



Årsregnskap for regnskapsåret 2021

Organisasjonsnr: 994 799 436
Navn/foretaksnavn: IBM FINANS NORGE AS
Forretningsadresse: Lakkegata 53
0187 OSLO

Brønnøysundregistrene
27.06.2023

Brønnøysundregistrene

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Brønnøysundregistrene - Regnskapsregisteret

2022 100226



VEDLEGG TIL ÅRSREGNSKAP 2021



IBM FINANS NORGE AS Postboks 9267 Grønland 0134 OSLO	Organisasjonsnr.	AS
	994 799 436	



Registrerte opplysninger per 29.06.2022		Eventuelle endringer dette regnskapsåret	
Startdato	Avslutningsdato	Startdato	Avslutningsdato
01.01.2021	31.12.2021		
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap	

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapstov eller frivillighetsregisterloven, kryss av IFRS selskap IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den _____ Dato

Sted/dato, Underskrift av representant for enheten _____ *Vedl 99*

Bare til bruk for Regnskapsregisteret

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s

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Brønnøysundregistrene - Regnskapsregisteret

VEDLEGG TIL ÅRSREGNSKAP 2021

IBM FINANS NORGE AS Postboks 9267 Grønland 0134 OSLO	Organisasjonsnr.	AS
	994 799 436	

Registrerte opplysninger per 28.06.2022		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2021	Avstutningsdato 31.12.2021	Startdato	Avstutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap	

Kun for aksjeselskap som har meldt fravag av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av IFRS selskap IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern.

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den Dato 23.06.2022

Sted/dato, Underskrift av representant for enheten
Oslo / 28.06.2022 - Trond Erik Steine

Bare til bruk for Regnskapsregisteret

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s

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IBM Finans Norge AS
IFRS Financial Statements
31 December 2021



IBM Finans Norge AS

Financial Statements

As at 31 December 2021

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IBM Finans Norge AS

Directors' report

For the Year Ended 31 December 2021

The Nature and Location of the Operations

IBM Finans Norge AS was established October 27, 2009 and is a fully owned subsidiary of IBM Global Financing Investments II B.V. located in Netherland. The company is located in Oslo, Norway. IBM Finans Norge AS' objective is to finance invoices (factoring) and inventory for IBM and IBM Business Partners and from Nov 1, 2016 also to finance IT solutions to end users (not private persons) with lease and loans for IBM products and services.

During 2021 IBM Financing globally decided to end new funding of GTS services and phase out the current Financing contracts when Kyndryl spin off was in place. This had a significant impact on signing new assets as the main focus going forward was concentrated on IBM SW and HW financing.

Due to this change, the Board decided to apply for deregulating the business and the FSA approved the application from December 31, 2021. From 2022 IBM Finans Norge is no longer regulated.

This simplifies the business operation significantly and reduce the administration expenses related to the regulation.

The company has 5 employees by YE 2021.

All infrastructure support is located in the IBM Center of Excellence (CoE) Budapest and Bratislava including credit and accounting.

Working Environment

The working environment is good, and no occupational accidents have occurred in 2021.

The workforce consists of 1 female employee and 4 full time male employees. In addition, a female controller is insourced from IBM on 50% part time.

The total sick leave in 2021 was less than 1.0%.

Diversity and Equality

The company practices an equal opportunity policy. There is currently a good balance of female/male employees in the company, and the company is in compliance with all gender equality requirements.

External Environment

IBM Finans Norge AS does not cause any harm to the environment or health as most of our processes are digitized.

2021 results and future prospects

The Financial Statement for 2021 covers the total calendar year of 2021.

IBM Finans Norge AS had a total credit engagement YE 2021 of MNOK 392. This is a significant decrease from 2020 due to the facts mentioned above.

The financial results for 2021 showed profit for the year, where the financing mix changed from being heavily depended on services contracts to primarily IBM SW and HW.

2021 has been impacted by the Global Covid-19 epidemic. The impact on the IBM Finans Norge AS business was limited with a few smaller bankruptcies.



IBM Finans Norge AS

Directors' report

For the Year Ended 31 December 2021

Continued Operations

The Board has no knowledge of issues of importance to the annual accounts that do not appear in the annual accounts or the Report from the Board of Directors. The accounts have been prepared under the going concern assumption.

The Board proposes the following allocation of the result of 2021:

Transfer to other equity	NOK 7.203.630,39
Total allocation	NOK 7.203.630,39

Oslo, 16 June 2022

Board of Directors of IBM Finans Norge AS

Emil Stampe
(Member of the board)

Asbjørn Søgstad
(CEO)

Mats Eliasson
(Member of the board)

Trond Erik Steine
(Member of the board)

Søren Gert Christiansen
(Chairman of the board)

Henrik Visser
(Member of the board)

This document is signed electronically.



To the General Meeting of IBM Finans Norge AS

Independent Auditor's Report

Opinion

We have audited the financial statements of IBM Finans Norge AS (the Company), which comprise the Statement of financial position as at 31 December 2021, Statement of Profit or Loss and Other Comprehensive Income, statement of changes in equity and statement of cash flows 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 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

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 laws and regulations 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.

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T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - IBM Finans Norge AS



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 legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Oslo, 16 June 2022
PricewaterhouseCoopers AS

Stig Arild Lund
State Authorised Public Accountant

(This document is signed electronically)

(2)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Lund, Stig Arild	BANKID_MOBILE	2022-06-16 17:27



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- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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IBM Finans Norge AS

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2021

	Notes	2021 NOK'000	2020 NOK'000
Finance income	3	24,821	40,478
Interest income calculated using the effective interest method	3	3,657	2,048
Finance cost	4	(6,072)	(12,393)
Net finance income		22,406	30,133
Other expense	5	(13,790)	(16,258)
Net impairment losses on financial assets	14	978	(59)
Profit before income tax		9,494	13,816
Income tax expense	6	(2,123)	(2,908)
Profit for the year		7,371	10,908
Other comprehensive income / (loss)			
<i>Items that will not be reclassified subsequently to profit and loss:</i>			
Actuarial gain / (loss) on defined benefit scheme	16	(214)	(676)
Deferred tax in respect of defined benefit scheme	8	47	158
Other comprehensive income / (loss) for the year, net of income tax		(167)	(518)
Total comprehensive income / (loss) for the year		7,204	10,390
Profit for the year as a percentage of total assets		1.63%	0.88%

All operations are classified as continuing.

The notes on pages 10 to 50 form part of these financial statements.



IBM Finans Norge AS

Statement of Financial Position

As at 31 December 2021

	Notes	12/31/2021 NOK'000	12/31/2020 NOK'000
Current assets			
Cash and cash equivalents	14	56,352	943
Receivables from related parties	15	43,733	88,776
Finance receivables	7	256,941	962,684
Inventories		76	41
Prepayments and Other current assets		101	626
		357,203	1,053,070
Non-current assets			
Receivables from related parties	15	71,283	112,628
Finance receivables	7	22,564	64,301
Property, plant and equipment	17	172	2,144
Deferred tax assets	6, 8	2,050	2,206
		96,069	181,279
Total assets		453,272	1,234,349
Current liabilities			
Loans and Borrowings	9, 15	156,859	842,376
Payables to related parties	15	41,196	131,030
Tax payables	6	1,920	4,156
Trade and other payables	10	26,050	57,616
Deferred income		2	132
Other liabilities (Employees)		661	1,443
		226,688	1,036,753
Non-Current liabilities			
Deferred tax liability	6, 8	-	-
Retirement benefit obligation	16	3,966	3,689
Loans and Borrowings	9, 15	89,539	68,032
		93,505	71,721
Total liabilities		320,193	1,108,474
Net assets		133,079	125,875

The notes on pages 10 to 50 form part of these financial statements.



IBM Finans Norge AS

Statement of Financial Position

As at 31 December 2021

Issued capital and reserves			
Share capital	11	45,000	45,000
Retained profits		<u>88,079</u>	<u>80,875</u>
Total equity		<u>133,079</u>	<u>125,875</u>

The financial statements were approved by the directors and authorised for issue on 16 June 2022.

Emil Stampe
(Member of the board)

Asbjørn Søgstad
(CEO)

Mats Eliasson
(Member of the board)

Trond Erik Steine
(Member of the board)

Søren Gert Christiansen
(Chairman of the board)

Henrik Visser
(Member of the board)

This document is signed electronically

The notes on pages 10 to 50 form part of these financial statements.



IBM Finans Norge AS

Statement of Changes in Equity

As at 31 December 2021

	Notes	Issued capital NOK'000	Other paid-in capital NOK'000	Retained earnings NOK'000	Total equity NOK'000
At 1 January 2020		45,000	80,712	(10,227)	115,485
Profit for the financial year		-	-	10,908	10,908
Other comprehensive income	16	-	-	(518)	(518)
At 31 December 2020		45,000	80,712	163	125,875
Profit for the financial year		-	-	7,371	7,371
Other comprehensive income	16	-	-	(167)	(167)
At 31 December 2021		45,000	80,712	7,367	133,079

The notes on pages 10 to 50 form part of these financial statements.



IBM Finans Norge AS

Statement of Cash Flow

For the Year Ended 31 December 2021

	Notes	2021 NOK'000	2020 NOK'000
Profit for the period		7,371	10,908
Adjustments for			
Income tax		2,123	2,908
Depreciation	17	411	5,467
Changes in operating assets and liabilities			
Difference between pension charge and cash contribution		63	70
Income tax paid	6	(4,156)	(2,324)
Decrease / (Increase) in receivables from related parties	15	86,388	(156,513)
Decrease / (Increase) in finance receivables	7	747,480	(513,399)
Decrease / (Increase) in inventory		(35)	(41)
(Decrease) / Increase in payables to related parties	15	(89,834)	(14,411)
(Decrease) / Increase in other payables	10	(31,566)	14,759
Increase / (Decrease) in other liabilities		(912)	(1,413)
(Increase) / Decrease in prepayments		525	(528)
Net cash flow from operating activities		717,858	(654,517)
Cash flows from investing activities			
Purchase of property, plant and equipment	17	(97)	(23)
Proceeds from sale of property, plant and equipment		1,658	5,466
Net cash flow from investing activities		1,561	5,443
Cash flows from financing activities			
New term loan	9	371,277	629,768
Principal payments	9	(497,428)	(491,517)
Loan due to related parties (overdraft)	9	(537,859)	511,322
Net cash flow from financing activities		(664,010)	649,573
Net increase in cash and cash equivalents		55,409	499
Cash and cash equivalents at beginning of the period		943	444
Cash and cash equivalents at end of the period	14	56,352	943

The notes on pages 10 to 50 form part of these financial statements.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

General information

IBM Finans Norge AS (the 'company') is a limited company incorporated in Norway. The company's immediate parent entity is IBM Global Financing Investments II B.V., a company incorporated in Netherland and the company's ultimate parent entity is International Business Machines Corporations ('IBM Corporation'), a company registered in the United States of America.

The Company specialises in the purchase and leasing of information processing equipment and associated products and the provision of financial services to customers. The Company also provides short-term inventory and accounts receivable financing to suppliers, distributors and remarketers of IBM and OEM products.

Basis of preparation

These financial statements have been prepared on a historical cost basis, and in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU'), and interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC').

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been applied consistently to all years presented, unless otherwise stated. The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements are disclosed in the notes to these financial statements.

The financial statements have been prepared on a going concern basis.

New and amended standards adopted by the Company

The Company has applied the following amendments for the first-time commencing 1 January 2021:

- *Standard early adopted by the Company Covid-19-Related Rent Concessions*

Standard / Description – Issuance date: May 2020. This guidance provides a practical expedient relieving lessees from applying IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the Covid-19 pandemic. Applying the expedient, a lessee accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16 if the change was not a lease modification.

Effective date and adoption considerations – The guidance is effective for annual periods beginning on or after 1 June 2021, with early adoption permitted. The Company early adopted and applied the guidance at the beginning of the annual reporting period.

Effect on financial statements or other significant matters – The Company made a policy election to adopt the practical expedient which allows lessees not to assess, on all qualifying rent concessions, whether the concession constitutes a modification. The guidance did not have a material impact in the Company's financial results.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

New and amended standards adopted by the Company (*continued*)

• **Interest Rate Benchmark (IBOR) Reform – Phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**

Standard / Description – Issuance date: August 2020. This guidance provides temporary reliefs from effects of changes in the basis for determining contractual cash flows or hedging relationships when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR), subject to meeting certain criteria.

Effective date and adoption considerations – The guidance is effective as of 01 January 2021, with early adoption permitted. The Company will adopt the guidance on the effective date.

Effect on financial statements or other significant matters – The Company is evaluating the impact of the guidance.

New standards and amendment to standards and interpretations issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Company.

These standards, amendments or interpretations are not expected to have a material impact on the entity in current or future reporting periods and on foreseeable future transactions.

• **IFRS 14, Regulatory Deferral Accounts** (issued on 30 January 2014 and effective for annual periods beginning on or after 1 January 2016).

IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard.

• **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28** (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB).

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary.

• **Proceeds before intended use, Onerous contracts – cost of fulfilling a contract, Reference to the Conceptual Framework – narrow scope amendments to IAS 16, IAS 37 and IFRS 3, and Annual Improvements to IFRSs 2018-2020 – amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41**



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

New standards and amendment to standards and interpretations issued but not yet effective (continued)

Standard / Description – Issuance date: May 2021. This guidance clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

Amendments to IFRS 3 are intended to replace a reference to a previous version of the 1989 Conceptual Framework with a reference to the current version of the Conceptual Framework issued in March 2018 without significantly changing its requirements.

This guidance specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. It clarifies that the ‘cost of fulfilling’ a contract comprises the costs that relate directly to the contract, which can either be incremental costs to fulfil or an allocation of other costs related directly to fulfilment.

Effective date and adoption considerations –The guidance is effective for annual periods beginning on or after 1 January 2022, with early adoption permitted.

Effect on financial statements or other significant matters – The Company is evaluating the impact of the guidance and adoption date.

• *Classification of Liabilities as current or non-current – Amendments to IAS 1* (issued on 23 January 2020 and effective for annual periods beginning on or after 1 January 2022).

These narrow scope amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. Management’s expectations whether they will subsequently exercise the right to defer settlement do not affect classification of liabilities. The right to defer only exists if the entity complies with any relevant conditions as of the end of the reporting period. A liability is classified as current if a condition is breached at or before the reporting date even if a waiver of that condition is obtained from the lender after the end of the reporting period. Conversely, a loan is classified as non-current if a loan covenant is breached only after the reporting date. In addition, the amendments include clarifying the classification requirements for debt a company might settle by converting it into equity. ‘Settlement’ is defined as the extinguishment of a liability with cash, other resources embodying economic benefits or an entity’s own equity instruments. There is an exception for convertible instruments that might be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

• *Classification of liabilities as current or non-current, deferral of effective date – Amendments to IAS 1* (issued on 15 July 2020 and effective for annual periods beginning on or after 1 January 2023).

The amendment to IAS 1 on classification of liabilities as current or non-current was issued in January 2020 with an original effective date 1 January 2022. However, in response to the Covid-19 pandemic, the effective date was deferred by one year to provide companies with more time to implement classification changes resulting from the amended guidance.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

New standards and amendment to standards and interpretations issued but not yet effective (*continued*)

• **Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies** (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).

IAS 1 was amended to require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendment provided the definition of material accounting policy information. The amendment also clarified that accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. The amendment provided illustrative examples of accounting policy information that is likely to be considered material to the entity's financial statements. Further, the amendment to IAS 1 clarified that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support this amendment, IFRS Practice Statement 2, 'Making Materiality Judgements' was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

• **Amendments to IAS 8: Definition of Accounting Estimates** (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023). The amendment to IAS 8 clarified how companies should distinguish changes in accounting policies from changes in accounting estimates.

• **Covid-19-Related Rent Concessions – Amendments to IFRS 16** (issued on 31 March 2021 and effective for annual periods beginning on or after 1 April 2021).

In May 2020 an amendment to IFRS 16 was issued that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19, resulting in a reduction in lease payments due on or before 30 June 2021, was a lease modification. An amendment issued on 31 March 2021 extended the date of the practical expedient from 30 June 2021 to 30 June 2022.

• **Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12** (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023).

The amendments to IAS 12 specify how to account for deferred tax on transactions such as leases and decommissioning obligations. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations – transactions for which both an asset and a liability are recognised. The amendments clarify that the exemption does not apply and that entities are required to recognise deferred tax on such transactions. The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Revenue Recognition

The Company accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection.

The primary source of revenue for the company is finance income. The income generated in 2021 is predominantly related to sources other than from contracts with customers.

Finance income represents interest on lease and other receivables, cash and deposits and it is recognised on an accruals basis using the effective interest rate method. Finance income includes also income fee on factored receivables. Factoring fees are recognised at a point in time when the Company satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations. Operating lease income is recognised on a straight-line basis over the term of the lease.

Other expenses

Other expenses are recognised in the income statement as incurred. Other expenses include selling expenses, salaries, office supplies, non-income taxes, insurance and office rental.

Finance costs

Finance costs represent costs on finance and operating leasing, interest on bank overdrafts and short-term borrowings.

Foreign currencies

The financial statements of the company are presented in Norwegian Krone which is the functional currency of the company.

Transactions denominated in foreign currencies are translated at the rate prevailing at the transaction date. Foreign exchange differences are recognised in the income statement in the year on settlement of these items.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. The resulting foreign exchange differences are recognised in the income statement for the year.

Taxation

Income tax expense represents the current tax calculated on taxable profits for the year, any adjustments in respect of prior periods and any deferred tax charge or credit for the year.

The current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Taxation (*continued*)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that have been enacted and that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Leases

The Company conducts business as both a lessee and a lessor. In its ordinary course of business, the Company enters into leases as a lessee for property, plant and equipment. The Company is the lessor of certain equipment in financing activities relating to finance or operating lease.

When procuring goods or services, or upon entering into a contract with its customers, the Company determines whether an arrangement contains a lease at its inception. As part of that evaluation, the Company considers whether there is an implicitly or explicitly identified asset in the arrangement and whether the Company, as the lessee, or the customer, if the Company is the lessor, has the right to control that asset.

The Company determines whether there is a right to control the use of the asset by assessing its rights, as the lessee, or the customer's rights, if the Company is the lessor, to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset. If there is either an explicit or embedded lease within a contract and the Company is the lessor, the Company determines the classification of the lease (e.g., finance or operating lease) at the lease inception date.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Leases (continued)

The Company as lessee

Effective 1 January 2019, when the Company is the lessee, all leases with a term of more than 12 months are recognised as ROU assets and associated lease liabilities in the Statement of Financial Position. ROU assets represent the Company's right to control the underlying assets under lease, and the lease liability is the obligation to make the lease payments related to the underlying assets under lease.

The Company has elected to not recognise leases with a lease term of less than 12 months in the Statement of Financial Position, including those acquired in a business combination, and lease costs for those short-term leases are recognised on a straight-line basis over the lease term in the Statement of Profit or Loss and Other Comprehensive Income.

The Company as lessor

The company typically enters into leases as part of financing activities. Assets under lease include new and used IBM equipment and certain OEM products.

Amounts due under finance leases are recorded as finance receivables at the amount of the Company's net investment in the leases representing the present value of the lease payments. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Lease payments due to the Company are typically fixed and paid in equal instalments over the lease term. Payments that are made directly by the client to a third party, including certain property taxes and insurance, are not considered part of variable payments and therefore are not recorded by the company. The company excludes from consideration in contracts all collections from sales and other similar taxes.

When lease arrangements include multiple performance obligations, the company allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis.

Leases where substantially all the risks and rewards incidental to ownership of an asset are transferred to the lessee are classified as finance leases, whereas leases where all the risks and rewards incidental to ownership are not transferred to the lessee are classified as operating leases.

If a lease is classified as a finance lease, the carrying amount of the asset is derecognised from inventory and a net investment in the lease is recorded. Net investment in the lease is measured at commencement date as the sum of the lease receivable and the estimated residual value of the equipment less unearned income and allowance for credit losses. For further information on the company's net investment in leases, refer to note 7, "Finance Receivables."



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Leases (*continued*)

Any selling profit or loss arising from a finance lease is recorded at lease commencement. Selling profit or loss is presented on a gross basis when the Company enters into a lease to realise value from a product that it would otherwise sell in its ordinary course of business, whereas in transactions where the Company enters into a lease for the purpose of generating revenue by providing financing, the selling profit or loss is presented on a net basis. Under a finance lease, IDC are deferred at lease commencement and amortise against finance income over the term of the lease. Over the term of the lease, the Company recognises finance income on the net investment in the lease and any variable lease payments, which are not included in the net investment in the lease.

Financial instruments

IGF financing solutions are classified into two segments: Customer/Client Financing (CuF) and Commercial Financing (CoF). CuF offers lease and loan financing alternatives for acquisition of hardware technology, software, services and cloud-based solutions. CoF creates the partnership between dealers and suppliers, where suppliers are receiving the cash in advance for produced equipment, while business partners have longer time for the payables repayment.

Classes of financial instrument

The Company considers the following to be its classes of financial assets: cash and cash equivalents; finance receivables; and receivables from related parties. Finance receivables include lease receivables, customer loan receivables and commercial financing receivables. The following financial liabilities are presented as separate classes of financial liabilities: trade and other payables, loans and borrowings and payables to related parties.

Financial assets and financial liabilities are recognised initially at fair value, plus or minus directly attributable transaction costs, in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Such assets and liabilities are subsequently measured at amortised cost or fair value, depending on the measurement classification. Financial assets held at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed. Trade receivables are measured at their transaction price.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. For the majority of financial instruments, standard market conventions and techniques such as discounted cash flow analysis, estimated selling price less estimated cost to completion and sale are used to determine fair value. All methods of assessing fair value result in a general approximation of value, and such value may never actually be realised.

Financial assets - classification and subsequent measurement

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Financial instruments (*continued*)

The business model reflects how the Company manages the assets in order to generate cash flows – whether the Company’s objective is: (i) solely to collect the contractual cash flows from the assets (“hold to collect contractual cash flows”), or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets (“hold to collect contractual cash flows and sell”) or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of “other” business model and measured at FVTPL. Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Company undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the Company in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets’ performance is assessed and how managers are compensated. Refer to Note 2 for critical judgements applied by the Company in determining the business models for its financial assets.

Financial assets:

Classification

Financial assets at amortised cost are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less an allowance for impairment. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date, which are classified as non-current assets. These assets are measured at amortised cost if the business model is to hold the assets in order to collect contractual cash flows and the related cash flows are solely payments of principal and interest.

Financial assets at amortised cost include cash and cash equivalents (include deposits held at call with banks and short-term deposits with related parties), finance receivables and receivables from related parties recognised in the statement of financial position.

Impairment of financial assets – credit loss allowance for ECL.

IFRS 9 requires an assessment of expected credit losses (ECL) for evaluating whether assets carried at amortised cost are impaired.

For financial assets the Company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. The first stage of the evaluation requires an assessment of expected credit losses (ECL), which represent the possibility of default over the next 12 months. When a significant increase in credit risk has occurred, the financial asset is transferred to stage 2 and the ECL will be calculated using the possibility of default over the expected life of the financial instrument. When there is objective evidence that a financial asset is impaired, the financial asset will be transferred to stage 3 and lifetime ECL will be calculated.

The Company measures ECL for the following categories of financial assets: Finance receivables and Future financing commitments. Cash and cash equivalents are also subject to the impairment, the identified impairment loss was immaterial.

Finance receivables primarily consist of client loan and instalment payment receivables (customer loan receivables), lease receivables, and commercial financing receivables.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Financial Instruments (*continued*)

For lease receivables, the Company applies the simplified approach permitted by IFRS 9, under which the Company elected to record lifetime expected losses, eliminating the requirement of a three-stage approach.

For customer loan receivables, the Company applies the three-stage approach to measure credit losses. When the financial asset is in stage 3 and there is objective evidence that customer loan receivables are impaired, the Company calculates lifetime ECL by comparing the asset's carrying amount and the present value of the expected future cash flows. Any resulting impairment loss is recognised in the statement of profit or loss and other comprehensive income. The carrying amount of the impaired receivable in stage 3 is reduced through the use of a specific allowance account. 12-month ECL is recorded if the difference with lifetime ECL is material. The identified 12 months credit loss was immaterial.

For commercial financing receivables also applies the three stages approach to measure expected credit losses. However, given that commercial financing receivables are short-term in nature with financing period of less than one year, 12-month expected credit losses are the same as the lifetime credit losses, thus eliminating the need to track significant increase in credit risk.

An allowance for impairment of loan and lease receivables are evaluated on an individual or collective basis. For individually evaluated receivables, the Company determines the expected cash flow for the receivable and calculates an estimate of the potential loss and probability of loss. For those accounts in which the loss is probable, the Company records a specific reserve which is based on current information available about customers such as financial statements, news reports and published credit ratings, current market-implied credit analysis, as well as collateral net of repossession cost, prior collection history and current and future expected economic conditions. The Company considers any receivable with an individually evaluated reserve as an impaired receivable. In addition, the Company performs a collectively evaluated reserve that is determined by applying a reserve rate to its different portfolios, excluding accounts that have been specifically reserved. This reserve rate is based upon credit rating, probability of default, term, characteristics (lease/loan), loss history and current economic conditions.

The Company considers forward-looking macroeconomic variables such as gross domestic product, unemployment rates, equity prices and corporate profits when quantifying the impact of economic forecasts on its commercial financing receivables allowance for expected credit losses. Macroeconomic variables may vary by class of financing receivables based on historical experiences, portfolio composition and current environment. The Company also considers the impact of current conditions and economic forecasts relating to specific industries, geographical areas, and client-credit ratings, in addition to performing a qualitative review of credit risk factors across the portfolio. Under this approach, forecasts of these variables over two years are considered reasonable and supportable. Beyond two years, the company reverts to long-term average loss experience. Forward-looking estimates require the use of judgment, particularly in times of economic uncertainty.

The portfolio of commercial financing receivables is short term in nature and any allowance for these assets is estimated based on a combination of write-off history and current economic conditions, excluding any individually evaluated accounts.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Financial Instruments (*continued*)

The Company has two off-balance commitments that are subject to expected credit losses: the future financing commitments of the client financing portfolio and the non-cancellable lines of credit within the Commercial Financing portfolio.

For future financing commitments, the Company is committed to provide future financing to its customers in connection with customer purchase agreements for the first year of arrangement. The Company applies 3 stages approach to measure ECL for these commitments.

For non-cancellable lines of credit within the Commercial Financing, the Company measures lifetime expected credit loss based on the estimated line of credit that will be utilised, in line with commercial financing receivables as the available credit period are less than a year.

Financial assets - derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities:

Classification

Financial liabilities are classified as financial liabilities measured at 'amortised cost. The classification depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition.

Financial liabilities are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods or services or on acquisition of financial and other non-current assets. Amounts (excluding intercompany payables) are unsecured and usually settled on standard commercial trade terms. Financial liabilities recognised at amortised cost include trade and other payables (excluding 'other payables', 'accrued expenses' and 'social security and other taxes'), loans and borrowings and payables to related parties. Trade and other payables, and loans and borrowings are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Financial instruments (*continued*)

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Interest and dividends

Interest and dividends are classified as expenses or as distributions of profit consistent with the statement of financial position classification of the related debt or equity instruments or component parts of compound instruments.

Employee benefits

Short-term obligations

Provision is made for benefits accruing to employees in respect of wages, salaries and other benefits when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Defined contribution plans

Contributions to defined contribution retirement plans are recognised as an expense when the employees have rendered services entitling them to the contributions.

Defined benefit and other post-retirement benefit plans

For defined benefit retirement plans and other post-retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each reporting date.

Actuarial gains and losses are recognised in full in the period in which they occur, outside of the income statement, and presented in other comprehensive income. Past service cost is recognised immediately to the extent that benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation, adjusted for unrecognised past service cost, less the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of benefits accruing to the company available in the form of refunds and reductions in future contributions to the plan.

Property, plant and equipment

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the statement of financial position at cost less any accumulated depreciation and accumulated impairment losses.

The depreciable amount of an asset is determined after deducting its residual value. The residual value of an asset is the estimated amount that the company would obtain from the disposal of the asset, after deducting the estimated cost of disposal.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

1. Statement of compliance, basis of preparation, and significant accounting policies

Property, plant and equipment (*continued*)

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method. The estimated useful lives used in the calculation of depreciation and amortisation are as follows:

Fixtures and fittings	-	5-15 years
Lease assets	-	1.5-5 years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date. The management has assessed the residual values and useful lives of assets and believe there is no significant revision required.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement for the period.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

2. Significant accounting estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts that are reported in the financial statements and accompanying disclosures. Estimates are made for the following, among others: revenue, pension assumptions, allowance for credit losses and other matters. These estimates are based on management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances, including in 2021, the macroeconomic impacts of the COVID-19 pandemic.

Revenue recognition

Application of the various accounting principles in IFRS related to the measurement and recognition of revenue requires that the Company make judgements and estimates. The Company considers various factors when making these judgements, including a review of specific transactions, the credit-worthiness of the customers, historical experience and market and economic conditions when calculating provisions and allowances.

Pension assumptions

The measurement of the Company's defined benefit obligation to its employees and net periodic pension cost/income requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. Changes in these assumptions may affect the future funding requirements of the plans and actuarial gain/loss recognised in the statement of comprehensive income.

ECL measurement

Measurement of ECLs is a significant estimate that involves determination methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as models of macro-economic scenarios. The Company regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience.

Significant increase in credit risk ("SICR")

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available) which is then incorporated into the internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

2. Significant accounting estimates and assumptions (*continued*)

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. The Company determines a receivable may be considered a significant increase in risk if the current credit quality of the receivable carries an internal rating of GRMG 7. Default is defined as the point in time a client is added to the watch-list for credit risk tracking. The Company does not consider a past due status of 90 days as an indicator of default. The Company performs a monthly assessment of the financing receivables portfolio based on a number of factors including but not limited to exposure, credit risk, economic stability, disputes and past due status. Based on this review, the Company determines when a customer is in default.

Business model assessment

The business model drives classification of financial assets. Management applied judgement in determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the Company considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity. Sales transactions aimed at minimising potential losses due to credit deterioration are considered consistent with the “hold to collect” business model. Other sales before maturity, not related to credit risk management activities, are also consistent with the “hold to collect” business model, provided that they are infrequent or insignificant in value, both individually and in aggregate. The Company assesses significance of sales transactions by comparing the value of the sales to the value of the portfolio subject to the business model assessment over the average life of the portfolio. In addition, sales of financial asset expected only in stress case scenario, or in response to an isolated event that is beyond the Company’s control, is not recurring and could not have been anticipated by the Company, are regarded as incidental to the business model objective and do not impact the classification of the respective financial assets.

Currently the Company does not hold any financial instruments categorized as hold to collect and sell portfolio.

Assessment whether cash flows are solely payments of principal and interest (“SPPI”)

Determining whether a financial asset’s cash flows are solely payments of principal and interest required judgement. The Company identified and considered contractual terms that change the timing or amount of contractual cash flows. The SPPI criterion is met if a loan allows early settlement and the prepayment amount substantially represents principal and accrued interest, plus a reasonable additional compensation for the early termination of the contract. The asset’s principal is the fair value at initial recognition less subsequent principal repayments, ie instalments net of interest determined using the effective interest method. As an exception to this principle, the standard also allows instruments with prepayment features that meet the following condition to meet SPPI: (i) the asset is originated at a premium or discount, (ii) the prepayment amount represents contractual par amount and accrued interest and a reasonable additional compensation for the early termination of the contract, and (ii) the fair value of the prepayment feature is immaterial at initial recognition.

The Company considered examples in the standard and concluded that features that arise solely from legislation and that are not part of the contract, that is, if legislation changed, the features would no longer apply (such as bail in legislation in certain countries), are not relevant for assessing whether cash flows are SPPI.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

2. Significant accounting estimates and assumptions (*continued*)

Write-off policy

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. Determining the cash flows for which there is no reasonable expectation of recovery requires judgement. Management considered the following indicators that there is no reasonable expectation of recovery:

- start of liquidation or bankruptcy proceedings,
- fair value of collateral is less than the costs to repossess it or
- enforcement activities were completed.

Impairment of financial assets due to COVID 19 pandemic

The Company has a long-standing practice of taking mitigation actions, in certain circumstances, to transfer credit risk to third parties, with enhanced focus in this unprecedented environment of the COVID-19 pandemic. These actions may include credit insurance, financial guarantees, transfers of receivables recorded as true sales in accordance with accounting guidance or sales of equipment under operating lease. Sale of receivables arrangements are also utilized in the normal course of business as part of the company's cash and liquidity management.

The company continues to monitor the evolving global impacts from the COVID-19 pandemic as well as its impact on external economic models, which have been revised with increased frequency throughout the year. The Company's allowance for credit losses at 31 December 2021 reflect the qualitative process which is described further in Note 1, "Significant Accounting Policies". Any changes to economic models that occurred after the balance sheet date will be reflected in future periods.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

3. Finance income

	2021	2020
	NOK'000	NOK'000
Operating lease income	1,987	6,327
Factoring income	3,343	5,951
Finance lease income	16,963	26,449
Interest income	3,657	2,048
Other operating income	2,528	1,751
	<u>28,478</u>	<u>42,526</u>

The income generated in 2021 is predominantly related to sources other than from contracts with customers.

For commercial financing, the interest for the extended period is fixed above Base rate.

Base Rate is the one month NIBOR rate published by Norges Bank on the first working day of a calendar month, the Base Rate will be changed to NIBOR appearing for the last working day of the previous calendar month. If at any time, NIBOR changes by 0.25% or more, the Base Rate will be changed by the same amount on the day of such change or the next following working day. In case of negative Base Rate a minimum Base Rate of 0 % will be used.

For client Financing, we operate with fixed interest rate.

4. Finance costs

	2021	2020
	NOK'000	NOK'000
Costs of operating leases	1,277	6,546
Costs of finance leases	-	-
Pension cost	63	68
Interest expense	3,314	4,403
Costs of other operating income	1,418	1,376
	<u>6,072</u>	<u>12,393</u>

IBM Finans Norge AS has loans with IBM International Treasury Services Unlimited Company (hereinafter referred to as "Treasury Centre"). The interest for In House Bank account is NIBOR 1MND+0,15% and Customer financing term loans have fixed rate.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

5. Other expenses

	2021	2020
	NOK'000	NOK'000
Employee expenses	6,255	8,785
Other expenses	7,181	7,181
Audit services (excl. VAT) - Statutory audit	354	292
	<u>13,790</u>	<u>16,258</u>

The employees at IBM Finans Norge AS have employment agreement with IBM Finans Norge AS. The average number of man-year employed in 2021 was 5 (2020: 5 man-year).



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

6. Income tax expense

(a) Analysis of charge / (credit) in the year

In respect of the period:	2021 NOK'000	2020 NOK'000
Current tax	1,920	4,156
Current tax - prior year adjustment	-	10
Other (interest on tax)	-	5
Deferred tax - prior year adjustment (note 8)	33	-
Deferred tax (note 8)	170	(1,264)
Income tax expense /(credit)	<u>2,123</u>	<u>2,908</u>

(b) Factors affecting tax charge / (credit)

	2021 NOK'000	2020 NOK'000
Profit before income tax	<u>9,494</u>	<u>13,816</u>
Tax at the domestic income tax rate of 22%	2,089	3,039
Movement of deferred tax in respect of change in tax rate in 2018	-	-
Prior year adjustment	33	17
Other	1	(148)
Total income tax expense (note 6(a))	<u>2,123</u>	<u>2,908</u>

(c) Analysis of tax payable

	2021 NOK'000	2020 NOK'000
At 1 January	4,156	2,307
Payment to tax authorities	(4,156)	(2,324)
Charged / (credited) to income statement	1,920	4,166
Other	-	7
At 31 December	<u>1,920</u>	<u>4,156</u>



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

7. Finance receivables

	12/31/2021	12/31/2020
	NOK'000	NOK'000
Current		
Commercial financing receivables	50,820	264,209
Finance lease receivables	19,032	33,079
Customer loans	187,598	667,017
	<u>257,450</u>	<u>964,305</u>
Less:		
Loss allowance (Note 14)	(509)	(1,621)
	<u>256,941</u>	<u>962,684</u>
Non-current		
Commercial financing receivables	-	-
Finance lease receivables	3,317	27,665
Customer loans	19,270	36,724
	<u>22,587</u>	<u>64,389</u>
Less:		
Loss allowance (Note 14)	(23)	(88)
	<u>22,564</u>	<u>64,301</u>

Finance lease receivables are for leases that relate principally to the company's equipment and are generally for terms ranging from one to six years (2020: one to six years). Customer loans are provided by the company to clients to finance the purchase of IBM's software and services.

Finance lease and customer loan receivables include invoiced amounts not paid at the end of the year. The average contractual credit period on invoiced amounts is 0 to 30 days. Thereafter, interest is charged at market rates on the outstanding balance.

Before entering into a finance lease arrangement, the company undertakes a credit assessment on the proposed transaction, either through the IBM Credit Team or, for certain transactions of a lower size, a credit scoring system based on external credit agency information, to assess the customer's credit quality and define credit limits by customer. Credit limits for most customers are valid for no more than six months and are re-assessed if required to be extended. The balances on leases for hardware are usually secured over the leased equipment.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

7. Finance receivables (continued)

	Minimum lease payments (‘MLP’)		Present value of MLP	
	2021	2020	2021	2020
	NOK’000	NOK’000	NOK’000	NOK’000
Not later than one year than five	27,312	42,402	26,589	39,995
Later than five years	3,934	13,590	3,846	12,821
			30,435	52,816
Add: Un-guaranteed residual value	7,819	7,928		
Less: Unearned finance income	(811)	(3,176)		
Less: Provision for impairment	(322)	(446)		
	37,932	60,298		

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest contracted is approximately 5.38% per annum (2020: 5.63%). The finance lease receivables are effectively collateralised by the leased assets as the right to the asset reverts to the company in case of the counterparty’s default. Such finance lease receivables are secured by hardware assets.

8. Deferred tax

Movement in the deferred tax asset / (liability)

	Retirement benefit NOK’000	Other NOK’000	Total NOK’000
At 1 January 2020	522	262	784
(Charged)/credited to I&E	164	1,100	1,264
(Charged)/credited to Other Comprehensive Income	158	-	158
At 31 December 2020	844	1,362	2,206
Prior year adjustment	(33)	-	(33)
(Charged)/credited to I&E	14	(184)	(170)
(Charged)/credited to Other Comprehensive Income	47	-	47
At 31 December 2021	872	1,178	2,050

The recognition of deferred tax assets is determined by reference to the company’s estimate of recoverability based on models to forecast future taxable profits.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

9. Loans and borrowings

	31.12.2021	31.12.2020
	NOK'000	NOK'000
Balance at the beginning of the period	910,408	260,835
New term loan	371,277	629,768
Principal payments	(497,428)	(491,517)
Loan due to related parties (overdraft)	(537,859)	511,322
Balance at the end of the period (Note 15)	<u>246,398</u>	<u>910,408</u>
Net interest payments (Note 3,4)	3,283	4,354

Customer financing term loans have fixed rate. Interest for In House Bank account is charged at variable rates based on NIBOR.

10. Trade and other payables

	12/31/2021	12/31/2020
	NOK'000	NOK'000
Trade payables	20,709	443
Social Security and Other taxes	4,327	56,990
Other Payables	1,014	183
	<u>26,050</u>	<u>57,616</u>

11. Share capital and shareholder information

	2021	2020
	NOK'000	NOK'000
Authorised, issued and fully paid shares		
45 000 ordinary shares of par value 1 000.01 NOK each	<u>45 000</u>	<u>45 000</u>

All shares have equal rights.

Shareholder information

IBM Finans Norge AS is a 100% owned subsidiary of IBM Global Financing Investments II B.V. located in Netherland. The company is located in Lakkegata 53, 0187 Oslo, Norway.

12. Contingencies

At 31 December 2021, the company had no contingent liability in respect of bank guarantees.

13. Events after balance sheet date

IBM Finans handed in their license to FSA (Finanstilsynet) as per 31.12.2021, and from 1.1.2022 will not be under regulation by FSA.

The Board of IBM Finans Norge AS proposes to pay a dividend of 23.900.000 NOK.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments

Financial risk management

The company is exposed to a variety of financial risks as a result of its operations that include the effects of changes in liquidity and interest rate risk, credit risk, market prices, and foreign exchange risk. The company has a strong risk management programme in place aligned to the programmes applied within the consolidated group of the company's ultimate parent company, International Business Machines Corporation.

Capital risk management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of debt to related parties disclosed in note 15, and equity attributable to equity holders of the parent, comprising issued capital and retained earnings as disclosed in the statement of changes in equity.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 1 to the financial statements.

Categories of financial items

	Weighted average effective interest rate	31.12.2021 NOK'000	Weighted average effective interest rate	31.12.2020 NOK'000
Financial assets				
<i>Loans and receivables</i>				
<i>Interest bearing</i>				
Cash and cash equivalents	0.05	56,352	0.05	943
Receivables from related parties	3.40	112,629	4.37	145,885
Finance receivables	4.74	228,689	4.74	762,905
<i>Non-interest bearing</i>				
Finance receivables		50,816		264,080
Receivables from related parties		2,387		55,519
		<u>450,873</u>		<u>1,229,332</u>
Financial liabilities				
<i>Amortised costs</i>				
<i>Interest bearing</i>				
Loans and Borrowings	0.84	246,398	0.86	910,408
<i>Non-interest bearing</i>				
Payables to related parties		41,196		131,030
Trade and other payables (Note 10)		21,723		626
		<u>309,317</u>		<u>1,042,064</u>



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Financial risk management objectives

IBM's corporate treasury function provides funding and risk management services to the company. Risk management services are provided through the monitoring and management of financial risks relating to the operations of the company through internal risk reports addressing market risk (including currency risk and interest rate risk), credit risk, liquidity risk, and cash flow interest rate risk. This includes performing sensitivity analysis on market risks to determine the effect of changes in foreign exchange and currency rates on the company's financial performance and position.

Foreign currency risk

The company does not undertake any material transactions denominated in foreign currencies, hence no considerable exposure to exchange rate fluctuations arise.

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company carries out credit checks on potential customers before contracts are entered into. This information is supplied by independent rating agencies where available and, if not available, the company uses other publicly available financial information and its own trading records to rate the major customers. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management team annually. Cash balances held with the IBM Treasury Centre and IBM Global Financing Investments II B.V, which the directors assess as having high credit ratings.

Financial assets consist of a large number of customers and related parties, spread across diverse industries and geographical areas; however, the company has significant concentration of credit risk. The top five debtors represent 85 % (2020: 80 %) of the company's total loans and receivables. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the company's maximum exposure to credit risk. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Financing receivables are subject impairment criteria for expected credit losses.

The Company considers the probability of default upon the initial recognition of the receivable and whether there has been a significant increase in credit risk at each reporting period. The Company does not consider 30 days past due as an indicator for a significant increase in credit risk. The Company uses credit quality indicators which are based on rating agency data, publicly available information and information provided by customers and are reviewed periodically based on the relative level of risk. The resulting indicators are used to determine if there is a significant increase in credit risk and include a numerical rating system that maps to Moody's Investor Service credit ratings. The Company uses information provided by Moody's, where available, as one of many inputs in its determination of customer credit ratings.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Credit risk management (continued)

The Company does not consider a past due status of 90 days as an indicator of default. The Company performs a monthly assessment of the financing receivables portfolio based on a number of factors including but not limited to exposure, credit risk, economic stability, disputes and past due status. Based on this review, the Company determines when a customer is in default.

A write-off represents a receivable that is deemed uncollectible to the extent that the customer is no longer in operation and/or there is no reasonable expectation of additional collections or repossession. The Company's assessments factor in the history of collections and write-offs across the trade receivables, contract assets and financing receivables portfolios.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9; however, the expected credit losses were immaterial based on calculation carried by Company, due to short-term nature of cash and cash equivalents and good credit ratings of financial institutions. All of the prior period balances were neither past due nor impaired.

Credit risk grading system. For measuring credit risk and grading financial instruments by the amount of credit risk, the Company applies two approaches – an internal risk based approach (GRMG) rating system or risk grades estimated by external international rating agencies (Standard & Poor's - "S&P", Fitch, Moody's). Internal and external credit ratings are mapped on an internally defined master scale with a specified range of probabilities of default as disclosed in the table below:

Corresponding internal ratings	Corresponding ratings of external international rating agencies (Moody's)	Corresponding PD interval (12 months)
[1]	Aaa to Aa3	0,012%
[2-3]	A1 to Baa3	0,074% - 0,167%
[4-5]	Ba1 to B1	0,455% - 1,008%
[6]	B2 to B3	3,080%
[7]	Caa to D	23,795%-100%



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Credit risk management (continued)

Loan and lease receivables

The following table represents the assumptions by credit risk rating grades for loan and lease receivables:

Credit Risk Rating	Company definition	Basis for recognition of ECL provision	Gross carrying amount	
			2021 NOK'000	2020 NOK'000
Aaa-Baa3	Customers that are investment grade and have a strong capacity to meet contractual cash flows	The Company applies 3 stage approach to loan receivables. If the difference between the Stage 1 12-month ECL and Stage 2 lifetime ECL is significant, a 12-month ECL is recorded, if immaterial a lifetime ECL is recorded. Lifetime ECL recorded for lease receivables	104,350	193,351
Ba1-D	Customer that are non-investment grade	The Company applies 3 stage approach to loan receivables. If the difference between the Stage 1 12-month ECL and Stage 2 lifetime ECL is significant, a 12-month ECL is recorded, if immaterial a lifetime ECL is recorded. Lifetime ECL recorded for lease receivables	124,867	571,134
Specific Impairment	Uncollectible	Partially impaired or asset is written off.	(179)	(420)

The following represents the analysis of credit risk exposure for finance receivables and the expected credit loss is recognised. The gross carrying amount also represents the maximum exposure to credit risk for financing receivables.

	31 December 2021		31 December 2020	
	Lease NOK'000	Loan NOK'000	Lease NOK'000	Loan NOK'000
Aaa-Baa3	10,562	93,788	12,223	181,128
Ba1-D	11,786	113,081	48,521	522,613
Specific Impairment	(179)	-	(343)	(78)
Gross carrying amount	22,169	206,869	60,401	703,663
Loss allowance for credit losses	(143)	(207)	(103)	(1,056)
Carrying amount	<u>22,026</u>	<u>206,662</u>	<u>60,298</u>	<u>702,607</u>



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Credit risk management (continued)

The following represents the movement in loss allowance for loan receivables:

	Lifetime** ECL NOK'000	Impaired*** NOK'000	Total NOK'000
Loss allowance at 1 January 2020	755	401	1,156
Transfer from collectively evaluated to specific impairment	-	-	-
New loan receivables	1,665	1	1,666
Write-offs	-	-	-
Recoveries of previous written off amounts	(1,220)	(382)	(1,602)
Changes to model assumptions and other	(144)	58	(86)
Loss allowance at 31 December 2020	1,056	78	1,134
Transfer from collectively evaluated to specific impairment	-	-	-
New loan receivables	208	-	208
Write-offs	-	-	-
Recoveries of previous written off amounts	(1,057)	(78)	(1,135)
Changes to model assumptions and other	-	-	-
Loss allowance at 31 December 2021	207	-	207

** Lifetime ECL represents the expected credit loss over the life of the asset (12 months ECL was immaterial).

*** Impaired assets are credit impaired at the reporting date as a result of significant increase of credit risk. These assets were not credit impaired upon purchase or origination.

The following represents the movement in loss allowance for lease receivables:

	Lifetime** ECL NOK'000	Impaired*** NOK'000	Total NOK'000
Loss allowance at 1 January 2020	477	-	477
Transfer from collectively evaluated to specific impairment	-	-	-
New lease receivables	306	343	649
Write-offs	-	-	-
Recoveries of previous written off amounts	(490)	-	(490)
Changes to model assumptions and other	(190)	-	(190)
Loss allowance at 31 December 2020	103	343	446
Transfer from collectively evaluated to specific impairment	-	-	-
New loan receivables	180	221	401
Write-offs	-	(385)	(385)
Recoveries of previous written off amounts	(140)	-	(140)
Changes to model assumptions and other	-	-	-
Loss allowance at 31 December 2021	143	179	322



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Credit risk management (continued)

- ** Lifetime ECL represents the expected credit loss over the life of the asset.
- *** Impaired assets are credit impaired at the reporting date as a result of significant increase of credit risk. These assets were not credit impaired upon purchase or origination.

Commercial financing receivables

The table below represents the analysis for commercial financing receivables for credit risk exposure. The gross carrying amount also represents the maximum exposure to credit risk for this asset.

	Commercial Finance Receivables	
	2021	2020
	NOK'000	NOK'000
Commercial Finance Receivables	50,820	264,209
Specific Impairment	(2)	(129)
Gross carrying amount	50,818	264,080
Loss allowance for credit losses	-	-
Carrying amount	50,818	264,080

Net impairment losses on financial assets balance visible in Statement of Profit or Loss and Other Comprehensive Income includes (127) thousand NOK impairment/credit loss related to customer financing receivables and (665) thousand NOK release related to commercial financing receivables. The commercial financing receivables are unrated.

Cash and cash equivalents include cash at bank in the amount of 56,352 thousand NOK, rated Aa3 by Moody's (rating of 2020: Aa3).

A large part of the loans is covered by credit insurance. Credit insurance cover is against:

- *Insolvency* is where a business literally goes out of business.
- *Protracted default* is where we have unpaid AR 180-days past the invoice due date. It is unlikely a business will still be operating in 180-days if it is not paying its AR, as it would suggest a cash flow issue.

(i) Past due but not impaired finance receivables

Included in finance receivables balance are receivables with a carrying amount of NOK 58 578 thousand (2020: 181 618 thousand NOK) respectively which are past due at the reporting date but not impaired. The company considers that the amounts are still fully recoverable.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Credit risk management (continued)

Aging of past due but not impaired receivables

Aging of past due but not impaired receivables

	2021	2020
	NOK'000	NOK'000
0-90 days	57,376	181,543
91- 180 days	1,108	52
181- 365 days	94	23
over 365 days	-	-
	<u>58,578</u>	<u>181,618</u>

Provision for impairment

	2021	2020
	NOK'000	NOK'000
At 1. January	1,709	1,694
Impairment losses recognized	415	2,400
Amounts written off	-	-
Release of impairment	(1,592)	(2,385)
At 31 December	<u>532</u>	<u>1,709</u>

In determining the recoverability of finance receivables, the company considers any change in the credit quality of the receivables from the date credit was initially granted up to reporting date. The concentration of credit risk is limited due to the customer base being large and diverse. Accordingly, the directors believe that there is no further credit provision required in excess of the provision for impairment of trade receivables.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the leases.

Interest rate risk management

The company is funded by the IBM Treasury Centre in Ireland and IBM Global Financing Investments II B.V. As the company invests or borrows cash balances, it operates in either a receivable or payable position. Interest is paid or earned on the daily balance using the variable one month interest rate as the base.

The company's exposures to interest rates on financial assets and financial liabilities are detailed in Categories of financial instruments table in this note.

The company performs sensitivity analysis to determine the effects from exposure to interest rates risk. For financial assets and liabilities exposed to interest rate risk, the analysis is prepared assuming the balances at the reporting date were outstanding for the whole year.

At the reporting date, if interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's net profit would decrease/increase by NOK 756 000 NOK (2020: decrease/increase by NOK 3 000). This is mainly attributable to the company's exposure to interest rates on borrowings and cash deposits.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

14. Financial instruments (continued)

Liquidity risk management

The company is funded internally by the IBM Treasury Centre in Ireland. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities through its agreements with the IBM Treasury Centre.

The company holds financial liabilities with contractual maturity within one year. The contractual maturity is based on the earliest date on which the company may be required to pay, however the function of the IBM Treasury Centre is to continuously support the operation and to secure that IBM Finans Norge AS meet their obligations as they fall due. The table below have been drawn up based on the undiscounted contractual cash flows of the financial liabilities including principal cash flows.

Liquidity table

2021	< 1 year	1-5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents	56,352	-	-	56,352
Receivables from related parties	45,990	73,043	-	119,033
Finance receivables	260,151	22,731	-	282,882
	362,493	95,774	-	458,267
Financial liabilities				
Loans and Borrowings	158,048	90,200	-	248,248
Payables to related parties	41,196	-	-	41,196
Trade and other payables	21,723	-	-	21,723
	220,967	90,200	-	311,167
2020				
Financial assets				
Cash and cash equivalents	943	-	-	943
Receivables from related parties	92,377	116,645	-	209,022
Finance receivables	975,866	65,877	-	1,041,743
	1,069,186	182,522	-	1,251,708
Financial liabilities				
Loans and Borrowings	843,407	68,405	-	911,812
Payables to related parties	131,030	-	-	131,030
Trade and other payables	626	-	-	626
	975,063	68,405	-	1,043,468

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- Financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- Other financial assets and financial liabilities, excluding derivative financial instruments, are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Management considers that the carrying amount of financial assets and financial liabilities in the financial statements approximate their fair values. There are no financial assets and/or liabilities that were already recognised at fair value through profit and loss.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

15. Related party transactions

Related parties include parent companies, entities under common control ('group undertakings'), subsidiaries and key management personnel. The company enters into transactions with related parties in the ordinary course of business for the purchase or sale of services provided to and from related parties, purchase of investment from related parties, in relation to group funding arrangements with related parties and in relation to the factoring of trade receivables with related parties.

The company's immediate parent undertaking is IBM Global Financing investments II B.V which holds 100% of the shares and is registered in Netherlands.

The company's ultimate parent undertaking and controlling party is International Business Machines Corporation which is incorporated in the United States of America and is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the financial statements of this undertaking may be obtained from IBM Corporate Headquarters, 1 New Orchard Road, M/D 325, Armonk, New York 10504.

The following transactions were carried out with related parties:

Class of related party	Transaction type	2021	2020
		NOK'000	NOK'000
Other related undertakings	Sales	2,880	5,551
	Purchases	(463)	(509)
	Other expenses	(5,646)	662
	Interest paid	(3,314)	(4,403)
	Interest received	3,632	1,951



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

15. Related party transactions (continued)

Details of the amounts receivable from, payable to and borrowing from related parties are set out below:

Receivables from related parties

	2021	2020
	NOK'000	NOK'000
Other related parties	115,016	201,404
	<u>115,016</u>	<u>201,404</u>

Payable to related parties

	2021	2020
Immediate parent	-	-
Other related parties	41,196	131,030
	<u>41,196</u>	<u>131,030</u>

Loans due to related parties

	2021	2020
	NOK'000	NOK'000
Other IBM group undertaking	246,398	910,408
	<u>246,398</u>	<u>910,408</u>

Customer financing term loans have fixed rate. Interest for In House Bank account is charged at variable rates based on NIBOR.

The amounts outstanding on these balances are unsecured and will be settled in cash. No guarantees have been given or received. Allowance for impaired receivables in relation to any outstanding balances is in amount NOK 112 thousand. NOK (86) thousand has been recognized as expense in the current period for bad or doubtful debts in respect of the amounts owed by related parties.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

15. Related party transactions (continued)

Key management compensation

The total remuneration of members of key management in respect of services to the company was as follows:

	2021	2020
	NOK'000	NOK'000
Short term employee benefits	2 221	2 949
Share based options	-	-
	<u>2 221</u>	<u>2 949</u>

Remuneration of CEO and Board of Directors' members was as follows:

	2021	
	CEO	Board of Directors
	NOK '000	NOK '000
Short term employee benefits	2 221	2 429
Pension cost	103	68
	<u>2 324</u>	<u>2 497</u>

	2020	
	CEO	Board of Directors
	NOK '000	NOK '000
Short term employee benefits	2 949	4 261
Pension cost	100	163
	<u>3 049</u>	<u>4 324</u>

The split between CEO's fixed salary and variable pay is as follows:

	2021	2020
	NOK'000	NOK'000
Variable pay	556	1 343
Fixed salary	1 425	1 536
Vacation pay	393	202
Deduction for vacation	(153)	(132)
	<u>2 221</u>	<u>2 949</u>

The CEOs variable pay is calculated twice a year from the value of new client financing contracts signed within 1st half and 2nd half of the year. Car allowance is NOK 6000 per month.

The fixed part is 55% of the on-target salary. The same model also applies to sellers in the company. The CEO has no termination benefits.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations

Defined benefit plans

The amounts recognised in the statement of financial position are determined as follows:

	31/12/21 NOK'000	31/12/20 NOK'000
Present value of funded defined benefit obligation	(11 436)	(11 269)
Fair value of plan assets	7 470	7 580
(Deficit)/ Surplus of funded plan	(3 966)	(3 689)
Impact of minimum funding requirement /asset ceiling	-	-
Net liability arising from defined benefit obligations	(3 966)	(3 689)

The company operates a defined benefit pension plan, under which employees are entitled to defined benefits covering old age pension, disability pension, spouse pension and child pension for employees. Retirement age applicable under both plans is 67. The company's pension scheme meets the requirements of the law on compulsory occupational pension (Lov om obligatorisk tjenestepensjon).

The plan provides for pension benefits outlined above on pensionable earnings capped at twelve times the Social Security base amount. The plan is funded in IBM Konsern pensjonskasse, and is closed to new participants.

The present value of the defined benefit obligations, the related current service cost, and past service cost are measured using the projected unit credit method.

Regulatory Framework

IBM Konsern pensjonskasse operates in accordance with the law on occupational defined benefit pension (Lov om foretakspensjon) and is licensed by and operates under the supervision of the Financial Supervisory Authority of Norway (Finanstilsynet).

Governance

IBM Konsern pensjonskasse is legally separated from the company. The legal board of IBM Konsern pensjonskasse comprises four representatives appointed by International Business Machines AS, of which one independent representative and one representatives elected among the members. The legal board of the pension fund is fully responsible for operating the fund in compliance with applicable laws and regulations.

International Business Machines AS has established an investment board that gives guidance to the legal board on the management of the fund assets.

The fundamental objective of the defined benefit fund is the preservation of capital with sufficient growth to assure adequate resources to meet future obligations for the payment of benefits. Defined benefit funds are prudently managed and broadly diversified to achieve a reasonable rate of return with an acceptable level of risk.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations (*continued*)

General risks

The company's obligations under defined benefit plans which include direct payments to beneficiaries and statutory minimum funding requirements may significantly vary depending on number of market, economic, and demographic conditions, such as yields on government and corporate debt, return on plan assets invested in debt and equity securities as well as pooled funds, employee turnover and retiree mortality rates.

These risk factors may affect the Company's future cash outflows to fund its obligations, amounts of periodic benefit costs used in calculating net profit and re-measurement charges reported in other comprehensive income.

Asset volatility

The plan liabilities are calculated using a discount rate set based on covered corporate bond yields; if plan assets underperform this yield, this will create a deficit. The plans hold a significant proportion of equities, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term.

Changes in bond yields

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

The pension obligations are not directly linked to inflation, but higher inflation may lead to higher liabilities as a result of higher salary increases. The majority of the plan assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation may also increase the deficit.

Life expectancy

The plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations (continued)

The movement in the net defined benefit obligation over the year is as follows:

	2021 NOK'000	2020 NOK'000
Present value of defined benefit obligation		
At 1 January	(11 269)	(10 615)
Current service cost	-	-
Interest (expense) / income	(188)	(239)
Remeasurement:		
Actuarial gain / (loss) – experience	15	28
Actuarial gain / (loss) – financial assumptions	(457)	(899)
Actuarial gain / (loss) – demographic assumptions	-	-
Past service cost and gain / (loss) on settlements	-	-
Benefits paid		
Employer	-	-
Trust	463	456
Plan participants' contributions	-	-
Exchange differences	-	-
Acquired in business combination	-	-
Termination benefits	-	-
Other	-	-
At 31 December	<u>(11 436)</u>	<u>(11 269)</u>
Fair value of plan asset		
At 1 January	7 580	7 670
Interest (expense) / income	125	171
Remeasurement:		
Return on plan assets (excluding amounts included in interest (expense)/income)	228	195
Contribution:		
Employer	-	-
Plan participants	-	-
Benefits paid	(463)	(456)
Settlements	-	-
Exchange differences	-	-
Acquired in business combination	-	-
Other	-	-
At 31 December	<u>7 470</u>	<u>7 580</u>

Plan Amendments, Curtailments and Settlements

No plan amendments, curtailments or non-routine settlements have been incurred in 2021.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations (continued)

Amounts recognized in the income statement:

	2021 NOK'000	2020 NOK'000
Current service cost	-	-
Net interest cost on net liability (asset)	63	68
	<u>63</u>	<u>68</u>

Amounts recognized in other comprehensive income:

	2021 NOK'000	2020 NOK'000
Remeasurement (gains) / losses on plan assets	(228)	(195)
Remeasurement (gains) / losses on plan liabilities	442	871
Recognised during the year	<u>(214)</u>	<u>676</u>

IBM Konsern pensjonskasse invests plan assets in a prudent manner, with the target mix of 36% equities and 74% fixed income. Approximately 89% of investments are actively managed.

The table below analyses plan assets carried at fair value, by valuation method.

The fair value and the composition of plan assets are as follows:

	2021			Total	2020			Total
	Level 1	Level 2	Level 0		Level 1	Level 2	Level 0	
Equity								
Equity securities	1 001			1 001	1 138	-	-	1 138
Equity pooled funds			949	949	-	-	1 115	1 115
Fixed income								
Government securities		3 087		3 087	-	2 591	-	2 591
Corporate bonds		2 263		2 263	-	2 144	-	2 144
Insurance contracts					-	-	-	-
Cash and cash equivalents		24		24	44	(42)	375	377
	35		115					
Commingled/mutual funds			0	0	-	-	167	167
Derivatives								
Forwards		(4)		(4)	-	48	-	48
Futures					-	-	-	-
Accruals								
				<u>7 470</u>				<u>7 580</u>



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations (continued)

There are no plan assets measured at Level 3 fair value.

The company does not hold any of its own transferable financial instruments, property occupied by or other assets used by it as plan assets.

Significant Actuarial Assumptions

	2021	2020
	%	%
Discount rate	1.90	1.70
Inflation assumption	2.50	1.70
Expected rate of salary increase / salary inflation rate	2.50	2.00
Expected future pension increases	2.50	2.00
Increase in social security base amount	2.50	2.00

The actuarial valuation incorporates mortality assumptions in line with the local experience of this and similar plans.

Amount, Timing and Uncertainty of Future Cash Flow

Sensitivities

The sensitivity analyses below have been determined based on reasonably possible changes in actuarial assumptions at the end of the reporting period while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The following table demonstrates increase (decrease) in defined benefit obligation and net liability resulting from a change in each actuarial assumption with all other variables held constant at the end of the reporting period.

	2021	2020
	NOK'000	NOK'000
Discount rate - 0.25% assumed:		
0.25% decrease	403	406
0.25% increase	(385)	(388)
Mortality:		
1 year increase in lifetime of participants	560	527
1 year decrease in lifetime of participants	(506)	(478)

Reasonably possible changes in other actuarial assumptions would not have material effect on the amount of defined benefit obligation and net liability.

Expected Contributions

The funding of the pension fund is based on the minimum cash contribution required to be in compliance with the requirements of the Law on occupational defined benefit pensions (Lov om foretakspensjon). The pension fund may be partly funded by excess return on fund assets, but is otherwise funded from cash generated by the company's operation.



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

16. Retirement benefit obligations (continued)

The expected contributions to pension funds and direct payments to retirees in 2022 are as follows:

	NOK'000
Contributions to pension funds	-
Direct payments for retirees	470
Expected employee cash outflow	<u>470</u>

Maturity Profile

The durations of defined benefit pension obligations at the end of the reporting period on 31 December 2021 was 12.81.

The expected maturity analysis of undiscounted defined benefit payments are as follows:

	31/12/21	31/12/20
	NOK'000	NOK'000
Not later than one year	470	463
Later than one year and not later than five years	2 349	2 300
Later than five years	8 596	8 513
	<u>11 415</u>	<u>11 276</u>



IBM Finans Norge AS

Notes to Financial Statements

For the Year Ended 31 December 2021

17. Property, plant and equipment

	Equipment NOK'000	Leased Equipment NOK'000	Total NOK'000
Cost			
At 1 January 2020	142	36,496	36,638
Additions	-	23	23
Disposals	-	(8,310)	(8,310)
Reclassification, transfers, other	(62)	(21,182)	(21,244)
At 31 December 2020	80	7,027	7,107
Additions	-	97	97
Disposals	(42)	(507)	(549)
Reclassification, transfers, other	(20)	(6,267)	(6,287)
At 31 December 2021	18	350	368
Accumulated depreciation			
At 1 January 2020	(142)	(23,442)	(23,584)
Additions	-	(5,467)	(5,467)
Disposals	-	5,710	5,710
Reclassification, transfers, other	62	18,316	18,378
At 31 December 2020	(80)	(4,883)	(4,963)
Additions	-	(411)	(411)
Disposals	42	307	349
Reclassification, transfers, other	20	4,809	4,829
At 31 December 2021	(18)	(178)	(196)
Net book value			
At 31 December 2021	-	172	172
At 31 December 2020	-	2,144	2,144



IBM Finans Norge AS

Appendix

For the Year Ended 31 December 2021

Appendix: Abbreviations

Abbreviations used in this publication are set out below:

AC	Amortised cost
EAD	Exposure at default
ECL	Expected credit loss
FVOCI	(Financial assets/liabilities at) fair value through other comprehensive income
FVTPL	(Financial assets/liabilities at) fair value through profit or loss
GRMG	Global Risk Management Group
IASB	International Accounting Standards Board
IDC	Initial direct costs
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
LGD	Loss given default
NIBOR	Norwegian Interbank Offered Rate
PD	Probability of default
ROU	Right-of-use
SICR	Significant increase in credit risk
SPPI	Solely Payments of Principal and Interest



IBM Finans Norge AS
Independent Auditors' Report
For the Year Ended 31 December 2021

**SIGNATURES****ALLEKIRJOITUKSET****UNDERSKRIFTER****SIGNATURER****UNDERSKRIFTE**

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BankID / Freja eID - 27f94c96-684e-4d10-beb1-9a9e8379f14f - SE

Søren Gert Christiansen

7a8847bc-634c-458d-8880-a38c609bb9d2 - 2022-06-16 14:02:52 UTC +03:00
NemID / MitID - f3569d3f-cbb7-46ed-96ed-aba63155a9d0 - DK

Emil Stampe

42f9d324-cdd0-4157-a295-f09b3e436aa2 - 2022-06-16 14:03:10 UTC +03:00
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604cc579-e6a4-4b58-834e-a0b2b5f104a6 - 2022-06-16 14:03:26 UTC +03:00
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Asbjørn Søgstad

6d4c63ce-4568-44fc-9d88-150278c2b49b - 2022-06-16 14:24:54 UTC +03:00
BankID - 7db721df-d349-4a12-8c72-be9c707328a7 - NO

Henrik Adrian Visser

98b1ba0c-31cf-4cbf-8eaa-ade8c667815d - 2022-06-16 16:00:24 UTC +03:00
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Authority to sign
representative
authorial

asemavaltuus
nimenkirjoitusoikeus
huoltaja/edunvalvoja

ställningsfullmakt
företagsledningsrätt
förvaltare

autoritet til å signere
representant
foresatte/verge

myndighed til at underskrive
repræsentant
frihedsberøvende

Electronically signed / Sähköisesti allekirjoitettu / Elektroniskt signerats / Elektronisk signert / Elektronisk underskrevet
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To the General Meeting of IBM Finans Norge AS

Independent Auditor's Report

Opinion

We have audited the financial statements of IBM Finans Norge AS (the Company), which comprise the Statement of financial position as at 31 December 2021, Statement of Profit or Loss and Other Comprehensive Income, statement of changes in equity and statement of cash flows 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 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

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 laws and regulations 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.

*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*



Independent Auditor's Report - IBM Finans Norge AS



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 legal requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, 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 and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Oslo, 16 June 2022
PricewaterhouseCoopers AS

Stig Arild Lund
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Lund, Stig Arild	BANKID_MOBILE	2022-06-16 17:27



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Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 24.01.2011	Vår dato 27.01.2011
Telefon 22077325	Deres referanse Tor Arne Strømme	Vår referanse 2011/100638

International Business Machines AS
Postboks 500
1411 KOLBOTN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk

Det vises til deres brev av 24. januar 2011 samt e-post av 26. januar 2011 med supplerende opplysninger i sakens anledning. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for:

- International Business Machines AS org. nr: 931 482 580
- IBM Finans Norge AS org. nr: 994 799 436
- Nordic Processor AS org. nr: 985 719 470

Bakgrunn:

IBM Finans Norge AS er et heleid datterselskap av International Business Machines AS som igjen er eid 100 % av IBM Nordic AB i Sverige. Nordic Processor AS er gjennom Nordic Processor AB og IBM Svenska AB også eid 100 % av IBM Nordic AB. Alle selskapene inngår i det amerikanske konsernet International Business Machines Corporation. IBM konsernet er nå i en prosess med innføring av IFRS som sitt regnskapspråk. For konsernets europeiske selskap har man sentralisert kompetansen om IFRS til et felles regnskapscenter i Slovakia. Selskapenes årsregnskap vil derfor i fremtiden bli utarbeidet der, og da naturlig nok på engelsk språk. Konsernet mener en slik løsning vil gi mest korrekte IFRS regnskap.

Det er opplyst at det interne arbeidsspråket i selskapene er engelsk slik at ansatte ikke blir berørt av at det eventuelt ikke oversettes noe årsregnskap til norsk. Det er videre opplyst at selskapene ikke henvender seg til forbrukermarkedet. Varer og tjenester selges enten via forhandlere eller til forretningsmarkedet som man antar behersker engelsk. Selskapene er i det vesentlige finansiert gjennom konsernet.

Selskapene mener derfor at det ikke er interessenter til årsregnskapene som blir skadelidende av at årsregnskapet ikke blir oversatt til norsk. Nyttan av å få regnskapet oversatt til norsk anses ikke å overstige kostnaden. Selskapet ønsker også tillatelse til å ha årsberetningen på norsk, da ulikt språk i årsregnskap og årsberetning anses rart, samt at konsernets ledelse og eiere også ønsker denne delen på engelsk. Det søkes derfor om dispensasjon.

Skattedirektoratets vurdering og konklusjon

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."

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I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., 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 og lokalsamfunnet.

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapene er heleid fra utlandet, og er pålagt av eier å få sine årsregnskap utarbeidet på engelsk i Slovakia. En norsk versjon vil derfor være en ren oversettelse som selskapene mener kun vil bli brukt for å oppfylle regnskapslovens språkkrav. Selskapenes ansatte benytter alt engelsk som arbeidsspråk samt at selskapene kun henvender seg til et profesjonelt marked.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene 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.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Jan Hoelstad