



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 989 112 007
Organisasjonsform: Aksjeselskap
Foretaksnavn: FARA AS
Forretningsadresse: Falkenborgvegen 36A
7044 TRONDHEIM

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Steve Chalker
Dato for fastsettelse av årsregnskapet: 22.12.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 18.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	6,7,8	182 477 000	202 411 000
Sum inntekter		182 477 000	202 411 000
Kostnader			
Cost of goods	10	36 303 000	48 728 000
Personell expenses	12,13	43 705 000	53 660 000
Depreciation	14,24	16 951 000	15 980 000
Other operating expenses	11	88 916 000	78 290 000
Sum kostnader		185 875 000	196 658 000
Driftsresultat		-3 398 000	5 753 000
Finansinntekter og finanskostnader			
Annen renteinntekt	15	802 000	277 000
Other financial income			3 066 000
Sum finansinntekter		802 000	3 343 000
Annen rentekostnad	15	1 478 000	621 000
Other finance costs	15	1 801 000	7 039 000
Sum finanskostnader		3 279 000	7 660 000
Netto finans		-2 477 000	-4 317 000
Ordinært resultat før skattekostnad		-5 875 000	1 436 000
Skattekostnad på ordinært resultat	20		14 000 000
Ordinært resultat etter skattekostnad		-5 875 000	-12 564 000
Årsresultat		-5 875 000	-12 564 000



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	13,18	30 076 000	30 371 000
Sum immaterielle eiendeler		30 076 000	30 371 000
Varige driftsmidler			
Office equipment	14,18	641 000	854 000
Right of use assets	14	10 950 000	16 239 000
Sum varige driftsmidler		11 591 000	17 093 000
Finansielle anleggsmidler			
Investering i datterselskap	3,18	27 846 000	27 846 000
Investments in shares		1 844 000	1 844 000
Sum finansielle anleggsmidler		29 690 000	29 690 000
Sum anleggsmidler		71 357 000	77 154 000
Omløpsmidler			
Varer			
Stock	10,18	6 987 000	6 672 000
Sum varer		6 987 000	6 672 000
Fordringer			
Kundefordringer	9,18	23 463 000	15 707 000
Accrued income	8,18	15 801 000	10 878 000
Other short term receivables	18	6 576 000	7 674 000
Konsernfordringer		6 113 000	
Sum fordringer		51 953 000	34 259 000
Bankinnskudd, kontanter og lignende			
Bank deposit	17	4 487 000	6 099 000
Sum bankinnskudd, kontanter og lignende		4 487 000	6 099 000
Sum omløpsmidler		63 427 000	47 030 000



Balanse

Beløp i: NOK	Note	2021	2020
SUM EIENDELER		134 784 000	124 184 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	1,21	2 119 000	2 119 000
Annen innskutt egenkapital	21	34 234 000	34 234 000
Sum innskutt egenkapital		36 353 000	36 353 000
Opptjent egenkapital			
Other equity	1,4	-10 638 000	-4 762 000
Sum opptjent egenkapital		-10 638 000	-4 762 000
Sum egenkapital		25 715 000	31 591 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		11 521 000	12 252 000
Long term leasing commitment	14	7 118 000	10 662 000
Sum annen langsiktig gjeld		18 639 000	22 914 000
Sum langsiktig gjeld		18 639 000	22 914 000
Kortsiktig gjeld			
Leverandørgjeld		8 774 000	2 033 000
Special taxes		8 761 000	7 939 000
Kortsiktig konserngjeld		33 560 000	28 920 000
Other short-term debt	23	18 815 000	22 584 000
Credit facility		14 508 000	
short term leasing commitment	14	5 593 000	7 559 000
Provision	19	419 000	644 000
Sum kortsiktig gjeld		90 430 000	69 679 000
Sum gjeld		109 069 000	92 593 000



Balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		134 784 000	124 184 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Operating revenue	6,7,8	184 899 000	207 690 000
Sum inntekter		184 899 000	207 690 000
Kostnader			
Cost of goods	10	36 417 000	48 834 000
Personell expenses	12,13	67 210 000	73 242 000
Depreciation	14,24	19 607 000	18 974 000
Other operating expenses	11	59 435 000	55 629 000
Sum kostnader		182 669 000	196 679 000
Driftsresultat		2 230 000	11 011 000
Finansinntekter og finanskostnader			
Annen renteinntekt	15	823 000	122 000
Other financial income	15	1 292 000	4 700 000
Sum finansinntekter		2 115 000	4 822 000
Annen rentekostnad	15	1 622 000	541 000
Other finance costs	15	5 472 000	8 320 000
Sum finanskostnader		7 094 000	8 861 000
Netto finans		-4 979 000	-4 039 000
Ordinært resultat før skattekostnad		-2 749 000	6 972 000
Taxes	20	1 566 000	15 201 000
Ordinært resultat etter skattekostnad		-4 315 000	-8 229 000
Årsresultat		-4 315 000	-8 229 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	13,18	30 076 000	30 371 000
Utsatt skattefordel	20	1 468 000	1 819 000
Goodwill	13	10 711 000	10 711 000
Sum immaterielle eiendeler		42 255 000	42 901 000
Varige driftsmidler			
Office equipment	14,18	1 693 000	1 479 000
Right of use assets	14	12 594 000	20 716 000
Sum varige driftsmidler		14 287 000	22 195 000
Finansielle anleggsmidler			
Investments in shares		1 844 000	1 844 000
Sum finansielle anleggsmidler		1 844 000	1 844 000
Sum anleggsmidler		58 386 000	66 940 000
Omløpsmidler			
Varer			
Stock	10,18	6 987 000	6 672 000
Sum varer		6 987 000	6 672 000
Fordringer			
Kundefordringer	9,18	31 525 000	15 707 000
Accrued income	8,18	15 801 000	10 878 000
Other short term receivables	18	6 576 000	7 640 000
Sum fordringer		53 902 000	34 225 000
Bankinnskudd, kontanter og lignende			
Bank deposit	17	5 881 000	6 497 000
Sum bankinnskudd, kontanter og lignende		5 881 000	6 497 000
Sum omløpsmidler		66 770 000	47 394 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EIENDELER		125 156 000	114 334 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	1,21	2 119 000	2 119 000
Annen innskutt egenkapital	21	35 048 000	35 048 000
Sum innskutt egenkapital		37 167 000	37 167 000
Opptjent egenkapital			
Other equity	1,4	10 817 000	14 375 000
Sum opptjent egenkapital		10 817 000	14 375 000
Sum egenkapital		47 984 000	51 542 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		3 775 000	
Long term leasing commitment	14	7 118 000	13 036 000
Sum annen langsiktig gjeld		10 893 000	13 036 000
Sum langsiktig gjeld		10 893 000	13 036 000
Kortsiktig gjeld			
Leverandørgjeld		17 974 000	5 573 000
Special taxes		7 181 000	6 382 000
Kortsiktig konserngjeld			205 000
Other short-term debt	23	18 815 000	27 198 000
Credit facility		14 508 000	
short term leasing commitment	14	7 382 000	9 754 000
Provision	19	419 000	644 000
Sum kortsiktig gjeld		66 279 000	49 756 000
Sum gjeld		77 172 000	62 792 000



Konsernets balanse

Beløp i: NOK	Note	2021	2020
SUM EGENKAPITAL OG GJELD		125 156 000	114 334 000



Statsautoriserte revisorer
Ernst & Young AS

Havnegata 9, 7010 Trondheim
Postboks 1299 Pirsenteret, 7462 Trondheim

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Fara AS

Opinion

We have audited the financial statements of Fara AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the balance sheet as at 31 December 2021, the income statement and statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with the simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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 and the Group in accordance with the requirements of the 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 matters

The company's financial statement has been submitted after the expiry of the statutory deadline for submitting financial statement.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the CEO) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with simplified application of international accounting standards according to section 3-9 of



Building a better
working world

the Norwegian Accounting Act, 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 and the Group'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 the Group, 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 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 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 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 and the Group'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 and the Group'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 and the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report - Fara AS 2021

A member firm of Ernst & Young Global Limited

Penneo Dokumentnr: 1BTX7-3GEL1-DPWZH-EAQ2V-VP4E1-NU3ID



Building a better
working world

Trondheim, 6 January 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Amund P. Amundsen
State Authorised Public Accountant (Norway)

Penneo Dokumentnøkkel: 1BTX7-3GEL1-DPWZH-EAQ2V-VP4E1-NU3ID

Independent auditor's report - Fara AS 2021

A member firm of Ernst & Young Global Limited



PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo"™ - sikker digital signatur.
De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Amund Petter Amundsen

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5992-4-3001996

IP: 77.16.xxx.xxx

2023-01-06 09:15:25 UTC



Penneo Dokumentnøkkel: 1BTX7-3GEL1-DPWZH-EAQ2V-VP4ET-NU3ID

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validate>



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5



2021 Annual Report

FARA AS





DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Leadership Corner January 2022

2021 was a good and very eventful year for FARA. Taking the current pandemic into consideration, we are proud that we managed to achieve turnover and Operating Result Before Depreciation of MNOK 185 and MNOK 22 (2020: MNOK 208 and MNOK 30 respectively). This is to the credit of the entire organization that works tirelessly for better services, products and customer support. FARA's employees are our most important assets.

FARA has now proven itself, and we have built ourselves up to become one of the best public transport competence houses in Europe. This is the result of our focus over many years – we at FARA do nothing but public transport.

We are pleased with what we have achieved in a difficult market, yet at the same time in the company we agree that we should not rest on our laurels – we will continue to move on!

There is a great range of different mobility solutions, but public transport as we know it will be hubs in any transport solution for passenger transport. Important elements or principles in future solutions are:

- New technology and solutions must be able to operate together – new investments should not force the customer to write off previous investments.
- Solutions must be able to interact with deliveries from other suppliers
- Solutions must provide passengers a simple way to plan their journey, get real-time information, and buy a ticket – in the same app, with few keystrokes
- Solutions must be presented and used on mobile devices
- Customers and passengers must be able to choose a business model in both opex and capex

FARA provides services and products that are important factors in improving the environment. If we look only at what the consequences of urbanization are for the climate, and what this means for the environment, it is quite obvious that public transport is a particularly important social task that will have a far greater focus going forward. This industry will be the fastest growing industry. If society is to function, the logistics of moving people from their starting point to their destination are very important.

There is a way to go and many challenges leading up to a seamless mobility platform for passengers, but the industry is on its way. Municipalities will never solve this on their own. The challenges lie in long-term operator contracts, as well as roles and responsibilities that must be clarified at different levels.

Our owners, our committed, hard working employees make a powerful team. Together we will further develop a strong market presence in the Nordic countries and the UK, and look towards Europe for new opportunities and markets.

Do not hesitate to contact us or visit our home page www.fara.no for more information about FARA.

Have a good trip and a good 2022 public transport year!

Director

2021



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

WITHOUT Annual Report 2021

Table of Contents

ANNUAL REPORT 2021	1
INCOME STATEMENT	4
BALANCE SHEET	5
CASH FLOW STATEMENT	7
Equity Statement	8
Note 1: General	8
Note 2: Summary of key accounting principles	8
Note 3: Subsidiaries	15
Note 4: Exchange rates	15
Note 5: Transactions with related parties	15
Note 6: Revenue	16
Note 7: Segment information	16
Note 8: Accrued income	17
Note 9: Accounts receivable	17
Note 10: Inventory	17
Note 11: Other operating expenses	18
Note 12: Costs of employee benefits and benefits to senior executives	19
Note 13: Tangible fixed assets/intangible assets	20
Note 14: Capitalized leases	22
Note 15: Financial income and financial costs	23
Note 16: Financial instruments	24
Note 17: Cash and cash equivalents	25
Note 18: Pledges	26
Note 19: Provisions	26
Note 20: Tax	27
Note 21: Share capital and other invested equity	28
Note 22: Continued operation and subsequent events	29
Note 23: Other current liabilities	29
Note 24: Investment in equities	29

2021



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

ANNUAL REPORT 2021

The main points of FARA's development in 2021 were:

- The company continued further development, integration and introduction of the product portfolio
- The company has maintained a profit through the pandemic
- The company continued implementation of the future platform on board vehicles
- The company won a contract in Lithuania which will be finalised in 2022

System deliveries

Throughout 2021, FARA delivered products both in traditional solutions and in the future product portfolio. These deliveries were for customers in Norway, Sweden, Finland and Denmark. The company provided a mobile application in Sweden that integrates planning, ticket purchases and real-time information. Phase two of the delivery which includes a solution for drivers and sales channels, is based on cloud-based services and lighter hardware, and will be delivered in 2022. FARA is experiencing increased interest and need for control, reporting and online follow-up of vehicles, and continued work on Iceland where the delivery is account-based ticketing and EMV Pay-as-You-Go. FARA is one of the first in Europe to have delivered full-scale projects in 2021 that conform to the EU standard for ITxPT – a standard that defines a new platform on board buses.

FARA bases its development on using recognized national and international standards, as well as open interfaces. The company sees that this is becoming the trend in the market.

Market

In recent years FARA has focused on growth and profitable operations in the domestic market, defined as the Nordic region. Since 2011, the company has delivered positive operating results and has complied with its vision and overall objectives. In 2020 Fara won its first contract in one of its focus markets outside of Scandinavia.

The market is now characterized by pressure on the old solutions for margins and functionality, and FARA has therefore maintained the pace of moving functionality to cloud-based solutions that cater to technological developments. The company's solutions can now be run on virtually any hardware platform and can interact with most other solutions. Technological developments including ITxPT will open up increased competition which FARA is looking at very positively.

Statement for the financial statements 2021

FARA maintains the accounts according to the principles that apply to the international accounting standard IFRS (simplified IFRS).

In total, FARA's turnover for 2021 was 185 MNOK (208), which implies a decrease of 12%. The corresponding figure for the parent company FARA AS is 183 MNOK (202).

The Board considers the equity ratio to be prudent. The board's objective in terms of investors' total return is that the return over cycles should at least be at the same level as equivalent companies in the same industry.

For 2021, the operating profit before depreciation was positive by 22 MNOK (30). The corresponding figure for the parent company FARA AS is 14 MNOK (22). The result has a positive development in gross margin and operating margin. 10 MNOK (10) has been capitalized in the company's balance sheet according to criteria set out in Note 2. Capitalization is related to the development of new solutions and products.

Net financial items were MNOK -4.9 (-4.0). FARA AS: -2.5 MNOK (-4.3).

The Group's net profit was -4.3 MNOK (-8.2). And FARA AS net loss was -5.9 MNOK (-12.6).

Continued operation

In accordance with Section 3-3a of the Norwegian Accounting Act, it is confirmed that the assumptions about continued operation are present. The basis for this is the profit forecasts for the year 2022 and the Group's



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

forecasts for the years ahead. The forecasts are based on updating the strategy established in 2021, order reserves and the market outlook for the years ahead. Of course, there will be uncertainty about this, but the board's assessment is that it is within the acceptable framework.

As of 31.12.2021, FARA group has a cash balance of 5.9 MNOK on account and does use 14.5 MNOK of the overdraft. Our overdraft has limit of 22 MNOK, a guarantee facility of 10 MNOK and a derivative framework of 2 MNOK have been established with the company's bank.

FARA focuses on follow-up capital use and capital bonding. Since the customer portfolio is mainly publicly owned and/or managed, there is little risk associated with loss on claims.

The equity is 47.9 MNOK (51.5) which gives an equity ratio of 38% (45%). The corresponding figure for FARA AS is 25.7 MNOK (31.6), which gives an equity ratio of 19% (25%).

Staff

FARA employed an average of 90 persons (87) in 2021. For FARA AS, the corresponding figure was 62 (60).

It is important for FARA as a competence company to further develop employees and adapt the organization to FARA's needs.

The board sends big thank you to all employees who have demonstrated their ability to change and carry on.

Social responsibility

As of 31.12.2021, 16 (17) women were employed in the Group, 11 (12) of these worked in FARA AS. At the end of 2021 there were many different nationalities employed by FARA, which in many areas is a major strength for the group going forward. The working environment is considered good, and ongoing measures are being implemented for improvements. No employees are discriminated against in relation to the opportunities, training/learning or distribution of tasks. FARA continuously works to promote an equal working environment, where discrimination does not occur. This applies regardless of gender and ethnicity.

The board is not aware of FARA directly polluting the external environment. FARA has no own production, and FARA's products, as well as packaging, are mainly based on recyclable material. The company has routines for processing waste and has established return schemes with external suppliers. FARA does not have any products that under normal use are hazardous to health to consumers. FARA complies with the environmental requirements faced by the company.

FARA's scope is deliveries of ITS solutions to public transport. One of FARA's goals, which the company has in common with its customers, is to get more passengers on board public transport, thereby reducing the burden on the community in terms of better environment and an efficient journey for passengers. FARA aims to stay ahead of technological developments in solutions, thereby helping to ensure that new technologies are adopted early, which benefits the environment. FARA is actively working with the various actors, from governing bodies to customers, to influence a necessary focus on public transport, thereby reducing the negative consequences of the transport industry on the environment.

Corporate governance, quality system and internal control

The Board of Directors sees the development and implementation of routines and control bodies that support good corporate governance, as one of the mainstays for creating a forward-looking, competitive and trustworthy company. The Board of Directors has prepared guidelines for reporting financial information and separate instructions for the CEO. The Board of Directors has further defined authority for the CEO and the rest of the organization. The company has established a risk management regime that will help the board be informed and, if necessary, make a decision on significant matters for FARA.

FARA is ISO 9001 certified. This means that the company works in accordance with the guidelines provided in the ISO 9001:2015 standard. The company works continuously and systematically with the development and improvement of its quality management system and has in recent years focused heavily on quality work and increased customer satisfaction. This focus will continue in 2022. FARA was recertified in 2021.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Ownership structure

In December 2019, shares in FARA were taken over by Ticketer, the UK's most distributed ticket system provider for bus operators, with electronic ticketing machines (ETM) on buses across the UK. Ticketer has several offices in the UK is now proceeding with its international expansion across Europe.

The outlook ahead

FARA had a strong end to 2021 sales and achieved turnover of 185 MNOK (208MNOK in 2021). This is a result that must be considered very good when seen in relation to the situation that has prevailed in 2021 with the ongoing pandemic. The adopted strategy for profitable growth and further development of the company was followed through the development of innovative products and solutions in line with trends and expectations in the market.

The Board believes that the company's ability to win through with its solutions both in small and large customers shows that the solutions form a good foundation for further growth.

The board is very positive about the growth prospects for FARA in the years to come. Given that tender activity is different from year to year, performance may vary slightly year on year but the expected trend is continued growth in both revenue and profit.

The COVID Pandemic

During the year, the Coronavirus (COVID-19) outbreak has continued to cause extensive disruptions to business and economic activities globally. The uncertainties over the emergence and spread of COVID-19 variants has caused disruption to the public transport sector. However the Government continue to see Public Transport as key for the future, supported by the IPCC's latest climate report, and therefore have provided funding to bus operators during the pandemic to ensure continuity of service.

The primary focus of the Group has continued to be ensuring the safety and wellbeing of our staff. The Group has adopted a hybrid working policy to enable our staff to balance working from home and returning to the workplace where local government guidelines allow. The Group will continue to invest in any necessary measure to mitigate any risk associated with COVID and believes it is well positioned to cope and respond to any ongoing impact of the pandemic.

Disposal of profit

The Board proposes that the deficit of 5,875,494 for FARA AS is transferred as follows:

Transfer to equity: -5,875,494

Trondheim, December 22, 2022

Lisa Jane Stone – Chairperson

DocuSigned by:

LISA JANE STONE

68D775C30A134F5...

Josef Salpeter – Board member/CEO

DocuSigned by:

Josef Salpeter

AE3781A2288F471...

Steve Chalker – Board member

DocuSigned by:

Steve Chalker

A5BD335FF5224EB...

Andrew Philip Monshaw – Board member

DocuSigned by:

Andrew Philip Monshaw

A96665A4A2DC4A3...



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

INCOME STATEMENT

(NOK 1000)

FARA - Group				FARA AS	
2021	2020		Note	2021	2020
184,899	207 690	Operating revenue	6, 7, 8	182,477	202 411
36,417	48 834	Cost of goods	10	36,303	48 728
148,482	158 856	Gross profit		146,174	153 683
67,210	73 242	Personnel expenses	12, 13	43,705	53 660
19,607	18 974	Depreciation	14, 24	16,951	15 980
59,435	55 629	Other operating expenses	11	88,916	78 290
2,230	11 011	Operating result		-3,399	5 753
823	122	Interest income	15	802	277
1,292	4 700	Other financial income	15	-	3 066
1,622	541	Interest paid	15	1,478	621
5,472	8 320	Other finance costs	15	1,801	7 039
4,980	-4 038	Total finance items		2,477	-4 318
-2,749	6 973	Result before tax		-5,875	1 435
1,566	15 201	Taxes	20	-	14 000
-4,315	-8 228	Result after tax		-5,875	-12 565
-4,315	-8 228	Annual profit/loss		-5,875	-12 565
		Carry forward		-4,763	7,802
		Carried forward to equity		-5,875	-12,565
		Total carried forward		-10,638	-4,763
Total comprehensive income (NOK 1000)					
-4,315	-8 228	Total profit/loss		-5,875	-12 565
		Other result items			
	1 758	Conversion difference			
-4,315	-6 469	Total comprehensive income		-5,875	-12 565



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

BALANCE SHEET

(NOK 1000)

FARA - Group				FARA AS	
31.12.2021	31.12.2020		Note	31.12.2021	31.12.2020
ASSETS					
Fixed assets					
10,711	10,711	Goodwill	13	-	-
30,076	30,371	Intangible assets	13, 18	30,076	30,371
1,468	1,819	Deferred tax assets	20	-	-
12,594	20,716	Right-of-use assets	14	10,950	16,239
1,693	1,479	Office equipment	14, 18	641	854
-	-	Investments in subsidiaries	3, 18	27,846	27,846
1,844	1,844	Investments in shares		1,844	1,844
58,386	66,941	Total fixed assets		71,357	77,154
Non Current assets					
5,881	6,497	Bank deposit	17	4,487	6,099
6,987	6,672	Stock	10, 18	6,987	6,672
31,525	15,707	Trade and other receivables	9, 18	23,463	15,707
15,801	10,878	Accrued Income	8, 18	15,801	10,878
6,576	7,640	Other short-term receivables	18	6,576	7,674
-	-	Accounts receivable within FARA group		6,113	-
66,770	47,393	Total current assets		63,427	47,029
125,156	114,334	Total assets		134,784	124,183
LIABILITY AND EQUITY					
Equity					
Paid-up equity					
2,119	2,119	Share capital	1, 21	2,119	2,119
35,048	35,048	Other paid-up equity	21	34,234	34,234
37,166	37,166	Total paid-up equity		36,352	36,352
Retained earnings					
10,817	14,375	Other equity	1, 4	- 10,638	- 4,762
10,817	14,375	Total retained earnings		- 10,638	- 4,762
47,983	51,541	Total equity		25,714	31,590



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Long-term liability					
3,775	-	Long-term group debt		11,521	12,252
7,118	13,036	Long-term leasing commitment	14	7,118	10,662
		- Long-term interest-bearing debt		-	-
10,894	13,036	Total long-term debt		18,639	22,914
Short-term liability					
14,508	-	Credit facility		14,508	-
17,974	5,573	Current trade and other payables		8,774	2,033
		Unpaid government charges & special taxes		8,761	7,939
7,181	6,382				
7,382	9,754	Short-term leasing commitment	14	5,593	7,559
-	205	Short-term group debt		33,560	28,920
18,815	27,198	Other short-term debt	23	18,815	22,584
419	644	Provisions	19	419	644
66,279	49,756	Total short-term liability		90,431	69,679
77,173	62,792	Total Liability		109,070	92,593
125,156	114,334	Total debt and equity		134,785	124,183

Trondheim, December 22, 2022

Lisa Jane Stone – Chairperson

DocuSigned by:

LISA JANE STONE

68D775C30A134F5...

Josef Salpeter – Board member/CEO

DocuSigned by:

Josef Salpeter

AE3781A2288F471...

Steve Chalker – Board member

DocuSigned by:

Steve Chalker

A5BD335FF5224EB...

Andrew Philip Monshaw – Board member

DocuSigned by:

Andrew Philip Monshaw

A96885A4A2DC4A3...



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

CASH FLOW STATEMENT

FARA - Group			Note	FARA AS		
2021	2020			2021	2020	
Liquidity added/used for operations						
-	2,012	10,746	+/- Added from the year's undertakings	-	4,753	3,415
-	15,819	11,467	+/- Changes to customers	-	13,870	11,467
-	315	3,228	+/- Changes to stock	-	315	3,228
	4,923	- 4,216	+/- Changes to accrued income		4,923	- 4,216
	13,200	- 14,399	+/- Changes to accounts payable		7,563	- 5,324
-	225	18,335	+/- Changes to other accruals	-	225	14,524
-	248	25,162	= Net liquidity changes from operations		-6,676	23,094
liquidity added/used on investments						
-	8,123	- 18,021	- Changes to leasing assets	-	5,289	- 10,996
-	10,231	- 10,813	- Investment in tangible fixed assets	-	9,804	- 10,428
	-	-	+/- Changes to other investments		-	-
-	18,353	- 28,834	= Net liquidity changes from investments		- 15,093	- 21,424
Liquidity added/used on financing						
	-	-	Acquisition of new debt		-	1,524
	14,508	-	+ Changes in overdraft facility		14,508	-
	8,290	10,248	+ Changes to leasing commitments		5,510	5,678
-	4,813	- 1,206	- Repayment of debt (short-term and long-term)		140	-
	-	-	- Buyback of shares / repayment of share capital		-	-
	17,985	9,042	= Net liquidity changes from financing		20,158	4,154
-	616	5,370	Net change in liquidity during the year	-	1,612	5,824
	6,497	1,127	+ Liquidity holdings per 01.01		6,099	274
	5,881	6,497	= Liquidity holdings per 31.12	17	4,487	6,099



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Equity Statement

Equity statement FARA Group (NOK 1000)

	Share capital	Other invested equity	Other equity	Conversion differences	Total equity
Equity at 31.12.2020:	2,119	35,048	11,046	3,328	51,541
Comprehensive income adjustment previous year			757		757
Comprehensive income for the year			-4,315		-4,315
Equity at 31.12.2021:	2,119	35,048	7,488	3,328	47,983

Equity statement FARA AS (NOK 1000)

	Share capital	Other invested equity	Other equity	Conversion Differences	Total equity
Equity at 31.12.2020:	2,119	34,234	-4,762	-	31,590
Comprehensive income for the year			-5,875		-5,875
Equity at 31.12.2021:	2,119	34,234	-10,637	-	25,715

Note 1: General

The group FARA's consolidated accounts for 2021 were processed by the parent company's board of directors on 22nd of December 2022.

The parent company FARA AS is a limited liability company headquartered at Sjøgangen 4 in Trondheim, Norway. With offices in Høvik/Norway, Sweden, Denmark, Finland and Poland, FARA is present in several markets.

FARA is a leading provider of innovative technology and communication solutions for the Nordic public transport sector and provides solutions for electronic ticketing, passenger information, infotainment, as well as traffic and fleet management systems. This includes everything from deliveries of individual products to being able to act as the customer's main supplier and system integrator. The products offered include cloud services, vehicle application and machinery, as well as other associated products and services.

Consolidation

The consolidated financial statements include FARA AS and companies over which FARA AS has a controlling interest. Controlling interest is achieved when the Group owns more than 50% of the shares in the company, and the Group is able to exercise actual control over the company.

The subsidiaries are consolidated according to the acquisition method. All internal transactions and group balances, including internal profits and unrealized gains and losses, have been eliminated in the consolidated financial statements. Reference is also made to Note 4 on the effects of exchange rate changes and Note 5 for the account of transactions within the Group.

The consolidated and company accounts have been prepared in simplified IFRS.

Note 2: Summary of key accounting principles

Basis for preparation

The financial statements have been prepared in accordance with Section 3-9 of the Accounting Act and the Regulations on simplified IFRS laid down by the Ministry of Finance on 21 January 2008. This mainly means that calculation and measurement follow international accounting standards (IFRS), and that presentation and note



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

information are in accordance with Norwegian accounting law and generally accepted accounting practice. The annual accounts have been approved by the Company's Board of Directors on 22nd of December 2022.

The consolidated financial statements include FARA AS and companies over which FARA AS has a controlling interest. Controlling interest is normally achieved when the Group owns more than 50% of the shares in the company, and the Group is able to exercise actual control over the company. The acquisition method is used when accounting for associates. Companies purchased or sold during the year are included in the consolidated financial statements from the time control is achieved and until control ceases.

Intercompany transactions and group balances, including internal profits and unrealized gains and losses, have been eliminated.

All figures are presented in NOK 1,000 unless otherwise stated.

The accounting principles applied are consistent with the principles applied in the previous accounting period.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Simplified IFRS

The company has applied the following simplifications from the IFRS calculation and assessment rules:

- IAS 10 nos. 12 and 13 and IAS 18 no. 30 are waived so that dividends and group contributions are recognized in accordance with the provisions of the Accounting Act.

Use of estimates in the preparation of the annual accounts

Management has used estimates and assumptions that have influenced assets, liabilities, revenues, costs and information about potential liabilities. This applies in particular to the income recognition of long-term projects, deferred tax assets and the recognition of self-developed intangible assets. Future events may cause estimates to change. Estimates and the underlying assumptions are assessed on an ongoing basis. Changes in accounting estimates are recognised in the period in which the changes occur.

1. Principles of income recognition. The company uses percentage of completion to recognise long-term delivery projects in progress. Using the method of percentage of completion requires management to estimate the degree of completion of the contract at the time of balance sheet and also the outcome of the contracts. The underlying estimates that underlie income recognition depend on various variables such as salary level, cost of components, ability to complete according to the schedule, and agreed completion guarantees. Events and changes in assumptions and management's assessments will affect the calculation of revenues in the current period.
2. Write-down intangible assets. Intangible assets with an undefined economic lifetime are not amortised but are assessed annually for impairment. Intangible assets that are amortised are considered for impairment when there are indicators that these may have a reduced value. Estimation of the recoverable amount of assets is based in part on assessments made by management, which include estimates of the assets' ability to generate income. Changes in management's assessments and assumptions may result in impairment requirements in the relevant periods. At 31 December 2021, the carrying amount of intangible assets for the Group was 53,148 TNOK. As part of this, goodwill is 10,711 TNOK. Balancing is assessed on the basis of future earnings. If future earnings cannot justify balancing, the intangible assets will be written down at fair value.
3. Deferred tax assets. The basis for the listing of deferred tax assets is based on the utilisation of the deficit made through future taxable income in FARA AS and the rest of the FARA Group. The assessment is based on management's estimate of future profits, and the estimates include assessments concerning strategy, economic development in the markets in which the Group operates, and the ability to deliver forecasted profits. When the accounts are published, management has assessed the future taxable income sufficiently to exploit the book tax benefit. Reference is made to Note 20 for further information.

Functional currency and presentation currency

The parent company's functional currency is Norwegian Kroner (NOK). The Group's presentation currency is Norwegian Krone (NOK). The subsidiaries have euro (EUR), Swedish krona (SEK), Danish krona (DKK) and Polish zloty (PLN) as functional currencies respectively. Functional currency other than the presentation currency used in the subsidiaries is re-calculated in the income statement at an average exchange rate as published by Norges Bank, as an approach to the transaction exchange rate, while the balance sheet is converted at the exchange rate of the balance sheet date. See note 4.

Revenue recognition principles

Operating income from the sale of goods is recognised in the income statement when most of the risk and benefits of ownership have been passed to the buyer.

FARA's activities consist of project-oriented execution of system deliveries within the company's basic areas, with duration from 0 – 1 year. The system deliveries are recognised according to the current percentage of completion method. The completion rate is calculated from actual costs as a percentage of expected total project costs. When the transaction's outcome cannot be reliably estimated, only revenues corresponding to actual project costs is recognised as income. During the period in which it is identified that a project will produce a negative result, the estimated loss on the contract will be recognised in the profit and loss account in full.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Invoicing in the projects takes place mainly by passing contractual milestones. The difference in time between invoicing and revenue periodization is expressed as earned not invoiced income in the company's balance sheet. Accrued revenue from customers are presented in the balance sheet under current assets. Project revenues are classified as operating revenues in the income statement.

Revenue recognition of licenses related to central system occurs when the customer start using the license. These licenses are a connection fee and will not be refunded if the customer no longer wishes to use the system. Maintenance licenses are billed and recognized annually.

Interest income is recognised in income based on the effective interest method as they are earned.

Assessment and classification of assets and liabilities

Assets that are due within 12 months are classified as current assets. Other assets are classified as fixed assets. Debt that has maturity within 12 months is classified as short-term debt. Other liabilities are classified as long-term. Long-term debt is recognised at amortised cost.

Tangible fixed assets

Fixed assets are valued at acquisition cost less depreciation, or at fair value if lower. The need for write-down of the carrying amount of facilities and equipment is taken up for consideration when the situation or circumstances indicate that the value cannot be recovered. If the recoverable amount of the fixed assets is lower than the book value and the fall in value is not expected to be temporary, a write-down has been made to the recoverable amount. The recoverable amount is the highest of the net sales value and value in use. Value in use is the present value of the future cash flows that the asset will generate. Fixed assets with a limited financial life are depreciated on a straight-line line.

Direct maintenance of fixed assets is expensed on an ongoing basis under operating costs. The depreciation period and method are considered a minimum in connection with the year-end close.

Foreign currency transactions

Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Monetary items in foreign currency are translated into NOK using the exchange rate of the balance sheet date. Non-monetary items that are measured at historical rates expressed in foreign currencies are translated into NOK using the exchange rate at the time of transaction. Non-monetary items that are measured at fair value expressed in foreign currency are translated at the exchange rate determined at the time of the balance sheet. Exchange rate changes are recognised in the income statement on an ongoing basis during the accounting period.

Activities abroad

Assets and liabilities in foreign entities, including intangible assets and fair value adjustments, which are reflected in the consolidation, are converted to NOK using the exchange rate of the balance sheet date. Income and costs from foreign entities are translated into NOK using the average exchange rate. Exchange rate differences are recognised in financial revenues and costs.

Translation differences resulting from conversion of net investment in foreign operations, and from related hedging objects, are specified as conversion differences in equity. Translation differences in equity are recognised in the profit and loss account in the event of divestment of foreign activities.

Intangible assets

Intangible assets acquired separately are recognised in the balance sheet at cost. The cost of intangible assets acquired by acquisition is recognised in the balance sheet at fair value at the time of acquisition. Recognised intangible assets are recognised at costs reduced for any depreciation and write-downs. Internally generated intangible assets are recognised in the balance sheet if the criteria for recognition are met.

FARA has the following criteria for balancing development costs:



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

- a. There are proven grounds for profitable operation in the event of new operations or more profitable operation of existing operations.
- b. FARA intends, and is able to complete, the investments needed to take advantage of these new opportunities, or intend to - and can - sell the results of the work.
- c. Utilisation of the new opportunities will add significant and lasting value to the business.

Acquisition cost includes all expenses that can be directly or indirectly attributed to the development of the intangible asset. If the criteria for balancing are satisfied, the following cost elements shall be included in the assessment:

- a. Salaries and other personnel costs of employees and costs for consultants directly engaged in the development work.
- b. Materials and services consumed during the development work.
- c. The proportionate share of indirect costs that can be related to the development work.

These costs are delimited and distributed accordingly as other projects.

In the event of a long project, i.e. more than one year, borrowing expenses during the project period shall be included in the measurement of the acquisition cost.

Assets, such as goods, machinery and buildings, used in research and development activities will usually have alternative applications. Acquisition costs for such assets are included in measuring expenditures for their own research and development as they are consumed. Machines must be identifiable and directly attributable. The individual's laptop is not included in such an assessment.

Furthermore, expenses shall only be included from the time when the criteria are met. Expenses that are expensed in a fiscal year cannot be reversed and recognised in the balance sheet in later fiscal years. Expenses for maintenance, customer support, as well as improvements to the product to extend life or streamline operations are expensed on an ongoing basis.

Intangible assets with a limited lifetime are amortised over the estimated economic life of the asset and are assessed with regard to possible impairments if there are indications of a fall in value. The amortisation period and method for an intangible asset with a limited service life is considered a minimum in connection with each year-end close. Changes to the expected fiscal life are recognised by changing the depreciation period or method and are treated as changes to an accounting estimate.

Goodwill is not amortised, but is tested annually for impairments, cf. note 13.

Research and development

The company has no significant activities related to research. The company's activity in research shall be minimal and only carried out if it has great commercial value in a customer relationship. Thus, the company's revenues and expenditure on research will be minimal. Any such costs will be expensed in accordance with IAS 38.126-127. Expenses related to development activities are recognised in the balance sheet to the extent that the product or process is technically and commercially feasible and the company has sufficient resources to complete the development. The cost price of an internally generated intangible asset includes all the necessary costs that are directly related to creating, producing and being able to use the asset according to management's intentions.

Public subsidies

Public grants are recognised when there is reasonable assurance that the company will meet the conditions related to the grants, and the grants will be received. Grants are recognised as a reduction in the costs the grant is linked to. Investment grants are recognised in the balance sheet and recognised in a systematic manner over the asset's useful life. Investment grants are recognised either by recognising the grant as deferred income or by deducting the grant when determining the asset's carrying amount.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Stock

Inventory is recognised at the lowest of acquisition cost and net sales price. The net sales price is the estimated sales price for ordinary operations less estimated expenses for completion, marketing and distribution. Acquisition costs are allocated using the FIFO method and include expenses incurred when acquiring the items and costs to bring the items to their current state and put-away. Self-produced items include variable and fixed costs that can be allocated based on normal capacity utilization.

Trade receivables and other receivables

Trade receivables and other receivables are recognised at acquisition cost less any impairment. The assessment of impairment is made on the basis of an individual assessment of the individual receivables. Losses on trade receivables are assessed on case by case basis, depending on age comparison.

Cash and cash equivalents

Cash and cash equivalents include cash holdings, bank deposits, other short-term and highly liquid investments to be redeemed within 3 months. Cash and cash equivalents are posted to nominal values in the balance sheet. Bound funds are included in cash and cash equivalents.

Cash flow statement

The cash flow statement is prepared according to the indirect method. Liquidity reserves consist of cash funds. As cash funds, sight deposits are considered in banks or equivalent financial institutions. Granted, undrawn credit is not considered liquid.

Accruals

A provision is recognised when the company has an obligation (legal or self-imposed) as a result of a previous incident, it is likely (more likely than not) that a financial settlement will occur as a result of this obligation and the size of the amount can be measured reliably.

A provision for warranty obligations is incorporated when the underlying products or services are sold. The provision is based on historical information on guarantees and a weighting of possible outcomes against their likelihood of occurring. Provisions for loss-making contracts are recognised when the Group's expected revenues from a contract are lower than the inevitable costs that will be incurred in order to fulfil the obligations under the contract.

Pension

The companies offer their employees defined contribution pension schemes. A defined contribution scheme is a pension agreement in which the company makes contributions to the employee's pension savings. The company has no obligation to pay additional contributions even if the Fund does not have sufficient assets to pay the employees full pension amounts in the relevant or previous periods. The company pays subsidies to an insurance company that administers the pension scheme. Payments are recognised in the income statement as pension costs when they are due. Prepayments are posted as an asset if the amount will be repaid or can be used to cover future pension payments.

Leases (as a lessee)

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, where the interest rate implicit in the lease cannot be readily determined the lease payments are discounted using the Company's incremental borrowing rate. The lease term is estimated as the non-cancellable period of a lease, plus any option to extend or terminate the lease which is expected to be exercised.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the future lease payments or lease term. When a lease liability is



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Group is not exposed to potential future increases in variable lease payments.

Tax

Deferred tax or deferred tax assets arise as a result of temporary differences between the tax value of an asset or liability and its carrying amount on the balance sheet date. Assets and liabilities in the event of deferred tax shall be assessed at the tax rates that are expected to apply to the period in which the asset is realised or the obligation is met, based on tax rates and tax rules that have been adopted or essentially adopted, on the balance sheet date. Deferred tax assets substantiated through future earnings, and which can be offset against tax-increasing temporary differences, are recognised as intangible assets.

When assessing probability, historical earnings and the size of contract reserves will be used as a basis. Deferred tax and deferred tax assets are recognised at nominal value and classified as financial assets (long-term liabilities) in the balance sheet.

Shares in subsidiaries

Subsidiaries are assessed according to the cost method in the company accounts. The investment is valued at the acquisition cost of the shares unless impairment has been necessary. Write-downs have been made to fair value when impairments are due to reasons that cannot be assumed to be temporary. Write-downs are reversed when the basis for write-downs is no longer present.

Events after the balance sheet date

New information after the balance sheet date about the company's financial position on the balance sheet date is taken into account in the annual accounts. Events after the balance sheet date that do not affect the company's financial position on the balance sheet date, but which will affect the company's financial position in the future, are stated if this is significant.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 3: Subsidiaries

Company	Location/Country	Owner share	Voting rights	Discounted price	Annual profit 2021 after tax	Equity 31.12. 21	Book value 01.01.2021	Book value 31.12.2021
FARAPolska Sp.Zo.o	Warsaw Poland	100%	100%	9	3,343	1 014	9	9
FARAFinland LTD	Oulu Finland	100%	100%	11 939	1,174	11 041	11 306	11 306
FARADanmark AS	Sonderborg, Denmark	100%	100%	17 908	211	32 029	16 530	16 530
FARASweden AB	Nässjö, Sweden	100%	100%	88	336	52	-	-
Total				3 429	5,063	44 136	27 846	27 846

The companies are consolidated in the consolidated financial statements.

FARA AS owns all IP rights related to the product portfolio.

Note 4: Exchange rates

Company	Functional currency	Valuation 01.01.2021	Average exchange rates 2021	Valuation 31.12.2021
FARA Finland Oy	Euro	10.3661	10.1633	10.1366
FARA Denmark AS	Danish kroner	1.3935	1.366575	1.3631
FARA Sweden AB	Swedish Krona	1.0268	1.0019	0.987
FARA Polska Sp.Zo.o	Polish Zloty	2.2866	2.2273	2.1972

In the case of consolidated consolidation throughout the year, average monthly rates are assumed for the income statement. The balance sheet has been prepared on the basis of the current month's closing price.

Note 5: Transactions with related parties

All transactions between companies in the Group and other defined related parties take place at market price based on the "arm's length distance principle". FARA has prepared principles for intercompany trade based on tax legislation and the OECD Guidelines for Transfer Pricing. The transactions between the companies include the purchase of administrative services, as well as the development of products and the delivery of projects.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 6: Revenue

The Group mainly has revenues from projects, new sales to existing customers and service and maintenance contracts.

FARA Group			FARA AS	
2021	2020		2021	2020
65,358	49 157	Projects	65,358	49 157
-	51 500	New sales to existing customers	-	50 025
105,300	94 723	Service and maintenance	101,390	90 919
10,468	12 313	Transaction revenue	10,468	12 313
3,773	-4	Other income	5,262	-4
184,899	207 690	Total revenue	182,477	202 411

Note 7: Segment information

Corporation

FARA has one segment. The segment generates ticketing and RTI revenue from projects, new sales to existing-end customers, as well as service and maintenance contracts

Geographical information

The distribution per company in the FARA Group is as follows

	FARA AS		FARA Finland		FARA Denmark		FARA Poland		FARA Sweden		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	180,988	202 411	0	0	3,911	5 279	0	0	0	0	184,899	207,690

The distribution of revenues is based on the location of the company.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 8: Accrued Income

FARA Group			FARA AS	
2021	2020		2021	2020
15,801	10 878	Earned, unbilled revenue	15,801	10 878
15,801	10 878	Total earned, not invoiced revenue	15,801	10 878

Projects revenue is recognised according to the completion rate. The projects are invoiced according to milestones achieved.

2021	2020		2021	2020
65,358	49 157	Project turnover in the period	65,358	49 157

Note 9: Accounts receivable

FARA Group			FARA AS	
2021	2020		2021	2020
31,525	15,707	Accounts receivable	23,463	15,707
-	-	Provision for loss	-	-
31,525	15,707	Total Accounts receivable	23,463	15,707

Provisions for loss on claims are classified under other operating costs in the profit and loss statement.

As part of the agreement on financing, the company's banking connection has established collateral in trade receivables. See note 18.

Note 10: Inventory

FARA Group			FARA AS	
2021	2020		2021	2020
3,294	1 884	Raw materials and semi-finished products	3,294	1 884
3,993	5 153	Finished goods	3,993	5 153
7,287	7 038	Total finished goods	7,287	7 038
-	300	Provision Obsolescence	-	300
6,987	6 672	Total inventory	6,987	6 672

Item cost consists of the following:

FARA Group			FARA AS	
2021	2020		2021	2020
-	26,443	Purchase of raw materials, semi-finished products	-	26,443
-	1,024	Change in inventory	-	1,024
-	25,419	Total item cost	-	25,419

As part of the agreement on financing, the company's banking connection has established collateral in inventory. See note 18.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 11: Other operating expenses

FARA Group			FARA AS	
2021	2020		2021	2020
46,111	45 629	External services	78,290	70 722
839	658	Rent	142	362
1,394	1 082	Travel expenses	930	881
2,248	1 354	Operating materials/office expenses	1,289	1 010
3,632	3 152	Renting machines and applications	3,261	2 469
75	180	Marketing	75	180
626	713	Freight	612	704
4,373	2 861	Other operating expenses	4,093	1 962
59,298	55 629	Other operating expenses	88,693	78 290

2021	2020	Specification audit fee:	2021	2020
447	327	Statutory audit	241	230
386	12	Other attestation services	249	-
54	39	Other non-auditing services	36	30
20	39	Tax advice	20	20
907	417	Total	546	280



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 12: Costs of employee benefits and benefits to senior executives

FARA Group			FARA AS	
2021	2020		2021	2020
64,876	60 417	Salary	46,636	44 513
2,095	1 630	Bonus/	1,691	1 300
8,943	7 681	Employer's National Insurance contributions	7,230	6 826
4,939	4 009	Pension cost subsidy plans / insurance	2,717	2 304
1,301	-496	Other social costs	376	-1 283
-14,944	-	Other personnel costs	-14,944	-
67,210	73 242	Total payroll costs	43,705	53 660

Number of employees				
2021	2020		2021	2020
90	86,7	Total	62	60,3

Benefits for senior executives

Numbers in whole LCY

2020	Board remuneration	Salary	Bonus	Benefits	Pension premium paid	Total remuneration
Senior executives						
CEO		2 067 697	-	8 395	89 443	2 165 535
CFO		1 122 641	246 833	8 395	83 380	1 461 249
Board						
Chairman of the Board	361 859					361 859
Total remuneration	361 859	3 190 338	246 833	16 790	172 823	3 988 642

2021	Board remuneration	Salary	Bonus	Benefits	Pension premium paid	Total remuneration
Senior executives						
CEO		2,000,000	-	8,400	89,443	2,097,843
CFO		1,207,500	-	8,400	89,355	1,305,255
Board						
Chairman of the Board	442,503					442,503
Total remuneration	442,503	3,207,500	-	16,800	178,798	3,845,601

The company is obliged to have an occupational pension scheme pursuant to the Act relating to compulsory occupational pensions.

The company's pension schemes satisfy the requirements of this Act.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 13: Tangible fixed assets/intangible assets

FARA AS

Depreciation and amortization in income statement 2020

	Proprietary intangible assets	Fixtures and fittings	Office machinery and computer equipment	Total
Acquisition cost	47 128	1 005	1 310	49 443
Additions	10 000	30	399	10 428
Disposals				-
Historical acquisition cost 31.12	57 128	1 035	1 709	59 871
Accumulated depreciation 01.01	- 17,760	- 545	- 789	-19 095
Depreciations throughout the year	- 8,996	- 147	- 407	-9 551
Write-downs throughout the year				-
Depreciation on issue				-
Net book value at 31.12.	30 371	342	512	31,225

Depreciation and amortization in income statement 2021

	Proprietary intangible assets	Fixtures and fittings & Unibuss	Office machinery and computer equipment	Total
Acquisition cost	57,128	1,035	1,709	59,872
Additions	10,017	-	258	10,275
Disposals				-
Historical acquisition cost 31.12	67,128	1,035	1,967	70,130
Accumulated depreciation 01.01	- 26,756	- 692	- 1,196	- 28,644
Depreciations throughout the year	-10,186	-142	-331	-10,658
Write-downs throughout the year	-127			-127
Depreciation on issue				-
Net book value at 31.12.	30,076	201	440	30,717
	5 years	5-10 years	Depreciated	3-10 years
Depreciation Policy	Linear	Linear	not	Linear

FARA Group

Depreciation and classification in income statement 2020

	Proprietary intangible assets	Other intangible assets	Goodwill	Total intangible assets	Inventory and office machiner y	Total intangible assets and inventories
Acquisition cost 01.01	47 128	-	10 711	57 839	3 579	61 418
Additions	10 000			10 000	815	10 815
Disposals				-	-	-
Historical acquisition cost 31.12	57 128	-	10 711	67 839	4,394	72 233



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Accumulated depreciation 01.01	-17,760	-	-	-17 760	-	-19 675
Depreciations throughout the year	-8,996	-	-	-8 996	1,914	-9 996
Write-downs throughout the year				-	-	-
Depreciation on issue				-	-	-
Accumulated depreciation as at 31.12	-26 756	-	-	-26 756	-2 915	-29 671
Net book value at 31.12.	30 371	-	10 711	41 082	1 479	42 561

Depreciation Policy	5 years Linear	5-10 years Linear	Depreciated not	3-10 years Linear
---------------------	-------------------	----------------------	--------------------	----------------------

Depreciation and amortization in income statement 2021

	Proprietary intangible assets	Other intangible assets	Goodwill	Total intangible assets	Inventory and office machinery	Total intangible assets and inventories
Acquisition cost 01.01	57,128	-	10,711	67,839	4,394	72,233
Additions	10,017			10,017	1,171	11,188
Disposals				-		-
Historical acquisition cost 31.12	67,145	-	10,711	77,856	5,565	83,421
Accumulated depreciation 01.01	-	-	-	-	-	-
Depreciations throughout the year	26,756	-	-	26,756	2,914	29,670
Write-downs throughout the year	-10,186	-	-	-10,186	-958	-11,144
Depreciation on issue	-127			-127	-	-127
Accumulated depreciation as at 31.12						
Net book value at 31.12.	30,076	-	10,711	40,787	1,693	42,480



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 14: Capitalized leases

Discount rate = 3,84%				
The implicit interest of the lease = 3.84%				
Included agreements in the IFRS calculation	Rent agreement Trondheim (1)	Rent agreement Fjordveien (2)	Rent agreement Poland (3)	Rent appointment IT Sjefen (4)
Estimated rental period used (end date):	09.06.22	30.06.25	30.09.23	31.12.23

Capitalised leases	Expense leases
(1) Bane NOR Eiendom AS	- Telenor Norway AS (Photocopier)
(2) Bangsvei 70 AS O.H.	- Selecta (Coffee making)
(3) SCI	- Canon (Printer HW/SW)
(4) IT Sjefen	- Fastighets Garna (1 year contract office Sweden)
(5) Technopolis	

Amount in LCY 1000	Cash	RIGHT TO USE PROPERTY				
		Rent agreement Trondheim	Rent agreement Fjordveien	Rent agreement Poland	Rent agreement IT Sjefen	Rent agreement Finland
By 1 January 2021		2,665	2,040	3,836	11,534	641
Addition						
Depreciation		- 502	- 373	- 2,192	- 4,415	- 641
Interest cost						
Payments						
For 31. December 2021		2,163	1,667	1,644	7,119	0
Depreciation						
Depreciation of the right to use the asset		502	373	2,192	4,415	641
finance cost						
Amount included in the income statement		502	373	2,192	4,415	0
Total amount included in the income statement		8,122				



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Amount in LCY 1000	Cash	LEASE LIABILITY				
		Rent agreement Trondheim	Rent agreement Fjordveien	Rent agreement Poland	Rent agreement IT Sjeften	Rent agreement Finland
By 1 January 2021		3,145	2,074	3,897	13,002	673
Addition						
Depreciation						
Interest cost		101	69	119	333	32
Payments	-8,945	- 616	- 387	- 2,227	- 5,010	-705
For 31.December 2021		2,630	1,756	1,789	8,325	0
<i>Amount in LCY 1000</i>						
Depreciation						
finance cost		101	69	119	333	32
Amount included in the income statement		101	69	119	333	32
Total amount included in the income statement		654				

Note 15: Financial income and financial costs

Financial revenues and financial costs consist mainly of interest costs related to the Group's total financing. In addition, unsecured currency effects of the Group's receivables and liabilities in foreign currency will be reported as exchange rate gain or loss.

FARA Group			FARA AS	
2021	2020		2021	2020
823	122	Interest income	802	277
1,292	4,700	Exchange rate gain	-	3,066
2,115	4,823	Total	802	3,343

FARA Group			FARA AS	
2021	2020		2021	2020
1,622	541	Interest costs	1,478	621
5,472	7 499	Exchange rate loss	1,801	6 412
-	821	Other financial costs	-	627
7,094	8 861	Total	3,279	7 660



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 16: Financial instruments

FARA has established guidelines for risk management that include both financial and operational risk. The guidelines specify responsibilities, instruments, reporting, follow-up and frameworks for the various risks. FARA shall as a principle be financed over ordinary operations.

FARA's financial instruments consist solely of the receivables and liabilities created by the Group's operations, and as of 31 December 2021, these are exclusively trade receivables and accounts payable, as well as long-term liabilities. The instruments are valued at amortized cost, which is also approximately equal to fair value.

The management of the Group and the execution of the Group's strategy are subject to a number of risks. The principal risks affecting the Group's business are outlined below:

Liquidity risk

This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation by regular review with its operations teams, applying cash collection targets throughout the Group and regular cash flow forecast management.

The table below summarizes the profile of the Group's financial liabilities as of December 31, based on contractual payments:

	1-3 months	3-6 months	6-12 months	TOTAL
31/12/2021				
Overdraft		14,508		14,508
Accounts payable	17,974			17,974
Public taxes due	7,181			7,181
Other current liabilities	14,065	4,750		18,815
Accruals			419	419
31/12/2020				
Overdraft		-		-
Accounts payable	5,573			5,573
Public taxes due	6,382			6,382
Other current liabilities	20,333	6,866		27,199
Accruals			644	644

FARA's credit line follows developments in NIBOR, and the follow-up follows from the Group's liquidity management.

Market risk

The group currently has a significant focus on the UK and Nordics markets and as such may be affected by changes in the UK economic outlook.

Interest rate risk

A 1% change in interest rate terms in the event of a fully drawn-up limit for credit amounts to TNOK 220 in changed costs. The company has a group account system, where all liquidity is controlled from the parent company in Norway, and distributed to daughters if necessary. The interest rate risk for the Group will thus be equal to the interest rate risk for the parent company.

Currency risk

Currency risk is the risk of changes in exchange rates. As of 31.12.2021, FARA has balanced currency exposure. Most of the contracts with customers and suppliers are entered into at national level, with national players in local currency. In the case of individual transactions in the future greater than the equivalent of MNOK 5, the



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

administration makes an assessment together with a representative from the board of directors of the company. At the group level, one will be exposed to the currency of equity in foreign daughters.

Operational risk

Operational risk is the risk of technical or human failure of the company. This is handled by FARA's system for quality assurance and internal control. FARA is certified according to ISO 9001:2015, and undergoes periodic external audits of internal routines, as well as internal audits that follow a plan.

Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation resulting in financial loss. The Group's principal financial assets are trade receivables and bank balances. The Group's credit risks attributable to trade receivables is not subject to significant concentration of credit risks, with exposure spread over a large number of customers.

Financial risk

The Group activities expose it to a number of financial risks including costs, the nature of commercial contracts, borrowings, insurances and other financial risks. The Group's financial instrument comprises borrowings, cash and other items such as trade debtors and trade creditors arising from operations. The main risks arising from these financial instruments are credit risk and liquidity risk.

FARA is a growing company where it has been natural to have a capital structure that has a relative balance between equity and a drawdown facility from a financial institution. As the company grows and gains a more market share, long-term foreign capital will be a natural part of FARA's working capital base.

Note 17: Cash and cash equivalents

FARA Group			FARA AS	
2021	2020		2021	2020
5,881	6,497	Cash in bank and cash register	4,487	6,099
0	0	Accrued on tax deduction account	0	0
5,881	6,497	Cash and cash equivalents	4,487	6,099
14,508	0	Overdraft	14,508	0
- 8,628	6,497	Total cash and cash equivalents	- 10,021	6,099

As of 31:12.21 TNOK 5,881 deposited in bank.

The company has established a bank guarantee to cover liabilities to tax deductions.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 18: Pledges

The parent company has pledged inventories, trade receivables, accrued income, other current receivables, tangible and intangible assets as collateral for a deduction right. At the end of 2021, the drawing rights were not used.

Book value FARA AS security:	31/12/2021	31/12/2020
Stock	6,987	6,672
Accounts receivable	23,463	15,707
Accrued Income	15,801	10,878
Other current receivables	6,576	7,674
Shares in subsidiaries	27,846	27,846
Tangible fixed assets	641	854
Intangible assets	30,076	30,371
Total	111,391	100 002

Note 19: Provisions

The parent company has allocated TNOK 419 to any future warranty obligations related to the delivery of hardware and software. The provisions are recognised under other operating costs in the income statement and as current liabilities in the balance sheet. The estimate of future warranty obligations is based on the remaining warranty period on FARA's deliveries.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 20: Tax

FARA Group			FARA AS	
2021	2020		2021	2020
This year's tax expense is responded to by:				
1,204	378	Tax payable	-	0
362	14 823	Change in deferred tax	-	14 000
1,566	15 201	Total tax expense	0	14 000
Tax rate reconciliation of				
-2,749	6 973	Profit before tax	-5,875	1 435
-605	1 534	Tax calculated at tax rate (22%)	-1,293	316
1,566	15 201	Tax expense in the accounts	-	14 000
-2,171	-13 667	Difference between expected tax cost and tax expense in the accounts	-1,293	-13 667
The difference consists of				
86	-624	Permanent differences	-86	-624
-	0	Incorrect previous years	-	0
-	0	Effect change tax rate	-	0
-351	0	Balancing deferred tax assets	-	14 000
2,608	14 291	Change in unbalanced deferred tax assets	1,379	308
0	0	Difference	0	0
2021	2020		2021	2020
-2,749	6 973	Profit before tax	-5,875	1 435
-392	-2 837	Permanent differences	-392	-2 837
8,614	-2 418	Change in temporary differences	6,267	1 402
5,473	1 718	Basis for tax payable	-	0
1,204	378	Payable tax on profit for the year	-	0
Overview of temporary differences				
2021	2020		2021	2020
Deferred tax assets				
38,573	36 982	Proceeds to performance deficit	37,959	36 368
-	0	Receivables	-	0
66	81	Inventory	66	81
131	231	Tangible fixed assets	122	222
-	0	Construction contracts	-	0
480	528	Balancing leases	388	436
92	142	Accruals	92	142
39,342	37 963	Deferred tax assets – gross (22%)	38,627	37 248
37,874	36 144	Gross deferred tax assets	38,627	37 248
1,468	1 819	Net recognised deferred tax assets	0	0

The parent company has a total of MNOK 173 in deficit for performance as of 31.12.2021 (2020: MNOK 165). The deferred tax assets have not been recognised in the balance sheet.

The Group has a total of MNOK 179 in deficit for performance as of 31.12.2021 (2020: 173 MNOK). The deferred tax assets have not been recognised in the balance sheet. The losses can be carried forward without limit.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 21: Share capital and other invested equity

	2021	2020
Ordinary shares with a nominal share of NOK 0.1	21 186	21 186
Total shares	21 186	21 186

Changes in share capital and premiums:

	Number of shares (1000)	Share capital (NOK 1000)	Other invested equity (NOK 1000)
Pr. 01.01.2021	21 186	2 119	34 234
Treasury shares at nominal	0	0	0
Pr. 31.12.2021	21 186	2 119	34 234

No dividend has been proposed for 2021.

Voting rights are always regulated by the applicable stock laws.

Shares owned by directors or companies controlled by them, as at 31.12.2021:

None

Shares owned by senior executives as at 31.12.2021:

None

Shareholders 31.12.21		Share of total
ISHTAR Bidco Norway AS	21 186 049	100.0 %
Total	21 186 049	100.0 %



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

FARA Annual Report 2021

Note 22: Continued operation and subsequent events

Post year end, the impact of the COVID-19 pandemic continues to have an impact the global economy and general business activities, albeit much reduced than prior year. The impact of vaccine rollouts and general awareness appears to have mitigated most of the wider impacts and economic activities have been returning to normal.

In the light of post year end events in Ukraine, the Directors have been monitoring its continual development and performed an assessment of the current exposure to the situation, Russia and Belarus (the "Region") and the potential impact on the Group. The Group has operations and business in countries neighbouring the Region and the Group and its staff have been involved in a variety of humanitarian efforts. However, it does not conduct business or operations in the Region and thus there is no direct impact on the Group. The wider effects on the global economy are still emerging and so whilst there is still a level of uncertainty the Directors continue to actively monitor activities in the light of this situation.

The Directors have considered the above impacts on the Group and at the time of approving the financial statements the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Note 23: Other current liabilities

FARA Group			FARA AS	
2021	2020		2021	2020
-	9 498	Accrual salary	-	6 882
18,815	12 909	Prepaid invoiced revenue	18,815	12 036
-	4 791	Other current liabilities	-	3 666
18,815	27 198	Total current liabilities	18,815	22 584

Note 24: Investment in equities

FARA acquired 20% of the share capital in BobCat AB from Kirei AB in 2020. The investment is strategic in relation to the Swedish market as well as in relation to the product portfolio. FARA has a 4-year option to purchase the remainder of the share capital.



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5



DocuSign Envelope ID: 8CDA0957-2CF8-4562-B746-B6143E232BB5

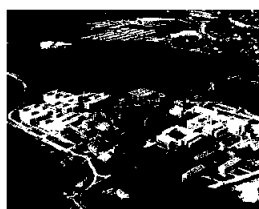
LOCATIONS AND CONTACT

HEAD OFFICE

FARA AS
Sjøgangen 40.H.
7010 Trondheim
Norge
+47 815 52 830
info@fara.no / <mailto:info@fara.no>



Trondheim Norway



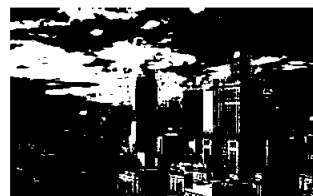
Høvik Norway



Oulu Finland



Sønderborg Danmark



Warszawa Poland

FARA HQ Trondheim, Norway: FARA AS, Sjøgangen 4, 7010 Trondheim, Norway, Phone: +47 815 52 830, E-mail: info@fara.no
FARA Oslo, Norway: FARA AS, O.H. Bangs vei 70, 1363 Høvik, Norway, Phone: +47 815 52 830, E-mail: info@fara.no
FARA Denmark: FARA Danmark A/S, Voldgade 17, 2. hæl, 6400 Sønderborg, Denmark, Phone: +45 822 48 000, E-mail: info@fara.no
FARA Finland: FARA OY, Elektronikkatie 10, 90590 Oulu, Finland, Phone: +358 40 5000 754, E-mail info@fara.no
WITHOUT Poland: WITHOUT POLSKA, Al. Jerusalem 93, 02-001 Warsaw, Poland, Phone: +48 602 504 444, E-mail: info@fara.no



Skatteetaten

Vår dato
09.09.2022

Din/Deres dato
05.09.2022

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
90833418

Org.nr
974761076

Vår referanse
2022/5753999

Postadresse
Postboks 9200 Grønland
0134 OSLO

ERNST & YOUNG ADVOKATFIRMA AS
Postboks 1299 Pirsenteret
7462 TRONDHEIM

Att. Martin Volden Mjøen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev sendt inn 5. september 2022 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for følgende selskaper:

Ishtar Bidco Norway AS	org.nr. 923 835 776
Fara AS	org.nr. 989 112 007

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Fara AS er eid av Ishtar Bidco Norway AS som igjen er eid av et utenlandsk selskap og er en del av et internasjonalt konsern. Ishtar Bidco Norway AS er et holdingselskap, mens Fara AS er et teknologiselskap som leverer IT-løsninger innen offentlig transport. Selskapet tilbyr billettsystemer og sanntidsinformasjon og leverer til kunder både i Norge, Norden og i andre land. Virksomheten er rettet mot bedriftsmarkedet, og kommunikasjon foregår i all hovedsak på engelsk. Styrelederen og styremedlemmene i begge selskapene er utenlandske.

Skattekontorets vurdering

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

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

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører



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

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

Det er etter skattekontorets 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.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt vekt på at selskapene direkte eller indirekte er eid av et utenlandsk selskap og er en del av et internasjonalt konsern. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.