



FINANSTILSYNET
THE FINANCIAL SUPERVISORY
AUTHORITY OF NORWAY

Periodic financial reporting – information to third country issuers

Guidance

DATE:
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**THE GUIDANCE APPLIES TO:
ISSUERS LISTED ON Euronext Oslo
Børs and Euronext Expand with
Norway as their home state**

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1 Introduction

The guidance is addressed to issuers from countries outside the EEA whose securities have been admitted to trading or for which admission to trading has been requested, on Oslo Børs or Euronext Expand, and whose home state is Norway. In the following, issuers from non-EEA countries with Norway as their home state are referred to as ‘third country issuers’.

All issuers whose negotiable securities are listed on a regulated market within the EEA must have a home state in this area and must comply with that home state’s rules for financial reporting. This applies regardless of whether the issuer’s primary listing is outside the EEA. For example, a third country issuer whose primary listing is in Canada and secondary listing is on Oslo Børs will have Norway as its home state in the EEA. The issuer shall disclose its home state by issuing a stock exchange statement. In addition, the issuer shall make its home state known to the supervisory authorities in its home state, and where relevant to the authorities of the host state or host states and the state in which the issuer has its registered office in the EEA, cf. section 5-4 (6) of the Securities Trading Act. The issuer is asked to use the standard form¹ from the European Securities and Markets Authority (ESMA), see link in note 1. The form shall be sent to: post@finanstilsynet.no

If third country issuers do not disclose their home state within three months from the date the issuer's negotiable securities are first admitted to listing on a regulated market in Norway, the issuer will have Norway as its home state until it has subsequently chosen and disclosed another EEA state. On Oslo Børs’ website, you will find a list of all companies listed on Oslo Børs / Euronext Expand, including their home state, see: www.euronext.com

This guidance outlines the obligations and regulations related to periodic financial reporting. It is not exhaustive, but rather seeks to clarify the obligations set by the Securities Trading Act and the Securities Trading Regulations. All issuers with securities listed on Oslo Børs or Euronext Expand with Norway as their home state are subject to this act and its regulations, which incorporate the EU Transparency Directive (Directive 2004/109/EC) into Norwegian law. Hence, in principle, the same rules apply across the entire European Economic Area. Oslo Børs’ own body of rules may establish stricter and/or different requirements for periodic financial reporting. Finanstilsynet would like to remind issuers that third country issuers with Norway as their home state are also subject to requirements under the Securities Trading Act and Securities Trading Regulations, for example the continuing disclosure obligation and the obligation to disclose large shareholdings.

In the guidance, these topics are covered in the following chapters:

2. Periodic financial reporting
3. Exemption rules
4. Publication, storage and reporting format
5. Finanstilsynet's review of periodic financial reporting
6. Administrative fines and trading suspension
7. Mandatory submission of notifications/reports

¹ The reporting form is the main document on this ESMA website:
‘Standard form of disclosure of home member state’:
<https://www.esma.europa.eu/document/standard-form-disclosure-home-member-state-0>

The English translation of the Securities Trading Act and Securities Trading Regulations, along with relevant provisions of the Accounting Act, are available on:
<https://www.finanstilsynet.no/en/laws-and-regulations/securities-market/>

2 Periodic financial reporting

Issuers of negotiable securities listed on Oslo Børs or Euronext Expand with Norway as their home state are required to prepare and publish an annual report and a half-yearly report within specific time limits.

2.1 Accounting language

The basic rule is that annual and half-yearly financial statements shall be prepared in accordance with IFRS. The financial statements may also be prepared in accordance with the following Generally Accepted Accounting Principles (GAAP): Japanese GAAP, US GAAP, Chinese GAAP, Canadian GAAP and South Korean GAAP. The European Commission has concluded that the above GAAPs provide information that is at least as good as that provided under IFRS. This is also regulated in the Securities Trading Regulations section 5-11.

The European Commission has noted that Australia, Hong Kong, New Zealand, Singapore and South Africa, among others, have already implemented IFRS in their legislation. However, Finanstilsynet would like to point out that the notes to the financial statements of issuers from these countries must contain an explicit and unreserved statement of compliance with all requirements of international financial reporting standards in accordance with IAS 1 *Presentation of Financial Statements*.

Finanstilsynet has also assumed that the accounting language used in the consolidated financial statements can be used in the financial statements of the parent company.

2.2 Annual financial report – Securities Trading Act section 5-5

An annual financial report shall comprise the audited financial statements, the management report and a statement made by the persons responsible within the issuer. The annual financial report shall be published no later than four months after the end of each financial year.

Management report

The management report must be prepared in accordance with the Accounting Act section 3- 3a. This means that the report has to contain information on the nature of the business, the working environment, gender equality, impact on the external environment, going concern assumption, assessment of accounting items including cash flow statements, together with a risk assessment and prospects for the future. Pursuant to the Securities Trading Regulations section 5-7 subsection (2), issuers are also required to disclose information regarding the rights and obligations of shareholders in the management report in compliance with the requirements of the Securities Trading Act Section 5-8(a).

Moreover, the issuer shall, in the management report or in a document referred to in the management report, give an account of its policies and practice for corporate governance in conformity with the Accounting Act section 3-3(b), cf. Securities Trading Regulations section 5-7 subsection (3).

Finanstilsynet is empowered to determine that a particular third country issuer may prepare the management report under other rules provided those rules fulfil certain conditions; see the Securities Trading Regulations section 5-7 subsections (1) and (2). With respect to the obligation to give an account of corporate governance, Oslo Børs / Euronext Expand are empowered, on certain conditions, to exempt third country issuers from this obligation; see the Securities Trading Regulations section 5-7 subsection (3). For additional information on exemption rules, see 3.1.

Annual financial statements

The annual financial statements must contain audited financial statements for the parent company and for the consolidated group. However, third country issuers are not subject to the disclosure requirements defined in chapter 7 of the Accounting Act. Third country issuers may apply to Finanstilsynet for exemption from the obligation to prepare and present financial statements for the parent company provided that the consolidated financial statements contain specific information. See 3.1 below.

Issuers using a third-country auditor (an auditor residing in a country outside the EEA who audits the annual financial statements of a third country issuer) must ensure that the auditor is registered with Finanstilsynet in conformity with regulations of 18 December 2020 no. 2988 relating to auditing and auditors. Information on registration of third-country auditors: www.finanstilsynet.no/en/finanstilsynets-registry/register-for-third-country-auditors-and-audit-entities/

Audit reports submitted by a third-country auditor that is not registered will not be considered to meet the requirements for an audit report.

If the auditor has concluded that the financial statements should not be approved as they stand, or the auditor has made comments, clarifications or audit reservations in the audit report, the issuer shall notify Finanstilsynet and the regulated market concerned as soon as the audit report has been received by the issuer, cf. section 5-5 (5) of the Securities Trading Act.

Statement

The annual financial report must contain a statement made by the persons responsible within the issuer to the effect that, to the best of their knowledge, the financial statements have been prepared in accordance with applicable accounting standards. In addition, the information in the financial statements shall give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the group. The management report shall include a fair review of the development and performance of the issuer and the group, together with a description of the principal risks and uncertainties that they face.

The statement must be drawn up by the persons responsible for the preparation and presentation of financial statements under the accounting rules applying to the issuer concerned. For example, in the case of Norwegian issuers, the statement must be signed by the board of directors and the chief executive officer. All issuers must ensure that the

statement clearly states the names and job titles of those responsible. The statement must be made public as a part of the annual financial report.

See also 3.1 below regarding exemption rules for third country issuers.

2.3 Reporting on payments to governments etc. – Section 5-5a of the Securities Trading Act

Issuers engaged in activities within the extractive industries or in forestry activities in primary forests shall prepare and publish a yearly disclosure report containing information about their payments to governments at country and project level. The annual report shall state where this disclosure report is published.

The issuer's financial annual report shall include statements made by the persons responsible within the issuer, whose names and job titles shall be clearly indicated, to the effect that the report, to the best of their knowledge, has been prepared in accordance with the requirements of the Securities Trading Act section 5-5a and associated regulations (regulations relating to country-by-country reporting of 20 December 2013 no. 1682).

The obligation to prepare a yearly report does not apply to issuers that prepare a yearly report in accordance with the corresponding provisions of another state. 'Corresponding provisions of another state' mean:

- a. National legislation of an EEA state implementing Directive 2013/34/EU.
- b. Corresponding national legislation in Canada that applies to businesses in the extractive industries.

The same exemption applies if information pursuant to section 5-5a of the Securities Trading Act is included in the parent company's yearly report on payments made by the group to governments prepared as a group report under the rules of section 5-5a of the Securities Trading Act and associated regulations or under corresponding rules of another state.

2.4 Half-yearly financial report – Securities Trading Act section 5-6

A half-yearly financial report covering the first six months of the financial year must be prepared in accordance with the Securities Trading Act section 5-6. The half-yearly report must contain a condensed set of financial statements (half-yearly financial statements), an interim management report and a statement made by the persons responsible within the issuer.

The half-yearly report shall be made public as soon as possible and no later than two months after the end of the accounting period.

If the auditors have issued an audit report or a review report on the half-yearly financial report, the report shall be published together with the half-yearly financial report. If the half-

yearly financial report has not been audited or reviewed by auditors, this must be clearly indicated in the report.

Interim management report

The interim management report shall, at a minimum, include information about important events that have occurred during the first six months of the financial year, and their impact on the half-yearly financial statements, together with a description of the principal risks and uncertainties facing the business for the remaining six months of the financial year. For issuers of shares, the interim management report must also include major related party transactions. See further rules on transactions with related parties in the Securities Trading Regulations section 5-3.

Third country issuers may, subject to Finanstilsynet's permission, prepare the interim management report under other legislation provided that the legislation concerned meets certain conditions. See 3.1 below.

Half-yearly financial statements

When preparing half-yearly financial statements, issuers that prepare financial statements under IFRS must apply IAS 34 Interim Financial Reporting.

Finanstilsynet recommends non-IFRS issuers to prepare half-yearly financial statements under regulations governing interim financial statements under the respective GAAP or under reporting requirements applicable upon listing. If neither alternative is available, the content requirements of IAS 34 Interim Financial Reporting should be utilised in so far as appropriate. When preparing half-yearly financial statements, the issuer must apply the same recognition and measurement principles as when preparing the annual financial statements.

Statement

The half-yearly financial report must contain a statement made by the persons responsible within the issuer to the effect that to the best of their knowledge, the half-yearly financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the group taken as a whole and that the half-yearly management report gives a fair review of the information mentioned above under 'Interim management report', cf. the Securities Trading Act section 5-6 subsection (4).

The statement must be drawn up by the persons responsible for the preparation and presentation of financial statements under the accounting rules applying to the issuer concerned. All issuers must ensure that the statement clearly states the names and job titles of those responsible. The statement must be published as a part of the half-yearly financial report.

See also 3.1 below regarding exemption rules for third country issuers.

2.5 Audit Committee – Securities Trading Regulations section 5-12

Third country issuers shall have an audit committee or equivalent body with functions and composition as mentioned in Article 39 of Directive 2014/56/EU. The issuer shall also abide by the rules of articles 16 and 17 of the Audit Regulations on the appointment of auditors or equivalent national rules, cf. section 5-12, first subsection of the Securities Trading Regulations.

2.6 Alternative performance measures

The European Securities and Markets Authority (ESMA) has prepared guidelines on the preparation and use of alternative performance measures. ESMA also prepares and updates Q&As on the guidelines. Finanstilsynet oversees that the guidelines are followed.

2.7 Requirements on reporting language

Issuers with Norway as their home state must, as a rule, publish required information (including periodic financial reporting) in Norwegian, cf. the Securities Trading Act section 5-13. This also applies to third country issuers. However, Oslo Børs / Euronext Expand may grant exemptions from this requirement. When considering whether an exemption should be made, importance should be attached to the issuer's shareholder composition, how burdensome it would be for the issuer to disclose information in Norwegian in addition to other languages, and the issuer's working language. Issuers intending to apply for dispensation from the requirement to use Norwegian must apply to Oslo Børs / Euronext Expand.

Consequences of non-compliance are described in 5 below.

3 Exemption rules

3.1 Exemption rules for third country issuers

The Securities Trading Act sections 5-5 and 5-6 sets requirements regarding the content of annual and half-yearly financial reports. Third country issuers may apply to Finanstilsynet for exemption from certain of the reporting requirements, cf. the Securities Trading Act section 5-7 first paragraph. The condition is that the issuer complies with equivalent requirements under the third country's rules as set out in the Securities Trading Regulations section 5-7 first paragraph, cf. Directive 2007/14/EC.

In order for Finanstilsynet to consider an application for exemption, the issuer must be bound by the rules of the third country, either by being listed on a regulated market in the third country concerned or by being domiciled in that country.

An application for exemption can be made for the following requirements:

- The requirement that the annual financial report be prepared in conformity with the Securities Trading Act section 5-5 subsection (2) no. 2, which corresponds to the Accounting Act section 3-3a for third country issuers. In order for exemption to be granted, the issuer must be obliged under the rules of the third country to fulfil requirements equivalent to the following conditions, cf. Directive 2007/14/EC Article 13:

(a) a fair review of the development and performance of the issuer's business and of its position, together with a description of the principal risks and uncertainties that it faces, such that the review presents a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business;

(b) an indication of any important events that have occurred since the end of the financial year;

(c) indications of the issuer's likely future development. The analysis referred to in point (a) shall, to the extent necessary for an understanding of the issuer's development, performance or position, include both financial and, where appropriate, non-financial key performance indicators relevant to the particular business.

- The requirement that the half-yearly financial report comply with content requirements mentioned in the Securities Trading Act section 5-6 subsection (4). In order for exemption to be granted, the issuer must be obliged under the rules of the third country to fulfil requirements equivalent to the following conditions, cf. Directive 2007/14/EC Article 14:

Review of the period covered, indications of the issuer's likely future development for the remaining six months of the year. And for issuers of shares and if already not disclosed on an ongoing basis, major related parties transactions.

- The requirement of a statement by responsible persons, to be included in the annual and half-yearly financial reports, cf. the Securities Trading Act section 5-5 subsection (3) no. 3 and section 5-6 subsection (3). In order for exemption to be granted, the issuer must be obliged under the rules of the third country to fulfil requirements equivalent to the following conditions, cf. Directive 2007/14/EC Article 15:

A person or persons within the issuer are responsible for the annual and half-yearly information, and in particular for the compliance of the financial statements with the applicable reporting framework or set of accounting standards, and the fairness of the management review included in the management report.

- The requirement to prepare a separate set of parent company accounts, cf. the Securities Trading Act section 5-5 subsection (3) first and second sentences. In order for exemption to be granted, the issuer must be obliged under the rules of the third

country to fulfil requirements equivalent to the following conditions, cf. Directive 2007/14/EC Article 17:

The issuer is required in preparing consolidated accounts to include dividends computation and ability to pay dividends (only applicable to issuers of shares), and for all issuers, where applicable, minimum capital and equity requirements and liquidity issues.

If Finanstilsynet deems that the conditions are met, the requirement as to separate parent company accounts will not apply.

Further, third country issuers can apply to Finanstilsynet for exemption from the requirement of the Securities Trading Act section 5-8(a)², according to which the issuer shall disclose further information on the shareholder situation in its management report, cf. the Securities Trading Regulations section 5-7 subsection (2). The condition is that the issuer under the legislation of the third country is required to comply with requirements equivalent to those set out in Directive 2004/25/EC Article 10, according to which detailed information shall be disclosed about the following:

- (a) *the structure of their capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents;*
- (b) *any restrictions on the transfer of securities, such as limitations on the holding of securities or the need to obtain the approval of the company or other holders of securities, without prejudice to Article 46 of Directive 2001/34/EC;*
- (c) *significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC;*
- (d) *the holders of any securities with special control rights and a description of those rights;*
- (e) *the system of control of any employee share scheme where the control rights are not exercised directly by the employees;*
- (f) *any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities;*

² The provision applies to the financial year starting 1 August 2010 or later, cf. Regulations on transitional rules etc. to the Act of 25 June no. 33 concerning amendments to the Accounting Act and certain other statutes, adopted by the Ministry of Finance on 1 July 2010.

- (g) *any agreements between shareholders which are known to the company and may result in restrictions on the transfer of securities and/or voting rights within the meaning of Directive 2001/34/EC;*
- (h) *the rules governing the appointment and re-placement of board members and the amendment of the articles of association;*
- (i) *the powers of board members, and in particular the power to issue or buy back shares;*
- (j) *any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the company; this exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements;*
- (k) *any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid."*

Finanstilsynet has thus far received some applications for exemption, and concluded that issuers required to prepare 'Form 20-F' or 'Form 10-K' under SEC rules are to be regarded as being subject to 'equivalent rules' with regard to management reports and the associated statement to be made by responsible persons under the Securities Trading Act. Finanstilsynet has accordingly granted exemptions to issuers listed in the US that have applied for exemption from the requirement that the annual financial report be prepared under the Accounting Act section 3-3(a) and exemption from the requirement that statements by responsible persons be prepared under the Securities Trading Act. Exemptions have also been granted from the requirement for separate parent company financial statements, inasmuch as Finanstilsynet has accepted that the SEC imposes 'equivalent rules' on consolidated accounts.

Finanstilsynet has declined to consider an application from a third country issuer requesting an assessment of legislation by which the issuer was not bound. The applicant was domiciled in a third country and wished to utilise the legislation of a 'fourth country' to which the issuer had no affiliation apart from its parent company being listed there. Where an issuer is listed in a 'fourth country' (and therefore obliged to comply with the rules of that country), Finanstilsynet will consider an application for exemption. Finanstilsynet emphasises that the issuer must publish and store the annual and half-yearly financial report under the provisions of the Securities Trading Act, regardless of whether exemption is granted.

An issuer wishing to avail itself of the exemption provisions in the Securities Trading Regulations section 5-7 subsections (1) and (2) should submit an application to Finanstilsynet giving an account of the rules the issuer considers should be regarded as 'equivalent'. In cases where Finanstilsynet has already concluded that the rules are to be regarded as 'equivalent' (e.g. 'Form 20-F' and 'Form 10-K'), the issuer should nonetheless apply to Finanstilsynet, but without including an account of the third country's rules.

Oslo Børs / Euronext Expand can exempt third country issuers from the obligation to provide an account of their corporate governance policies and practice in their annual report or in a

document to which reference is made in the annual report.³ The condition is that the issuer is covered by equivalent requirements under the legislation of the home country or by the listing requirements of an authorised marketplace outside the EEA on which the issuer's securities are also listed.

Consequences of non-compliance are described in 5 below.

3.2 Exemptions for bond issuers

Pursuant to the Securities Trading Act section 5-4 subsection (9), issuers who only issue debt instruments with a denomination of at least EUR 100 000 or the equivalent amount in another currency are not required to publish periodic financial reports.

According to the Securities Trading Act section 5-13 subsection (6), bond issuers who issue bonds with a denomination of at least EUR 100 000 shall publish required information either in Norwegian or English. Hence these issuers need not apply to Oslo Børs for dispensation to report in English.

4 Publication, storage and reporting format

Periodic financial reports are to be published via media which can reasonably be expected to communicate the information to the public throughout the EEA. See further rules in the Securities Trading Act section 5-12; cf. the Securities Trading Regulations section 5-9. It is customary to publish such material via a news distributor.

Financial reporting that is being published should simultaneously be sent electronically to Oslo Børs, which is the designated official storage mechanism (OAM). The storage mechanism in Norway can be found on NewsWeb: <https://newsweb.oslobors.no>. Finanstilsynet would like to point out that the entire reporting must be stored directly in the OAM. It is not sufficient to post a link to another website where the reports are available.

The statutory requirement to file periodic financial reports with Finanstilsynet, defined in the Securities Trading Act section 5-12 subsection (2), is fulfilled by storing them in the OAM. This applies both to annual and half-yearly reporting.

The entire annual financial report shall be prepared in XHTML format (Extensible Hypertext Markup Language), cf. Regulations of 3 June no. 2187 (Regulations on electronic reporting format). Consolidated financial statements prepared in accordance with IFRS must also be marked up in accordance with the applicable ESEF taxonomy. For consolidated financial statements for the 2021 financial year, the income statement, balance sheet, cash flow statement and statement of changes in equity must be marked up. For consolidated financial statements as from the 2022 financial year, the notes must also be marked up.

³ Cf. section 5-7 subsection (3) of the Securities Trading Regulations, cf. Section 3-3b of the Accounting Act. The provision applies to the financial year starting 1 August 2010 or later, cf. Regulations on transitional rules etc. to the Act of 25 June no. 33 concerning amendments to the Accounting Act and certain other statutes, adopted by the Ministry of Finance on 1 July 2010.

The taxonomy is published by ESMA and is updated annually. One of its objectives is to reflect new and changes in IFRS standards or improvements in the general content or technology of the IFRS taxonomy. Finanstilsynet expects issuers to use the most updated version of the taxonomy. For more information about ESEF, see Finanstilsynet's website.⁴

5 Finanstilsynet's review of periodic financial reporting

Finanstilsynet oversees that annual financial statements (at both group and parent company level), management reports, half-yearly financial reports and other financial reporting, as well as audit committees, the selection of auditor and reporting of payments to governments by issuers of negotiable securities which are listed or for which admission to listing has been requested on a regulated market within the EEA, are in compliance with law or regulations, cf. the Securities Trading Act section 19-1 subsection (3).

Finanstilsynet's supervision covers issuers with Norway as their home state, and thus also third country issuers. The supervision takes place regardless of the accounting language (IFRS, US GAAP, etc.) used by the issuer.

Entities' financial reporting is selected for review on the basis of risk assessments, rotation and/or signals received. The purpose of the review is to identify significant reporting inconsistencies. A review may be carried out without the entity's knowledge. This happens in cases where Finanstilsynet sees no need for further inspection of the reports in question. Should Finanstilsynet wish to undertake a further inspection, it will as a rule write to the issuer to request additional information related to the issuer's reporting. The Securities Trading Act section 19-2 subsection (7) requires an entity to disclose to Finanstilsynet such information about the particular issuer's circumstances as Finanstilsynet requires for review purposes. Finanstilsynet may require the information to be disclosed orally or in writing within a set period. Finanstilsynet may also require documents to be submitted, including technically stored information and printouts from storage media, cf. the Securities Trading Regulations section 17-6.

If the financial reporting in the documents is not in accordance with law or regulations, Finanstilsynet may order an issuer to correct errors in the next report or to change its future accounting practice. In the event of significant deviations, Finanstilsynet may order the issuer to issue new financial reports within a set period, cf. the Securities Trading Regulations sections 17-8 and 17-9. Finanstilsynet may also impose an administrative fine on an issuer if the financial reporting or the reporting of payments to governments is not in compliance with law or regulations, cf. the Securities Trading Act section 21-3 subsection (2). Finanstilsynet may also impose an administrative fine in the event of non-compliance with the rules on audit committees, cf. the Securities Trading Act section 21-3 subsection (3).

Finanstilsynet publishes final letters on its website in cases where it has inspected an issuer's financial reporting. All such letters are in principle in the public domain. However, a letter

⁴ <https://www.finanstilsynet.no/en/news-archive/news/2021/requirement-for-electronic-reporting-format-for-listed-companies-esef/>

containing information subject to statutory confidentiality under Norwegian law will be withdrawn from public view. This would be done, for example, in the case of information about business circumstances which for competitive reasons should be exempt from public disclosure in the interest of the party to whom the information relates.

The costs incurred by Finanstilsynet as a result of financial reporting supervision are apportioned to all issuers of negotiable securities listed on Oslo Børs or Euronext Expand with Norway as their home state. Issuers will receive a yearly invoice from Finanstilsynet which includes the expenses for reviewing periodic financial reporting.

6 Administrative fines and trading suspension

6.1 Administrative fines

Finanstilsynet may impose an administrative fine on an issuer if the financial reporting or the reporting of payments to governments is not in compliance with law or regulations. The same applies if the entity fails to comply with the rules on audit committees. This is applicable to issuers of negotiable securities listed on Oslo Børs and Euronext Expand with Norway as their home state, i.e. also third country issuers.

The deadline for publication/storage of the annual and half-yearly financial report is the last day of the month in which the time limit for reporting expires, and publication and storage must take place no later than the end of that day. Finanstilsynet makes a concrete assessment in each case if an administrative fines is to be imposed. Finanstilsynet is not empowered to grant dispensation from time limits.

Written notification of administrative fines will be published on Finanstilsynet's website and under Finanstilsynet's ticker on Oslo Børs' NewsWeb: <https://newsweb.oslobors.no/>

For more information about administrative fines, see Finanstilsynet's website: <https://www.finanstilsynet.no/tilsyn/finansuell-rapportering/> (in Norwegian only)

6.2 Trading suspension

If an issuer fails to publish certain periodic financial reports, Finanstilsynet will consider suspending financial instruments from listing. Suspension will in principle be imposed two months after the deadline for publication of the annual financial report and one month after the deadline for interim reporting. This applies both to listed shares and debt instruments. Oslo Børs and Euronext Expand are empowered to follow up suspension by delisting if reports remain unpublished. For more information about suspension, see Finanstilsynet's website: <https://www.finanstilsynet.no/tilsyn/finansuell-rapportering/> (in Norwegian only)

7 Mandatory submission of notifications/reports

7.1 Mandatory submission of notification to Finanstilsynet

According to the Securities Trading Act section 5-5 subsection (5) an issuer is obliged to notify Finanstilsynet if the auditor concludes that the financial statements should not be approved as they stand, or has provided emphasis of a matter or qualification in their audit report. Notification must be made as soon as the audit report has been received by the issuer.

Finanstilsynet points out that issuers, their officers and senior employees and the auditor shall notify Finanstilsynet of any financial reporting by the issuer which in their judgment fails to give a fair view in conformity with the relevant rules for financial reporting, cf. the Securities Trading Regulations section 19-2 subsection (7). This applies regardless of the duty of confidentiality.

7.2 Mandatory reporting – Altinn form KRT 1003

As part of its oversight of financial reporting by entities listed on Oslo Børs or Euronext Expand having Norway as their home state, Finanstilsynet obtains reports from the issuers. Reporting via Altinn form KRT-1003 is mandatory for all companies at Oslo Børs that issue negotiable securities (shares, equity certificates or bonds) and have Norway as their home state. Third country issuers must create an Altinn user and report their username and legal entity identifier (LEI) to: KRT1003-rapportering@finansstilsynet.no

Finanstilsynet will send issuers information providing details of how the form should be completed. Such reports should be filed in the period 15 April – 15 May. For more information about KRT 1003, see Finanstilsynet's website: <https://www.finanstilsynet.no/tilsyn/finansiell-rapportering/> (in Norwegian only)

Finanstilsynet may require issuers to comply with this mandatory reporting requirement and may also impose a cumulative fine that runs for each day that passes after the expiry of the deadline, cf. the Securities Trading Act section 19-10 (1).

