



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 939 319 891
Organisasjonsform: Aksjeselskap
Foretaksnavn: ORACLE NORGE AS
Forretningsadresse: Vollsv 2
1366 LYSAKER

Regnskapsår

Årsregnskapets periode: 01.06.2021 - 31.05.2022

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: Aidan Kehoe
Dato for fastsettelse av årsregnskapet: 22.11.2022

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, 23.11.2023



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Revenue	3	222 417 555	260 923 030
Sum inntekter		222 417 555	260 923 030
Kostnader			
Employee related costs	4	144 983 558	175 041 108
Depreciation and Amortisation	5	10 315 815	8 389 389
Other operating expenses		51 499 017	57 279 336
Sum kostnader		206 798 390	240 709 833
Driftsresultat		15 619 165	20 213 197
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	6	6 509 800	4 816 251
Annen renteinntekt	6	151 834	29 080
Foreign Exchange	6	2 638 696	0
Sum finansinntekter		9 300 330	4 845 331
Rentekostnad til foretak i samme konsern	7	970 022	1 094 937
Foreign Exchange	7		2 843 906
Sum finanskostnader		970 022	3 938 843
Netto finans		8 330 308	906 488
Ordinært resultat før skattekostnad		23 949 473	21 119 685
Skattekostnad på ordinært resultat	8	5 298 046	4 668 575
Ordinært resultat etter skattekostnad		18 651 427	16 451 110
Årsresultat		18 651 427	16 451 110



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8	1 189 597	2 039 447
Sum immaterielle eiendeler		1 189 597	2 039 447
Varige driftsmidler			
Leasehold	9	84 675	177 051
Equipment	9	30 088 930	23 840 900
Fixtures and fittings	9	0	767
Sum varige driftsmidler		30 173 605	24 018 718
Finansielle anleggsmidler			
Lån til foretak i samme konsern	10	570 000 000	570 000 000
Other non-current assets		9 328 656	9 250 831
Sum finansielle anleggsmidler		579 328 656	579 250 831
Sum anleggsmidler		610 691 858	605 308 996
Omløpsmidler			
Varer			
Fordringer			
Trade Receivables		23 156 998	17 576 703
Intercompany receivables	10	367 763 565	429 851 211
Other Current assets		7 286 541	9 407 631
Sum fordringer		398 207 104	456 835 545
Bankinnskudd, kontanter og lignende			
Cash		135 910 420	180 411 381
Sum bankinnskudd, kontanter og lignende		135 910 420	180 411 381
Sum omløpsmidler		534 117 524	637 246 926
SUM EIENDELER		1 144 809 382	1 242 555 922



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital	11	5 700 000	5 700 000
Overkurs	12	19 396 589	19 396 589
Sum innskutt egenkapital		25 096 589	25 096 589
Opptjent egenkapital			
Retained Earnings	12	131 070 694	112 419 266
Sum opptjent egenkapital		131 070 694	112 419 266
Sum egenkapital		156 167 283	137 515 855
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		382 993	739 800
Corporation Tax Payable	8	1 613 505	3 671 474
Kortsiktig konserngjeld	10	829 749 382	911 850 556
Accrued expenses and deferred income	13	34 220 973	54 874 230
Other Current liabilities		122 675 248	133 904 007
Sum kortsiktig gjeld		988 642 101	1 105 040 067
Sum gjeld		988 642 101	1 105 040 067
SUM EGENKAPITAL OG GJELD		1 144 809 384	1 242 555 922



ORACLE NORGE AS

ANNUAL REPORT

01.06.2021 - 31.05.2022



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DIRECTORS' REPORT

Company information and operations

Oracle Norge AS ("the Company") is a wholly-owned subsidiary of Oracle Nederland B.V. (registered office in De Meern, Netherlands), which is in turn a subsidiary of Oracle Corporation (Texas, USA). The Company's registered office is in Lysaker.

Oracle Norge AS provides products and services that address enterprise information technology (IT) environments. Our products and services include applications and infrastructure offerings that are delivered through a variety of flexible and interoperable IT deployment models. These models include on premise deployments, cloud based deployments, and hybrid deployments (an approach that combines both on-premise and cloud based deployment) such as our Oracle Cloud at Customer offering (an instance of Oracle Cloud in a customer's own data centre). Accordingly, we offer choice and flexibility to our customers and facilitate the product, service and deployment combinations that best suit our customers' needs. Our customers including businesses of many sizes, government agencies, educational institutions and resellers that we market and sell to directly through our world-wide sales force and indirectly through the Oracle Partner Network.

The Company's Cloud offerings provide a comprehensive and fully integrated stack of application, platform, compute, storage and networking services in all three primary layers of the cloud: Software as a Service (SaaS), Platform as a Service (PaaS) and Infrastructure as a Service (IaaS). The Company's cloud license and on-premise IT offerings include: Oracle Applications, Oracle Database and Oracle Fusion Middleware software, among others; hardware products including Oracle Engineered Systems, servers, storage and industry-specific products, among others; and related support and services. Substantially all customers, at their option, purchase license support contracts when they purchase an Oracle License. Customers generally opt to purchase hardware support contracts when they purchase Oracle hardware.

Oracle Norge AS continues to represent a group company of Oracle Corporation in respect of these products and services and as such earns commission on these activities instead of bearing the full risks and rewards of fulfilling increasingly complex customer requirements in these areas.

Oracle Norge AS also provides consulting services on its own behalf.

Continuing operations

In accordance with the Norwegian Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on the Company's current sound economic and financial position. In financial year 2022/23 Oracle's overall strategy is to continue to broaden its customer base while providing ever more value-add to its existing customers aided through continued investment in the cloud business.

Operational highlights

The key financial and performance indicators for the financial year were as follows:

	FY22	FY21	Change
Net profit (NOK)	18.7M	16.5M	2.2M
Operating profit (NOK)	15.6M	20.2M	-4.6M
Net Cash flow (NOK)	-44.5M	22.2M	-66.7M

The Company has reported a net profit for the year of NOK 18.7M (FY21: NOK 16.5M) and at the 31 May 2022 the Balance Sheet of the Company shows equity of NOK 156.2M (FY21: NOK 137.5M). The increase in net profit can be explained as follows:

- (1) NOK39M decrease in operating revenue.



Operational highlights (continued)

(2) NOK30M decrease in employee related expense, primarily attributable to decreased commission and bonus payments in FY22.

(3) NOK1.8M increase in Financial Income, which was driven by an increase in interest income from group companies by NOK1.8M. Financial expenses decreased by NOK5.6M primarily due to an exchange loss of NOK2.8M in FY21 to an exchange gain of NOK2.6M in FY22.

(4) NOK6M decrease in Other Operating Expenses, primarily attributable to a NOK5M decrease in facilities expenses, NOK2.5M decrease in cost of sales offset by an increase in contractor expenses by NOK1M and a NOK 0.5M increase in marketing expenses.

The change in cash for the year amounting to NOK44.5M is attributable to a net cash flow from operations activities amounting to NOK35.4M and NOK17.5M pertaining to net investment in fixed assets offset by a cash inflow of NOK8.3M from financing activities.

Significant events during year

There were no investments or other significant events during the year, nor any material changes in business operations compared to prior years.

Principal Risks and Uncertainties

The Directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future financial results or financial position:

- the company do not continue to develop and release new or enhanced products and services within the anticipated time frames;
- infrastructure costs to deliver new or enhanced products and services take longer or result in greater costs than anticipated;
- there is a delay in market acceptance of and difficulty in transitioning new and existing customers to new, enhanced or acquired product lines or services;
- there are changes in information technology (IT) trends that the company does not adequately anticipate or address with product development efforts;
- the company do not optimize complementary product lines and services in a timely manner; or
- the company fail to adequately integrate, support or enhance acquired product lines or services;
- the risk of the current economic climate having an adverse impact on served markets.

The Company has controls in place to limit each of these potential exposures and management and the Directors regularly review, reassess and proactively limit the associated risk. These risks are managed by innovative product sourcing and strict control of costs. The Company has insurances, business policies and organization structures to limit these risks and the Board of Directors closely monitor the Company's trading activities to manage credit, liquidity and other financial risks. The Directors and Officers are covered by an insurance policy that protects the personal assets of the Board of Directors and Officers for non-indemnifiable loss. The policy covers loss arising from a claim first made against an insured person (which includes General Manager) for a wrongful act.

Corporate citizenship

(i) Equality and Anti-Discrimination Statement

In compliance with section 26 of the Equality and Anti-Discrimination Act on gender equality, please find below a summary on how the Company satisfies the requirements of the legislation:

i. Policy

Oracle Norge AS has a long-standing commitment to uphold and respect human rights for all people, as reflected in Oracle's Code of Ethics and Business Conduct, and in Oracle's policies, practices, and core values.



The company promotes equality of opportunity and treatment and take appropriate steps to eliminating discrimination in access to employment, training and working conditions, on grounds of race, age, religion, colour, sex, political opinion, ethnicity, sexual orientation, disability, country of origin, or social origin. In Oracle Norge AS, there are equal opportunities for men and women and efforts are being made to reflect this at all managerial levels.

Oracle's policy is to provide a work environment free from harassment. Harassment is prohibited in any form: physical, verbal, and nonverbal as set out in the Anti-Harassment Policy. All instances of harassment can be reported to a line manager, Human Resources manager, regional Compliance and Ethics team, or the Oracle Integrity Helpline. Oracle's Statement against Modern Slavery pursuant to the Norwegian Transparency Act will be published on www.oracle.com/no.

ii. Risk

There is a risk of "biased" recruitment, promotion, pay review, development opportunities, thus creating a corporate culture that does not reflect the surrounding world. Oracle Norge AS considers it a strength to have both genders represented in management, finding that this adds value to and contributes to the development of the business.

iii. Activities

To ensure a balanced representation of men and woman, Oracle has continued to develop our programs such as:

a) Oracle Women's Leadership (OWL)

OWL is a leadership and professional development program that seeks to develop, engage and empower current and future generations of Oracle women leaders in order to foster an inclusive and innovative workforce. OWL engages more than 20,000 employees in 66 countries – including Sweden, representing more than 116 OWL communities

b) Mentoring and Sponsorship

Our competitiveness as a company ultimately depends on the talent of our people. Oracle has a mentoring programme that aims to strengthen employees' career development strategies and to retain, attract, develop, and maximize the capacity of Oracle's talent. Mentoring and sponsorship enable us to develop future generations of technical and managerial leaders in Oracle.

c) Recruitment, Management, Development, Promotion and Reward

Oracle has an Equal Employment Opportunity Policy and also provides best practices and recommendations for all managers.

d) Training

Oracle provides training on anti-discrimination, unconscious bias, microaggressions, diversity and inclusion and anti-sexual harassment which is mandatory for all Oracle employees.

iv. KPI

The Company has drawn up a policy for the underrepresented gender with a view to ensuring a balanced representation of men and women across all levels.

v. Performance

The Company's commitment to gender diversity is demonstrated by our Board of Directors, which is 25% female.

The composition of our workforce was as follows:

Gender distribution	Female %	Male %
Enterprise level	25%	75%
Temporary employees	Nil	Nil



Part-time employees*	100%	0%
Board of Directors	25%	75%

*There are no involuntarily part-time employees

Parental leave	Female	Male
Average number of weeks	44	15

vi. *Internal Salary Survey*

As per the requirements of the Equality and Anti-Discrimination Act section 26, Oracle Norway has conducted an annual internal salary survey. Oracle has in place systems that continuously monitor salary and non-management / management make up by gender.

The internal survey is conducted along career levels with a clearly defined hierarchy from non-management to management levels. A specific pay range is attached to each level along the hierarchy. Thus we can compare female and male salaries in various functions at the same seniority. See Compensation ratio below.

Internal salary survey	Female %	Male %
Non-management	35%	65%
Management	35%	65%
Compensation ratio (Job Function Level)*	1	1
Average Wage (Company level)**	46%	54%

*Employees salary / salary range midpoint

**Attributed to a higher percentage of males in Management positions

For more information on Oracle's commitment to gender equality in its workforce please visit: www.oracle.com/corporate/careers/diversity-inclusion/women/

(ii) *Working environment*

The well-being of the Company's employees is safeguarded through strict adherence to health and safety standards. There have been no reports of accidents during the year that resulted in significant material damage or personal injury. Leave of absence due to illness in the Company totalled 849 hours for the year (FY21: 751 hours), which equated to less than 1% of the total working hours.

(iii) *External environment*

The Company pays particular adherence to environmental regulations to minimise impacts on the environment from its activities, whilst continuing to address health, safety and economic issues.

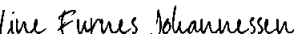
Additional information regarding the Company's corporate citizenship policies, processes and procedures are available through Oracle's website: www.oracle.com/corporate/citizenship.

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Vitor Antunes, Chairman

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Line Furnes Johannessen, Director

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Simon Allison, Director

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Tore Bjelland, Managing Director



Statsautoriserte revisorer
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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Oracle Norge AS

Opinion

We have audited the financial statements of Oracle Norge AS (the Company), which comprise the balance sheet as of 31 May 2022, the income statement and statements 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 have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as of 31 May 2022 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) is responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statement, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 24th November 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Håvard Norstrøm
State Authorised Public Accountant (Norway)

Independent auditor's report - Oracle Norge AS

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"By my signature I confirm all dates and content in this document."

Håvard Norstrøm

Statsautorisert revisor

On behalf of: Ernst & Young AS

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INCOME STATEMENT FOR THE YEAR ENDED 31 May 2022

	Note	FY22	FY21
Revenue	3	222,417,555	260,923,030
Other Income		<u>0</u>	<u>0</u>
Total revenue		222,417,555	260,923,030
Employee related expenses	4	144,983,558	175,041,108
Depreciation and amortisation expenses	5	10,315,815	8,389,389
Other operating expenses		<u>51,499,017</u>	<u>57,279,336</u>
Total operating expenses		206,798,390	240,709,833
Operating profit		<u>15,619,165</u>	<u>20,213,197</u>
Financial income	6	9,300,330	4,845,331
Financial expense	7	970,022	3,938,843
Profit before tax		<u>23,949,473</u>	<u>21,119,685</u>
Income tax expense	8	5,298,046	4,668,575
Net profit for the year		<u><u>18,651,427</u></u>	<u><u>16,451,110</u></u>



BALANCE SHEET AS AT 31 May 2022

Assets	Note	FY22	FY21
Non-current assets			
Property, plant and equipment	9	30,173,605	24,018,718
Intercompany loan receivable	10	570,000,000	570,000,000
Deferred tax asset	8	1,189,597	2,039,447
Other non-current assets		9,328,656	9,250,831
Total non-current assets		<u>610,691,858</u>	<u>605,308,996</u>
Current assets			
Trade receivables		23,156,998	17,576,703
Intercompany receivables	10	367,763,565	429,851,211
Cash and bank balances		135,910,420	180,411,381
Other current assets		7,286,541	9,407,631
Total current assets		<u>534,117,524</u>	<u>637,246,926</u>
Total assets		<u><u>1,144,809,382</u></u>	<u><u>1,242,555,922</u></u>
Equity and liabilities			
Equity			
Share capital	11	5,700,000	5,700,000
Share premium reserve	12	19,396,589	19,396,589
Retained earnings	12	131,070,694	112,419,266
Total equity		<u>156,167,283</u>	<u>137,515,855</u>
Current liabilities			
Trade payables		382,993	739,800
Accrued expenses and deferred income	13	34,220,973	54,874,230
Intercompany payables	10	829,749,382	911,850,556
Corporation tax payable	8	1,613,505	3,671,474
Other current liabilities		122,675,248	133,904,007
Total current liabilities		<u>988,642,101</u>	<u>1,105,040,067</u>
Total liabilities		<u>988,642,101</u>	<u>1,105,040,067</u>
Total equity and liabilities		<u><u>1,144,809,384</u></u>	<u><u>1,242,555,922</u></u>

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Vitor Antunes, Chairman
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Line Furnes Johannessen, Director

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Simon Allison
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Simon Allison, Director
Tore Bjelland
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Tore Bjelland, Managing Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 May 2022

	FY22	FY21
Cash flow from operations		
Operating Profit	15,619,165	20,213,197
Taxes paid in the period	-7,496,778	-8,488,853
Depreciation	10,315,815	8,384,056
Loss on sale of assets	991,069	1,777,304
Change in trade debtors and trade creditors	-25,950,630	-6,152,838
Change in other assets and provisions	-28,848,139	24,075,552
Net cash flow from operations	<u>-35,369,498</u>	<u>39,808,418</u>
Cash flow from investments		
Net investments in fixed assets	<u>-17,461,772</u>	<u>-18,491,017</u>
Net cash flow from investments	<u>-17,461,772</u>	<u>-18,491,017</u>
Cash flow from financing		
Intercompany loan	0	0
Financing Costs	<u>8,330,310</u>	<u>906,489</u>
Net cash flow from financing	<u>8,330,310</u>	<u>906,489</u>
Change in cash and cash equivalents	-44,500,961	22,223,890
Cash and cash equivalents at the beginning of the period	<u>180,411,381</u>	<u>158,187,491</u>
Cash and cash equivalents at the end of the period	<u>135,910,420</u>	<u>180,411,381</u>



NOTES TO THE FINANCIAL STATEMENTS

Note 1 Summary of significant accounting policies

1.1 Basis of preparation

The Company's financial statements have been prepared in accordance with the applicable Norwegian accounting standards, including the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Principles. A summary of the relevant principal accounting policies are set out in the below notes.

The financial statements are presented in Norwegian Krone (NOK).

1.2 Going concern

The directors confirm that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Revenue

The Company acts as an undisclosed agent for another group company in the sale of various software related and non-software related products and services, offerings include new software licenses, software license updates and product support, cloud SaaS, PaaS and IaaS offerings, hardware products, hardware support, advanced customer support services and education. The Company acts in its own name but on account of and at the risk of another group company.

The Company receives commissions and mark-up on the costs incurred for their sale as sales agents in respect of revenues generated from the sale of software licenses, software license updates and product support, SaaS, PaaS and IaaS offerings, hardware products, hardware support, advanced customer support services and education which are remitted to another group company.

Oracle Norge AS also provides consulting services on its own behalf. Income from consulting services is recognized according to used time for Time & Material projects and according to the percentage of completion method for fixed price projects.

1.4 Product development costs

Under the service agreement that exists between Oracle Norge AS and all other Oracle Corporation subsidiaries, all research-and-development costs incurred by Oracle Norge AS are refunded in full by Oracle EMEA Limited, plus the company receives a mark-up.

1.5 Depreciation and amortisation

The depreciation of property, plant and equipment commences when the asset/component is put into use and takes place on a straight-line basis over the assets useful life, which are;

Equipment	2-5 years
Fixtures and fittings	2-5 years
Leasehold improvements	5-10 years



Note 1 Summary of significant accounting policies (continued)

1.6 Financial income and expenses

Financial income and expenses comprise interest income and expense, realized and unrealized gains and losses on transactions denominated in foreign currencies as well as surcharges.

Amounts in foreign currencies in the balance sheet are translated into the functional currency using Oracle Group exchange rates which do not differ materially from the exchange rates set by the European Central Bank for the financial year end date. Transactions in foreign currencies are translated at the exchange rates at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

1.7 Tangible fixed assets

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Fixed assets are capitalised if the useful life is expected to exceed 3 years and the purchase cost exceeds NOK 15,000. Short-term equipment and inventories of lower value are charged to expenses on an ongoing basis.

1.8 Intercompany balances

In December 2017 the Company entered into a revolving loan facility agreement with a group company limited to NOK 660,000,000. All loans and interest are to be repaid in full on or before the loan facility termination date (18th December 2024). As at 31 May 2022, NOK 570,000,000 was utilised. After the balance sheet date there has been no further draw down on the facility.

1.9 Deferred tax assets and liabilities

Deferred tax is calculated at 22% on the basis of the temporary differences which exist between accounting and tax values, and any carry-forward losses for tax purposes at the year-end. 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 carry-forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

1.10 Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made. Receivables regarding fixed price contracts include tailoring software to customers.

1.11 Accrued expenses

Accrued expenses consist primarily of short-term employee benefits, such as salaries, holiday pay and bonuses. These amounts are paid within 12 months from the balance sheet date of the year during which the employee earns the benefits.



Note 1 Summary of significant accounting policies (continued)

1.12 Pensions

The company has a defined contribution plan for retirement pension. This is operated through Storebrand covering 103 employees as at 31 May 2022. Pension costs in the Income Statement correspond to pension contributions during the financial year.

Pensions costs and pension liabilities connected with child and disability pension are estimated based on assumptions related to discount rate, future regulation of salary, pensions and payments from National Insurance, future return on pension funds and actuarial assumptions on death-rate, voluntary resignation etc. Pension funds are considered to fair value and are deducted in pension liabilities in the balance sheet. Changes to the pension plan are expensed over the expected remaining earning period. The same applies to estimate differences due to new information or changes in the actuarial assumptions, if they exceed 10% of the largest of the pension commitments and pension funds (corridor). The defined disability pension is being drawn down by one employee. No contributions were made to this fund in FY22.

1.13 Commitments and contingencies

All payments relating to finance leases and operating leases are charged to expenses on a straight-line basis over the term of the lease.

1.14 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.

Note 2 Post balance sheet events

Other than as described in these financial statements there were no significant post balance sheet events affecting the Company, which require adjustment to or disclosure in the financial statements.

Note 3 Revenue

	FY22	FY21
Consulting revenue	60,104,983	32,607,297
Commission income	158,928,665	219,634,489
Other intercompany revenue	3,383,907	8,681,244
	<u>222,417,555</u>	<u>260,923,030</u>

Note 4 Employee related expenses

The average number of employees in FY22 was 103, compared to 110 in FY21.

	FY22	FY21
Salaries and wages	117,540,345	143,297,707
Restructuring	750,512	3,704,746
Pension expenses	7,532,357	7,141,437
Other remuneration	1,093,507	1,243,744
Social security fees	18,066,837	19,653,474
	<u>144,983,558</u>	<u>175,041,108</u>



Note 4 Employee related expenses (continued)

	FY22	FY21
<u>Remuneration to executives</u>		
Salaries/board fee	3,959,444	3,457,089
Pension expenses	82,248	78,572
Other remuneration	158,400	158,499
	<u>4,200,092</u>	<u>3,694,160</u>

No directors' fees have been paid during the year, nor have any loans been granted to employees, the general manager or the chairperson of the board.

Note 5 Depreciation and amortisation expenses

	FY22	FY21
Equipment	10,222,675	8,165,050
Fixtures and fittings	767	2,301
Leasehold improvements	92,373	222,038
	<u>10,315,815</u>	<u>8,389,389</u>

Note 6 Financial income

	FY22	FY21
Interest income from group companies	6,509,800	4,816,251
Other interest income	151,834	29,080
Other financial income (FX)	2,638,696	0
	<u>9,300,330</u>	<u>4,845,331</u>

Note 7 Financial expense

	FY22	FY21
Interest expenses to group companies	970,022	1,094,937
Foreign exchange loss	0	2,843,906
	<u>970,022</u>	<u>3,938,843</u>

Note 8 Taxes

<u>Calculation of deferred tax/deferred tax benefit</u>	FY22	FY21
Temporary differences:		
Accounts receivable	-275,926	-794,548
Fixed Assets	-14,150,745	-14,207,542
Profit and loss account	2,425,366	3,031,707
Pensions contribution funds	6,759,797	7,559,697
Severance reserve	-81,866	-4,826,035
Warranty provisions	-83,886	-33,494
Net temporary differences	<u>-5,407,260</u>	<u>-9,270,215</u>
Tax losses carried forward	0	0
Basis for deferred tax	<u>-5,407,260</u>	<u>-9,270,215</u>
22 % deferred tax (22 % last year)	<u>-1,189,597</u>	<u>-2,039,447</u>
Deferred tax asset in the balance sheet	<u>-1,189,597</u>	<u>-2,039,447</u>



Note 8 Taxes (continued)

	FY22	FY21
<u>Basis for income tax expense, changes in deferred tax and tax payable</u>		
Result before taxes	23,949,473	21,119,685
Permanent differences	125,897	101,112
Change in temporary differences	-3,862,955	-22,841
Taxable income (basis for payable taxes in the balance sheet)	<u>20,212,415</u>	<u>21,197,956</u>

	FY22	FY21
<u>Components of the income tax expense</u>		
22% Payable tax on this year's result	4,446,731	4,663,550
Adjustment in respect of prior years	0	0
<u>Total payable tax</u>	<u>4,446,731</u>	<u>4,663,550</u>
Change in deferred tax	849,850	5,025
Tax expense	<u>5,296,581</u>	<u>4,668,575</u>

	FY22
<u>Tax payable</u>	
Tax payable (receivable) as of 31.05.21	3,671,474
Tax payments in respect of financial year 2020	992,078
Advance tax paid in respect of financial year 2021	-7,496,778
Adjustment in respect of prior years	0
Tax payable in respect of financial year 2022	<u>4,446,731</u>
Tax payable (receivable) as of 31.05.22	<u>1,613,505</u>

<u>Reconciliation of tax expense (22%)</u>	
22 % of profit before tax	5,268,884
22 % of permanent differences	27,697
Other	1,465
Tax expense	<u>5,298,046</u>

ETR 19%

Note 9 Tangible fixed assets

	Equipment	Fixtures and fittings	Leasehold improvements	Total
Cost as at 01.06.21	83,506,277	11,505	1,530,270	85,048,053
Additions for the year	17,461,772	0	0	17,461,772
Disposals for the year	-11,491,268	0	0	-11,491,268
Purchase cost 31.05.22	<u>89,476,781</u>	<u>11,505</u>	<u>1,530,270</u>	<u>91,018,558</u>
Accumulated depreciation as at 01.06.21	-59,665,377	-10,738	-1,353,221	-61,029,336
Depreciation for the year	-10,222,675	-767	-92,373	-10,315,815
Accumulated depreciation on disposals for the year	10,500,199	0	0	10,500,199
Accumulated depreciation as at 31.05.22	<u>-59,387,853</u>	<u>-11,505</u>	<u>-1,445,595</u>	<u>-60,844,953</u>
Net book value as at 31.05.22	<u>30,088,928</u>	<u>0</u>	<u>84,675</u>	<u>30,173,605</u>



Note 10 Intercompany balances

Non-current intercompany receivables	FY22	FY21
Loan receivable	570,000,000	570,000,000
Total non-current intercompany receivables	<u>570,000,000</u>	<u>570,000,000</u>

Current intercompany receivables	FY22	FY21
Accrued revenue	266,160,402	310,078,400
Interest on intercompany receivable	32,081,537	26,561,737
Other current receivables	69,521,626	93,211,074
Total current intercompany receivables	<u>367,763,565</u>	<u>429,851,211</u>

Current intercompany payables	FY22	FY21
Deferred revenue	567,477,455	507,719,529
Other current payables	262,257,100	404,131,027
Total current intercompany payables	<u>829,734,555</u>	<u>911,850,556</u>

In accordance with the commission agreement, trade receivables which are collected on behalf of another group company are presented in "Intercompany receivables" in the Balance Sheet.

Note 11 Share Capital

	Number of shares	Nominal value	Book value
A shares	95,000	60	5,700,000
	<u>95,000</u>	<u>60</u>	<u>5,700,000</u>

As of 31.05.2022 and 31.05.2021, 100% of the Company's shares are owned by Oracle Nederland BV.

Note 12 Equity

	Share capital	Share premium	Other equity	Total
Equity as at 01.06.2021	5,700,000	19,396,589	112,419,266	137,515,855
Profit for the year	0	0	18,651,427	18,651,427
Equity as at 31.05.2022	<u>5,700,000</u>	<u>19,396,589</u>	<u>131,070,693</u>	<u>156,167,282</u>

Note 13 Accrued expenses and deferred income

	FY22	FY21
Deferred income	821,781	2,477,295
Accrued expenses	33,399,192	52,396,935
	<u>34,220,973</u>	<u>54,874,230</u>

Note 14 Audit fee

	FY22	FY21
Statutory audit (excl. VAT)	230,444	237,571



Norwegian Directorate of Taxes

Inquiries to
Torstein Kinden Helleland

Your date
10.07.2013

Our date
05.08.2013

Telephone
22078139

Your reference
Nina Bull Langehaug

Our reference
2013/547632

ORACLE NORGE AS
P.O. Box 384
1326 LYSAKER

08 AUG 2013

Permission to prepare the annual accounts and director's report in English language for Oracle Norge AS, org. nr. 939 319 891

Dear Ms Nina Bull Langehaug

With reference to your letter of 10 July 2013, you apply for permission to keep annual accounts and directors' report in English language. The application in question concerns Oracle Norge AS.

Conclusion

Based on a total evaluation, the view of The Directorate of Taxes is that Oracle Norge AS may make the directors' report and annual accounts in English language according to the Norwegian Accounting Act § 3-4 third paragraph.

The exemption requires that the information that the decision is based on, does not change significantly.

Background

Oracle Norge AS is a wholly owned subsidiary of a major multinational Oracle Corporation, California, USA. Oracle Norge AS sells software licenses in the main areas of core Technology, Middleware and Application. Oracle Norge AS also sells Hardware and delivers Services. Software licenses and maintenance agreements are sold on a commission from Oracle EMEA Limited. The Group's working language is English. The Company's customers in Norway are using English as the common language. The annual report and financial statements are required to be prepared each year in the Norwegian language only in order to satisfy the requirements of the Norwegian Accounting Act.

Permission to make the annual accounts and the directors' report in Norway in English language

According to the Norwegian Accounting Act § 3-4, third paragraph shall "*the directors' report and annual accounts ... be in Norwegian. The Ministry can in an individual decision decide that the directors' report and/or annual accounts may be in another language*".

Ot. prp. nr. 42 (1997-1998) About Act about annual accounts etc., says the following about the purpose of the Accounting Act, refer section 1.1:

Postal address
P.O. Box 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Visiting address:
See www.skatteetaten.no
Org.nr: 996250318

Telephone
800 80 000
Telefax
22 17 08 60



“The aim of the Government with respect to the Accounting Act is that it shall contribute towards providing informative accounts for different users of accounts. The users of accounts include investors and creditors which provide capital for the companies. Other groups include those who have an interest in knowing how the companies are operated, for example employees and the local community. The information to the capital market is an important basis for the correct pricing of financial instruments. The correct pricing of stocks is an important factor in securing the best possible allocation of resources in the economy. High quality accounts will also make it more difficult for market participants to obtain speculative gains as a result of non-publicly available information.”

Hence, one of the main aims of the Accounting Act is to contribute to “informative accounts for different users of accounts”. The users of the accounts will include investors, creditors, employees and the local community.

Hence, it is the view of the Ministry that it is crucial that the question of dispensation from the general rule that the annual accounts and/or directors’ report should be prepared in Norwegian, not in any significant way deviate from the consideration of users of the accounts.

As mentioned above it is particularly the consideration of the users of the account information which has to be taken into consideration when considering the application for permission. In this assessment, the Directorate of Taxes has emphasized the company is a wholly-owned subsidiary of a US company. The working language is English. Internal, English is also only language used for reporting purpose. Further, all customers speak and use English language.

We kindly request you to mention “our reference” in all written communication with The Norwegian Tax Authorities.

Best regards

Inger Johanne Stolt-Nielsen

Head of Unit

Legal Department

Norwegian Directorate of Taxes

Torstein Kinden Helleland