

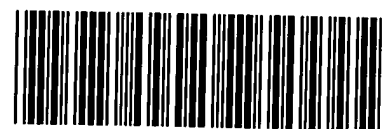
Registered number: 04421643

# **COLT TELECOM FINANCE SWITZERLAND**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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COMPANIES HOUSE

**COLT TELECOM FINANCE SWITZERLAND**

**COMPANY INFORMATION**

**Directors**

G Carr  
C Griffin Pain  
N Ramasamy

**Registered number**

04421643

**Registered office**

Colt House  
20 Great Eastern Street  
London  
EC2A 3EH

## **COLT TELECOM FINANCE SWITZERLAND**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors**

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

G Carr  
C Griffin Pain  
N Ramasamy

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

N Ramasamy

#### **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 Group").

#### **Results and dividends**

The Company made a profit for the year of CHF 37,946,459 (2021: loss for the year of CHF 6,536,522).

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2022 (2021: nil CHF).

#### **Future developments**

The Company's future developments are integrated with the strategy of the Group and are not managed separately. Details of the future strategy of the Group can be found in the Group's annual report for the year ended 31 December 2022. This report is available from the Company's registered office, as set out in note 12 to the financial statements.

#### **Financial risk management objectives and policies**

The Colt Group operates a centralised treasury function, the prime objective of which is to optimise the return on Group's cash balances and to manage its working capital requirements of the Group.

#### **Liquidity and interest rate risk**

The Group raises equity and borrowings centrally and on-lends these to its subsidiaries. All of the Group's borrowings are with a related-party company and has a variable interest rate.

No material risk exposure is considered to exist in respect of credit risk or foreign exchange risk.

## **COLT TELECOM FINANCE SWITZERLAND**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Statement of Directors' responsibilities in respect of the financial statements**

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, 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 responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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.

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- 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.

#### **Qualifying third party indemnity provisions**

As permitted by the Articles of Association, each of the Directors and Secretary has the benefit of an indemnity as defined by s234 of the Companies Act 2006. The indemnity remains in force throughout, and in respect of, the tenure of each individual's directorship. The Company has maintained the benefit of Directors' and Officers' liability insurance in respect of itself and its Directors' throughout the financial year.

#### **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.

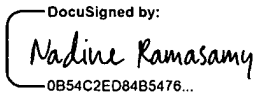
#### **Strategic report**

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.

**COLT TELECOM FINANCE SWITZERLAND**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

This report was approved by the board on 30 September 2023 and signed on its behalf.

DocuSigned by:  
  
0B54C2ED84B5476...  
N Ramasamy  
Director

## COLT TELECOM FINANCE SWITZERLAND

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLT TELECOM FINANCE SWITZERLAND

# Report on the audit of the financial statements

## 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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## 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 our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## 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 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

## COLT TELECOM FINANCE SWITZERLAND

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLT TELECOM FINANCE SWITZERLAND

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.

### Responsibilities for the financial statements and the audit

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

As explained more fully in the Directors' responsibilities statement, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries with management, those charged with governance, internal audit, the fraud risk team, internal legal counsel, the tax team and the regulatory team around actual and potential litigation and claims, as well as any instances of non compliance with laws, regulations or fraud;
- Reviewing correspondence from tax authorities to assess any non-compliance with tax legislation and review of correspondence with external legal advisors;
- Assessment of matters reported to the group's internal whistleblower helpline;
- Reviewing internal audit reports;
- Auditing the risk of management override of controls through identifying and testing journal entries, in particular evaluating the business rationale of significant transactions outside the normal course of business; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

**COLT TELECOM FINANCE SWITZERLAND**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COLT TELECOM FINANCE SWITZERLAND**

## Other required reporting

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

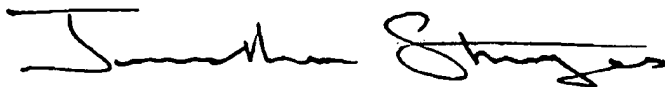
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained 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.

### **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

30 September 2023



## COLT TELECOM FINANCE SWITZERLAND

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 CHF	2021 CHF
Impairment reversal		<b>44,694,362</b>	-
Administrative expenses		<b>(28,460)</b>	(426)
<b>Operating profit/(loss)</b>		<b>44,665,902</b>	(426)
Interest payable and similar expenses	6	<b>(6,989,936)</b>	(6,536,684)
Interest receivable and similar income		<b>270,493</b>	588
<b>Profit/(loss) before tax</b>		<b>37,946,459</b>	(6,536,522)
Tax on profit/(loss)	7	-	-
<b>Profit/(loss) for the financial year</b>		<b>37,946,459</b>	(6,536,522)


The notes on pages 10 to 16 form part of these financial statements.

**COLT TELECOM FINANCE SWITZERLAND**  
**REGISTERED NUMBER: 04421643**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 CHF	2022 CHF	2021 CHF	2021 CHF
<b>Current assets</b>					
Debtors Within One Year	8	156,183,514		100,630,470	
Cash at bank and in hand		7,924		8,867	
		<u>156,191,438</u>		<u>100,639,337</u>	
Creditors: amounts falling due within one year	9	(51,648,163)		(58,955,085)	
<b>Net current assets</b>			<b>104,543,275</b>		41,684,252
<b>Net assets</b>			<u><b>104,543,275</b></u>		<u>41,684,252</u>
<b>Capital and reserves</b>					
Called up share capital	11	106,821,635		81,909,071	
Profit and loss account		(2,278,360)		(40,224,819)	
<b>Total equity</b>			<u><b>104,543,275</b></u>		<u>41,684,252</u>

The financial statements on pages 7 to 16 were approved by the Board of Directors on 30 September 2023 and signed on its behalf by

DocuSigned by:  
  
 0B54C2ED84B5476...  
 N Ramasamy  
 Director

The notes on pages 10 to 16 form part of these financial statements.

## COLT TELECOM FINANCE SWITZERLAND

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital CHF	Accumulated Losses CHF	Total equity CHF
<b>At 1 January 2021</b>	<b>65,282,438</b>	<b>(33,688,297)</b>	<b>31,594,141</b>
Loss for the year	-	(6,536,522)	(6,536,522)
Shares issued during the year	21,947,163	-	21,947,163
Shares cancelled during the year	(5,320,530)	-	(5,320,530)
<b>At 31 December 2021 and 1 January 2022</b>	<b>81,909,071</b>	<b>(40,224,819)</b>	<b>41,684,252</b>
Profit for the year	-	37,946,459	37,946,459
Shares issued during the year	76,006,952	-	76,006,952
Shares cancelled during the year	(51,094,388)	-	(51,094,388)
<b>At 31 December 2022</b>	<b>106,821,635</b>	<b>(2,278,360)</b>	<b>104,543,275</b>

The notes on pages 10 to 16 form part of these financial statements.

## **COLT TELECOM FINANCE SWITZERLAND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **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 unlimited company 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 2022 and ended on 31 December 2022.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of the Colt Group, Colt Group Holdings Limited as at 31st December 2022 and these financial statements may be obtained from Companies House.

##### **2.3 Going concern**

The Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis. Colt Group Holdings Limited, the parent of the Group, will not recall intercompany loans and will provide additional funding where necessary to enable the Company to meet its financial liabilities as they fall due and continue its operational existence for the next 12 months from the date of approval of the Company's financial statements.

The Colt Group has a strong cash position, effective management of working capital, and the ability to draw down from its RCF as required. On 30 March 2023, the Colt Group increased its RCF from €430.0m to €630.0m from FMR Capital Holdings LLC, a related-party company on existing terms. This is repayable in full in February 2025.

## **COLT TELECOM FINANCE SWITZERLAND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.4 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is Swiss Franc.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

##### **2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.7 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.8 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.

##### **2.9 Taxation**

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income.

## **COLT TELECOM FINANCE SWITZERLAND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. Colt measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is provided on all temporary differences that arise between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base which result in an obligation to pay more tax, or a right to pay less tax at a future date, at rates that are expected to apply when the obligation crystallises. These rates are determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The amount of deferred tax recognised is based on an assessment of future forecast profits.

Deferred tax assets and liabilities arising on temporary differences from investment in subsidiaries are not recognised as the timing of their reversal is controlled by Colt, and it is probable that the differences 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 and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **2.11 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.

## COLT TELECOM FINANCE SWITZERLAND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3. Judgements in applying accounting policies and key sources of 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 the preparation of the Company's 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.

##### *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. Profit before taxation

The Company's audit fees of CHF 5,352 (2021: CHF 5,198) 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 2022 and 31 December 2021.

#### 5. Directors' emoluments

The emoluments of the Directors are not paid to them in their capacity as Directors of the Company (2021: 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.

## COLT TELECOM FINANCE SWITZERLAND

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 6. Interest payable and similar expenses

	2022 CHF	2021 CHF
Intercompany interest payable	111,505	133,451
Other interest payable	572	655
Foreign exchange loss	6,877,859	6,402,578
<b>Total interest payable and similar expenses</b>	<b>6,989,936</b>	<b>6,536,684</b>

## 7. Taxation

There is no tax charge arising in the years ended 31 December 2022 and 2021 as the Company had no taxable profits.

## Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 CHF	2021 CHF
Loss before tax	37,946,459	(6,536,522)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	7,209,827	(1,241,939)
<b>Effects of:</b>		
Expenses not deductible for tax purposes/non-taxable income	(8,486,521)	-
Group relief	1,276,694	1,241,939
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

## Factors that may affect future tax charges

In the 2021 Spring Budget, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This was substantively enacted in 2021 and is therefore used to measure UK deferred taxes in both 2021 and 2022, to the extent the related timing differences are expected to reverse in 2023 or later.



## COLT TELECOM FINANCE SWITZERLAND

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**8. Debtors: amounts falling due within one year**

	<b>2022</b> <b>CHF</b>	2021 CHF
Amounts owed by group undertakings	<b>156,183,514</b>	145,324,832
Impairment provision	<b>(44,694,362)</b>	(44,694,362)
Reversal of impairment during the year	<b>44,694,362</b>	-
	<b><u>156,183,514</u></b>	<u>100,630,470</u>

Amounts owed by group undertakings are unsecured, bear interest at an interest rate range of 0%-6% 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 2022.

During the year there was a review into the Group's intercompany working practices, with a focus on improving the management of intercompany transactions and the formal documentation of legacy intercompany positions. At the balance sheet date management concluded that sufficient work had been completed to rationalise the Group's intercompany positions.

The impairment provision brought forward of CHF 44,694,362 was released during the year (2021: no release/impairment recognised)

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

	<b>2022</b> <b>CHF</b>	2021 CHF
Amounts owed to group undertakings	<b>51,648,163</b>	58,869,863
Current tax liabilities	<b>-</b>	85,222
	<b><u>51,648,163</u></b>	<u>58,955,085</u>

Amounts owed to group undertakings are unsecured, bear interest at the effective interest rate range of 0% - 5.00% (2021: 0%-0.25%) and are repayable in less than one year.

## COLT TELECOM FINANCE SWITZERLAND

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## 10. Financial instruments

	2022 CHF	2021 CHF
<b>Financial assets measured at amortised cost:</b>		
Amounts owed by group undertakings	156,183,514	145,324,832
Impairment provision	(44,694,362)	(44,694,362)
Impairment reversal	44,694,362	-
	<u>156,183,514</u>	<u>100,630,470</u>
<b>Financial liabilities measured at amortised cost:</b>		
Amounts owed to group undertakings	<u>(51,648,163)</u>	<u>(58,869,863)</u>

## 11. Called up share capital

	2022 CHF	2021 CHF
<b>Allotted, called up and fully paid</b>		
106,821,635 Ordinary shares of CHF1.00 per share (2021: 81,909,071 Ordinary shares of CHF1.00 per share)	<u>106,821,635</u>	<u>81,909,071</u>

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 2022, 76,006,952 shares were issued and 51,094,388 shares were cancelled at par value via this process (2021: 21,947,163 shares were issued and 5,320,530 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.

## 12. Ultimate Parent Company and controlling party

The immediate parent company is Colt Technology Services Group 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

On 30 March 2023, the Colt Group increased its RCF from €430.0m to €630.0m from FMR Capital Holdings LLC, a related-party company on existing terms. This is repayable in full in February 2025, but with a further 2 year extension beyond February 2025 if agreed by both parties.