



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	966 041 056
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NAVICO NORWAY AS
Forretningsadresse:	Elganeveien 1 4373 EGRERSUND

### Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020
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### 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:	Linn Refsnes
Dato for fastsettelse av årsregnskapet:	21.05.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 07.12.2022



### Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	15, 16	105 154 508	99 111 601
Annen driftsinntekt		20 000	581 000
<b>Sum inntekter</b>		<b>105 174 508</b>	<b>99 692 601</b>
<b>Kostnader</b>			
Varekostnad	16	62 370 057	59 469 338
Lønnskostnad	10, 12	12 558 286	19 252 609
Avskrivning	2, 3	2 207 488	4 583 316
Annen driftskostnad	12, 16	8 374 963	10 760 093
<b>Sum kostnader</b>		<b>85 510 794</b>	<b>94 065 356</b>
<b>Driftsresultat</b>		<b>19 663 714</b>	<b>5 627 245</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på inv. i datterselskap og tilknyttet selskap		1 351 256	
Renteinntekt fra foretak i samme konsern			184 467
Annen renteinntekt		26 028	86 542
Annen finansinntekt	14	15 951 082	5 522 831
<b>Sum finansinntekter</b>		<b>17 328 366</b>	<b>5 793 840</b>
Nedskrivning av finansielle eiendeler		938 582	
Annen rentekostnad		19 469	
Annen finanskostnad	14	16 559 828	6 461 016
<b>Sum finanskostnader</b>		<b>17 517 879</b>	<b>6 461 016</b>
<b>Netto finans</b>		<b>-189 512</b>	<b>-667 176</b>
<b>Ordinært resultat før skattekostnad</b>		<b>19 474 202</b>	<b>4 960 069</b>
Skattekostnad på ordinært resultat	11	380 700	
<b>Ordinært resultat etter skattekostnad</b>		<b>19 093 502</b>	<b>4 960 069</b>
<b>Årsresultat</b>		<b>19 093 502</b>	<b>4 960 069</b>
<b>Overføringer og disponeringer</b>			



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Overføringer annen egenkapital	8	19 093 502	4 960 069
<b>Sum overføringer og disponeringer</b>		<b>19 093 502</b>	<b>4 960 069</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Forskning og utvikling	2		859 923
Konsesjoner, patenter, lisenser, varemerker	2	178 178	423 264
<b>Sum immaterielle eiendeler</b>		<b>178 179</b>	<b>1 283 187</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom	3	559 674	
Driftsløsøre, inventar, verktøy, kontormaskiner ol	3	3 310 976	2 587 823
<b>Sum varige driftsmidler</b>		<b>3 870 649</b>	<b>2 587 823</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4	2 397 028	3 335 611
Netto pensjonsmidler		758 726	1 125 880
<b>Sum finansielle anleggsmidler</b>		<b>3 155 754</b>	<b>4 461 491</b>
<b>Sum anleggsmidler</b>		<b>7 204 582</b>	<b>8 332 501</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	5	<b>975 621</b>	<b>1 651 355</b>
<b>Fordringer</b>			
Kundefordringer	7	49 653 154	35 839 701
Andre fordringer	6, 7	26 570 415	25 895 232
<b>Sum fordringer</b>		<b>76 223 569</b>	<b>61 734 933</b>
<b>Bankinnskudd, kontanter og lignende</b>			
<b>Sum bankinnskudd, kontanter og lignende</b>	13	<b>6 541 748</b>	<b>6 129 187</b>
<b>Sum omløpsmidler</b>		<b>83 740 938</b>	<b>69 515 475</b>
<b>SUM EIENDELER</b>		<b>90 945 520</b>	<b>77 847 976</b>



## Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	8, 9	200 000	200 000
Overkurs	8	5 459 100	5 459 100
Annen innskutt egenkapital		5 485 863	5 485 863
<b>Sum innskutt egenkapital</b>		<b>11 144 963</b>	<b>11 144 963</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	8	15 524 446	-3 569 141
<b>Sum opptjent egenkapital</b>		<b>15 524 446</b>	<b>-3 569 141</b>
<b>Sum egenkapital</b>		<b>26 669 409</b>	<b>7 575 822</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
<b>Sum annen langsiktig gjeld</b>		<b>0</b>	
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	7	14 715 346	19 288 162
Skyldige offentlige avgifter		3 173 770	4 792 335
Forskudd fra kunder		35 338 378	30 315 884
Annen kortsiktig gjeld	7	11 048 618	15 875 773
<b>Sum kortsiktig gjeld</b>		<b>64 276 111</b>	<b>70 272 154</b>
<b>Sum gjeld</b>		<b>64 276 111</b>	<b>70 272 154</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>90 945 520</b>	<b>77 847 976</b>



Statsautoriserte revisorer  
Ernst & Young AS

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## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Navico Norway AS

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Navico Norway AS, which comprise the balance sheet as at 31 December 2020, the income statement and 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 have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### Basis for opinion

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

#### Other information

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

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

#### Responsibilities of management for the financial statements

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

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

#### Auditor's responsibilities for the audit of the financial statements

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



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audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

## Report on other legal and regulatory requirements

### Opinion on the Board of Directors' report

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

### Opinion on registration and documentation

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

Independent auditor's report - Navico Norway AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: E45F3-4BCFH-AMW26-YH4M6-DLCEV-SCO6Z



Oslo, 21 May 2021  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Johan Lid Nordby  
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: E45F3-4BCFH-AMW26-YH4M6-DLCEV-5CO62

Independent auditor's report - Navico Norway AS

A member firm of Ernst & Young Global Limited



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

## Johan Nordby

State Authorised Public Accountant

On behalf of: Ernst & Young AS

Serial number: 9578-5997-4-729076

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**Navico Norway AS**

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## **Annual report 2020**

**Board of directors' report**

**Annual accounts**

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

**Auditors' report**



## Board of directors' report 2020

### Navico Norway AS

Org.nr: 966041056 MVA

#### The business

The business of Navico Norway AS is the development, production and distribution of digital chart products in worldwide market. The business is conducted from Egersund. The company is represented in the different continents with its own subsidiaries or associated companies. In the Boards view, the annual accounts with notes provide an adequate picture of the Company's position and result.

#### Going concern

In accordance with the Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for future years and the Group's long-term strategic forecasts.

#### The working environment

Total sick leave in the company in 2020 was 201 days in total, which accounts for approximately 2,5% of the total man-hours of the company. The doctor sick leave was 2,2 % caused by two persons on long term sick leave.

The working environment is regarded as good, and actions for improvement are implemented on a continuous basis.

#### Gender Equality

The company's goal is to be a workplace with full equality between females and males. The company has implemented actions in its policy regarding equality between the genders so that discrimination on the basis of genders in for example salary, promotion and recruitment. The company has traditionally recruited from environments where females and males are equally represented. As per 31.12.2020 the company has 35 employees of which 18 are males and 17 females. Female employees are well represented, and working time arrangements and salary conditions in the company are in accordance with job positions and are gender independent.

#### Discrimination

The Company is systematically working to promote the ideas of the discrimination legislation. This applies to recruitment, pay- and working conditions, promotions, development opportunities and protection against harassment. It is a Company goal to be a workplace without discrimination on the basis of disability.

#### External Environment

The business of the company does not lead to pollution or waste disposal that may pollute the external environment.

#### Future Development

The Board expect that the current owners, i.e. company's ultimate parent company – Marine Innovations Group AS (org.no 917 327 173) – will contribute to strengthen both product- and market strategies as a base for growth and profitability.



Forward looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances in the future.

## **Annual result, cash flow, investments, finance and liquidity**

The company revenues for 2020 was NOK 105,2 million, an increase of 5,5% compared to 2019.

The annual result was NOK 19,5 million, as opposed to NOK 5,5 million in 2019. The improvement of the result is mainly due to increased revenues and lower operational expenses.

The total value of the assets at the end of the year was NOK 90,9 million, compared to NOK 77,8 million the previous year. The increase is mainly due to increase in accounts receivables.

Equity per 31.12.2020 was increased to NOK 26,7 million. This year's result has led to increased equity.

## **Financial risk**

### *Currency risk*

The company has a major part of its income in USD, therefore, both in long and short term, the company will be sensitive towards fluctuations in the exchange rates differences between US dollar and Norwegian kroner.

### *Credit risk*

Trade accounts receivables at the balance-sheet date accounted for a total of 49,7 NOK, compared to NOK 35,8 million at the end of 2019. Other receivables are NOK 26,6 million versus NOK 25,9 million in 2019.

### *Liquidity risk*

The Board considers the company's liquidity as sufficient.

## **Dividends**

The board of directors have suggested to not distribute dividends for 2020, in order to pursue growth opportunities within the Company.

## **Events after the balance sheet date**

On 3rd December 2020, Navico Group signed asset-purchase agreement with Lloyd's Register Group to dispose C-MAP Commercial related assets for a consideration of USD 10 million. The divestment is expected to simplify Navico Group structure and reduce cost through decrease in number of employees and location footprint.

The financial effects of this transaction have not been recognized at 31 December 2020 as closing of the transaction is expected to be finalized in June 2021.

Going forward, Navico Norway will be engaged in sales and services that will be fully recharged to Navico Logistics Europe BV with mark-up.

\_\_\_\_\_  
Knut Mauritz Frostad  
Chairman

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Jeroen Van De Polder  
Member of the Board



## Navico Norway AS

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### Income statement

	Note	2020	2019
<b>Revenue</b>			
Sales revenue	15, 16	105 154 508	99 111 601
Other operating income		20 000	581 000
Total revenue		<u>105 174 508</u>	<u>99 692 601</u>
<b>Operating expenses</b>			
Raw materials and consumables used	16	62 370 057	59 469 338
Payroll expenses	10, 12	12 558 286	19 252 609
Depreciation of tangible and intangible fixed assets	2, 3	2 207 488	4 583 316
Other operating expenses	12, 16	8 374 963	10 760 093
Total operating expenses		<u>85 510 794</u>	<u>94 065 356</u>
Operating result		<u>19 663 714</u>	<u>5 627 245</u>
<b>Financial income and expenses</b>			
Income from investments in subsidiaries and associated companies		1 351 256	0
Interest income from group companies		0	184 467
Other interest income		26 028	86 542
Other financial income	14	15 951 082	5 522 831
Write-down on other financial assets		938 582	0
Other financial expenses	14	16 559 828	6 461 016
Other interest expenses		19 469	0
Net financial items		<u>-189 512</u>	<u>-667 176</u>
Ordinary result before tax		<u>19 474 202</u>	<u>4 960 069</u>
Tax on ordinary result	11	<u>380 700</u>	<u>0</u>
<b>Net profit or loss for the year</b>		<u><b>19 093 502</b></u>	<u><b>4 960 069</b></u>
<b>Allocated as follows</b>			
Transferred to other equity	8	<u>19 093 502</u>	<u>4 960 069</u>



## Navico Norway AS

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### Balance sheet as of December 31

	Note	2020	2019
<b>Fixed assets</b>			
<i>Intangible assets</i>			
Research and development	2	0	859 923
Software	2	178 178	423 264
Total intangible assets		<u>178 178</u>	<u>1 283 187</u>
<i>Tangible assets</i>			
Land, buildings and other real property	3	559 674	0
Equipment and other movables	3	3 310 976	2 587 823
Total tangible assets		<u>3 870 649</u>	<u>2 587 823</u>
<i>Financial assets</i>			
Investments in subsidiaries	4	2 397 028	3 335 611
Pension fund		758 726	1 125 880
Total financial assets		<u>3 155 754</u>	<u>4 461 491</u>
Total fixed assets		<u>7 204 582</u>	<u>8 332 501</u>
<b>Current assets</b>			
Inventories	5	<u>975 621</u>	<u>1 651 355</u>
<i>Receivables</i>			
Trade receivables	7	49 653 154	35 839 701
Other receivables	6, 7	26 570 415	25 895 232
Total accounts receivable		<u>76 223 569</u>	<u>61 734 933</u>
Cash and cash equivalents	13	<u>6 541 748</u>	<u>6 129 187</u>
Total current assets		<u>83 740 938</u>	<u>69 515 475</u>
Total assets		<u>90 945 520</u>	<u>77 847 976</u>



## Navico Norway AS

### Balance sheet as of December 31

	Note	2020	2019
<b>Equity</b>			
<i>Paid-in capital</i>			
Share capital	8, 9	200 000	200 000
Share premium	8	5 459 100	5 459 100
Other paid-in equity		5 485 863	5 485 863
Total paid-in capital		<u>11 144 963</u>	<u>11 144 963</u>
<i>Retained earnings</i>			
Other equity	8	15 524 446	-3 569 141
Total retained earnings		<u>15 524 446</u>	<u>-3 569 141</u>
Total equity		<u>26 669 409</u>	<u>7 575 822</u>
<b>Liabilities</b>			
<i>Current liabilities</i>			
Trade creditors	7	14 715 346	19 288 162
Other taxes and withholdings		3 173 770	4 792 335
Advance payment		35 338 378	30 315 884
Other current liabilities	7	11 048 618	15 875 773
Total current liabilities		<u>64 276 111</u>	<u>70 272 154</u>
Total liabilities		<u>64 276 111</u>	<u>70 272 154</u>
Total equity and liabilities		<u>90 945 520</u>	<u>77 847 976</u>

31 December 2020

Egersund

Knut Mauritz Frostad  
Chairman

Jeroen Van De Polder  
Member of the Board



## Navico Norway AS

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### Cash flow statement

	Note	2020	2019
<b>Cash flow from operating activities</b>			
Profit/(loss) before tax		19 474 287	4 960 069
Depreciation and amortization		2 207 488	4 583 315
Impairment of fixed assets		938 582	0
Pension expense without cash effect		367 154	2 342 110
Changes in inventories		675 734	-1 415 895
Changes in trade receivables		-13 813 453	4 214 919
Changes in trade payables		-4 572 816	-6 241 449
Changes in other current balance sheet items		-2 479 109	-487 852
Net cash flow from operating activities		<u>2 797 868</u>	<u>-5 560 678</u>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		-2 385 307	-2 923 033
Other investments		0	-2 642 974
Net cash flow from investing activities		<u>-2 385 307</u>	<u>-5 566 007</u>
<b>Cash flow from financing activities</b>			
Net cash flow from financing activities		<u>0</u>	<u>0</u>
Net change in cash and cash equivalents		412 561	-5 329
Cash from merger Maritime Information System AS		0	3 090 550
Cash and cash equivalents at 01.01		6 129 187	3 043 966
Cash and cash equivalents at 31.12		<u>6 541 748</u>	<u>6 129 187</u>



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note - 1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

##### *Valuation and classification of assets and liabilities*

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with a limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule.

Other long-term liabilities, as well as short-term liabilities, are valued at nominal value.

##### *Foreign currency*

All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date.

##### *Intangible assets*

Expenses relating to the development of intangible assets, including research and development expenses, are capitalized when it becomes probable that the future economic benefits arising from the assets will accrue to the company, and the cost of the assets can be reliably measured.

Intangible assets that are acquired separately, are recognised at historical cost. Intangible assets acquired in a business combination, are recognised at historical cost when the criteria for balance sheet recognition have been met.

Intangible assets with a limited economic life are amortised on a systematic basis. Intangible assets are written down to the recoverable amount if the expected economic benefits are not covering the carrying amount and any remaining development costs.

##### *Shares in subsidiaries and associates*

Subsidiaries and investments in associates are carried at cost. A write-down to fair value will be performed if the impairment is not considered to be temporary, and an impairment charge is deemed necessary according to generally accepted accounting principles. Received dividends and group contributions are recognised as other financial income. The same applies for investments in associates.

##### *Inventories*

Inventories are recognised at the lower of cost in accordance with the FIFO method and net realisable value. For raw materials and work in progress, the net realisable value is based on estimated selling price of finished goods, less the remaining production and sales costs. Self-produced goods are recognised at the lower of full production cost and fair value.

##### *Revenue*

Sale of goods:

Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer. This will normally be the case when the goods are delivered to the customer. The revenue is recognised with the value of the remuneration at the time of transaction.

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## Navico Norway AS

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### Notes to the accounts for 2020

#### Sale of services:

Revenue is recognized when it is earned, i.e. when the claim to remuneration arises. This occurs when the service is performed, as the work is being done. The revenue is recognized with the value of the remuneration at the time of transaction.

#### Receivables

Trade receivables and other receivables are recognized at nominal value, less the accrual for expected losses of receivables. The accrual for losses is based on an individual assessment of each receivable.

#### Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

#### Post-employment benefits

Defined contribution plans are accounted for according to the matching principle. Contributions to the pension plan are recorded as expenses.

#### Cost of sales and other expenses

In principle, cost of sales and other expenses are recognized in the same period as the revenue to which they relate. In instances where there is no clear connection between the expense and revenue, the apportionment is estimated. Other exceptions to the matching criteria are disclosed where appropriate.

#### Income taxes

Tax expenses are matched with operating income before tax. Tax related to equity transactions e.g. group contribution, is recognized directly in equity.

Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax liabilities and deferred tax assets are presented net in the balance sheet.

#### Government grants

Investment grants are recognized in the balance sheet as a netting of book value of the fixed asset and accrued as reduction of depreciation over the economic life of the investment. Operating grants received are matched with their corresponding costs.

#### Group companies

The group companies include the parent company, Navico Holding AS, and the subsidiary companies, Cruice L.L.c. C-Map Japan K.K, C-Map Greece MEPE, C-Map India Private Limited and Navico Russia Ltd.

Consolidated financial statements have not been prepared, since Navico Norway AS is a fully owned subsidiary company of Navico Holding AS, cf. Norwegian Accounting Act § 3-7.

#### Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term highly liquid investments with maturities of three months or less from the purchase date.



**Navico Norway AS**

**Notes to the accounts for 2020**

**Note 2 - Intangible assets**

	Software	Research and development	Total
Acquisition cost at 01.01.20	15 983 195	3 869 666	19 852 861
Acquisition cost 31.12.20	15 983 195	3 869 666	19 852 861
Acc.amortization at 31.12.20	-15 805 017	-3 869 666	-19 674 683
Net carrying amount at 31.12.20	178 178	0	178 178
Amortization for the year	-499 249	-859 922	-1 359 171
Useful economic life	5 years	5 years	
Amortization plan	Linear	Linear	

**Note 3 - Tangible assets**

	Equipment and other movables
Acquisition cost 01.01.20	8 114 494
Purchased tangibles	2 131 145
Acquisition cost 31.12.20	10 245 639
Acc.depreciation 31.12.20	-6 374 990
Net carrying amount at 31.12.20	3 870 649
Depreciation for the year	-848 317
Useful economic life	3-5 years
Amortization plan	Linear

Annual lease payments for operational leases not recognized in the balance sheet and amounts to 1 146 200 NOK.

**Note 4 - Investments in subsidiaries**

Subsidiaries	Location	Owner -ship	Voting share	Annual net profit*)	Equity *)	Balance sheet value
C-Map Japan K.K.**	Japan	100 %	100 %	77 979	1 317 630	1 317 630
C-Map Greece MEPE	Greece	100 %	100 %	301 885	1 807 882	359 798
C-Map India Private Ltd.	India	99 %	99 %	53 755	3 530 227	1
Cruise LLC	Russia	99 %	99 %	1 154 315	11 871 111	718 142
Navico Russia	Russia	100 %	100 %	243 973	1 367 630	1 458
Total				1 831 907	19 894 480	1 079 398

\*) Financials for Cruise LLC and C-Map India are audited, whereas Japan and Greece figures are preliminary figures that have not been subject to audit yet.

Financials for C-Map India are for January 2021, as this is the end of their fiscal year.

\*\*) In 2020 an impairment of 0,9 MNOK was recognized for the investment in C-MAP Japan K.K.



**Navico Norway AS**

**Notes to the accounts for 2020**

**Note 5 - Inventories**

	<b>2020</b>	<b>2019</b>
Finished goods	975 621	1 651 355
Total	<u>975 621</u>	<u>1 651 355</u>

**Note 6 - Receivables and liabilities**

The company has no long-term liabilities and no liabilities are secured by mortgage.

**Note 7 - Related party balances**

<b>Accounts receivable</b>	<b>Relationship to</b>		
<b>Counterpart</b>	<b>the counterpart</b>	<b>2020</b>	<b>2019</b>
Cruise LLC	Subsidiary	709 990	254 954
C-Map USA Inc.	Ass. company	5 316 864	2 256 905
Navico Holding AS	Parent	9 217 435	9 786 060
Navico Logistics Europe BV	Ass. company		9 634 924
Sum		<u>15 244 289</u>	<u>21 932 843</u>

<b>Other receivable</b>	<b>Relationship to</b>		
<b>Counterpart</b>	<b>the counterpart</b>	<b>2020</b>	<b>2019</b>
Navico Holdings AS	Parent	11 950 000	11 950 000

<b>Accounts payable</b>	<b>Relationship to</b>		
<b>Counterpart</b>	<b>the counterpart</b>	<b>2020</b>	<b>2019</b>
C-Map Italy Srl	Ass. company	4 209 490	6 161 976
C-Map Hellas Ltd.	Subsidiary	2 724 120	1 987 058
C-Map Japan K.K.	Subsidiary	1 473 952	1 283 946
Navico Marine Singapore PTE LTD	Ass. company	874 839	555 269
Navico Russia	Ass. company		648 121
Sum		<u>9 282 401</u>	<u>10 636 370</u>

**Note 8 - Owners equity**

	Share capital	Share premium	Other paid-in equity	Retained earnings	Total
Owners equity 01.01.20	200 000	5 459 100	5 485 863	-3 569 141	7 575 822
Profit/(loss) for the year	0	0	0	19 093 502	19 093 502
Other changes	0	0	0	85	85
Owners equity 31.12.20	<u>200 000</u>	<u>5 459 100</u>	<u>5 485 863</u>	<u>15 524 446</u>	<u>26 669 409</u>



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note 9 - Share capital and shareholder information

The share capital of NOK 200.000 consists of 200 shares with a face value of NOK 1.000 each. All shares have equal rights.

Largest shareholders as of 31.12.2020:

	Number of shares	Ownership share	Voting share
Navico Holding AS	200	100 %	100 %

Consolidated Financial Statements are prepared by Navico Group AS. Registered office is in Egersund and Consolidated Financial Statements are available here.

#### Note 10 - Pensions

The company is required to have an occupational pension plan in accordance with Norwegian legislation on occupational pensions ("lov om obligatorisk tjenestepensjon"). The company's pension plan must meet the requirements of this legislation.

The entity's defined contribution plan is organized in accordance with Norwegian legislation on defined contribution pensions ("lov om innskuddspensjon").

The company's pension scheme cover a total of 35 persons.

	2020	2019
Pension funds	758 726	1 125 880

In 2016 the entity terminated its occupational pension plan, a defined benefit plan providing the right to defined future benefits (mainly dependent on the number of years of service, the level of salary at the retirement age and the level of the government funded pension benefits). The new occupational pension plan is a defined contribution plan where the company is free of its liability when contributions to the pension plan has been paid in.

Termination of the original occupational pension plan gave rise to a net pension fund that will be used to cover contributions to the new pension plan in upcoming years.



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note 11 - Income taxes

<i>Income tax expenses</i>	<b>2020</b>	<b>2019</b>
Withholding taxes	380 700	0
Tax on ordinary result	<u>-380 700</u>	<u>0</u>
<i>Tax base estimation</i>	<b>2020</b>	<b>2019</b>
Ordinary result before tax	19 474 202	4 960 069
Permanent differences	1 057 367	83 749
Change in temporary differences	<u>-7 273 672</u>	<u>4 006 120</u>
General income	13 257 897	9 049 938
Loss carried forward	<u>-13 257 897</u>	<u>-9 049 938</u>
Tax base	<u>0</u>	<u>0</u>
<i>Temporary differences outlined</i>	<b>2020</b>	<b>2019</b>
Fixed assets	-2 956 322	-5 759 688
Receivables	-1 553 213	-3 774 107
Gains and losses	824 837	1 031 047
Pension	758 726	1 125 880
Current liabilities	<u>-4 209 490</u>	<u>-7 032 267</u>
Total	<u>-7 135 462</u>	<u>-14 409 135</u>
Losses carried forward	<u>-85 628 495</u>	<u>-98 886 392</u>
	<u>-92 763 957</u>	<u>-113 295 527</u>
Deferred income tax liability (22%)	-20 408 071	-24 925 016
Off-balance sheet deferred tax benefits	-20 408 071	-24 925 016
<i>Effective tax rate</i>	<b>2020</b>	
Expected income taxes, statutory tax rate 22%	3 994 445	
Unrecognized deferred tax assets	-4 516 943	
Withholding taxes	380 700	
Permanent differences (22%)	<u>522 498</u>	
Income tax expense	<u>380 700</u>	

The deferred tax benefit is not included in the balance sheet on the basis of expected future income.



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note 12 - Payroll costs, number of employees, benefits, loans to employees etc.

<i>Wage costs</i>	<b>2020</b>	<b>2019</b>
Salaries	7 693 587	15 058 021
Social security tax	1 317 717	1 462 988
Pension costs	691 844	645 296
Other benefits	2 855 137	2 086 304
Total	<u>12 558 286</u>	<u>19 252 609</u>

The average number of employees during the year

	36	47
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#### *Management remuneration*

	General manager
Salary	709 737
Bonus	25 863
Other remuneration	94 916

Neither the managing director nor the chairman of the board has contractual rights to separate remuneration in the event of termination of or other changes in the conditions of their employment. The managing director has a contractual right to a bonus in the event that strategic goals for the company are met.

No loans have been granted and no guarantees have been issued to chief executives, shareholders, employees or members of the board or any of their related parties in 2020.

The general manager left the company in March 2021.

<i>Auditor fee has been divided as follows</i>	<b>2020</b>	<b>2019</b>
Statutory audit	400 000	400 000
Other assurance services	25 500	25 500
Total	<u>425 500</u>	<u>425 500</u>

#### Note 13 - Restricted bank deposits

<i>Restricted bank deposits</i>	<b>2020</b>	<b>2019</b>
Employees' tax deduction	1 120 202	1 156 101



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note 14 - Foreign currencies

The company is through accounts receivables from, accounts payables and other current liabilities to foreign enterprises exposed to exchange risk. The company has decided not to hedge the currency risk exposure.

	<b>2020</b>	<b>2019</b>
Foreign exchange gains	14 781 728	5 522 831
Foreign exchange losses	-16 559 828	-6 461 016
Net gain (+) / loss (-)	<u>-1 778 100</u>	<u>-938 185</u>

Foreign exchange gain/loss is accumulated under other financial income/expense.  
The company has no long-term debt in foreign exchange.

#### Note 15 - Operating income

	<b>2020</b>	<b>2019</b>
Revenue	105 154 508	99 111 601
Other operating income	20 000	581 000
Total	<u>105 174 508</u>	<u>99 692 601</u>
<i>Geographical distribution</i>		
Norway	11 581 096	11 521 079
Asia	14 086 246	14 820 013
Europe excl. Norway	56 849 977	61 121 162
Rest of the world	22 675 189	12 230 347
Total	<u>105 174 508</u>	<u>99 692 601</u>



## Navico Norway AS

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### Notes to the accounts for 2020

#### Note 16 - Related party transactions

Remuneration to executives is disclosed in note 12, and balance with group companies is disclosed in note 7.

Counterpart	Relationship to the counterpart	2020	2019
Cruise LLC	Subsidiary	3 104 051	2 178 756
C-Map Italy S.r.l.	Ass. company	663 717	749 570
C-Map USA	Ass. company	4 922 294	2 699 947
C-Map Polen Sp.z.o.o	Ass. company		52 194
Navico Holding AS	Parent	2 642 974	3 640 824
Navico Logistics Europe BV	Ass. company		487 078
<b>Total revenues</b>		<b>11 333 036</b>	<b>9 808 369</b>
C-Map Hellas M.E.N.E.	Subsidiary	5 099 631	4 706 693
C-MAP Japan K.K.	Subsidiary	1 534 665	1 422 052
Navico Logistics Europe BV	Subsidiary	-7 889 780	-11 524 090
C-Map Italy S.r.l	Ass. company		-1 417 270
Navico Marine Singapore PTE LTD	Ass. company	1 119 006	1 213 734
Navico Holding AS	Parent	-19 465 948	-43 784 814
Navico Russia Ltd	Ass. company	125 355	2 207 404
<b>Total expenses</b>		<b>-19 477 071</b>	<b>-47 176 291</b>

The negative amounts related to Navico Holding AS and Navico Logistics Europe BV are recharged costs from Navico Norway AS to Navico Holding AS and Navico Logistics Europe BV.

#### Note 17 - Subsequent events

##### C-MAP Commercial divestment

On 3rd December 2020, Navico Group signed asset-purchase agreement with Lloyd's Register Group to dispose C-MAP Commercial related assets for a consideration of USD 10 million. The divestment is expected to simplify Navico Group structure and reduce cost through decrease in number of employees and location footprint.

The financial effects of this transaction have not been recognized at 31 December 2020 as closing of the transaction is expected to be finalized in June 2021.

Going forward, Navico Norway will be engaged in sales and services that will be fully recharged to Navico Logistics Europe BV with mark-up.