



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 942 216 076  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: LEICA GEOSYSTEMS AS  
Forretningsadresse: Sven Oftedals vei 10  
0950 OSLO

### Regnskapsår

Årsregnskapets periode: 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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Andreas Torsvisk  
Dato for fastsettelse av årsregnskapet: 11.08.2023

### 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, 16.07.2024



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales Revenue	2,3	264 781 712	242 606 590
<b>Sum inntekter</b>		<b>264 781 712</b>	<b>242 606 590</b>
<b>Kostnader</b>			
Cost of Goods sold	3	151 175 526	143 710 229
Payroll expenses	4,15	55 901 541	55 971 776
Depreciations	9	1 008 266	1 088 376
Other operating expenses	5,6	34 701 235	33 594 859
<b>Sum kostnader</b>		<b>242 786 568</b>	<b>234 365 240</b>
<b>Driftsresultat</b>		<b>21 995 144</b>	<b>8 241 350</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern		895 455	183 419
Annen renteinntekt	7	47 414	15 959
<b>Sum finansinntekter</b>		<b>942 869</b>	<b>199 378</b>
Annen rentekostnad	7	375 760	168 921
<b>Sum finanskostnader</b>		<b>375 760</b>	<b>168 921</b>
<b>Netto finans</b>		<b>567 109</b>	<b>30 457</b>
<b>Ordinært resultat før skattekostnad</b>		<b>22 562 253</b>	<b>8 271 807</b>
Skattekostnad på ordinært resultat	8	5 555 056	1 348 391
<b>Ordinært resultat etter skattekostnad</b>		<b>17 007 197</b>	<b>6 923 416</b>
<b>Årsresultat</b>		<b>17 007 197</b>	<b>6 923 416</b>
<b>Overføringer og disponeringer</b>			
Net profit of the year	14	17 007 197	6 923 416
<b>Sum overføringer og disponeringer</b>		<b>17 007 197</b>	<b>6 923 416</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utvikling	8		
Utsatt skattefordel	8	6 321 143	6 523 426
<b>Sum immaterielle eiendeler</b>		<b>6 321 143</b>	<b>6 523 426</b>
<b>Varige driftsmidler</b>			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9	193 748	1 202 014
<b>Sum varige driftsmidler</b>		<b>193 748</b>	<b>1 202 014</b>
<b>Sum anleggsmidler</b>		<b>6 514 891</b>	<b>7 725 440</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	10	24 377 941	30 242 488
<b>Sum varer</b>		<b>24 377 941</b>	<b>30 242 488</b>
<b>Fordringer</b>			
Trade receivables	11	49 088 962	35 384 547
Other receivables	11	66 310 637	49 025 038
<b>Sum fordringer</b>		<b>115 399 599</b>	<b>84 409 585</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank Deposits	12	2 759 906	4 916 289
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>2 759 906</b>	<b>4 916 289</b>
<b>Sum omløpsmidler</b>		<b>142 537 446</b>	<b>119 568 362</b>
<b>SUM EIENDELER</b>		<b>149 052 337</b>	<b>127 293 802</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital

#### Innskutt egenkapital



### Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
Share Capital	13,14	1 377 000	1 377 000
<b>Sum innskutt egenkapital</b>		<b>1 377 000</b>	<b>1 377 000</b>
<b>Opptjent egenkapital</b>			
Other equity	14	26 558 609	8 986 678
<b>Sum opptjent egenkapital</b>		<b>26 558 609</b>	<b>8 986 678</b>
<b>Sum egenkapital</b>		<b>27 935 609</b>	<b>10 363 678</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	15	4 040 178	5 159 871
<b>Sum avsetninger for forpliktelser</b>		<b>4 040 178</b>	<b>5 159 871</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum langsiktig gjeld</b>		<b>4 040 178</b>	<b>5 159 871</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	11	27 711 478	28 682 348
Tax Payable	8	5 352 773	2 215 713
Public duties payable		16 229 956	16 301 935
Other current liabilities		6 402 907	7 269 699
Prepayments from customers	16	61 379 436	57 300 558
<b>Sum kortsiktig gjeld</b>		<b>117 076 550</b>	<b>111 770 253</b>
<b>Sum gjeld</b>		<b>121 116 728</b>	<b>116 930 124</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>149 052 337</b>	<b>127 293 802</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 717519

#### Enheten

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Organisasjonsform: Aksjeselskap  
Foretaksnavn: LEICA GEOSYSTEMS AS  
Forretningsadresse: Sven Oftedals vei 10  
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årsregnskapet til selskapet: Regnskapslovens alminnelige regler

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Brønnøysundregistrene, 26.08.2023



Organisasjonsnr: 942 216 076  
LEICA GEOSYSTEMS AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b>RESULTATREGNSKAP</b>			
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Organisasjonsnr: 942 216 076  
LEICA GEOSYSTEMS AS

## BALANSE

Beløp i: NOK

Note	2022	2021
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### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

Utvikling	8		
Utsatt skattefordel	8	6 321 143	6 523 426
<b>Sum immaterielle eiendeler</b>		<b>6 321 143</b>	<b>6 523 426</b>

##### Varige driftsmidler

Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9	193 748	1 202 014
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<b>Sum anleggsmidler</b>		<b>6 514 891</b>	<b>7 725 440</b>
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#### Omløpsmidler

##### Varer

Inventories	10	24 377 941	30 242 488
<b>Sum varer</b>		<b>24 377 941</b>	<b>30 242 488</b>

##### Fordringer

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<b>SUM EIENDELER</b>		<b>149 052 337</b>	<b>127 293 802</b>
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share Capital	13,14	1 377 000	1 377 000
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<b>Sum egenkapital</b>		<b>27 935 609</b>	<b>10 363 678</b>
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<b>Gjeld</b>			
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Organisasjonsnr: 942 216 076  
LEICA GEOSYSTEMS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
1

Regnskapsprinsipper  
Added as attachment

<u>Sum</u>	<u>Beløp</u>		
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler</u>	<u>Immaterielle eiend.</u>	
<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>	
<u>Pantstillelse</u>	<u>Beløp</u>		
<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>



To the General Meeting of Leica Geosystems AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Leica Geosystems 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 Matters

The Company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

### 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

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



- 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.

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.

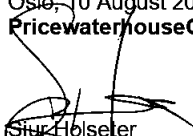
#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 10 August 2023

**PricewaterhouseCoopers AS**

  
Sjur Holsæter

State Authorised Public Accountant



**Skattedirektoratet**

Saksbehandler Geir Johannessen	Deres dato 14.04.2015	Vår dato 24.04.2015
Telefon 22 07 73 25/22 66 11 14	Deres referanse Eirik Larsson	Vår referanse 2015/377230

ERNST & YOUNG AS  
Postboks 20 Oslo Atrium  
0051 OSLO

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Leica Geosystems AS, org. nr. 942 216 076**

- Vi viser til deres brev av 14. april 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Leica Geosystems AS fra og med regnskapsåret som blir avsluttet 31. desember 2014.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Leica Geosystems AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk fra og med regnskapsåret 2014, jf. regnskapsloven § 3-4 tredje ledd.

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

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

**Bakgrunn**

Leica Geosystems AS eies av Leica Geosystems Holding B.V., og inngår i konsernet Hexagon AB, hjemmehørende i Sverige, og notert på Nasdaq i Stockholm. Selskapets styre består kun av utenlandske medlemmer. Virksomheten retter seg mot bedriftsmarkedet og selskapet driver i en internasjonal bransje. Konsernet har ansatte fra mange land og det interne arbeidsspråk er i stor grad engelsk. Brukerne av regnskapet utgjør en lukket krets av interessenter bestående hovedsakelig av utenlandske brukere.

**Skattedirektoratets vurdering**

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

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

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

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse: Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a> Org.nr: 996250318 E-post: <a href="mailto:skatteetaten.no/sendepost">skatteetaten.no/sendepost</a>	Sentralbord 800 80 000 Telefaks 22 17 08 80
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*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 Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet eies av et utenlandsk selskap og at arbeidsspråket i konsernet i stor grad er engelsk. Videre er det vektlagt at selskapet driver innen en internasjonal bransje der alle vesentlige aktører behersker engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
Seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Geir Johannessen

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



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## BOARD OF DIRECTOR'S REPORT FOR THE FISCAL YEAR ENDED 31 DECEMBER 2022

### **Operations and Location**

Leica Geosystems AS main business is to market and sell the group's products. The goal is to be the leading provider of measuring equipment in Norway.

The company's headquarter is situated in Oslo, having sales offices also in Bergen, Stavanger and Trondheim.

The company did not have any research and development activities whatsoever in 2022.

### **Going Concern**

In accordance with the Accounting Act §3-3a, we confirm that the financial statements have been prepared under the going concern assumption. This assumption is based on profit forecasts for the year 2023. The company's economic and financial position is sound and the war in Ukraine is not affecting the ongoing business in Leica Geosystems AS at this point. The company has a strong financial position, and the market is looking good for the company.

### **Future Developments**

The company's sales are affected by the development of the construction industry. In recent years a huge growth has been experienced. However, now a more conservative growth is expected so we expect sales and results in 2023 to be on the same level as those in 2022.

### **Financial Statements**

Total revenue for the year has been 264 million NOK, versus 242 million in 2021. The result of the year has been 17 million NOK.

The company's equity as of the end of the financial year was 27,9 million NOK.

The company's financial position is sound, and the company is able to pay its current and non-current liabilities as of 31/12/2022 using its most liquid assets (current assets and inventory)

### **Financial risk**

#### *Overall view on objectives and strategy*

The goal is to reduce the financial risk as much as possible. The company's current strategy does not include the use of financial instruments.

#### *Market risk*

The group has not entered into derivative or other agreements to reduce the exchange risk and the related market risk.

The company has no interest-bearing debt and therefore no exposure to changes in the interest rate.

#### *Credit risk*

The risk for losses in receivables is considered to be low. The company has not experienced significant losses on receivables for the latest years and is not anticipating any negative trend. The company has not made any set-off or other derivative agreements to reduce the credit risk.

#### *Liquidity risk*



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The company's liquidity situation is considered good. The Board of Directors does not see any need to improve credit terms on neither customers or suppliers.

#### **Cash Flow**

Net cash flow from operating activities is 15 M NOK compared to -74 M NOK last year.

#### **Employees and working environment**

The company had 58 employees in the period. Leave of absence due to illness totaled 63 days in 2022. No incidents or reporting of work-related accidents resulting in significant material damage or personal injury occurred during the year.

The working environment is considered to be good.

#### **Equal opportunities**

The company aims to be a workplace with equal opportunities and has included in its policies regulations to prevent gender discrimination. The company operates in an industry dominated by men.

The company has 58 employees of which 10 are women. One of the board members is female.

Three of eight members of the local leadership team are women.

Full reporting according to LDO requirements can be found in the companies' web page.

#### **Discrimination**

The discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin color, language, religion and faith. The company's aim is to be a workplace with no discrimination.

#### **Environmental report**

The Board of Directors is not aware of any circumstances indicating any environmental pollution exceeding the normality for the industry.

#### **Transparency Act**

Ensuring a responsible supply chain is important to Hexagon and Leica Geosystems AS as it not only prevents its disruptions and potential reputational risks, it is also critical for the wellbeing of people, societies and our planet for generations to come.

A more detailed report can be found on the companies' webpage and in Hexagon's Sustainability Report.

#### **Allocation of net income**

The Board of directors has proposed the net income of Leica Geosystems AS to be attributed:

Retained Earnings	NOK	17,007,197
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Net income allocated	NOK	17,007,197
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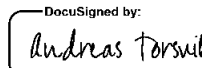
Oslo, 31 July 2023

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Thomas Harring  
Chairman

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Hans Johan Fagerström  
Board Member

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Lukas Gabriel Koller  
Board Member

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Ulrika Hagelin  
Board Member

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Andreas Torsvik  
CEO



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## Leica Geosystems AS Income statement 01.01-31.12

Amount in NOK	Note	2022	2021
<b>Revenue</b>			
Sales Revenue	2, 3	264,781,712	242,606,590
<b>Operating expenses</b>			
Cost of goods sold	3	151,175,526	143,710,229
Payroll expenses	4, 15	55,901,541	55,971,775
Depreciation of tangible and intangible fixed assets	9	1,008,266	1,088,376
Other operating expenses	5, 6		
		34,701,235	33,594,859
<b>Total operating expenses</b>		<b>242,786,569</b>	<b>234,365,240</b>
Operating profit		21,995,144	8,241,350
<b>Financial income and expenses</b>			
Interest income from group companies		895,455	183,419
Other financial income	7	47,414	15,958
Other financial expenses	7	375,760	168,921
<b>Net financial items</b>		<b>567,109</b>	<b>30,457</b>
Profit before tax		22,562,253	8,271,807
Tax on profit	8	5,555,056	1,348,391
<b>Net profit of the year</b>		<b>17,007,197</b>	<b>6,923,416</b>
<b>Allocated as follows</b>			
Transferred to other equity	14	17,007,197	6,923,416



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## Balance sheet as of December 31 2022

Amount in NOK	Note	2022	2021
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Deferred tax asset	8	6,321,143	6,523,426
<b>Total intangible assets</b>		<b>6,321,143</b>	<b>6,523,426</b>
<b>Tangible assets</b>			
Fixtures and fittings, tools, office machinery etc.	9	193,748	1,202,014
<b>Total tangible assets</b>		<b>193,748</b>	<b>1,202,014</b>
<b>Total fixed assets</b>		<b>6,514,891</b>	<b>7,725,440</b>
<b>Current assets</b>			
Inventories	10	24,377,941	30,242,488
<b>Receivables</b>			
Trade receivables	11	49,088,962	35,384,547
Other receivables	11	66,310,637	49,025,038
<b>Total accounts receivable</b>		<b>115,399,599</b>	<b>84,409,585</b>
Bank deposits	12	2,759,906	4,916,289
<b>Total current assets</b>		<b>142,537,446</b>	<b>119,568,362</b>
<b>Total assets</b>		<b>149,052,337</b>	<b>127,293,802</b>



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## Balance sheet as of December 31 2022

Amount in NOK	Note	2022	2021
<b>Equity</b>			
<b>Paid-in capital</b>			
Share capital	13, 14	1,377,000	1,377,000
<b>Total paid-in capital</b>		<b>1,377,000</b>	<b>1,377,000</b>
<b>Retained earnings</b>			
Other equity	14	26,558,609	8,986,678
<b>Total retained earnings</b>		<b>26,558,609</b>	<b>8,986,678</b>
<b>Total equity</b>		<b>27,935,609</b>	<b>10,363,678</b>
<b>Liabilities</b>			
<b>Provisions</b>			
Pension liabilities	15	4,040,178	5,159,871
<b>Total provisions</b>		<b>4,040,178</b>	<b>5,159,871</b>
<b>Current liabilities</b>			
Trade creditors	11	27,711,478	28,682,348
Tax payable	8	5,352,773	2,215,713
Public duties payable		16,229,956	16,301,935
Other short-term liabilities		6,402,907	7,269,699
Prepayment from customers	16	61,379,436	57,300,556
<b>Total current liabilities</b>		<b>117,076,550</b>	<b>111,770,252</b>
<b>Total liabilities</b>		<b>121,116,728</b>	<b>116,930,123</b>
<b>Total equity and liabilities</b>		<b>149,052,337</b>	<b>127,293,802</b>

Oslo, 31.07.23  
The Board of Leica Geosystems AS



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## Cash flow statement 01.01.21-31.12.21

Amount in NOK	Note	2022	2021
<b>Cash flow from operating activities</b>			
Profit before tax		22,562,253	8,271,807
Taxes paid		-2,215,713	-3,941,793
Loss/Gain on sale of fixed assets		0	188,916
Depreciation and amortization	9	1,008,266	1,088,376
Changes in inventories, trade receivables and trade payables		-10,170,857	17,981,553
Changes in pension scheme liabilities		-1,119,693	-1,040,862
Dividend payment			-100,000,000
Changes in other current balance sheet items		4,819,215	3,734,100
<b>Net cash flow from operating activities</b>		<b>14,883,471</b>	<b>-73,717,903</b>
<b>Cash flow from investing activities</b>			
Change in cashpool		-17,039,854	74,805,592
<b>Net cash flow from investing activities</b>		<b>-17,039,854</b>	<b>74,805,592</b>
<b>Cash flow from financing activities</b>			
<b>Net cash flow from financing activities</b>		<b>0</b>	<b>0</b>
<b>Net change in cash</b>		<b>-2,156,384</b>	<b>1,087,689</b>
Bank deposit at 01.01		4,916,289	3,828,600
<b>Bank deposit at 31.12</b>		<b>2,759,906</b>	<b>4,916,289</b>



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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 1998 and generally accepted accounting principles in Norway.

#### *Sales revenue*

Sales revenues are recognized at the time of delivery. Revenue from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred Sales revenue, and are recognized at the time of execution.

#### *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 incidental 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. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

#### *Inventories*

Inventories are valued at the lower of cost or market value. Cost is estimated using the FIFO method. Finished goods and work in progress are valued at full production cost. Write-downs are carried out for foreseeable obsolescence.

#### *Foreign currency translation*

Foreign currency transactions are translated using exchange rates at the time when the transaction occurs.

#### *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.



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## *Leasing*

The company has only operational leasing contracts. The leasing costs are recognised in the period they occur.

## *Pensions*

Pension costs and pension liabilities are estimated on the basis of linear earnings and future salary. The calculation is based on assumptions of discount rate, future wage adjustments, pension and other payments from the national insurance fund, future return on pension funds and actuarial assumptions for deaths, voluntary resignation etc. Pension funds are valued at fair value and deducted from net pension liabilities in the balance sheet. Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period. When the accumulated effect of changes in estimates, changes in assumptions and deviations from actuarial assumptions exceed 10 percent of the higher of pension obligations and pension plan assets, the excess amount is recognized over the estimated average remaining service period.

## *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.

## *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 placement with original maturities of three months or less.



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## Note 2 – Sales of goods

	2022	2021
<i>By business area</i>		
Machine control	100,265,607	92,418,232
Geomatics	127,735,096	146,920,786
Tools	36,781,009	3,267,572
<b>Total</b>	<b>264,781,712</b>	<b>242,606,590</b>
Geographical distribution		
Norway	264,781,712	242,606,590

## Note 3 - Related party transactions

The company buys all its goods from group companies, mainly from Leica Geosystems Technology A/S and Mikrofyn A/S (Denmark). Specification of other intercompany transactions:

	2022	2021
Purchases	149,482,468	138,585,308
Other income intercompany	-5,934,025	-9,728,451
Cost shared service center	993,273	968,780

## Note 4 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

<i>Wage costs</i>	2022	2021
Salaries	46,055,155	44,408,868
Payroll tax	6,406,575	7,322,393
Pension costs	564,502	2,041,669
Other payments	2,875,309	2,198,845
<b>Total</b>	<b>55,901,541</b>	<b>55,971,775</b>

The company as of 2022 had 58 full time equivalents employed.

<i>Management remuneration</i>	CEO
Salaries	1,923,077
Other remuneration	20,511
Pension costs	113,141

There has been no remuneration for the Board during 2022.

<i>Auditor fee has been divided as follows</i>	2022
Audit fee	395,181
Other services	-

VAT is not included in the figures of auditor's fee.



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## Note 5 - Other operating expenses

	2022	2021
<i>Specification of other operating expenses</i>		
Office rent	4,445,117	4,126,639
Services (audit, legal etc.)	6,154,957	6,590,901
Office expenses	1,504,538	2,365,698
Representation	5,000	-
Shared service cost	4,377,970	3,216,908
Travel expense	4,406,700	2,531,478
Insurance	1,233,282	1,673,513
Marketing	-585,748	2,467,749
Car cost (leasing, fuel, insurance etc)	9,425,795	7,967,550
Profit disposed fixed assets	-	188,916
Loss on debetors	-752,461	-15,899
Other expenses	4,486,085	2,481,405
<b>Total</b>	<b>34,701,235</b>	<b>33,594,859</b>

## Note 6 - Leasing contracts

The company has only operational leasing contracts

	2022	2021
<i>Yearly leasing/rent cost</i>		
Office rent - ends on 2024	4,445,117	4,126,639
Car leasing - ending up to 2026	4,568,104	4,025,081
<b>Total</b>	<b>9,013,221</b>	<b>8,151,721</b>

## Note 7 - Other financial income and expense

	2022	2021
Gains on currency	47,414	
Interest intercompany	895,455	183,419
Interest income	-	15,958
<b>Total financial income</b>	<b>942,869</b>	<b>199,377</b>
Other financial expense		
Interest expense	185,107	92,636
Loss on currency	81,248	9,006
Bank expenses	109,405	67,278
<b>Total financial expense</b>	<b>375,760</b>	<b>168,920</b>



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## Note 8 - Income taxes

<i>Income tax expenses</i>	<b>2022</b>	<b>2021</b>
Tax payable	5,352,773	2,215,713
Other Adjustments		18,971
Change in deferred tax	202,283	-886,293
<b>Total income tax expense</b>	<b>5,555,056</b>	<b>1,348,391</b>
<i>Tax base estimation</i>	<b>2022</b>	<b>2021</b>
Profit before tax	22,562,253	8,271,807
Permanent differences	564,734	-2,020,763
Change in temporary differences	1,203,797	3,820,379
Tax Base	24,330,784	10,071,423
<b>Tax Payable (22 % this year, 22% last year)</b>	<b>5,352,773</b>	<b>2,215,713</b>
<i>Temporary differences outlined</i>	<b>2022</b>	<b>2021</b>
Fixed assets	-3,088,531	-2,876,860
Inventories	-20,512,939	-17,613,007
Receivables	-690,820	-1,478,933
Pension obligations	-4,040,178	-5,159,871
Other provisions	-400,000	-400,000
Net temporary differences as of 31.12.	-28,732,468	-27,528,671
Deferred income tax asset on temporary differences( 22 % this year, 22 % last year)	-6,321,143	-6,056,308
Deviation from prev years		-467,118
<b>Deferred income tax asset ( 22 % this year, 22 % last year)</b>	<b>-6,321,143</b>	<b>-6,523,426</b>
<i>Effectiv tax rate</i>	<b>2022</b>	<b>2021</b>
22 % of profit before tax	4,963,696	1,819,798
Other Adjustments		-26,839
Deferred tax adjustment from previous years	467,118	
Permanent differences (22%)	124,241	-444,568
<b>Income tax expense</b>	<b>5,555,055</b>	<b>1,348,391</b>
Effective tax rate*	24.6 %	16.3 %

\*Income tax expense in percent of profit before tax



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## Note 9 - Tangible assets

	Machines and other equipment	Operating equipment tools, office machinery etc.	Total
Acquisition cost 01.01.22	235,126	12,743,823	12,978,949
Purchased tangibles	0		0
Disposals	0	0	0
Acquisition cost 31.12.22	235,126	12,743,823	12,978,949
Acc.depreciation 31.12.22	-235,126	-12,550,075	-12,785,201
<b>Net carrying amount at 31.12.21</b>	<b>0</b>	<b>193,748</b>	<b>193,748</b>
<b>Depreciation for the year</b>	<b>0</b>	<b>1,008,266</b>	<b>1,008,266</b>
Useful economic life Amortization plan	3-10 years linear	5-10 years linear	



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## Note 10 - Inventories

	2022	2021
Goods purchased for resale (cost price)	44,890,878	47,855,495
Write down	-20,512,937	-17,613,007
<b>Total</b>	<b>24,377,941</b>	<b>30,242,488</b>

## Note 11 - Intercompany balance group company and associate

Receivables	2022	2021
Cash pool	64,754,426	47,714,571
Accounts receivables	510,501	2,581,258
<b>Total</b>	<b>65,264,927</b>	<b>50,295,829</b>

The Company's cashpool account is a part of the group enterprise cash pool Legal counterpartyis Hexagon AB.

Interest rates for cashpool: NIBOR 1M-0.15

Payables	2022	2021
Trade creditors	21,388,694	17,978,312

## Note 12 - Bank deposit

	2022
Restricted tax withholdings as of 31.12.2022	2,759,906

## Note 13 - Share capital and shareholder information

The share capital in Leica Geosystems AS consists of 1 377 shares at NOK 1 000. All shares are owned by Leica Geosystems Holding B.V. and there is only one class of shares.

## Note 14 - Owners equity

	Share capital	Other equity	Total
Owners' equity 01.01.21	1,377,000	8,986,678	10,363,678
Profit for the year	0	17,007,197	17,007,197
Re-measurement gain pension obligation	0	564,734	564,734
<b>Owners' equity 31.12.22</b>	<b>1,377,000</b>	<b>26,558,609</b>	<b>27,935,609</b>



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## Note 15 - Pensions

The company is required to have a pension scheme after Norwegian law. The pension scheme of the company is in compliance with the law.

The company has a defined pension scheme that includes 1 active and 10 pensioners. These are mainly dependent of the number of years of employment, salary level at the age of retirement and the size of thee benefits from the government. The commitments are covered through an insurance company.

The employees that are not included in the defined benefit plan are a member in the defined contribution plan. The costs of this defined benefit pension plan are recognized similar to the premium payments.

Only employer contributbions are considered below.

	2022	2021
Interest cost	72,691	61,174
Administration fees	50,017	41,838
Impact of plan amendments/curtailment/settlement incl. Payroll tax		
<b>Periods net pension cost</b>	<b>122,708</b>	<b>103,012</b>

	2022	2021
Earned pensions obligations	17,772,454	18,738,229
Estimated pension obligations	17,772,454	18,738,229
Pension plan assets (market value)	13,732,276	13,578,358
<b>Net benefit obligations</b>	<b>4,040,178</b>	<b>5,159,871</b>

*Principal assumptions:*

	2022	2021
Discount rate	3.20%	1.50%
Expected compensation increase	3.75%	2.50%
Expected return on pension plan assets	3.50%	1.50%
Expected pension regulation	3.50%	2.00%
Expected G-regulation	2.25%	2.25%

The actuarial assumptions are based on assumptions of demographical factors normally used within the insurance industry.

The pension liability in the balance sheet is NOK 4 040 178 as of December 31, 2022.

## Note 16 - Prepayments from customers

Reagrding revenue from service contracts, revenue is recognized over the term of the contracts.

Prepaid revenue from these service contracts are recognized in prepayments from customers under short-term liabilities.

## Note 17 - Events after balance sheet date

War in Ukraine is not affecting the company as we do not sell to either Russia or Ukraine.

The company's services and products are delivered as planned and the market are looking good in the future. The risk of impairment or loss on assets, receivables and employees is considered low. The company has a solid equity and cash portfolio.

## Note 18 - Report on transparency act

The Report on the Norwegian Transparency Law is to be found on the company's website

## Note 19 - Consolidated financial statements

Leica Geosystems AS is a part of the group Hexagon AB (Nasdaq Stockholm: HEXA B), Lilla Bantorget 15, Stockholm  
Consolidated financial statement can be downloaded from [Hexagon.com](https://www.hexagon.com)