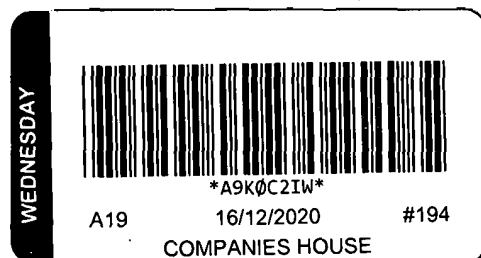


## **Colt Telecom Finance Switzerland**

**Annual Report for the year ended  
31 December 2019**

Registered number: 04421643



## **Colt Telecom Finance Switzerland**

### **Directors' report For the year ended 31 December 2019**

The Directors present their report and audited financial statements of Colt Telecom Finance Switzerland ("the Company") for the year ended 31 December 2019.

#### **Directors**

The Directors of the Company who held office during the year and up to the date of signing the financial statements were:

G Carr  
E Chengapen (resigned 28 August 2019)  
C Griffin Pain  
N Ramasamy (appointed 28 August 2019)

The Company Secretaries who held office during the year and up to the date of this report was:

E Chengapen (resigned 1 August 2019)  
N Ramasamy (appointed 1 August 2019)

#### **Principal activities**

The Company's principal activity is to act as a finance Company for transactions denominated in Swiss Francs ("CHF"), within the Group comprising Colt Group Holdings Limited, and its subsidiaries ("the Colt Group").

#### **Results and dividends**

The loss before taxation was CHF 27,959,399 (2018: profit CHF 18,369,080). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2019 (2018: CHF nil).

## **Colt Telecom Finance Switzerland**

### **Directors' report (continued) For the year ended 31 December 2019**

#### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Disclosure of information to auditors**

Each person who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Annual General Meeting.

## **Colt Telecom Finance Switzerland**

### **Directors' report (continued) For the year ended 31 December 2019**

#### **Qualifying third party indemnity provisions for the benefit of Directors**

The Company has provided an indemnity for its directors and the secretary during the year, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006 and remains in force at the date of this report.


#### **Disclosure exemptions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. Accordingly, no disclosures in respect of likely future developments and financial risk management have been included in the Directors' report.

#### **Strategic report**

The Company has taken advantage of the small companies' exemption provided by section 414b of the Companies Act 2006. Accordingly, no Strategic report has been presented.

On behalf of the Board

DocuSigned by:  
  
25BE90989EF147F...

G Carr  
Director  
27f November 2020

## **Colt Telecom Finance Switzerland**

### ***Independent auditors' report to the members of Colt Telecom Finance Switzerland***

#### **Report on the audit of the financial statements**

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##### **Opinion**

In our opinion, Colt Telecom Finance Switzerland's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2019; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

## Colt Telecom Finance Switzerland

### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' 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 auditors' 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Sturges (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
27 November 2020

## Colt Telecom Finance Switzerland

### Statement of Comprehensive Income For the year ended 31 December 2019

	Note	2019 CHF	2018 CHF
Impairment (expense)/reversal	4	(23,781,096)	22,169,423
Administrative expenses		(511)	(370)
<b>Operating (loss)/profit</b>		<b>(23,781,607)</b>	<b>22,169,053</b>
Interest payable and similar expenses	6	(258,908)	-
Other net (losses)		(3,918,884)	(3,799,973)
<b>(Loss)/Profit before taxation</b>		<b>(27,959,399)</b>	<b>18,369,080</b>
Tax on (loss)/profit	7	-	-
<b>(Loss)/Profit for the financial year</b>		<b>(27,959,399)</b>	<b>18,369,080</b>

The accompanying notes on page 7 to 16 are an integral part of the financial statements.


## Colt Telecom Finance Switzerland

### Balance Sheet As at 31 December 2019

	Note	2019 CHF	2018 CHF
<b>Current assets</b>			
Debtors	8	66,040,188	92,350,709
Cash and cash equivalents		10,305	10,817
		<b>66,050,493</b>	92,361,526
<b>Creditors:</b> amounts falling due within one year	9	<b>(49,395,924)</b>	(62,968,606)
<b>Net current assets</b>		<b>16,654,569</b>	29,392,920
<b>Net assets</b>		<b>16,654,569</b>	29,392,920
<b>Capital and reserves</b>			
Called up share capital	11	49,280,551	34,059,503
Accumulated losses		<b>(32,625,982)</b>	(4,666,583)
<b>Total equity</b>		<b>16,654,569</b>	29,392,920

The accompanying notes on page 9 to 16 are an integral part of the financial statements.

The financial statements on pages 6 to 16 were approved by the Board on 27 November 2020 and signed on its behalf by

DocuSigned by:  
  
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G Carr  
Director

Colt Telecom Finance Switzerland

Registered number: 04421643



## Colt Telecom Finance Switzerland

### Statement of Changes in Equity For the year ended 31 December 2019

	Called up share capital CHF	Accumulated losses CHF	Total equity CHF
<b>At 1 January 2018</b>	<b>27,009,058</b>	<b>(23,035,663)</b>	<b>3,973,395</b>
Issue of share capital	17,965,417	-	17,965,417
Cancellation of shares	(10,914,972)	-	(10,914,972)
Profit for the financial year	-	18,369,080	18,369,080
<b>At 31 December 2018</b>	<b>34,059,503</b>	<b>(4,666,583)</b>	<b>29,392,920</b>
Issue of share capital	23,318,741	-	23,318,741
Cancellation of shares	(8,097,693)	-	(8,097,693)
Loss for the financial year	-	(27,959,399)	(27,959,399)
<b>At 31 December 2019</b>	<b>49,280,551</b>	<b>(32,625,982)</b>	<b>16,654,569</b>

The accompanying notes on page 7 to 16 are an integral part of the financial statements.

## **Colt Telecom Finance Switzerland**

### **Notes to the financial statements For the year ended 31 December 2019**

#### **1. General Information**

The Company's principal activity is to act as a finance company for transactions denominated in Swiss Francs within the Group comprising Colt Group Holdings Limited and its subsidiaries ("the Colt Group").

The Company is a private company limited by shares, and is incorporated and registered in England and Wales, United Kingdom. The address of its registered office is Colt House, 20 Great Eastern Street, London, EC2A 3EH.

These financial statements are for the financial year beginning 1 January 2019 and ended on 31 December 2019.

#### **2. Statement of Compliance**

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

#### **3. Summary of significant accounting policies**

##### **Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements are prepared under the historical cost convention.

##### **Going concern**

The Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis, given the financial support being provided by the parent of the Group, Colt Group Holdings Limited, to enable the Company to meet its financial liabilities as they fall due and continue its operational existence for the next 13 months from the date of approval of the Company's financial statements.

##### *Impact of Covid-19 on going concern*

Colt continues to closely monitor the situation regarding Covid-19 from both health and safety and business continuity perspectives. The majority of Colt locations have enforced a mandatory work from home ('WFH') policy for all staff, except for a minimal group that are approved as needing to access sites in order to perform critical tasks. Substantially all international travel has been banned and local travel restricted to essential services only.

Colt continues to work closely with its customers and suppliers, and does not foresee significant obstacles in fulfilling customer service agreements and maintaining its supply chain.

In the first three quarters of 2020, we have seen a strong demand for Voice revenue, alongside decreases in travel related costs and capital expenditure. In terms of cash flow, Colt Group has a strong cash position, is effectively managing its working capital position and has the ability to draw down from its €430.0m Revolving Credit Facility ('RCF') from a related-party company as required.

At present, given the uncertainty surrounding this global pandemic, it is difficult to understand fully the longer term economic impact for 2020 and 2021. But what we do see is that due to the Covid-19 crisis and the impact it has to the way of working worldwide, there is a general increase in demand for voice traffic and high capacity connections which enable homeworking. Next to this Colt foresees an acceleration in regards to cloud migrations and a willingness to move critical workloads into the cloud.

## Colt Telecom Finance Switzerland

### Notes to the financial statements (continued) For the year ended 31 December 2019

#### 3. Summary of significant accounting policies (continued)

##### Disclosure exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the following exemptions:

- (i) from preparing a Statement of Cash Flow, under paragraph 1.12(b), on the basis that it is a qualifying entity and the parent company of the Colt Group, Colt Group Holdings Limited, includes the Company's cash flows in its consolidated financial statements.
- (ii) from disclosing related party transactions within the Colt Group, under paragraph 1.12(e), on the grounds that it is a wholly owned subsidiary of the Group headed by Colt Group Holdings Limited.

##### Foreign currency transactions

The Company's functional and presentation currency is the Swiss Franc.

Transactions denominated in foreign currencies are recorded in Swiss Franc at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is recorded as an exchange gain or loss in the Statement of Comprehensive Income. The exchange rate as at 31 December 2019 was CHF 1.2757/£1 (2018: CHF 1.1113/£1).

##### Debtors

Debtors are shown at their book value less any impairment provision.

##### Impairment

Debtors are reviewed for impairment whenever events or changes in circumstances indicate that carrying amounts may not be recoverable.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future discounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognised is the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

##### Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### (i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. 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.

## **Colt Telecom Finance Switzerland**

### **Notes to the financial statements (continued) For the year ended 31 December 2019**

#### **3. Summary of significant accounting policies (continued)**

##### **Significant accounting policies (continued)**

##### **Taxation (continued)**

###### *(ii) Deferred tax*

Deferred tax is provided in full on all timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### **Cash and cash equivalents**

Cash and cash equivalents includes deposits held with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Cash and cash equivalents are initially recognised at fair value and subsequently at amortised cost.

##### **Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

###### *(i) Financial assets*

Basic financial assets, including debtors and cash at bank and in hand balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest when the effect of the discounting is material.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period the amortised cost is re-assessed taking into account the future expected cash flows of the asset. Any difference between the carrying amount of the financial asset and the previous carrying amount is recognised in the Statement of Comprehensive Income.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Comprehensive Income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## **Colt Telecom Finance Switzerland**

### **Notes to the financial statements (continued) For the year ended 31 December 2019**

#### **3. Summary of significant accounting policies (continued)**

##### **Financial instruments (continued)**

###### *(ii) Financial liabilities*

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest when the effect of the discounting is material. Financial liabilities are subsequently carried at amortised cost, using the effective interest rate method.

At the end of each reporting period the amortised cost is re-assessed taking into account the future expected cash flows of the asset. Any difference between the carrying amount of the financial liability and the previous carrying amount is recognised in the Statement of Comprehensive Income.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

###### *(iii) Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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##### **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.

##### **Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Critical judgements in applying the entity's accounting policies**

No significant accounting judgements have been applied in these financial statements.

##### **Critical accounting estimates and assumptions**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

## Colt Telecom Finance Switzerland

### Notes to the financial statements (continued) For the year ended 31 December 2019

#### 3. Summary of significant accounting policies (continued)

##### Critical accounting estimates and assumptions (continued)

##### a. Impairment

The carrying values of intercompany debtors are reviewed for impairment only when events indicate the carrying value may be impaired. Impairment indicators include both internal and external factors. Examples of internal factors include analysing performance against budgets and assessing absolute financial measures for indicators of impairment. Examples of external considerations assessed for indications of impairment include wider economic factors such as economic growth rates.

Where impairment indicators are present, the recoverable amounts of assets are measured. Asset recoverability requires assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of uncertain matters. In particular, management has considered in detail the assumptions in respect of revenue mix and growth rates, EBITDA margins, timing and amount of capital expenditure, long-term growth rates and the discount rate appropriate for each CGU..

#### 4. (Loss)/profit before taxation

The Company's audit fees of CHF 5,103 (2018: CHF 2,610) have been paid by another group company and are not recharged to the Company.

The Company had no employees during the years ended 31 December 2019 and 31 December 2018.

The Company has recognised an impairment expense of CHF 23,781,096 during 2019 (2018: impairment reversal of CHF 22,169,423).

#### 5. Directors' emoluments

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company (2018: CHF nil) and are payable for services wholly attributable to other Colt Group Holdings Limited subsidiary undertakings. Accordingly, no details in respect of their emoluments have been included in these financial statements.

#### 6. Interest payable and similar expenses

	At 31 December 2019 CHF	At 31 December 2018 CHF
Interest payable to related group companies	258,908	-
Total interest payable and similar expenses	258,908	-

## Colt Telecom Finance Switzerland

### Notes to the financial statements (continued) For the year ended 31 December 2019

#### 7. Tax on (loss)/profit

##### a) Analysis of tax charge in the year

There is no current tax charge arising in the years ended 31 December 2019 and 2018, as the Company has claimed group relief in 2018 (claimed group relief in 2018).

##### b) Reconciliation of tax charge

The tax assessed on the (loss)/profit before taxation for the year is the same as the standard effective rate of corporation tax in the UK of 19.00% (2018: 19.00%) as a result of the following factors:

	2019 CHF	2018 CHF
(Loss)/profit before taxation	(27,959,399)	18,369,080
Profit/(loss) before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(5,312,286)	3,490,125
Effects of:		
Expenses not deductible for tax purposes	4,518,408	(4,212,190)
Group relief surrendered/(claimed) for nil payment	793,878	722,065
<b>Tax charge for the year</b>	-	-

#### 8. Debtors

	At 31 December 2019 CHF	At 31 December 2018 CHF
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	109,738,503	113,267,278
Impairment provision	(44,697,665)	(20,916,569)
Other debtors	999,350	
	<b>66,040,188</b>	<b>92,350,709</b>

Amounts owed by group undertakings are unsecured, bear no interest and are repayable in less than one year.

The company has assessed if there are any indicators of impairment of the intercompany debtor balances as at 31 December 2019.

Based on the assessment performed certain indicators of impairment were identified. Accordingly, a determination of the recoverable amount of the intercompany debtor balance has been made using a value in use model, which resulted in an impairment of CHF 23,781,096 for the year ended 31 December 2019 (2018: impairment reversal of CHF 22,169,423).

The recoverable amount remains sensitive to changes in discount rates, long term growth rates, performance of the subsidiary and significant changes in the net assets of the subsidiary and the group headed by the subsidiary.

## Colt Telecom Finance Switzerland

### Notes to the financial statements (continued) For the year ended 31 December 2019

#### 9. Creditors: amounts falling due within one year

	At 31 December 2019 CHF	At 31 December 2018 CHF
Amounts owed to group undertakings	49,395,924	62,968,606

Amounts owed to group undertakings are unsecured, bear interest at the effective interest rate range of 0% - 0.25% and are due in less than one year.

#### 10. Financial Instruments

Financial assets that are debt instruments measured at amortised cost:

	At 31 December 2019 CHF	At 31 December 2018 CHF
Amounts owed by group undertakings	65,040,838	113,267,278
	65,040,838	113,267,278

Financial liabilities measured at amortised cost:

	At 31 December 2019 CHF	At 31 December 2018 CHF
Amounts owed to group undertakings	49,509,234	62,968,606

#### 11. Called up share capital

	At 31 December 2019 CHF	At 31 December 2018 CHF
<b>Authorised</b>		
400,000,000 (2018: 400,000,000) ordinary shares of CHF 1 each	400,000,000	400,000,000
<b>Allotted and fully paid</b>		
49,280,551 (2018: 34,059,503) ordinary shares of CHF 1 each	49,280,551	34,059,503

The issuing and cancelling of shares in the Company is used to hedge the parent company's exposure to Swiss Franc balances with the Company. During 2019, 23,318,741 shares were issued and 8,097,693 shares were cancelled at par value via this process (2018: 17,965,417 shares were issued and 10,914,972 shares were cancelled). This was in exchange for an increase (for a share issue) or a reduction (for a share cancellation) in the loan balance with the parent company.



## **Colt Telecom Finance Switzerland**

### **Notes to the financial statements (continued) For the year ended 31 December 2019**

#### **12. Ultimate parent company and controlling party**

The immediate parent Company is Colt Technology Services Europe Limited, a company incorporated in the United Kingdom and registered in England and Wales, United Kingdom.

The ultimate parent company and controlling party is SHM Lightning Investors LLC ("SLI"). SLI is registered in the United States of America. SLI's financial statements are not publicly available.

The intermediary holding company is Colt Group Holdings Limited, a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales, United Kingdom. The address of its registered office is Colt House, 20 Great Eastern Street, London, England, EC2A 3EH.

#### **13. Post balance sheet events**

The COVID-19 outbreak has developed rapidly in 2020, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity.

Colt continues to closely monitor the situation regarding Covid-19 from both health and safety and business continuity perspectives. Colt has enforced a mandatory work from home ('WFH') policy for all staff, except for a minimal group that are approved as needing to access sites in order to perform critical tasks. Substantially all international travel has been banned and local travel restricted to essential services only.

At this stage, there is no material impact on our business and results. We will continue to follow the various national institutes policies and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without jeopardizing the health of our people.