2026
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 listed as of 1 September, 2023.

Bulk Infrastructure Group AS 23/28 FRN
Bulk Infrastructure Group AS has completed a new senior unsecured green bond issue of NOK 1,250 million with a 4.5 year tenor. The net proceeds from the bond issue will be used in accordance with the green bond framework, including to repurchase approximately NOK 413 million in the outstanding bond with ticker "BISG01" (ISIN NO0010865876).

Specification	
ISIN	NO0013013219
Maturity date	21.03.2028
Amount	NOK 1,250,000,000
Coupon	Nibor 3m + 5.75%
Coupon type	FRN
Coupon frequency	Quarterly
Trustee	Nordic Trustee AS

Financial covenants
Equity ratio > 35%.

Security
Unsecured.

Listing
The bond is listed as of 13 October, 2023.

Note 30 Reconciliation of net debt

Liabilities arising from financing activities

(Figures in NOK ´000)	Cash and cash equivalents	Borrowings	Leases	**Total**
Net debt as at 01.01	**224,459**	**-3,897,755**	**-75,487**	**-3,748,783**
Cash flows				
Net cash flow from operations	223,708			223,708
Net cash flow from investing	-1,165,743			1,165,743
Net cash flow from financing	1,743,968			1,743,968
Repayment of borrowings		59,588		59,588
Proceeds from borrowings		-1,602,741		-1,602,741
Installment on lease liabilities			8,514	8,514
Purchase of own shares in bond		413,000		413,000
Interest expense[1]			3,911	3,911
Foreign exchange movement		-17,963		-17,963
Net debt as at 31.12	**1,026,391**	**-5,045,871**	**-63,062**	**-4,082,541**

[1] Interest expense on borrowings amounts to NOK 336,7 million. Interest expense is not accumulated on the borrowings, hence not included in the reconciliation of net debt.

Note 31 Accruals and prepayments from customers

(Figures in NOK ´000)	**31.12.2023**	31.12.2022
Prepayments from customer - long-term	50,292	41,238
Prepayments from customer - short-term	2,647	2,170
Accrued salaries, public duties	42,444	39,923
Accrued expenses	107,223	35,510
Total	**202,606**	**118,842**

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 32 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 investment properties held for sale as of December 31, 2023 were sold according to plan during Q1 2024. The sales amount to approximately NOK 670 million.

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

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Statement of comprehensive income

(Figures in NOK ´000)	Note	**2023**	2022
Sales revenue	1	47,018	69,691
Rental income		2,302	1,565
Other income	1	1,451	2,861
Total income		**50,771**	**74,117**
Raw materials and consumables used		8	20
Employee benefits expense	2	58,627	55,994
Depreciation of tangible and intanglible fixed assets	3	1,971	3,203
Impairement of tangible and intangible assets	3	0	570
Other expenses	1,2	26,219	24,141
Total expenses		**86,825**	**83,927**
Operating profit/loss		**-36,054**	**-9,810**
Financial income and expenses			
Interest income from group companies	4	238,762	135,362
Other interest income		6,392	52
Other financial income		42	20
Writ-down of other financial fixed assets	5	-218,396	218,396
Interest expense to group companies	4	15,503	30,132
Other interest expenses	6	166,905	79,202
Other financial expenses		8,919	3,975
Net financial items		**272,265**	**-196,272**
Result before tax		**236,211**	**-206,082**
Tax expense	7	3,933	4,571
Result for the year		**232,278**	**-210,653**
Allocation of result for the year			
Other equity	8	232,278	-210,653
Total brought forward		**232,278**	**-210,653**

Balance sheet

(Figures in NOK ´000)	Note	2023	2022
NON-CURRENT ASSETS			
Intangible assets			
Licences, patents etc.	3	1,358	186
Deferred tax assets	7	31,088	35,102
Total intangible assets		**32,446**	**35,287**
Property, plant and equipment			
Land, buildings and other real estate	3	8,764	9,154
Equipment, fixtures and fittings and other movables	3, 9	679	1,549
Total property, plant and equipment		**9,443**	**10,702**
Non-current financial assets			
Investments in subsidiaries	1, 5, 9	2,197,551	1,979,155
Loan to group companies	4	31,935	28,239
Investments in shares and other securities		2,672	2,672
Other long-term receivables	2	2,895	2,803
Total non-current financial assets		**2,235,053**	**2,012,869**
Total non-current assets		**2,276,942**	**2,058,858**
Current assets			
Receivables			
Accounts receivables		861	17
Other short-term receivables		7,788	4,390
Receivables from group companies	4	3,358,019	2,296,414
Total receivables		**3,366,667**	**2,300,821**
Investments			
Bank deposits, cash and cash equivalents			
Bank deposits, cash and cash equivalents	10	743,457	36,663
Total bank deposits, cash and cash equivalents		**743,457**	**36,663**
Total current assets		**4,110,124**	**2,337,484**
Total assets		**6,387,066**	**4,396,342**

(Figures in NOK ´000)	Note	2023	2022
EQUITY AND LIABILITIES			
Equity			
Paid in equity			
Share capital	8, 11	3,726	3,264
Share premium reserve	8	3,841,445	2,918,911
Total paid-up equity		**3,845,172**	**2,922,175**
Retained earnings			
Other equity	8	160,734	-87,665
Total retained earnings		**160,734**	**-87,665**
Total equity		**4,005,906**	**2,834,510**
Liabilities			
Other provisions		49,416	49,416
Total provisions		49,416	49,416
Other non-current liabilities			
Bonds	6	2,287,463	1,463,902
Liabilities to financial institutions	4	5,654	3,200
Total non-current liabilities		**2,293,117**	**1,467,102**
Current liabilities			
Trade payables		6,509	7,967
Public duties payable		2,228	2,424
Other current liabilities	6	29,890	34,923
Total current liabilities		**38,628**	**45,314**
Total liabilities		**2,381,160**	**1,561,833**
Total equity and liabilities		**6,387,066**	**4,396,342**

Oslo, March 21, 2024
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

Cash flow statement

(Figures in NOK ´000)	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax		236,211	-206,082
Ordinary depreciation	3	1,971	3,203
Impairment of fixed assets		0	570
Impairment of Investments	5	-218,396	218,396
Change in accounts receivable		-844	-17
Change in accounts payable		-1,458	3,016
Change in other accrual items		-9,749	6,480
Net cash flows from operating activities		**7,735**	**25,566**
Cash flows from investment activities			
Proceeds from the sale of fixed assets		0	50
Payments to buy tangible assets	3	1,884	583
Proceeds from sale of shares and participations in other companies	5	0	99,201
Payments to buy shares and participations in other companies	5	0	36,500
Payments to buy other investments	6	0	2,672
Net cash flows from investment activities		**-1,884**	**59,496**
Cash flows from financing activities			
Proceeds from the issuance of new long-term liabilities	6	826,015	493,958
Net change in accrued items related to group cash pool	9	-1,061,235	-1,731,016
Proceeds from equity	8	939,859	671,860
Change in receivable related party	4	-3,696	-28,153
Net cash flows from financing activities		**700,943**	**-593,351**
Net change in cash and cash equivalents		706,794	-508,289
Cash and cash equivalents at the start of the period		36,663	544,952
Cash and cash equivalents at the end of the period		**743,457**	**36,663**

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 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.

Foreign currency
Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non- monetary 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 foreign currency 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 2023.

Consolidated financial statements
Bulk Infrastructure Group AS is included in the consolidated financial statements of Bulk Infrastructure Holding AS and Bulk Industrier AS. The consolidated financial statements are available at www.bulkinfrastructure.com.

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 2023, fees for accounting, administration and project management of TNOK 47 018 have been recognized as income. In addition TNOK 7 210 has been allocated as share of Group costs (recognised as other income an/or cost reduction in Bulk Infrastructure Group AS).

Note 2 Personnel expenses, number of employees, remuneration, loan to employees

Payroll expenses

(Figures in NOK ´000)	**2023**	2022
Salaries/wages	51,165	49,075
Social security fees	6,057	5,577
Pension expenses	690	932
Other remuneration	1,969	1,779
Allocated saleries to other group companies	-1,255	-1,369
Total	**58,627**	**55,994**
Average number of employees during the financial year	**20**	**22**

Salaries and remunerations to executives[1)]

(Figures in NOK ´000)	Executives	Board Chairman
Salaries and bonuses	17,040	4,300
Pension obligations	161	0
Other remunerations	641	12
Total	**17,841**	**4,313**

[1)] The CEO and additional members of the board of Bulk Infrastructure Holding AS (the parent company) recieves salaries and remunerations from Bulk Infrastructure Group.

Loan to employees
Other employees have loans in the company totalling TNOK 2 895 These loans are repaid within three years (due in 2025). The interest rate corresponds to the tax-free interest rate determined by the authorities.

OTP (Statuatory 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 2023 amounts to TNOK 1 507,- excl.mva.

(Figures in NOK ´000)	
Statutory audit fee	850
Tax advisory	-
Other assistance	657
Total audit fees	**1,507**

Note 3 Fixed assets and intangible assets

(Figures in NOK ´000)	Land	Buildings/ adjustments rented buildings	Moveables and machines	R&D and software	Total
Purchase cost 01.01	5,076	10,260	13,312	1,895	30,543
Additions		276	228	1,380	1,884
Disposals	-	-	-	-	-
Purchase cost 31.12	5,076	10,537	13,539	3,275	32,427
Acc. depr. 31.12	0	6,848	12,861	1,916	21,625
Book value 31.12	**5,076**	**3,689**	**679**	**1,358**	**10,801**
Depr. this year		666	1,098	207	1,971
	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 31 935.

Long-term debt with minimum maturity of 5 years

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

Balances with group companies

(Figures in NOK ´000)	2023	2022
Long-term claims on group companies	31,935	28,239
Accounts receivable from group companies	2,058	27,052
Claims on group companies / group contributions	3,355,960	2,269,362
Short-term debt to group companies	0	0
Total	**3,389,953**	**2,324,653**

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 3,355,590 are claims regarding the cash pool.

Note 5 Investments in subsidiaries

Investments in subsidiaries are booked according to the cost method

Company

(Figures in NOK '000)	Ownership/ voting rights	Cost price	Write-down/ Reclassification	Book value
Bulk Industrial Real Estate AS	100%	499,478	0	499,478
Bulk Data Centers AS	100%	933,392	0	933,392
Bulk Fiber Networks AS	100%	764,682	0	764,682
Bulk Powered Land AS	100%	0	0	0
Sum		**2,197,551**	**0**	**2,197,551**

The companies are based in Oslo, Norway.

Company

(Figures in NOK '000)	Book value	P/L for 2023 (100%)	Equity pr. 31.12 (100%)
Bulk Industrial Real Estate AS	499,478	-130,130	341,823
Bulk Data Centers AS	933,392	-42,971	663,325
Bulk Fiber Networks AS	764,682	145,030	722,723
Bulk Powered Land AS	0	-128	-730
Sum	**2,197,551**	**-28 199**	**1,727,141**

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 and a new green bond NOK 1250 million 21 March 2023. Both bonds listed 2nd half of 2023 according to the table below. The net proceeds from the bond will be utilized in accordance with the green bond framework.

Spesification	**Bond 2019/2020**	**Bond 2022/2026**	**Bond 2023/2028**
ISIN	NO001 10865876	NO0012701269	NO0013013219
Maturity date	15.10.2024	15.09.2026	21.03.2028
Amount	NOK 1,000,000,000	NOK 500,000,000	NOK 1,250,000,000
Coupon	Nibor 3 m + 4.5%	Nibor 3m + 6.5%	Nibor 3m + 5.75%
Coupon type	FRN	FRN	FRN
Coupon Frequency	Quarterly	Quarterly	Quarterly
Trustee	Nordic Trustee AS	Nordic Trustee AS	Nordic Trustee AS
Financial Covenants	Equity ratio > 35%	Equity ratio > 35%	Equity ratio > 35%
Security	Unsecured	Unsecured	Unsecured
Listed	15 September 2020	1 September 2023	13 October 2023

Note 7 Tax

(Figures in NOK '000)	**2023**	2022
Entered tax on ordinary profit/loss:		
Payable tax	-	-
Changes in deferred tax assets	3,933	4,571
Tax expense on ordinary profit/loss	**3,933**	**4,571**
Taxable income:		
Ordinary result before tax	236,211	-206,082
Permanent differences	-218,335	226,858
Changes in temporary differences	-4,398	2,875
Received intra-group contribution	370	0
Allocation of loss to be brought forward	-13,848	-23,651
Taxable income	**-**	**-**
Payable tax in the balance:		
Payable tax on this year's result	-81	-
Payable tax on received Group contribution	81	-
Total payable tax in the balance	**-**	**-**

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

(Figures in NOK '000)	**2023**	2022	Difference
Tangible assets	-3,165	-2,992	173
Allocations and more	-6,888	-11,459	-4,571
Total	**-10,053**	**-14,452**	**-4,398**
Accumulated loss to be brought forward	-131,255	-145,103	-13,848
Basis for deferred tax assets	**-141,308**	**-159,554**	**-18,246**
Deferred tax assets (22%)	**-31,088**	**-35,102**	**-4,014**

Note 8 Equity

(Figures in NOK '000)	Share capital	Share premium reserve	Other paid in capital	Retained earnings	Total equity
Equity 01.01	3,264	2,918,911	17,893	-105,558	2,834,510
Share capital increase	463	922,534			922,997
Received group contribution			289	0	289
Other adjustments[1]			16,863	-1,031	15,832
Annual net profit/loss				232,278	232,278
Equity 31.12	**3,726**	**3,841,445**	**35,045**	**125,689**	**4,005,906**

[1] Other adjustments 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.

Note 9 Liabilities to credit institutions

(Figures in NOK ´000)	2023	2022
Liabilities secured by collateral:		
Debt to credit institutions	5,654	3,200
Book value of collateral:		
Shares in subsidiaries	2,197,551	1,979,155
Cars	352	1,237
Total book value of collateral	**2,197,903**	**1,980,392**

Note 10 Restricted funds

Funds of TNOK 1 386 restricted to employees taxes are included in the cash-post in the balance sheet.

Note 11 Share capital and shareholder information

Share capital	Number	Nominal value	Book value 1 = NOK 1000
Ordinary shares	372,632,056	0,0100	3 726

Shareholders	Country	Number shares	Share of capital %
Bulk Infrastructure Holding AS	Norway	372,632,056	100 %

Board Chairman, Peder Nærbø, has an indirect ownership of 22,6 % 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, 2023. 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, 2023. 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, 2023.

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 2023 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, 2023
- The Board of Directors report provides the Group and the parent company a fair view of
  - development, performance and position of the Group and the parent company
  - the most important risks and uncertainties the Group and the parent company faces

Oslo, March 21, 2024
The board of Bulk Infrastructure Group AS

Peder Nærbø
Founder and Executive Chair

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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 2023, the statement of profit and loss and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.
- The consolidated financial statements of Bulk Infrastructure Group AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the statement of profit and loss, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

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 2023, 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 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

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 Bulk Infrastructure Group AS for 2 years from the election by the general meeting of the shareholders on 23 September 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 2023. 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.

Description of the 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 "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 have reconciled the property information regarding annual rent and square meters in the third party valuers' report to the Group`s own records. We have met with the third party valuers' and discussed and challenged their judgements used in the valuation of investment properties, particularly those concerning market rent, yield and discount rate. We have 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 have assessed the valuation methods used against generally accepted valuation standards and practices. In carrying out the procedures related to valuation of investment property, we have used our internal valuation specialists. We have assessed whether the disclosures in note 7 regarding valuation of investment properties were 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.

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

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation of financial statements of the Company 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 of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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 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's 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 2023.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.

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, 21 March 2024
Deloitte AS

Eivind Ungersness
State Authorised Public Accountant

(This document is signed electronically)

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