



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 914 785 200  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: INDRA NAVIA AS  
Forretningsadresse: Hagaløkkveien 26  
1383 ASKER

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: 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: Ivar Otterlei  
Dato for fastsettelse av årsregnskapet: 19.06.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*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, 25.07.2025



## Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating Income	1, 2, 3, 4	806 162 352	673 927 087
<b>Sum inntekter</b>		<b>806 162 352</b>	<b>673 927 087</b>
<b>Kostnader</b>			
Raw materials and consumables used	1, 3, 4	359 666 611	303 413 692
Employee benefits expense	5, 6	254 434 569	230 937 660
Depreciation and amortisation expenses	7	5 518 006	4 900 940
Other expenses	3, 8	92 898 817	67 846 103
<b>Sum kostnader</b>		<b>712 518 003</b>	<b>607 098 395</b>
<b>Driftsresultat</b>		<b>93 644 349</b>	<b>66 828 692</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries			5 280 000
Annen renteinntekt		12 577 152	3 551 701
Other financial income	9	267 951	58 361 916
<b>Sum finansinntekter</b>		<b>12 845 104</b>	<b>67 193 617</b>
Annen rentekostnad		496 312	133 988
Other financial expenses	9	309 699	61 114 585
<b>Sum finanskostnader</b>		<b>806 011</b>	<b>61 248 574</b>
<b>Netto finans</b>		<b>12 039 093</b>	<b>5 945 043</b>
<b>Ordinært resultat før skattekostnad</b>		<b>105 683 442</b>	<b>72 773 735</b>
Tax expense	10	24 233 184	14 409 926
<b>Ordinært resultat etter skattekostnad</b>		<b>81 450 258</b>	<b>58 363 809</b>
<b>Årsresultat</b>		<b>81 450 258</b>	<b>58 363 809</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>81 450 258</b>	<b>58 363 809</b>
<b>Totalresultat</b>		<b>81 450 258</b>	<b>58 363 809</b>



## Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>Overføringer og disponeringer</b>			
Transferred from/-to other equity	11	81 450 258	58 363 809
<b>Sum overføringer og disponeringer</b>		<b>81 450 258</b>	<b>58 363 809</b>



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Concessions, patents, licences, trademarks, and similar rights	7	14 725 187	19 438 967
<b>Sum immaterielle eiendeler</b>		<b>14 725 187</b>	<b>19 438 967</b>
<b>Varige driftsmidler</b>			
Equipment and other movables	7	4 506 285	1 766 795
<b>Sum varige driftsmidler</b>		<b>4 506 285</b>	<b>1 766 795</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	12	99 000	99 000
Other long-term receivables	13	48 655	52 585
<b>Sum finansielle anleggsmidler</b>		<b>147 655</b>	<b>151 585</b>
<b>Sum anleggsmidler</b>		<b>19 379 127</b>	<b>21 357 347</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	14	<b>82 845 507</b>	<b>68 100 158</b>
<b>Fordringer</b>			
Accounts receivables	4, 15	193 878 195	138 534 748
Other short-term receivables	13	9 538 514	16 727 251
<b>Sum fordringer</b>		<b>203 416 709</b>	<b>155 261 999</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	16	326 684 810	258 589 369
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>326 684 810</b>	<b>258 589 369</b>
<b>Sum omløpsmidler</b>		<b>612 947 026</b>	<b>481 951 525</b>
<b>SUM EIENDELER</b>		<b>632 326 153</b>	<b>503 308 872</b>

## BALANSE - EGENKAPITAL OG GJELD



### Balanse

Beløp i: NOK	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	11, 17	1 560 010	1 560 010
<b>Sum innskutt egenkapital</b>		<b>1 560 010</b>	<b>1 560 010</b>
<b>Opptjent egenkapital</b>			
Other equity	11	163 874 120	162 707 569
<b>Sum opptjent egenkapital</b>		<b>163 874 120</b>	<b>162 707 569</b>
<b>Sum egenkapital</b>		<b>165 434 130</b>	<b>164 267 579</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	6		
Utsatt skatt	10	41 321 159	40 714 030
<b>Sum avsetninger for forpliktelser</b>		<b>41 321 159</b>	<b>40 714 030</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>41 321 159</b>	<b>40 714 030</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	4	69 466 528	54 674 673
Tax payable	10	23 626 055	975 954
Public duties payable		17 404 925	17 016 801
Other current liabilities	18	315 073 356	225 659 835
<b>Sum kortsiktig gjeld</b>		<b>425 570 863</b>	<b>298 327 263</b>
<b>Sum gjeld</b>		<b>466 892 022</b>	<b>339 041 293</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>632 326 153</b>	<b>503 308 872</b>



# Indra Navia AS

FINANCIAL STATEMENT 2023

## indra

- \* BOARD'S ANNUAL STATEMENT
- \* INCOME STATEMENT
- \* BALANCE SHEET
- \* Cash flow statement
- \* NOTES TO THE FINANCIAL STATEMENT
- \* AUDITORS REPORT



## Board of Directors' Report 2023 Indra Navia AS

### Introduction

Indra Navia AS is a wholly owned subsidiary Indra Sistemas SA. Indra Navia AS develops, markets, and installs ground-based systems for the Air Traffic Control Market, including Communication, Navigation and Surveillance (CNS) technologies. The systems are designed to improve air traffic efficiency, enhance safety and improve profitability for airspace operators worldwide. The company holds office at Asker, Norway.

### Financial result

2023 revenue and profitability are both up compared to 2022:

- Turnover increased by 20 % from 673 MNOK to 806 MNOK
- Net profit before tax is up by 45 % from 72,8 MNOK to 105,7 MNOK

The competitive position of the company remains strong within our selected markets.

Within Naviaids segment revenue is up by 46% compared to 2022 fueled by high activity in Africa, China and India in particular. High activity in China and Middle East continues into 2024

On April 28th 2023 Indra Sistemas completed the acquisition of the ATM business of Selex based in the US. This acquisition will strengthen Indra's position as a major global player in the air Navigational aid system segment. The implication for Indra Navia is positive in particular as it over time will open access to the US market. The acquisition widens our product portfolio with the only Distance Measuring Equipment (DME) fully qualified by US Federal Aviation Administration (FAA). The company is the sole provider of ILS to the US Air Force and US Navy

The company continues to grow in the tower segment with deliveries remote and virtual towers to Norway and Hungary approaching completion. Order intake is 50% higher compared to 2022 and the remote tower market is poised for growth the next years. Virtual Apron tower systems is a new segment and the company secured a new program in this domain with the Vancouver airport program last last year. 2 major projects within Remote Operated Towers are getting close to completion.

Global financial turmoil leads to investors seeking "safe havens" with regards to currencies. This leads to a significant weakening of smaller currencies, like the NOK. On average the NOK has weakened by 10-12% versus the USD and EUR during 2023. The cost level of the components we need increase accordingly, but the overall effect of the weakened NOK is positive for Indra Navia.

Cash flow from operating activities equals 146 MNOK.

The company's financial position is good. The board is of the opinion that the annual report gives a true and fair view of Indra Navia AS' assets, liabilities, financial situation and income.



## **Allocation of net income**

The Board of Directors has proposed the net earnings of Indra Navia AS to be allocated to other equity. The equity ratio is now 26%, compared to 32% last year.

## **Financial risk**

### Project risk/ disputes

Company business contracts are in several jurisdictions. The company seeks to mitigate adverse contract terms by negotiations and through the execution of the contracts. The company makes use of parent company insurance programs and seeks to reduce liability exposures.

### Currency risk

The company is exposed to changes in currencies against NOK as a substantial part of their sales is in foreign currency. The company hedges all major currency exposures (customer contracts exceeding 1,5 MNOK), however firm bids tendered in foreign currency will be exposed until such time as a contract is signed.

### Credit risk

The risk that the customers cannot fulfil their financial obligations is rated as low. Historically there have been very few losses due to non-payments on contracts. Many of the customers are governmental or government-owned companies. Payments on contracts with customers that traditionally have been late payers or customers in countries that previously have been troublesome are secured by means of L/Cs and other instruments.

### Liquidity risk

The liquidity of the company is good. Lack of funding to finance ongoing operations is not a problem. No actions are needed to reduce liquidity risk.

Indra Navia is covered by Indra Sistemas D&O insurance policy. This insurance has a limit of indemnity of 10.000.000 EUR.

## **Working environment and sick leave**

The board considers the working environment to be satisfactory. Total absence due to sick leave has been 2,76 % in 2023, compared to 3,2% in 2022 with short-term sick leave accounting for 1,11 % in 2023 compared to only 1,34 % in 2022. Absence due to sick leave is still low, and the increase is mainly related to Covid and 1 long term sick leave that lasted through all 2022. The board has therefore not effectuated or planned any initiative regarding the working environment.

## **Environmental report**

The parent company is a member of Elektronikkretur (scheme for returning electronic equipment), but 97% of products are exported and the customers are responsible for the disposal of such equipment. Indra Navia AS has no knowledge of any case where disposal of our equipment has caused environmental damage.



## **Equal opportunity**

The company focuses on equal opportunities regardless of gender or nationality. Currently, we have employees from 27 nationalities. Out of 23 new recruitments in 2023 78 % were of Norwegian origin, 17 % other European countries and 5 % non-western background.

The company had 195 employees as of 31 December 2023, of which 58 were female and 137 were men. The total number of part time employees were 16 where 3 were female. Part time employment is normally initiated by the employees preparing for retirement. There is no involuntary part time employment at Indra Navia.

Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. There are small changes from last year. Women are represented at all levels of the organization:

Total representation	30 %
Middle management	35 %
Top management	29 %
Board of Directors	33 %

During 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's payroll structure and salary system. Overall, the salary gap between men and women is 14,6%, but when adjusting for level of responsibility, education and level of complexity the gender gap is insignificant.

Indra Navia regularly conducts employee surveys. These are anonymous and administered by external providers (Great Place to Work). Specific questions focus on equality regardless of gender, age, sexual orientation, religion, ethnic and cultural background. On all these dimensions Indra Navia scores significantly better than the national average.

The company's HR policy is based on the principle of equality and all employees have access to the same opportunities and benefits, regardless of sex, age, race, religion, political standpoint or sexual orientation.

For more information we ask you to look in note 21, where there is a more detailed description.

## **Research and Development**

The company invested MNOK 47,6 in R&D in 2023, of which MNOK 43,3 was self-financed. All R&D is expensed. The R&D is used to develop new products and enhance existing, products in the Communication, Navigation and Surveillance portfolio to meet the marked demand.

## **Transparency act**

The Transparency act is published at the Indras website. <https://www.indracompany.com/en/indra-norway>

[https://www.indracompany.com/sites/default/files/d7/Norway/transparency\\_act\\_-\\_statement\\_2023\\_eng.pdf](https://www.indracompany.com/sites/default/files/d7/Norway/transparency_act_-_statement_2023_eng.pdf)



## Conditions for continued operation

The annual report has been written with the assumption of continued operation. The Board confirms that the going concern assumption continues to apply

**Asker, June 19th 2024**

Francisco Javier Ruano Contreras  
Member of the board

Ramón Tarrech Masdeu  
Chairman of the board

Eldar Hauge  
Member of the board

Andrès Diez Molina  
Member of the board

Bjørg Hanne Reppen  
Member of the board

Sverre Telnes  
Member of the board

Andrew P. Fiamingo  
Managing Director



## INCOME STATEMENT

### INDRA NAVIA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2023	2022
Operating Income	1, 2, 3, 4	806 162 352	673 927 087
<b>Total income</b>		<b>806 162 352</b>	<b>673 927 087</b>
Raw materials and consumables used	1, 3, 4	359 666 611	303 413 692
Employee benefits expense	5, 6	254 434 569	230 937 660
Depreciation and amortisation expenses	7	5 518 006	4 900 940
Other expenses	3, 8	92 898 817	67 846 103
<b>Total expenses</b>		<b>712 518 003</b>	<b>607 098 395</b>
<b>Operating profit</b>		<b>93 644 349</b>	<b>66 828 692</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Income from subsidiaries		0	5 280 000
Other interest income		12 577 152	3 551 701
Other financial income	9	267 951	58 361 916
Other interest expenses		496 312	133 988
Other financial expenses	9	309 699	61 114 585
<b>Net financial items</b>		<b>12 039 093</b>	<b>5 945 043</b>
<b>Net profit before tax</b>		<b>105 683 442</b>	<b>72 773 735</b>
Tax expense	10	24 233 184	14 409 926
<b>NET INCOME</b>		<b>81 450 258</b>	<b>58 363 809</b>
<b>ALLOCATION OF NET INCOME</b>			
Transferred from/-to other equity	11	81 450 258	58 363 809
<b>Net allocation</b>		<b>81 450 258</b>	<b>58 363 809</b>

INDRA NAVIA AS



### BALANCE SHEET

#### INDRA NAVIA AS

ASSETS	Note	2023	2022
<b>NON-CURRENT ASSETS</b>			
Concessions, patents, licences, trademarks, and similar rights 7		14 725 187	19 438 967
<b>Total intangible assets</b>		<b>14 725 187</b>	<b>19 438 967</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Equipment and other movables	7	4 506 285	1 766 795
<b>Total property, plant and equipment</b>		<b>4 506 285</b>	<b>1 766 795</b>
<b>FINANCIAL FIXED ASSETS</b>			
Investments in subsidiaries	12	99 000	99 000
Other long-term receivables	13	48 655	52 585
<b>Total non-current financial assets</b>		<b>147 655</b>	<b>151 585</b>
<b>Total non-current assets</b>		<b>19 379 127</b>	<b>21 357 347</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>	<b>14</b>	<b>82 845 507</b>	<b>68 100 158</b>
<b>DEBTORS</b>			
Accounts receivables	4, 15	193 878 195	138 534 748
Other short-term receivables	13	9 538 514	16 727 251
<b>Total receivables</b>		<b>203 416 709</b>	<b>155 261 999</b>
<b>INVESTMENTS</b>			
Cash and cash equivalents	16	326 684 810	258 589 369
<b>Total current assets</b>		<b>612 947 026</b>	<b>481 951 525</b>
<b>Total assets</b>		<b>632 326 153</b>	<b>503 308 872</b>



## BALANCE SHEET

### INDRA NAVIA AS

EQUITY AND LIABILITIES	Note	2023	2022
<b>PAID-IN CAPITAL</b>			
Share capital	11, 17	1 560 010	1 560 010
<b>Total paid-up equity</b>		<b>1 560 010</b>	<b>1 560 010</b>
<b>RETAINED EARNINGS</b>			
Other equity	11	163 874 120	162 707 569
<b>Total retained earnings</b>		<b>163 874 120</b>	<b>162 707 569</b>
<b>Total equity</b>		<b>165 434 130</b>	<b>164 267 579</b>
<b>LIABILITIES</b>			
Deferred tax	10	41 321 159	40 714 030
<b>Total provisions</b>		<b>41 321 159</b>	<b>40 714 030</b>
<b>CURRENT LIABILITIES</b>			
Trade payables	4	69 466 528	54 674 673
Tax payable	10	23 626 055	975 954
Public duties payable		17 404 925	17 016 801
Other current liabilities	18	315 073 356	225 659 835
<b>Total current liabilities</b>		<b>425 570 863</b>	<b>298 327 263</b>
<b>Total liabilities</b>		<b>466 892 022</b>	<b>339 041 293</b>
<b>Total equity and liabilities</b>		<b>632 326 153</b>	<b>503 308 872</b>

Asker, 19.06.2024  
The board of Indra Navia AS

\_\_\_\_\_  
Ramon Tarrech Masdeu  
Chairman of the board

\_\_\_\_\_  
Francisco Javier Ruano Contreras  
Member of the board

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Bjørge Hanne Reppen  
Member of the board

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Sverre Lindstøl Telnes  
Member of the board

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Andres Diez Molina  
Member of the board

\_\_\_\_\_  
Eldar Hauge  
Member of the board

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Andrew Paul Fiamingo  
General Manager



## CASH FLOW STATEMENT

### INDRA NAVIA AS

	Note	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income before tax		105 683 442	72 773 735
- Taxes paid this period		0	0
+ Depreciation and amortization of fixed assets		5 518 006	4 900 940
+/- Inventories		-17 402 247	-24 570 056
+/- Accounts receivables		47 967 781	-13 933 585
+/- Accounts payables		21 993 747	17 175 109
+/- Change in current assets/liabilities		-17 401 571	-11 195 199
= <b>Net cash provided by operating activities</b>		<b>146 359 158</b>	<b>45 150 944</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
- Purchase of property, plant and equipment		-3 543 716	-6 266 430
Dividens from susidary		5 280 000	0
= <b>Net cash provided by investing activities</b>		<b>1 736 284</b>	<b>-6 266 430</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
- Dividends paid out		80 000 000	57 000 000
= <b>Net cash provided by financing activities</b>		<b>-80 000 000</b>	<b>-57 000 000</b>
= <b>Net change in bank deposit, cash and cash equivalents</b>		<b>68 095 441</b>	<b>-18 115 486</b>
+ Bank deposit, cash and cash equivalents at beginning of year		258 589 369	276 704 855
= <b>Bank deposit, cash and cash equivalents at end of year</b>		<b>326 684 810</b>	<b>258 589 369</b>

INDRA NAVIA AS



## **Note 1 Presentation of the company and accounting principles**

Indra Navia AS is a high-technology company. The main product areas are instrument landing systems for airports (NORMARC), air traffic control systems for surface movement guidance and control (NOVA) and voice communication control systems (GAREX).

The company is a wholly-owned subsidiary of Indra Sistemas S.A

Indra Navia AS is the parent company of Normeka AS. This company's main activity is production of mechanical components to Indra Navia AS.

The financial statements are prepared in accordance with The Norwegian Accounting Act of 1998 and its regulations. The accounting principles are as described below:

Revenue and operating expenses are presented gross. Financial posts are related to foreign currency effects, funding of the company and the return on the company's financial investments.

Balance statement. Balances are presented gross, unless conditions are met for net presentation. Assets meant for permanent ownership or use in the company are classified as fixed assets. Other assets are classified as current assets. All receivables due within one year are classified as current assets. The classification of current and long term liabilities is based on the corresponding criteria: Fixed assets are carried at historical purchase cost, but are written down to fair value if the decline in the carrying amount is expected to be permanent. Fixed assets with a limited economic life are depreciated in accordance with a straight-line depreciation schedule. Current assets are valued at the lowest of historical cost or market value. Current liabilities are carried at nominal value. If a balance post changes its purpose, it is reclassified.

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

### **SHARES IN SUBSIDIARIES**

Investments in subsidiaries are assessed according to the cost method. Investments are written down to fair value if the impairment is not transient and the reduction is considered necessary in accordance with generally accepted accounting principles.

Dividends received and group contributions from subsidiaries are recognized as other financial income.

### **FOREIGN CURRENCY TRANSLATION**

Transactions in foreign currency are translated at the applicable rate on the transaction date. Monetary items in a foreign currency are translated into NOK using the applicable exchange rate 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 applicable exchange rate on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

### **Forward contracts**

The company uses forward contracts for foreign currencies to secure a future exchange rate on estimated future transactions in foreign currencies (cash flow hedging) for all contracts above MNOK 1.5. For accounting purposes the forward contracts are classified as hedging instruments.

In accordance with the accounting standard NRS 18, unrealized gains and losses are not recognized on contracts that are assessed to reduce the currency risk efficiently.



## INVENTORIES

Inventory is valued at the lowest of historical cost and net realizable value. Work in progress and finished goods inventory are valued at the lowest of direct manufacturing cost plus the appropriate portion of indirect production cost and fair value.

## LONG-TERM CONSTRUCTION CONTRACTS:

Revenue generated from long-term construction contracts signed 2022 is recognized based upon standard project milestones like CDR, FAT and SAT. For larger and more complex projects additional intermediate milestones reflecting progress is also applied.

Revenue generated from long-term construction contracts signed 2021 or earlier is recognized based upon earned value (for each individual contract) as follows:

$$\text{Earned Value} = \frac{\text{Direct cost incurred}}{\text{Total forecasted Direct cost}} \times \text{Contract Value}$$

On projects expected to produce a loss, the entire loss is recognized as a cost immediately. On the balance sheet, revenue earned but not invoiced, is presented as accounts receivables. Pre-invoiced contracts are presented as other short-term liabilities.

Accruals for warranty costs reflects expected warranty liabilities in the future.

## RESEARCH AND DEVELOPMENT

Research and development are normally expensed as they occur. Received R & D grants are matched with the costs which they are intended to cover.

## ACCOUNT RECEIVABLES AND OTHER RECEIVABLES

Trade debtors and other debtors are carried at face value less provision for expected loss. Estimates are made for doubtful receivables based on an individual valuation of all outstanding amounts at the year end.

## COSTS

Costs are recognized by the amounts attributable to the financial year. Where there are no clear connection between expense and income, the cost are taken immediately. Other exceptions from the matching principle are specified.

## TAXATION

Tax expenses are matched with operating income before tax. Tax related to equity transactions, e.g. group contribution, is posted directly to equity. The tax expense consists of current income tax expense and change in net deferred tax. The tax expense is allocated to ordinary income and the effect of extraordinary items in accordance with the tax base. Deferred tax liabilities and deferred tax assets are presented in the balance sheet as a net amount.



## Note 2 Operating income, breakdown on geographical/product areas

Segment	Revenue (TNOK)	Geographical	Revenue (TNOK)
Com	20 869	Norway	29 181
Nav	520 445	The Middle-East	31 765
TWR	155 949	Asia/Australia	316 440
Serices	108 900	America	13 573
Other Business	0	Europe	286 941
		Africa	128 262
<b>Total</b>	<b>806 162</b>	<b>Total</b>	<b>806 162</b>

## Note 3 Long-term construction contracts

	2023	2022
Income on ongoing construction contracts	1 021 293 398	891 407 000
Expenses related to recognized income	-767 063 712	-651 491 000
Net income for ongoing construction contracts	254 229 686	239 916 000
Revenue earned, but not invoiced, for ongoing production contracts included in accounts receivable	105 266 376	72 837 908
Part of customer receivables which is prepayments	-26 148 356	-117 315 617
Pre-invoiced contracts included in other current liabilities	-158 200 285	-112 783 824
Net revenue earned, but not invoiced	-79 082 264	-157 261 533
Estimated remaining production on contracts where loss is anticipated	27 342 000	12 417 000
Accounts receivables where settlement is deferred due to contractual terms	0	0



## Note 4 Related party transaction

	Balance	Revenue	Cost
<b>Receivables</b>			
Normeka AS	355 073	5 041 000	
Indra Australia Pty Ltd.	248 522	2 071 782	
Indra Sistemas UK	1 143 491	5 145 710	
Indra Sistemas S.A. Abu Dhabi Branch	-	38 603	
Indra Sistemas Saudi Arabia	-	2 086 506	
Indra Sistemas Chile	-	22 797	
Indra LLC	-	5 739 218	
	1 392 013	15 104 615	
Indra Sistemas S.A.	2 794 677	16 791 207	
<b>Total Receivables</b>	<b>4 541 762</b>		
<b>Liabilities</b>			
Indra Sistemas S.A.	30 241 893		104 953 481
Normeka AS	4 680 834		52 839 373
Indra Technology Solutions Malaysia Sdn. Bhd	130 717		516 182
Indra Sistemas S.A. Abu Dhabi Branch	-		933 337
Indra Air Traffic, Inc.	-		1 396 842
Indra Limited	-		34 833
Indra Avitech GmbH	-		897 064
	130 717		3 778 257
<b>Total Liabilities</b>	<b>35 053 444</b>		

	2023	2022
<b>Receivables</b>		
Customer receivables within the group	4 541 762	5 962 100
Other short-term receivables within the group	0	5 280 000
<b>Total</b>	<b>4 541 762</b>	<b>11 242 100</b>
<b>Liabilities</b>		
Debt to suppliers within the group	35 053 444	20 869 654
<b>Total</b>	<b>35 053 444</b>	<b>20 869 654</b>



## Note 5 Salary costs and benefits, remuneration to the chief executive, board and auditor

<b>Salary costs</b>	<b>2023</b>	<b>2022</b>
Salaries	201 033 708	184 479 295
Employment tax	30 925 846	27 047 189
Pension costs	15 513 358	14 353 464
Other benefits	6 961 656	5 057 712
<b>Total</b>	<b>254 434 569</b>	<b>230 937 660</b>

In 2023 the company employed 190 man-years.

<b>Remuneration to leading personnel</b>	<b>Chief Executive</b>	<b>Board</b>
Salaries	3 707 085	0
Pension costs	124 252	0
Other remuneration	212 810	0
<b>Total</b>	<b>4 044 147</b>	<b>0</b>

The General Manager has a term of notice of three months in addition to an agreement on salary for a period of one year after leaving his position . The General Manager have a performance-related bonus agreement,including participation in a bonus scheme administrated by the parent company.

### AUDITOR

Audit fees expensed for 2023 amount to 398 318.

In addition there is a fee for other services of NOK 67 500. This is divided in:

Tax Advisory services	
Attestation services	67 500,-
Other services	



## Note 6 Pensions

The company is required to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act. The saving in the defined contribution plan for each employee is 6,1 % for yearly salaries up to 7G. For those with yearly salary above 7G and until 12G the saving is 11%

There were 192 employees in this pension scheme at year end.

The cost in 2023 were 12.930.431

In addition the company has pension schemes that cover a total of 2 persons. The schemes give a right to defined future benefits. These are mainly dependent on the number of years' earnings, the salary level on reaching retirement age and the amount of benefits from social security. The obligations are covered through an insurance company.

	2023	2022
Present value of the year's pension earnings	0	0
Interest cost of pension obligation	384 875	202 459
Return on pension funds	-376 240	-202 207
Employment tax	0	36
<b>Net pension cost</b>	<b>8 635</b>	<b>288</b>
Pension obligations accrued as at 31.12.	0	0
Estimated effect of future salary adjustments	0	0
<b>Estimated pension obligations as at 31.12.</b>	<b>0</b>	<b>0</b>
Pension funds (at market value) at 31.12.	12 495 630	13 507 379
Effect of estimate differences not posted to the result	-12 177 696	-13 331 243
Employment tax		0
<b>Net pension obligations</b>	<b>317 934</b>	<b>176 136</b>

## Financial assumptions used in calculating the pension cost

Discount rate	3,70%	3,00%
Expected return on pension funds	3,70%	3,00%
Expected salary growth	3,75%	3,50%
Expected Social Security G adjustment	3,50%	3,25%
Expected adjustment of pensions underpayment	2,40%	1,50%
Expected inflation	2,25%	2,00%

## AFP

The AFP-scheme gives a lifelong supplement to the ordinary pension. Employees can choose to take out the new AFP-scheme from the age of 62, at the same time as remaining in work, and it provides for further earnings from work up to the age of 67. The AFP-scheme is a defined benefit based multi-company pension scheme and is financed through premiums that are set as a percentage of salary. Currently there is no reliable measurement and allocation of liabilities and funds in the scheme. For accounting purposes the scheme is treated as a defined-contribution pension scheme where premium payments are expensed as paid, and no provisions are made in the accounts.



Companies that participate in the AFP-scheme are jointly responsible for two thirds of the pension that is to be paid to employees who at any time fulfil the conditions. The responsibility covers both a lack of contributions and if the premium rate proves to be insufficient.

There is a shortfall in the scheme. On any closure of the scheme participating companies are obliged to continue premium payments to cover pension payments to employees who have retired or who fulfil the conditions for a contractual pension at the time of closure.

## Note 7 Fixed and intangible assets

	Plant, equipment etc.
Acquisition cost as at 01.01.2023	100 387 113
Addition for purchased fixed assets	3 543 716
Addition for Intangible assets	0
<b>Acquisition cost 31.12.2023</b>	<b>103 930 829</b>
Depreciation and write-downs as at 01.01.2023	79 181 348
Ordinary depreciation for the year	5 518 006
<b>Depreciation and write-downs as at 31.12.2023</b>	<b>84 699 354</b>
Book value 01.01.2023	21 205 762
Additions in the year	3 543 716
The year's depreciation and write-downs	5 518 006
<b>Book value 31.12.2023</b>	<b>19 231 472</b>
Economic lifetime	3-5 years

	2023	2022
Annual rent of off-balance sheet tangibles:	0	0
Annual rent of buildings:	22 077 160	20 272 867

The period of leasing contracts on off-balance sheet tangibles:	Within 1 year	2- 5 years
Copy machines		
The expiration dates on rented buildings:	Hagaløkkveien, Asker	Expiration: 01.12.2027

## Note 8 Research and development and related received grants

In 2023 the company spent in total 47 607 442 NOK on R&D, and received 4 272 129 NOK in capital grants from and SJU/SESAR. The R&D was used to develop new and existing products related to Airport electronic equipment.



## Note 9 Foreign currency effect

	2023	2022
Currency gain	6 648 630	57 182 305
Currency loss	0	-60 881 827
Net unrealized currency (+gain/-loss)	-6 570 846	988 573
Other operating expenses		0
Net currency effects	77 784	-2 710 949

## Note 10 Tax

	2023	2022
Tax payable	23 626 055	975 954
Change in deferred tax	607 129	13 433 972
<b>Total tax charge</b>	<b>24 233 184</b>	<b>14 409 926</b>
<b>Calculation of the tax base for the year:</b>	<b>2023</b>	<b>2022</b>
Result before tax	105 683 442	72 773 735
Negative permanent differences	1 108 493	553 579
Positive permanent differences	3 200 501	-1 012 886
Change in temporary differences	-2 759 679	-50 630 728
Other	0	-10 466 977
Tax refund Oman	0	-1 500 562
3% tax on Dividend	<b>158 400</b>	0
Dividend, other income related to shares	<b>0</b>	-5 280 000
<b>The year's tax base</b>	<b>107 391 157</b>	<b>4 436 161</b>
<b>Tax Payable 22% of the years tax base</b>	<b>23 626 055</b>	<b>975 955</b>
<b>Overview of temporary differences:</b>	<b>2023</b>	<b>2022</b>
Receivables	-594 519	-594 519
Goods	-23 467 501	-22 402 499
Fixed assets	-3 510 831	-3 925 290
Unfinished contracts by year-end	254 229 686	239 916 000
Pensions	-317 934	-176 136
Provision for liabilities	39 151 320	28 106 056
Other	<b>0</b>	
<b>Total</b>	<b>187 823 450</b>	<b>185 063 771</b>
Calculation deferred tax. 22% of total of temp. diff.	41 321 159	40 714 030



Explanation as to why the tax charge for the year does not amount to 22 % of the result before tax:	2023	2022
22 % tax on the result before tax	23 250 357	14 848 621
Permanent differences 22 %	982 827	-438 695
<b>Calculated tax charge</b>	<b>24 233 184</b>	<b>14 409 926</b>

## Note 11 Equity

	Share capital	Other equity capital	Total equity capital
As at 31.12.2022	1 560 010	162 707 569	164 267 579
<b>As at 01.01.2023</b>	<b>1 560 010</b>	<b>162 707 569</b>	<b>164 267 579</b>
Changes posted against equity capital		-283 707	-283 707
Result for the year		81 450 258	81 450 258
Dividend		-80 000 000	-80 000 000
<b>As at 31.12.2023</b>	<b>1 560 010</b>	<b>163 874 120</b>	<b>165 434 130</b>

## Note 12 Investments in shares

Investment in subsidiary

Company	Shares/ votes (%)	Share capital	Number of shares	Booked value
Normeka AS	66 %	150 000	9 900	99 000

The face value is NOK 10 per share.

The shares were acquired in 1988 when Navia's department in Rømskog was separated as an independent company.

Normeka AS shows for the financial year 2023 a net income of NOK 5 038 891,-  
Normeka's total equity as of 31.12.23 is NOK 32 624 212,-

Group Consolidation:

Consolidated financial statements are not prepared as both Indra Navia AS and Normeka AS are consolidated into the consolidated financial statement prepared by Indra Systemas SA.

Consolidated financial statement can be found at [www.indracompany.com](http://www.indracompany.com).



## Note 13 Receivables due more than 1 year after year end

	2023	2022
Deposit rent of buildings	48 655	52 585

## Note 14 Inventory

	2023	2022
Raw materials	50 824 744	41 758 183
Work in progress projects	15 181 399	8 180 951
Semi manufactures	0	0
Finished goods	40 306 864	40 563 523
Provision of obsolescence	-23 467 500	-22 402 500
Total inventory	82 845 507	68 100 158

## Note 15 Customer receivables

	2023	2022
Customer receivables at par value	98 859 767	173 250 818
Provision for losses	-594 519	-594 519
<b>Book value of customer receivables 31.12</b>	<b>98 265 248</b>	<b>172 656 299</b>
Revenue earned,not invoiced, for on going contracts	106 600 601	73 829 202
Part of customer receivables which is prepayments	-26 148 356	-117 315 617
Incurred production cost	15 160 702	9 364 863
<b>Total receivables</b>	<b>193 878 195</b>	<b>138 534 748</b>

## Note 16 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 8 868 353.

The total credit limit as of 31/12/2023 was 425 000 000 including warranties and trading line MtM. As security for any liability the company may have or incur the owner ( Indra Systemas S.A.) has signed a surety agreement with a nominal value of 425 000 000 NOK



## Note 17 Equity and shareholder information

Shareholders as of 31.12.2022	Number of shares	Face value	Share of the total shares	Share of the votes
Indra Sistemas S.A	156 001	10	100%	100%

## Note 18 Other short-term liabilities

	2023	2022
Accruals for holiday pay	25 392 961	23 635 743
Accruals for warranty and service cost	31 951 320	28 099 347
Prepayment from customers	158 200 285	112 783 824
Current liabilities construction contracts	65 006 670	40 805 143
Other short-term liabilities	34 522 121	20 335 778
Sum other short-term liabilities	315 073 356	225 659 835

## Note 19 Secured debt and guarantees

	2023	2022
Bank guarantees	202 653 477	251 037 391

## Note 20 Financial market risk

The company has no financial investments in shares.

The credit risk is limited as most of the contracts are signed with publicly owned companies. Contracts signed with private companies are mostly secured by LoC/ wire transfer before shipment.

Approximately 30% of the company's annual turnover originates from contracts in NOK.

The remaining 70% is split between USD, EUR and other currencies. The company's currency risk is managed as follows:

- i Bids & tenders quoted in foreign currency are not being hedged. The company is thus exposed to currency risk for the validity period of the bid – normally 2-3 months.
- ii All signed customer contracts with a gross value that corresponds to more than 1 500 000 NOK are being hedged.
- iii Project initiated procurement contracts with a value of more than 3 000 000 NOK are being hedged.

Fair value of forward contracts is provided by the company's bank, and is the discounted difference between the agreed forward exchange rate and the exchange at 31.12 for a forward contract with equivalent term to maturity.

The forward contracts expire in the course of the next two accounting years.



All contracts are documented and monitored according to the special requirements for hedge accounting. Calculations are being performed on a monthly basis to test prospective- and retrospective hedge effectiveness.

Forward contracts that meet these tests are deemed to secure future cash-transactions, and fair value is thus not recognised.

Fair value on forward contracts	2023	2022
Fair value of contracts covered by Hedge accounting	2 159 658	-9 808 557
Total net realisable value	2 159 658	-9 808 557

## Note 21 Equal Opportunities

### Indra An equal opportunity employer

The company focuses on equal opportunities for all regardless of age, gender, functional ability, nationality and ethnic background. All Indra Professionals and Partners must apply and promote the principles of equal opportunities, diversity, personal respect and non-discrimination (by race, sex, age, language, religion, disability, sexual orientation, opinion, origin, economic position, birth, union membership or any other personal or social condition or circumstance) in our labor relations. Employees are regularly trained in code of ethics and legal compliance, and this is also documented in our Quality Management System. In addition, the company also has an independent compliance unit at the corporate level.

Currently, we have employees from above 27 nationalities and many more origins. The company had 192 employees as of 31 December 2023, of which 58 were female and 134 were men.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management and top management is unchanged from last year. To increase the pool of females that can take management positions, the company strives to recruit and promote female managers.

Women are represented at all levels of the organization:

Total representation	30 %
Middle management	35 %
Top management	28 %
Board of Directors	33 %

The total number of part time employees are 16 of which 3 are female. Part time work is voluntary, and all employees are employed in a 100 percent position. Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

There are zero temporarily employees.

### Our internal pay policy

Our pay policy is to offer equal pay for equal work. It is furthermore the Management's goal to be able to offer employees in the company fair and competitive conditions in the market in which we operate. Individual salary determination in the company is based on assessments of the individual's competence, performance and skill. The company works closely with unions/employee representatives during salary negotiations and has established a Wage Bargaining Committee (lønnsforhandlingsutvalg).

Before the salary adjustment in 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's payroll structure and salary system.



Overall, the salary gap between men and women the pay gap was insignificant. We observed some internal spread in salary for positions of the same weight, in which we have been working on the years after by raising individuals differently.

The work to ensure equal pay for equal work is on the agenda in many fora:

- The Management Team
- The Working Environment Committee
- The Wage Bargaining Committee

Information regarding salary policy is shared to all employees on the intranet.

For all new employees the salary difference between men and women are zero, when position, education level and experience is equal.

For the company in total women has a salary of 6,6% lower than average. However, that is not comparable numbers as we have a much bigger workforce of men at a higher age than women with technical master and bachelor degree.

### Recruitment

Indra is an inclusive employer and has diversity in the company according to age, gender, functional ability, nationality and ethnic background. We aim to show our diversity and inclusion in our recruitment process and onboarding. Primarily we post our advertisements in public job boards such as finn.no and on social media such as LinkedIn.com Furthermore, we target our technical professionals on tu.no and digi.no

Indra Navia has a company profile on finn.no and we use images that we believe can encourage both men and women to apply, and to show diversity in these images.

Below are some images and stories from our finn.no company profile:





## Noen av våre medarbeidere



Det er gøy å jobbe med folk med ulik bakgrunn både internt og blant våre kunder.

**Jin Li**  
Project Manager Navigasjon

Som prosjektleder i Indra har jeg en utfordrende og lærerik hverdag. Varierte arbeidsoppgaver gjør jobben interessant, og det er alltid gøy å finne gode løsninger på problemstillingene vi møter i hverdagen. Noe av det jeg setter mest pris på i Indra, er at jeg får jobbe med kunnskapsrike og hyggelige kollegaer som er som en familie for meg her i Norge. Jeg har fått en unik mulighet til å utvikle meg her.



Jeg er stolt av å være med på å lage norsk høyteknologi som blir eksportert til hele verden!

**Ole Henrik Dahle**  
Development Engineer

Som «lead developer» i drone-prosjektet vårt får jeg være med å forme et helt nytt produkt i et marked som er i rivende utvikling. Som utvikler i Tower Systems er jeg også med på å videreutvikle og levere vårt markedsledende system for flyge leding: INNOVA. Jeg får jobbe med alle deler av utviklingskjeden: spesifisering, design, utvikling, testing og leveranse.



Jeg er stolt av det vi leverer og det vi får til sammen.

**Ida Kristine Sollie Flaatten**  
System Engineer

Som systemingeniør hos Indra, har jeg blitt kjent med produktet vi leverer gjennom hele dets livsløp, fra sammenstilling av kort og utvikling av software, til installasjon og drift ute hos kunde. Dette har gitt meg varierte og spennende arbeidsdager i tett samarbeid med mine kollegaer. Å levere kvalitet på et høyt nivå gir av og til en høyere arbeidsmengde, men vi har et tett samhold og mye fleksibilitet til å styre hverdagen vår selv.

In 2023 we recruited 23 new employees. Out of these are 18 Norwegian citizens (78 %), 4 with nationality or origin from other European countries (17 %) and 1 from rest of the world (5 %).

We have identified that there are market obstacles for hiring female engineers because the vast population of engineers are men. To appeal to female candidates, we try to design gender neutral advertisements using a language and design that also appeals to female candidates. In addition, we are conscious regarding choices of image use in our job advertisement to encourage both genders to apply. Furthermore, we use advertorials to attract more female candidates.

Ida, one of our female employees was interviewed in "Kvinner I tech" and this article was published in 'Aftenposten' where she speaks about how it is to work in Indra as a female and encourage others to do the same.

When determining the salary when giving a job offer, we look at internal and external benchmark and the candidates' education and expectations for the open position/special market situations. This is documented in our Quality Management System. We strive to find the right candidate for the job and offer the right and fair pay.

### Plans and expectations for continuous work and measures:

- Continue to be an inclusive employer and have diversity in the company according to age, gender, functional ability, nationality and ethnic background
- Have equality on the regular agenda in Working Environment Committee and Salary Bargaining Committee during salary negotiations
- Continue to advertise new positions in public job boards and publications
- Continue design gender neutral advertisements
- Continue to write and post relevant advertorials such as women in tech
- Encourage employees that experience discrimination, harassment or unexcepted behavior to contact local HR@indra.no or an independent compliance unit at canaldirecto@indra.es
- We will undertake yearly surveys to all employees to map the equality situation in the company and make necessary measures
- Continue to even out the salary differences that cannot be explained by performance, special market conditions etc.
- Continue to train employees regularly in code of ethics and legal compliance

We are certified for Great Place To Work and we scored 98-100% on all questions regarding equal opportunities.





# Indra Navia AS

FINANCIAL STATEMENT 2023

## indra

- \* BOARD'S ANNUAL STATEMENT
- \* INCOME STATEMENT
- \* BALANCE SHEET
- \* Cash flow statement
- \* NOTES TO THE FINANCIAL STATEMENT
- \* AUDITORS REPORT



## Board of Directors' Report 2023 Indra Navia AS

### Introduction

Indra Navia AS is a wholly owned subsidiary Indra Sistemas SA. Indra Navia AS develops, markets, and installs ground-based systems for the Air Traffic Control Market, including Communication, Navigation and Surveillance (CNS) technologies. The systems are designed to improve air traffic efficiency, enhance safety and improve profitability for airspace operators worldwide. The company holds office at Asker, Norway.

### Financial result

2023 revenue and profitability are both up compared to 2022:

- Turnover increased by 20 % from 673 MNOK to 806 MNOK
- Net profit before tax is up by 45 % from 72,8 MNOK to 105,7 MNOK

The competitive position of the company remains strong within our selected markets.

Within Navaid's segment revenue is up by 46% compared to 2022 fueled by high activity in Africa, China and India in particular. High activity in China and Middle East continues into 2024

On April 28th 2023 Indra Sistemas completed the acquisition of the ATM business of Selex based in the US. This acquisition will strengthen Indra's position as a major global player in the air Navigational aid system segment. The implication for Indra Navia is positive in particular as it over time will open access to the US market. The acquisition widens our product portfolio with the only Distance Measuring Equipment (DME) fully qualified by US Federal Aviation Administration (FAA). The company is the sole provider of ILS to the US Air Force and US Navy

The company continues to grow in the tower segment with deliveries remote and virtual towers to Norway and Hungary approaching completion. Order intake is 50% higher compared to 2022 and the remote tower market is poised for growth the next years. Virtual Apron tower systems is a new segment and the company secured a new program in this domain with the Vancouver airport program last last year. 2 major projects within Remote Operated Towers are getting close to completion.

Global financial turmoil leads to investors seeking "safe havens" with regards to currencies. This leads to a significant weakening of smaller currencies, like the NOK. On average the NOK has weakened by 10-12% versus the USD and EUR during 2023. The cost level of the components we need increase accordingly, but the overall effect of the weakened NOK is positive for Indra Navia.

Cash flow from operating activities equals 146 MNOK.

The company's financial position is good. The board is of the opinion that the annual report gives a true and fair view of Indra Navia AS' assets, liabilities, financial situation and income.



## **Allocation of net income**

The Board of Directors has proposed the net earnings of Indra Navia AS to be allocated to other equity. The equity ratio is now 26%, compared to 32% last year.

## **Financial risk**

### Project risk/ disputes

Company business contracts are in several jurisdictions. The company seeks to mitigate adverse contract terms by negotiations and through the execution of the contracts. The company makes use of parent company insurance programs and seeks to reduce liability exposures.

### Currency risk

The company is exposed to changes in currencies against NOK as a substantial part of their sales is in foreign currency. The company hedges all major currency exposures (customer contracts exceeding 1,5 MNOK), however firm bids tendered in foreign currency will be exposed until such time as a contract is signed.

### Credit risk

The risk that the customers cannot fulfil their financial obligations is rated as low. Historically there have been very few losses due to non-payments on contracts. Many of the customers are governmental or government-owned companies. Payments on contracts with customers that traditionally have been late payers or customers in countries that previously have been troublesome are secured by means of L/Cs and other instruments.

### Liquidity risk

The liquidity of the company is good. Lack of funding to finance ongoing operations is not a problem. No actions are needed to reduce liquidity risk.

Indra Navia is covered by Indra Sistemas D&O insurance policy. This insurance has a limit of indemnity of 10.000.000 EUR.

## **Working environment and sick leave**

The board considers the working environment to be satisfactory. Total absence due to sick leave has been 2,76 % in 2023, compared to 3,2% in 2022 with short-term sick leave accounting for 1,11 % in 2023 compared to only 1,34 % in 2022. Absence due to sick leave is still low, and the increase is mainly related to Covid and 1 long term sick leave that lasted through all 2022. The board has therefore not effectuated or planned any initiative regarding the working environment.

## **Environmental report**

The parent company is a member of Elektronikkretur (scheme for returning electronic equipment), but 97% of products are exported and the customers are responsible for the disposal of such equipment. Indra Navia AS has no knowledge of any case where disposal of our equipment has caused environmental damage.



## **Equal opportunity**

The company focuses on equal opportunities regardless of gender or nationality. Currently, we have employees from 27 nationalities. Out of 23 new recruitments in 2023 78 % were of Norwegian origin, 17 % other European countries and 5 % non-western background.

The company had 195 employees as of 31 December 2023, of which 58 were female and 137 were men. The total number of part time employees were 16 where 3 were female. Part time employment is normally initiated by the employees preparing for retirement. There is no involuntary part time employment at Indra Navia.

Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. There are small changes from last year. Women are represented at all levels of the organization:

Total representation	30 %
Middle management	35 %
Top management	29 %
Board of Directors	33 %

During 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's payroll structure and salary system. Overall, the salary gap between men and women is 14,6%, but when adjusting for level of responsibility, education and level of complexity the gender gap is insignificant.

Indra Navia regularly conducts employee surveys. These are anonymous and administered by external providers (Great Place to Work). Specific questions focus on equality regardless of gender, age, sexual orientation, religion, ethnic and cultural background. On all these dimensions Indra Navia scores significantly better than the national average.

The company's HR policy is based on the principle of equality and all employees have access to the same opportunities and benefits, regardless of sex, age, race, religion, political standpoint or sexual orientation.

For more information we ask you to look in note 21, where there is a more detailed description.

## **Research and Development**

The company invested MNOK 47,6 in R&D in 2023, of which MNOK 43,3 was self-financed. All R&D is expensed. The R&D is used to develop new products and enhance existing, products in the Communication, Navigation and Surveillance portfolio to meet the marked demand.

## **Transparency act**

The Transparency act is published at the Indras website. <https://www.indracompany.com/en/indra-norway>

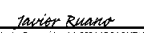
[https://www.indracompany.com/sites/default/files/d7/Norway/transparency\\_act\\_-\\_statement\\_2023\\_eng.pdf](https://www.indracompany.com/sites/default/files/d7/Norway/transparency_act_-_statement_2023_eng.pdf)




**Conditions for continued operation**

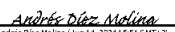
The annual report has been written with the assumption of continued operation. The Board confirms that the going concern assumption continues to apply


**Asker, June 19th 2024**


  
Javier Ruano (Jun 14, 2024 15:34 GMT+2)  
**Francisco Javier Ruano Contreras**  
Member of the board

  
Ramón Tarrech Masdeu (Jun 17, 2024 12:10 GMT-2)  
**Ramón Tarrech Masdeu**  
Chairman of the board


  
**Eldar Hauge**  
Member of the board

  
Andrés Díez Molina (Jun 14, 2024 15:51 GMT+2)  
**Andrés Díez Molina**  
Member of the board

  
**Bjørg Hanne Reppen**  
Member of the board

  
**Sverre Telnes**  
Member of the board



  
**Andrew P. Fiamingo**  
Managing Director



## INCOME STATEMENT

### INDRA NAVIA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2023	2022
Operating Income	1, 2, 3, 4	806 162 352	673 927 087
<b>Total income</b>		<b>806 162 352</b>	<b>673 927 087</b>
Raw materials and consumables used	1, 3, 4	359 666 611	303 413 692
Employee benefits expense	5, 6	254 434 569	230 937 660
Depreciation and amortisation expenses	7	5 518 006	4 900 940
Other expenses	3, 8	92 898 817	67 846 103
<b>Total expenses</b>		<b>712 518 003</b>	<b>607 098 395</b>
<b>Operating profit</b>		<b>93 644 349</b>	<b>66 828 692</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Income from subsidiaries		0	5 280 000
Other interest income		12 577 152	3 551 701
Other financial income	9	267 951	58 361 916
Other interest expenses		496 312	133 988
Other financial expenses	9	309 699	61 114 585
<b>Net financial items</b>		<b>12 039 093</b>	<b>5 945 043</b>
<b>Net profit before tax</b>		<b>105 683 442</b>	<b>72 773 735</b>
Tax expense	10	24 233 184	14 409 926
<b>NET INCOME</b>		<b>81 450 258</b>	<b>58 363 809</b>
<b>ALLOCATION OF NET INCOME</b>			
Transferred from/-to other equity	11	81 450 258	58 363 809
<b>Net allocation</b>		<b>81 450 258</b>	<b>58 363 809</b>

INDRA NAVIA AS



## BALANCE SHEET

### INDRA NAVIA AS

ASSETS	Note	2023	2022
<b>NON-CURRENT ASSETS</b>			
Concessions, patents, licences, trademarks, and similar rights 7		14 725 187	19 438 967
<b>Total intangible assets</b>		<b>14 725 187</b>	<b>19 438 967</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
Equipment and other movables	7	4 506 285	1 766 795
<b>Total property, plant and equipment</b>		<b>4 506 285</b>	<b>1 766 795</b>
<b>FINANCIAL FIXED ASSETS</b>			
Investments in subsidiaries	12	99 000	99 000
Other long-term receivables	13	48 655	52 585
<b>Total non-current financial assets</b>		<b>147 655</b>	<b>151 585</b>
<b>Total non-current assets</b>		<b>19 379 127</b>	<b>21 357 347</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>	<b>14</b>	<b>82 845 507</b>	<b>68 100 158</b>
<b>DEBTORS</b>			
Accounts receivables	4, 15	193 878 195	138 534 748
Other short-term receivables	13	9 538 514	16 727 251
<b>Total receivables</b>		<b>203 416 709</b>	<b>155 261 999</b>
<b>INVESTMENTS</b>			
Cash and cash equivalents	16	326 684 810	258 589 369
<b>Total current assets</b>		<b>612 947 026</b>	<b>481 951 525</b>
<b>Total assets</b>		<b>632 326 153</b>	<b>503 308 872</b>




## BALANCE SHEET

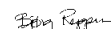
### INDRA NAVIA AS


EQUITY AND LIABILITIES	Note	2023	2022
<b>PAID-IN CAPITAL</b>			
Share capital	11, 17	1 560 010	1 560 010
<b>Total paid-up equity</b>		<b>1 560 010</b>	<b>1 560 010</b>
<b>RETAINED EARNINGS</b>			
Other equity	11	163 874 120	162 707 569
<b>Total retained earnings</b>		<b>163 874 120</b>	<b>162 707 569</b>
<b>Total equity</b>		<b>165 434 130</b>	<b>164 267 579</b>
<b>LIABILITIES</b>			
Deferred tax	10	41 321 159	40 714 030
<b>Total provisions</b>		<b>41 321 159</b>	<b>40 714 030</b>
<b>CURRENT LIABILITIES</b>			
Trade payables	4	69 466 528	54 674 673
Tax payable	10	23 626 055	975 954
Public duties payable		17 404 925	17 016 801
Other current liabilities	18	315 073 356	225 659 835
<b>Total current liabilities</b>		<b>425 570 863</b>	<b>298 327 263</b>
<b>Total liabilities</b>		<b>466 892 022</b>	<b>339 041 293</b>
<b>Total equity and liabilities</b>		<b>632 326 153</b>	<b>503 308 872</b>

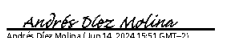
Asker, 19.06.2024  
The board of Indra Navia AS


  
Ramon Tarrech Masdeu (Jun 17, 2024 12:10 GMT+2)  
Ramon Tarrech Masdeu  
Chairman of the board


  
Javier Ruano (Jun 14, 2024 15:34 GMT+2)  
Francisco Javier Ruano Contreras  
Member of the board

  
Bjørg Hanne Reppen  
Member of the board

  
Sverre Lindstøl Telnes  
Member of the board

  
Andrés Diez Molina (Jun 14, 2024 15:51 GMT+2)  
Andres Diez Molina  
Member of the board

  
Eldar Hauge  
Member of the board

  
Andrew Paul Fiamingo  
General Manager



## CASH FLOW STATEMENT

### INDRA NAVIA AS

	Note	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income before tax		105 683 442	72 773 735
- Taxes paid this period		0	0
+ Depreciation and amortization of fixed assets		5 518 006	4 900 940
+/- Inventories		-17 402 247	-24 570 056
+/- Accounts receivables		47 967 781	-13 933 585
+/- Accounts payables		21 993 747	17 175 109
+/- Change in current assets/liabilities		-17 401 571	-11 195 199
= <b>Net cash provided by operating activities</b>		<b>146 359 158</b>	<b>45 150 944</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
- Purchase of property, plant and equipment		-3 543 716	-6 266 430
Dividens from susidary		5 280 000	0
= <b>Net cash provided by investing activities</b>		<b>1 736 284</b>	<b>-6 266 430</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
- Dividends paid out		80 000 000	57 000 000
= <b>Net cash provided by financing activities</b>		<b>-80 000 000</b>	<b>-57 000 000</b>
= <b>Net change in bank deposit, cash and cash equivalents</b>		<b>68 095 441</b>	<b>-18 115 486</b>
+ Bank deposit, cash and cash equivalents at beginning of year		258 589 369	276 704 855
= <b>Bank deposit, cash and cash equivalents at end of year</b>		<b>326 684 810</b>	<b>258 589 369</b>

INDRA NAVIA AS



## **Note 1 Presentation of the company and accounting principles**

Indra Navia AS is a high-technology company. The main product areas are instrument landing systems for airports (NORMARC), air traffic control systems for surface movement guidance and control (NOVA) and voice communication control systems (GAREX).

The company is a wholly-owned subsidiary of Indra Sistemas S.A

Indra Navia AS is the parent company of Normeka AS. This company's main activity is production of mechanical components to Indra Navia AS.

The financial statements are prepared in accordance with The Norwegian Accounting Act of 1998 and its regulations. The accounting principles are as described below:

Revenue and operating expenses are presented gross. Financial posts are related to foreign currency effects, funding of the company and the return on the company's financial investments.

Balance statement. Balances are presented gross, unless conditions are met for net presentation. Assets meant for permanent ownership or use in the company are classified as fixed assets. Other assets are classified as current assets. All receivables due within one year are classified as current assets. The classification of current and long term liabilities is based on the corresponding criteria: Fixed assets are carried at historical purchase cost, but are written down to fair value if the decline in the carrying amount is expected to be permanent. Fixed assets with a limited economic life are depreciated in accordance with a straight-line depreciation schedule. Current assets are valued at the lowest of historical cost or market value. Current liabilities are carried at nominal value. If a balance post changes its purpose, it is reclassified.

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

### **SHARES IN SUBSIDIARIES**

Investments in subsidiaries are assessed according to the cost method. Investments are written down to fair value if the impairment is not transient and the reduction is considered necessary in accordance with generally accepted accounting principles.

Dividends received and group contributions from subsidiaries are recognized as other financial income.

### **FOREIGN CURRENCY TRANSLATION**

Transactions in foreign currency are translated at the applicable rate on the transaction date. Monetary items in a foreign currency are translated into NOK using the applicable exchange rate 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 applicable exchange rate on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

### **Forward contracts**

The company uses forward contracts for foreign currencies to secure a future exchange rate on estimated future transactions in foreign currencies (cash flow hedging) for all contracts above MNOK 1.5. For accounting purposes the forward contracts are classified as hedging instruments.

In accordance with the accounting standard NRS 18, unrealized gains and losses are not recognized on contracts that are assessed to reduce the currency risk efficiently.



## INVENTORIES

Inventory is valued at the lowest of historical cost and net realizable value. Work in progress and finished goods inventory are valued at the lowest of direct manufacturing cost plus the appropriate portion of indirect production cost and fair value.

## LONG-TERM CONSTRUCTION CONTRACTS:

Revenue generated from long-term construction contracts signed 2022 is recognized based upon standard project milestones like CDR, FAT and SAT. For larger and more complex projects additional intermediate milestones reflecting progress is also applied.

Revenue generated from long-term construction contracts signed 2021 or earlier is recognized based upon earned value (for each individual contract) as follows:

$$\text{Earned Value} = \frac{\text{Direct cost incurred}}{\text{Total forecasted Direct cost}} \times \text{Contract Value}$$

On projects expected to produce a loss, the entire loss is recognized as a cost immediately. On the balance sheet, revenue earned but not invoiced, is presented as accounts receivables. Pre-invoiced contracts are presented as other short-term liabilities.

Accruals for warranty costs reflects expected warranty liabilities in the future.

## RESEARCH AND DEVELOPMENT

Research and development are normally expensed as they occur. Received R & D grants are matched with the costs which they are intended to cover.

## ACCOUNT RECEIVABLES AND OTHER RECEIVABLES

Trade debtors and other debtors are carried at face value less provision for expected loss. Estimates are made for doubtful receivables based on an individual valuation of all outstanding amounts at the year end.

## COSTS

Costs are recognized by the amounts attributable to the financial year. Where there are no clear connection between expense and income, the cost are taken immediately. Other exceptions from the matching principle are specified.

## TAXATION

Tax expenses are matched with operating income before tax. Tax related to equity transactions, e.g. group contribution, is posted directly to equity. The tax expense consists of current income tax expense and change in net deferred tax. The tax expense is allocated to ordinary income and the effect of extraordinary items in accordance with the tax base. Deferred tax liabilities and deferred tax assets are presented in the balance sheet as a net amount.



## Note 2 Operating income, breakdown on geographical/product areas

Segment	Revenue (TNOK)	Geographical	Revenue (TNOK)
Com	20 869	Norway	29 181
Nav	520 445	The Middle-East	31 765
TWR	155 949	Asia/Australia	316 440
Serices	108 900	America	13 573
Other Business	0	Europe	286 941
		Africa	128 262
<b>Total</b>	<b>806 162</b>	<b>Total</b>	<b>806 162</b>

## Note 3 Long-term construction contracts

	2023	2022
Income on ongoing construction contracts	1 021 293 398	891 407 000
Expenses related to recognized income	-767 063 712	-651 491 000
Net income for ongoing construction contracts	254 229 686	239 916 000
Revenue earned, but not invoiced, for ongoing production contracts included in accounts receivable	105 266 376	72 837 908
Part of customer receivables which is prepayments	-26 148 356	-117 315 617
Pre-invoiced contracts included in other current liabilities	-158 200 285	-112 783 824
Net revenue earned, but not invoiced	-79 082 264	-157 261 533
Estimated remaining production on contracts where loss is anticipated	27 342 000	12 417 000
Accounts receivables where settlement is deferred due to contractual terms	0	0



## Note 4 Related party transaction

	Balance	Revenue	Cost
<b>Receivables</b>			
Normeka AS	355 073	5 041 000	
Indra Australia Pty Ltd.	248 522	2 071 782	
Indra Sistemas UK	1 143 491	5 145 710	
Indra Sistemas S.A. Abu Dhabi Branch	-	38 603	
Indra Sistemas Saudi Arabia	-	2 086 506	
Indra Sistemas Chile	-	22 797	
Indra LLC	-	5 739 218	
	1 392 013	15 104 615	
Indra Sistemas S.A.	2 794 677	16 791 207	
<b>Total Receivables</b>	<b>4 541 762</b>		
<b>Liabilities</b>			
Indra Sistemas S.A.	30 241 893		104 953 481
Normeka AS	4 680 834		52 839 373
Indra Technology Solutions Malaysia Sdn. Bhd	130 717		516 182
Indra Sistemas S.A. Abu Dhabi Branch	-		933 337
Indra Air Traffic, Inc.	-		1 396 842
Indra Limited	-		34 833
Indra Avitech GmbH	-		897 064
	130 717		3 778 257
<b>Total Liabilities</b>	<b>35 053 444</b>		

	2023	2022
<b>Receivables</b>		
Customer receivables within the group	4 541 762	5 962 100
Other short-term receivables within the group	0	5 280 000
<b>Total</b>	<b>4 541 762</b>	<b>11 242 100</b>
<b>Liabilities</b>		
Debt to suppliers within the group	35 053 444	20 869 654
<b>Total</b>	<b>35 053 444</b>	<b>20 869 654</b>



## Note 5 Salary costs and benefits, remuneration to the chief executive, board and auditor

<b>Salary costs</b>	<b>2023</b>	<b>2022</b>
Salaries	201 033 708	184 479 295
Employment tax	30 925 846	27 047 189
Pension costs	15 513 358	14 353 464
Other benefits	6 961 656	5 057 712
<b>Total</b>	<b>254 434 569</b>	<b>230 937 660</b>

In 2023 the company employed 190 man-years.

<b>Remuneration to leading personnel</b>	<b>Chief Executive</b>	<b>Board</b>
Salaries	3 707 085	0
Pension costs	124 252	0
Other remuneration	212 810	0
<b>Total</b>	<b>4 044 147</b>	<b>0</b>

The General Manager has a term of notice of three months in addition to an agreement on salary for a period of one year after leaving his position . The General Manager have a performance-related bonus agreement,including participation in a bonus scheme administrated by the parent company.

### AUDITOR

Audit fees expensed for 2023 amount to 398 318.

In addition there is a fee for other services of NOK 67 500. This is divided in:

Tax Advisory services	
Attestation services	67 500,-
Other services	



## Note 6 Pensions

The company is required to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act. The saving in the defined contribution plan for each employee is 6,1 % for yearly salaries up to 7G. For those with yearly salary above 7G and until 12G the saving is 11%

There were 192 employees in this pension scheme at year end.

The cost in 2023 were 12.930.431

In addition the company has pension schemes that cover a total of 2 persons. The schemes give a right to defined future benefits. These are mainly dependent on the number of years' earnings, the salary level on reaching retirement age and the amount of benefits from social security. The obligations are covered through an insurance company.

	2023	2022
Present value of the year's pension earnings	0	0
Interest cost of pension obligation	384 875	202 459
Return on pension funds	-376 240	-202 207
Employment tax	0	36
<b>Net pension cost</b>	<b>8 635</b>	<b>288</b>
Pension obligations accrued as at 31.12.	0	0
Estimated effect of future salary adjustments	0	0
<b>Estimated pension obligations as at 31.12.</b>	<b>0</b>	<b>0</b>
Pension funds (at market value) at 31.12.	12 495 630	13 507 379
Effect of estimate differences not posted to the result	-12 177 696	-13 331 243
Employment tax		0
<b>Net pension obligations</b>	<b>317 934</b>	<b>176 136</b>

## Financial assumptions used in calculating the pension cost

Discount rate	3,70%	3,00%
Expected return on pension funds	3,70%	3,00%
Expected salary growth	3,75%	3,50%
Expected Social Security G adjustment	3,50%	3,25%
Expected adjustment of pensions underpayment	2,40%	1,50%
Expected inflation	2,25%	2,00%

## AFP

The AFP-scheme gives a lifelong supplement to the ordinary pension. Employees can choose to take out the new AFP-scheme from the age of 62, at the same time as remaining in work, and it provides for further earnings from work up to the age of 67. The AFP-scheme is a defined benefit based multi-company pension scheme and is financed through premiums that are set as a percentage of salary. Currently there is no reliable measurement and allocation of liabilities and funds in the scheme. For accounting purposes the scheme is treated as a defined-contribution pension scheme where premium payments are expensed as paid, and no provisions are made in the accounts.



Companies that participate in the AFP-scheme are jointly responsible for two thirds of the pension that is to be paid to employees who at any time fulfil the conditions. The responsibility covers both a lack of contributions and if the premium rate proves to be insufficient.

There is a shortfall in the scheme. On any closure of the scheme participating companies are obliged to continue premium payments to cover pension payments to employees who have retired or who fulfil the conditions for a contractual pension at the time of closure.

## Note 7 Fixed and intangible assets

	Plant, equipment etc.
Acquisition cost as at 01.01.2023	100 387 113
Addition for purchased fixed assets	3 543 716
Addition for Intangible assets	0
<b>Acquisition cost 31.12.2023</b>	<b>103 930 829</b>
Depreciation and write-downs as at 01.01.2023	79 181 348
Ordinary depreciation for the year	5 518 006
<b>Depreciation and write-downs as at 31.12.2023</b>	<b>84 699 354</b>
Book value 01.01.2023	21 205 762
Additions in the year	3 543 716
The year's depreciation and write-downs	5 518 006
<b>Book value 31.12.2023</b>	<b>19 231 472</b>
Economic lifetime	3-5 years

	2023	2022
Annual rent of off-balance sheet tangibles:	0	0
Annual rent of buildings:	22 077 160	20 272 867

The period of leasing contracts on off-balance sheet tangibles:	Within 1 year	2- 5 years
Copy machines		
The expiration dates on rented buildings:	Hagaløkkveien, Asker	Expiration: 01.12.2027

## Note 8 Research and development and related received grants

In 2023 the company spent in total 47 607 442 NOK on R&D, and received 4 272 129 NOK in capital grants from and SJU/SESAR. The R&D was used to develop new and existing products related to Airport electronic equipment.



## Note 9 Foreign currency effect

	2023	2022
Currency gain	6 648 630	57 182 305
Currency loss	0	-60 881 827
Net unrealized currency (+gain/-loss)	-6 570 846	988 573
Other operating expenses		0
Net currency effects	77 784	-2 710 949

## Note 10 Tax

	2023	2022
Tax payable	23 626 055	975 954
Change in deferred tax	607 129	13 433 972
<b>Total tax charge</b>	<b>24 233 184</b>	<b>14 409 926</b>
<b>Calculation of the tax base for the year:</b>	<b>2023</b>	<b>2022</b>
Result before tax	105 683 442	72 773 735
Negative permanent differences	1 108 493	553 579
Positive permanent differences	3 200 501	-1 012 886
Change in temporary differences	-2 759 679	-50 630 728
Other	0	-10 466 977
Tax refund Oman	0	-1 500 562
3% tax on Dividend	<b>158 400</b>	0
Dividend, other income related to shares	<b>0</b>	-5 280 000
<b>The year's tax base</b>	<b>107 391 157</b>	<b>4 436 161</b>
<b>Tax Payable 22% of the years tax base</b>	<b>23 626 055</b>	<b>975 955</b>
<b>Overview of temporary differences:</b>	<b>2023</b>	<b>2022</b>
Receivables	-594 519	-594 519
Goods	-23 467 501	-22 402 499
Fixed assets	-3 510 831	-3 925 290
Unfinished contracts by year-end	254 229 686	239 916 000
Pensions	-317 934	-176 136
Provision for liabilities	39 151 320	28 106 056
Other	<b>0</b>	
<b>Total</b>	<b>187 823 450</b>	<b>185 063 771</b>
Calculation deferred tax. 22% of total of temp. diff.	41 321 159	40 714 030



Explanation as to why the tax charge for the year does not amount to 22 % of the result before tax:	2023	2022
22 % tax on the result before tax	23 250 357	14 848 621
Permanent differences 22 %	982 827	-438 695
<b>Calculated tax charge</b>	<b>24 233 184</b>	<b>14 409 926</b>

## Note 11 Equity

	Share capital	Other equity capital	Total equity capital
As at 31.12.2022	1 560 010	162 707 569	164 267 579
<b>As at 01.01.2023</b>	<b>1 560 010</b>	<b>162 707 569</b>	<b>164 267 579</b>
Changes posted against equity capital		-283 707	-283 707
Result for the year		81 450 258	81 450 258
Dividend		-80 000 000	-80 000 000
<b>As at 31.12.2023</b>	<b>1 560 010</b>	<b>163 874 120</b>	<b>165 434 130</b>

## Note 12 Investments in shares

Investment in subsidiary

Company	Shares/ votes (%)	Share capital	Number of shares	Booked value
Normeka AS	66 %	150 000	9 900	99 000

The face value is NOK 10 per share.

The shares were acquired in 1988 when Navia's department in Rømskog was separated as an independent company.

Normeka AS shows for the financial year 2023 a net income of NOK 5 038 891,-  
Normeka's total equity as of 31.12.23 is NOK 32 624 212,-

Group Consolidation:

Consolidated financial statements are not prepared as both Indra Navia AS and Normeka AS are consolidated into the consolidated financial statement prepared by Indra Systemas SA.

Consolidated financial statement can be found at [www.indracompany.com](http://www.indracompany.com).



## Note 13 Receivables due more than 1 year after year end

	2023	2022
Deposit rent of buildings	48 655	52 585

## Note 14 Inventory

	2023	2022
Raw materials	50 824 744	41 758 183
Work in progress projects	15 181 399	8 180 951
Semi manufactures	0	0
Finished goods	40 306 864	40 563 523
Provision of obsolescence	-23 467 500	-22 402 500
Total inventory	82 845 507	68 100 158

## Note 15 Customer receivables

	2023	2022
Customer receivables at par value	98 859 767	173 250 818
Provision for losses	-594 519	-594 519
<b>Book value of customer receivables 31.12</b>	<b>98 265 248</b>	<b>172 656 299</b>
Revenue earned,not invoiced, for on going contracts	106 600 601	73 829 202
Part of customer receivables which is prepayments	-26 148 356	-117 315 617
Incurred production cost	15 160 702	9 364 863
<b>Total receivables</b>	<b>193 878 195</b>	<b>138 534 748</b>

## Note 16 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 8 868 353.

The total credit limit as of 31/12/2023 was 425 000 000 including warranties and trading line MtM. As security for any liability the company may have or incur the owner ( Indra Systemas S.A.) has signed a surety agreement with a nominal value of 425 000 000 NOK



## Note 17 Equity and shareholder information

Shareholders as of 31.12.2022	Number of shares	Face value	Share of the total shares	Share of the votes
Indra Sistemas S.A	156 001	10	100%	100%

## Note 18 Other short-term liabilities

	2023	2022
Accruals for holiday pay	25 392 961	23 635 743
Accruals for warranty and service cost	31 951 320	28 099 347
Prepayment from customers	158 200 285	112 783 824
Current liabilities construction contracts	65 006 670	40 805 143
Other short-term liabilities	34 522 121	20 335 778
Sum other short-term liabilities	315 073 356	225 659 835

## Note 19 Secured debt and guarantees

	2023	2022
Bank guarantees	202 653 477	251 037 391

## Note 20 Financial market risk

The company has no financial investments in shares.

The credit risk is limited as most of the contracts are signed with publicly owned companies. Contracts signed with private companies are mostly secured by LoC/ wire transfer before shipment.

Approximately 30% of the company's annual turnover originates from contracts in NOK.

The remaining 70% is split between USD, EUR and other currencies. The company's currency risk is managed as follows:

- i Bids & tenders quoted in foreign currency are not being hedged. The company is thus exposed to currency risk for the validity period of the bid – normally 2-3 months.
- ii All signed customer contracts with a gross value that corresponds to more than 1 500 000 NOK are being hedged.
- iii Project initiated procurement contracts with a value of more than 3 000 000 NOK are being hedged.

Fair value of forward contracts is provided by the company's bank, and is the discounted difference between the agreed forward exchange rate and the exchange at 31.12 for a forward contract with equivalent term to maturity.

The forward contracts expire in the course of the next two accounting years.



All contracts are documented and monitored according to the special requirements for hedge accounting. Calculations are being performed on a monthly basis to test prospective- and retrospective hedge effectiveness.

Forward contracts that meet these tests are deemed to secure future cash-transactions, and fair value is thus not recognised.

Fair value on forward contracts	2023	2022
Fair value of contracts covered by Hedge accounting	2 159 658	-9 808 557
Total net realisable value	2 159 658	-9 808 557

## Note 21 Equal Opportunities

### Indra An equal opportunity employer

The company focuses on equal opportunities for all regardless of age, gender, functional ability, nationality and ethnic background. All Indra Professionals and Partners must apply and promote the principles of equal opportunities, diversity, personal respect and non-discrimination (by race, sex, age, language, religion, disability, sexual orientation, opinion, origin, economic position, birth, union membership or any other personal or social condition or circumstance) in our labor relations. Employees are regularly trained in code of ethics and legal compliance, and this is also documented in our Quality Management System. In addition, the company also has an independent compliance unit at the corporate level.

Currently, we have employees from above 27 nationalities and many more origins. The company had 192 employees as of 31 December 2023, of which 58 were female and 134 were men.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management and top management is unchanged from last year. To increase the pool of females that can take management positions, the company strives to recruit and promote female managers.

Women are represented at all levels of the organization:

Total representation	30 %
Middle management	35 %
Top management	28 %
Board of Directors	33 %

The total number of part time employees are 16 of which 3 are female. Part time work is voluntary, and all employees are employed in a 100 percent position. Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

There are zero temporarily employees.

### Our internal pay policy

Our pay policy is to offer equal pay for equal work. It is furthermore the Management's goal to be able to offer employees in the company fair and competitive conditions in the market in which we operate. Individual salary determination in the company is based on assessments of the individual's competence, performance and skill. The company works closely with unions/employee representatives during salary negotiations and has established a Wage Bargaining Committee (lønnsforhandlingsutvalg).

Before the salary adjustment in 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's payroll structure and salary system.



Overall, the salary gap between men and women the pay gap was insignificant. We observed some internal spread in salary for positions of the same weight, in which we have been working on the years after by raising individuals differently.

The work to ensure equal pay for equal work is on the agenda in many fora:

- The Management Team
- The Working Environment Committee
- The Wage Bargaining Committee

Information regarding salary policy is shared to all employees on the intranet.

For all new employees the salary difference between men and women are zero, when position, education level and experience is equal.

For the company in total women has a salary of 6,6% lower than average. However, that is not comparable numbers as we have a much bigger workforce of men at a higher age than women with technical master and bachelor degree.

### Recruitment

Indra is an inclusive employer and has diversity in the company according to age, gender, functional ability, nationality and ethnic background. We aim to show our diversity and inclusion in our recruitment process and onboarding. Primarily we post our advertisements in public job boards such as finn.no and on social media such as LinkedIn.com Furthermore, we target our technical professionals on tu.no and digi.no

Indra Navia has a company profile on finn.no and we use images that we believe can encourage both men and women to apply, and to show diversity in these images.

Below are some images and stories from our finn.no company profile:





## Noen av våre medarbeidere



Det er gøy å jobbe med folk med ulik bakgrunn både internt og blant våre kunder.

**Jin Li**  
Project Manager Navigasjon

Som prosjektleder i Indra har jeg en utfordrende og lærerik hverdag. Varierte arbeidsoppgaver gjør jobben interessant, og det er alltid gøy å finne gode løsninger på problemstillingene vi møter i hverdagen. Noe av det jeg setter mest pris på i Indra, er at jeg får jobbe med kunnskapsrike og hyggelige kollegaer som er som en familie for meg her i Norge. Jeg har fått en unik mulighet til å utvikle meg her.



Jeg er stolt av å være med på å lage norsk høyteknologi som blir eksportert til hele verden!

**Ole Henrik Dahle**  
Development Engineer

Som «lead developer» i drone-prosjektet vårt får jeg være med å forme et helt nytt produkt i et marked som er i rivende utvikling. Som utvikler i Tower Systems er jeg også med på å videreutvikle og levere vårt markedsledende system for flyge leding: INNOVA. Jeg får jobbe med alle deler av utviklingskjeden: spesifisering, design, utvikling, testing og leveranse.



Jeg er stolt av det vi leverer og det vi får til sammen.

**Ida Kristine Sollie Flaatten**  
System Engineer

Som systemingeniør hos Indra, har jeg blitt kjent med produktet vi leverer gjennom hele dets livsløp, fra sammenstilling av kort og utvikling av software, til installasjon og drift ute hos kunde. Dette har gitt meg varierte og spennende arbeidsdager i tett samarbeid med mine kollegaer. Å levere kvalitet på et høyt nivå gir av og til en høyere arbeidsmengde, men vi har et tett samhold og mye fleksibilitet til å styre hverdagen vår selv.

In 2023 we recruited 23 new employees. Out of these are 18 Norwegian citizens (78 %), 4 with nationality or origin from other European countries (17 %) and 1 from rest of the world (5 %).

We have identified that there are market obstacles for hiring female engineers because the vast population of engineers are men. To appeal to female candidates, we try to design gender neutral advertisements using a language and design that also appeals to female candidates. In addition, we are conscious regarding choices of image use in our job advertisement to encourage both genders to apply. Furthermore, we use advertorials to attract more female candidates.

Ida, one of our female employees was interviewed in "Kvinner I tech" and this article was published in 'Aftenposten' where she speaks about how it is to work in Indra as a female and encourage others to do the same.

When determining the salary when giving a job offer, we look at internal and external benchmark and the candidates' education and expectations for the open position/special market situations. This is documented in our Quality Management System. We strive to find the right candidate for the job and offer the right and fair pay.

### Plans and expectations for continuous work and measures:

- Continue to be an inclusive employer and have diversity in the company according to age, gender, functional ability, nationality and ethnic background
- Have equality on the regular agenda in Working Environment Committee and Salary Bargaining Committee during salary negotiations
- Continue to advertise new positions in public job boards and publications
- Continue design gender neutral advertisements
- Continue to write and post relevant advertorials such as women in tech
- Encourage employees that experience discrimination, harassment or unexcepted behavior to contact local HR@indra.no or an independent compliance unit at canaldirecto@indra.es
- We will undertake yearly surveys to all employees to map the equality situation in the company and make necessary measures
- Continue to even out the salary differences that cannot be explained by performance, special market conditions etc.
- Continue to train employees regularly in code of ethics and legal compliance

We are certified for Great Place To Work and we scored 98-100% on all questions regarding equal opportunities.
















# Indra Navia AS FINAL

Final Audit Report

2024-06-17

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 Agreement completed.  
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## Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 31.07.2013	Vår dato 14.08.2013
Telefon 977 59 464	Deres referanse NCW	Vår referanse 2013/583572

INDRA NAVIA AS  
Postboks 150 Oppsal  
0619 OSLO

## Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Indra Navia AS, org.nr. 914 785 200

- Vi viser til deres brev av 31. juli 2013 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Indra Navia AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Indra Navia AS tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at de opplysninger som vedtaket baserer seg på ikke endres vesentlig.

### Bakgrunn

Indra Navia AS er et heleid datterselskap til det spanske selskapet Indra Sistemas SA. Indra Navias kommunikasjon med Indra Sistemas foregår kun på engelsk da eierne ikke forstår norsk og ut fra konsolideringshensyn med morselskapets regnskap. Halvparten av Indra Navias styremedlemmer forstår ikke norsk og all kommunikasjon i styret foregår på engelsk. Indra Navia driver innenfor Air Traffic Management (ATM) og har mer enn 90 % eksportomsetning. Kundene er flyplassoperatører og internasjonale selskaper samt morselskapet. ATM er en internasjonal bransje med engelsk som arbeidsspråk og Indra Navia må ofte fremlegge kopi av årsregnskap og årsberetning for å dokumentere økonomisk stabilitet.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal årsregnskapet og årsberetningen være på norsk. Departementet kan ved forskrift eller 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*

Postadresse Postboks 9200 Grønland 0134 Oslo For elektronisk henvendelse se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>	Besøksadresse: Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a> Org.nr. 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
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*vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.*

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet driver innenfor en internasjonal bransje der arbeidsspråket er engelsk. Videre er det vektlagt at selskapet er 100 % eid av et utenlandsk selskap og at halvparten av selskapets styremedlemmer ikke forstår norsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad



# Deloitte.

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To the General Meeting of Indra Navia AS

## INDEPENDENT AUDITOR'S REPORT

### *Opinion*

We have audited the financial statements of Indra Navia AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, 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. 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*

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.

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side 2  
Independent auditor's report  
Indra Navia AS

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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

Oslo, June 19<sup>th</sup> 2024  
Deloitte AS

**Sylvi Bjørnslett**  
State Authorised Public Accountant



## Revisjonsberetning Indra

Name	Date
Bjørnslett, Sylvi Annie	2024-06-19

Identification

 bankID Bjørnslett, Sylvi Annie



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