



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	990 964 076
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ITV STUDIOS NORWAY AS
Forretningsadresse:	Gullhaugveien 1 0484 OSLO

### Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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### Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

### 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:	Bdo AS
Dato for fastsettelse av årsregnskapet:	17.06.2022

### 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, 16.07.2023



### Resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	3, 11	114 163 026	68 698 620
Other income		1 795 631	7 829 663
<b>Sum inntekter</b>		<b>115 958 657</b>	<b>76 528 283</b>
<b>Kostnader</b>			
Raw materials and consumables used	3	98 896 572	71 707 156
Employee benefits expense	9, 12	9 565 116	9 959 477
Depreciation and amortisation expenses	2	3 012 311	3 561 022
Other expenses	2, 12	4 192 401	11 327 167
<b>Sum kostnader</b>		<b>115 666 401</b>	<b>96 554 821</b>
<b>Driftsresultat</b>		<b>292 255</b>	<b>-20 026 538</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		249	
Other financial income		111 003	246 460
<b>Sum finansinntekter</b>		<b>111 252</b>	<b>246 460</b>
Write-down of long-term investments		39 000	
Annen rentekostnad		1 619 920	1 113 324
Other financial expenses		67 761	658 628
<b>Sum finanskostnader</b>		<b>1 726 681</b>	<b>1 771 952</b>
<b>Netto finans</b>		<b>-1 615 429</b>	<b>-1 525 492</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-1 323 174</b>	<b>-21 552 030</b>
Income tax expense	10, 13		
<b>Ordinært resultat etter skattekostnad</b>		<b>-1 323 174</b>	<b>-21 552 030</b>
<b>Årsresultat</b>		<b>-1 323 174</b>	<b>-21 552 030</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-1 323 174</b>	<b>-21 552 030</b>
<b>Totalresultat</b>		<b>-1 323 174</b>	<b>-21 552 030</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Overføringer og disponeringer</b>			
Other equity	7	-1 323 174	-21 552 030
<b>Sum overføringer og disponeringer</b>		<b>-1 323 174</b>	<b>-21 552 030</b>



## Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	13		
<b>Varige driftsmidler</b>			
Equipment and other movables	2	649 860	1 014 894
<b>Sum varige driftsmidler</b>		<b>9 034 245</b>	<b>11 464 145</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap			39 000
<b>Sum finansielle anleggsmidler</b>			<b>39 000</b>
<b>Sum anleggsmidler</b>		<b>9 034 245</b>	<b>11 503 145</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	3	<b>54 859 718</b>	<b>31 670 012</b>
<b>Fordringer</b>			
Accounts receivables	4	20 969 415	21 932 979
Other short-term receivables		317 540	340 360
<b>Sum fordringer</b>		<b>21 286 956</b>	<b>22 273 339</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	6	24 258 198	11 873 917
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>24 258 198</b>	<b>11 873 917</b>
<b>Sum omløpsmidler</b>		<b>100 404 872</b>	<b>65 817 268</b>
<b>SUM EIENDELER</b>		<b>109 439 118</b>	<b>77 320 414</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Innskutt egenkapital</b>			
Share capital	7, 8	100 000	100 000
Annen innskutt egenkapital	7	138 776	138 776
<b>Sum innskutt egenkapital</b>		<b>238 776</b>	<b>238 776</b>
<b>Opptjent egenkapital</b>			
Other equity	7	-35 815 064	-34 491 890
<b>Sum opptjent egenkapital</b>		<b>-35 815 064</b>	<b>-34 491 890</b>
<b>Sum egenkapital</b>		<b>-35 576 288</b>	<b>-34 253 114</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	10, 13		
<b>Annen langsiktig gjeld</b>			
Other non-current liabilities		8 867 980	11 058 324
<b>Sum annen langsiktig gjeld</b>		<b>8 867 980</b>	<b>11 058 324</b>
<b>Sum langsiktig gjeld</b>		<b>8 867 980</b>	<b>11 058 324</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		772 193	4 495 331
Tax payable	10, 13		
Public duties payable	6	8 551 871	5 045 596
Other current liabilities	5	126 823 360	90 974 277
<b>Sum kortsiktig gjeld</b>		<b>136 147 425</b>	<b>100 515 204</b>
<b>Sum gjeld</b>		<b>145 015 405</b>	<b>111 573 528</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>109 439 118</b>	<b>77 320 414</b>



To the General Meeting of ITV Studios Norway AS

## *Independent Auditor's Report*

### *Opinion*

We have audited the financial statements of ITV Studios Norway AS (the Company), which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss, statement of 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 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 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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PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - ITV Studios Norway 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.

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*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 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.

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*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, 17 June 2022  
**PricewaterhouseCoopers AS**

Øystein Sandvik  
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Sandvik, Øystein Blåka	BANKID_MOBILE	2022-06-17 10:37

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



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The seal is a guarantee for the authenticity  
of the document.



**Skattedirektoratet**

Saksbehandler Rune Tystad	Deres dato 06.12.2017	Vår dato 12.12.2017
Telefon 97759464	Deres referanse Kristoffer Vassdal	Vår referanse 2017/1258588

PRICEWATERHOUSECOOPERS AS  
Postboks 3984  
5835 BERGEN

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for  
ITV Studios Norway AS, org.nr. 990 964 076**

— Vi viser til deres brev av 6. desember 2017 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for ITV Studios Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering ITV Studios 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**

ITV Studios Norway AS driver virksomhet innen film- og TV-produksjon, samt annen tilhørende medieproduksjon. Selskapet er et heleid datterselskap av det svenske selskapet ITV Studios Nordic AB. ITV Studios Nordic AB er igjen eid av et britisk morselskap. Av selskapets fire styremedlemmer er to, herunder styreleder, britiske statsborgere. Selskapets virksomhet (TV-produksjon mv.) er rettet mot det internasjonale markedet og en stor del av selskapets kunder og leverandører er utenlandske.

**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*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post:  
[skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*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 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 eid av et utenlandsk selskap og at det ultimate morselskapet er britisk. Eierkretsen er derfor begrenset. Videre er det vektlagt at selskapets virksomhet er rettet mot det internasjonale markedet og at to av selskapets fire styremedlemmer er britiske statsborgere.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



# ITV Studios Norway AS

Financial Statements

2021



## Directors annual report 2021 for ITV Studios Norway AS

### **The type and location of the business**

ITV Studios Norway AS is a company whose business consists of TV production. The company has offices in Oslo and Bergen municipality.

### **Going concern**

In accordance with § 3-3a of the Accounting Act it is confirmed that the going concern assumption is satisfied and this assumption has been applied in the preparation of the accounts. The book equity of the company is negative as per 31 December 2021, but the owners of the company will ensure sufficient funding to the Company in order for the Company to meet its liabilities as they fall due and to support continued operations for the Company for the next 12 months. The Company has implemented measures to improve the situation by cutting fixed costs. Among other things, the Company has reduced full-time equivalent employees from 17 to 10.

### **Report on the annual accounts**

After a couple of years with large deficits, the company is now in process of turning the business around. In 2021, ITV Studios Norway AS has a loss of NOK -1 323 174. Despite high fixed costs, the company has cut fixed costs which are expected to have an effect in 2022. In 2021, fixed costs were still too high compared to revenue. This is due to severance pay and increase in cost to production in relation to delays, facilitation and infection control during COVID-19. Despite high fixed costs the company considers that there are no impairment indicators. The company has a negative equity of NOK 35 576 289 as per 31 December 2021.

The liquidity situation as per 31 December 2021 shows a bank and cash equivalent of NOK 24 257 523,26 which the company finds satisfactory. The company has an internal loan of NOK 76.400.000 at 31 December 2020, the maximum loan limit is NOK 127.000.000.

In 2020, the COVID-19 became a global crisis. ITV Studios Norway AS has because of the COVID-19 experienced extensive operational impact the last two years, which resulted in delays and order stop on major productions. Although COVID-19 is still ongoing the customers started ordering new productions in 2021 and ITV Studios Norway AS found a way to produce programs safely despite the situation we were in. Increase in cost to production in relation to delays, facilitation and infection control has had some negative impact on the financial results for the company in 2021, but ITV Studios Norway AS has a strong focus on maintaining sufficient financial capacity to responsibly mitigate the situation and will, if required receive financial support from the Group to ensure continuing operations. The board is not aware of any matters that are important for an assessment of the company's position and result that are not set out in the annual accounts. Similarly no matters have occurred after the end of the financial year that in the opinion of the board are material to an assessment of the accounts.

### **Future development**

The market is about to change as digital players such as Amazon, HBO and Disney are in the process of ordering non-scripted series in Norway. The company has expanding productions and agile staff that combined

### **Financial risk**

The company's overall objective and strategy are followed and according to plan. The strong market position reduces the risk, but an ever-changing media industry will always be a risk for the production companies.

#### *Currency risk*

The company is exposed to currency risk as some revenue and purchases are in foreign currency.

#### *Credit risk*

The company is exposed to credit risk through its trade receivables. Most of the company's customers are large corporations and risk is considered to be limited. The finance structure of the projects, where prepayments are made from customers in accordance with contracts, create a fairly low credit and cash flow risk for the company. Management regularly monitors the ageing of the receivables.

With respect to credit risk arising from other financial assets of the company, which comprise cash and cash equivalents, and other receivables, the company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. This risk is not considered to be material.



## Liquidity risk

The company's overall objective and strategy are followed and according to plan. The strong market position reduces the risk, but the continuous shift in media is always a risk for production companies. The company has no external borrowings, and are purely financed through equity and loans from mother company (owner) from which the company had to loan NOK 54.500.000 from 2020/2021 with a maximum limit of NOK 75.000.000. In 2021, the company also took out a separate project loan of NOK 21.900.000, with a maximum limit of NOK 52.000.000 which is settled when the project is delivered to the respective broadcaster, estimated Q1 2023

## Working environment, equal opportunity and discrimination

The board considers that the working environment in the company is good. No special measures have been implemented in this connection. The employees of the business have not suffered accidents or injury in connection with their work. Total sick leave over the last year has been 409 days, which amounts to 2,6% of total working time in the accounting year.

ITV Studios Norway AS has a goal to be a workplace where there is full equality of opportunity between men and women, and has established a personnel policy that is considered to be gender neutral in all areas. Over the year the company had 275 employees in total, 45,5% women and 54,2% men. The company's board consists of 4 persons, 2 women and 2 men.

## Environment reporting

The company does not carry on activity that pollutes the external environment.

## Research and development activities

ITV Studios Norway AS has not had research and development activities in 2021 except for planning and development of new concepts and series within the organization.


## Annual result and allocations

The financial statements for the year ending 31 December 2021, are the third the Company has prepared in accordance with simplified IFRS. For periods up to and including the year ended 31 December 2018, the Company prepared its financial statements in accordance with Norwegian generally accepted accounting principles (NGAAP).


In 2021 the company had a negative result of after tax of NOK 1 323 174 which is proposed to be allocated as follows:


Disposition	Amount
Allocation to (from) other equity	-1 323 174

Oslo, 17 June  
The board of ITV Studios  
Norway AS

  
Duncan T. R. Walker  
Chairman

  
Lisa Perrin  
Board member

  
Vibecke Lyse  
Board member

  
Lars Finland  
Board member  
CEO



## ITV Studios Norway AS

### Statement of Profit or Loss

NOK	Note	2021	2020
Revenue from contracts with customers	9	115 201 471	73 968 620
Other income	9	757 186	2 559 663
<b>Total operating income</b>		<b>115 958 657</b>	<b>76 528 283</b>
Cost of materials	12, 10	(98 896 572)	(71 707 156)
Personnel expenses	7,10	(9 565 116)	(9 959 477)
Depreciation, amortisation and impairment loss	2	(3 012 311)	(3 561 022)
Other operating expenses	10, 11	(4 192 401)	(11 327 167)
<b>Operating profit (EBIT)</b>		<b>292 255</b>	<b>(20 026 538)</b>
Financial income		111 252	246 460
Write-down of long-term investments	13	(39 000)	0
Financial expense	12	(1 687 681)	(1 771 952)
<b>Financial expense - net</b>		<b>(1 615 429)</b>	<b>(1 525 492)</b>
<b>Profit/(loss) before tax</b>		<b>(1 323 174)</b>	<b>(21 552 030)</b>
Income tax expense	8	0	0
<b>Profit/(loss) for the period</b>		<b>(1 323 174)</b>	<b>(21 552 030)</b>

### Statement of Comprehensive Income

NOK	Note	2021	2020
<b>Profit/(loss) for the period</b>		<b>(1 323 174)</b>	<b>(21 552 030)</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>(1 323 174)</b>	<b>(21 552 030)</b>

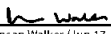


## ITV Studios Norway AS


### Statement of Financial Position

NOK	Note	31.12.2021	31.12.2020
<b>Assets</b>			
Intangible assets			
Investment in ITV Studios Norway Vest AS	13	0	39 000
Deferred tax assets	8	0	0
Property, plant and equipment	2	9 034 245	11 464 145
Total non-current assets		9 034 245	11 503 145
Productions in progress / Inventory			
Trade receivables	3	20 969 415	21 932 979
Other current receivables		317 540	340 360
Cash and cash equivalents	5	24 258 198	11 873 917
Total current assets		100 404 872	65 817 268
Total assets		109 439 118	77 320 414
<b>Equity and liabilities</b>			
Share capital	6	100 000	100 000
Other paid-in capital	6	138 776	138 776
Retained earnings	6	(35 815 064)	(34 491 890)
Total equity		(35 576 288)	(34 253 114)
Lease liabilities			
Intercompany loan	4	76 524 896	51 610 868
Total non-current liabilities		82 886 513	60 148 328
Lease liabilities			
Trade payables		772 193	4 495 331
Tax payable	8	0	0
Social security and other taxes	10	8 551 871	5 045 596
Other current liabilities	4.9	50 298 464	39 363 409
Total current liabilities		62 128 892	51 425 200
Total liabilities		145 015 405	111 573 528
Total equity and liabilities		109 439 118	77 320 414

Oslo, 17.06.2022

  
Duncan Walker (Jun 17, 2022 11:10 GMT+3)  
Duncan T. R.  
Walker  
Chairman

  
Lars Finland (Jun 17, 2022 09:08 GMT+2)  
Lars Finland  
CEO  
  
Vibecke Lyse (Jun 17, 2022 10:22 GMT+2)  
Vibecke Lyse  
Board member

  
Lisa Perrin (Jun 17, 2022 09:18 GMT+1)  
Lisa Perrin  
Board member



ITV Studios Norway AS  
Statement of Changes in Equity

NOK	Share capital	Other paid-in capital	Retained earnings	Total equity
Balance at 31 December 2020	100 000	138 776	(34 491 890)	(34 253 114)
Profit/loss for the period			(1 323 174)	(1 323 174)
Other comprehensive income			0	0
Balance at 31 December 2021	100 000	138 776	(35 815 064)	(35 576 288)



## ITV Studios Norway AS

### Statement of cash flows

NOK	Note	2021	2020
<b>Cash flow from operating activities</b>			
Loss before income taxes		(1 323 174)	(21 552 030)
<i>Adjustments for:</i>			
Depreciation	2.3	3 012 311	3 561 022
Gain lease contract termination		(71 610)	0
Net interest	11	1 615 429	1 525 492
<i>Changes in working capital:</i>			
Change in trade receivables	5	963 564	(5 642 589)
Change in trade payables		(3 723 138)	4 455 791
Change in production in progress		(23 189 706)	(14 327 344)
Change in other provisions		14 464 156	(8 786 101)
Cash generated from operations		(8 252 168)	(40 765 758)
Interest paid		(1 687 681)	(1 771 952)
Interest received		111 252	246 460
Income taxes paid		0	0
Net cash flow from operations		(9 828 597)	(42 291 250)
<b>Cash flow from investment activities</b>			
Net purchase of fixed assets	2	(211 170)	6 409
Investments in internally generated intangible assets		0	0
Net cash flow from investments		(211 170)	6 409
<b>Cash flow from financing activities</b>			
Payments of lease obligation - Deduction		(2 733 247)	(2 064 592)
Payments of lease obligation - Interest		243 270	109 715
Proceeds from intercompany funding		24 914 028	41 557 332
Net cash flow from financing		22 424 051	39 602 455
Net change in cash and cash equivalents		12 384 284	(2 682 386)
Cash and cash equivalents at the beginning of the period		11 873 914	14 556 300
Cash and cash equivalents at the end of the period		24 258 198	11 873 914



## Note 1 - Accounting Principles

### General

The financial statements have been prepared in accordance with section 3-9 of the Norwegian Accounting Act and with the Directives specified by the Norwegian Ministry of Finance on 21 of January 2008 on simplified application of international accounting standards as adopted by the EU (IFRS).

#### 1.1 Simplifications

The Company has applied all relevant simplifications in regard to the Directives specified by the Norwegian Ministry of Finance on 21. of January 2008, including: Dividend will be treated in accordance with the Norwegian Accounting Act and deviates from IAS 10 no. 12 and 13.

#### 1.2 Basis for preparation

The financial statements have been prepared under the principle of historical cost.

#### 1.3 Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

#### 1.4 Revenue recognition

The accounting policies for the group's revenue from contracts with customers are explained in note 9.

#### 1.5 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. Note 9 provides further information on how the group accounts for government grants.

#### 1.6 Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

## 1.7 Leases

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the company's incremental borrowing rate on commencement of the lease. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the company is contractually required to dismantle, remove, or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 1.9 Trade receivables

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less expected lifetime credit loss.

## 1.10 Production in progress / Inventory



Production in progress / inventory relates to production costs incurred in producing a programme and is recognized in line with IAS 2. All costs directly attributable to a programme are recognized as stock (inventory), including material, labor and production overheads.

Production stock is recognised within current assets as incurred and accumulates until delivery of a programme. Productions in progress/inventory comprises of both commissioned programmes and development stock. Commissioned programs constitute programs where the Company has entered in to a contract with a customer concerning the respective productions in progress. Development stock constitute productions in progress where the Company has not entered in to a contract with a customer.

Productions in progress / Inventory is valued at the lower of cost and net realisable value. An assessment is made at the end of each reporting period to assess whether the net realisable value is lower than cost, and if the Company's assessment of the net realisable value is lower than cost a write-down of the productions in progress / inventory is performed.

#### **1.11 Property, plant and equipment**

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and periods used by the group are disclosed in note 2. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.



## 1.12 Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30-60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 1.13 Employee benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (iii) Post-employment obligations

The group operates defined contribution plans only. With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

## 1.14 Investment in subsidiaries

The company has investments in subsidiaries that are not consolidated in accordance to IFRS 10 no. 4. Investments in subsidiaries that are not consolidated, are initially recognised at cost. If there are indications that the investments may be impaired, the company will perform an impairment test of the carrying amount of the investment. In the case of impairment losses these are recognised in profit and loss.



## Note 2 Property, plant and equipment

NOK	Movables	Right-of-use assets	Sum
Purchase cost 01.01.	5 243 708	14 752 218	19 995 926
Additions	211 170		211 170
Revaluations*	-	545 021	545 021
Disposals	-	3 538 563	3 538 563
Purchase cost 31.12.	5 454 878	11 758 676	17 213 554
Accumulated depreciation 01.01.	4 228 815	4 302 966	8 531 781
Disposals*	-	3 538 563	3 538 563
Revaluations*	-	173 780	173 780
Depreciation in the year	576 204	2 436 107	3 012 311
Accumulated depreciation 31.12.	4 805 019	3 374 290	8 179 309
<b>Net book value 31.12.</b>	<b>649 860</b>	<b>8 384 386</b>	<b>9 034 245</b>
Expected useful life	3-5 years	3-5 years	
Depreciation plan	Straight line	Straight line	

\* Revaluations; relates to a long-term lease agreement in Bergen and Server rental in Oslo.

\* Disposals; relates to balance sheet adjustment of expired lease contracts that have previously been fully depreciated.

The balance sheet shows the following amounts relating to leases:

NOK	31.12.2021	31.12.2020
<b>Right of use assets*</b>		
Property	7 607 386	10 081 066
IT equipment	776 999	368 185
<b>Net book value 31.12.</b>	<b>8 384 385</b>	<b>10 449 252</b>

\* included in the line item "Property, plant and equipment" in the balance sheet.

Additions to the right-of-use assets during 2021 were NOK 0.

### Contracts included in right of use assets

Contract type	Line in balance sheet	Annual lease	End date
Server rental	IT equipment	300 168	30.09.2024
Rental office - Bergen*	Property	29 880	31.12.2026
Rental office - Oslo	Property	2 357 842	14.06.2025

\* Rental office - Bergen During 2021 the lease-agreement has been partially terminated resulting in a reduction of annual lease to 29 880. Paid lease in 2021 is 75 240.

NOK	31.12.2021	31.12.2020
<b>Lease liabilities</b>		
Current	2 506 363	2 520 864
Non-Current	6 361 618	8 537 460
Sum	8 867 980	11 058 324

### Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

NOK	2021	2020
<b>Depreciation charge of right-of-use assets</b>		
Properties	2 153 563	2 367 009
IT equipment	282 545	142 149
Sum depreciation	2 436 108	2 509 157

Interest expense 243 270 109 160

The total cash outflow for leases as at 31.12.2021 was NOK 2 489 977.



## Note 3 Debtors

NOK	2021	2020
Trade debtors at nominal value	20 969 415	21 932 979
Bad debts provision*	-	-
<b>Trade debtors in the balance sheet</b>	<b>20 969 415</b>	<b>21 932 979</b>
Debtors which fall due later than one year;	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* Historically there has been no or limited losses related to trade debtors.

## Note 4 Balance with group companies, etc.

NOK	2021	2020
Group companies - loan (funding)	54 624 896	51 610 868
Group company - Production loan RIP Henry	21 900 000	-
Group companies - short term debt	1 784 322	1 279 876
<b>Total</b>	<b>78 309 218</b>	<b>52 890 744</b>

As per 31 December 2021, the company has a long term loan with the group company in the UK. The interest rate is 2.5%.

The termination date for the funding loan is estimated to be in June 2024 and the production loan is in the first quarter in 2023.

## Note 5 Restricted bank deposits, overdraft facilities

### Restricted bank deposits

NOK	2021	2020
Withheld employee taxes	1 811 205	1 413 839

The company has no overdraft facilities.

## Note 6 Share capital and shareholder information

The share capital of NOK 100.000 consists of 1.000 shares with nominal value of NOK 100 each.

All shares are owned by ITV Studios Nordic AB (Sweden).

ITV plc is the ultimate owner of ITV Studios Norway AS.

ITV plc adresse; 2 Waterhouse Square, 138-142 Holborn, London EC1N 2AE, England. Company number 4967001.

The Group Financial statements of ITV plc can be obtained through [www.itvplc.com](http://www.itvplc.com)

The company has negative equity, and as such the Board's responsibilities in accordance with the Norwegian Private Limited Liabilities Companies Act §3-5 must be met. However, the owners (ITV plc) has expressed their intention to secure continued operations with funds, and has the ability to do so. As per year end, the owners in the UK has provided a loan with a limit of NOK 75 mill of which NOK 54.5 mill has been drawn upon. During the fall 2021 the company got 21.9 in production loan to the project RIP Henry, this will be granted during the spring 2023. Based on this, it is the view of the management that the going concern presumption is secured. We refer to the Board's annual report for further description of the situation.

## Note 7 Pensions

The company has pension schemes which cover a total of 170 persons in 2021.

The company's pension schemes meet the requirements of the law on compulsory occupational pension.

During the year, a total of NOK 788 647 has been paid and booked as a cost.



## Note 8 Taxes

### Calculation of deferred tax/deferred tax benefit

NOK	2021	2020
Fixed assets	-1 346 419	-1 309 147
Trade receivables	-300 000	-287 577
Productions in progress / Inventory	-5 349 649	-5 349 650
Lease contracts	-483 595	-609 072
Net temporary differences	-7 479 663	-7 555 446
Tax losses carried forward	-55 233 758	-53 875 168
<b>Basis for deferred tax</b>	<b>-62 713 421</b>	<b>-61 430 614</b>
Deferred tax	-13 796 953	-13 514 735
Deferred tax benefit not shown in the balance sheet	13 796 953	13 514 735
<b>Deferred tax in the balance sheet</b>	<b>-</b>	<b>-</b>

The deferred tax asset is not booked per 31.12.2021 due to uncertainty with respect to the future taxable income, and the company's potential to offset future income against the accumulated loss.

### Basis for income tax expense, changes in deferred tax and tax payable

NOK	2021	2020
Result before taxes	-1 323 174	-21 552 030
Permanent differences	40 367	114 270
<b>Basis for the tax expense for the year</b>	<b>-1 282 807</b>	<b>-21 437 760</b>
Change in temporary differences	-75 783	-7 988 089
<b>Basis for payable taxes in the income statement</b>	<b>-1 358 590</b>	<b>-29 425 849</b>
+/- Group contributions received/given	-	-
<b>Taxable income (basis for payable taxes in the balance sheet)</b>	<b>-1 358 590</b>	<b>-29 425 849</b>

### Components of the income tax expense

NOK	2021	2020
Payable tax on this year's result	-	-
Adjustment in respect of priors	-	-
<b>Total payable tax</b>	<b>-</b>	<b>-</b>
Change in deferred tax based on original tax rate	-	-
Change in deferred tax due to change in tax rate	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>

### Reconciliation of the tax expense

NOK	2021	2020
Result before taxes	-1 323 174	-21 552 030
Calculated tax	-291 098	-4 741 447
Tax expense	-	-
Difference	291 098	4 741 447

### The difference consist of:

Tax of permanent differences	8 881	25 139
Change in deferred tax due to change in tax rate	-	-
Negative tax, not recognized in P/L	282 217	4 716 307
Sum explained differences	291 098	4 741 447

### Payable taxes in the balance sheet

NOK	2021	2020
Payable tax in the tax charge	-	-
Tax effect of group contribution	-	-
<b>Payable tax in the balance sheet</b>	<b>-</b>	<b>-</b>



## Note 9 Operating income

### Revenue by activity

NOK	2021	2020
Programme production	115 201 471	73 968 620
Other income*	757 186	2 559 663
<b>Total</b>	<b>115 958 657</b>	<b>76 528 283</b>

### \*Reconciliation of other income

NOK	2021	2020
Other contract related revenue	-	353 177
Government grants**	736 946	2 186 726
Assets disposal	20 240	19 760
<b>Total</b>	<b>757 186</b>	<b>2 559 663</b>

### \*\*Government grants

NOK	2021	2020
Received	2 191 946	7 456 726
Not recognised as income in 2021	1 455 000	5 270 000
<b>Total</b>	<b>736 946</b>	<b>2 186 726</b>

### Revenue distribution - Programme production

NOK	2021	2020
External revenue	114 079 580	70 562 352
Internal revenue	1 121 891	5 965 931
<b>Total</b>	<b>115 201 471</b>	<b>76 528 283</b>

### Geographical distribution - Programme production

NOK	2021	2020
Norway	91 530 096	52 486 929
Other countries	24 428 561	24 041 354
<b>Total</b>	<b>115 958 656</b>	<b>76 528 283</b>

### Production in progress / Inventory

NOK	2021	2020
Production in progress - cost	60 209 368	37 019 662
Production in progress - impairment (presented as cost of materials)	-5 349 650	-5 349 650
<b>Production in progress - book value</b>	<b>54 859 718</b>	<b>31 670 012</b>

### Liabilities related to contracts with customer

NOK	2021	2020
Contract liabilities	39 563 546	24 206 062
<b>Total</b>	<b>39 563 546</b>	<b>24 206 062</b>

### Accounting policies

#### Programme production

The Company's revenue is generated from programmes produced for broadcasters. The revenue recognised at the point of delivery of an episode and acceptance by the customer and each episode is considered to be a separate performance obligation. The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated evenly to each episode.

The transaction price is normally paid in defined installments. As such, a contract liability is recognised when the payment (or invoices due) exceeds the allocated value of episodes delivered and a contract asset is recognised when the payment (or invoices due) is less than the allocated value of episodes delivered.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

#### Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. The grants are recognised as other income on a linear basis over the periods in which the group recognises as expenses the related costs for which the grants are intended to compensate.

#### Assets and liabilities

The contract liabilities relates to up-front payment from counterparties to production in progress.





Note 10 Payroll expenses, number of employees, remunerations, loans to employees, etc.

## Personell expenses

NOK	2021	2020
Salaries/wages	51 344 962	39 631 765
Social security fees	7 207 627	5 529 772
Pension expenses	788 647	356 179
Other remuneration	-390 813	279 132
<b>Total</b>	<b>58 950 422</b>	<b>45 796 848</b>
Reclassified production wages	-49 385 306	-35 837 371
<b>Total, after reclassified production wages</b>	<b>9 565 116</b>	<b>9 959 477</b>

The number of employees in the accounting year:	2021	2020
Administrative and production	17	18
Freelance (production related)	98	53
Sum	114	71

## Remuneration to executives

NOK	CEO *	Board
Salaries/board fee	1 822 604	-
Pension expenses	23 796	-
Other remuneration	4 392	-

\* Chief Executive Officer;

If the Board terminates the employment contract with the CEO, he is entitled to receive salary in a further 3 months.

No loans/scurities have been granted to the CEO, Board chairman or other related parties.

## Expensed audit fee

NOK	2021	2020
Statutory audit (incl. technical assistance with financial statements)	406 481	268 100
Other assurance services	37 988	-
Tax advisory fee (incl. technical assistance with tax return)	-	-
<b>Total audit fees</b>	<b>444 469</b>	<b>268 100</b>

Note 11 Related-party transactions

## Related-party transactions:

NOK	2021	2020
<b>Sales of goods and services</b>		
Parent company and group companies	1 121 891.00	5 965 931.00
<b>Purchases of goods and services</b>		
Entity controlled by key management personnel	-	-
Parent company (management services)	5 217 609	2 201 608
<b>Interest expense</b>		
Parent company	1 375 052	967 690



## Note 12 Financial risk

### Currency risk

The company is exposed to currency risk as some revenue and purchases are in foreign currency.

#### Summary of currency exposure:

NOK	2021	2020
Exchange gains	111 252	246 460
Exchange losses	-67 761	-656 747
Net exchange gains and losses (-) reclassified to production	-497 162	-731 639
<b>Total</b>	<b>-453 671</b>	<b>-1 141 926</b>

### Credit risk

The company is exposed to credit risk through its trade receivables. Most of the company's customers are large corporations and risk is considered to be limited. The finance structure of the projects, where prepayments are made from customers in accordance with contracts, create a fairly low credit and cash flow risk for the company. Management regularly monitors the ageing of the receivables.

With respect to credit risk arising from other financial assets of the company, which comprise cash and cash equivalents, and other receivables, the company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. This risk is not considered to be material.

### Liquidity risk

The company's overall objective and strategy are followed and according to plan. The strong market position reduces the risk, but the general shift in media is always a risk for production companies.

The company has no external borrowings, and are purely financed through equity and loans from mother company (owner) from which the company had to loan NOK 54 500 000 from 2020/2021 with a maximum limit of NOK 75 000 000. In 2021, the company also took out a separate project loan of NOK 21 900 000, with a maximum limit of NOK 52 000 000 which is settled when the project is delivered to the respective broadcaster, estimated Q1 2023.

## Note 13 Investments in subsidiaries

### List of subsidiaries:

Company	Ownership
ITV Studios Norway Vest AS	100 %

The company owns 100% of the shares in all its subsidiaries and an equal amount of the votes.

According to the exception in IFRS 10 no. 4, the financial statements of ITV Studios Norway and its fully owned subsidiary ITV Studios Norway Vest AS are not consolidated. The investment in ITV Studios Norway Vest AS was recognised in the balance sheet at historical cost in 2020. Due to the lack of activity in its subsidiary in 2021, the carrying amount of the shares has reduced to 0. Accordingly an impairment of 39 000 has been expensed in the company's profit and loss for 2022.

## Note 14 COVID-19

In 2020, the COVID-19 became a global crisis. ITV Studios Norway AS has because of the COVID-19 experienced extensive operational impact the last two years, which resulted in delays and order stop on major productions. Although COVID-19 is still at large ongoing, the customers started ordering new productions in 2021 and ITV Studios Norway AS found a way to produce programs safely despite the situation we were in. Increase in cost to production in relation to delays, facilitation and infection control has had some negative impact on the financial results for the company in 2021, but ITV Studios Norway AS has a strong focus on maintaining sufficient financial capacity to responsibly mitigate the situation and will, if required receive financial support from the Group to ensure continuing operations.