



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ivar Otterlei
Dato for fastsettelse av årsregnskapet: 11.05.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 01.08.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Operating Income	1, 2, 3, 4	673 927 087	597 057 142
Sum inntekter		673 927 087	597 057 142
Kostnader			
Raw materials and consumables used	1, 3, 4	303 413 692	252 315 184
Employee benefits expense	5, 6	230 937 660	214 099 487
Depreciation and amortisation expenses	7	4 900 940	1 761 754
Other expenses	3, 8	67 846 103	70 334 147
Sum kostnader		607 098 395	538 510 572
Driftsresultat		66 828 692	58 546 570
Finansinntekter og finanskostnader			
Income from subsidiaries		5 280 000	
Income from associated companies			301 368
Annen renteinntekt		3 551 701	266 873
Other financial income	9	58 361 916	53 555 529
Sum finansinntekter		67 193 617	54 123 770
Annen rentekostnad		133 988	132 232
Other financial expenses	9	61 114 585	51 650 618
Sum finanskostnader		61 248 574	51 782 850
Netto finans		5 945 043	2 340 920
Ordinært resultat før skattekostnad		72 773 735	60 887 490
Tax expense	10	14 334 775	12 202 908
Ordinært resultat etter skattekostnad		58 438 960	48 684 582
Årsresultat		58 438 960	48 684 582
Årsresultat etter minoritetsinteresser		58 438 960	48 684 582



Resultatregnskap

Beløp i: NOK	Note	2022	2021
Totalresultat		58 438 960	48 684 582
Overføringer og disponeringer			
Ordinært utbytte			57 000 000
Transferred from/-to other equity	11	58 438 960	-8 315 418
Sum overføringer og disponeringer		58 438 960	48 684 582



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Concessions, patents, licences, trademarks, and similar rights	7	19 438 967	18 401 600
Sum immaterielle eiendeler		19 438 967	18 401 600
Varige driftsmidler			
Equipment and other movables	7	1 766 795	1 438 672
Sum varige driftsmidler		1 766 795	1 438 672
Finansielle anleggsmidler			
Investering i datterselskap	12	99 000	99 000
Other long-term receivables	13	52 585	56 355
Sum finansielle anleggsmidler		151 585	155 355
Sum anleggsmidler		21 357 347	19 995 627
Omløpsmidler			
Varer			
Sum varer	14	65 443 260	40 873 204
Fordringer			
Accounts receivables	4, 15	138 534 748	124 168 950
Other short-term receivables	13	16 551 115	11 448 928
Sum fordringer		155 085 863	135 617 878
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16	258 589 369	276 704 855
Sum bankinnskudd, kontanter og lignende		258 589 369	276 704 855
Sum omløpsmidler		479 118 492	453 195 937
SUM EIENDELER		500 475 839	473 191 564

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2022	2021
Egenkapital			
Innskutt egenkapital			
Share capital	11, 17	1 560 010	1 560 010
Sum innskutt egenkapital		1 560 010	1 560 010
Opptjent egenkapital			
Other equity	11	162 782 720	103 937 558
Sum opptjent egenkapital		162 782 720	103 937 558
Sum egenkapital		164 342 730	105 497 568
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	6	-176 136	222 936
Utsatt skatt	10	40 714 030	27 280 058
Sum avsetninger for forpliktelser		40 537 894	27 502 994
Annen langsiktig gjeld			
Sum langsiktig gjeld		40 537 894	27 502 994
Kortsiktig gjeld			
Leverandørgjeld	4	52 017 776	35 590 504
Tax payable	10	900 803	
Public duties payable		17 016 801	16 245 125
Utbytte			57 000 000
Other current liabilities	18	225 659 835	231 355 373
Sum kortsiktig gjeld		295 595 214	340 191 003
Sum gjeld		336 133 108	367 693 996
SUM EGENKAPITAL OG GJELD		500 475 839	473 191 564



Indra Navia AS

FINANCIAL STATEMENT 2022



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



Board of Directors' Report 2022 Indra Navia AS

Introduction

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

Financial result

2022 revenue and profitability are both up compared to 2021:

- Turnover increased by 13 % from 597 MNOK to 673 MNOK
- Net profit before tax is up by 19,5 % from 60,9 MNOK to 72,8 MNOK

The corona pandemic continued to affect our business in 2022. Whilst most restrictions were lifted in Norway and most of Europe during the first quarter of 2022 China continued to follow a “zero-Covid-strategy” all the way to December 2022. Extensive close downs seriously affected global supply chains leading to longer and more unpredictable lead-times for components in particularly during the second and third quarter of the year. As a result, our lead times increased accordingly.

Post Covid increases in demand for consumer goods combined supply chain challenges resulted in significantly higher cost for key components. The war in Ukraine fueled the inflation further affecting energy and food-prices in particular. The demand for labor is still high in most industries, leading to increased labor costs as well as challenges in recruiting qualified personnel. So, even if business volume is high, we face the same challenges as other businesses with regards to securing manpower and components.

However, global financial turmoil leads to investors seeking “safe havens” with regards to currencies. This leads to a significant weakening of smaller currencies, like the NOK. The cost level of the components we need increase accordingly, but the overall effect of the weakened NOK is positive for Indra Navia as 97% of our revenue origins from export contracts.

Cash flow from operating activities equals 45 MNOK.

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

Allocation of net income

The Board of Directors has proposed the net earnings of Indra Navia AS to be allocated to other equity. The equity ratio is now 32%, compared to 22% last year.

Financial risk

Project risk/ disputes

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

Currency risk

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



signed.

Credit risk

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

Liquidity risk

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

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

Working environment and sick leave

The board considers the working environment to be satisfactory. Total absence due to sick leave has been 3,2 % in 2022, compared to 2,2% in 2021 with short-term sick leave accounting for 1,34 % in 2022 compared to only 0,7 % in 2021. Absence due to sick leave is still low, and the increase is mainly related to Covid and 1 long term sick leave that lasted through all 2022. The board has therefore not effectuated or planned any initiative regarding the working environment.

Environmental report

The group has no negative impact on the environment. It releases no effluents or in any other way causes any detrimental effects to the environment. The parent company is a member of Elektronikkretur (scheme for returning electronic equipment), but 97% of products are exported and the customers are responsible for the disposal of such equipment. Indra Navia AS has no knowledge of any case where disposal of our equipment has caused environmental damage.

Equal opportunity

The company focuses on equal opportunities regardless of gender or nationality. Currently, we have employees from 26 nationalities. Out of 18 new recruitments in 2022 72 % were of Norwegian origin, 11 % other European countries and 16 % non-western background.

The company had 192 employees as of 31 December 2022, of which 55 where female and 137 were men. The total number of part time employees where 14 where 2 were female. Part time employment is normally initiated by the employees preparing for retirement. There is no involuntary part time employment at Indra Navia.

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

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management decreased from 42 to 35 percent, whereas the female representation in top management had a slight increase of 3 percent from 2021. Women are represented at all levels of the organization:

Total representation	28 %
Middle management.	35 %
Top management	25 %
Board of Directors	33 %



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

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

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

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

Research and Development

The company invested MNOK 47,8 in R&D in 2022, of which MNOK 38,8 was self-financed. All R&D is expensed. The R&D is used to develop new products and enhance existing, products in the Communication, Navigation and Surveillance portfolio to meet the marked demand.

Conditions for continued operation

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

Asker, May 11th 2023

Francisco Javier Ruano Contreras
Member of the board

Ramón Tarrech Masdeu
Chairman of the board

Eldar Hauge
Managing Director/
Member of the board

María Nieves Condés Felipe
Member of the board

Björg Hanne Reppen
Member of the board

Sverre Telnes
Member of the board



INCOME STATEMENT

INDRA NAVIA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2022	2021
Operating Income	1, 2, 3, 4	673 927 087	597 057 142
Total income		673 927 087	597 057 142
Raw materials and consumables used	1, 3, 4	303 413 692	252 315 184
Employee benefits expense	5, 6	230 937 660	214 099 487
Depreciation and amortisation expenses	7	4 900 940	1 761 754
Other expenses	3, 8	67 846 103	70 334 147
Total expenses		607 098 395	538 510 572
Operating profit		66 828 692	58 546 570
FINANCIAL INCOME AND EXPENSES			
Income from subsidiaries		5 280 000	0
Income from associated companies		0	301 368
Other interest income		3 551 701	266 873
Other financial income	9	58 361 916	53 555 529
Other interest expenses		133 988	132 232
Other financial expenses	9	61 114 585	51 650 618
Net financial items		5 945 043	2 340 920
Net profit before tax		72 773 735	60 887 490
Tax expense	10	14 334 775	12 202 908
NET INCOME		58 438 960	48 684 582
ALLOCATION OF NET INCOME			
Ordinary dividend		0	57 000 000
Transferred from/-to other equity	11	58 438 960	-8 315 418
Net allocation		58 438 960	48 684 582

INDRA NAVIA AS



BALANCE SHEET

INDRA NAVIA AS

ASSETS	Note	2022	2021
NON-CURRENT ASSETS			
Concessions, patents, licences, trademarks, and similar rights 7		19 438 967	18 401 600
Total intangible assets		19 438 967	18 401 600
PROPERTY, PLANT AND EQUIPMENT			
Equipment and other movables	7	1 766 795	1 438 672
Total property, plant and equipment		1 766 795	1 438 672
FINANCIAL FIXED ASSETS			
Investments in subsidiaries	12	99 000	99 000
Other long-term receivables	13	52 585	56 355
Total non-current financial assets		151 585	155 355
Total non-current assets		21 357 347	19 995 627
CURRENT ASSETS			
Inventories	14	65 443 260	40 873 204
DEBTORS			
Accounts receivables	4, 15	138 534 748	124 168 950
Other short-term receivables	13	16 551 115	11 448 928
Total receivables		155 085 863	135 617 878
INVESTMENTS			
Cash and cash equivalents	16	258 589 369	276 704 855
Total current assets		479 118 492	453 195 937
Total assets		500 475 839	473 191 564



BALANCE SHEET

INDRA NAVIA AS

EQUITY AND LIABILITIES	Note	2022	2021
PAID-IN CAPITAL			
Share capital	11, 17	1 560 010	1 560 010
Total paid-up equity		1 560 010	1 560 010
RETAINED EARNINGS			
Other equity	11	162 782 720	103 937 558
Total retained earnings		162 782 720	103 937 558
Total equity		164 342 730	105 497 568
LIABILITIES			
Employee benefit obligations	6	-176 136	222 936
Deferred tax	10	40 714 030	27 280 058
Total provisions		40 537 894	27 502 994
CURRENT LIABILITIES			
Trade payables	4	52 017 776	35 590 504
Tax payable	10	900 803	0
Public duties payable		17 016 801	16 245 125
Dividends		0	57 000 000
Other current liabilities	18	225 659 835	231 355 373
Total current liabilities		295 595 214	340 191 003
Total liabilities		336 133 108	367 693 996
Total equity and liabilities		500 475 839	473 191 564

Asker, 11.05.2023
The board of Indra Navia AS

Ramon Tarrech Masdeu
Chairman of the board

Francisco Javier Ruano Contreras
Member of the board

Eldar Hauge
Managing Director/ Member of the board

Maria Nieves Condes Felipe
Member of the board

Bjørg Hanne Reppen
Member of the board

Sverre Lindstøl Telnes
Member of the board



CASH FLOW STATEMENT

INDRA NAVIA AS

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income before tax		72 773 735	60 887 490
- Taxes paid this period		0	-1 021 755
+ Depreciation and amortization of fixed assets		4 900 940	1 761 754
+/- Inventories		-24 570 056	4 576 991
+/- Accounts receivables		-13 933 585	59 227 236
+/- Accounts payables		14 518 211	5 075 562
+/- Change in current assets/liabilities		-8 538 301	40 364 912
= Net cash provided by operating activities		45 150 945	170 872 190
CASH FLOWS FROM INVESTING ACTIVITIES			
- Purchase of property, plant and equipment		-6 266 430	-11 433 133
Dividens from susidary		0	5 280 000
= Net cash provided by investing activities		-6 266 430	-6 153 133
CASH FLOWS FROM FINANCING ACTIVITIES			
- Dividends paid out		57 000 000	0
= Net cash provided by financing activities		-57 000 000	0
= Net change in bank deposit, cash and cash equivalents		-18 115 486	164 719 058
+ Bank deposit, cash and cash equivalents at beginning of year		276 704 855	111 985 797
= Bank deposit, cash and cash equivalents at end of year		258 589 369	276 704 855

INDRA NAVIA AS



Note 1 Presentation of the company and accounting principles

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

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

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

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

Income statement. Operating revenue and expenses are related to the company's main activities. Income is booked as cost to cost in each project.

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

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

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

SHARES IN SUBSIDIARIES

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

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

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currency are translated at the applicable rate on the transaction date. Monetary items in a foreign currency are translated into NOK using the applicable exchange rate on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the applicable exchange rate on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Forward contracts

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

In accordance with the accounting standard NRS 18, unrealized gains and losses are not recognized on



contracts that are assessed to reduce the currency risk efficiently.

INVENTORIES

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

LONG-TERM CONSTRUCTION CONTRACTS:

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

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

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

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

Accruals for warranty costs reflects expected warranty liabilities in the future. Accruals for warranty costs on ongoing construction contracts reflects the degree of completion.

RESEARCH AND DEVELOPMENT

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

ACCOUNT RECEIVABLES AND OTHER RECEIVABLES

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

COSTS

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

TAXATION

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



Note 2 Operating income, breakdown on geographical/product areas

Segment	Revenue (TNOK)	Geographical	Revenue (TNOK)
Com	57 800	Norway	19 638
Nav	355 733	The Middle-East	137 613
TWR	166 939	Asia/Australia	150 725
Serices	93 455	America	26 805
Other Business	0	Europe	308 706
		Africa	30 440
Total	673 927	Total	673 927

Note 3 Long-term construction contracts

	2022	2021
Income on ongoing construction contracts	891 407 000	697 609 000
Expenses related to recognized income	-651 491 000	-504 872 000
Net income for ongoing construction contracts	239 916 000	192 737 000
Revenue earned, but not invoiced, for ongoing production contracts included in accounts receivable	72 837 908	43 824 306
Part of customer receivables which is prepayments	-117 315 617	-59 621 697
Pre-invoiced contracts included in other current liabilities	-112 783 824	-122 849 568
Net revenue earned, but not invoiced	-157 261 533	-138 646 959
Estimated remaining production on contracts where loss is anticipated	12 416 978	12 416 978
Accounts receivables where settlement is deferred due to contractual terms	0	0



4 Related party transaction

Customer	Balance	Revenue	Cost
Normeka AS	212 870	4 250 483	
Indra Australia Pty Ltd.	9 836	1 096 178	
Indra LLC	- 27 020		
Indra Sistemas Chile SA	113 959		
Indra Sistemas S.A.	5 564 545	6 901 184	
Indra Sistemas S.A. Abu Dhabi Branch	87 910		
	5 962 100		
Vendors			
Indra Sistemas S.A.	- 15 489 254		73 760 687
Normeka AS	- 4 260 940		49 461 430
Indra Technology Solutions Malaysia Sdn. Bhd	- 95 293		507 878
Indra Sistemas S.A. Abu Dhabi Branch	- 1 024 167		2 170 299
	- 20 869 654		
	2022		2021
Receivables			
Customer receivables within the group	5 962 100		3 493 327
Other short-term receivables within the group	5 280 000		154 996
Total	11 242 100		3 648 323
Liabilities			
Debt to suppliers within the group	20 869 654		22 794 093
Total	20 869 654		22 794 093



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

Salary costs	2022	2021
Salaries	184 479 295	172 513 360
Employment tax	27 047 189	26 730 062
Pension costs	14 353 464	12 061 192
Other benefits	5 057 712	2 794 873
Total	230 937 660	214 099 487

In 2022 the company employed 190 man-years.

Remuneration to leading personnel	Chief Executive	Board
Salaries	3 957 573	0
Pension costs	118 128	0
Other remuneration	213 588	0
Total	4 289 289	0

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

AUDITOR

Audit fees expensed for 2022 amount to 513 955.

In addition there is a fee for other services of NOK 113 900. This is divided in:

Tax Advisory services	
Attestation services	113 000,-
Other services	



Note 6 Pensions

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

There were 183 employees in this pension scheme at year end.

The cost was in 2022 11.862.546

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

	2022	2021
Present value of the year's pension earnings	0	0
Interest cost of pension obligation	202 459	216 518
Return on pension funds	-202 207	-217 188
Employment tax	36	0
Net pension cost	288	-670
Pension obligations accrued as at 31.12.	-176 136	222 936
Estimated effect of future salary adjustments	0	0
Estimated pension obligations as at 31.12.	-176 136	222 936
Pension funds (at market value) at 31.12.	13 507 379	14 069 615
Effect of estimate differences not posted to the result	-13 331 243	-14 292 551
Employment tax		0
Net pension obligations	176 136	-222 936

Financial assumptions used in calculating the pension cost

Discount rate	3,00%	1,50%
Expected return on pension funds	3,00%	1,50%
Expected salary growth	3,50%	2,50%
Expected Social Security G adjustment	3,25%	2,25%
Expected adjustment of pensions underpayment	1,50%	0,00%
Expected inflation	2,00%	1,50%

AFP

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



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

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

Note 7 Fixed and intangible assets

	Plant, equipment etc.
Acquisition cost as at 01.01.2022	94 120 683
Addition for purchased fixed assets	1 448 502
Addition for Intangible assets	4 817 928
Acquisition cost 31.12.2022	100 387 113
Depreciation and write-downs as at 01.01.2022	74 280 408
Ordinary depreciation for the year	4 900 940
Depreciation and write-downs as at 31.12.2022	79 181 348
Book value 01.01.2022	19 840 272
Additions in the year	6 266 430
The year's depreciation and write-downs	4 900 940
Book value 31.12.2022	21 205 762
Economic lifetime	3-5 years

	2022	2021
Annual rent of off-balance sheet tangibles:	0	76 008
Annual rent of buildings:	20 272 867	20 194 607

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

Note 8 Research and development and related received grants

In 2022 the company spent in total 47 806 238 NOK on R&D, and received 9 029 522 NOK in capital grants from and SJU/SESAR. The R&D was used to develop new and existing products related to Airport electronic equipment.



Note 9 Foreign currency effect

	2022	2021
Currency gain	57 182 305	52 859 819
Currency loss	-60 881 827	-51 436 330
Net unrealized currency (+gain/-loss)	988 573	493 749
Other operating expenses		0
Net currency effects	-2 710 949	1 917 238

Note 10 Tax

	2022	2021
Tax payable	900 803	0
Change in deferred tax	13 433 972	12 202 908
Total tax charge	14 334 775	12 202 908
Calculation of the tax base for the year:	2022	2021
Result before tax	72 773 735	60 887 490
Negative permanent differences	553 579	273 127
Positive permanent differences	-1 047 085	-5 391 487
Change in temporary differences	-50 630 728	-66 058 945
Other	-10 432 782	0
Tax refund Oman	-1 500 562	
3% tax on Dividend	0	158 400
Dividend, other income related to shares	-5 280 000	-301 368
The year's tax base	4 436 157	-10 432 782
Tax Payable 22% of the years tax base	975 955	0
Overview of temporary differences:	2022	2021
Receivables	-594 519	-1 520 000
Goods	-22 402 499	-20 904 388
Fixed assets	-3 925 290	-5 541 677
Unfinished contracts by year-end	239 916 000	192 736 000
Pensions	-176 136	222 936
Provision for liabilities	28 106 056	30 113 956
Other	0	-10 432 782
Total	185 063 771	124 000 261
Calculation deferred tax. 22% of total of temp. diff.	40 714 030	27 280 057



Explanation as to why the tax charge for the year does not amount to 22 % of the result before tax:	2022	2021
22 % tax on the result before tax	14 848 621	13 395 248
Permanent differences 22 %	-438 695	-1 192 340
Calculated tax charge	14 409 926	12 202 908

Note 11 Equity

	Share capital	Other equity capital	Total equity capital
As at 31.12.2021	1 560 010	103 937 558	105 497 568
As at 01.01.2022	1 560 010	103 937 558	105 497 568
Changes posted against equity capital		406 202	406 202
Result for the year		58 438 960	58 438 960
Dividend			0
As at 31.12.2022	1 560 010	162 782 720	164 342 730

Note 12 Investments in shares

Investment in subsidiary

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

The face value is NOK 10 per share.

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

Normeka AS shows for the financial year 2022 a net income of NOK 6 560 705,-
Normeka's total equity as of 31.12.22 is NOK 27 585 533,-

Group Consolidation:

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

Consolidated financial statement can be found at www.indracompany.com.



Note 13 Receivables due more than 1 year after year end

	2022	2021
Deposit rent of buildings	52 585	56 355

Note 14 Inventory

	2022	2021
Raw materials	41 749 360	24 798 308
Work in progress projects	8 189 774	7 918 061
Semi manufactures	0	0
Finished goods	37 906 625	29 061 224
Provision of obsolescence	-22 402 500	-20 904 388
Total inventory	65 443 260	40 873 204

Note 15 Customer receivables

	2022	2021
Customer receivables at par value	173 250 818	124 081 037
Provision for losses	-594 519	-1 520 000
Book value of customer receivables 31.12	172 656 299	122 561 037
Revenue earned, not invoiced, for on going contracts	73 829 202	43 824 306
Part of customer receivables which is prepayments	-117 315 617	-59 621 697
Incurred production cost	9 364 863	17 405 304
Total receivables	138 534 748	124 168 950

Note 16 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 9 521 508.

The total credit limit as of 31/12/2022 was 295 000 000 including warranties and trading line MtM. As security for any liability the company may have or incur the owner (Indra Systemas S.A.) has signed a surety agreement with a nominal value of 375 000 000 NOK



Note 17 Equity and shareholder information

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

Note 18 Other short-term liabilities

	2022	2021
Accruals for holiday pay	23 635 743	21 864 798
Accruals for warranty and service cost	28 099 347	29 807 926
Prepayment from customers	112 783 824	124 972 494
Current liabilities construction contracts	40 805 143	35 292 875
Other short-term liabilities	20 335 778	19 417 280
Sum other short-term liabilities	225 659 835	231 355 373

Note 19 Secured debt and guarantees

	2022	2021
Bank guarantees	251 037 391	217 129 166

Note 20 Financial market risk

The company has no financial investments in shares.

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

Approximately 40% of the company's annual turnover originates from contracts in NOK.

The remaining 60% is split between USD, EUR and other currencies. The company's currency risk is managed as follows:

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

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

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



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

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

Fair value on forward contracts	2022	2021
Fair value of contracts covered by Hedge accounting	-9 808 557	-279 292
Total net realisable value	-9 808 557	-279 292

Note 21 Equal Opportunities

Indra An equal opportunity employer

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

Currently, we have employees from above 26 nationalities and many more origins. The company had 192 employees as of 31 December 2022, of which 55 were female and 137 were men.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management decreased from 42 to 35 percent, whereas the female representation in top management had a slight increase of 3 percent from 2021. To increase the pool of females that can take management positions, the company strives to recruit and promote female managers.

Women are represented at all levels of the organization:

Total representation	28 %
Middle management	35 %
Top management	25 %
Board of Directors	33 %

The total number of part time employees are 14 of which 2 are female. Part time work is voluntary, and all employees are employed in a 100 percent position. Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

There are zero temporarily employees.

Our internal pay policy

Our pay policy is to offer equal pay for equal work. It is furthermore the Management's goal to be able to offer employees in the company fair and competitive conditions in the market in which we operate.

Individual salary determination in the company is based on assessments of the individual's competence, performance and skill. The company works closely with unions/employee representatives during salary negotiations and has established a Wage Bargaining Committee (lønnsforhandlingsutvalg).

Before the salary adjustment in 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's



payroll structure and salary system. The aim of the analysis was to steer salary in a structured way and ensure that we have internal equity and offer competitive pay. We use this job evaluation system for several HR processes, such as recruitment, salary determinations and adjustments, role clarity/role descriptions and more.

Korn Ferry uses a grading system where all positions are evaluated on responsibility, problem solving and competence. Together, these factors constitute the size and weight of the position. Our internal grading system ranges from 8-24, where grade 24 is the responsibility of the CEO.

Overall, the salary gap between men and women looking at mean salary was 14,6%, not taking job level into consideration. We observe some internal spread in salary for positions of the same weight. For Korn Ferry Grade 16 and 17 the female median was 7,2 % and 11,65 % lower than men's median. On these levels we have senior, technical professionals and middle managers. For Korn Ferry Grade 11 the male median was 17,52% lower than female. For all other Korn Ferry Grades the pay gap is insignificant. We have made a plan to even out the differences that cannot be explained by performance, special market conditions etc. We corrected a few individual salaries during the 2021 salary adjustment, and we will continue to have, focus on this going forward.

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

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

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

Recruitment

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

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

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





Noen av våre medarbeidere



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

Jin Li
Project Manager Navigation

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



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

Ole Henrik Dahle
Development Engineer

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



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

Ida Kristine Sollie Flaatten
Systems Engineer

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

In 2022 we recruited 18 new employees. Out of these are 13 Norwegian citizens (72 %), 2 with nationality or origin from other European countries (11 %) and 3 from rest of the world (16 %).

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

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

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

Plans and expectations for continuous work and measures:

- Continue to be an inclusive employer and have diversity in the company according to age, gender, functional ability, nationality and ethnic background
- Have equality on the regular agenda in Working Environment Committee and Salary Bargaining Committee during salary negotiations
- Continue to advertise new positions in public job boards and publications
- Continue design gender neutral advertisements
- Celebrate the National day of all countries represented and big religious events for



example Eid.

- Continue to write and post relevant advertorials such as women in tech
- Encourage employees that experience discrimination, harassment or unexcepted behavior to contact local HR@indra.no or an independent compliance unit at canaldirecto@indra.es
- We will undertake yearly surveys to all employees to map the equality situation in the company and make necessary measures
- Continue to even out the salary differences that cannot be explained by performance, special market conditions etc.
- Continue to train employees regularly in code of ethics and legal compliance

We are certified for Great Place To Work.





Indra Navia AS

FINANCIAL STATEMENT 2022



indra

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



Board of Directors' Report 2022 Indra Navia AS

Introduction

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

Financial result

2022 revenue and profitability are both up compared to 2021:

- Turnover increased by 13 % from 597 MNOK to 673 MNOK
- Net profit before tax is up by 19,5 % from 60,9 MNOK to 72,8 MNOK

The corona pandemic continued to affect our business in 2022. Whilst most restrictions were lifted in Norway and most of Europe during the first quarter of 2022 China continued to follow a “zero-Covid-strategy” all the way to December 2022. Extensive close downs seriously affected global supply chains leading to longer and more unpredictable lead-times for components in particularly during the second and third quarter of the year. As a result, our lead times increased accordingly.

Post Covid increases in demand for consumer goods combined supply chain challenges resulted in significantly higher cost for key components. The war in Ukraine fueled the inflation further affecting energy and food-prices in particular. The demand for labor is still high in most industries, leading to increased labor costs as well as challenges in recruiting qualified personnel. So, even if business volume is high, we face the same challenges as other businesses with regards to securing manpower and components.

However, global financial turmoil leads to investors seeking “safe havens” with regards to currencies. This leads to a significant weakening of smaller currencies, like the NOK. The cost level of the components we need increase accordingly, but the overall effect of the weakened NOK is positive for Indra Navia as 97% of our revenue origins from export contracts.

Cash flow from operating activities equals 45 MNOK.

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

Allocation of net income

The Board of Directors has proposed the net earnings of Indra Navia AS to be allocated to other equity. The equity ratio is now 32%, compared to 22% last year.

Financial risk

Project risk/ disputes

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

Currency risk

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



signed.

Credit risk

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

Liquidity risk

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

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

Working environment and sick leave

The board considers the working environment to be satisfactory. Total absence due to sick leave has been 3,2 % in 2022, compared to 2,2% in 2021 with short-term sick leave accounting for 1,34 % in 2022 compared to only 0,7 % in 2021. Absence due to sick leave is still low, and the increase is mainly related to Covid and 1 long term sick leave that lasted through all 2022. The board has therefore not effectuated or planned any initiative regarding the working environment.

Environmental report

The group has no negative impact on the environment. It releases no effluents or in any other way causes any detrimental effects to the environment. The parent company is a member of Elektronikkretur (scheme for returning electronic equipment), but 97% of products are exported and the customers are responsible for the disposal of such equipment. Indra Navia AS has no knowledge of any case where disposal of our equipment has caused environmental damage.

Equal opportunity

The company focuses on equal opportunities regardless of gender or nationality. Currently, we have employees from 26 nationalities. Out of 18 new recruitments in 2022 72 % were of Norwegian origin, 11 % other European countries and 16 % non-western background.

The company had 192 employees as of 31 December 2022, of which 55 were female and 137 were men. The total number of part time employees were 14 where 2 were female. Part time employment is normally initiated by the employees preparing for retirement. There is no involuntary part time employment at Indra Navia.

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

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management decreased from 42 to 35 percent, whereas the female representation in top management had a slight increase of 3 percent from 2021. Women are represented at all levels of the organization:

Total representation	28 %
Middle management.	35 %
Top management	25 %
Board of Directors	33 %



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

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

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

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

Research and Development

The company invested MNOK 47,8 in R&D in 2022, of which MNOK 38,8 was self-financed. All R&D is expensed. The R&D is used to develop new products and enhance existing, products in the Communication, Navigation and Surveillance portfolio to meet the marked demand.

Conditions for continued operation

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

Francisco Javier Ruano Contreras
Member of the board

Asker, May 11th 2023

Ramón Tarrech Masdeu
Chairman of the board

Eldar Hauge
Managing Director/
Member of the board

María Nieves Condés Felipe
Member of the board

Bjørg Hanne Reppen
Member of the board

Sverre Telnæs
Member of the board



INCOME STATEMENT

INDRA NAVIA AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2022	2021
Operating Income	1, 2, 3, 4	673 927 087	597 057 142
Total income		673 927 087	597 057 142
Raw materials and consumables used	1, 3, 4	303 413 692	252 315 184
Employee benefits expense	5, 6	230 937 660	214 099 487
Depreciation and amortisation expenses	7	4 900 940	1 761 754
Other expenses	3, 8	67 846 103	70 334 147
Total expenses		607 098 395	538 510 572
Operating profit		66 828 692	58 546 570
FINANCIAL INCOME AND EXPENSES			
Income from subsidiaries		5 280 000	0
Income from associated companies		0	301 368
Other interest income		3 551 701	266 873
Other financial income	9	58 361 916	53 555 529
Other interest expenses		133 988	132 232
Other financial expenses	9	61 114 585	51 650 618
Net financial items		5 945 043	2 340 920
Net profit before tax		72 773 735	60 887 490
Tax expense	10	14 409 926	12 202 908
NET INCOME		58 363 809	48 684 582
ALLOCATION OF NET INCOME			
Ordinary dividend		0	57 000 000
Transferred from/-to other equity	11	58 363 809	-8 315 418
Net allocation		58 363 809	48 684 582

INDRA NAVIA AS



BALANCE SHEET

INDRA NAVIA AS

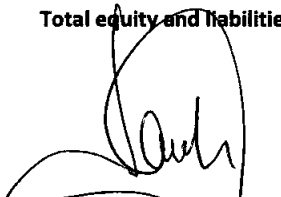
ASSETS	Note	2022	2021
NON-CURRENT ASSETS			
Concessions, patents, licences, trademarks, and similar rights	7	19 438 967	18 401 600
Total intangible assets		19 438 967	18 401 600
PROPERTY, PLANT AND EQUIPMENT			
Equipment and other movables	7	1 766 795	1 438 672
Total property, plant and equipment		1 766 795	1 438 672
FINANCIAL FIXED ASSETS			
Investments in subsidiaries	12	99 000	99 000
Other long-term receivables	13	52 585	56 355
Total non-current financial assets		151 585	155 355
Total non-current assets		21 357 347	19 995 627
CURRENT ASSETS			
Inventories	14	65 443 260	40 873 204
DEBTORS			
Accounts receivables	4, 15	138 534 748	124 168 950
Other short-term receivables	13	16 551 115	11 448 928
Total receivables		155 085 863	135 617 878
INVESTMENTS			
Cash and cash equivalents	16	258 589 369	276 704 855
Total current assets		479 118 492	453 195 937
Total assets		500 475 839	473 191 564

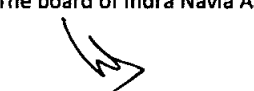


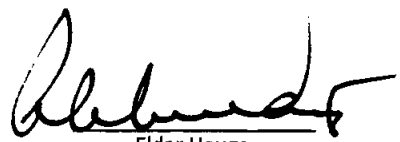
BALANCE SHEET

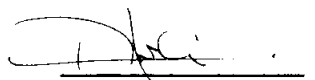
INDRA NAVIA AS

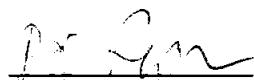
EQUITY AND LIABILITIES	Note	2022	2021
PAID-IN CAPITAL			
Share capital	11, 17	1 560 010	1 560 010
Total paid-up equity		1 560 010	1 560 010
RETAINED EARNINGS			
Other equity	11	162 707 569	103 937 558
Total retained earnings		162 707 569	103 937 558
Total equity		164 267 579	105 497 568
LIABILITIES			
Employee benefit obligations	6	-176 136	222 936
Deferred tax	10	40 714 030	27 280 058
Total provisions		40 537 894	27 502 994
CURRENT LIABILITIES			
Trade payables	4	52 017 776	35 590 504
Tax payable	10	975 954	0
Public duties payable		17 016 801	16 245 125
Dividends		0	57 000 000
Other current liabilities	18	225 659 835	231 355 373
Total current liabilities		295 670 365	340 191 003
Total liabilities		336 208 259	367 693 996
Total equity and liabilities		500 475 839	473 191 564

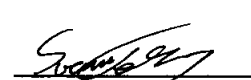

Ramon Tarrech Masdeu
Chairman of the board

Asker, 11.05.2023
The board of Indra Navia AS

Francisco Javier Ruano Contreras
Member of the board


Eldar Hauge
Managing Director/ Member of the board


Maria Nieves Condes Felipe
Member of the board


Bjørg Hanne Reppen
Member of the board


Sverre Lindstøl Telnes
Member of the board



CASH FLOW STATEMENT

INDRA NAVIA AS

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income before tax		72 773 735	60 887 490
- Taxes paid this period		0	-1 021 755
+ Depreciation and amortization of fixed assets		4 900 940	1 761 754
+/- Inventories		-24 570 056	4 576 991
+/- Accounts receivables		-13 933 585	59 227 236
+/- Accounts payables		14 518 211	5 075 562
+/- Change in current assets/liabilities		-8 538 301	40 364 912
= Net cash provided by operating activities		45 150 945	170 872 190
CASH FLOWS FROM INVESTING ACTIVITIES			
- Purchase of property, plant and equipment		-6 266 430	-11 433 133
Dividens from susidary		0	5 280 000
= Net cash provided by investing activities		-6 266 430	-6 153 133
CASH FLOWS FROM FINANCING ACTIVITIES			
- Dividends paid out		57 000 000	0
= Net cash provided by financing activities		-57 000 000	0
= Net change in bank deposit, cash and cash equivalents		-18 115 486	164 719 058
+ Bank deposit, cash and cash equivalents at beginning of year		276 704 855	111 985 797
= Bank deposit, cash and cash equivalents at end of year		258 589 369	276 704 855

INDRA NAVIA AS



Note 1 Presentation of the company and accounting principles

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

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

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

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

Income statement. Operating revenue and expenses are related to the company's main activities. Income is booked as cost to cost in each project.

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

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

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

SHARES IN SUBSIDIARIES

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

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

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currency are translated at the applicable rate on the transaction date. Monetary items in a foreign currency are translated into NOK using the applicable exchange rate on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the applicable exchange rate on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Forward contracts

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

In accordance with the accounting standard NRS 18, unrealized gains and losses are not recognized on



contracts that are assessed to reduce the currency risk efficiently.

INVENTORIES

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

LONG-TERM CONSTRUCTION CONTRACTS:

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

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

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

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

Accruals for warranty costs reflects expected warranty liabilities in the future. Accruals for warranty costs on ongoing construction contracts reflects the degree of completion.

RESEARCH AND DEVELOPMENT

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

ACCOUNT RECEIVABLES AND OTHER RECEIVABLES

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

COSTS

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

TAXATION

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



Note 2 Operating income, breakdown on geographical/product areas

Segment	Revenue (TNOK)	Geographical	Revenue (TNOK)
Com	57 800	Norway	19 638
Nav	355 733	The Middle-East	137 613
TWR	166 939	Asia/Australia	150 725
Serices	93 455	America	26 805
Other Business	0	Europe	308 706
		Africa	30 440
Total	673 927	Total	673 927

Note 3 Long-term construction contracts

	2022	2021
Income on ongoing construction contracts	891 407 000	697 609 000
Expenses related to recognized income	-651 491 000	-504 872 000
Net income for ongoing construction contracts	239 916 000	192 737 000
Revenue earned, but not invoiced, for ongoing production contracts included in accounts receivable	72 837 908	43 824 306
Part of customer receivables which is prepayments	-117 315 617	-59 621 697
Pre-invoiced contracts included in other current liabilities	-112 783 824	-122 849 568
Net revenue earned, but not invoiced	-157 261 533	-138 646 959
Estimated remaining production on contracts where loss is anticipated	12 416 978	12 416 978
Accounts receivables where settlement is deferred due to contractual terms	0	0



4 Related party transaction

Customer	Balance	Revenue	Cost
Normeka AS	212 870	4 250 483	
Indra Australia Pty Ltd.	9 836	1 096 178	
Indra LLC	- 27 020		
Indra Sistemas Chile SA	113 959		
Indra Sistemas S.A.	5 564 545	6 901 184	
Indra Sistemas S.A. Abu Dhabi Branch	87 910		
	5 962 100		
Vendors			
Indra Sistemas S.A.	- 15 489 254		73 760 687
Normeka AS	- 4 260 940		49 461 430
Indra Technology Solutions Malaysia Sdn. Bhd	- 95 293		507 878
Indra Sistemas S.A. Abu Dhabi Branch	- 1 024 167		2 170 299
	- 20 869 654		
	2022		2021
Receivables			
Customer receivables within the group		5 962 100	3 493 327
Other short-term receivables within the group		5 280 000	154 996
Total		11 242 100	3 648 323
Liabilities			
Debt to suppliers within the group		20 869 654	22 794 093
Total		20 869 654	22 794 093



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

Salary costs	2022	2021
Salaries	184 479 295	172 513 360
Employment tax	27 047 189	26 730 062
Pension costs	14 353 464	12 061 192
Other benefits	5 057 712	2 794 873
Total	230 937 660	214 099 487

In 2022 the company employed 190 man-years.

Remuneration to leading personnel	Chief Executive	Board
Salaries	3 957 573	0
Pension costs	118 128	0
Other remuneration	213 588	0
Total	4 289 289	0

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

AUDITOR

Audit fees expensed for 2022 amount to 513 955.

In addition there is a fee for other services of NOK 113 900. This is divided in:

Tax Advisory services	
Attestation services	113 000,-
Other services	



Note 6 Pensions

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

There were 183 employees in this pension scheme at year end.

The cost was in 2022 11.862.546

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

	2022	2021
Present value of the year's pension earnings	0	0
Interest cost of pension obligation	202 459	216 518
Return on pension funds	-202 207	-217 188
Employment tax	36	0
Net pension cost	288	-670
Pension obligations accrued as at 31.12.	-176 136	222 936
Estimated effect of future salary adjustments	0	0
Estimated pension obligations as at 31.12.	-176 136	222 936
Pension funds (at market value) at 31.12.	13 507 379	14 069 615
Effect of estimate differences not posted to the result	-13 331 243	-14 292 551
Employment tax		0
Net pension obligations	176 136	-222 936
Financial assumptions used in calculating the pension cost		
Discount rate	3,00%	1,50%
Expected return on pension funds	3,00%	1,50%
Expected salary growth	3,50%	2,50%
Expected Social Security G adjustment	3,25%	2,25%
Expected adjustment of pensions underpayment	1,50%	0,00%
Expected inflation	2,00%	1,50%

AFP

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



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

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

Note 7 Fixed and intangible assets

	Plant, equipment etc.
Acquisition cost as at 01.01.2022	94 120 683
Addition for purchased fixed assets	1 448 502
Addition for Intangible assets	4 817 928
Acquisition cost 31.12.2022	100 387 113
Depreciation and write-downs as at 01.01.2022	74 280 408
Ordinary deprecation for the year	4 900 940
Depreciation and write-downs as at 31.12.2022	79 181 348
Book value 01.01.2022	19 840 272
Additions in the year	6 266 430
The year's depreciation and write-downs	4 900 940
Book value 31.12.2022	21 205 762
Economic lifetime	3-5 years

	2022	2021
Annual rent of off-balance sheet tangibles:	0	76 008
Annual rent of buildings:	20 272 867	20 194 607
The period of leasing contracts on off-balance sheet tangibles:	Within 1 year	2- 5 years
Copy machines		
The expiration dates on rented buildings:	Hagaløkkveien, Asker	Expiration: 01.12.2027

Note 8 Research and development and related received grants

In 2022 the company spent in total 47 806 238 NOK on R&D, and received 9 029 522 NOK in capital grants from and SJU/SESAR. The R&D was used to develop new and existing products related to Airport electronic equipment.



Note 9 Foreign currency effect

	2022	2021
Currency gain	57 182 305	52 859 819
Currency loss	-60 881 827	-51 436 330
Net unrealized currency (+gain/-loss)	988 573	493 749
Other operating expenses		0
Net currency effects	-2 710 949	1 917 238

Note 10 Tax

	2022	2021
Tax payable	975 954	0
Change in deferred tax	13 433 972	12 202 908
Total tax charge	14 409 926	12 202 908
Calculation of the tax base for the year:	2022	2021
Result before tax	72 773 735	60 887 490
Negative permanent differences	553 579	273 127
Positive permanent differences	-1 047 085	-5 391 487
Change in temporary differences	-50 630 728	-66 058 945
Other	-10 432 782	0
Tax refund Oman	-1 500 562	
3% tax on Dividend	0	158 400
Dividend, other income related to shares	-5 280 000	-301 368
The year's tax base	4 436 157	-10 432 782
Tax Payable 22% of the years tax base	975 955	0
Overview of temporary differences:	2022	2021
Receivables	-594 519	-1 520 000
Goods	-22 402 499	-20 904 388
Fixed assets	-3 925 290	-5 541 677
Unfinished contracts by year-end	239 916 000	192 736 000
Pensions	-176 136	222 936
Provision for liabilities	28 106 056	30 113 956
Other	0	-10 432 782
Total	185 063 771	124 000 261
Calculation deferred tax. 22% of total of temp. diff.	40 714 030	27 280 057



Explanation as to why the tax charge for the year does not amount to 22 % of the result before tax:	2022	2021
22 % tax on the result before tax	14 848 621	13 395 248
Permanent differences 22 %	-438 695	-1 192 340
Calculated tax charge	14 409 926	12 202 908

Note 11 Equity

	Share capital	Other equity capital	Total equity capital
As at 31.12.2021	1 560 010	103 937 558	105 497 568
As at 01.01.2022	1 560 010	103 937 558	105 497 568
Changes posted against equity capital		406 202	406 202
Result for the year		58 363 809	58 363 809
Dividend			0
As at 31.12.2022	1 560 010	162 707 569	164 267 579

Note 12 Investments in shares

Investment in subsidiary

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

The face value is NOK 10 per share.

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

Normeka AS shows for the financial year 2022 a net income of NOK 6 560 705,-
Normeka's total equity as of 31.12.22 is NOK 27 585 533,-

Group Consolidation:

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

Consolidated financial statement can be found at www.indracompany.com.



Note 13 Receivables due more than 1 year after year end

	2022	2021
Deposit rent of buildings	52 585	56 355

Note 14 Inventory

	2022	2021
Raw materials	41 749 360	24 798 308
Work in progress projects	8 189 774	7 918 061
Semi manufactures	0	0
Finished goods	37 906 625	29 061 224
Provision of obsolescence	-22 402 500	-20 904 388
Total inventory	65 443 260	40 873 204

Note 15 Customer receivables

	2022	2021
Customer receivables at par value	173 250 818	124 081 037
Provision for losses	-594 519	-1 520 000
Book value of customer receivables 31.12	172 656 299	122 561 037
Revenue earned,not invoiced, for on going contracts	73 829 202	43 824 306
Part of customer receivables which is prepayments	-117 315 617	-59 621 697
Incurred production cost	9 364 863	17 405 304
Total receivables	138 534 748	124 168 950

Note 16 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 9 521 508.

The total credit limit as of 31/12/2022 was 295 000 000 including warranties and trading line MtM. As security for any liability the company may have or incur the owner (Indra Sistemas S.A.) has signed a surety agreement with a nominal value of 375 000 000 NOK



Note 17 Equity and shareholder information

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

Note 18 Other short-term liabilities

	2022	2021
Accruals for holiday pay	23 635 743	21 864 798
Accruals for warranty and service cost	28 099 347	29 807 926
Prepayment from customers	112 783 824	124 972 494
Current liabilities construction contracts	40 805 143	35 292 875
Other short-term liabilities	20 335 778	19 417 280
Sum other short-term liabilities	225 659 835	231 355 373

Note 19 Secured debt and guarantees

	2022	2021
Bank guarantees	251 037 391	217 129 166

Note 20 Financial market risk

The company has no financial investments in shares.

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

Approximately 40% of the company's annual turnover originates from contracts in NOK.

The remaining 60% is split between USD, EUR and other currencies. The company's currency risk is managed as follows:

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

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

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



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

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

Fair value on forward contracts	2022	2021
Fair value of contracts covered by Hedge accounting	-9 808 557	-279 292
Total net realisable value	-9 808 557	-279 292

Note 21 Equal Opportunities

Indra An equal opportunity employer

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

Currently, we have employees from above 26 nationalities and many more origins. The company had 192 employees as of 31 December 2022, of which 55 were female and 137 were men.

The work force largely comprised of employees with technical education and international experience which, although consistent with Norwegian averages, leads to an apparent under-representation of females. The representation of females in middle management decreased from 42 to 35 percent, whereas the female representation in top management had a slight increase of 3 percent from 2021. To increase the pool of females that can take management positions, the company strives to recruit and promote female managers.

Women are represented at all levels of the organization:

Total representation	28 %
Middle management	35 %
Top management	25 %
Board of Directors	33 %

The total number of part time employees are 14 of which 2 are female. Part time work is voluntary, and all employees are employed in a 100 percent position. Average maternity leave is 34 weeks. Average paternity leave was 15 weeks.

There are zero temporarily employees.

Our internal pay policy

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

Before the salary adjustment in 2021 Korn Ferry Hay was engaged to analyze all aspects of the company's

payroll structure and salary system. The aim of the analysis was to steer salary in a structured way and ensure that we have internal equity and offer competitive pay. We use this job evaluation system for several HR processes, such as recruitment, salary determinations and adjustments, role clarity/role descriptions and more.

Korn Ferry uses a grading system where all positions are evaluated on responsibility, problem solving and competence. Together, these factors constitute the size and weight of the position. Our internal grading system ranges from 8-24, where grade 24 is the responsibility of the CEO.

Overall, the salary gap between men and women looking at mean salary was 14,6%, not taking job level into consideration. We observe some internal spread in salary for positions of the same weight. For Korn Ferry Grade 16 and 17 the female median was 7,2 % and 11,65 % lower than men's median. On these levels we have senior, technical professionals and middle managers. For Korn Ferry Grade 11 the male median was 17,52% lower than female. For all other Korn Ferry Grades the pay gap is insignificant. We have made a plan to even out the differences that cannot be explained by performance, special market conditions etc. We corrected a few individual salaries during the 2021 salary adjustment, and we will continue to have, focus on this going forward.

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

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

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

Recruitment

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

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

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





Noen av våre medarbeidere



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

Jin Li
Prosjekt Manager, Navigasjon

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



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

Ole Henrik Dahle
Developement Engineer

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



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

Ida Kristine Sollie Flaatten
Systems Engineer

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

In 2022 we recruited 18 new employees. Out of these are 13 Norwegian citizens (72 %), 2 with nationality or origin from other European countries (11 %) and 3 from rest of the world (16 %).

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

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

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

Plans and expectations for continuous work and measures:

- Continue to be an inclusive employer and have diversity in the company according to age, gender, functional ability, nationality and ethnic background
- Have equality on the regular agenda in Working Environment Committee and Salary Bargaining Committee during salary negotiations
- Continue to advertise new positions in public job boards and publications
- Continue design gender neutral advertisements
- Celebrate the National day of all countries represented and big religious events for



example Eid.

- Continue to write and post relevant advertorials such as women in tech
- Encourage employees that experience discrimination, harassment or unexcepted behavior to contact local HR@indra.no or an independent compliance unit at canaldirecto@indra.es
- We will undertake yearly surveys to all employees to map the equality situation in the company and make necessary measures
- Continue to even out the salary differences that cannot be explained by performance, special market conditions etc.
- Continue to train employees regularly in code of ethics and legal compliance

We are certified for Great Place To Work.





Deloitte.

Deloitte AS
Dronning Eufemias gate 14
Postboks 221 Sentrum
NO-0103 Oslo
Norway

Tel: +47 23 27 90 00
www.deloitte.no

To the General Meeting of Indra Navia AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Indra Navia AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

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

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Page 2
Independent Auditor's Report -
Indra Navia AS

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Oslo, 16 May 2023
Deloitte AS

Sylvi Bjørnslett
State Authorised Public Accountant

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

Sylvi Annie Bjørnslett

State Authorised Public Accountant (Norway)

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Skattedirektoratet

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

INDRA NAVIA AS
Postboks 150 Oppsal
0619 OSLO

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

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

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

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

Bakgrunn

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

Skattedirektoratets vurdering

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

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

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper

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vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

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

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

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

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad