



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	998 068 266
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SAFRAN SENSING TECHNOLOGIES NORWAY AS
Forretningsadresse:	Langmyra 6 3185 SKOPPUM

### Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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### Konsern

Morselskap i konsern:	Nei
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### 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:	Valerie M. S. Dulong
Dato for fastsettelse av årsregnskapet:	25.04.2023

### 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, 06.08.2024



## Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2	120 917 628	157 234 664
Annen driftsinntekt			289 796
<b>Sum inntekter</b>		<b>120 917 628</b>	<b>157 524 460</b>
<b>Kostnader</b>			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer	3	30 125 629	-7 015 196
Varekostnad		24 421 528	40 000 161
Lønnskostnad	4, 5	61 359 781	62 090 170
Avskrivning	6, 7	6 726 337	10 073 550
Annen driftskostnad	4, 8	45 504 953	47 681 103
<b>Sum kostnader</b>	9	<b>168 138 228</b>	<b>152 829 788</b>
<b>Driftsresultat</b>		<b>-47 220 600</b>	<b>4 694 672</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt	10	2 517 182	2 350 055
<b>Sum finansinntekter</b>		<b>2 517 182</b>	<b>2 350 055</b>
Annen finanskostnad	10	12 009 524	6 725 991
<b>Sum finanskostnader</b>		<b>12 009 524</b>	<b>6 725 991</b>
<b>Netto finans</b>	11	<b>-9 492 342</b>	<b>-4 375 936</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-56 712 942</b>	<b>318 736</b>
Skattekostnad på ordinært resultat	12	13 000 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>-69 712 942</b>	<b>318 736</b>
<b>Årsresultat</b>		<b>-69 712 942</b>	<b>318 736</b>
<b>Overføringer og disponeringer</b>			
Udekket tap	13	-34 039 440	
Overføringer annen egenkapital	13	-35 673 502	318 736
<b>Sum overføringer og disponeringer</b>		<b>-69 712 942</b>	<b>318 736</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
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## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Forskning og utvikling	6, 14	4 886 630	6 516 375
Utsatt skattefordel	12		13 000 000
<b>Sum immaterielle eiendeler</b>		<b>4 886 630</b>	<b>19 516 375</b>
<b>Varige driftsmidler</b>			
Maskiner og anlegg	7	19 713 228	11 782 817
Driftsløsøre, inventar, verktøy, kontormaskiner ol	7	3 251 801	1 560 723
<b>Sum varige driftsmidler</b>		<b>22 965 029</b>	<b>13 343 540</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i aksjer og andeler	15	68 969	68 969
<b>Sum finansielle anleggsmidler</b>		<b>68 969</b>	<b>68 969</b>
<b>Sum anleggsmidler</b>		<b>27 920 628</b>	<b>32 928 884</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>	3	<b>69 703 755</b>	<b>88 044 524</b>
<b>Fordringer</b>			
Kundefordringer		30 122 432	11 112 512
Andre fordringer	16	7 960 941	4 722 417
<b>Sum fordringer</b>		<b>38 083 373</b>	<b>15 834 929</b>
<b>Bankinnskudd, kontanter og lignende</b>			
<b>Sum bankinnskudd, kontanter og lignende</b>	17	<b>2 323 682</b>	<b>1 980 442</b>
<b>Sum omløpsmidler</b>		<b>110 110 810</b>	<b>105 859 895</b>
<b>SUM EIENDELER</b>		<b>138 031 438</b>	<b>138 788 779</b>

## BALANSE - EGENKAPITAL OG GJELD



## Balanse

Beløp i: NOK	Note	2022	2021
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	13, 18	2 752 446	2 752 446
<b>Sum innskutt egenkapital</b>		<b>2 752 446</b>	<b>2 752 446</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	13	-34 039 440	35 673 502
<b>Sum opptjent egenkapital</b>		<b>-34 039 440</b>	<b>35 673 502</b>
<b>Sum egenkapital</b>		<b>-31 286 994</b>	<b>38 425 948</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	19	4 909 628	
Øvrig langsiktig gjeld	8	1 538 860	75 713 940
<b>Sum annen langsiktig gjeld</b>		<b>6 448 488</b>	<b>75 713 940</b>
<b>Sum langsiktig gjeld</b>		<b>6 448 488</b>	<b>75 713 940</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner			1 212 433
Leverandørgjeld		8 629 954	7 889 782
Skyldige offentlige avgifter	17	4 279 814	3 779 680
Annen kortsiktig gjeld	20, 21	149 960 176	11 766 996
<b>Sum kortsiktig gjeld</b>		<b>162 869 944</b>	<b>24 648 891</b>
<b>Sum gjeld</b>		<b>169 318 432</b>	<b>100 362 831</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>138 031 438</b>	<b>138 788 779</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 649636

#### Enheten

Organisasjonsnummer: 998 068 266  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: SAFRAN SENSING TECHNOLOGIES NORWAY AS  
Forretningsadresse: Langmyra 6  
3185 SKOPPUM

#### Regnskapsår

Årsregnskapsperiode: 01.01.2022 - 31.12.2022

#### Konsern

Morselskap i konsern: Nei

#### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av  
årsregnskapet til selskapet: Regnskapslovens alminnelige regler  
Har utarbeidet 'land-for-land' rapport: Ja

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Valerie M. S. Dulong  
Dato for fastsettelse av årsregnskapet: 25.04.2023

#### Revisjon

Årsregnskapet er utarbeidet av ekstern  
autorisert regnskapsfører: Ja

#### Grunnlag for avgivelse

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

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Brønnøysundregistrene, 07.08.2023



Organisasjonsnr: 998 068 266  
SAFRAN SENSING TECHNOLOGIES NORWAY  
AS

## RESULTATREGNSKAP

<u>Beløp i: NOK</u>	<u>Note</u>	<u>2022</u>	<u>2021</u>
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Organisasjonsnr: 998 068 266  
SAFRAN SENSING TECHNOLOGIES NORWAY  
AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
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#### Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinære aksjer	917482.00	3.00	2752446.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
SENSOR HOLDING AG	917482.00	100.00%	Ordinary shares
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	917482.00	100.00%	

Note  
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#### Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	47935507.00	49222195.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	7367135.00	7031173.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	3610107.00	3386738.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	2447033.00	2450062.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	61359782.00	62090168.00

Safran Sensing Technologies Norway 's CEO has been employed by Sensoron Holding AG in Switzerland, and has received no salary from the company. The parent company has invoiced Safran Sensing Technologies Norway AS for management services of MNOK 3.3 in 2022. No remuneration to the Board in 2022. There has not been issued any loans or securities to management or shareholders. There has not been agreed any option-, pension- or severance arrangements for the management or the Board of Directors.

Note

#### Ytelser til revisjon



<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	360000.00	420000.00
<u>Andre tjenester</u>	<u>Årets</u>	<u>Fjorårets</u>
	153322.00	98525.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	513322.00	518525.00

## Note

### Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:  
59.00

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>



## Report Safran Sensing Technology Norway - 2022

We have the honor to report the situation and the activity of the Company during the financial year ended on December 31<sup>st</sup>, 2022 and to submit it for your approval.

### 1. SITUATION AND ACTIVITY OF THE COMPANY

Safran Sensing Technologies Norway AS (SSTN), located in Horten and Skoppum, Norway, designs and manufactures high-precision tactical grade gyro sensors, gyro modules and IMUs for demanding applications. The company serves a global customer base in the Defense, Industrial, Aerospace and Commercial markets with ITAR-free solutions utilized in a wide range of applications. SSTN operates its own wafer fabrication facility for production of the key sensor components in its products and Sensor MEMS Foundry Services can provide you with access to decades of experience and mature MEMS processes. Assembly, test and calibration are all in-house processes to secure the product performance.

The tight integration between sensor fabrication, testing and assembly is what puts the company in a position to offer the highest performing sensors in the market.

SSTN is a global leader in MEMS technology and has extensive experience since 1985 in developing and manufacturing reliable sensor solutions for demanding applications involving high vibration, high shock and harsh environments.

The first year for the company as part of Safran group is 2022, and a lot of effort was spent for the integration. It was a significant change for all to discover a new culture, to understand the organization, communication, reporting expectation, and to build network, in order to become a Safran employee. The way of thinking is different, and people has to think as part of a group and not as an independent entity.

The rebranding to Safran Sensing Technologies Norway was an essential step in the company integration process in the Safran group.

In parallel the company faced a drop in sales, which implied a recovery plan to face the situation.

The recovery plan addressed the following topics:

- Optimization of the Organization
  - o A new Operation department: Merge of the 2 production departments (FAB and the inertial product), the Supply Chain and Facilities.
  - o A new MEMS Technology Development department: separated from the FAB department with the objective to focus on gyro die and pressure sensor development projects.
- Resizing of the company: 12 positions were suppressed.
- Reduction of all expenses.
- Industrial: in order to reduce the inventory and to adapt the capacity the decision to produce based on orders and not anymore to stock was taken.
- Industrial projects launched: lean manufacturing, yellow belt training, and preparation of the digitalization and automation. Today all production is manual, so robotization will be necessary to improve the productivity and the reproducibility.
- Supply chain: established new rules in the demand plan process



- R&D investment decided: necessary to renew the product line and improve productivity of the die. Target is the stabilization market, space market and the avionics market.

One reason for the drop in sales is the level of stock at our distributors. In addition, there is increased competition in the STIM300 market. More and more competitors arrive on the market with higher performance products and lower price.

- A product road map is established in coherence with Safran to enlarge our market – the project STIM007 with a new die is launched
  - the STIM007 development project has the objective to increase the performance (lower noise, reduced latency,) of the current STIM, to compete with Honeywell product and to address the stabilization market defense) The defense market, in US and Europe mainly, is the main target.
  - a project to reduce the cost of the current STIM300 is also launched to face the competition and to keep our margin

## 2. THE MARKET

The Company has managed to establish a unique position within high precision MEMS based inertial systems, and has a good platform for further growth. The renovation of the portfolio based on the existing platform will allow the company to keep and enlarge its position

### 2.1. Market trends

Use and demand for gyroscopes and inertial systems (IMUs) is rapidly increasing. This is driven by some fundamental trends. The most important are:

■ **Digitalization:** The world is becoming more and more digitalized driven by the internet and other systems. Further, the need for more precise information about position and movement being fed into various algorithms is increasing. As a case in point, digital satellite photos are giving precise information about movements, which are being used to manage flows, e.g. people or traffic. The satellites require precise gyroscopes to perform its task. McKinsey writes in its report “Digital America” that digitalization is the key driver for the increase in productivity in the United States up till 2025. The STIM series is particularly strong since it gives information about position and movement through a flexible interface to many applications.

■ **Robots and “Autonomous Systems”:** robots combined with artificial intelligence are being used in more and more applications, e.g. from robots being integrated in work processes to Self Driving Cars (SDCs). There is a rapid development within this area and precise and small inertial systems are key to control many of these systems. The key feature of the STIM series is “small and light”.

■ **Combination of GPS signals with inertial systems:** the need for reliable signals about position and its change is steadily increasing. Much is based on GPS systems, but these give information about location (coordinates) and not full information about position. Further, GPS signals are inherently unreliable (fall out in urban areas and can easily be spoofed or spammed) since they require a direct line of sight to the sky. Therefore, the GPS signals are being combined with inertial systems to secure a reliable signal supply in phases when GPS signals are not available.



▮ **Stabilization:** Stable platforms are increasingly important for “leading edge” applications. This is observed in the film/movie industry, in recording of digital libraries for “virtual reality” as well as for modern weapon or camera platforms.

Driven by these developments, the market for MEMS based gyroscopes and IMUs have increased significantly over the past years. The market is still growing and the increased product performance will even increase the rate of growth

## 2.2. Customers and applications

The Company has entered into contracts with leaders in their respective application areas over the last years, and has today a vibrant global customer base. The Company has a very strong position in the fields of:

▮ Satellites: Satellite operators find the STIMs very useful due to its low weight and high precision. As a result, a number of the new satellite programs have chosen the STIMs as the gyroscope for both navigation as well as camera stabilization. Customers say that the Company is the global leader in Low Orbit Satellites (LEOs).

▮ Robotics: leading robotics companies use the STIMs for getting stability into their robotic platforms.

▮ Integration with GPS systems : a number of customers use the STIMs to integrate with GPS based systems to allow for functionality in GPS denied environments.

▮ Pipeline inspections: STIMs have been defined as the gyroscope solution for the leading pipeline inspection companies in the world.

▮ STIMs are being used by the leading LIDAR and mapping companies in the world.

▮ Defense: the Company is an attractive supplier to the defense industry with its strong position for platform stabilization. The company pays close attention to adhering to the applicable regulatory frameworks, in particular the regulations regarding export control.

The ownership of Safran will reinforce its position and will give to the customers the perennity of the product. Many commercial synergies have been identified and will be developed in 2023.

## 3. FINANCIAL RESULTS – CONSOLIDATION AND ADAPTATION

The company had revenues of MNOK 120.9 in 2022, down from MNOK 157.8 for 2021. Net loss were MNOK 69.7 in 2022, compared to a profit of MNOK 0.3 in 2021. The net loss includes a reduction in the deferred tax asset of MNOK 13 in 2022.

The Company reports a negative cash flow from operations of MNOK 45.5 and a negative operating result of MNOK 47 in 2022. The key difference was primarily due to reduction of stock and increased accounts receivables (due to no more factoring).

The equity amounts to negative MNOK 31.2 at the end of 2022.

The Company has invested MNOK 12.4 in 2022 compared to MNOK 6.5 in 2021. It has been invested in assets and equipment to improve the yield of the components as well securing robust operations over time.

The Board confirms that the annual accounts for 2022 provides a true and fair view of the company’s assets, liabilities, financial position, its results and cash flows.



#### **4. FINANCIAL OUTLOOK – FURTHER GROWTH AND STRONGER PROFITABILITY**

The sales outlook for 2023 is positive, as the Company is starting to harvest from a focused product solution strategy, a developed and proven gyro product range and growing sales to a broader global customer base. The Company is increasingly starting to get stable and predictable recurring business as a consequence of the customers using our products in their ongoing production.

#### **5. GOING CONCERN**

The equity situation is not seen as satisfactory. However, the company invests significantly in R&D in 2023, and onwards, in order to secure and increase its market share. The company will develop a new die as well as new and improved IMU and gyro products. The board is confident that there is a secured foundation for the continuation of the business.

The budget/forecast for 2023 is to a large extent built on binding agreements and concrete requests from customers using our products. The budget/forecast for 2023 will be sufficient to slightly improve the equity situation. The company is a part of the cash pool agreement of the parent company. This means that SSTN has available liquidity.

The Directors confirms that the annual accounts for 2022 have been prepared under the going concern assumption.

#### **6. ORGANISATION AND HR**

The Company has in 2022 decreased the number of employees from 63 in January to 54 in December. This decrease was done to face the reduction of workload due to drop in sales.

#### **7. EQUAL OPPORTUNITIES**

The Directors and the management give equal opportunities to men and women in all occupations at the company. Working hours and working places are individually arranged with flexible working hours and possible home-offices. There are no differences in the salaries of men and women in the same position with equal qualifications. Together with yearly salary increase the company facilitates a Roundtable for aligning salary level in different departments, positions and between genders. The Company acknowledge the Employees rights for absence taking care of own children. There are 12 women and 42 men employed by the company. 2 employees work part-time due to their Industrial Master Students agreements. The Management group contains of 4 women and 3 men. The mother Company has a spoken policy for non-discrimination that rules for all Safran companies worldwide.

#### **8. SUSTAINABILITY**

The Company has started a materiality analysis that should reveal our footprints and define measurements for reporting in 2023.

#### **9. HEALTH, SAFETY AND ENVIRONMENT**

Health, Safety and environment (HSE) is an integrated part of SAFRAN SENSING TECHNOLOGY NORWAY's business processes. The internal control system and employee representation system encompass and support HSE. The Company is participating in a government initiative to follow up long term sick-leave, integrate employees with disabilities and maintain the statutory age of retirement, supported by the company's routines.



HSE data indicate a good working environment. The total sick leave for the Company was 2,74 % and short-term sick-leave (less than 16 days) was 2,21 %. The slight increase we saw in 2021 is continued in 2022 and is based on the fact that we have stricter acceptance for staying home upon illness due to Covid-19. It was reported 7 HSE deviations where none was personnel injury leading to sick leave. The H-value is 0 (number of injuries with sick leave divided by the number for work hours times one million). Emissions from the production facilities, including products that could be harmful to the environment, are well within government regulations and granted permits. The production largely takes place in clean rooms and follows strict quality regulations, especially related to dust and other particles. Special category waste is collected according to regulations and is delivered to hazardous waste landfills. Regular waste materials are sorted. In 2022 the Company starts a green project with purpose to analyze waste streams and electricity and water consumption. The project led to implementation of 4 new waste streams and definition of sub-projects for decreasing consumption. The sustainability-work will continue in 2023 by doing a materiality assessment.

## 9. SHAREHOLDERS


The 100 % shareholder in SAFRAN SENSING TECHNOLOGY NORWAY AS is Sensoror Holding AG in Zürich, Switzerland. Sensoror Holding AG is a 100 % subsidiary of Safran Electronics and Defense.

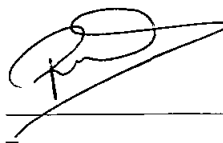
## 10. PROFIT DISTRIBUTION


The Directors' proposal is that the net result for the financial year 2022 of NOK 69 712 942 for the Safran STN should be transferred to other equity.

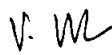
Skoppum, April 25th 2023

Board of Directors safran sensing  
Technology Norway

  
\_\_\_\_\_  
Pierre SYX  
Chairman and Director of the  
Board

  
\_\_\_\_\_  
Olivier RUAS  
Director of the Board

  
\_\_\_\_\_  
Director of the Board – employee  
representative Vegard Dalsrud

  
\_\_\_\_\_  
Valérie DULONG called  
REDRON  
Chief Executive Officer and  
Director of the Board



**Safran Sensing Technologies Norway AS**  
Company registration no.: 998 068 266

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## **Annual report 2022**

**Board of directors' report**

**Annual accounts**

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

**Auditor's report**



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Income statement

	Note	2022	2021
<b>Revenue</b>			
Sales revenue	2	120 917 628	157 234 664
Other operating income		0	289 796
Total revenue		<u>120 917 628</u>	<u>157 524 460</u>
<b>Operating expenses</b>			
Changes in stocks of work in progress/finished goods	3	30 125 629	-7 015 196
Cost of goods		24 421 528	40 000 161
Payroll expenses	4, 5	61 359 781	62 090 170
Depreciation	6, 7	6 726 337	10 073 550
Other operating expenses	4, 8	45 504 953	47 681 103
Total operating expenses	9	<u>168 138 228</u>	<u>152 829 788</u>
Operating result		<u>-47 220 600</u>	<u>4 694 672</u>
<b>Financial income and expenses</b>			
Financial income	10	2 517 182	2 350 055
Financial expenses	10	12 009 524	6 725 991
Net financial items	11	<u>-9 492 342</u>	<u>-4 375 936</u>
Profit/loss before tax		<u>-56 712 942</u>	<u>318 736</u>
Tax expense	12	<u>13 000 000</u>	<u>0</u>
<b>Net profit/loss</b>		<u><b>-69 712 942</b></u>	<u><b>318 736</b></u>
<b>Allocations</b>			
Transferred to other equity	13	-35 673 502	318 736
Uncovered losses	13	<u>-34 039 440</u>	<u>0</u>
Total allocations		<u>-69 712 942</u>	<u>318 736</u>



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Balance sheet as at December 31

	Note	2022	2021
<b>Fixed assets</b>			
<i>Intangible assets</i>			
Capitalized development expenses	6, 14	4 886 630	6 516 375
Deferred tax asset	12	0	13 000 000
Total intangible assets		<u>4 886 630</u>	<u>19 516 375</u>
<i>Tangible assets</i>			
Production equipment	7	19 713 228	11 782 817
Other equipment, tools etc.	7	3 251 801	1 560 723
Total tangible assets		<u>22 965 029</u>	<u>13 343 540</u>
<i>Financial assets</i>			
Investments in shares	15	68 969	68 969
Total financial assets		<u>68 969</u>	<u>68 969</u>
Total fixed assets		<u>27 920 628</u>	<u>32 928 884</u>
<b>Current assets</b>			
Inventories	3	<u>69 703 755</u>	<u>88 044 524</u>
<i>Receivables</i>			
Trade receivables		30 122 432	11 112 512
Other receivables	16	7 960 941	4 722 417
Total receivables		<u>38 083 373</u>	<u>15 834 929</u>
Cash	17	<u>2 323 682</u>	<u>1 980 442</u>
Total current assets		<u>110 110 810</u>	<u>105 859 895</u>
Total assets		<u>138 031 438</u>	<u>138 788 779</u>


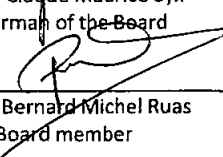

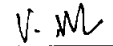


## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

## Balance sheet as at December 31

	Note	2022	2021
<b>Equity</b>			
<i>Paid-in capital</i>			
Share capital	13, 18	<u>2 752 446</u>	<u>2 752 446</u>
Total paid-in capital		<u>2 752 446</u>	<u>2 752 446</u>
<i>Retained earnings</i>			
Other equity	13	0	35 673 502
Uncovered losses	13	<u>-34 039 440</u>	<u>0</u>
Total retained earnings		<u>-34 039 440</u>	<u>35 673 502</u>
Total equity		<u>-31 286 994</u>	<u>38 425 948</u>
<b>Liabilities</b>			
<i>Long-term liabilities</i>			
Financial leases	19	4 909 628	0
Loan from Group companies	20	0	74 000 000
Other long-term liabilities	8	<u>1 538 860</u>	<u>1 713 940</u>
Total long-term liabilities		<u>6 448 488</u>	<u>75 713 940</u>
<i>Short-term liabilities</i>			
Bank overdraft		0	1 212 433
Loan from Group companies	20	<u>137 857 022</u>	<u>0</u>
Trade creditors		8 629 954	7 889 782
Public duties payable	17	4 279 814	3 779 680
Other short-term liabilities	21	<u>12 103 154</u>	<u>11 766 996</u>
Total current liabilities		<u>162 869 944</u>	<u>24 648 891</u>
Total liabilities		<u>169 318 432</u>	<u>100 362 831</u>
Total equity and liabilities		<u>138 031 438</u>	<u>138 788 779</u>

31 December 2022  
Horten, 25 April 2023  
Pierre-Claude Maurice Syx  
Chairman of the Board  
Olivier Bernard Michel Ruas  
Board member  
Vegar Dalsrud  
Board member  
Valerie M. S. Dulong  
Board member, CEO



**Safran Sensing Technologies Norway AS**

Company registration no.: 998 068 266

**Cash flow statement**

	Note	2022	2021
<b>Cash flow from operating activities</b>			
Profit/loss before tax		-56 712 942	318 736
Depreciation		6 726 337	10 073 550
Changes in inventories, trade receivables and trade payables		71 021	-2 596 849
Effect of changes in exchange rates without cash effect		6 974 960	0
Changes in other current balance sheet items		-2 577 314	5 029 540
Net cash flow from operating activities		<u>-45 517 938</u>	<u>12 824 977</u>
<b>Cash flow from investing activities</b>			
Purchase of tangible fixed assets		<u>-9 616 473</u>	<u>-6 527 931</u>
Net cash flow from investing activities		<u>-9 616 473</u>	<u>-6 527 931</u>
<b>Cash flow from financing activities</b>			
Issuance of long-term group loan		0	74 000 000
Installments on long-term bank loans		0	-63 239 400
Repayment of other long-term loans		0	-13 379 208
Net change in bank overdraft		-1 212 433	-3 578 779
Net change in group cash pooling facility / group loan		56 882 062	0
Installments on financial leases		<u>-191 978</u>	<u>0</u>
Net cash flow from financing activities		<u>55 477 651</u>	<u>-6 197 387</u>
Net change in cash and cash equivalents		343 240	99 659
Cash at 01.01		<u>1 980 442</u>	<u>1 880 783</u>
Cash at 31.12		<u>2 323 682</u>	<u>1 980 442</u>



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

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### Notes to the accounts for 2022

#### Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and generally accepted accounting principles.

##### *Sales revenue*

Sales revenues are recognized at the time of delivery. Revenues from services are recognized at execution. Costs relating to recognized revenues are recognized at the same time as the related revenues. Costs not relating to any revenues are recognized when they are accrued.

##### *Balance sheet classification*

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition. In the case of non-incidentally reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

##### *Trade and other receivables*

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

##### *Inventories*

Inventories are valued at the lower of average cost and market value. Finished goods and work in progress are valued at lower of full production cost and market value. Full production cost includes direct material and labor and an allocation of fixed and variable production overheads that incurred in converting materials into work in progress and finished goods. Write-downs are carried out for foreseeable obsolescence.

##### *Government grants*

Government grants related to certain costs are recognized as a reduction to these costs. The timing of recognition of government grants follows the accruals principle with reference to the associated costs. Other government grants are recognized as gross income and presented as other operating income in the income statement. In case the grants are related to a R&D project, the basis for recognition in the income statement is the progress of the project. The share of the grants that can be related to capitalized development expenses or other assets in the balance sheet are balanced as a reduction to the investment and recognized in the income statement according to the depreciation rate of the asset.

##### *Customer contributions*

Customer contributions are recognized as gross operating income or as reduction to cost based on an evaluation of the underlying agreement. The distinction between recognizing the contribution in the balance sheet or the income statement follows the same principles as government grants .

##### *Foreign currency translation*

Foreign currency items are translated using the year end exchange rates.

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## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

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### Notes to the accounts for 2022

#### *Financial derivatives and hedging*

As long as a financial derivative is not defined as an effective hedging instrument for a hedged item, the derivative is valued at fair value with changes recognized in the income statement.

If the financial derivative is designated as an effective hedging instrument for a hedged item, changes in fair value of the hedging instrument are not recognized as profit or loss until the underlying hedged item affects the income statement. Fair value of the hedging instrument is not presented in the balance sheet.

A designated hedging relationship between a hedging instrument and a hedged item exists if changes in fair value of the hedging instrument effectively offset changes in the hedged item. An effective cash flow hedge exists if there is a close relationship between due dates for the hedging instrument and the hedged item. In addition, the future hedged transaction has to be reasonably likely to occur.

#### *Property, plant and equipment*

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

#### *Leasing and lease agreements*

Leases are classified as an operating lease or a finance lease based on an evaluation of the lease agreement. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Other leases are classified as operating leases. In case of finance lease an asset and a liability are recognized in the balance sheet at amounts equal to the fair value of the leased asset. The asset is classified as tangible equipment, while the liability is classified as other long-term debt.

In case of an operating lease, leasing costs are expensed in the income statement and classified as other operating costs.

#### *Intangible assets*

Research and development costs are capitalized providing that a future economic benefit associated with a development project can be identified. Recognition in the balance sheet occur when it is probable that the project will result in technological and commercial success, the R&D costs can be measured reliably and that the company has the ability and intention to complete the project. Otherwise, the costs are expensed as incurred. Capitalized research and development are amortized linearly over the economic lifetime.

Acquisitions of other intangible assets are recognized at cost and are depreciated based on an evaluation of economic life.

#### *Pensions*

Cash payments to the define contribution plan are expensed as pension costs.

#### *Income tax*

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences both positive and negative are balance out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized. Tax expenses are recognized directly to equity if the tax items refer to equity transactions.

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## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Cash flow statement

The 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.

#### Note 2 - Sales

	2022	2021
<i>By business area</i>		
Sensor products	110 597 588	155 820 802
R&D Services	8 656 313	1 413 862
Intercompany	1 663 727	0
	<u>120 917 628</u>	<u>157 234 664</u>
<i>Geographical distribution</i>		
Norway	6 921 346	9 688 031
Rest of Europe	34 863 692	39 867 607
North America	31 094 171	20 283 984
Rest of World	48 038 419	87 395 042
	<u>120 917 628</u>	<u>157 234 664</u>

#### Note 3 - Inventories

	2022	2021
Raw materials	28 420 870	16 005 365
Work in progress / Semi-finished products	40 552 364	70 677 993
Finished products	0	269 273
Spare parts	730 521	1 091 893
Total	<u>69 703 755</u>	<u>88 044 524</u>

Accumulated write-downs on inventories are included in the figures above with 9.2 million at 31.12.22 and 8.9 million at 31.12.21. The impairment of inventories is based on both technical and commercial obsolescence reviews. Materials in stock that are currently not part of the company's primary sales and growth strategy have been written off completely. Furthermore, the company has written down the value of material in stock with technical discrepancies, where a repairment does not appear financially justifiable or not expected to be prioritized.



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

<i>Wage costs</i>	2022	2021
Salaries	47 935 507	49 222 195
Social security tax	7 367 135	7 031 173
Pension costs	3 610 107	3 386 738
Other payroll expenses	<u>2 447 033</u>	<u>2 450 062</u>
Total payroll expenses	<u>61 359 782</u>	<u>62 090 168</u>

The total number of FTE's during the year: 59

#### *Management remuneration*

Safran Sensing Technologies Norway's CEO has been employed by the Group, and has received no salary from the company. The parent company has invoiced Safran Sensing Technologies Norway for management services of 2.2 million in 2022.

No remuneration to the Board in 2022.

There has not been issued any loans or securities to management or shareholders. There has not been agreed any option-, pension- or severance arrangements for the management or the Board of Directors.

<i>Auditor fee has been divided as follows</i>	2022
Statutory audit fee	360 000
Other services	153 322

VAT is not included in the auditor fees.

#### Note 5 - Pensions

The company is obligated to have pension arrangements for their employees in accordance with Norwegian regulations. The company pension plan is in accordance with these regulations. All employees are members of the company's ordinary define contribution pension plan.



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Note 6 - Intangible assets

	<b>Capitalized development expenses</b>
Acquisition cost 01.01.	44 157 686
Acquisition cost 31.12.	44 157 686
Acc. amortization at 31.12.	-39 271 056
Net carrying amount at 31.12.	4 886 630
Amortization for the year	1 629 745
Useful economic life	5 years
Amortization plan	Linear

Capitalized development expenses consist of projects within current and future product portfolio of sensor units with both gyro, accelerometers and electronic compass for use in demanding positioning, guidance and navigational systems. No expenses has been capitalized in 2022.

The net book value as at 31.12.22 refers to the development of a hermetic encapsulation for a wider range of Safran Sensing Technologies Norway's product portfolio. The hermetic encapsulation is an important and necessary product improvement for certain applications for Safran Sensing Technologies Norway's customers. Based on an analysis of the products' technical features, the current and future market situation and the company's financial ability and willingness to complete the projects, the company is confident that it is likely that future economic benefits will flow to the company at an amount above the capitalized net costs.

The company's total expenses on research and development activities amounts to 11 million in 2022 and 9.8 million in 2021.

#### Note 7 - Tangible assets

	<b>Production equipment</b>	<b>Financial leasing</b>	<b>Other assets</b>	<b>Total</b>
Acquisition cost at 01.01.20	52 912 515	0	6 998 133	59 910 648
Purchased tangibles	7 154 987	5 101 606	2 461 486	14 718 079
Acquisition cost at 31.12.20	60 067 502	5 101 606	9 459 619	74 628 727
Acc.amortization at 31.12.20	-45 285 826	-170 054	-6 207 819	-51 663 699
Net carrying amount at 31.12.20	14 781 676	4 931 552	3 251 800	22 965 028
Depreciation for the year	4 156 128	170 054	770 410	5 096 592
Useful economic life	5 years	5 years	5 years	
Depreciation	Linear	Linear	Linear	



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Note 8 - Operating leases

		2022	2021
<i>Expensed rent of the following premises:</i>			
Knudsrødveien 7 - seksjon 2 (*)	30.03.2032	2 920 766	2 710 439
Knudsrødveien 7	30.06.2023	1 715 371	1 589 844
Langmyra 6 (*)	30.03.2032	4 563 752	4 308 358
		<u>9 199 889</u>	<u>8 608 641</u>

(\*) In a period up to 1 January 2016, Safran Sensing Technologies Norway had agreed to reduced rental payments in exchange for increased annual rent over the remaining rental period. As at 31 December 2022 the company has made a provision of NOK 1,538,860 to cover the obligations under this agreement.

#### Note 9 - Customer contributions

The company's R&D projects are conducted in cooperation with certain customers. The ownership of the projects is withheld by the company, whereas the contributions are classified as gross income. No customer contributions received in 2022 or 2021.

#### Note 10 - Financial income and expenses

	2022	2021
Interest income	54 304	0
Foreign currency gain	2 462 878	2 350 055
	<u>2 517 182</u>	<u>2 350 055</u>
Interest costs	1 904 824	3 365 847
Foreign currency loss (*)	9 302 379	1 507 231
Other financial expenses	802 321	1 852 913
	<u>12 009 524</u>	<u>6 725 991</u>

(\*) Safran Sensing Technologies Norway has recognized a significant currency loss on their Group loan in EUR in 2022. The Group loan has been converted to a cash pooling facility at end of 2022.

#### Note 11 - Financial risk

Safran Sensing Technologies Norway AS is exposed to financial risks in various areas.

##### *Foreign currency risk:*

The company's income is generally in EUR and USD. Significant parts of purchases are in NOK. The company is highly exposed to foreign currency risk. Current strategy does not involve use of f/x contracts.

##### *Liquidity risk:*

The cash flow statement is showing a negative cash flow from operating activities in 2022. The company's liquidity is secured through access to the Safran Group's cash pooling facility.



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Credit risk:

Safran Sensing Technologies Norway has ordinary credit terms to its customer base. Prepayments are requested for new customers. The company has no credit losses of significance the past years. Credit risk are in general considered low, but may increase going forward.

#### Interest risk:

Safran Sensing Technologies Norway are not exposed to any interest risk of significance.

#### Note 12 - Income taxes

<i>Income tax expenses</i>	<b>2022</b>	<b>2021</b>
Change in deferred tax	13 000 000	0
Total income tax expense	13 000 000	0
<i>Tax base estimation</i>	<b>2022</b>	<b>2021</b>
Ordinary result before tax	-56 712 942	318 736
Permanent differences	-979 868	-1 243 843
Change in temporary differences	5 900 912	-1 506 736
Tax base	-51 791 898	-2 431 843
Tax payable (22%)	0	0
Tax refund government grant	-1 004 851	-1 249 565
Net tax receivable at 31.12	-1 004 851	-1 249 565
<i>Temporary differences outlined</i>	<b>2022</b>	<b>2021</b>
Fixed assets	-3 931 046	-4 987 361
Inventories	2 775 118	10 438 212
Accounts receivables	-187 595	-187 595
Provisions	-1 640 000	-1 640 000
Financial leasing	705 867	0
Losses carried forward	-144 343 722	-92 551 824
Interest on group loan carried forward	-525 600	-525 600
Net temporary differences at 31.12	-147 146 978	-89 454 168
Deferred tax asset (22%)	-32 372 335	-19 679 917
Deferred tax asset not recognized	32 372 335	6 679 917
Deferred income tax liability in balance sheet	0	-13 000 000
<i>Effective tax rate</i>		
Expected income taxes, statutory tax rate 22%	-12 476 847	
Change in deferred tax not recognized	25 692 418	
Permanent differences	-215 571	
Income tax expense	13 000 000	



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Note 13 - Owners equity

	Share capital	Uncovered losses	Other equity	Total
Owners equity 01.01.	2 752 446	0	35 673 502	38 425 948
Net loss for the year	0	-34 039 440	-35 673 502	-69 712 942
Owners equity 31.12.	2 752 446	-34 039 440	0	-31 286 994

#### Note 14 - Government grants

Safran Sensing Technologies Norway AS receives different types of government grants as contributions to their development programs. The grants refer to specific projects from Norsk Forskningsråd and Innovasjon Norge. The grants are based on standard terms and conditions with reference to the progress on each project. The project costs include payroll expenses, external services and other direct costs. In total, the company has received government grants of NOK 4,897,900 in 2021 and NOK 5,545,292 in 2022.

#### Note 15 - Consolidated accounts

Safran Sensing Technologies Norway AS has closed down the business in its US subsidiary in 2022. The US subsidiary had a simple setup with limited sales and costs in 2022. All costs in the subsidiary were refunded and expensed by Safran Sensing Technologies Norway AS. Thus, all costs in the subsidiary are reflected in the financial statements of Safran Sensing Technologies Norway AS. Due to the insignificance of the US subsidiary, the omission from consolidation is insignificant to the assessment of the Group accounts of Safran Sensing Technologies Norway AS financial position and result. In accordance with Norwegian Accounting Act § 3-8, no consolidated financial statements have been prepared.

#### Note 16 - Other receivables

	2022	2021
VAT receivable	1 202 183	297 582
Government grants	1 004 850	1 249 566
Prepayments to suppliers	4 399 742	2 794 078
Other	1 354 166	381 191
Total	7 960 941	4 722 417

#### Note 17 - Cash deposits

	2022
Restricted cash for employee taxation payable	2 282 939



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

### Notes to the accounts for 2022

#### Note 18 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Ordinary shares	917 482	3	2 752 446

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
Sensor Holding AG	917 482	100 %	100 %

#### Note 19 - Financial leasing

Production equipment Are partly funded by lease agreements. From an accounting perspective such agreements are classified as financial leases. When calculation the present value of the future lease payments the company has used the internal rate in the leasing contract. Total remaining lease payments amounts to NOK 5,561,124 and are due linearly over the remaining lease period of 4 years.

#### Note 20 - Intra-group payables

	2022	2021
Long-term loan from Group company	0	74 000 000
Short-term debt from Group company (*)	137 857 022	0

(\*) Safran Sensing Technologies Norway AS has access to the Safran Group cash pooling facility. This means that bank deposits are formally claims on the parent company and withdrawals on credit associated with the group account arrangement are formally debts to the parent company. The cash pooling facility is a multi-currency facility but is converted to NOK at year end.

#### Note 21 - Other short-term liabilities

	2022	2021
Salaries, holiday pay etc.	5 901 216	5 360 793
Prepayments from R&D projects and customers	693 943	2 030 095
Warranty provisions	1 640 000	1 640 000
Other	3 867 995	2 736 108
Total	<u>12 103 154</u>	<u>11 766 996</u>



## Safran Sensing Technologies Norway AS

Company registration no.: 998 068 266

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### Notes to the accounts for 2022

#### Note 22 - Covid19 pandemic and war in Ukraine

The Covid19 outbreak has affected Safran Sensing Technologies Norway AS operations in 2022 resulting in lower revenues.

Safran Sensing Technologies Norway AS operations are dependent on a global supplier network. In 2022 the company has experienced challenges in the supply for certain electronic components.

Going forward, delays in inbound supplier deliveries may still occur and customer projects may be postponed or cancelled. Safran Sensing Technologies Norway AS has currently a significant buffer in its inventories which reduces the risk to a certain extent. The ongoing war in Ukraine, may have additional negative effects on certain supplies, but the situation is still uncertain.

The management and the Board are closely monitoring the situation and will seek to respond rapidly if the company's business operations and/or financial situation should be affected.

#### Note 23 – Going concern

Safran Sensing Technologies Norway AS has a negative equity as at 31.12.2022. Access to sufficient liquidity is secured through cash pooling facility with the Safran Group.

In 2023 the company will still be "in transition". Key focus areas are reinforcements on sales team, establish new processes for production, logistics and inventories. Additionally, several cost reductions programs have been initiated, both on production costs and fixed costs. The budget for 2023 are showing a positive net result and cash flow from operations.

The management and the Board are conscious that a situation with negative equity is not sustainable going forward. Several alternatives are currently under evaluation. A conversion of Group credits to equity is probable.



Statsautoriserte revisorer  
Ernst & Young AS

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Medlemmer av Den norske Revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Safran Sensing Technologies Norway AS

### Opinion

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

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

### Basis for opinion

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

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

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

### Responsibilities of management for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We communicate with 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.

Tønsberg, 28 June 2023  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Morten Mobråthen  
State Authorised Public Accountant (Norway)

Independent auditor's report - Safran Sensing Technologies Norway AS 2022

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## Morten Mobraåthen

Statsautorisert revisor

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Skatteetaten

Vår dato  
22.04.2020

Din/Deres dato  
02.04.2020

Saksbehandler  
Lars Waaltorp

800 80 000  
Skatteetaten.no

Din/Deres referanse  
AR367961966

Telefon  
32212244

Org.nr  
974761076

Vår referanse  
2020/5334727

Postadresse  
Postboks 9200 Grønland  
0134 OSLO

SENSOR AS  
Knudsrødveien 7  
3189 HORTEN

Att. Thomas Bull-Larsen

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Sensor AS, org.nr. 998 068 266

Vi viser til deres brev innsendt 2. april 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Sensor AS.

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

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

### Bakgrunn

Sensor AS er eid av et utenlandsk selskap. Selskapet driver i en internasjonal bransje med leveranse av sensorprodukter til kunder i Nord-Amerika, Europa og Asia. Kundene består hovedsakelig av større internasjonale aktører med engelsk som arbeidsspråk. Et av styremedlemmene er utenlandsk, og styrets arbeidsspråk er engelsk.

### Skattekontorets vurdering

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

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

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



samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjons-søknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er direkte eid av et utenlandsk selskap. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp  
seniorrådgiver  
Brukerdialog, brukerkontakt  
Skatteetaten

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*