



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 979 485 190
Organisasjonsform: Aksjeselskap
Foretaksnavn: THALES NORWAY AS
Forretningsadresse: Langkaia 1
0150 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Rune Jalving
Dato for fastsettelse av årsregnskapet: 15.02.2021

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, 26.07.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	13, 14, 18	544 862 627	501 530 447
Annen driftsinntekt		8 187 399	5 790 194
Sum inntekter		553 050 025	507 320 641
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer	14	2 160 480	7 465 177
Varekostnad	14, 18	120 096 510	109 055 213
Lønnskostnad m.m.	9, 12	279 927 573	252 697 151
Avskrivning på varige og immaterielle driftsmidler	5, 6, 8	13 929 368	28 645 958
Annen driftskostnad	7, 12	64 177 566	44 156 496
Sum kostnader		480 291 498	442 019 995
Driftsresultat		72 758 527	65 300 646
Finansinntekter og finanskostnader			
Andel resultat tilknyttet selskap	4		1 797
Annen renteinntekt		863 972	1 533 547
Annen finansinntekt		9 573 367	2 243 983
Sum finansinntekter		10 437 340	3 779 327
Annen rentekostnad	5	1 204 708	1 556 936
Annen finanskostnad	9	10 414	1 354 455
Sum finanskostnader		1 215 122	2 911 390
Netto finans		9 222 218	867 936
Ordinært resultat før skattekostnad		81 980 745	66 168 582
Skattekostnad på ordinært resultat	1, 10	17 233 666	14 685 209
Ordinært resultat etter skattekostnad		64 747 079	51 483 373
Årsresultat	11	64 747 079	51 483 373



Resultatregnskap

Beløp i: NOK	Note	2020	2019
Årsresultat etter minoritetsinteresser		64 747 079	51 483 373
Totalresultat		64 747 079	51 483 373
Overføringer og disponeringer			
Avsatt til annen egenkapital		64 747 079	51 483 373
Sum overføringer og disponeringer		64 747 079	51 483 373



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	1, 10	7 257 221	18 582 524
Sum immaterielle eiendeler		7 257 221	18 582 524
Varige driftsmidler			
Driftsløsøre, inventar o.l	5, 6	75 394 842	86 580 174
Sum varige driftsmidler		75 394 842	86 580 174
Finansielle anleggsmidler			
Investeringer i aksjer andeler m.m.	4		2 228 195
Sum finansielle anleggsmidler			2 228 195
Sum anleggsmidler		82 652 063	107 390 893
Omløpsmidler			
Varer			
Sum varer	3	119 257 507	84 577 389
Fordringer			
Kundefordringer		46 859 362	60 311 566
Andre kortsiktige fordringer	21	35 960 400	8 359 504
Konsernfordringer	18	17 591 805	3 302 305
Sum fordringer	15	100 411 566	71 973 375
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l	2	307 551 447	262 187 033
Sum bankinnskudd, kontanter og lignende		307 551 447	262 187 033
Sum omløpsmidler		527 220 520	418 737 797
SUM EIENDELER		609 872 584	526 128 690

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2020	2019
Egenkapital			
Innskutt egenkapital			
Aksjekapital	11, 19	45 000 000	45 000 000
Overkurs	11	16 322 026	16 322 026
Sum innskutt egenkapital		61 322 026	61 322 026
Opptjent egenkapital			
Annen egenkapital	11, 21	254 214 122	188 515 916
Sum opptjent egenkapital		254 214 122	188 515 916
Sum egenkapital		315 536 148	249 837 942
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	9	4 138 160	4 328 604
Utsatt skatt	1		
Sum avsetninger for forpliktelser		4 138 160	4 328 604
Annen langsiktig gjeld			
Langsiktig konserngjeld	18		
Øvrig langsiktig gjeld	5	25 174 000	43 121 000
Sum annen langsiktig gjeld		25 174 000	43 121 000
Sum langsiktig gjeld		29 312 160	47 449 604
Kortsiktig gjeld			
Leverandørgjeld		79 731 169	54 824 718
Betalbar skatt	1	6 176 629	
Skyldige offentlige avgifter		12 038 858	22 461 283
Kortsiktig konserngjeld	18	9 540 285	24 149 207
Annen kortsiktig gjeld	5, 16, 21	157 537 335	127 405 938
Sum kortsiktig gjeld		265 024 276	228 841 144
Sum gjeld		294 336 436	276 290 748
SUM EGENKAPITAL OG GJELD		609 872 584	526 128 690

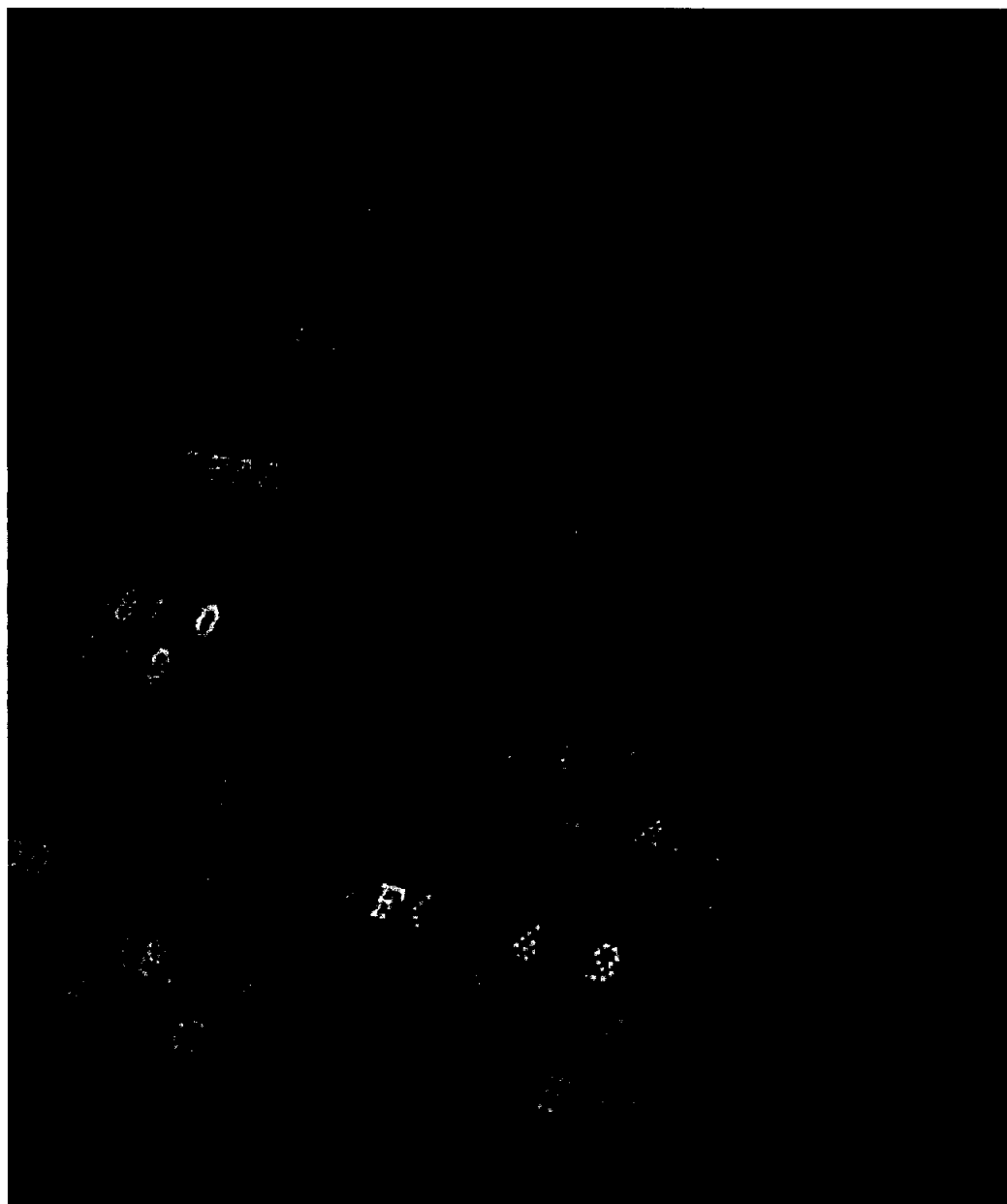


THALES

www.thalesgroup.com

Annual report 2020

Thales Norway AS





Thales Norway AS

Report from the Board of Directors for 2020

Business idea and location

The company develops and sells defence and security solutions for the domestic market and for export.

From 2012 the company has gradually expanded in to the domestic transport and training market. In 2018 Thales Norway demerged out the transportation and the training part of the company to Thales Commercial Norway AS, while the defence and security solutions continue as before in Thales Norway AS.

The operations are conducted from leased premises in Oslo and Trondheim.

Governance

The board of directors is of the opinion that the proxy under which Thales Norway operates requiring a Norwegian citizenship for the board of directors and only consolidated financial information released to the owner, is working as intended.

Continued operation

The board of directors is of the opinion that the conditions for continued operations of the company are adequate and the annual accounts are presented with this precondition in mind.

Accounting information

The board of directors is of the opinion that the accounts presented including notes give adequate information about the company's operations and status at year's end. Revenue for the year 2020 was MNOK 545 an increase of MNOK 43 compared to 2019. Order intake for the year 2020 was MNOK 649 an increase of MNOK 149 compared to 2019. The equity ratio per December 31, 2020 is 51,7% an increase from 47,5% in previous year.

During 2020 the company had a total activity in research and development representing MNOK 90. The board expects future income from these activities to exceed this year's self-financed expenses.

The company had a positive net cash flow from operations of MNOK 45.

Nothing has occurred after the conclusion of the financial year that has materially affected the status of the company.

The board proposes the following allocation of the profit KNOK 64.747

Net profit for the year	KNOK 64.747
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In accordance with simplified IFRS the group contribution will be booked as Liability the year it is adopted.



Comparison 2020 expectation and future development

The profit for the year was as expected

Overall TNOR has been influenced by the Covid 19 pandemic as it has effected the society and reduced mobility, but the financial effect is insignificant.

The Board expects that Thales Norway AS will have a satisfying profitability in the future.

Financial risk

The company has only short-term balance items in foreign currency. These are converted at currency rates at year-end. Receivables and payables secured by forward currency contracts are converted at contract rates. Agio and disagio are accounted for concurrently. The company is spending considerable resources on improved risk management in all projects.

Working conditions

During 2020 the total absence from work due to illness has been 3,07%. This is a slight increase compared to 2019 when the absence was 2,8%.

It is our opinion that the working conditions and the general wellbeing in the work place are good.

Equality

The Company has 192 employees at end of the year. Of these, 14% women and 86% men.

The imbalance in the gender composition is due to the nature of the business in the defence industry and predominance of technical engineering environment.

The proportion of women in the management team is 50%. In the Administration the proportion of women is 41%.

Average salary for women and men are amounted to respectively KNOK 910 and KNOK 948.

The Company has 11 employees in part-time positions, of these 1 woman.

The company has as a goal to provide a work place where there is full equality between the genders. The company is committed to offer each person equal opportunity regardless of age, race, sex, sexual orientation, colour, creed, religion, marital status or handicap including decisions regarding, for instance, wages, advancement, recruitment etc.

Security

The company offers advanced information systems to customers worldwide, and many of our projects give the company access to classified information and objects. Given the specificity of the activity, it is vital to be fully compliant with the security law and its intentions.

This is why the company is obliged to follow both national and international laws, rules and regulations. The company has taken necessary preventive security measures and trains employees as well as external consultants working for the company. This is in addition to keeping security instructions and regularly controlling the security. No critical security breaches have been reported during 2020.

Corporate responsibility

The company follows Thales Group policy on Corporate responsibility, and emphasizes that relevant laws and regulations shall be followed at all times. In cooperation with the rest of the Thales Group, we have a Compliance System that is continuously improved and that facilitates dissemination of information to all employees within the relevant Compliance areas.



The environment

The company does not conduct activities that materially pollute the external environment and has consequently not taken any protective actions.

Oslo, February 15, 2021

Glenn Pedersen
Chairman

TOVERUD Digitally signed by
TOVERUD Nils Holm
Date: 2021.02.17
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Nils Holm Toverud
Board member

Ingvild Sorteberg
Board member

Egil Standeren
Board member

Tom Tuhus
Board member
Managing Director



THALES NORWAY AS

Income statement 2020

(KNOK 1000)	Note	2020	2019
Revenue	13, 14, 18	544 863	501 530
Other operating income		8 187	5 790
Total Revenue		553 050	507 321
Raw materials and consumables used	14, 18	120 097	109 055
Change in work in progress	3	2 160	7 465
Payroll expenses	9, 12	279 928	252 697
Depreciation and amortisation expenses	5, 6, 8	32 041	28 646
Other operating expenses	7, 12	46 065	44 156
Total operating expenses		480 291	442 020
OPERATING PROFIT		72 759	65 301
Income from associates	4		2
Interest income		864	1 534
Other finance income		9 573	2 244
Other interest expenses	5	1 129	1 557
Share of loss from associated companies	4	4	0
Other financial expenses	9	82	1 354
Financial income/loss		9 222	868
OPERATING RESULT BEFORE TAX		81 981	66 169
Tax	10	17 234	14 685
NET PROFIT FOR THE YEAR	11	64 747	51 483



THALES NORWAY AS
Balance sheet pr 31. December 2020

(KNOK 1000)	Note	2020	2019
ASSETS			
FIXED ASSETS			
Intangible fixed assets			
Deferred tax	10	7 257	18 583
Total intangible fixed assets		7 257	18 583
Tangible fixed assets			
Machinery and equipment	6	32 803	26 250
Right-of-Use Assets	5	42 592	60 330
Total tangible fixed assets		75 395	86 580
Financial fixed assets			
Investments in shares	4	-	2 228
Total financial fixed assets		-	2 228
TOTAL FIXED ASSETS		82 652	107 391
CURRENT ASSETS			
Inventories	3	119 258	84 577
Debtors			
Account receivables		46 859	60 312
Other receivables	21	35 960	8 360
Group receivables	18	17 592	3 303
Total debtors	15	100 412	71 974
Cashpool	2	307 551	262 187
TOTAL CURRENT ASSETS		527 221	418 738
TOTAL ASSETS		609 873	526 129

**THALES NORWAY AS****Balance sheet pr 31. December 2020****EQUITY AND LIABILITIES**

Share capital	11, 19	45 000	45 000
Share premium reserve	11	16 322	16 322
Other equity	10, 11, 21	254 214	188 516
TOTAL EQUITY		315 536	249 838

LIABILITIES**Provisions**

Pension liabilities	9	4 138	4 329
Total provisions		4 138	4 329

Long-term liabilities

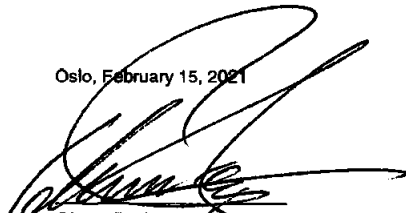
Lease liability	5	25 174	43 121
Total long-term liabilities		25 174	43 121

Short-term liabilities

Trade creditors		79 731	54 825
Tax payable	10	6 177	0
Public duties payable		12 039	22 461
Group liabilities	18	9 540	24 149
Lease liability	5	17 996	17 403
Other short-term liabilities	16, 21	139 541	110 003
Total short-term liabilities		265 024	228 841

TOTAL LIABILITIES**294 336** **276 291****TOTAL EQUITY AND LIABILITIES****609 873** **526 129**

Oslo, February 15, 2021


Glenn Pedersen
ChairmanDigitally signed by Nils Toverud
Toverud
Date: 2021.02.17
11:45:16 +0100Nils Holm Toverud
Board member
Ingvild Sorteberg
Board member
Egil Standeren
Board member
Tom Tuhus
Board member
Managing Director

**THALES NORWAY AS**
Statement of Cash Flow 2020

(KNOK 1000)	2020	2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net income before tax	81 981	66 169
Gain on fixed assets	0	0
Ordinary net depreciation of fixed assets	32 040	28 646
Change in lease liabilities IFRS 16	-17 406	-17 116
Financial loss without payments	4	-2
Net cash flow before changes in assets and liabilities	96 619	77 697
Changes in inventories	-34 681	-1 922
Changes in accounts receivables	13 453	-12 898
Changes in other receivables	-41 890	22 188
Changes in trade creditors	24 906	4 094
Changes in other short-term liabilities	4 998	-8 288
Changes in provisions	217	-26
Net cash flow from operating activities	63 622	80 845
CASH FLOW FROM INVESTMENTS ACTIVITIES		
Sale of fixed assets	0	0
Sale of Financial assets	2 224	0
Acquisition of fixed assets	-20 482	-11 944
Net cash flow from investments activities	-18 258	-11 944
CASH FLOW FROM FINANCING ACTIVITIES		
Paid in short-term liabilities	0	0
Net change in overdraft facilities	0	0
Down payment long-term debt	0	0
Down payment short-term debt	0	0
Paid Group Contribution	0	0
Net cash flow from financing activities	0	0
Total cash flow	45 364	68 901
Cash pr 01.01.	262 187	193 286
Net cash transferred in demerger	0	0
Cash pr 31.12.	307 551	262 187



NOTE 1 - ACCOUNTING PRINCIPLES

General

The statements are presented in thousands of Norwegian kroner (KNOK).
The financial statements have been prepared in accordance with simplified IFRS approved by the Ministry of Finance on November 3rd 2014. From this follows that principles for measurement and recognition to the profit and loss accounts are according to IFRS, while the income statement, balance sheet and cash flow statements including notes are presented in accordance to the Norwegian Accounting Act's remaining sections, unless there are specific references to IFRS and its framework. In these instances, the IFRS framework is applied.

Revenue recognition

Revenue from long term contracts are recognized in accordance with IFRS 15. Revenue is recognized over time based on the cost-to-cost method where progression is measured based on costs incurred and upon which revenue to be recognized is calculated.

Revenue from sales of goods and services are valued at fair value after deduction of VAT, return of equipment, rebates and discounts. Sales of goods are recognized in the income statements when the product is delivered to the customer, the customer has accepted the product and the ability of the customer to pay for the debt is satisfactory acknowledged. Sales of services are recognized in the period that the services are rendered.

Leases

IFRS 16 Leases became effective on January 1, 2019 and has significantly changed how the company accounts for its lease contracts. The company leases buildings, machines and vehicles. Before the adoption of IFRS 16, all lease contracts were classified as operating leases. At the commencement date, leases are now recognised as right-of-use assets and lease liabilities. The right-of-use assets are initially measured at cost and the lease liabilities are measured at the present value of the lease payments that are not paid at that date. A cost model is applied for subsequent measurement where accumulated depreciation and any accumulated impairments losses reduces the cost (value) of the right-of-use assets.

Research and development

All self-funded research and development are expensed.

Assets and debt in foreign currencies

The company only has short-term balance items in foreign currency. These are converted at currency rates at year-end. Receivables and payables secured by forward currency contracts are converted at contract rates. Agio and disagio are accounted for concurrently.

Stocks of finished products and work in progress

Stocks are valued at lowest of cost and real value after the "FIFO" principle. Traded products are valued at purchase cost. Manufactured finished products and work in progress are valued at full production cost. Deductions are made for obsolescence.

Shares and participations

Shares and participations in other companies are viewed as strategic and as such are classified as fixed assets. Shares and participations are valued by the equity method.

Operating assets

Operating assets are measured at cost less accumulated ordinary depreciation. Operating assets are depreciated linearly over the expected useful life of the asset. Gains or losses incurred by disposal of the assets are treated as ordinary operating revenues/costs.

Warranty reserves

Allocations to cover expected warranty costs are included in other short-term obligations.

Cash flow statement

The cash flow statement is presented according to the indirect method. For the cash flow statement, the financial expenses have been classified as an operating item and not as an investing item. Cash and cash equivalents include cash and bank deposits.

Pension costs and pension obligation

On 31st of December 2006 the main pension plan was converted from defined benefit to defined contribution which comply with the Norwegian mandatory pension plans (OTP). There is no liability linked to the defined contribution plan.

The Company has a pension liability connected to early retirement plans and previous restructuring plans.



Net pension costs are classified in their entirety as personnel costs in the profit and loss statement. These include accrued pension rights, interest costs on accrued obligations, expected return on pension funds, and employment tax. In addition, this year's effect of estimate changes and deviations are included. The year's effect of estimate changes and deviations include the distributed effect of:

- the difference between expected and real return on pension funds
- the difference between estimated and real pension obligations
- changes in pension plans

Net pension obligations are presented as long-term debt in the balance sheet. Net pension obligations include the difference between accrued pension obligations and the value of pension funds plus employment tax.

NOTE 2 - CASHPOOL

A guarantee is established as security for withholding tax liabilities of 20 MNOK. In 2009, Thales Norway changed bank and joined the Thales group cash pool. Cash involved in the cashpool at 31.12.2020 amounts to KNOK 307.551

NOTE 3 - INVENTORIES AND WORK IN PROGRESS

	2020	2019
Parts/finished products	95 700	62 888
Work in progress	28 613	26 453
Deduction for obsolescence	-5 056	-4 764
Total inventories	119 258	84 577

NOTE 4 - SHARES AND PARTICIPATIONS IN OTHER COMPANIES

Per 31st December 2020 the company had the following shares and participations in other companies:

Company name	No. of shares	Share
CAPENA AS (liquidated in 2020)	25.000	50 %
Book value 1.1.2020		2 228
Liquidation dividend		2 224
Loss		4
Book value 31.12.2020		0

NOTE 5 - LEASES - IFRS 16

The asset effect of implementation of IFRS 16

	Real Estate	Vehicles	Machines	Total Dec. 31
Acquisition cost 01.01.2020	76 049	140	1 734	77 923
Acquired during the year	373	0	0	373
Acquisition cost 31.12.2020	76 422	140	1 734	78 296
Accumulated depreciation 31.12.2020	35 000	66	638	35 704
Book value right-of-use Assets 31.12.2020	41 422	74	1 096	42 592

The liability effect of implementation of IFRS 16

Lease liability 01.01.2020	60 524
Acquired during the year	373
Lease payments during the year	17 727
Book value lease liability 31.12.2020	43 170
Non-current lease liability at 31.12.2020	25 174
Current lease liability at 31.12.2020	17 996

Interest expense on lease liability

Interest expensed during the year	1 129
Interest payments during the year	-932
Accrued interest on lease liability 31.12.20	197

The discount rate used is 2,19%.



Impact on income statement of IFRS 16

	Reported in income statement	Effect of IFRS 16	Result under IAS 17
Revenue	544 863	-	544 863
Operating profit	72 760	831	71 929
Financial result	9 222	-1 129	10 351
PROFIT BEFORE TAX	81 981	-298	82 279

NOTE 6 - TANGIBLE FIXED ASSETS

	Machinery, equipment
Acquisition cost 01.01.2020	92 613
Acquired during year	20 482
Write-downs	6 647
Acquisition cost 31.12.2020	106 448
Accumulated depreciation 01.01.2020	66 363
This year's depreciation expense	13 929
Accumulated depreciation on Write-downs	-6 647
Accumulated depreciation 31.12.2020	73 645
Book value 31.12.2020	32 803
Useful economic life	3-10 year
Depreciation method	Linear

NOTE 7 - OTHER OPERATING EXPENSES

	2020	2019
Freight	665	559
Advertising Expenses	671	614
Repair and maintenance Expenses	220	208
Overhead costs premises	1 551	3 000
Travel Expenses	1 996	3 093
Other operating expenses	40 961	36 682
Other operating expenses	46 066	44 156

NOTE 8 - INTANGIBLE FIXED ASSETS

	Goodwill
Acquisition cost 01.01.2020	326 866
Acquisition cost 31.12.2020	326 866
Accumulated amortization and depreciation 31.12.2020	326 866
Book value Dec. 31	0
This year's amortization expense	0
This year's depreciation expense	0
Useful economic life	20 years
Depreciation method	Linear

Goodwill is in its entirety related to the acquisition of the defence activities from Alcatel and Siemens in 1998.

Research and development

The company has conducted customer funded research and development projects at 4,1 MNOK cost and self funded research and development projects at 10,7 MNOK cost. It is expected that future earnings will exceed the expenses.

In addition to the above mentioned research and development costs, the company has used approximately 75,2 MNOK on research and development studies directly linked to ordinary income.



NOTE 9 - PENSION COSTS AND PENSION OBLIGATIONS

The company has a pension scheme for its employees.

In addition to pension obligations covered by above pension scheme, the company has unfunded pension obligations. These obligations relate to survivor pension and age pension. Pension obligations booked in the balance sheet include all these pension schemes.

Assumptions made in calculating pension obligations

	31.12.2020	31.12.2019
Discount rate	1,80 %	1,80 %
Expected return on pension funds	No funds	No funds
Wage inflation	2,00 %	2,00 %
Public pension inflator	2,00 %	2,00 %
Pension inflator	2,00 %	2,00 %

Actuarial assumptions for demographic factors are standard assumptions in the insurance industry.

	2020	2019
Reconciliation of net amount recognised in balance sheet		
Net liability recognised in balance sheets 01.01.20	4 329	4 355
Net periodic pension cost (Other financial Expenses)	76	110
Employer benefits paid (incl. payroll tax)	-266	-260
Remeasurement loss (pre tax)	0	124
Employment tax charged to costs	0	0
Defined contribution plan	0	13 865
Net liability recognised in balance sheet at 31.12.2020	4 138	4 329

Pension obligations and pension funds as of 31.12.2020

	Unsecured
Accrued obligations incl. employment tax	4 138
Value of pension funds	0
Net pension obligation	4 138

NOTE 10 - TAXES

RELATIONSHIP BETWEEN BOOKED AND TAXABLE RESULTS

	2020	2019
Profit before tax	81 981	66 169
Permanent differences	-2 427	2 292
Change in temporary differences	5 531	36 430

Taxable profit, before tax loss carry forward	85 086	104 891
Utilization of tax loss carry forward	-57 010	-104 891
Taxable income	28 076	-0

Tax Expense for the Year

	2020	2019
Tax payable	6 177	0
Change in deferred tax asset (22%)	11 325	15 061
Tax on financial instruments recognised against equity (22%)	-268	-376
Tax expense in the P&L	17 234	14 685

CHANGES IN TIMING DIFFERENCES AND CALCULATION OF DEFERRED TAX

The timing differences related to:	31.12.2020	01.01.2020	Difference
Positive differences	81 049	66 158	14 891
Negative differences	-114 036	-150 624	36 587
Total timing differences	-32 987	-84 466	51 478
Basis for calculating deferred tax	-32 987	-84 466	51 478
Deferred tax assets, 22%	-7 257	-18 582	11 325

Deferred tax assets is in 2020 capitalized based on expected future results.
The Tax Payable will be converted to Group Contribution in 2021



NOTE 11 - SHAREHOLDERS EQUITY

	Share capital	Share premium reserve	Retained earnings	Total
Equity 01.01.2020	45 000	16 322	188 516	249 838
Financial derivatives booked against equity (post tax)			951	951
Net profit for the year			64 747	64 747
Shareholders' equity 31.12.2020	45 000	16 322	254 214	315 536

In accordance with simplified IFRS the group contribution will not be booked as Liability before the year it is adopted

NOTE 12 - WAGES, EMPLOYEES, FEES, ETC.

Employment costs	2020	2019
Wages	188 961	167 205
Consulting fees	44 373	42 700
Employers tax	27 787	25 808
Pension costs	13 389	11 757
Other employee costs	5 418	5 227
Total	279 928	252 697

Average number of employees	192	169
Average number of consultants	21	21

Paid to leading personnel	2020
Wages/fees	MD
Wages/fees	2 107
Pension costs	115
Other remuneration, incl. bonus	1 179

The managing director has a bonus agreement for 2020 limited to 37,5% of his salary. The bonus is based on a number of different criteria within order intake, cash flow, profit and personal goals. In addition, the managing director has stock options in the French mother company.

There has not been paid any remuneration to the board in 2020. The company has not issued any loans or guarantees to any shareholders, board members or employees.

Auditor

Expensed auditor's fee for 2020 is KNOK 385 and expensed audit related services are KNOK 67.

NOTE 13 - REVENUE

Revenues are distributed as follows geographically

	Norway	Export	Total
Revenue 2020	235 614	309 249	544 863

NOTE 14 - LONG-TERM CONTRACTS

Project contracts as of 31.12.2020	2020	2019
Revenue booked on running projects	673 676	584 206
Costs/allocations related to above projects	592 627	518 048
Net result from running projects	81 049	66 158

	2020	2019
Estimated remaining production on projects with loss	224	1 374
Produced, not invoiced work remaining projects	19 940	-10 658
Advance invoicing included in other short-term liabilities	0	4 190

NOTE 15 - RECEIVABLES

All receivables fall due within one year.



NOTE 16 - OTHER ALLOCATIONS FOR OBLIGATIONS

Allocations for guarantees	2020
	49 699

Allocations for guarantees are made to cover possible obligations resulting from delivered products and solutions.

NOTE 17 - LIENS AND GUARANTEES ETC.

	2020
Guarantees made to customers (not accounted for)	3 141
Guarantee made to the Tax Authorities	20 000
Garantee made to Oslo Areal AS	7 780

The guarantees are covered by guarantees from the company's banks.

There are no liens on company assets.

NOTE 18 - OPEN ACCOUNTS BETWEEN COMPANIES IN THE GROUP

Receivables	2020	2019
Accounts receivables from group companies	17 592	3 303
Debt	2020	2019
Trade creditors group companies	7 328	21 937
Thales Holding Norway AS	2 212	2 212
Total	9 540	24 149
Revenue	2020	2019
Sales to companies in the group	61 050	53 139
Expenses	2020	2019
Expenses from companies in the group	66 529	37 037
Corporate Cost Sharing and THINT from the group	9 676	12 596
Total	76 205	49 633

NOTE 19 - SHARE CAPITAL AND SHAREHOLDERS INFORMATION

Share capital 31.12.2020

	Number	Par value	Book value
Ordinary shares (KNOK)	900	50	45 000
Owner		Number	Share
Thales Holding Norway AS		900	100 %

Thales Norway AS is part of Thales S.A.'s consolidated financial accounts. These may be retrieved from www.thalesgroup.com

NOTE 20 - FINANCIAL RISK

Credit risk

Historically, the company has low percentage of bad debts.

There are no significant risk related to the receivables. Thales Norway AS had mostly government customers and NATO as customers and is therefore not that exposed to credit risk.

Exchange risk

Currency risk on all sales in foreign currency are covered by currency hedging with Thales Corporate Treasury. Separate currency hedges are established on all major contracts, running sales is covered by yearly budget hedges.



NOTE 21 - FINANCIAL INSTRUMENTS

Cash-flow hedge/forex derivative instruments

Standard hedging instruments are used to hedge foreign exchange exposures.

Assets	2020	2019
Other short-term receivables - Cash Flow Hedge	5 194	535
Equity and Liability		
Other equity - Cash Flow Hedge	490	1 709
Other short-term liabilities - Cash Flow Hedge	-	-
	490	1 709
Income statement		
Other financial income	5 684	2 243
Other financial expenses	-	-
	5 684	2 243



mazars

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To the Shareholders' Meeting of

Thales Norway AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thales Norway AS (the company), showing a profit of NOK 64 747 000. The financial statements comprise the balance sheet as at December 31, 2020, and the statement of income 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 accompanying financial statements present fairly, in all material respect, the financial position of the Company as at December 31, 2020, and (of) its financial performance and its cash flows for the year then ended in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Report from the Board of Directors, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Mazars AS
Org. nr. 979 605 994



mazars

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

The Board of Directors and the Managing Director (Management) is responsible for the preparation and fair presentation of the financial statements in accordance with the simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, 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 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.

Refer to <https://revisorforeningen.no/revisjonsberetninger> which contains a description of Auditor's responsibilities.

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, the going concern assumption and the proposal for the allocation of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

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

Oslo, 15.02.2021

Mazars AS

Rune Jalving

State Authorized Public Accountant



Skattedirektoratet

Saksbehandler Torslein Kinden Helleland	Deres dato 06.02.2015	Vår dato 12.02.2015
Telefon 22078139	Deres referanse TNOR/ENWA/14-4926	Vår referanse 2015/121371

THALES NORWAY AS
Postboks 744 Sentrum
0106 OSLO

Thales Norway AS J.nr: 15-4094 Dato: 16.2.15 ARKIV

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Thales Norway AS, org. nr. 979 485 190

Vi viser til deres brev av 6. februar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Thales Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Thales Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Thales Norway er et heleid datterselskap av Thales S.A. og inngår i Thales konsernet. Thales S.A. er et fransk børsnotert selskap. Thales konsernet er en verdensledende aktør innen forsvarsindustrien, sikkerhet, romfart, luftfart og bakketransport. Thales Norway opererer i et globalt marked og store deler av selskapets omsetning skjer til kunder utenfor Norge. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets 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 m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan

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føretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk 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 Skattedirektoratet lagt særlig vekt på at selskapet er datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Selskapet opererer i et globalt marked og store deler av selskapets omsetning skjer til kunder utenfor Norge. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Geir Johannessen
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer