



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 916 243 103
Organisasjonsform: Aksjeselskap
Foretaksnavn: IMPERIAL BRANDS NORWAY AS
Forretningsadresse: Ryensvingen 2-4
0680 OSLO

Regnskapsår

Årsregnskapets periode: 01.10.2021 - 30.09.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Andre Bernhard Olsen
Dato for fastsettelse av årsregnskapet: 28.12.2022

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 18.06.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue		1 435 908 275	1 625 732 932
Sum inntekter	1, 2	1 435 908 275	1 625 732 932
Kostnader			
Cost of stocks		1 013 434 325	1 144 192 951
Employee benefits expense	3	68 214 482	49 096 115
Depreciation and amortisation expenses	4, 5	2 288 937	2 329 173
Other expenses	3, 5	52 057 648	47 474 647
Sum kostnader		1 135 995 392	1 243 092 886
Driftsresultat		299 912 883	382 640 046
Finansinntekter og finanskostnader			
Other financial income	6	19 505 337	13 903 916
Sum finansinntekter		19 505 337	13 903 916
Other financial expenses	6	3 617 196	1 430 840
Sum finanskostnader		3 617 196	1 430 840
Netto finans		15 888 141	12 473 076
Ordinært resultat før skattekostnad		315 801 025	395 113 122
Income tax expense	7	69 595 043	86 903 461
Ordinært resultat etter skattekostnad		246 205 982	308 209 661
Årsresultat		246 205 982	308 209 661
Årsresultat etter minoritetsinteresser		246 205 982	308 209 661
Totalresultat		246 205 982	308 209 661
Overføringer og disponeringer			
Ordinært utbytte	8	246 000 000	308 000 000
Other equity	8	205 982	209 661



Resultatregnskap

Beløp i: NOK	Note	2022	2021
Sum overføringer og disponeringer		246 205 982	308 209 661



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Software	4		
Trademarks	4	10 699 127	12 769 918
Utsatt skattefordel	7	8 944 904	9 821 756
Sum immaterielle eiendeler		19 644 030	22 591 674
Varige driftsmidler			
Equipment and other movables		754 939	328 316
Sum varige driftsmidler	5	754 939	328 316
Finansielle anleggsmidler			
Lån til foretak i samme konsern	11		
Other long-term receivables	10		
Sum anleggsmidler		20 398 969	22 919 989
Omløpsmidler			
Varer			
Sum varer	9	42 717 889	47 170 923
Fordringer			
Accounts receivables	10	3 744 371	47 160 958
Other receivables		64 086	
Konsernfordringer	11		93 541
Sum fordringer	10, 11	3 808 457	47 254 499
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	12	745 193 010	821 118 500
Sum bankinnskudd, kontanter og lignende		745 193 010	821 118 500
Sum omløpsmidler		791 719 356	915 543 922
SUM EIENDELER		812 118 324	938 463 911



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	8, 13	3 050 000	3 050 000
Beholdning av egne aksjer	13		
Sum innskutt egenkapital		3 050 000	3 050 000
Opptjent egenkapital			
Other equity		2 829 490	2 623 508
Sum opptjent egenkapital		2 829 490	2 623 508
Sum egenkapital		5 879 490	5 673 508
Gjeld			
Langsiktig gjeld			
Utsatt skatt	7		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10, 11		
Other non-current liabilities	10, 11		
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld	11	133 638 328	133 129 817
Tax payable	7	68 653 141	88 857 632
Public duties payable		295 282 224	352 175 768
Utbytte	11	246 000 000	308 000 000
Kortsiktig konserngjeld	11	12 526 611	
Other current liabilities		50 138 531	50 627 186
Sum kortsiktig gjeld		806 238 835	932 790 403
Sum gjeld		806 238 835	932 790 403
SUM EGENKAPITAL OG GJELD		812 118 324	938 463 911



Annual report

2021/2022

Imperial Brands Norway AS

Org.nr. 916 243 103



Imperial Brands Norway AS

Income statement 01.10 - 30.09

Operating income and operating expenses	Note	2022	2021
Revenue		1 435 908 275	1 625 732 932
Total income	1, 2	<u>1 435 908 275</u>	<u>1 625 732 932</u>
Cost of stocks		1 013 434 325	1 144 192 951
Employee benefits expense	3	68 214 482	49 096 115
Depreciation and amortisation expenses	4, 5	2 288 937	2 329 173
Other expenses	3, 5	52 057 648	47 474 647
Total expenses		<u>1 135 995 392</u>	<u>1 243 092 886</u>
Operating profit		<u>299 912 883</u>	<u>382 640 046</u>
Financial income and expenses			
Other financial income	6	19 505 337	13 903 916
Other financial expenses	6	3 617 196	1 430 840
Net financial items		<u>15 888 141</u>	<u>12 473 076</u>
Net profit before tax		<u>315 801 025</u>	<u>395 113 122</u>
Income tax expense	7	69 595 043	86 903 461
Net profit or loss		<u>246 205 982</u>	<u>308 209 661</u>
Attributable to			
Ordinary dividend	8	246 000 000	308 000 000
Other equity	8	205 982	209 661
Total		<u>246 205 982</u>	<u>308 209 661</u>



Imperial Brands Norway AS

Balance sheet as of 30.09

Assets	Note	2022	2021
Non-current assets			
Intangible assets			
Software	4	0	0
Trademarks	4	10 699 127	12 769 918
Deferred tax assets	7	8 944 904	9 821 756
Total intangible assets		19 644 030	22 591 674
Property, plant and equipment			
Equipment and other movables		754 939	328 316
Total property, plant and equipment	5	754 939	328 316
Total non-current assets		20 398 969	22 919 989
Current assets			
Inventories	9	42 717 889	47 170 923
Debtors			
Accounts receivables	10	3 744 371	47 160 958
Other receivables		64 086	0
Receivables from group companies	11	0	93 541
Total receivables	10, 11	3 808 457	47 254 499
Cash and cash equivalents	12	745 193 010	821 118 500
Total current assets		791 719 356	915 543 922
Total assets		812 118 324	938 463 911



Imperial Brands Norway AS

Balance sheet as of 30.09

Equity and liabilities	Note	2022	2021
Equity			
Paid-in capital			
Share capital	8, 13	3 050 000	3 050 000
Total paid-up equity		3 050 000	3 050 000
Retained earnings			
Other equity		2 829 490	2 623 508
Total retained earnings		2 829 490	2 623 508
Total equity		5 879 490	5 673 508
Liabilities			
Current liabilities			
Trade payables	11	133 638 328	133 129 817
Tax payable	7	68 653 141	88 857 632
Public duties payable		295 282 224	352 175 768
Dividends	11	246 000 000	308 000 000
Liabilities to group companies	11	12 526 611	0
Other current liabilities		50 138 531	50 627 186
Total current liabilities		806 238 835	932 790 403
Total liabilities		806 238 835	932 790 403
Total equity and liabilities		812 118 324	938 463 911

Oslo, 28.12.2022

The board of Imperial Brands Norway AS

David O'Neill

David O'Neill (Jan 10, 2023 13:49 GMT+1)

David John O'Neill

Chairman of the board/General Manager

André B. Olsen

André B. Olsen (Jan 10, 2023 12:26 GMT+1)

André Bernhard Olsen

Member of the board

Terje Bjørnsen

Terje Bjørnsen (Jan 10, 2023 12:39 GMT+1)

Terje Anton Bjørnsen

Member of the board



Imperial Brands Norway AS

Indirect cash flow

	Note	2022	2021
Cash flows from operating activities			
Profit/loss before tax		315 801 025	395 113 122
Taxation paid	7	88 922 682	62 090 160
Ordinary depreciation	4, 5	2 288 937	2 329 173
Change in inventory	9	4 453 035	-21 838 688
Change in accounts receivable	10	43 416 587	-9 536 504
Change in accounts payable		508 511	-18 415 344
Change in other accrual items		-44 826 134	81 417 318
Net cash flows from operating activities		232 719 278	366 978 918
Cash flows from investment activities			
Payments to buy tangible assets	4, 5	644 768	0
Net cash flows from investment activities		-644 768	0
Cash flows from financing activities			
Payment of dividend		308 000 000	215 000 000
Net cash flows from financing activities		-308 000 000	-215 000 000
Net change in cash and cash equivalents		-75 925 490	151 978 918
Cash and cash equivalents at the start of the period		821 118 500	669 139 581
Cash and cash equivalents at the end of the period		745 193 010	821 118 500



Accounting principles

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Foreign currency

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under other financial items.

Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product. Delivery is not completed until the products have been sent to the agreed place, and risks relating to loss and obsolescence have been transferred to the customer. Historical data is applied to estimate and recognise provisions for quantity rebates and returns at the sales date. Services are posted as income as they are delivered.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net. Deferred tax is reflected at nominal value.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.



Purchase costs

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets and intangible assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

Intangible assets

Expenses for other intangible assets are reflected in the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be reliably measured. Otherwise such expenses are expensed as and when incurred. Intangible assets in the balance sheet are depreciated on a straight-line basis over the asset's expected useful life.

Fixed assets

Fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

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

Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and value in use (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the value in use.

Previous impairment charges are reversed in later periods if the conditions causing the write-down are no longer present.

Inventories

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. Write-downs are carried out for foreseeable obsolescence.

Receivables

Trade receivables are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other receivables, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade receivables.



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Pensions

The company has a service pension arrangement at Storebrand. The company pays 2% of gross income in pension for employees that fulfills the demands for participation in the pension arrangement. The pension premiums for the scheme is expensed when it incurs.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Note 1 Sales of goods

By business area	2022	2021
Sales revenue	1 435 908 275	1 625 732 932
License revenue	0	0
Total	1 435 908 275	1 625 732 932

Geographical distribution	2022	2021
Norway	1 435 908 275	1 625 732 932
Total	1 435 908 275	1 625 732 932

Note 2 Related party transactions

	2022	2021
Sales of services (marketing)	84 169 375	38 162 463
Purchase of goods and services	0	0
License fee income	0	0
Other services	0	0
Interest income - short term placement	9 213 549	5 699 998
Interest expense	0	0
Other financial expenses (factoring)	-3 306 086	-1 422 221
Foreign currency gain/loss	10 509 147	7 950 983

The company has signed an agreement with the sister company Imperial Tobacco Germany Finance GmbH on the sale of accounts receivables (factoring). The agreement is limited to MEUR 25 and lasts until the contract is terminated by either party. The value of the receivables is adjusted at the time of sale to reflect the significant risks and rights related to the receivables transferred. Costs related to the agreement are classified as financial expenses. Total MNOK 235 of its outstanding receivables at 30 September 2022 was sold to Imperial Tobacco Finance Germany GmbH.

The facility runs until terminated or modified by the parties and accumulates interest at ECB +1%. Loans and deposits due when the tender terminates the facility or the parties agree on such. In addition, the company has an agreement with Imperial Tobacco Finance PLC that provides the opportunity to draw up MNOK 1.000 with Norges Bank's interest "base rate" +0.75%. Imperial Tobacco Norway AS has during the fiscal year 2022 earned interest income equivalent to MNOK 9,2 related to investment under this facility.



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Note 3 Wage costs, pensions, number of employees, remuneration, loans to employees and auditor's fee

Wage costs	2022	2021
Salaries	41 457 131	34 741 372
Social security costs	6 263 457	5 962 480
Pension costs	3 083 446	2 732 883
Other payments	17 410 447	5 659 379
Total	68 214 482	49 096 115

The average number of employees during the year 47 46

Pensions:

All employees are part of a group pension scheme according to "Lov om obligatorisk tjenestepensjon". The arrangements related to the group pension scheme are covered through Storebrand. The pension contribution is charged as an expense through the fiscal year.

General manager has a bonus agreement. No remuneration was paid out to the General Manager or the Board members as a part of the BoD during the fiscal year 2022.

Auditor's fee	2022	2021
Statutory audit fee	330 000	299 532
Other assurance services	0	0
Tax advisory fee (incl. technical assistance with tax return)	0	0
Other assistance (incl. technical assistance with financial statements)	0	0
Total audit fees	330 000	299 532



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Note 4 Intangible assets

	Trademark	Software	Total
Acquisition cost 01.10.2021	41 415 833	4 872 241	46 288 074
Additions	0	0	0
Acquisition cost 30.09.2022	41 415 833	4 872 241	46 288 074
Acc. depreciation 01.10.2021	28 645 915	4 872 241	33 518 156
Depreciation for the year	2 070 792	0	2 070 792
Acc. depreciation 30.09.2022	30 716 707	4 872 241	35 588 947
Net carrying amount at 30.09.2022	10 699 126	0	10 699 126
Depreciation for the year	2 070 792	0	2 070 792
Useful economic life	20 years	3 - 5 years	
Amortization plan	Linear	Linear	

Trademarks consist of tradebrands acquired from Asbjørnsens Tobakk.

Note 5 Fixed assets

	Leasehold improvements	EDP	Fixtures and fittings	Total
Acquisition cost 01.10.2021	3 624 426	796 484	3 174 925	7 595 835
Additions	0	249 248	395 520	644 768
Acquisition cost 30.09.2022	3 624 426	1 045 732	3 570 445	8 240 603
Acc. depreciation 01.10.2021	3 582 432	777 140	2 907 948	7 267 520
Depreciation for the year	5 662	21 432	191 051	218 145
Acc. depreciation 30.09.2022	3 588 094	798 572	3 098 999	7 485 665
Net carrying amount at 30.09.2022	36 332	247 161	471 446	754 939
Depreciation for the year	5 662	21 432	191 051	218 145
Useful economic life	10 years	3 years	3 - 5 years	
Amortization plan	Linear	Linear	Linear	
Annual rental			Rental period	Annual rent
Buildings			5 years	6 591 904
Machines and equipment			3 years	114 867



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Note 6 Specification of other financial income and other financial expenses

Other financial income	2022	2021
Interest income from companies in the same group	9 213 549	5 699 998
Other interest income	4 086	264
Agio	10 287 702	8 203 655
Total other financial income	19 505 337	13 903 916

Other financial expenses	2022	2021
Other interest costs	0	8 619
Disagio	311 110	0
Other financial expenses	3 306 086	1 422 221
Total other financial expenses	3 617 196	1 430 840



Imperial Brands Norway AS

Notes to the accounts for 2021/2022

Note 7 Income taxes

Income tax expenses	2022	2021	
Tax payable on ordinary result:			
Tax payable	68 718 191	88 857 632	
Changes in deferred tax assets	876 852	-1 954 171	
Total income tax expense	69 595 043	86 903 461	
Tax base estimation:			
Ordinary result before tax	315 801 025	395 113 122	
Permanent differences	244 394	-97 385	
Changes in temporary differences	-3 985 687	8 882 592	
Tax base for the period	312 059 732	403 898 329	
Tax payable as according to the balance sheet:			
Tax payable on ordinary result (22 %)	68 653 141	88 857 632	
Not overdue taxes payable from previous years	0	0	
Tax payable as according to the balance sheet	68 653 141	88 857 632	
Effective tax rate:			
Ordinary result before tax	315 801 025	395 113 122	
Expected income taxes on ordinary result before tax	69 476 225	86 924 887	
Tax effect of permanent differences	53 767	-21 425	
Residual tax 2021	65 050	0	
Total	69 595 042	86 903 461	
Effective tax rate	22,0 %	22,0 %	
Temporary differences outlined	2022	2021	Endring
Fixed assets	-32 124 958	-30 526 801	1 598 157
Inventory	-3 134 252	-1 718 096	1 416 156
Accruals	-1 399 443	-1 399 443	0
Andre forskjeller	-4 000 000	-11 000 000	-7 000 000
Total	-40 658 653	-44 644 340	-3 985 687
Deferred tax assets (22 %)	-8 944 904	-9 821 755	-876 851

Note 8 Equity

	Share capital	Other equity	Total equity
Equity 01.10.2021	3 050 000	2 623 508	5 673 508
Profit for the year	0	246 205 982	246 205 982
Dividend	0	-246 000 000	-246 000 000
Equity 30.09.2022	3 050 000	2 829 490	5 879 490

Imperial Brands Norway AS

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Notes to the accounts for 2021/2022

Note 9 Inventory

	2022	2021
Inventory	45 852 141	48 889 019
Provision for obsolete stock	-3 134 252	-1 718 096
Total	42 717 889	47 170 923

Note 10 Receivables and liabilities

	2022	2021
Account receivables at nominal value	3 744 371	47 160 958
Bad debts provision	0	0
Account receivables in the balance sheet	3 744 371	47 160 958

2022 2021

Receivables with a maturity later than one year:

The company has no receivables with a maturity later than one year.

Long-term debt with a maturity later than 5 years:

The company has no debt with a maturity later than 5 years.

Note 11 Intercompany balances

	2022	2021
Receivables		
Trade receivables	0	0
Other receivables	0	93 541
Total	0	93 541
Payables		
Trade creditors	89 797 358	88 909 131
Dividends	246 000 000	308 000 000
Other payables	12 526 611	0
Total	348 323 968	396 909 131

Imperial Brands Norway AS

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Notes to the accounts for 2021/2022

Note 12 Bank deposit

	2022	2021
Restricted bank deposit (withheld employee taxes)	1 075 324	1 027 485

Note 13 Share capital, shareholders etc.

The share capital in Imperial Brands Norway AS as at 30.09 consists of:

	Number	Par value	Posted
Ordinary shares	610	5 000	3 050 000
Total	610	5 000	3 050 000

All shares are owned by Millennium Tobacco Ltd.
The parent company Millennium Tobacco Ltd, a company owned by Imperial Brands Plc has its registered office at 21 Beckett Way, Park West, Nangor Road, Dublin 12, Ireland, where the consolidated financial statements which include the company can be obtained.



Annual Report 2022

Imperial Brands Norway AS

Operations

Imperial Brands Norway AS (IBN) office located at Ryensvingen 2-4, 0680 Oslo, Norway. IBN is Norwegian daughter company (100% owned) of Millennium Tobacco Unlimited (Ireland). The ultimate owner is Imperial Brands Plc (LSE: IMB) based in Bristol, United Kingdom.

IBN sells and distributes snus, cigarettes, rolling tobacco, cigarette paper and lighters. The company sells its products to wholesalers, some direct customers, and online stores in the Norwegian market. IBN is responsible for the distribution of the whole Imperial Brands portfolio, and in addition, some products from 3rd party supplier.

FY22 net sales value went down from last year as the of covid-19 is reduced, and travel patterns are getting back to pre-covid. Our net revenue landed on MNOK 1.436 (-12% from last year) with some positive covid-19 effect at the beginning of FY22.

The company has a significant market share for its products. Our total snus the market share declined from 34,0% to 33,6% (MAT Nielsen Vol.). We have launched a new all white snus brand – zone X – in Norway. We had six zone X products launched by the end of the year with more innovation and new exciting flavors coming.

Our cigarettes the market share development went up from 19,8% to 21,0% (MAT Nielsen Vol.) in FY22. Paramount is the dominant value for money cigarette in the Norwegian market with a 96% market share.

IBN is an important supplier in the Norwegian market with approx. 70% market share for lighters, and approx. 80% market share for cigarette paper.

The company managed the covid-19 situation well, and we did not have any issues with our product flow during covid-19. The new ways of working established from Group and locally have been evaluated, and we have kept the best learnings with our employees, customers, and partners in focus.

We have successfully rolled out the new People & Culture initiative from Group – Connections. This is our clear purpose and ambitious vision, along with our new behaviors and our strategy, will help us create a connected, innovative, and inclusive Imperial Brands.

A new Global Business Support structure is in the process of being implemented across the business and is expected to be finalized during FY23. This will lead to changes in ways of working, process and systems.



Outlook

The total markets for snus and value-for-money cigarettes are increasing in Norway. IBN expects to retain a significant position in the Norwegian market going forward. Our aim is to stop the market share decline in snus by being successful in the snus modern segment (all white). This is reflected in our future forecasting and planning. We aim to be in the forefront in innovation, sustainability and ESG awareness.

IBN is working closely with the rest of the Imperial Brands Group on upcoming launches of the next generation of tobacco substitute products such tobacco free snus. Such products can be launched with the implementation of the European Tobacco Products Directive (EUTPDII) in Norway planned for in 2021, but postponed until 2023.

In accordance with the Accounting Act § 3-3, we confirm that our annual accounts are prepared based on continued operations. IBN has a long-term strategy for growth and profit. The company has a solid financial position.

Financial statement

Our financial year goes from 1 October to 30 September.

IBN had an annual turnover of MNOK 1.436 in 2022 vs. MNOK 1.626 in 2021. The annual result after tax was MNOK 246 in 2022 against MNOK 308 the year before. Our decline in sales revenues is due to the reduction of covid-19 effect as travel and shopping patterns goes back to pre-covid.

The net cash flow went from MNOK 367 in 2021 to MNOK 233 in 2022. The decrease is mainly due to changes to inventory, and accounts payable.

The liquidity for the company was per 30 September 2022 MNOK 745, which is a decrease from last year's MNOK 821. IBN has a good financial position to meet short and long-term commitments.

The company assets 2022 were MNOK 812 vs. MNOK 938 last year. The Board of Directors have decided to payout dividend as previous years, in the amount of MNOK 246. The equity ratio is for 2022 is 0,7% against 0,1% for 2021.

The Board of Directors deem that the annual report shows a correct picture of the operations for IBN.

Financial risks

Market risk – Most supplier agreements are in NOK apart from lighters, which is in EUR. IBN does not do any hedging to minimize potential negative currency effects, but the Group's finance department can assist if the risk becomes high. The company does not have the risk of increased interest costs, since IBN does not have and interest-bearing loans.

Credit risk – The credit risk is low, since most customers are solid wholesalers. The company has not had any bad debt losses of significance. IBN has a factoring agreement with its sister company Imperial Brands Finance Germany GmbH, since 2013.



Liquidity risk – The liquidity for IBN is good, and no steps are taken to reduce any potential risk for reduced liquidity.

Insurance risk – The company has a general and product liability insurance covering all activities such as goods, operations, and employees including the Board of Directors.

Work environment

The total sick leave was 7,2% in 2022, which is an increase from 8,9% in 2021. The absence is mainly due to some long-term sick leave relating to a few employees. There have been no incidents or work-related accidents during 2022.

Sustainability

The Imperial Brands Group has a strong focus on sustainability, and it is a corner stone in our business strategy. The strategy focuses on three pillars identified as having the greatest significance to us and our stakeholders: a sustainable tobacco supply, Next Generation Products (NGP) and responsible people and operations.

The three pillars of our strategy, designed to enable growth and create value, define the approach we take to addressing our environmental, social and governance (ESG) responsibilities.

IBN fully aligns itself with the Group's ESG strategy.

Imperial Brands PLC's Environmental, Social and Governance (ESG) strategy can be found on our homepage: <https://www.imperialbrandsplc.com/healthier-futures/our-esg-strategy>

IBN does not pollute the environment more than what is common for the industry. We are looking in to making our packaging/NTMs more environmentally friendly. Steps are taken to introduce fuel-efficient cars for the field force, such as electrical cars to reduce harmful emissions.

Equality

The company has a clear goal to be a workplace that offers equal opportunities for all its employees. IBN had 45 employees at year-end of which 30 were men, and 15 were women. The average salary is almost identical for men and women. Responsibility and workload are the focus, not gender.

Balance sheet

There are no events after the balance sheet date that is relevant to the accounting year 2022.



Distribution of the year-end result

The Board of Directors recommends that the year-end result be paid out as dividend.

Earnings After Tax	NOK 246.205.982
Dividend	NOK 246.000.000
Transferred to other equity	NOK 205.982

Oslo, 28.12.2022

David O'Neill

David O'Neill (Jan 5, 2023 13:03 GMT+1)

David O'Neill
Chairman of the Board/MD

Terje Bjørnsen

Terje Bjørnsen (Dec 5, 2022 09:09 GMT+1)

Terje A. Bjørnsen
Board Member

André B. Olsen

André B. Olsen (Dec 28, 2022 09:02 GMT+1)

André B. Olsen
Board Member



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Statsautoriserte revisorer
Ernst & Young AS

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Foretaksregisteret: NO 976 389 387 MVA
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www.ey.no
Medlemmer av Den norske Revisorforening

UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i Imperial Brands Norway AS

Konklusjon

Vi har revidert årsregnskapet for Imperial Brands Norway AS som består av balanse per 30. september 2022, resultatregnskap, oppstilling over totalresultat, oppstilling over endringer i egenkapital og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening oppfylder årsregnskapet gjeldende lovkrav og gir et rettviseende bilde av selskapets finansielle stilling per 30. september 2022 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjon

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og *International Code of Ethics for Professional Accountants* (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Øvrig informasjon omfatter informasjon i selskapets årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret og daglig leder (ledelsen) er ansvarlig for den øvrige informasjonen. Vår konklusjon om revisjonen av årsregnskapet dekker ikke den øvrige informasjonen, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen med det formål å vurdere om årsberetningen inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav og hvorvidt det foreligger vesentlig inkonsistens mellom den øvrige informasjonen og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon eller ikke inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav, er vi pålagt å rapportere det.

Vi har ingenting å rapportere i så henseende, og vi mener at årsberetningen er konsistent med årsregnskapet og inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for



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årsregnskapet med mindre ledelsen enten har til hensikt å avvike selskapet eller virksomheten, eller ikke har noe annet realistisk alternativ.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll.
- opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimater og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av og tidspunktet for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom revisjonen.

Oslo, 11. januar 2023
ERNST & YOUNG AS

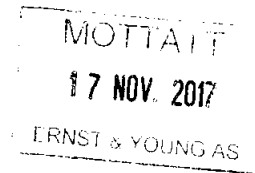
Andreas Lie
statsautorisert revisor



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 09.11.2017	Vår dato 15.11.2017
Telefon 22078139	Deres referanse Henrik Mollerin	Vår referanse 2017/1171521

ERNST & YOUNG AS
Postboks 8015
4066 STAVANGER



Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Imperial Tobacco Norway AS, org.nr. 916 243 103

Vi viser til deres brev av 9. november 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Imperial Tobacco Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Imperial Tobacco Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge 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

Imperial Tobacco Norway AS er eid av et utenlandsk selskap. Selskapet driver virksomhet knyttet til handel, produksjon, eie av fast eiendom. 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

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Sentralbord
800 80 000
Telefaks
22 17 08 60



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 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 vekt på at selskapet er eid av et utenlandsk selskap. Eierkretsen er begrenset. Selskapet opererer i en internasjonal bransje. Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette Munkvold Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer