



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 979 322 437
Organisasjonsform: Aksjeselskap
Foretaksnavn: CISCO SYSTEMS NORWAY AS
Forretningsadresse: Philip Pedersens vei 1
1366 LYSAKER

Regnskapsår

Årsregnskapets periode: 01.08.2021 - 31.07.2022

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: Trine Helen Strømsnes
Dato for fastsettelse av årsregnskapet: 31.01.2023

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, 06.03.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Sales revenue	2, 3	1 235 444 276	1 106 190 769
Sum inntekter		1 235 444 276	1 106 190 769
Kostnader			
Lønnskostnad	4, 5	873 405 673	859 855 887
Avskrivning på varige driftsmidler og immaterielle eiendeler	6	5 070 228	13 704 363
Annen driftskostnad	4	232 086 251	227 756 199
Sum kostnader		1 110 562 152	1 101 316 449
Driftsresultat		124 882 124	4 874 320
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		-169 547	102 253
Annen finansinntekt		106 977	-132 361
Sum finansinntekter		-62 570	-30 108
Annen finanskostnad		825 047	64 091
Sum finanskostnader		825 047	64 091
Netto finans		-887 617	-94 199
Ordinært resultat før skattekostnad		123 994 507	4 780 121
Skattekostnad på ordinært resultat	7	27 882 425	21 418 649
Ordinært resultat etter skattekostnad		96 112 082	-16 638 528
Årsresultat		96 112 082	-16 638 528
Overføringer og disponeringer			
Konsernbidrag	8	82 117 905	152 046 436
Overføringer til/fra annen egenkapital	8	13 994 177	-168 684 964
Sum overføringer og disponeringer		96 112 082	-16 638 528



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	11 401 867	16 122 832
Sum immaterielle eiendeler		11 401 867	16 122 832
Varige driftsmidler			
Maskiner og anlegg	6	3 503 681	800 450
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	6	7 239 035	7 698 550
Sum varige driftsmidler		10 742 716	8 499 000
Sum anleggsmidler		22 144 583	24 621 832
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		15 718 276	13 104 707
Konsernfordringer	3	260 425 408	18 753 678
Sum fordringer		276 143 684	31 858 385
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	84 388 461	171 221 683
Sum bankinnskudd, kontanter og lignende		84 388 461	171 221 683
Sum omløpsmidler		360 532 145	203 080 068
SUM EIENDELER		382 676 728	227 701 900
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	11, 8	100 000	100 000
Annen innskutt egenkapital	8, 5	98 435 411	-273 483 001



Balanse

Beløp i: NOK	Note	2022	2021
Sum innskutt egenkapital		98 535 411	-273 383 001
Sum egenkapital		98 535 411	-273 383 001
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		17 692 493	21 696 631
Skyldige offentlige avgifter		60 607 559	71 937 744
Kortsiktig konserngjeld	3	31 915 109	219 874 170
Annen kortsiktig gjeld	10	173 926 156	187 576 356
Sum kortsiktig gjeld		284 141 317	501 084 901
Sum gjeld		284 141 317	501 084 901
SUM EGENKAPITAL OG GJELD		382 676 728	227 701 900



Skattedirektoratet

Saksbehandler
Jan Hoelstad

Deres dato
29.04.2011

Vår dato
10.05.2011

Telefon
22077325

Deres referanse
Dagfinn Solend

Vår referanse
2011/494789

PricewaterhouseCoopers AS
Postboks 748, Sentrum
0106 OSLO

Dispensasjon fra kravet om norsk språk i årsregnskap og årsberetning

Det vises til deres brev av 29. april 2011. Det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for:

- Cisco Norway Holdings AS org. nr: 994 905 376
- Cisco Systems Norway AS org. nr: 979 322 437
- Tanberg AS org. nr: 928 661 970
- Tanberg Telecom AS org. nr: 961 282 764
- Tanberg Finance AS org. nr: 990 572 127

Bakgrunn:

Alle de nevnte selskaper er eid 100 % av det amerikanske børsnoterte selskapet, Cisco Systems Inc. Det videre opplyst at de tre Tanberg – selskapene er planlagt innfusjonert i Cisco Systems Norway AS.

Cisco System Inc konsernet er en av verdens ledende leverandører av teknologi og løsninger for internettbaserte nettverk. Tanberg konsernet er en ledende leverandør av videokonferanse utstyr internasjonalt, og konsernet ble kjøpt opp av Cisco System Inc i 2010 gjennom nyetablerte Cisco Norway Holdings AS.

Det er opplyst at det i selskapenes styre sitter enkelte personer fra utenlandske Cisco selskaper som ikke behersker norsk språk. Arbeidsspråket i konsernet er engelsk.

Fra deres brev gjengis:

" Årsregnskap og årsberetning blir hvert år utarbeidet på norsk for å tilfredsstille kravet i Regnskapslovens § 3-4. Selskapet har i tillegg oversatt årsregnskapet og årsberetningen til engelsk siden selskapets ledere og eiere i utlandet ikke klarer å forholde seg til et årsregnskap eller en årsberetning utarbeidet på norsk.

I lys av selskapets situasjon, der både eierne og vesentlige brukere av regnskapet ikke forstå norsk da de opererer i et engelskspråklig forretningsmiljø, fremstår kravet i Regnskapslovens § 3-4 om utarbeidelse av årsregnskap og årsberetning på norsk som en unødvendig byrde. Viktige administrative funksjoner knyttet til utarbeidelse av årsregnskapet og årsberetningen er tillagt Cisco ansatte i Zürich, Amsterdam og London.

Postadresse

Postboks 9200 Grønland
0134 Oslo

For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse

Se www.skatteetaten.no
Org. nr: 996250318

Sentralbord

800 80 000
Telefaks

22 17 08 60



I tillegg til at det er ressurskrevende, gir denne situasjonen av og til tvil om korrekt oversettelse, og uoverensstemmelser mellom engelsk og norsk versjon skaper noen ganger unødvendige misforståelser.

IT bransjen er til de grader internasjonal, og et typisk preg er meget store børsnoterte aktører med tyngdepunkt i USA. Bransjespråket er engelsk, og både konkurrenter og andre regnskapsbrukere vil etter vår mening ikke ha behov for at disse dokumentene foreligger på norsk. Cisco kommuniserer i dag kun på engelsk med leverandører, samarbeidspartnere og bankforbindelser."

Skattedirektoratets vurdering og konklusjon

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

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Selskapene er heleid fra utlandet, og må for å tilfredsstille sine eiere få sine årsregnskap utarbeidet på engelsk. En norsk versjon vil derfor være en ren oversettelse som selskapene mener kun vil bli brukt for å oppfylle regnskapslovens språkkrav. Utarbeidelsen av årsregnskap og årsberetning skjer delvis i utlandet. Selskapenes ansatte benytter alt engelsk som arbeidsspråk. Selskapene benytter også engelsk språk ved kommunikasjon med sine forretningspartnere. Selskapets virksomhet er rettet mot et internasjonalt og profesjonelt marked.


Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.



Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad



Cisco Systems
Norway AS

Annual report 2021/2022

Board of directors' report

Annual Accounts

- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' report



Cisco Systems Norway AS

Ownership structure

Cisco Systems Norway AS (the Company) is a wholly owned subsidiary of Cisco Norway Holdings AS, (Norway) and is a member of group companies of Cisco Systems Inc. (USA).

Activity of the Company and Cisco Systems Incorporated Group

Cisco's vision means the ability to broadly anticipate how the communications and IT market will evolve and understand how the network drives this evolution. We believe the network will change the way the world works, lives, plays, and learns, and that the network will have intelligence distributed throughout it. We see, as the market plays out, that the network will literally become the platform for all of life's experiences by delivering applications and services to our customers and by enabling greater productivity, new business models, and expanded forms of entertainment.

Additional group information regarding products, services and company performance of Cisco Systems Inc. can be obtained from www.cisco.com.

The entity is remunerated under a cost-plus model by Cisco Systems Inc. USA.

Business review

The Company's income statement for the year ended 31 July 2022 shows a net profit of MNOK 96.1 and the balance sheet at 31 July 2022 shows shareholders' equity of MNOK 98.5

Total cash flow from operating activities was MNOK 368.1 in fiscal year 2021/2022 and the operating result showed a profit of MNOK 124.0. The difference mainly concerns ordinary depreciation and change in working capital.

The Company's capital investments during fiscal year amounted to MNOK 7.9 which has been invested in equipment. The Company's liquidity reserve as of 31 July 2022 amounted to MNOK 84.4. The Company's ability to self-finance investments is good.

The Board of Directors confirms the conditions for continued operation to be present and has prepared the financial statement on a going concern basis.

In view of the Board of Directors, the profit before tax MNOK 124.0 for the year is satisfactory. The profit after tax MNOK 96.1 is suggested allocated as follows:

Transferred from other paid in capital	13 994 177
Group contribution net of tax	82 117 905
Total	<u>96 112 082</u>



Cisco Systems Norway AS

Business review (continued);

The company has restated its prior year earnings by 412.0 MNOK relating to the correction of cost-plus revenue accrued as income on the share-based compensation charge for the five previous fiscal years 2017 to 2021 inclusive. The restatement has been charged to equity for the years 2017 to 2020 totalling 308.2 MNOK and restatement to revenue for 2021 totalling 103.8 MNOK.

The resulting equity deficit resulting from the restatement required the company's immediate parent, Cisco Norway Holdings AS, to increase capital by way of a group contribution of 357.9 MNOK. The company now has adequate equity to continue to operate for the foreseeable future.

Going concern

Managers have reviewed the potential impact of the 2020-2021 earnings restatement on the Company's operations and financial condition that results in equity of MNOK 98.5 and taking in to account that there is a financial letter of support provided by Cisco Systems Inc. The executives have determined that they have sufficient funding to continue to operate for at least 12 months from the date of approval of the financial statements.

Therefore, management considers it appropriate to prepare the financial statements on a going concern basis after concluding that the events or circumstances do not involve significant uncertainties that could call into question the entity's ability to continue as a going concern.

Future risks

There are no other significant risks that would affect drastically operations of Cisco Systems Norway AS



Cisco Systems Norway AS

Effect on the external environment

In the environment of the Company's Executive and Supervisory Board, environmental issues do not have any material impact on operations or any material effect on the true and fair view of financial development and position in the Annual Report.

The companies parent provides an annual Environmental Sustainability report which can be accessed via this link:-

<https://www.cisco.com/c/en/us/about/csr/environmental-sustainability.html>

Directors' liabilities

The company has in place qualifying third party indemnity provisions available for the benefit of the directors' of the company, which was in force throughout the period and up to the date of signing of the financial statements.

Transparency and responsibility in the supply chain

The company provides an annual statement on Cisco's global supply chain with regard to the prevention of modern slavery and human trafficking.

This report can be accessed via the following link:-

<https://www.cisco.com/c/en/us/about/corporate-social-responsibility/statement-slavery-human-trafficking>.

Equality report

The company provides an annual report on equality practice covering all employees based in Norway.

This report can be accessed via the following link:-

https://www.cisco.com/c/no_no/about/equality-report-cisco.html



Cisco Systems Norway AS

General

The work environment is considered satisfactory and there are no reports of irregularities as regards to absences due to sickness, accidents or injuries. No specific arrangements concerning the work environment are effectuated. The company does not pollute or otherwise negatively influence the environment. The employee sick leave during the year is 0.78 % which is satisfactory.

The company has 534 employees, of which 121 are women. The board consists of 3 men and 4 women.

On-going attempt to improve the gender equality in Norway:

- Special programs for women in several functions to develop female managers
- Cisco connected women: A forum for female employees to discuss and exchange experience and promote collaboration
- Strong focus on inclusion and diversity, management and employee training



Cisco Systems Norway AS

31 July 2021
Oslo, 31 January 2023

Trine Strøemsnes

Trine Strøemsnes
Chairman & Managing
Director

Jonas Edeback

Jonas Allan Edeback
Member of the Board

Sajaid Rashid

Sajaid Rashid
Member of the Board

Jonathan Elstein

Jonathan Michael Elstein
Member of the Board

Cecilie Furuseth Bjelbøle

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Member of the Board

Arne Bjordal

Arne Bjordal
Member of the Board

Ann Katrine Kolstad

Ann Katrine Kolstad
Member of the Board



Cisco Systems Norway AS

		2021/2022	Restated 2020/2021
Income statement 1 August to 31 July			
	Note		
Revenue			
Sales revenue	2, 3	1 235 444 276	1 106 190 769
Total operating income		<u>1 235 444 276</u>	<u>1 106 190 769</u>
Operating expenses			
Payroll expenses	4, 5	873 405 673	859 855 887
Other operating expenses	4	232 086 251	227 756 199
Depreciation of tangible & intangible fixed assets	6	5 070 228	13 704 363
Total operating costs		<u>1 110 562 152</u>	<u>1 101 316 449</u>
Operating result		<u>124 882 124</u>	<u>4 874 320</u>
Financial income and expenses			
Interest income from group companies		-169 547	102 253
Other financial income/expense		106 977	-132 361
Net exchange gain/loss		<u>-825 047</u>	<u>-64 091</u>
		<u>887 617</u>	<u>94 199</u>
Net financial items		<u>-887 617</u>	<u>-94 199</u>
Ordinary result before tax		<u>123 994 507</u>	<u>4 780 121</u>
Taxes on ordinary result	7	<u>27 882 425</u>	<u>21 418 649</u>
Net profit for the year		<u>96 112 082</u>	<u>-16 638 528</u>
Transfers and allocations			
Group contribution	8	82 117 905	152 046 436
Transfers other equity	8	13 994 177	-168 684 964
Total transfers		<u>96 112 082</u>	<u>-16 638 528</u>



Cisco Systems Norway AS

Balance sheet

		2021/2022	Restated 2020/2021
	Note		
Fixed assets			
<i>Tangible assets</i>			
Machinery and plant	6	3 503 681	800 450
Fixtures and fittings, tools, office machinery etc.	6	7 239 035	7 698 550
Total tangible assets		<u>10 742 716</u>	<u>8 499 000</u>
<i>Financial assets</i>			
Deferred tax assets	7	11 401 867	16 122 832
Total financial assets		<u>11 401 867</u>	<u>16 122 832</u>
Total non-current assets		<u>22 144 583</u>	<u>24 621 832</u>
Current assets			
<i>Receivables</i>			
Other receivables		15 718 276	13 104 707
Receivables from group companies	3	260 425 408	18 753 678
Total receivables		<u>276 143 684</u>	<u>31 858 385</u>
Cash and cash equivalents	9	84 388 461	171 221 683
Total current assets		<u>360 532 145</u>	<u>203 080 068</u>
Total assets		<u>382 676 728</u>	<u>227 701 900</u>



Cisco Systems Norway AS

		2021/2022	Restated 2020/2021
	Note		
Equity and liabilities			
<i>Paid in capital</i>			
Share capital	11, 8	100 000	100 000
Other paid in capital	8, 5	98 435 411	-273 483 001
Total retained equity		<u>98 435 411</u>	<u>-273 483 001</u>
Total equity		<u>98 535 411</u>	<u>-273 383 001</u>
Liabilities			
<i>Current liabilities</i>			
Trade payables		17 692 493	21 696 631
Payables to group companies	3	31 915 109	219 874 170
Unpaid public fees		60 607 559	71 937 744
Other short-term debt	10	173 926 156	187 576 356
Total current liabilities		<u>284 141 317</u>	<u>501 084 901</u>
Total liabilities		<u>284 141 317</u>	<u>501 084 901</u>
Total equity and liabilities		<u>382 676 728</u>	<u>227 701 900</u>



Cisco Systems Norway AS

31 July 2021
Oslo, 31 January 2023

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Cisco Systems Norway AS

Cash flow statement

	2021/2022	Restated 2020/2021
Cash flow from operating activities		
Profit/(loss) before tax	123 994 507	4 780 122
Depreciation	5 070 228	13 704 364
Option cost	0	90 303 982
Change in trade creditors	-4 004 139	4 091 028
Restatement of retained earnings	0	-308 239 569
Changes in other accrued income and expenses	242 996 324	186 727 984
Total cash flow from operating activities	<u>368 056 920</u>	<u>-8 632 089</u>
Cash flow from investing activities		
Purchase of tangible fixed assets	-7 850 730	-7 495 323
Net Deposits	536 786	19 582
Total cash flow from investing activities	<u>-7 313 944</u>	<u>-7 475 741</u>
Cash flow from financing activities		
Group contribution paid	-194 931 328	-180 945 495
Accrued group contribution to parent company	105 279 365	194 931 328
Unpaid group contribution from parent company	-357 924 235	0
Total cash flow from financing activities	<u>-447 576 198</u>	<u>13 985 833</u>
Net cash flow for the year	<u>-86 833 222</u>	<u>-2 121 997</u>
Cash and cash equivalents at 01.08	171 221 683	173 343 681
Cash and cash equivalents at 31.07	<u>84 388 461</u>	<u>171 221 684</u>



Cisco Systems Norway AS

Notes to financial statements

Note 1 - Accounting Principals

Cisco Systems Norway AS is a subsidiary of Cisco Norway Holdings AS, and is a part of the Cisco Systems Group. The ultimate parent corporation Cisco Systems Inc. San Jose, USA prepares the consolidated financial statement. The consolidated financial statement can be downloaded at www.cisco.com. The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles in Norway.

Revenue recognition

The Norwegian entity does not contact customers for the supply of networking and communication products or services associated with that equipment and its use. Their services involve marketing and sales facilitations serving the Norwegian market place and R&D activities on Cisco Video Technologies offering customers globally. The entity is remunerated under a cost-plus model by Cisco Systems Inc. USA.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognised at their nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 1 - Accounting Principals (continued);

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences, both positive and negative, are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 1 - Accounting Principals (continued);

Use of estimates

The management has used estimates and assumptions that have affected assets, liabilities, income, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Pensions

As of 2015 the Company changed pension plan from a defined benefit plan to a deposit contribution plan. With a deposit 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 recognized as payroll expenses.

Note 2 - Sales revenue

	2021/2022	Restated 2020/2021
<i>Distribution business area</i>		
Technical sales support and marketing services and R&D	1 235 444 276	1 106 190 769
	<u>1 235 444 276</u>	<u>1 106 190 769</u>
	2021/2022	Restated 2020/2021
<i>Geographical distribution</i>		
Norway	1 235 444 276	1 106 190 769
	<u>1 235 444 276</u>	<u>1 106 190 769</u>



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 3 - Related parties

	2021/2022	Restated 2020/2021
<i>Receivables/Liabilities</i>		
Payables to group companies	-31 915 109	-219 874 170
Accounts receivable from group companies	260 425 408	18 753 678
	<u>228 510 299</u>	<u>-201 120 492</u>

The Company provides technical sales support and marketing services in Norway on behalf of the Group. All revenues are invoiced to Group companies. The revenue is based on a cost-plus model by Cisco Systems Inc. USA.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 4 - Staff cost and remuneration to the auditor

	2021/2022	2020/2021
<i>Salary costs</i>		
Salary	593 505 110	573 726 414
Payroll tax	116 091 736	103 917 226
Pension costs*	34 315 118	30 783 619
Other benefits**	129 493 709	151 428 628
Total	873 405 673	859 855 887

Full time equivalents 534

*The Company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The Company's pension scheme meets the requirements of that law. As of 2015 the Company changed pension plan from a defined benefit plan to a deposit contribution plan.

** Included in other benefits are costs of stock options to employees of NOK 113 066 194, see note 11.

	Chairman & General Manager
Salary & bonus	2 724 871
Pension	107 097
Benefits	240 152
Share-based incentive	493 473
Total management remuneration	3 565 593

	2021/2022	2020/2021
<i>Remuneration to the auditor is divided into the following:</i>		
Audit fee	556 419	524 722

VAT is not included in the figures of auditor's fee.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 5 - Share based payment

The ultimate parent company, Cisco Systems Inc., has issued share options on shares in Cisco Systems Inc., to employees of Cisco Systems Norway AS.

Options granted before November 12 2009 expire no later than nine years from the grant date. Options granted after November 12 2009 expire no later than ten years from the grant date. The options have an exercise price equal to at least 100% of the fair market value of the underlying stock on the grant date.

A Restricted Stock Unit ("RSU") is an award of units that is based upon a certain number of shares of Cisco common stock. RSUs vesting may be performance-based or market-based along with the requisite service requirement. Time-based RSUs will generally vest with respect to 20% or 25% of the shares or share units covered by the grant on each of the first through fifth or fourth anniversaries of the date of the grant, respectively. Performance-based and market-based RSUs typically vest at the end of the three-year requisite service period or earlier if the award recipient meets certain retirement eligibility conditions. The Compensation and Management Development Committee of the Board of Directors of Cisco Systems Inc has the discretion to use different vesting schedules.

The compensation expense for all share-based awards (including employee stock options, stock units, and employee stock purchases related to the Employee Stock Purchase Plan) is measured and recognized based on estimated fair values. The fair value of employee stock options is estimated on the date of grant using a lattice-binomial option-pricing model ("Lattice-Binomial Model") or the Black-Scholes model.

There were no employee stock options granted during fiscal 2022 and 2021 to employees of Cisco Systems Norway AS.

When calculation the cost of options granted a Lattice-binominal model is used on the following assumptions:

	2021/2022
Expected volatility	27.9%
Risk free interest	0.1%
Expected dividend	3.2%



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 5 - Share based payment (continued);

The issuance of shares upon exercise is solely undertaken by Cisco Systems Inc. and as a result, no dilutions in shareholder equity or cash inflows will occur for Cisco Systems Norway AS.

Cost of share based payment included in payroll expenses	2021/2022	2020/2021
Options granted from FY 2006	92 221 247	90 303 982
Social security tax	13 003 196	12 732 861
Total	<u>105 224 443</u>	<u>103 036 843</u>



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 6 - Tangible assets

	Land, buildings and other real property	Machinery and plant	Fixtures and fittings, tools, office machinery etc.	Total
Acquisition costs 01.08.21	96 831 963	35 965 765	72 388 754	205 186 482
Purchased tangibles	0	3 946 007	3 904 723	7 850 730
Disposals	0	-5 316 497	-7 514 030	-12 830 527
<hr/>				
Acquisition costs 31.07.22	96 831 963	34 595 275	68 779 447	200 206 685
Depreciation 01.08.21	96 831 963	35 165 315	64 690 204	196 687 482
Depreciation for the year	0	732 852	4 337 376	5 070 228
Disposals	0	-4 806 573	-7 487 168	-12 293 741
Acc depreciation 31.07.	96 831 963	31 091 594	61 540 412	189 463 969
<hr/>				
Carrying amount 31.07.22	0	3 503 681	7 239 035	10 742 716
<hr/>				



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 6 - Tangible assets (continued);

	Leasehold improvements	Machinery and plant	Fixtures and fittings, tools, office machinery etc.
Amortisation plan	Linear 5 years	Linear 3-5 years	Linear 5 years
Depreciation method			



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 7 - Tax

<i>Income tax expenses</i>	2021/2022	Restated 2020/2021
Tax payable	23 161 460	20 052 210
Too much/little allocated in previous year(s)	0	0
Change in deferred tax	4 720 965	1 366 439
Total Income tax expense	<u>27 882 425</u>	<u>21 418 649</u>
<i>Tax base calculation</i>	2021/2022	2020/2021
Ordinary result before tax	123 994 507	4 780 121
Permanent differences *)	2 743 789	92 577 371
Change in temporary differences	-21 458 931	-6 211 085
Tax base	<u>105 279 365</u>	<u>91 146 408</u>
Tax payable (22%/22%)	<u>23 161 460</u>	<u>20 052 210</u>
<i>Temporary differences outlined</i>	2021/2022	2020/2021
Fixed assets	-25 642 939	-42 136 483
Provisions	-26 183 732	-31 149 118
Total	<u>-51 826 671</u>	<u>-73 285 601</u>
Deferred income tax liability (asset) 22%/22%	<u>-11 401 868</u>	<u>-16 122 832</u>



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 7 - Tax (continued);

<i>Specification of taxes payable in the balance sheet</i>	2021/2022	2020/2021
Current tax	23 161 460	20 052 210
Too much/little allocated in previous year(s)	0	0
Effect of group contribution	-23 161 460	-20 052 210
Tax payable according to balance sheet	0	0
Expected income taxes at statutory tax rate (22%/22%)	27 278 792	1 051 627
Permanent differences (22%/22%)	603 634	20 367 022
Prior years tax	0	0
Change in tax rate	0	0
Income tax expense	27 882 425	21 418 649
Effective tax rate in % **)	22	4

*) Permanent differences consist of non deductible costs, in example entertainment and stock option cost. See Note 11 for more information on stock option costs.

***) Tax expense related to profit before tax.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 8 - Owners equity

Restated	Share capital	Other paid in capital	Other equity	Total
Equity 31.07.20 as previously reported	100 000	135 970 231	0	136 070 231
Restated equity	0	0	-308 239 569	-308 239 569
Equity 31.07.20 Restated	100 000	135 970 231	-308 239 569	-172 169 338
Equity 01.08.20	100 000	135 970 231	-308 239 569	-172 169 338
Profit	0	0	64 313 711	64 313 711
Stock option	0	90 303 983	0	90 303 983
Restatement of profit	0	0	-103 784 921	-103 784 921
Group contribution	0	-87 732 725	-64 313 711	-152 046 436
Equity 31.08.21	100 000	138 541 489	-412 024 490	-273 383 001

	Share capital	Other paid in capital	Other equity	Total
Equity 01.08.21	100 000	138 541 489	-412 024 490	-273 383 001
Profit	0	0	96 112 082	96 112 082
Transfer from other equity	0	-412 024 490	412 024 490	0
Group contribution from parent	0	357 924 235	0	357 924 235
Group contribution	0	13 994 177	-96 112 082	-82 117 905
Equity 31.07.22	100 000	98 435 411	0	98 535 411



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 9 - Bank Deposit

	2021/2022	2020/2021
Employees tax deduction in a restricted bank account	29 993 748	36 585 361

Note 10 - Other short term liabilities

	2021/2022	2020/2021
Accrued salary, bonus etc.	123 619 953	130 344 929
Accrued commissions	24 360 248	19 961 428
Accrued travel expenses	304 328	108 499
Other accruals	25 641 627	37 161 500
Total	<u>173 926 156</u>	<u>187 576 356</u>

Note 11 - Share capital and shareholder information

The Share capital in Cisco Systems Norway AS consists of 100 shares at face value of NOK 1 000. All shares are owned by Cisco Norway Holdings AS. There is only one class of shares.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 12 - Additional information

Note 12.1 - Financial market risk

The Company does not use derivative instruments to manage financial market risk.

Interest risk

The Company is exposed to interest risk in short and medium term as part of the groups debt has floating interest rate. The Company has guidelines defining the maximum share of debt with floating interest rate. The debt portfolio consist today of both debt with floating and fixed interest rates.

Exchange rate risk

The Company is both directly and indirectly exposed to financial risk due to changes in exchange rates. The Company has not entered into any agreements to reduce this risk per 31.07.2022.



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 12 - Additional information (continued);

Note 12.2 - Leasing contracts

The Company has entered into several leasing agreements for office locations, parking and company cars.

	2021/2022	2020/2021
Leasing costs for the period	49 901 350	52 897 980

The calculated expected remaining obligation related to the leasing contract is NOK 90 204 957.

The leasing period is to 2026.

Restatement

The company has restated its prior year earnings by 412.0 MNOK relating to the correction of cost-plus revenue accrued as income on the share-based compensation charge for the five previous fiscal years 2017 to 2021 inclusive. The restatement has been charged to equity for the years 2017 to 2020 totalling 308.2 MNOK and restatement to revenue for 2021 totalling 103.8 MNOK.

The resulting equity deficit resulting from the restatement required the company's immediate parent, Cisco Norway Holdings AS, to increase capital by way of a group contribution of 357.9 MNOK. The company now has adequate equity to continue to operate for the foreseeable future.

The income statement, balance sheet and related notes that have been affected by the restatement have had the comparative figures amended and the respective headings have "Restated" mentioned where applicable.



To the General Meeting of Cisco Systems Norway AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Cisco Systems Norway AS (the Company), which comprise the balance sheet as at 31 July 2022, the income statement and cash flow statement 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 July 2022, and its financial performance and its 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 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 relevant laws and regulations in Norway 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.

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 statutory requirements.

Responsibilities of Management for the Financial Statements

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Management is responsible for the preparation of financial statements that give a true and fair view 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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, 31 January 2023
PricewaterhouseCoopers AS

Fredrik Botha
State Authorised Public Accountant
(This document is signed electronically)



 Securely signed with Brevio

Auditor's report

Signers:

Name	Method	Date
Botha, Fredrik	BANKID	2023-02-01 18:44

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