



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	988 109 436
Organisasjonsform:	Norskreg. utenlandsk foretak
Foretaksnavn:	LENOVO TECHNOLOGY B.V. NORWAY BRANCH
Forretningsadresse:	Hoffsveien 4 0275 OSLO

Regnskapsår

Årsregnskapets periode:	01.04.2020 - 31.03.2021
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Konsern

Morselskap i konsern:	Nei
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Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	PriceWaterHouse Coopers AS
Dato for fastsettelse av årsregnskapet:	08.10.2021

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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

Brønnøysundregistrene, 07.12.2022



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue	15	720 548 471	907 433 827
Sum inntekter		720 548 471	907 433 827
Kostnader			
Cost of sales		670 342 205	737 521 286
Wages and salaries	4.5	54 490 961	55 236 649
Depreciation	6.8	173 742	193 933
Depreciation ROU		88 277	1 132 997
Other operating expenses	3.13	36 357 754	44 825 786
Sum kostnader		761 452 939	838 910 651
Driftsresultat		-40 904 468	68 523 176
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		11 110	36 351
Other financial income	10	0	0
Sum finansinntekter		11 110	36 351
Rentekostnad til foretak i samme konsern		1 105	24 287
Other financial expenses	10	60 584 475	45 290 407
Sum finanskostnader		60 585 580	45 314 694
Netto finans		-60 574 470	-45 278 343
Ordinært resultat før skattekostnad		-101 478 938	23 244 833
Tax on ordinary profit	11	4 674 887	5 156 377
Ordinært resultat etter skattekostnad		-106 153 825	18 088 456
Årsresultat		-106 153 825	18 088 456



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Customer relationship	8	0	0
Goodwill	8	8 755 593	8 755 593
Sum immaterielle eiendeler		8 755 593	8 755 593
Varige driftsmidler			
Fixtures and fittings, tools, office equipment	6	278 526	425 337
ROU assets	6	814 183	2 178 326
Sum varige driftsmidler		1 092 709	2 603 663
Sum anleggsmidler		9 848 302	11 359 256
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable	7	115 490 360	78 189 704
Other receivables		18 435	14 599 927
Government taxes		0	0
Konsernfordringer	9	311 698 728	411 646 442
Sum fordringer		427 207 523	504 436 073
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	2	11 802 463	78 097 552
Sum bankinnskudd, kontanter og lignende		11 802 463	78 097 552
Sum omløpsmidler		439 009 986	582 533 625
SUM EIENDELER		448 858 288	593 892 881

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2021	2020
Innskutt egenkapital			
Sum egenkapital		0	0
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	1 003 543	1 230 055
Sum avsetninger for forpliktelser		1 003 543	1 230 055
Annen langsiktig gjeld			
Long Term liabilities ROU		0	
Sum annen langsiktig gjeld		0	
Sum langsiktig gjeld		1 003 543	1 230 055
Kortsiktig gjeld			
Leverandørgjeld		2 694 301	27 142 377
Tax payable	11	7 629 429	6 627 289
Government taxes		38 471 653	32 891 599
Kortsiktig konserngjeld	9	325 838 506	452 164 074
Other current liabilities	12	73 220 857	71 868 216
Sum kortsiktig gjeld		447 854 746	590 693 555
Sum gjeld		448 858 289	591 923 610
SUM EGENKAPITAL OG GJELD		448 858 289	591 923 610



To the Country General Manager of Lenovo Technology B.V. Norway Branch

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lenovo Technology B.V. Norway Branch, which comprise the balance sheet as at 31 March 2021, the income statement, statement of comprehensive income and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 March 2021, and its financial performance and its cash flows for the period then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 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

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and
authorised accounting firm*



Independent Auditor's Report - Lenovo Technology B.V. Norway Branch



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Managing Director for the Financial Statements

The Managing Director (management) are responsible for the preparation and a true and fair view of the financial statements in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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>

Report on Other Legal and Regulatory Requirements

Opinion on the Managements' Annual Report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Managements' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

(2)



Independent Auditor's Report - Lenovo Technology B.V. Norway Branch



Oslo, October 8, 2021
PricewaterhouseCoopers AS

Jone Bauge
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Audit Report NO01

Signers:

Name	Method	Date
Bauge, Jone	BANKID_MOBILE	2021-10-20 08:34

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Lenovo Technology B.V. Norway Branch

Annual Report for the period

1st April 2020 - 31st March 2021

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Lenovo Technology B.V. Norway Branch

Table of Contents	Page
Audit Report for 2021	1
Annual Report	3
Income Statement	6
Balance. 31, March	7
Notes to the Financial Statements 2020/21	9
Cash Flow Statement	20

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Lenovo Technology B.V. Norway Branch

Annual Report

Presentation of the company

LENOVO TECHNOLOGY B.V. NORWAY BRANCH is a Norwegian registered foreign enterprise. The registered business address is Rosenholmveien 25, 1414 Trollåsen (Oppegård). The name of the entity in the home country is Lenovo Technology BV with a registered address at Johan Huizingalaan 765, 1066 VH Amsterdam, Netherlands (Reg. in local register: 33258525). The company's activities consist mainly of PC and smart device sales to Norwegian companies and the majority of sales are made through distributors and retailers.

The ultimate parent company is Lenovo Group Limited (Hong Kong) Company Reg.: 0450816. Lenovo Group Limited is the world's largest PC company and sells PC and smart device products to more than 160 countries and is listed on the Stock Exchange of Hong Kong.

Annual report of the parent company can be obtained at:

Lenovo Technology BV
David Ricardosstraat 2-4
1066 JS Amsterdam
Netherlands

Information on the development and activities

Sales in the fiscal year 2020/21 have gone well, although the company has lost some market share year to year in the commercial sector. Lenovo remain the largest PC manufacturer in the consumer sector and has grown market share. It is still essentially businesses and the public sector that are the primary customer base for Lenovo.

The company is organized into three business models: 1) "Relationship" aimed at large enterprises and public sector. 2) "Transactional" aimed at SMEs. "Transactional" is also responsible for managing our business partners. 3) "Consumer" to the consumer. All business models are based on an indirect delivery model and Lenovo holds a strong position in the distribution - and dealer network.

Sick leave during the fiscal year was 0.36%

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Lenovo Technology B.V. Norway Branch

Annual Report

Information about the financial performance and position

Profit before tax is a profit of NOK 19,670,002 which management determines is satisfactory.

Management believes that the financial statements give a true picture of Lenovo Technology BV Norway Branch's assets and liabilities, financial position and results.

Balance sheet and liquidity

Short-term debt at year end was NOK 448,858,289. Total interest-bearing debt at the year-end was zero. Since Lenovo Technology BV Norway Branch is a branch of Lenovo Technology BV will be part of the equity transactions with the parent company.

Financial Risk

Credit:

There is a risk of financial loss to the company arising from the failure of the company's customers to meet their financial obligations for the products provided by the company. The company manages this situation through credit control procedures and factoring certain classes of debt and management are of the view that the risk is at an acceptable level.

Liquidity risk:

The company retains sufficient cash to ensure it has sufficient funds available for operations. The company would have access to longer term funding from its ultimate parent if required.

Currency risk:

The company has currency risk associated with the intercompany amounts payable. Potential exposures to foreign currency exchange rate movements are monitored and managed by the Lenovo group treasury function.

Going Concern

The financial statements are prepared on a going concern basis. The management confirms that the conditions for this assumption is valid.

Allocation of profit

Results for Lenovo Technology BV Norway Branch after tax in 2020/21 is a surplus of NOK 14,995,115

Management proposes that this amount is transferred to intercompany balances.

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Lenovo Technology B.V. Norway Branch

Annual Report

Employees


At the end of the fiscal year, Lenovo had 36 employees in Norway, of which 27 were male and 9 female.

The company prevents discrimination by providing equal opportunities to all employees and job applicants.

Management considers that the working conditions and the working environment is satisfactory, and no special measures have been implemented in the financial year. No accidents or injuries have been reported during the year.

Environment

Lenovo products are in compliance with all environmental regulations such as WEEE and RoHS. Lenovo Technology B.V. Norway Branch is a member of Elretur [Elretur is a nationwide recycling company for the collection, recycling and environmentally sound management of electrical and electronic waste.]. Lenovo intends to be a leader in protecting the environment in all business activities, and is about to get certification as an Eco-Lighthouse in place.

8 October 2021


Marthin Storm Hansen
Country General Manager

USA



Lenovo Technology B.V. Norway Branch

Income Statement

	Note	2020/21	2019/20
Turnover			
Revenue	15	<u>720,548,471</u>	<u>907,433,827</u>
Expenditure			
Cost of sales		670,342,205	737,521,286
Wages and salaries	4.5	54,490,961	55,236,649
Depreciation	6.8	173,742	193,933
Depreciation ROU		88,277	1,132,997
Other operating expenses	3.13	<u>36,357,754</u>	<u>44,825,786</u>
Total operating expenses		<u>761,452,939</u>	<u>838,910,651</u>
Operating Income		<u>(40,904,468)</u>	<u>68,523,176</u>
Financial income and expenses			
Interest income		(11,110)	36,351
Other financial income	10	-	-
Interest expense		(1,105)	24,287
Other financial expenses	10	(60,584,475)	<u>45,290,407</u>
Net financial items		60,574,470	<u>(45,278,343)</u>
Profit before tax		<u>19,670,002</u>	<u>23,244,833</u>
Tax on ordinary profit	11	4,674,887	5,156,377
Profit for the year		<u>14,995,115</u>	<u>18,088,456</u>

Statement of Comprehensive Income

Profit for the year	14,995,115	18,088,456
Other comprehensive income	-	-
Available-for-sale financial assets	-	-
Gains on property revaluation	-	-
Income tax relating to components of other comprehensiv	-	-
Other comprehensive income for the year net of tax	-	-
Total comprehensive income for the year	<u>14,995,115</u>	<u>18,088,456</u>

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Lenovo Technology B.V. Norway Branch

Balance at 31st March			
	Note	2020/21	2019/20
Fixed assets			
<i>Intangible assets</i>			
Customer relationship	8	-	-
Goodwill	8	8,755,593	8,755,593
Total intangible assets		<u>8,755,593</u>	<u>8,755,593</u>
<i>Fixed assets</i>			
Fixtures and fittings, tools, office equipm	6	278,526	425,337
ROU Assets	6	814,183	2,178,326
		<u>1,092,709</u>	<u>2,603,663</u>
Total assets		<u>9,848,302</u>	<u>11,359,256</u>
Current assets			
<i>Receivables</i>			
Accounts receivable	7	115,490,360	78,189,704
Other receivables		18,435	14,599,927
Government taxes		-	-
Loans to Group companies	9	311,698,728	411,646,442
Total receivables		<u>427,207,524</u>	<u>504,436,072</u>
Cash and cash equivalents	2	<u>11,802,463</u>	<u>78,097,552</u>
Total current assets		<u>439,009,987</u>	<u>582,533,624</u>
Total assets		<u>448,858,289</u>	<u>593,892,880</u>

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Lenovo Technology B.V. Norway Branch

Balance at 31st March

	Note	2020/21	2019/20
Liabilities			
<i>Provisions</i>		-	-
<i>Current liabilities</i>			
Accounts payable		2,694,301	27,142,377
Government taxes		38,471,653	32,891,599
Deferred Tax Liability	11	1,003,543	1,230,055
Tax payable	11	7,629,429	6,627,289
Current liabilities to Group companies	9	325,838,506	452,164,074
Other current liabilities	12	<u>73,220,857</u>	<u>71,868,216</u>
Total current liabilities		448,858,289	591,923,611
<i>Long Term Liabilities</i>			
ROU			1,969,269
Total liabilities		<u>448,858,289</u>	<u>593,892,880</u>
Total equity and liabilities		<u>448,858,289</u>	<u>593,892,880</u>
		(0)	-

8 October 2021

Marthe Storm Hansen
Country General Manager

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 1 - Accounting policies

Lenovo Technology BV Norway Branch is a branch of Lenovo Technology BV. The financial statements have been prepared in accordance with The Norwegian Accounting ACT §3-9, fifth paragraph (simplified IFRS) and its corresponding regulations

Provisions

Provisions are made when the Company has a present obligation as a result of an occurred event and it is probable that the company must settle the obligation. Provisions are recognised based on management's best estimate of the value of the settlement at the balance sheet date, and are discounted to present value using significant time interval between the reporting date and expected date of settlement.

Revenue

Revenue from sale of goods is recognised at the time of delivery. Services are recognised as they are rendered. The proportion of sales

Assessment and classification of balance sheet items

Current assets and liabilities include items due for payment within one year of the acquisition, and items related to the business cycle. Other items are classified as current assets / liabilities. Current assets are valued at the lower of cost and net realizable value. Current liabilities are stated at nominal value at the time. Fixed assets are recorded at cost and are written down to fair value if impairment is not expected to be temporary. Long-term liabilities are recorded at nominal value at the time.

Receivables

Trade and other receivables are stated at nominal value less a provision for doubtful debts. Provision for doubtful accounts is based on an individual assessment of each receivable. In addition, for other receivables, a general provision to cover expected losses.

Currency

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses related to sales and purchases in foreign currencies are recognised as operating income and cost of goods sold

Cash and cash equivalents

Cash and cash equivalents comprise bank balances

Leasing/ ROU asset and liability

Leased assets are reflected in the balance sheet as assets if the leasing contract is considered a financial lease.

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Sales and scrapping of assets

Gains and losses on disposal of fixed assets are considered part of the normal course of business and are classified as operating income and operating expenses.

Fixed assets

Tangible assets are capitalised and depreciated over the estimated useful life. Direct maintenance costs are expensed as incurred, while improvements are capitalised and depreciated along with the asset. If the recoverable amount of the asset is less than its carrying value, it is written down to its recoverable amount. The recoverable amount is the higher of net selling price and value in use. Value in use is the present value of the future cash flows that the asset will generate.

Pensions

The company operates a Defined contribution pension plan. This came in to effect from 1 April 2013 and all members were transferred from the existing Defined benefit plan which was subsequently closed. Defined benefit plans are valued at the present value of future benefits that have been earned at the balance sheet date. Plan assets at fair value. Change in pension liabilities due to changes in pension plans are recognised over the expected average remaining service period. The effect of changes in estimates, changes in assumptions and deviations from actuarial assumptions (actuarial gains and losses) are recognised in the income statement in the period they occur. The net pension expense is classified as salaries and personnel costs.

Tax

Tax expense in the income statement comprises current tax and changes in deferred tax. Deferred tax is calculated at 22% based on the temporary differences between accounting and tax values, and the deficits at the end of the financial year. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted. Net deferred tax assets are recognised to the extent that it is probable that it can be utilised.

Goodwill

Goodwill is the difference between the purchase price and the purchase price of assets and liabilities. Goodwill is valued at cost less any impairment losses. Goodwill is not amortised, but faces annual impairment test.

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price.

Financial assets are derecognised when (i) the contractual right to cashflows from the asset expire or are settled or (ii) substantially all the the risks and rewards of the ownership of the asset have transferred to another party.

Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow Group companies are initially recognised at transaction price.

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

Fixed asset investments held as fixed assets are shown at cost less provision for impairment.

Impairment reviews are performed by the directors when there has been an indication of a potential impairment.

Note 2 - Bank deposits

The item includes restricted cash on the tax account of NOK 3,212,108 as at 31/03/2021 (NOK 2,523,967 at 31/03/2020).

Note 3 - ITEMS

	2020/21	2019/20
Advertising Cost	30,112,447	36,738,346
Travel Cost	256,338	2,119,622
Office Rental	609,631	1,000,039
Other expenses	5,379,339	4,967,779
Total other operating expenses	<u>36,357,754</u>	<u>44,825,786</u>

Note 4 - Salaries, allowances, loans to employees etc.

Compensation of employees	2020/21	2019/20
Salaries	45,130,283	45,575,650
Payroll tax	7,090,334	7,107,211
Pension costs	2,102,847	2,365,812
Other benefits	167,496	187,976
Total	<u>54,490,961</u>	<u>55,236,649</u>

Remuneration to executives:

	General Manager	General Manager
Salaries	1,418,897	2,185,155
Pension expenses	70,644	113,430
Other remuneration	-	-

No board members received any remuneration from other group companies in the year. There were no loans or securities to the general manger, board chairman or other related parties. During the year the general manager received performance related bonuses.

Average number of employees	35	33
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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Long-term incentive program

A performance-related long-term incentive program was approved on May 26, 2005 for the purpose of rewarding and motivating directors, executives and top-performing employees of the Company and its subsidiaries. The long-term incentive program is designed to enable the Company to attract and retain the best available personnel, and encourage and motivate participants to work towards enhancing the value of the Company and its shares by aligning their interests with those of the Shareholders of the Company.

The company also approved a share-based compensation package for non-executive directors.

Under the long-term incentive program, the Company may grant award, at its discretion, using any of the two types of equity-based compensation: (i) share appreciation rights and (ii) restricted share units, which are described below:

(i) A SAR entitles the holder to receive the appreciation in value of the Company's share price rose above a predetermined level.

(ii) An RSU equals to the value of one ordinary share of the Company. Once vested, an RSU is converted to an ordinary share.

For both types of compensation, the company reserves the right, at its discretion, to pay the award in cash or ordinary shares of the Company.

Movement in the number of units of award granted during the year and their related weighted average fair values are as follows:

	Number	
	RSUs Management	SARs Non-Mgmt
Outstanding 1 April, 2019	640,756	515,608
Granted during the year	322,006	290,192
Exercised during the year	(352,016)	(257,803)
Expired / cancelled during the year	-	-
Transferred during the year	26,471	-
Outstanding at 31 March 2020	637,217	547,997
Outstanding 1 April, 2020	637,217	547,997
Granted during the year	480,882	312,483
Exercised during the year	(403,689)	(369,481)
Expired / cancelled during the year	-	-
Transferred during the year	-	-
Outstanding at 31 March 2021	714,410	490,999
Average value per share *		
31-31-20	7.00	1.01
31-31-21	5.14	0.78

Translated to NOK at the exchange rate of HKD 31 March. The remaining vesting periods of the awards under the long-term incentive program as at 31 March 2021, ranged from 0.15 to 2.84 years (2020: 0.15 to 2.89 years)

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

<i>Auditors</i>	2020/21	2019/20
Audit of financial statements	332,371	411,791
Fees for other auditing		
Total audit fees	<u>332,371</u>	<u>411,791</u>

Fees payable - related advice	-	-
Fees for other services	-	-

All amounts are exclusive of VAT.

Note 5 - Pension costs and obligations

The Company now operates the Defined Contribution Scheme and is obligated to follow the Act on Mandatory Occupational Pensions. The company's pension scheme meets the requirements of this Act.

	2020/21	2019/20
Pension Costs	<u>2,102,847</u>	<u>2,365,812</u>
	<u>2,102,847</u>	<u>2,365,812</u>

32 employees in the pension plan

Note 6 - Property, plant and equipment

Fixtures and fittings, tools, office equipment etc.	2020/21	2019/20
Acquisition cost 01.04	425,337	350,500
Additions	32,673	269,457
Disposals	<u>(40,508)</u>	<u>(22,919)</u>
Cost at 31.03	417,501	597,038
Acc. depreciation 31.03	<u>(138,975)</u>	<u>(171,701)</u>
Book value 31.03	<u>278,526</u>	<u>425,337</u>
Depreciation for the year	173,742	216,164
Depreciation on disposals		(22,232)
Estimated useful lives	1-5 Years	1-5 Years
Depreciation	Linear	Linear
ROU Assets	2,035,457	2,613,991
ROU Depreciation	<u>(1,221,274)</u>	<u>(435,665)</u>
	<u>814,183</u>	<u>2,178,326</u>

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 6 - Property, plant and equipment(continued)

Right-of-use-assets	2020/21	2019/20
Office	814,183	2,178,326
Cars		
Total accumulated historical cost 31.3	814,183	2,178,326

Additions to right-of-use assets during FY21 were 0 NOK (2019: 0 NOK)

Lease liabilities	2020/21	2019/20
Current	825,570.05	1,306,843.00
Non-current	-	662,326.00
Booked value	825,570.05	1,969,269.00

Short term lease-liabilities amounts to 825,570.05 MNOK.

Amounts recognised in the statement of profit or loss	2020/21	2019/20
Depreciation expense of right of use	88,277.00	1,132,997.08
Interest expense	41,392.16	28,363.97
Total amount recognised in Income statement	129,669.16	1,161,361.05

The Company had total cash outflows for leases of 1,274,072.75 NOK in 2021.

Main lease agreements:

Type of leased asset	Yearly rent	Duration of agreement
Office rent Oslo	20 Months	2021-11-30
Car rental	-	0

Note 7- Accounts Receivables

	2020/21	2019/20
Accounts receivables	115,501,272	78,330,862
Provision for bad debt	10,912	141,159
Total accounts receivables	115,490,360	78,189,704

Qualitative information:

All receivables at 31 March 2021 are due within one year, except when otherwise stated,NOK 10K bad debts have been provisioned. The fair

Note 8 - Intangible assets

Recognised goodwill relates entirely to the company's acquisition of the business of Think Product Sales BV Norway Branch.

Goodwill	2020/21	2019/20
Acquisition cost 01.04	8,755,593	8,755,593
Book value 31.03	8,755,593	8,755,593

Goodwill has been evaluated for impairment annually,no impairment losses on goodwill recognized this year.

Customer Relationship	2020/21	2019/20
Acquisition cost 01.04	25,198,810	25,198,810
Additions	-	-
Disposals	(20,159,048)	(20,159,048)
Cost at 31.03	5,039,762	5,039,762
Acc. depreciation 31.03	(5,039,762)	(5,039,762)
Book value 31.03	0	0
Depreciation for the year	-	-
Depreciation on disposals	-	-

Estimated useful lives	10 Years	10 Years
Depreciation	Straight Line	Straight Line

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 9 - Balances Between companies within the same corporate group M.W.

Receivables from group companies	2020-21	2019/20
Group companies	311,698,728	411,646,442
Lenovo PC Hong Kong Limited	276,340,640	379,421,173
Lenovo Group Limited	3,913,568	-
Lenovo Technology BV - Finland Branch	179	1,466
Lenovo (Danmark) Aps	3,507,825	3,695,579
Lenovo (Sweden) AB	4,124,824	7,489,835
Lenovo International Cooperatief UA	3,078,809	103,876
Lenovo Global Technology Norway AS	20,732,882	20,934,512
Current Liabilities	2020-21	2019-20
Group companies	(325,838,506)	(434,075,618)
Lenovo Global Technology Norway AS	(20,657,831)	(62,232,514)
Lenovo PC Hong Kong Limited	(152,270,763)	(130,187,903)
Lenovo Technology BV (Netherlands)	(109,368,928)	(76,285,357)
Lenovo Service BV	(35,184,541)	(149,775,491)
Lenovo (Danmark) Aps	-	-
Lenovo Sweden AB	-	-
Lenovo Group Limited	(8,307,271)	-
Lenovo International Cooperatief UA	-	(14,662,117)
Motorola Mobility LLC	(16,816)	(932,236)
Lenovo (France) SAS	(32,356)	-

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 10 - Gains / losses

	2020/21	2019/20
Exchange rate gain		
Exchange Rate loss	(62,865,178)	34,329,880
Other financial expenses	2,280,703	10,960,527

Foreign exchange gains/losses are recorded as other financial income/expense to the financial statements.

Note 11 - Tax

The tax charge for the year:

	2020/21	2019/20
Current tax on profit for the year	4,558,296	5,131,439
(Over)/Under provision of tax L.Y	343,103	
Change in deferred taxes	(226,512)	24,938
Change in deferred taxes as a result of changed tax rate		-
Total tax on profit on ordinary activities	<u>4,674,887</u>	<u>5,156,377</u>

Reconciliation of tax charge and profit before tax:

	2020/21	2019/20
Income tax expense	4,674,887	5,156,377
22% of profit before tax	(4,327,400)	(5,113,863)
Effect of tax rate changes	-	-
Difference due to permanent differences	<u>347,487</u>	<u>42,514</u>

Income tax in the tax charge is calculated as follows:

	2020/21	2019/20
Profit before tax	19,670,002	23,244,833
Permanent differences	20,201	193,245
Change in temporary differences, plant and equipment	(50,491)	(135,246)
Change in temporary differences, accounts receivable	(130,247)	(180,238)
Change in temporary differences, ROU	220,444	(209,057)
Change in temporary differences, others	989,619	411,187
Unused tax losses		
Taxable income	<u>20,719,527</u>	<u>23,324,724</u>

Tax, 22%, representing the total tax payable for the year	4,558,296	5,131,439
(Over)/Under provision of tax L.Y	343,103	
Change in Deferred Tax	(226,512)	24,938
Prior Year adjustment		
Tax expense	<u>4,674,887</u>	<u>5,156,377</u>

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 11 - Tax (continued)

Tax payable in the balance sheet as follows:

	2020/21	2019/20
Current tax on profit for the year	4,558,296	5,131,439
Accrued last year, not yet paid	3,071,133	1,495,850
Total	<u>7,629,429</u>	<u>6,627,289</u>

Specification of basis for deferred tax

Differences offset:	2020/21	2019/20
Fixed assets	8,376,290	8,325,800
Current assets	(10,912)	(141,159)
Loss carried forward		
Provisions	<u>(2,978,249)</u>	<u>(2,593,755)</u>
Total	<u>5,387,129</u>	<u>5,590,886</u>

Deferred tax liability	<u>1,003,543</u>	<u>1,229,995</u>
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Note 12 - Other current liabilities

	2020/21	2019/20
Other provisions and accruals	15,598,409	16,030,723
Deferred income	48,253,931	47,389,684
Provision for sales bonus	3,792,431	2,802,813
Provision for vacation pay	5,576,086	5,644,997
Provisions for discounts and rebates	-	-
Total	<u>73,220,857</u>	<u>71,868,216</u>

Note 13 - Long-term leases

No long term leasing agreement

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 14 - Financial instruments

Fair Values

Financial assets are subsequently measured at amortised cost. Due to the short-term nature of the financial assets, their carrying amount is considered to be the same as their fair value.

Financial liabilities are subsequently measured at amortised cost. Due to the short-term nature of the financial liabilities, their carrying amount is considered to be the same as their fair value.

Set out below is a comparison by category of the carrying amounts and fair value of all the financial instruments that are recognised in the financial statements.

	Fair Value		Carrying amount	
	2020/21	2019/20	2020/21	2019/20
Financial assets				
Trade receivables	115,490,360	78,189,704	115,490,360	78,189,704
Other receivables	18,435	14,599,927	18,435	14,599,927
Amounts receivable from group companies (note 9)	311,698,728	411,646,442	311,698,728	411,646,442
	<u>427,207,524</u>	<u>504,436,072</u>	<u>427,207,524</u>	<u>504,436,072</u>
Financial liabilities				
Trade payables	2,694,301	27,142,377	2,694,301	27,142,377
Other payables	24,966,926	24,478,533	24,966,926	24,478,533
Amounts payable to group companies (note 9)	325,838,506	452,164,074	325,838,506	452,164,074
	<u>353,499,733</u>	<u>503,784,984</u>	<u>353,499,733</u>	<u>503,784,984</u>

Credit Risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers and subcontractors, including outstanding receivables and committed transactions. For banks and other financial institutions, the Group controls its credit risk through monitoring their credit rating and setting approved counterparty credit limits that are regularly reviewed. The company has no significant concentration of customer credit risk. The company has a credit policy in place and exposures to these credit risks are monitored on an ongoing basis.

Currency Risk

The group operates internationally and is exposed to foreign currency risk arising from currency exposures. Foreign currency risk arises from future commercial transactions, recognized assets and liabilities. Management has set up a policy to require group companies to manage their foreign currency risk against their functional currency.

Interest Risk

The company's interest rate risk mainly arises from short-term and long-term borrowings from group. The Group aims to maximise its returns on surplus cash, beyond that required for operational cash-flow, by investing these funds on short-term deposits at the most favourable rates available. Where operational cash-flow needs require the company to borrow funds, these funds are sourced from Lenovo group companies at fixed rates for the minimum period required.

Note 15 - Revenues

The Company operates in a single business segment. The geographical composition of net turnover is segregated in the following tables.

	2020/21	2019/20
Norway	720,548,471	907,433,827
Other EU countries	-	-
Other	-	-
	<u>720,548,471</u>	<u>907,433,827</u>
The revenues can be divided into the next categories:		
Hardware	<u>720,548,471</u>	<u>907,433,827</u>

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Lenovo Technology B.V. Norway Branch

Notes to the financial statements 2020/21

Note 16 - Related party transactions

During the year the Group entered into transactions, in the ordinary course of business, with related parties. These related parties consist of the Group's ultimate parent company, as at the balance sheet date, Lenovo and entities under common control of the Group's ultimate parent company as at the balance sheet date. Transactions which have been entered into, and balances outstanding at 31 March 2021 with other related parties, are disclosed in Note 9.

Remuneration to executives is disclosed in note 4.

Related-party transactions:

	2020/21	2019/20
a) Sales of goods and services		
Sales of goods:		
-Associated companies	2,396,447	2,819,577
Lenovo PC Hong Kong Limited	2,354,998	2,619,953
Lenovo Technology BV - Finland Branch	-	-
Lenovo (Danmark) Aps	-	-
Lenovo (Sweden) AB	-	-
Lenovo International Cooperatief UA	-	105,015
Lenovo Global Technology Norway AS	41,448	94,609
Sales of services:		
-Parent Company	-	-
-Close family members of controlling party	-	-
b) Purchases of goods and services		
Purchases of goods:		
-Associated Companies	553,453,739	768,871,505
Lenovo PC HK Limited	504,231,094	715,783,798
Lenovo (International) B.V. (Netherlands)	-	-
Lenovo Services BV	48,524,647	51,803,250
Lenovo (Danmark) Aps	-	-
Lenovo Group Ltd.	-	-
Motorola Mobility LLC	697,998	1,179,441
Lenovo Global Technology Norway AS	-	105,015
Purchases of services:		
-Entity controlled by key management personnel		
-Parent company (management services)		

Note 17 - Equity

	2020/21	2019/20
Retained Earnings		
01.04	94,373,814	76,285,358
Profit for the Year	14,995,115	18,088,456
31-3]]	<u>109,368,928</u>	<u>94,373,814</u>

Lenovo Technology B.V Norway is a branch of Lenovo Technology BV, and in this model no equity is held in Norway, alternatively it is moved to LTBV via Intercompany Payables.

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Lenovo Technology B.V. Norway Branch

Cash Flow Statement	2020/21	2019/20
Cash flows from operating activities		
Profit before tax	19,670,002	23,244,833
Other non cash transactions	-	-
Depreciation	842,689	1,326,930
Change in inventories	-	-
Change in trade receivables	(22,719,166)	6,077,103
Change in accounts payable	(16,739,753)	13,808,996
Changes in Customer Relationship	-	-
Change in consolidated companies	(46,047,856)	30,646,098
Net cash flow from operating activities	(64,994,084)	75,103,960
Cash flow from investing activities		
Proceeds from sale of fixed assets	-	-
Purchase of fixed assets	(26,932)	(3,580,093)
Purchase of goodwill	-	-
Net cash flow from investing activities	(26,932)	(3,580,093)
Cash flow from financing activities		
Proceeds from issuance of short-term debt	-	-
Term Payment of ROU	(1,274,073)	(924,134)
Net cash flow from financing activities	(1,274,073)	(924,134)
Net change in cash and cash equivalents	(66,295,089)	71,523,867
Cash at beginning of period	78,097,552	6,573,685
Cash at end of period	11,802,463	78,097,552
Specification of cash equivalents at end of period		
Bank deposits and cash	11,802,463	78,097,552

The item includes restricted cash on the tax account of NOK 3,212,108 as at 31/03/2021 (NOK 2,523,967 as at 31/03/2020).

WSff



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 04.12.2013	Vår dato 13.12.2013
Telefon 22078139	Deres referanse Julie Smith	Vår referanse 2013/926029

Lenovo Technology B.V. Norway Branch NUF
Rosenholmveien 25
1414 TROLLÅSEN

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for
Lenovo Technology B.V. Norway Branch NUF, org. nr. 988 109 436**

Det vises til deres brev 4. desember 2013 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Lenovo Technology B.V. Norway Branch NUF.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Lenovo Technology B.V. Norway Branch NUF dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

Lenovo Technology B.V. Norway Branch NUF er en filial av Lenovo Technology B.V. som er hjemmehørende i Nederland. Det endelige morselskapet for den norske filialen er Lenovo Group Limited, notert på Hong-Kong børsen. Filialens virksomhet er engroshandel med datamaskiner, tilleggsutstyr til datamaskiner samt programvare. Filialen har utelukkende bedriftskunder. Arbeidsspråket er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

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

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap 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 "informativ 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 kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er en filial av et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet utelukkende har bedriftskunder som behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

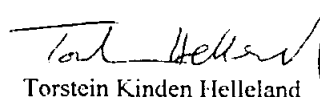


Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet



Torstein Kinden Helleland