



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	822 988 822
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	MASTERCARD PAYMENT SERVICES NORWAY AS
Forretningsadresse:	Haavard Martinsens vei 54 0978 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Morselskap i konsern:	Nei
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Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Frode Åsheim
Dato for fastsettelse av årsregnskapet:	21.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 02.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue	2	706 073 595	863 246 457
Other income	2		
Sum inntekter		706 073 595	863 246 457
Kostnader			
Employee benefits expenses	3	260 923 192	189 382 222
Depreciation and amortisation expenses		68 211 356	47 331 601
Other expenses	4, 5	229 127 043	316 168 183
Sum kostnader		558 261 592	552 882 005
Driftsresultat		147 812 003	310 364 452
Finansinntekter og finanskostnader			
Financial income	6	3 164 998	47 513 805
Sum finansinntekter		3 164 998	47 513 805
Financial expenses	6	4 877 974	48 606 256
Sum finanskostnader		4 877 974	48 606 256
Netto finans		-1 712 976	-1 092 452
Ordinært resultat før skattekostnad		146 099 027	309 272 000
Tax expense	7	36 650 989	77 385 795
Ordinært resultat etter skattekostnad		109 448 038	231 886 205
Årsresultat		109 448 038	231 886 205
Årsresultat etter minoritetsinteresser		109 448 038	231 886 205
Totalresultat		109 448 038	231 886 205
Overføringer og disponeringer			
Retained earnings	13	109 448 038	231 886 205
Sum overføringer og disponeringer		109 448 038	231 886 205



Resultatregnskap

Beløp i: NOK	Note	2022	2021
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Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Completed development projects	9	155 324 332	249 299 140
Development projects in progress	9	110 373 211	2 069 985
Software	9	21 039 627	
Sum immaterielle eiendeler		286 737 170	251 369 125
Varige driftsmidler			
Equipment	10	86 007 535	24 777 261
Sum varige driftsmidler		86 007 535	24 777 261
Sum anleggsmidler		372 744 705	276 146 385
Omløpsmidler			
Varer			
Fordringer			
Trade receivables	2	69 486	2 563 539
Other receivables		8 535 069	6 475 368
Konsernfordringer	14	276 394 701	340 552 000
Sum fordringer		284 999 256	349 590 908
Bankinnskudd, kontanter og lignende			
Bank deposits	11	292 408 818	248 092 674
Sum bankinnskudd, kontanter og lignende		292 408 818	248 092 674
Sum omløpsmidler		577 408 073	597 683 582
SUM EIENDELER		950 152 778	873 829 967

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



Balanse

Beløp i: NOK	Note	2022	2021
Share capital	12, 13	26 445 310	26 445 310
Sum innskutt egenkapital		26 445 310	26 445 310
Opptjent egenkapital			
Other equity	13	664 291 769	554 843 731
Sum opptjent egenkapital		664 291 769	554 843 731
Sum egenkapital		690 737 079	581 289 041
Gjeld			
Langsiktig gjeld			
Utsatt skatt	7	1 982 804	28 406
Sum avsetninger for forpliktelser		1 982 804	28 406
Annen langsiktig gjeld			
Sum langsiktig gjeld		1 982 804	28 406
Kortsiktig gjeld			
Leverandørgjeld		50 208 068	35 577 114
Tax payable	7	34 696 591	77 356 548
Public duties payable		19 970 504	5 040 609
Kortsiktig konserngjeld	14	10 334 152	118 796 774
Other current liabilities		142 223 580	55 741 075
Sum kortsiktig gjeld		257 432 895	292 512 120
Sum gjeld		259 415 699	292 540 526
SUM EGENKAPITAL OG GJELD		950 152 778	873 829 967



Skatteetaten

Vår dato
11.12.2020

Din/Deres dato

Saksbehandler
Robin Ingebrigtsen

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
99778267

Org.nr
974761076

Vår referanse
2020/6191403

Postadresse
Postboks 9200 Grønland
0134 OSLO

CENTURION NO AS
Haavard Martinsens vei 54
0978 OSLO

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for CENTURION NO AS, org. nr: 822 988 822

Vi viser til CENTURION NO AS, org. nr: 822 988 822, sin søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknaden siteres:

Som dere ser inngår selskapet i et internasjonalt konsern der forretningspråket er engelsk. Alle Årsrapporter skrives på engelsk eller på begge språk. Vi har tidligere fått innvilget engelsk på selskapet Nets Holdco 5 AS og det er samme begrunnelse - så jeg håper på tilsvarende for dette selskapet. Ultimate eiere er i toppselskapet Nets Topco 1 S.a.r.l. og eiere er private equity selskapet Hellman & Friedman fra USA. Centurion NO AS er altså et norsk datterselskap av et dansk selskap som igjen er eid av selskap i Luxembourg.

...

Kunder: Selskapets omsetning er knyttet til konto-til konto baserte tjenester, som inkluderer clearing, realtidsbetalinger og regningsbetalinger. Primært andre selskaper.

Bransje: Det er vår posisjon at selskapets virksomhet er i en bransje som går over landegrensene, og derfor må engelsk betraktes som mer fordelaktig.

Andre brukere av regnskap: Det er først og fremst utenlandske selskaper og bransjen som kan betraktes som andre brukere av kontoene..



Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. Selskapets eiere er engelskspråklige og det vil derfor gi et mer informativt regnskap hvis engelsk språk benyttes i årsregnskap og årsberetning. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Magrit Kilen Stoebner
underdirektør
Innsats, storbedrift
Skatteetaten

Robin Ingebrigtsen



Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



To the General Meeting of Mastercard Payment Services Norway AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Mastercard Payment Services Norway AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, 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.

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 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.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. 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.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. 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.

Responsibilities of Management for the Financial Statements

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Management is responsible for the preparation of financial statements 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 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 23 June 2023

PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Bauge, Jone	BANKID	2023-06-26 13:30

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Financial Statement 2022

Mastercard Payment Services Norway AS



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Mastercard Payment Services Norway AS

Company data as at 31 December 2022

The Company Mastercard Payment Services Norway AS
Company reg no. : 822 988 822
Established: 11 June 2019
Domicile: Oslo, Norway
Financial Period: 1 January – 31 December

Board of Directors Peter Klein (Chairman)
Erik Anders Gutwasser
Erik Jozef Stessens
Frode Asheim
Alison Whittaker

Registered office Haavard Martinsens vei 54
0978 Oslo

Auditors PricewaterhouseCoopers AS
Dronning Eufemias Gate 71
Postboks 748 Sentrum
NO-0106 Oslo



Mastercard Payment Services Norway AS

Report of Board of Directors

The business

Mastercard Payment Services Norway AS provides bill payment services to clients in the Norwegian banking sector. The company is registered as an agent of Mastercard Payment Services Denmark A/S in respect of payment initiation and account information services (PSD2 open banking offerings) in the Norwegian market. In 2021, the company was acquired by Mastercard as part of a deal including most of Nets' Corporate Services (now Mastercard Payment Services). It is based in Oslo.

Mastercard Payment Services operates and develops account-to-account services, clearing and settlement, instant payment infrastructure, bill payment solutions and e-invoicing applications and has over 300 highly skilled employees in Norway and Denmark.

Mastercard Payment Services was established on 5 March 2021, when Mastercard completed the acquisition of the majority of Nets' Corporate Services business. The acquisition of Mastercard Payment Services added a modern service-based architecture for real-time payments, strong account-to-account capabilities, extensive bill payment knowledge and a strong customer base.

Overview of entities: Mastercard Payment Services

- Mastercard Payment Services (Norway) AS provides bill payment services to clients in the Norwegian banking sector.
- Mastercard Payment Services Infrastructure (Norway) AS provides infrastructure services in respect of critical Norwegian clearing systems to its client, Bits AS, the operator of the Norwegian Interbank Clearing Systems (NICS) under authorisation by the Norwegian Central Bank.
- Mastercard Payment Services Denmark A/S provides critical infrastructure services in respect of DKK clearing systems and operates a local direct debit solution.

Adapt to future payment needs

The skills and expertise of Mastercard Payment Services, along with the technology, complement Mastercard's already strong real-time and bill payments capabilities. We want to help our customers adapt to future payment needs and habits of both consumers, companies, and the public sector.

Mastercard Payment Services adds:

- Highly experienced employees with hard-to find expertise in designing, delivering and managing real-time and bill payment systems, thus enhancing our ability to maximize on real-time payments infrastructure and applications opportunities.
- A well-established business model providing payment services and technology solutions across Norway, Denmark and several other European markets.

We design, build, operate, and develop payment solutions

Mastercard Payment Services operates several proven payment solutions in both Norway and Denmark. We are also an experienced instant payments solution provider and deliver real-time clearing services not only in the Nordics but also in several other European countries.

We are dedicated to building on the legacy and the proven track-record of delivering trusted and reliable payment solutions and we are committed to improving further to the benefit of all. We are proud of delivering high quality services and understand the importance of the role and responsibility we have in providing critical financial infrastructure.

Norway and the Nordics as a key location for Mastercard

The Nordic region is one of the most technologically advanced payments markets in the world, a place where we first see emerging technologies, new consumer behaviour and habits, and where we have the skills

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and experience to develop and pursue new opportunities. We are investing in Norway and the Nordics as a key area for future technology and innovation and create Nordic job opportunities on the cutting edge of payments and tech.

We take more steps towards integration and migration

In 2022, we have completed the corporate IT migration as well as corporate HR and Finance & Accounting systems integration. As of now, we are fully operating corporate processes and functions under Mastercard governance with the exit of the one-year Transitional Service Agreement (TSA) in March 2022. We are currently progressing towards the two-year TSA exit with the integration of the Billing, Customer Services tools, and back-office systems by end of March 2023. We continue progressing with technology and product offering migration to Mastercard environment and data centres whilst focusing on customer migration until completion by 2024.

Our differences enable us to be a better team

The Mastercard Way defines the mindset and behaviours that matter most to us. It consists of three principles: Create Value, Grow Together, Move Fast. These principles express where we're going as an organization, how we work together and how we deliver for our customers and each other.

A sense of belonging at Mastercard

Inclusion and diversity mean more to us than bringing together people with different backgrounds. It is a belief that our differences enable us to be a better team – one that makes better decisions, drives innovation and delivers better business results.

More than half of Mastercard's employees globally are part of a Business Resource Group (BRG) – self-governed groups that are comprised of individuals who come together based on similar interests or experiences. Members of our BRGs invest their time and resources into cultivating an inclusive culture that, not only drives business results, but also helps every employee feel a sense of belonging at Mastercard. In Mastercard Payment Services we have established two Business Resource Groups: Women Leadership Network and YoPros (Young Professionals).

We strive to create meaningful connections, inspire acceptance and cultivate a culture where we all belong. At Mastercard, we encourage our employees to connect their skills and passions with community volunteerism. We continue to introduce our employees to the full scale of opportunities and to The Mastercard Way, our brand, our purpose etc.

Payment innovation and technology

Mastercard continues to expand its reach beyond card payments, executing on its multi-rail strategy. Mastercard is a global pioneer in payment innovation and technology connecting billions of consumers, issuers, merchants, governments, and businesses. With Mastercard Payment Services we will maintain and strengthen our position to continue to serve the region, while using global scale and presence to grow the services we offer in other markets. Leveraging the whole of Mastercard, we are uniquely equipped to help deliver the frictionless digital experiences that people, and organisations want and increasingly expect.

Financial review

The total revenue for the business in 2022 was NOK 706m (NOK 863m in 2021). The reduction is the result of the intercompany profit split allocation between the MPS Group of companies. The underlying revenue generated from contracts is 2 percent higher year on year resulting from the increased volume of payment transactions. Salary costs increased by 38 percent in 2022, reflecting general salary increases, the recruitment of more employees to strengthen the organisation and for the integration of Mastercard Payment Services into Mastercard. This increase is partly offset by a 25 percent year-on-year reduction in other expenses.

The net profit for the year was NOK 109m (NOK 232m in 2021). The year-on-year reduction is mainly due

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to the increases in staffing costs. The forecast revenue for 2023 is expecting a higher revenue driven by growing billpay volumes and the launch of new innovative solutions. Mastercard Payment Services are expected to remain stable as we are committed to continue investing in innovative solutions to generate value for its customers and shareholders while also providing stable and secure operation while integrating into Mastercard.

The company has an equity ratio of 73 percent and satisfactory liquidity. The company holds a cash reserve of NOK 292m as at 31.12.22 and Current liabilities, which are due for payment in 2023, amount to NOK 259m.

It is our opinion that the financial statements give a true and fair view of the company's 2022 performance and financial situation 31 December 2022.

The Board of Directors confirms that the year-end financial statements have been prepared on the basis that the company is a going concern. This assessment rests on the company's results, financial position, and budgets.

Principal risks and uncertainties

The Mastercard Payment Services Norway AS Board of Directors is responsible for the overall governance, overseeing the risk profile and approving strategies and policies.

Mastercard Payment Services adopts a "Three Lines of Defense" model as the basis for corporate governance. The model is implemented across Mastercard Payment Services entities and is used to structure roles, responsibilities and accountability relating to risk and internal controls:

- First Line - Identify, assess, and manage risks
- Second Line - Oversight, control, and compliance
- Third Line - Independent assurance

Internal Audit coordinates and performs all audits related to the scope of Mastercard Payment Services Norway including general IT controls, IT-based user systems and applications and IT systems which support the exchange of data between connected data centers and associated financial enterprises. Additionally, core business processes and projects, of internal and external importance, are audited. Audit completion requires conclusions to be reported to the managers of audited activities, Management, and the Board of Directors at Mastercard Payment Services Norway.

Mastercard Payment Services Norway adopts an enterprise-wide risk management approach to identify, assess, measure, manage and report across a wide range of business and operational risks. An annual programme of independent key controls testing is performed to ensure the design and operation of key controls remains effective.

Significant opportunities continue to arise in the payments market and Mastercard Payment Services Norway continues to monitor and focus on the risks presented in the following areas:

- - Business Resilience and Recovery
- - Cyber Security;
- - Regulatory;
- - Brand and Reputation;
- - Integration; and
- - Competition and Technology.

Business Resilience and Recovery

Mastercard Payment Services Norway AS operates critical payment platforms which require a high level of dependability and continuous service availability.

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Mastercard adopts a resilience by design strategy, supported by robust service management procedures. Regular business impact analyses to ensure service maturity and resilience. Resilience and the ability to recover is continuously assured through the Three Lines of Defence model and thorough Disaster Recovery testing, as well as recovery simulations.

Cyber Security

Cyber Security remains a prevalent, fast evolving threat across many industries and particularly within financial and payment services. Global inter-connectivity and technological advancement is adding to the complexity of Cyber Security Risk and enabling more advanced methods to be employed by perpetrators.

Mastercard Payment Services Norway AS became a member of the Nordic Financial CERT (NFCERT) community in February 2022 to strengthen the collaboration with key actors across the sector, and to ensure timely access to threat intelligence and expert support in the event of cyber threats materializing. Mastercard will continue to improve the security governance across the organisation, with emphasis on evolving the Mastercard Payment Services Information Security Management System (ISMS), executing cyber security culture, training, and awareness activities for all personnel, and strengthen the monitoring and management of vendors providing security capabilities and services to Mastercard.

Integration

The integration of Mastercard Payment Services into Mastercard remains a key risk for Mastercard Payment Services.

To support the separation process and provide a controlled migration a comprehensive TSA is in place between Nets and Mastercard. Over the TSA period, Mastercard Payment Services will replicate, clone, and stand-up infrastructure to enable separation from Nets. The completion of migration activities will conclude Mastercard Payment Services' transitional services with Nets, after which point, Service Operations, Infrastructure and Security Operations will transition to local and global Mastercard teams and trusted partners, providing comprehensive 24/7 support to assure the highest quality for the delivery of services.

In this process, successful delivery of the Data Center Relocation strategy is crucial to the overall contractual services agreed by Mastercard Payment Services to its customers and regulators.

Other focus areas of integration are managing the internal and external complexity of the carve out from Nets. This includes managing the internal technical requirements and interdependencies and, externally, ensuring ongoing careful management of customer contractual commitments and minimizing customer and sector change disruption throughout the transition, while maintaining secure and stable operations.

Main mitigants: The Data Center Relocation and TSA Exit Process program comprises workstreams and participants from all impacted workstreams. It is led by a Mastercard Steering Committee which ensures strong internal governance. In addition, well defined governance is in place between Mastercard and Nets to cover all separation activities. Dedicated Move Groups have been created at the application level for planning purposes. Move Groups represent a logical group of applications in the Mastercard Payment Services Application Catalogue that need to be moved from a Nets data center to a Mastercard data center. Creating dedicated Move Groups enables a phased approach to the migration, with the lowest possible impact to customers and minimal dependency on other applications, whilst maintaining secure and stable operations. At this stage of the integration, focus is being given to the end-to-end plan ensuring required refinement to meet customer migration committed dates where already established.



Regulatory

Due to its role in respect of critical Norwegian payments and infrastructure services, Mastercard Payment Services Norway AS conducted its business in accordance with a governance framework of policies and procedures which inter alia sets out appropriate reporting and escalation processes in accordance with the Three Lines of Defence model (see above).

The Regulatory Affairs team takes an active role in understanding the applicable regulatory framework and associated risks and reports to the Risk Committee and Board of Directors within the areas of payments regulation (PSD2), competition law and related subject matters. Similar functions are performed by Privacy in respect of GDPR and Legal Compliance in the relation to Anti Money Laundry / Combating the Financing of Terrorism (AML/CFT).

In terms of new regulatory obligations, Mastercard Payment Services Norway AS has been designated by the Norwegian Ministry of Finance under the Norwegian Act on National Security as responsible for critical assets and infrastructure. Mastercard Payment Services Norway AS is currently in the process of assessing the likely impact of this designation, but the company will have to comply with requirements in respect of IT security and operations, processing of classified information and security vetting of key employees.

Brand and Reputation

The reputation of Mastercard Payment Services as well as perceptions of our brand and our services are key assets of our business. The ability to attract customers and consumers to our products and retain them depends upon the external perception of us and our industry. Negative brand perception as well as lack of visibility may materially and adversely affect our overall business. Operating critical payments infrastructure and applications can subject us to heightened reputational risks, including extensive scrutiny and publicity. Our business may be affected by actions taken by our customers or other organizations that impact the perception of our brands or the payments industry in general. Other types of risks such as failure to comply with laws and regulations, information security incidents etc. could have an impact on our brand and reputation.

Main mitigations: Mastercard Payment Services is cognisant of the criticality of maintaining positive industry perceptions regarding its operations. Mastercard Payment Services places specific attention upon the prevention of events which could result in any negative publicity or litigation that could affect its existing or new business opportunities. We build strong stakeholder relationships to financial institutions, our customers and other key stakeholders in the payments industry that could impact our payment products and services.

Competition and Technology

Substantial and intense competition and transformation in the global payments industry may materially and adversely affect our overall business and results of operations. The payments industry is highly competitive. Payment industry players, customers, fintechs, technology companies, governments and other industry participants may, individually or through merger, joint ventures or other business combinations, develop products and services that could require us to adapt to new market dynamics. Our ability to meet or drive developments in the market may be also affected by changes in the legal and regulatory landscape.

Financial risk

The company's financial risk is primarily related to currency fluctuations as some purchased services are denominated in currencies other than NOK. Policy is not to hedge this risk. Credit and liquidity risk is considered notional.

Outlook

Norway is one of the most technology advanced payments markets in the world, a place where we first see

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emerging technologies, new consumer behaviour and habits, and where we now have the skills and experience to develop and pursue new opportunities. With the acquisition of Nets, Mastercard has grown its suite of payment capabilities.

Mastercard Payment Services Norway AS will maintain and strengthen its position to continue to serve the local market, while using Mastercard's global scale and presence to grow the services offered in other markets. Leveraging the whole of Mastercard, we are uniquely equipped to deliver digital experiences which people and corporations increasingly want and expect.

Working Environment, Equality and Discrimination

Status on Equality in Mastercard Payment Services Norway

Mastercard sees diversity as an important prerequisite for the long-term well-being of the company. We aspire to be an attractive workplace for all current and future employees. We aim to offer employment on an equal basis, ensuring that all our colleagues have equal opportunities to promote their careers in the company, regardless of their nationality, ethnicity, disability, age, gender, sexual orientation, religion, or belief. When filling management positions, Mastercard strives to broaden the field of candidates as much as possible, to give all equal opportunities. In addition, requirements to external recruitment agencies include gender diversity measures.

In 2022, MPS Norway had 170 employees, per 31 December, of these 61 women and 109 men. The majority of employees work in full time positions, only 6 employees are employed in part time positions, 2 men and 4 women. One of these is a student worker in a temporary position. We do not have other temporary positions. The employees working part time do so by choice, and the company only enter part time agreements to accommodate for situations where the employee benefits from this.

We encourage our employees to take parental leave, and offer 16 weeks parental leave globally, to all employees. In MPS, 5 men and 2 women took parental leave in 2022, this does not include the 2 weeks given related to the birth of the child. On average the men took 12 weeks, and the women 34 weeks.

All employees that have been on parental leave for 5 months or more, are entitled to a salary increase of one pay grade when they return to work. This is a statutory requirement from the CBA to ensure that parental leave does not have a negative impact on the individuals' salary development.

Status on duty of activity

We are committed to developing and retaining a diverse and inclusive workforce, around the globe to address the risk of unlawful discrimination, harassment and retaliation. We promote an inclusive work environment and employee well-being. Employees are empowered and responsible to speak up, particularly with respect to any ethical or potential legal concerns.

The Code of Conduct is the cornerstone of Mastercard's ethics and compliance system and sets forth the principles of behaviors and business ethics. We are proud of Mastercard's culture of compliance that is grounded in honesty, decency, trust and personal accountability and hope that the Code of Conduct serves as a guide for acting with integrity. Everyone at Mastercard is required to comply with the Code of Conduct and to confirm compliance when joining the firm and on an annual basis thereafter. The Code is available at <https://investor.mastercard.com/corporate-governance/policies-and-reports>

The Whistleblower Policy protects employees who raise concerns. The Audit Committee of the Board of Directors established this policy so reports regarding potential violations of law or other unacceptable behavior described within this document are addressed appropriately and may be made anonymously.

Equity is built into many of our processes, such as the bonus process, salary process and hiring process.

In all hirings, the recruiter fills out a 'diverse slate' evaluation to ensure we consider diversity in each team. The hiring manager, recruiter and HRBP all declare the diverse slate consideration before an offer is made.

Mastercard Payment Services Norway AS

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We do an annual review of equal pay which is presented to the Union representatives as part of the annual salary review. The last full review was done in May/June 2022. We do not see a systematic tendency that men are paid more than women in Norway, but for the software engineer group, men are on average paid higher than women. The explanation for this, is that the women are younger, with less experience, since this field historically have more male graduates than female, and this influences the available candidates to hire within this field.

Our latest view below at 31st December 2022 includes the Annual Base Salary, Annual Bonus for 2022 paid in 2023, Long Term Incentive for 2022 and other Allowances. The Benefits information is not included as these are the same per level regardless of the gender.

Sub-Category	Percent Male	Percent Female	Male / Female Gap
VP	100%	0%	-
Director	80%	20%	-5%
Manager	59%	41%	11%
7	72%	28%	9%
8	40%	60%	-1%
9	44%	56%	5%
10	0%	100%	-

Mastercard does central analysis of the bonus nominations, to ensure that female employees receive the same bonus as male colleagues for similar performance. Learn more about this in our Global Inclusion Report here: <https://www.mastercard.us/content/dam/public/mastercardcom/na/global-site/documents/2021-global-inclusion-report.pdf>

Working environment

We respect and prioritize the well-being of our employees, and we strive to create a non-discriminatory, safe, and healthy physical and psychological working environment. We also focus on preventing work-related illness. Our aim is to ensure that all our employees have a healthy work-life balance and can reconcile the demands of working life and family life. This includes our partnership with Thrive Global <https://thriveglobal.com>.

We encourage our employees to engage in community work and business resource groups locally. This benefits the working environment in a positive way. In MPS Norway, we have several force for good initiatives, such as Girls 4 Tech, and local business resource groups (BRGs) chapters, such as Women Leadership Network, Pride network, Young professionals and a developer community. The BRG’s have regular meetings and events and are supported and encouraged by senior leaders in the company.

We have established a hybrid working environment where employees are able to work where and when they want to or need to. This includes guidelines and tools for how to manage flexibility, as well as necessary office equipment and IT equipment. In addition to our flexible hybrid work policy, we introduced quarterly meeting-free days and the option to work remotely full-time for up to four weeks per year from any location.

Human rights

Mastercard is committed to respecting and promoting human rights.

Our Supplier Code of Conduct requires suppliers to conduct their business in a responsible and ethical manner, including not using forced labor and being committed to the protection and preservation of human rights. The main risk in relation to human rights violations is that our suppliers do not comply with our Supplier Code of Conduct. To mitigate this risk, we screen our suppliers and perform supplier audits. We will continue to implement initiatives to mitigate the risk of human rights violations.



Our Mastercard Ethics Helpline, hosted by an independent third party, is a confidential, around-the-clock service for reporting activity suspected of violating the law, our Code of Conduct or any other company policy. We promptly investigate all concerns through our relevant internal investigative functions, and we bring in external support, such as outside counsel, as needed.

To encourage the use of the Helpline and other avenues for raising ethical and legal concerns, we have a Non-Retaliation Policy. Anyone found in breach of the Non-Retaliation Policy will be subject to disciplinary action, up to and including termination of employment.

Every Mastercard employee is enrolled annually in a mandatory, in-depth curriculum of online compliance training, which includes subjects such as the Code of Conduct, anti-money laundering, economic sanctions, privacy compliance, information security, prevention of insider trading, and workplace conduct, including sexual harassment and discrimination.

Equality and non-discrimination

The Board of Directors is of the view that equal opportunity is important and that adequate measures have been implemented, based on Mastercard Code of Conduct policy, to ensure that employees and hired workers are not subjected to any difference in opportunity or treatment based on their ethnicity, national origin, extraction, color, language, religion, and faith. The company wishes to be regarded as an attractive employer to people with disabilities.

The Board consist of four male directors and one female director. The Company is committed to increase the share of female directors in the Board of Directors, aiming to ensure that at least 40% of the Board of Directors are female by no later than 2030.

As a subsidiary of Mastercard, the directors of the board are covered by the Directors & Officers liability insurance arranged by Mastercard.

Corporate social responsibility

CSR at Mastercard Payment Services Norway

We're powering economies and empowering people, building a sustainable world where everyone prospers. Environmental, social and governance (ESG) matters are fundamental to our business strategy globally, and we leverage our employees, technology, resources, partnerships, and expertise to drive positive, lasting impact. Our ESG strategy is expressed through three pillars — People, Prosperity, Planet — and all the work we do is grounded in strong governance principles.

As a member of the global Mastercard network, we comply with Mastercard policies and procedures. As Mastercard Payment Services Norway A/S was acquired by Mastercard in 2021, 2022 was the first full financial year for the entity as part of Mastercard.

Operating critical financial infrastructure

Our impact stems from operating and processing digital payments which ensure that modern societies function in a safe and efficient manner within the broader area of digital payments for the benefit of citizens and businesses alike. We understand the importance of the role and responsibility we have in providing critical financial infrastructure. And we want to help our customers adapt to future payment needs and habits of both consumers, companies, and the public sector.

Driving digitalisation in a responsible manner

We are committed to delivering digital solutions that drive the development towards a digitalised society, contributing to a significant reduction of negative social, economic, and environmental impacts in society. We want to ensure that the digitisation of society is based on services and products that bring social, environmental, and economic benefits to society, businesses, and end-users.

Mastercard Payment Services Norway AS

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Effective risk management and oversight are essential to the success of our business strategy and continue to be an important element of our ESG strategy globally. We take a disciplined and consistent approach to risk, continuously improving our programs and policies to respond to new, existing and potential risk factors, including changing market trends, external events and the global regulatory environment. Mastercard Payment Services Norway A/S leverages Mastercard corporate-wide risk taxonomy and rating scales, which have been updated to capture relevant ESG risk elements, to help identify, categorize and aggregate risks across the organization.

Mastercard is committed to ensuring people, communities, businesses, and the planet can thrive. Recognising that no company can succeed in a failing world, we address critical global issues such as financial and gender inclusion, diversity, and the security of the global payments ecosystem - all with the goal of helping our partners engage and serve customers in relevant ways. Mastercard has created a Priceless Planet Coalition to mobilise our network of partners to restore 100 million trees by 2025. We have also established the Sustainability Innovation Lab in Stockholm to assist customers and partners in designing sustainable solutions.

Climate change is one of the most important issues facing the world today. Mastercard's commitment to environmental sustainability starts with managing the impacts of our own operations. This means reducing overall greenhouse gas (GHG) emissions, reducing waste and water use and working with our suppliers to do the same.

We strive to reduce the climate impact of our supply chain and operations, with a goal to achieve Net Zero emissions by 2040 and reduce Mastercard's GHG emissions by our science-based targets (SBTs) of 38% for Scope 1 and 2, and 20% for Scope 3 by 2025, compared to 2016. The first in the payments industry to gain Science Based Targets initiative (SBTi) approval for its GHG goals, Mastercard is currently working towards its SBTi-approved goal to reduce total Scope 1 and 2 emissions. These targets reflect a long-term commitment by the company to monitor and implement best practices to reduce emissions across the business, drive operational energy efficiency, and further engage suppliers in value chain decarbonization.

Since 2020, Mastercard's global operations have been carbon neutral, achieved through ongoing decarbonization efforts, 100% renewable electricity usage, and carbon credits to address residual emissions. We employ high integrity carbon credits verified to rigorous, recognized standards and only in conjunction with real reductions in carbon emissions. Understanding that economic growth cannot come at the expense of the planet, the company's global action plan aims to continue to reduce greenhouse gases (GHG) by remaining focused on the decarbonization of its operations and bolstering its efforts to decarbonize its supply chains. For more information about ESG matters at Mastercard, including our annual Sustainability Report, please see the Corporate Responsibility section of our website at <https://www.mastercard.com/sustainability>.

Mastercard has set the following targets:

- 2040: Reach net-zero greenhouse gas (GHG) emissions
- 2025: Reduce absolute Scope 1 and 2 GHG emissions by our science based target of 38% compared to 2016
- 2025: Reduce absolute Scope 3 GHG emissions by our science based target of 20% compared to 2016

Local activities

At Mastercard Payment Services Norway A/S, we're taking further steps to reduce the environmental impact of our operations. This ambition extends to the contribution of our office, our business, and use of services by our customers, to climate change. We comply with local laws as a standard and continually review our approach to manage the impact of our office space. In 2022, we continued to implement processes and actions to support the environmental targets.

Our operational strategies include updating our building management system to increase monitoring and reporting of energy usage to target potential waste at source.



Our responsible engineering practices include a range of projects to enable efficient cooling of data centres running on 100% renewable power. Plans for future datacenters have a particular emphasis on access to renewable natural energy and efficient cooling.

Further steps will also be to accelerate a plan to engage our value chain, including our customers, and make a positive contribution to key environmental issues affecting our business.

Being an active part of the local community

Technology for all

In 2022, we introduced Mastercard's signature science, technology, engineering, and mathematics (STEM) program, Girls4Tech™ in Norway. We are on a mission to create greater diversity in the technology industry, and we want to spark curiosity for the girls participating and inspire them to pursue a career in tech. We are also supporting ODA Network – The network is non-profit facilitates events, networking, mentoring and more with the overall goal to increase gender diversity in tech.

A culture of volunteering

At Mastercard, we support our communities, and through our employees' volunteer efforts, we're making a difference. By combining social purpose with talent development, we're advancing a purpose driven culture at Mastercard. It also provides opportunities for team building and networking across teams and business units. Living our values and service to the community go hand in hand. In this spirit, Mastercard offers each employee up to five workdays per calendar year to engage in eligible volunteer and community outreach activities. The Community Service Days are driven by individual curiosity, support, and engagement and sometimes on projects organized for larger groups, such as above mentioned Girls4Tech activity and activities supporting Norway's largest outdoor life organization, Den Norske Turistforening (DNT) - the Norwegian Trekking Association. We will continue to highlight the opportunities and benefits to increase the impact of volunteering.

Transparency Act

Mastercard is committed to respecting and promoting human rights. This commitment is founded in our belief that we must bring our basic human decency to everything we do. Our culture of decency is shaped and driven by our employees, who in turn use that decency to inform what they do, and more importantly, how they do it. Mastercard's Supplier Code of Conduct requires suppliers to conduct their business in a responsible and ethical manner, including not using forced labour and being committed to the protection and preservation of human rights.

Mastercard Payment Services Norway AS will publish an account of due diligence on fundamental human rights and decent working conditions signed and approved by The Board of Directors. This will be available on our website at www.mastercardpaymentservices.com/norway before the 30th of June 2023.


In our opinion, Report of Board of Directors includes a true and fair account of the matters addressed in the Report.

We recommend that the Annual Report be adopted at the Annual General Meeting.



21.06.2023

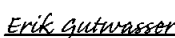
The board of Mastercard Payment Services Norway AS


Peter Klein (Jun 23, 2023 07:43 GMT+1)

Peter Klein
chairman of the board


Frode Åsheim (Jun 22, 2023 23:09 GMT+2)

Frode Åsheim
member of the board


Erik Gutwässer (Jun 21, 2023 16:21 GMT+2)

Erik Anders Gutwässer
member of the board



Erik Jozef Stessens
member of the board


A. K. Whittaker (Jun 22, 2023 21:03 GMT+1)

Alison Whittaker
member of the board



INCOME STATEMENT

MASTERCARD PAYMENT SERVICES NORWAY AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2022	2021
Revenue	2	706 073 595	863 246 457
Total revenue		706 073 595	863 246 457
Employee benefits expenses	3	260 923 192	189 382 222
Depreciation and amortisation expenses		68 211 356	47 331 601
Other expenses	4, 5	229 127 043	316 168 183
Total expenses		558 261 592	552 882 005
Operating profit		147 812 003	310 364 452
FINANCIAL INCOME AND EXPENSES			
Financial income	6	3 164 998	47 513 805
Financial expenses	6	4 877 974	48 606 256
Net financial income and expenses		-1 712 976	-1 092 452
Net profit before tax		146 099 027	309 272 000
Tax expense	7	36 650 989	77 385 795
Net profit after tax		109 448 038	231 886 205
Net profit or loss		109 448 038	231 886 205
PROPOSED DISTRIBUTION OF NET PROFIT FOR THE YEAR:			
Retained earnings	13	109 448 038	231 886 205
Total transferred		109 448 038	231 886 205



BALANCE SHEET

MASTERCARD PAYMENT SERVICES NORWAY AS

ASSETS	Note	31.12.2022	31.12.2021
NON-CURRENT ASSETS			
INTANGIBLE ASSETS			
Completed development projects	9	155 324 332	249 299 140
Development projects in progress	9	110 373 211	2 069 985
Software	9	21 039 627	0
Total intangible assets		286 737 170	251 369 125
PROPERTY, PLANT AND EQUIPMENT			
Equipment	10	86 007 535	24 777 261
Total property, plant and equipment		86 007 535	24 777 261
Total non-current assets		372 744 705	276 146 385
CURRENT ASSETS			
Trade receivables	2	69 486	2 563 539
Other receivables		8 535 069	6 475 368
Group receivables	14	276 394 701	340 552 000
Total receivables		284 999 256	349 590 908
Bank deposits	11	292 408 818	248 092 674
Total current assets		577 408 073	597 683 582
Total assets		950 152 778	873 829 967




BALANCE SHEET

MASTERCARD PAYMENT SERVICES NORWAY AS

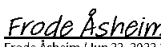
EQUITY AND LIABILITIES	Note	31.12.2022	31.12.2021
EQUITY			
PAID-IN CAPITAL			
Share capital	12, 13	26 445 310	26 445 310
Total paid-in capital		26 445 310	26 445 310
RETAINED EARNINGS			
Other equity	13	664 291 769	554 843 731
Total retained earnings		664 291 769	554 843 731
Total equity		690 737 079	581 289 041
LIABILITIES			
Deferred tax	7	1 982 804	28 406
CURRENT LIABILITIES			
Accounts payable		50 208 068	35 577 114
Tax payable	7	34 696 591	77 356 548
Public duties payable		19 970 504	5 040 609
Liabilities to group companies	14	10 334 152	118 796 774
Other current liabilities		142 223 580	55 741 075
Total liabilities		259 415 699	292 540 526
Total equity and liabilities		950 152 778	873 829 967

21.06.2023

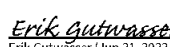
The board of Mastercard Payment Services Norway AS


Peter Klein (Jun 23, 2023 07:43 GMT+1)

Peter Klein
Chairman of the board


Frode Åsheim (Jun 22, 2023 23:09 GMT+2)

Frode Åsheim
Member of the board


Erik Gutwässer (Jun 21, 2023 16:21 GMT+2)

Erik Anders Gutwässer
Member of the board


Erik Jozef Stessens

Erik Jozef Stessens
Member of the board


A. K. Whittaker (Jun 22, 2023 21:03 GMT+1)

Alison Whittaker
Member of the board



CASH FLOW STATEMENT

MASTERCARD PAYMENT SERVICES NORWAY AS

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		146 099 027	309 272 000
Taxes paid		-77 356 548	-102 435 885
Ordinary depreciation		68 211 356	47 331 101
Change in working capital items, net		72 171 785	105 131 712
Net cash flows from operating activities		209 125 620	359 298 928
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchase of intangible assets		-92 040 093	-87 812 000
Purchase of tangible assets		-72 768 384	-30 077 000
Net cash flows from investment activities		-164 808 476	-117 889 000
Net change in cash and cash equivalents		44 317 144	241 409 928
Cash and cash equivalents at the start of the period		248 091 674	6 681 746
Cash and cash equivalents at the end of the period		292 408 818	248 091 674



Note 1 Accounting policies

The financial statement has been prepared in conformity with the the Norwegian Accounting Act and generally accepted accounting standards for ordinary companies.

Currency

The financial statement is presented in Norwegian kroner (NOK) which is also the functional and accounting currency of the company. Monetary items denominated in currencies other than NOK are revalued at the balance sheet date.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date and the date of payment are recognised in the income statement as interest income or expense and similar items.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as interest income or expense and similar items.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the financial statement that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned. Equally, costs incurred to generate the year's earnings are recognised, including impairment and provisions as well as reversals as a result of changes in accounting estimated of amounts which were previously recognised in the income statement

Revenue

Revenue from services is recognized as income as they are provided. .

Staff costs

Staff costs comprise wages and salaries and remuneration, pension contributions, social security costs and other salary-related costs.

Pension

A defined contribution plan is post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Financial income and expenses

Financial income, expense and similar items comprise interest income and expense and realised and unrealised gains and losses on transactions denominated in foreign currencies.

Mastercard Payment Services Norway AS

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Tax

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. The change in deferred tax liabilities is also recognised in the income statement.

Tax asset is recognised if it is probable that it can be utilised in future earnings.

Current and deferred tax is computed at the tax rates applicable.

Development projects

Capitalised development costs are amortised over their estimated useful lives of 3-7 years. Development costs that are directly attributable to the design and testing of identifiable and unique projects including software products controlled by the company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use
- Management intends to complete the asset and there is an ability to use or sell it.
- The asset will generate probable future economic benefits expenditure attributable to the asset during its development can be reliably measured.

Costs associated with maintaining the assets are recognised as an expense as and when incurred.

Directly attributable costs that are capitalised as part of the assets include employee costs.

Development projects in progress are tested for impairment at least annually.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets, unless such lives are indefinite.

Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of equipment, commencing on the date on which the asset becomes functional and related asset is available for use. The estimated useful life of equipment is 5 years.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted prospectively, if appropriate indicators of impairment exist.

Impairment losses

The carrying amount of intangible assets is subject to an annual test of indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. The carrying amount of impaired assets is reduced to the lower of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the net present value of the anticipated net income from the use of the asset or group of assets.

Receivables

Accounts receivable are measured at nominal cost and necessary provisions are made for bad debt losses based on an assessment of the individual receivables.

Current liabilities

Mastercard Payment Services Norway AS

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Current liabilities are measured at cost.

Note 2 Revenue

	<u>2022</u>	<u>2021</u>
Total revenue is specified as follows:		
Corporate services	706 073 595	863 246 457
Total revenue	706 073 595	863 246 457

The revenue is generated from Norway.

Trade receivables, NOK 69 486, relate to corporate service revenue.

Note 3 Staff cost

	<u>2022</u>	<u>2021</u>
Wages and salaries and remuneration	215 003 463	177 930 000
Employer's fee/financial tax	37 198 591	35 218 000
Pension cost	19 781 766	13 591 000
Other staff costs	6 478 426	3 365 000
Capitalised staff costs	-17 539 053	-40 722 000
Total staff costs for the year	260 923 192	189 382 000

During the year, average number of full-time employees were 165 (2021: 157).

Remuneration to the Board of Directors

The board of Directors did not receive any salary or other remuneration from the company.

No loans or collateral have been granted to the Board of Directors or other related parties.

Note 4 Other operating expenses

	<u>2022</u>	<u>2021</u>
Cost of operation	50 091 612	30 241 000
IT expenses	-2 773 251	2 464 000
Consultancy fees	148 723 079	115 439 000
Travel expenses	2 672 958	829 000
Marketing expenses	-18 892	3 951 000
Facility management expenses	5 029 875	2 933 000
Other administrative expenses	7 083 733	143 428 383
Postage and communication	18 317 928	16 877 000
Total other operating expenses	229 127 043	316 162 383

Mastercard Payment Services Norway AS

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Note 5 Fee to external auditors

	<u>2022</u>	<u>2021</u>
Statutory audit	1 139 441	901 000
Other attestation services	1 359 404	1 224 000
Total fee to external auditors	2 498 845	2 125 000

Note 6 Financial income and expenses

	<u>2022</u>	<u>2021</u>
Financial income		
Bank interest	3 164 998	54 000
Foreign exchange gains	0	47 513 805
Total financial income for the year	3 164 998	47 567 805

Financial expenses		
Bank interest	28 973	38 000
Foreign exchange loss	4 233 197	46 919 000
Other financial expenses	615 804	1 649 250
Total financial expenses for the year	4 877 974	48 606 250

Note 7 Tax

	<u>2022</u>	<u>2021</u>
Deferred tax calculation		
Temporary differences:		
Tangible assets	8 543 491	715 890
Intangible assets	0	0
Receivables	-612 274	-602 265
Total temporary differences	7 931 218	113 625
Net temporary differences:		
Basis for deferred tax	7 931 218	113 625
Deferred tax 25%	1 982 804	28 406
Deferred Tax Liability in Balance sheet	1 982 804	28 406

Taxable income:		
Profit before tax	146 099 027	309 272 000
Permanent differences	504 928	271 178
Changes in temporary differences	-7 817 593	-116 987
Group contribution	0	0
Taxable income	138 786 362	309 426 191

Payable tax 25%	34 696 591	77 357 000
Corporate income tax in Balance Sheet	34 696 591	77 357 000

Tax expense:	2022	2021
Corporate income tax for the year	34 696 591	77 356 548
Tax effect of group contribution	0	0

Mastercard Payment Services Norway AS

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Changes in deferred tax	1 954 398	29 247
Tax expense	36 650 989	77 385 795

Reconciliation of effective tax rate:		
Profit before tax x 25%	36 524 757	77 318 000
Permanent differences x 25%	126 232	67 795
Sum	36 650 989	77 385 795

Mastercard Payment Services Norway AS is subject to financial activity tax and hence has a 25 percent tax rate.

Note 8 Pension

The company's defined contribution scheme is open to new members and includes total of 170 individuals as at 31 December 2022 (2021: 150 individuals). The company contributed NOK 17 199 167 (2021: 7 846 128) to the scheme.

The company's pension plan complies with the Act on Mandatory Occupational Pensions.

Note 9 Intangible assets

	Completed development projects	Development projects in progress	Software	Total
Cost at January 2022	225 286 000	80 152 782	4 139 977	309 578 759
Correction of opening balance	1 267	0	0	1 267
Additions	35 884 734	30 220 429	25 934 920	92 040 083
Accumulated cost as at 31 December 2022	261 172 001	110 373 211	30 074 897	401 620 109
Accumulated amortisation and write-downs for impairment as at 1 January 2022	-56 140 000	0	-2 069 992	-58 209 992
Amortisation charge for the year	-49 707 668	0	-6 965 278	-56 672 946
Accumulated amortisation and write-downs for impairment as at 31 December 2022	-105 847 668	0	-9 035 270	-114 882 938
Carrying amount as at 31 December 2022	155 324 332	110 373 211	21 039 627	286 737 170

Note 10 Equipment

	Equipment
Cost at 1 January 2022	30 077 088
Additions	72 768 384
Accumulated cost as at 31 December 2022	102 845 472
Accumulated depreciation as at 1 January 2022	-5 299 528
Depreciation charge during the year	-11 538 409
Accumulated depreciation and write-downs for impairment as at 31 December 2022	-16 837 937
Carrying amount as at 31 December 2022	86 007 535

Mastercard Payment Services Norway AS

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Note 11 Bank deposits

	2022	2021
Bank deposits	283 399 322	240 280 674
Restricted bank deposits for tax purposes	9 009 496	7 811 000
Total bank deposits	292 408 818	248 091 674

Note 12 Share capital

Shareholder	Office	Shares	Number	Class	Value	Balance
Mastercard/Europay U.K. Limited	London	100%	264,453,101	A	0.10	26 445 310

Mastercard Payment Services Norway AS are included in the consolidated financial statements of Mastercard incorporated, 2000 Purchase Street, NY 10577 - Delaware, ID nr. 13-4172551.

Note 13 Equity

	Share capital	Retained earnings	Total equity
Equity at 1 January 2021	26 445 310	322 957 526	349 402 836
Net profit of the year		231 886 205	231 886 205
Equity as at 31 December 2021	26 445 310	554 843 731	581 289 041
Net profit for the year		109 448 038	109 448 038
Equity as at 31 December 2022	26 445 310	664 291 769	690 737 079

Note 14 Transactions with related parties

The company's related parties are its shareholder who have significant influence over the decision-making process of the company arising from representation on the Board of Directors.

A summary of balances with related parties :

Mastercard Payment Services Denmark A/S	-118 888 161
Mastercard Payment Services Infrastructure (Norway) AS	387 834 390
Other Mastercard group companies	7 448 472
Group receivables	276 394 701

Liaibilities to group companies, NOK 10 334 152, relate primarily to Mastercard/Europay U.K. Limited



Note 15 Events after reporting date

There were no events after 31 December 2022 deemed to have significant impact to the financial statement.



Financial Statement Mastercard Payment Services Norway AS

Final Audit Report

2023-06-23


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






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