



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.08.2020 - 31.07.2021

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: 31.01.2022

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, 01.03.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Sales revenue	2, 6	1 209 975 690	1 133 715 723
Sum inntekter		1 209 975 690	1 133 715 723
Kostnader			
Lønnskostnad	3, 11	859 855 887	780 667 191
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	13 704 363	18 253 732
Annen driftskostnad	3	227 756 199	232 826 484
Sum kostnader		1 101 316 449	1 031 747 407
Driftsresultat		108 659 241	101 968 316
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		102 253	814 862
Annen finansinntekt			1 386 892
Sum finansinntekter		102 253	2 201 754
Annen finanskostnad		196 452	1 893 809
Sum finanskostnader		196 452	1 893 809
Netto finans		-94 199	307 945
Ordinært resultat før skattekostnad		108 565 042	102 276 261
Skattekostnad på ordinært resultat	4	44 251 331	44 858 482
Ordinært resultat etter skattekostnad		64 313 711	57 417 779
Årsresultat		64 313 711	57 417 779
Overføringer og disponeringer			
Konsernbidrag	10	152 046 436	141 137 486
Overføringer til/fra annen egenkapital	10	-87 732 725	-83 719 707
Sum overføringer og disponeringer		64 313 711	57 417 779



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	16 122 832	17 489 271
Sum immaterielle eiendeler		16 122 832	17 489 271
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	5	0	8 244 417
Maskiner og anlegg	5	800 450	1 107 679
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5	7 698 550	5 375 527
Sum varige driftsmidler		8 499 000	14 727 623
Sum anleggsmidler		24 621 832	32 216 894
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		13 104 707	12 969 547
Konsernfordringer	6	430 778 168	348 989 032
Sum fordringer		443 882 875	361 958 579
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	8	171 221 683	173 343 681
Sum bankinnskudd, kontanter og lignende		171 221 683	173 343 681
Sum omløpsmidler		615 104 558	535 302 260
SUM EIENDELER		639 726 390	567 519 154
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9, 10	100 000	100 000



Balanse

Beløp i: NOK	Note	2021	2020
Annen innskutt egenkapital	10, 11	138 541 489	135 970 231
Sum innskutt egenkapital		138 641 489	136 070 231
Sum egenkapital		138 641 489	136 070 231
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		21 696 631	17 605 603
Skyldige offentlige avgifter		71 937 744	66 889 590
Kortsiktig konserngjeld	6	219 874 170	198 624 216
Annen kortsiktig gjeld	7	187 576 356	148 329 514
Sum kortsiktig gjeld		501 084 901	431 448 923
Sum gjeld		501 084 901	431 448 923
SUM EGENKAPITAL OG GJELD		639 726 390	567 519 154



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	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
For elektronisk henvendelse se www.skatteetaten.no		



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 2020/2021

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 2021 shows a net profit of MNOK 64.3 and the balance sheet at 31 July 2021 shows shareholders' equity of MNOK 138.6

Total cash flow from operating activities was negative MNOK 8.6 in fiscal year 2020/2021 and the operating result showed a profit of MNOK 108.6. The difference mainly concerns options costs, ordinary depreciation and change in working capital.

The Company's capital investments during fiscal year amounted to MNOK 7.5 which has been invested in equipment as well as office facilities. The Company's liquidity reserve as of 31 July 2021 amounted to MNOK 171.2. 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 108.6 for the year is satisfactory. The profit after tax MNOK 64.3 is suggested allocated as follows:



Cisco Systems Norway AS

Business review (continued);

Transferred from other paid in capital	-87 732 725
Group contribution net of tax	152 046 436
Total	<u>64 313 711</u>

Going concern

Managers have reviewed the potential impact of COVID-19 on the Company's operations and financial condition. After considering the 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

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.



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 0.95 % which is satisfactory.

The company has 508 employees, of which 112 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 2022

Trine Stroemsnes

Trine Stroemsnes

Chairman & Managing
Director

Jonas Edeback

Jonas Allan Edeback

Member of the Board

Sajaid Rashid

Sajaid Rashid

Member of the Board

Anne Siri Aalbu

Anne Siri Aalbu

Member of the Board

Jonathan Elstein

Jonathan Michael Elstein

Member of the Board

Merete Asak

Merete Asak

Member of the Board

Malene Feddersen

Malene Feddersen

Member of the Board



Cisco Systems Norway AS

		2020/2021	2019/2020
Income statement 1 August to 31 July			
	Note		
Revenue			
Sales revenue	2, 6	1 209 975 690	1 133 715 723
Total operating income		<u>1 209 975 690</u>	<u>1 133 715 723</u>
Operating expenses			
Payroll expenses	3, 11	859 855 887	780 667 191
Depreciation of tangible & intangible fixed assets	5	13 704 363	18 253 732
Other operating expenses	3	227 756 199	232 826 484
Total operating costs		<u>1 101 316 449</u>	<u>1 031 747 407</u>
Operating result		<u>108 659 241</u>	<u>101 968 316</u>
Financial income and expenses			
Interest income from group companies		102 253	814 862
Other financial income/expense		-132 361	1 386 892
Net exchange gain/loss		-64 091	-1 893 809
		<u>94 199</u>	<u>-307 945</u>
Net financial items		<u>-94 199</u>	<u>307 945</u>
Ordinary result before tax		<u>108 565 042</u>	<u>102 276 261</u>
Taxes on ordinary result	4	44 251 331	44 858 482
Net profit for the year		<u>64 313 711</u>	<u>57 417 779</u>
Transfers and allocations			
Group contribution	10	152 046 436	141 137 486
Transfers other equity	10	-87 732 725	-83 719 707
Total transfers		<u>64 313 711</u>	<u>57 417 779</u>



Cisco Systems Norway AS

Balance sheet

		2020/2021	2019/2020
	Note		
Fixed assets			
<i>Tangible assets</i>			
Land, buildings and other real property	5	0	8 244 417
Machinery and plant	5	800 450	1 107 679
Fixtures and fittings, tools, office machinery etc.	5	7 698 550	5 375 527
Total tangible assets		<u>8 499 000</u>	<u>14 727 623</u>
<i>Financial assets</i>			
Deferred tax assets	4	16 122 832	17 489 271
Total financial assets		<u>16 122 832</u>	<u>17 489 271</u>
Total non-current assets		<u>24 621 832</u>	<u>32 216 894</u>
Current assets			
<i>Receivables</i>			
Other receivables		13 104 707	12 969 547
Receivables from group companies	6	430 778 168	348 989 032
Total receivables		<u>443 882 875</u>	<u>361 958 579</u>
Cash and cash equivalents	8	171 221 683	173 343 681
Total current assets		<u>615 104 558</u>	<u>535 302 260</u>
Total assets		<u>639 726 390</u>	<u>567 519 154</u>



Cisco Systems Norway AS

		2020/2021	2019/2020
	Note		
Equity and liabilities			
<i>Paid in capital</i>			
Share capital	9, 10	100 000	100 000
Other paid in capital	10, 11	138 541 489	135 970 231
Total retained equity		<u>138 541 489</u>	<u>135 970 231</u>
Total equity		<u>138 641 489</u>	<u>136 070 231</u>
Liabilities			
<i>Current liabilities</i>			
Trade payables		21 696 631	17 605 603
Payables to group companies	6	219 874 170	198 624 216
Unpaid public fees		71 937 744	66 889 590
Other short-term debt	7	<u>187 576 356</u>	<u>148 329 514</u>
Total current liabilities		<u>501 084 901</u>	<u>431 448 923</u>
Total liabilities		<u>501 084 901</u>	<u>431 448 923</u>
Total equity and liabilities		<u>639 726 390</u>	<u>567 519 154</u>



Cisco Systems Norway AS

31 July 2021
Oslo, 31 January 2022

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Cisco Systems Norway AS

Cash flow statement

	2020/2021	2019/2020
Cash flow from operating activities		
Profit/(loss) before tax	108 565 042	102 276 261
Depreciation	13 704 364	18 253 732
Option cost	90 303 982	95 358 829
Change in trade creditors	4 091 028	1 169 827
Changes in other accrued income and expenses	-225 296 506	-228 359 354
Total cash flow from operating activities	<u>-8 632 090</u>	<u>-11 300 705</u>
Cash flow from investing activities		
Purchase of tangible fixed assets	-7 495 323	-5 800 105
Net Deposits	19 582	426 487
Total cash flow from investing activities	<u>-7 475 741</u>	<u>-5 373 618</u>
Cash flow from financing activities		
Group contribution paid	-180 945 495	-190 358 246
Accrued group contribution to parent company	194 931 328	180 945 495
Total cash flow from financing activities	<u>13 985 833</u>	<u>-9 412 751</u>
Net cash flow for the year	<u>-2 121 998</u>	<u>-26 087 074</u>
Cash and cash equivalents at 01.08	173 343 681	199 430 755
Cash and cash equivalents at 31.07	<u>171 221 683</u>	<u>173 343 681</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

	2020/2021	2019/2020
<i>Distribution business area</i>		
Technical sales support and marketing services and R&D	1 209 975 690	1 133 715 723
	<u>1 209 975 690</u>	<u>1 133 715 723</u>
	2020/2021	2019/2020
<i>Geographical distribution</i>		
Norway	1 209 756 690	1 133 715 723
	<u>1 209 756 690</u>	<u>1 133 715 723</u>



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 3 - Staff cost and remuneration to the auditor

	2020/2021	2019/2020
<i>Salary costs</i>		
Salary	573 726 414	510 375 185
Payroll tax	103 917 226	102 450 965
Pension costs*	30 783 619	31 986 994
Other benefits**	151 428 628	135 854 047
Total	859 855 887	780 667 191

Full time equivalents 508.

*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 103 036 843, see note 11.

	Chairman & General Manager
Salary & bonus	2 680 387
Pension	100 049
Benefits	255 317
Share-based incentive	643 653
Total management remuneration	3 679 406

	2020/2021	2019/2020
<i>Remuneration to the auditor is divided into the following:</i>		
Audit fee	524 722	550 577

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



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 4 - Tax

<i>Income tax expenses</i>	2020/2021	2019/2020
Tax payable	42 884 892	39 808 009
Too much/little allocated in previous year(s)	0	0
Change in deferred tax	1 366 439	5 050 473
Total Income tax expense	44 251 331	44 858 482
<i>Tax base calculation</i>	2020/2021	2019/2020
Ordinary result before tax	108 565 042	102 276 261
Permanent differences *)	92 577 371	101 625 930
Change in temporary differences	-6 211 085	-22 956 696
Tax base	194 931 328	180 945 495
Tax payable (22%/22%)	42 884 892	39 808 009
<i>Temporary differences outlined</i>	2020/2021	2019/2020
Fixed assets	-42 136 483	-52 735 018
Provisions	-31 149 118	-26 761 668
Total	-73 285 601	-79 496 686
Deferred income tax liability (asset) 22%/22%	-16 122 832	-17 489 271



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 4 - Tax (continued);

<i>Specification of taxes payable in the balance sheet</i>	2020/2021	2019/2020
Current tax	42 884 892	39 808 009
Too much/little allocated in previous year(s)	0	0
Effect of group contribution	-42 884 892	-39 808 009
Tax payable according to balance sheet	0	0
Expected income taxes at statutory tax rate (22%/22%)	23 884 309	22 500 777
Permanent differences (22%/22%)	20 367 022	22 357 705
Prior years tax	0	0
Change in tax rate	0	0
Income tax expense	44 251 331	44 858 482
Effective tax rate in % **)	41	44

*) 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 5 - Tangible assets

	Land, buildings and other real property	Machinery and plant	Fixtures and fittings, tools, office machinery etc.	Total
Acquisition costs 01.08.20	96 831 963	45 192 320	78 049 015	220 073 298
Purchased tangibles	0	706 681	6 788 642	7 495 323
Disposals	0	-9 933 236	-12 448 903	-22 382 139
<hr/>				
Acquisition costs 31.07.21	96 831 963	35 965 765	72 388 754	205 186 482
Depreciation 01.08.20	88 587 547	44 084 641	72 673 488	205 345 676
Depreciation for the year	8 244 416	1 013 910	4 446 037	13 704 363
Disposals	0	-9 933 236	-12 429 321	-22 362 557
Acc depreciation 31.07.	96 831 963	35 165 315	64 690 204	196 687 482
<hr/>				
Carrying amount 31.07.21	0	800 450	7 698 550	8 499 000
<hr/>				



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 5 - Tangible assets (continued);

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

Note 6 - Related parties

	2020/2021	2019/2020
<i>Receivables/Liabilities</i>		
Payables to group companies	-219 874 170	-198 624 216
Accounts receivable from group companies	430 778 168	348 989 032
	<u>210 903 998</u>	<u>150 364 816</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.

Note 7 - Other short term liabilities

	2020/2021	2019/2020
Accrued salary, bonus etc.	130 344 929	99 340 344
Accrued commissions	19 961 428	12 795 387
Accrued travel expenses	108 499	571 256
Other accruals	37 161 500	35 622 527
Total	<u>187 576 356</u>	<u>148 329 514</u>



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 8 - Bank Deposit

	2020/2021	2019/2020
Employees tax deduction in a restricted bank account	36 585 361	36 090 964

Note 9 - 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.

Note 10 - Owners equity

	Share capital	Other paid in capital	Other equity	Total
Equity 01.08.20	100 000	135 970 231	0	136 070 231
Profit	0	0	64 313 711	64 313 711
Stock option	0	90 303 983	0	90 303 983
Group contribution	0	-87 732 725	-64 313 711	-152 046 436
Equity 31.07.21	100 000	138 541 489	0	138 641 489



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 11 - 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 2021 and 2020 to employees of Cisco Systems Norway AS.

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

	2020/2021
Expected volatility	29.2%
Risk free interest	0.3%
Expected dividend	3.2%



Cisco Systems Norway AS

Notes to financial statements (continued)

Note 11 - 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	2020/2021	2019/2020
Options granted from FY 2006	90 303 982	95 385 829
Social security tax	12 732 861	13 449 402
Total	<u>103 036 843</u>	<u>108 835 231</u>

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 31.07.2021.



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.

	2020/2021	2019/2020
Leasing costs for the period	52 887 980	51 000 754

The calculated expected remaining obligation related to the leasing contract is NOK 127 320 077.

The leasing period is to 2024.



To the General Meeting of Cisco Systems Norway AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cisco Systems Norway AS, which comprise the balance sheet as at 31 July 2021, 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 accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 July 2021, 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

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

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.

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



Independent Auditor's Report - Cisco Systems Norway AS



Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view 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. 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

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

Opinion on Registration and Documentation

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

(2)



Independent Auditor's Report - Cisco Systems Norway AS



Oslo, 31 January 2022
PricewaterhouseCoopers AS

Fredrik Botha
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Botha, Fredrik	BANKID_MOBILE	2022-01-31 15:11

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