



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 971 154 667  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: ASCO NORGE AS  
Forretningsadresse: Risavika Havnering 235  
4056 TANANGER

### Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

### 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: Runar Hatletvedt  
Dato for fastsettelse av årsregnskapet: 30.05.2022

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 30.08.2023



### Resultatregnskap

Beløp i: NOK	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Sales turnover	13, 14	810 962 543	601 457 443
Other income		180 000	20 000
<b>Sum inntekter</b>		<b>811 142 543</b>	<b>601 477 443</b>
<b>Kostnader</b>			
Other expenses	2, 5, 14	53 334 898	44 501 110
Salaries, wages and other personnel costs	2, 3	199 781 887	178 227 496
Depreciation and amortisation expenses	5, 17	13 561 289	16 775 798
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		
Cost of goods sold	14	498 186 008	333 309 222
<b>Sum kostnader</b>		<b>764 864 082</b>	<b>572 813 626</b>
<b>Driftsresultat</b>		<b>46 278 461</b>	<b>28 663 817</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		352 785	501 005
Other financial income	15	152 789	163 355
<b>Sum finansinntekter</b>		<b>505 574</b>	<b>664 360</b>
Annen rentekostnad		822 973	1 016 975
Other financial expenses	15	249 939	309 495
<b>Sum finanskostnader</b>		<b>1 072 912</b>	<b>1 326 470</b>
<b>Netto finans</b>		<b>-567 338</b>	<b>-662 110</b>
<b>Ordinært resultat før skattekostnad</b>		<b>45 711 123</b>	<b>28 001 707</b>
Income tax expense	8	10 078 757	6 170 023
<b>Ordinært resultat etter skattekostnad</b>		<b>35 632 366</b>	<b>21 831 684</b>
<b>Årsresultat</b>		<b>35 632 366</b>	<b>21 831 684</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>35 632 366</b>	<b>21 831 684</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Totalresultat</b>		<b>35 632 366</b>	<b>21 831 684</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte		19 000 000	20 000 000
Allocation to other equity		16 632 366	1 831 684
<b>Sum overføringer og disponeringer</b>		<b>35 632 366</b>	<b>21 831 684</b>



### Balanse

Beløp i: NOK	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Research and development	17	4 902 471	8 166 328
Utsatt skattefordel	8	4 440 445	4 227 580
Goodwill	14		
<b>Sum immaterielle eiendeler</b>		<b>9 342 916</b>	<b>12 393 908</b>
<b>Varige driftsmidler</b>			
Land, buildings and other property		18 419 769	24 356 666
Machinery and plant		13 378 362	15 010 960
Fixtures and fittings etc.		1 087 508	1 856 946
<b>Sum varige driftsmidler</b>	5, 6	<b>32 885 639</b>	<b>41 224 572</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	12		
Investeringer i tilknyttet selskap	12	2 500 000	2 500 000
Lån til tilknyttet selskap og felles kontrollert virksomhet	4, 7		
Other long-term debtors	4	30 000	246 590
Net pension plan assets	3		
<b>Sum finansielle anleggsmidler</b>		<b>2 530 000</b>	<b>2 746 590</b>
<b>Sum anleggsmidler</b>		<b>44 758 555</b>	<b>56 365 070</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	6, 7	149 022 881	120 056 726
Other short-term receivables		7 534 925	3 812 696
Krav på innbetaling av selskapskapital	6		
<b>Sum fordringer</b>		<b>156 557 807</b>	<b>123 869 422</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	11	48 740 268	31 731 907
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>48 740 268</b>	<b>31 731 907</b>



### Balanse

Beløp i: NOK	Note	2021	2020
Sum omløpsmidler		205 298 075	155 601 329
<b>SUM EIENDELER</b>		<b>250 056 630</b>	<b>211 966 399</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital (50.000 shares à NOK 10)	10	500 000	500 000
Overkurs		1 885 000	1 885 000
<b>Sum innskutt egenkapital</b>		<b>2 385 000</b>	<b>2 385 000</b>
<b>Opptjent egenkapital</b>			
Other equity		129 539 488	112 907 122
<b>Sum opptjent egenkapital</b>		<b>129 539 488</b>	<b>112 907 122</b>
<b>Sum egenkapital</b>	9	<b>131 924 488</b>	<b>115 292 122</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	3		
Utsatt skatt	8		
<b>Annen langsiktig gjeld</b>			
Obligasjonslån	7		
Gjeld til kredittinstitusjoner	4, 6		
Other non-current liabilities	4, 5, 6	13 274 353	17 772 753
<b>Sum annen langsiktig gjeld</b>		<b>13 274 353</b>	<b>17 772 753</b>
<b>Sum langsiktig gjeld</b>		<b>13 274 353</b>	<b>17 772 753</b>
<b>Kortsiktig gjeld</b>			
Liabilities to financial institutions	6, 11		
Leverandørgjeld	7	46 520 208	36 082 923
Tax payable	8	10 291 622	7 217 380
Public duties payable		17 978 254	13 560 617
Other short-term liabilities	7	30 067 706	22 040 604



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Sum kortsiktig gjeld		104 857 789	78 901 524
 Sum gjeld		 118 132 142	 96 674 277
 <b>SUM EGENKAPITAL OG GJELD</b>		 <b>250 056 630</b>	 <b>211 966 399</b>



**Skattedirektoratet**

Saksbehandler  
Rune Tystad

Deres dato  
04.11.2013

Vår dato  
25.11.2013

Telefon  
977 59 464

Deres referanse  
Manfred Vonlanthen

Vår referanse  
2013/862035

ASCO NORGE AS  
Postboks 250  
4098 TANANGER

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk**

Vi viser til deres brev av 4. november 2013 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for

Asco Norge AS, org.nr. 971 154 667 og  
Asco Arctic Base AS, org.nr. 996 628 429.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Asco Norge AS og Asco Arctic Base AS tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysninger 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 brevet at tillatelsen er gitt.

**Bakgrunn**

Asco Norge AS driver med forsyningsbaser og drift av havne- og kaianlegg. Asco Norge AS eier 100 % av det norske datterselskapet Asco Arctic Base AS. Asco Norge AS er eid av utenlandsk (skotsk) selskap og inngår i et konsern hvor engelsk er arbeids- og rapporteringsspråk. I tillegg foregår all kommunikasjon med selskapets styre på engelsk. Brukerne av regnskapene er også engelskspråklige.

**Skattedirektoratets vurdering**

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

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

*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene inngår i et utenlandsk konsern der engelsk er arbeids- og rapporteringsspråket. Videre er det vektlagt at all kommunikasjon med selskapets styre foregår på engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
Seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad



## ASCO Norge AS ANNUAL REPORT 2021

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### Business areas and business location

ASCO Norge AS operates in Tananger, Farsund, Sandnessjøen, Oslo, Hammerfest and Kristiansund (through 50% owned Kristiansund Base AS), and the main activity in the financial year 2021 has been providing logistics services to oil companies. Logistics services consist primarily of:

- Supply base operations including discharging and loading of goods
- Storage
- Bulk and MGO
- Hire out logistics personnel
- Freight forwarding

Contracts with Aker BP ASA, Repsol Norge AS, Lundin Norway AS, Alcoa Norway ANS, Equinor ASA and Baker Hughes Norge AS represent the major part of the income.

The company is per 31.12.2021 100 % owned by ASCO Holdings Ltd.

### True overview of the development and result

The company's total turnover increased from NOK 601,5m in 2020 to NOK 811,1m in 2021. The increase is due to increased base operations including discharging, loading of goods and 3<sup>rd</sup> part revenue.

Retained profit increased from NOK 21,8m in 2020 to NOK 35,6m in 2021.

Cash flow from operations was positive by NOK 42,5m. Cash and cash equivalents increased by NOK 17,0m in 2021. The company paid dividends of 19,0m in 2021.

Total aggregate capital at year end was NOK 250,1m compared with NOK 212,0m in 2020.

The equity capital ratio as of 31.12.2021 amounted to 52,8 % compared with 54,4 % as of 31.12.2020.

### Financial risk

The company is exposed to credit risk and interest rate risk in its ordinary operations. The main customers are major oil companies and oil service companies and risk of loss is relatively low. The interest rate risk is on an acceptable level.

There is no significant risk exposure to foreign exchange.

### Research and development activities

The company has ongoing research and development activities related to digitalisation of operations.

### Going concern

The financial statements are prepared on the ongoing concern assumption. This is to certify that the ongoing concern assumption is true.

ASCO Group Limited is reliant on the borrowing/credit facility secured as part of the acquisition of ASCO by Zander Topco Ltd, a company which is owned by a consortium of investors. However, it is possible that ASCO's current owners will sell the business within the next 12 months. In the event of a sale, the 'change of control' clause within the current borrowing facility would be triggered which could result in the facility becoming repayable immediately. In this scenario, uncertainty exists as to whether the group will be able to reach agreement with the lenders or secure additional funding either externally or from any acquirer. As ASCO Norge AS is a legally guarantor for the borrowing facility in the Group, the conclusion reached at Group level will affect ASCO Norge AS even if the operation in Norway on a stand alone basis is sound and good.



These conditions, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### Working environment

The company follows Norwegian Law and regulations concerning working environment. Total sick leave was 2,6 %, which is a decrease of 0,9 percentage points compared to 2020. The working environment is considered good. There is a continuous process for further improvements.

No significant working accidents or personal injuries have occurred to employees at ASCO Norge AS in 2021.

### Insurance

The board and the general manager are insured for their possible liability to the company and third parties. The insurance covers the insured's liability for property damage due to claims made as a result of an alleged liability-related act or omission

### Equality

The company employed 216 persons as of 31.12.2021, 56 women and 160 men. The Board consists of 1 woman and 3 men. The chairman of the Board is a woman. The Board has not found it necessary to act regarding gender equality.

### Actions taken to prevent discrimination etc.

The company is actively working to promote equality, ensure equal opportunities and rights, and prevent discrimination based on ethnicity, national origin, ancestry, colour, language, religion, or belief.

### External environment

The external environment is not polluted by the company's operations beyond the normal emissions from company cars and other operational equipment.

The operations of the bulk and MGO plants are ensured by regular supervision and control to reduce emissions to the environment.

### Future development

The company's development is in line with the Group's long-term plans. The company is affected by the market conditions in the industry and the general economic development in Norway.

The company experienced in 2021 an increase in operating margins compared with 2020. It is expected that operating margins will slightly decrease in 2022 compared to 2021.

### Presentation of financial statements and year end allocations

The Board considers the presented accounts giving a true picture of the company's assets and liabilities, financial position and results.

There have not occurred any incidents after year end which influences on the financial statements.

The Board's decision on allocation of the result:

- Transferred to other equity	NOK	16.632.366
- Paid additional dividends	NOK	19.000.000
- Total allocated	NOK	35.632.266

Tananger 30.05.2022  
Board of Directors of ASCO Norge AS



Gro Gauthun Kielland  
Chairman

Peter Ian France  
Board member

Runar Hatletvedt  
Managing Director/Board member



Gary Paver  
Board member



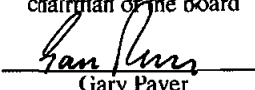
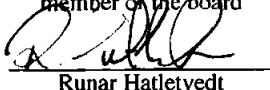


<b>Income statement</b>			
<b>ASCO Norge AS</b>			
	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b><i>Operating income and operating expenses</i></b>			
Sales turnover	<b>13, 14</b>	810 962 543	601 457 443
Other income		180 000	20 000
<b>Total revenue</b>		<b>811 142 543</b>	<b>601 477 443</b>
Cost of goods sold	<b>14</b>	498 186 008	333 309 222
Salaries, wages and other personnel costs	<b>2, 3</b>	199 781 887	178 227 496
Depreciation and amortisation expenses	<b>5, 17</b>	13 561 289	16 775 798
Other expenses	<b>2, 5, 14</b>	53 334 898	44 501 110
<b>Total operating expenses</b>		<b>764 864 082</b>	<b>572 813 626</b>
<b>Result of operations</b>		<b>46 278 461</b>	<b>28 663 817</b>
<b><i>Financial income and expenses</i></b>			
Other interest received		352 785	501 005
Other financial income	<b>15</b>	152 789	163 355
Other interest expenses		822 973	1 016 975
Other financial expenses	<b>15</b>	249 939	309 495
<b>Total financial income and expenses</b>		<b>-567 338</b>	<b>-662 110</b>
<b>Profit before taxes</b>		<b>45 711 123</b>	<b>28 001 707</b>
Income tax expense	<b>8</b>	10 078 757	6 170 023
<b>Profit of the year</b>		<b>35 632 366</b>	<b>21 831 684</b>
<b>Allocation:</b>			
Paid additional dividends		19 000 000	20 000 000
Allocation to other equity		16 632 366	1 831 684
<b>Total allocation</b>		<b>35 632 366</b>	<b>21 831 684</b>



<b>Balance sheet</b>			
<b>ASCO Norge AS</b>			
	<b>Note</b>	<b>2021</b>	<b>2020</b>
<b>Assets</b>			
<i>Non-current assets</i>			
<b>Intangible assets</b>			
Research and development	<b>17</b>	4 902 471	8 166 328
Deferred tax assets	<b>8</b>	4 440 445	4 227 580
<b>Total intangible assets</b>		<b>9 342 916</b>	<b>12 393 908</b>
<b>Property, plant and equipment</b>			
Land, buildings and other property		18 419 769	24 356 666
Machinery and plant		13 378 362	15 010 960
Fixtures and fittings etc.		1 087 508	1 856 946
<b>Total property, plant and equipment</b>	<b>5, 6</b>	<b>32 885 639</b>	<b>41 224 572</b>
<i>Non-current financial assets</i>			
Investments in associated companies	<b>12</b>	2 500 000	2 500 000
Other long-term debtors	<b>4</b>	30 000	246 590
<b>Total non-current financial assets</b>		<b>2 530 000</b>	<b>2 746 590</b>
<b>Total non-current assets</b>		<b>44 758 555</b>	<b>56 365 070</b>
<i>Current assets</i>			
<b>Debtors</b>			
Accounts receivables	<b>6, 7</b>	149 022 881	120 056 726
Other short-term receivables		7 534 925	3 812 696
<b>Total receivables</b>		<b>156 557 807</b>	<b>123 869 422</b>
Cash and cash equivalents	<b>11</b>	48 740 268	31 731 907
<b>Total current assets</b>		<b>205 298 075</b>	<b>155 601 329</b>
<b>Total assets</b>		<b>250 056 630</b>	<b>211 966 399</b>



<b>Balance sheet</b>			
<b>ASCO Norge AS</b>			
	Note	2021	2020
<b>Equity and liabilities</b>			
<i>Paid-in capital</i>			
Share capital (50.000 shares à NOK 10)	10	500 000	500 000
Share premium		<u>1 885 000</u>	<u>1 885 000</u>
<b>Total paid-up equity</b>		<b>2 385 000</b>	<b>2 385 000</b>
<i>Retained earnings</i>			
Other equity		<u>129 539 488</u>	<u>112 907 122</u>
<b>Total retained earnings</b>		<b>129 539 488</b>	<b>112 907 122</b>
<b>Total equity</b>	9	<b>131 924 488</b>	<b>115 292 122</b>
<b>Liabilities</b>			
<i>Provisions</i>			
<i>Other non-current liabilities</i>			
Other non-current liabilities	4, 5, 6	<u>13 274 353</u>	<u>17 772 753</u>
<b>Total non-current liabilities</b>		<b>13 274 353</b>	<b>17 772 753</b>
<i>Current liabilities</i>			
Trade payables	7	46 520 208	36 082 923
Tax payable	8	10 291 622	7 217 380
Public duties payable		17 978 254	13 560 617
Other short-term liabilities	7	<u>30 067 706</u>	<u>22 040 604</u>
<b>Total current liabilities</b>		<b>104 857 789</b>	<b>78 901 524</b>
<b>Total liabilities</b>		<b>118 132 142</b>	<b>96 674 277</b>
<b>Total equity and liabilities</b>		<b><u>250 056 630</u></b>	<b><u>211 966 399</u></b>
Tananger, 30.05.2022 The board of ASCO Norge AS			
 Gro Gauthun Kielland chairman of the board		 Peter van France member of the board	
 Gary Paver member of the board		 Runar Hatletvedt member of the board/General Manager	



## Asco Norge AS CASH FLOW STATEMENT

	2021	2020
<b>Cash flow from operations</b>		
Profit before income taxes	45 711 123	28 001 707
Taxes paid in the period	-7 217 380	-9 476 553
Gain from sale of fixed asset		-
Depreciation and write down on fixed assets	13 561 289	16 775 798
Change in trade debtors	-28 966 155	6 107 888
Change in trade creditors	10 437 285	-8 986 236
Change in other provisions	8 967 119	-1 951 144
<b>Net cash flow from operations</b>	<b>42 493 281</b>	<b>30 471 460</b>
<b>Cash flow from investments</b>		
Proceeds from sale of fixed assets		-
Purchase of fixed assets and R&D	-1 986 520	-5 728 775
Change in loans to associated company		-
<b>Net cash flow from investments</b>	<b>-1 986 520</b>	<b>-5 728 775</b>
<b>Cash flow from financing</b>		
Repayment of long term loans	-4 498 400	-6 954 379
Net change in bank overdraft		-
Paid dividends	-19 000 000	-20 000 000
<b>Net cash flow from financing</b>	<b>-23 498 400</b>	<b>-26 954 379</b>
Net change in cash and cash equivalents	17 008 361	-2 211 694
Cash and cash equivalents at the beginning of the period	31 731 907	33 943 601
<b>Cash and cash equivalents at the end of the period</b>	<b>48 740 268</b>	<b>31 731 907</b>



## ASCO Norge AS Notes to the financial statements for 2021

### Note 1 – Accounting policies and effect of change in accounting principle

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

#### Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

#### Revenues

Income from sale of goods and services are recognised at fair value of the consideration, net after deduction of VAT, returns, discounts and reductions. Sales are taken to income when the company has delivered its products and services to the customer and there are no unsatisfied commitments which may influence the customer's acceptance of the product or services.

#### Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

#### Purchase cost

The purchase cost of assets includes the cost price for the asset, adjusted for bonuses, discounts and other rebates received, and purchase costs (freight, customs fees, public fees which are non-refundable and any other direct purchase costs). Purchases in foreign currencies are reflected in the balance sheet at the exchange rate at the transaction date.

For fixed assets purchase cost also includes direct expenses to prepare the asset for use, such as expenses for testing of the asset.

#### Fixed assets

Land is not depreciated. Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the acquisition date.

Leased assets are reflected in the balances sheet as assets if the leasing contract is considered a financial lease.

#### Investments in other companies

Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

#### Asset impairments

Impairment tests are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cashflows can be identified. If the carrying amount is higher than both the fair value less cost to sell and recoverable amount (net present value of future use/ownership), the asset is written down to the highest of fair value less cost to sell and the recoverable amount.

Previous impairment charges, except writedown of goodwill, are reversed in later periods if the conditions causing the write-down are no longer present.



## ASCO Norge AS Notes to the financial statements for 2021

### **Debtors**

Trade debtors are recognised in the balance sheet after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems at the customers, the likelihood that the customer will become bankrupt or experience financial restructuring and postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. When the effect of a writedown is insignificant for accounting purposes this is, however, not carried out. Provisions for bad debts are valued the same way as for trade debtors.

### **Foreign currencies**

Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date.

### **Liabilities**

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

### **Pensions**

At year-end, the company has a defined contribution plan.

#### *Defined contribution plan*

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognised as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.

### **Taxes**

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes).

Deferred tax is reflected at nominal value.

### **Cash flow statement**

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

### **Financial instruments and hedging activities**

The company uses interest swaps to manage risks related to changes in interest rates. Hedge accounting is applied for hedging of future interest payments related to external debt through interest swaps.



## ASCO Norge AS Notes to the financial statements for 2021

### Group accounts

Group accounts for Asco Norge AS will not be prepared as Asco Norge AS is a sub-group of Asco Holdings Limited in UK, c.f the Accounting Act §3-7.

### Language in the financial statement

The company has been granted a dispensation from the requirement to prepare the financial statement in Norwegian according to the Norwegian Accounting Act §3-4.3.

### Note 2 Payroll expenses, number of employees, remuneration to executives, etc.

Payroll expenses	2021	2020
Wages and salaries	164 611 607	148 978 773
Social security fees	21 414 006	18 806 381
Pension expenses	8 888 152	8 409 949
Other remuneration	4 868 121	2 032 393
<b>Total</b>	<b>199 781 887</b>	<b>178 227 496</b>

Average number of employees, full time equivalent 210 199

Remuneration to executives	General Manager	Board members
Salaries/board fee	2 426 176	100 000
Pension expenses	110 664	0
Other remuneration	17 229	0

No loans/securities have been granted to the general manager, Board chairman or other related parties. No individual loans/securities amount to more than 5% of the company's equity.

The General Manager has a bonus agreement which involves bonus payments when certain objectives are achieved.

### Auditor's fees

The expensed fees to the company's auditor consist of the following (VAT excluded):

Auditors fee	2021	2020
Statutory Audit, including technical assistance with financial statements	310 840	441 475
Tax advisory fee (incl. Technical assistance with tax return)	83 000	83 000
Other assurances services	0	0
<b>Total excl. vat</b>	<b>393 840</b>	<b>524 475</b>



## ASCO Norge AS Notes to the financial statements for 2021

### Note 3 Pensions

The company has a defined contribution plan for all employees.

Additionally, the company has an agreed early retirement scheme (AFP). The new AFP-scheme, in force from 1 January 2011, is a defined benefit multi-enterprise scheme, but is recognised in the accounts as a defined contribution scheme until reliable and sufficient information is available for the group to recognise its proportional share of pension cost, pension liability and pension funds in the scheme. The company's liabilities are therefore not recognised as debt in the balance sheet.

The company's pension schemes meet the requirements of the law on compulsory occupational pension.

### Note 4 Receivables and liabilities

#### Receivables due later than one year

	2021	2020
Loans to associated companies	0	0
Other long-term receivables	30 000	246 590
<b>Total</b>	<b>30 000</b>	<b>246 590</b>

#### Long-term liabilities with maturity later than 5 years

	2021	2020
Liabilities to financial institutions	0	0
Other long term debt	7 522 665	7 621 991
<b>Total</b>	<b>7 522 665</b>	<b>7 621 991</b>

### Note 5 Fixed Assets

Fixed assets	Land, buildings and other property	Machinery and plant	Fixtures and fittings	Total
Purchase cost 1.1	115 552 688	47 262 521	10 723 713	173 538 921
Additions	0	1 651 434	335 087	1 986 520
Disposals	0	0	0	0
<b>Cost at 31.12.</b>	<b>115 552 688</b>	<b>48 913 955</b>	<b>11 058 799</b>	<b>175 525 442</b>
Acc. depreciation 1.1.	91 196 022	32 251 561	8 866 767	132 314 349
Annual depreciation	5 936 897	3 284 032	1 104 524	10 325 453
Disposals depreciation				0
<b>Acc. depreciation at 31.12.</b>	<b>97 132 919</b>	<b>35 535 592</b>	<b>9 971 291</b>	<b>142 639 803</b>
<b>Net book value 31.12.</b>	<b>18 419 769</b>	<b>13 378 362</b>	<b>1 087 508</b>	<b>32 885 639</b>
Depreciation rate	4-33%	10-20%	20-33%	
Net book value of financial lease (included in Bulk facilities and Buildings)				11 480 409
Associated debt item				13 274 353
Annual rent for assets not recognised in the balance sheet			<b>Buildings</b> 63 422 714	<b>Machines</b> 23 607 127



## ASCO Norge AS Notes to the financial statements for 2021

### Note 6 Mortgage and collateralisation

Liabilities to financial institutions	2021	2020
Financial lease	13 274 353	17 772 753
Long term liabilities to financial institutions	0	0
Short term liabilities to financial institutions	0	0
<b>Total</b>	<b>13 274 353</b>	<b>17 772 753</b>

Booked value of assets placed as security		
Property, plant and equipment (limited to MNOK 30)	32 885 639	41 224 572
Trade debtors (limited to MNOK 30)	149 022 881	120 056 726
<b>Total</b>	<b>181 908 520</b>	<b>161 281 298</b>

Guarantee commitment, Kristiansund Base AS	4 000 000	4 000 000
Domestic Performance Bond	2 075 000	2 075 000

Asco Norge AS is guarantor for a group loan in UK.

ASCO Group Limited is reliant on the borrowing/credit facility secured as part of the acquisition of ASCO by Zander Topco Ltd, a company which is owned by a consortium of investors. However, it is possible that ASCO's current owners will sell the business within the next 12 months. In the event of a sale, the 'change of control' clause within the current borrowing facility would be triggered which could result in the facility becoming repayable immediately. In this scenario, uncertainty exists as to whether the group will be able to reach agreement with the lenders or secure additional funding either externally or from any acquirer. As ASCO Norge AS is a legally guarantor for the borrowing facility in the Group, the conclusion reached at Group level will affect ASCO Norge AS even if the operation in Norway on a stand alone basis is sound and good.

These conditions, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

### Note 7 Balance with Group companies

	Trade Receivables		Other Receivables	
	2021	2020	2021	2020
Group Companies	0	162 919	0	0
Associated companies	0	0	0	0
<b>Total</b>	<b>0</b>	<b>162 919</b>	<b>0</b>	<b>0</b>

	Trade Payables		Other short term payables	
	2021	2020	2021	2020
Group Companies	0	0	0	0
Associated companies	2 556 245	1 241 712	0	0
<b>Total</b>	<b>2 556 245</b>	<b>1 241 712</b>	<b>0</b>	<b>0</b>



ASCO Norge AS  
Notes to the financial statements for 2021

Note 8 Tax expenses

Calculation of deferred tax/deferred tax benefit

Temporary differences:	Changes	2021	2020
Financial lease	-797 662	-1 793 943	-2 591 605
Receivables	213 147	-363 567	-150 420
Fixed assets	1 552 082	-18 026 331	-16 474 249
Other provisions	0	0	0
<b>Temporary differences</b>	<b>967 566</b>	<b>-20 183 841</b>	<b>-19 216 274</b>
Tax losses carried forward		-	-
<b>Basis for deferred tax assets</b>		<b>-20 183 841</b>	<b>-19 216 274</b>
Calculated deferred tax assets	212 865	-4 440 445	-4 227 580
<b>Deferred tax assets recognised in the balance sheet</b>	<b>212 865</b>	<b>-4 440 445</b>	<b>-4 227 580</b>
Tax rate used		22 %	22 %

All timing differences are expected to be reversed in the future and this has been considered when calculating deferred tax assets/deferred tax liabilities

Basis for income tax expense, changes in deferred tax and tax payable:

	2021	2020
Result before tax	45 711 123	28 001 707
+ Permanent differences	101 409	43 852
+ Change in temporary differences	967 567	2 425 474
Tax losses carried forward (from the merged companies)	0	0
<b>Tax payable basis</b>	<b>46 780 099</b>	<b>30 471 033</b>
Tax payable	10 291 622	6 703 627
Tax payable 2019	0	513 753
Skattefunn R&D tax	0	0
<b>Tax payable in balance sheet</b>	<b>10 291 622</b>	<b>7 217 380</b>

Tax payable	10 291 622	1 942 442
Change in deferred tax	-212 865	4 227 580
<b>Tax expense</b>	<b>10 078 757</b>	<b>6 170 023</b>

<b>Reconciliation of tax expense</b>		
22% of result before tax	10 056 447	6 160 376
22% of permanent differences	22 310	9 647
Change in deferred tax due to change in tax rate	0	0
<b>Tax expense</b>	<b>10 078 757</b>	<b>6 170 023</b>



**ASCO Norge AS**  
**Notes to the financial statements for 2021**

**Note 9 Equity**

	<b>Share capital</b>	<b>Share premium</b>	<b>Other equity</b>	<b>Total</b>
<b>Equity at 01.01.</b>	500 000	1 885 000	112 907 122	115 292 122
<b>Additional dividends</b>			-19 000 000	-19 000 000
<b>Profit for the year</b>			35 632 366	35 632 366
<b>Equity at 31.12.</b>	<b>500 000</b>	<b>1 885 000</b>	<b>129 539 489</b>	<b>131 924 488</b>

**Note 10 Share capital and shareholder's information**

The share capital in Asco Norge AS as of 31.12.2021 consists of:

	<b>Number of shares</b>	<b>Nominal value</b>	<b>Book value</b>
<b>A-shares</b>	50 000	10	500 000
<b>Total</b>	<b>50 000</b>	<b>10</b>	<b>500 000</b>

**Ownership structure**

The company's shareholders as of 31.12.2021 are:

	<b>A-shares</b>	<b>Ownership</b>	<b>Voting-shares</b>
<b>ASCO Holdings Ltd</b>	50 000	100 %	100 %
<b>Total number of shares</b>	<b>50 000</b>	<b>100 %</b>	<b>100 %</b>

No shares or share options are owned by the General Manager or Directors.

The company is a subsidiary undertaking of ASCO Group Limited, a company registered in Scotland. Copies of its financial statements for the year to 31 December 2021 can be obtained from Asco Group HQ, Unit A, 11 Harvest Avenue, Aberdeen, AB21 0BQ, UK.

The ultimate parent company is Zander Topco Limited, a company registered in England.

The financial statements of ASCO Group Limited, which reflect the consolidation of the company, are available from Asco Group HQ, 11 Harvest Avenue, Aberdeen, AB21 0BQ, UK.



**ASCO Norge AS**  
**Notes to the financial statements for 2021**

**Note 11 Bank deposit**

	<b>2021</b>	<b>2020</b>
Restricted bank deposit of withheld employee taxes	7 318 773	6 996 287
Unused bank overdraft	0	17 000 000

**Note 12 Investment in subsidiary and associated companies**

The cost method is applied to investments in other companies.

<b>Associated company</b>	<b>Registered office</b>	<b>Ownership</b>	<b>Book value</b>	<b>Result 2021 (100%)</b>	<b>Equity as of 31.12.2021</b>
Kristiansund Base AS	Averøy	50 %	2 500 000	4 159 463	16 161 189

**Note 13 Revenues**

<b>Activity distribution</b>	<b>2021</b>	<b>2020</b>
Base	613 346 101	426 840 815
Stock	63 241 928	59 265 265
Bulk	40 970 241	36 777 950
Personnel	93 584 273	78 593 415
<b>Total</b>	<b>811 142 543</b>	<b>601 477 443</b>

<b>Geographical distribution</b>		
Great Britain	1 223 678	1 819 307
Norway / overseas	809 918 865	599 658 138
<b>Total</b>	<b>811 142 543</b>	<b>601 477 443</b>



ASCO Norge AS  
Notes to the financial statements for 2021

**Note 14 Related-party transactions**

Remuneration to executives is disclosed in note 2, and balances with group companies are disclosed in note 7.

Related-party transactions:	2021	2020
<b>Sales of goods and services</b>		
<i>Sales of goods:</i>		
- Parent company	0	0
- Associated companies	0	0
<i>Sales of services:</i>		
- Parent company	0	0
- Associated companies	1 223 678	1 819 307
<b>Purchases of goods and services</b>		
<i>Purchases of goods:</i>		
- Parent company	0	0
- Associated companies	0	0
<i>Purchases of services:</i>		
- Parent company (management services)	16 253 760	14 989 678
- Associated companies	827 965	1 394 469

**Note 15 Financial income and financial costs**

This item includes foreign currency gains and losses as follows:

	2021	2020
Foreign currency gains	152 789	163 355
Foreign currency losses	249 939	309 495

**Note 16 Financial risk**

**Interest rate risk**

The company has a long term loan at a floating rate.

**Hedging of interest rate risk**

Floating rate debt is hedged against changes in the interest rate level through interest swaps. The hedging relationship is assessed as effective and all settlements under the interest swap will be recorded against interest costs related to the hedged loan in the income statement.

Overview of the interest rate swap agreement as of 31.12.2021:

Currency	Amount	Fixed rate	Maturity	Market value at 31.12.21
NOK	12 621 913	3,07 %	27.12.2022	-248 376



**ASCO Norge AS**  
**Notes to the financial statements for 2021**

**Note 17 Intangible assets**

Intangible assets	R&D	Total
Purchase cost pr. 01.01.	9 707 454	9 707 454
Additions	0	0
Disposals	0	0
<b>Purchase cost pr. 31.12.</b>	<b>9 707 454</b>	<b>9 707 454</b>
Accumulated depreciation 1.1.	1 541 126	1 541 126
Annual depreciation	3 263 857	3 263 857
<b>Accumulated depreciation 31.12.</b>	<b>4 804 983</b>	<b>4 804 983</b>
<b>Net book value pr. 31.12.</b>	<b>4 902 471</b>	<b>4 902 471</b>
Estimated useful life	3 Year	
Depreciation plan	Straight line	

**Note 18 Post balance sheet event**

Over the last few months we have seen an increase in oil prices which have been further accelerated by the war in Ukraine. If such prices are maintained at historically high levels we may experience an increase in customer drilling and other activities as projects become financially viable and longer term confidence improves.



To the General Meeting of Asco Norge

## *Independent Auditor's Report*

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### *Opinion*

We have audited the financial statements of Asco Norge (the Company), which comprise the balance sheet as at 31 December 2021, 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 2021, 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*

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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 laws and regulations 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.

### *Material Uncertainty Related to Going Concern*

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We draw attention to Note 6 in the financial statements and the Board of Directors' report, which describe events and conditions present for signing the accounts. As stated in Note 6 and the Board of Directors' report, these events or conditions, along with other matters as set forth in Note 6 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### *Other Information*

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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,

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



## Independent Auditor's Report - Asco Norge



but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

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

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

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

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### *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.

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### *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>

Stavanger, 30 May 2022  
**PricewaterhouseCoopers AS**

Arne Birkeland  
State Authorised Public Accountant

(This document is signed electronically)

(2)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Birkeland, Arne	BANKID_MOBILE	2022-05-30 10:49

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