



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 916 884 222
Organisasjonsform: Aksjeselskap
Foretaksnavn: SSCP SPV 1 AS
Forretningsadresse: c/o Aabø-Evensen & Co Advokatfirma
5. etasje
Karl Johans gate 27
0159 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Geir Bråten
Dato for fastsettelse av årsregnskapet: 30.06.2023

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, 24.11.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	1	125 000	375 000
Sum kostnader		125 000	375 000
Driftsresultat		-125 000	-375 000
Netto finans			
Ordinært resultat før skattekostnad		-125 000	-375 000
Ordinært resultat etter skattekostnad		-125 000	-375 000
Årsresultat		-125 000	-375 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-125 000	-375 000
Sum overføringer og disponeringer		-125 000	-375 000



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap		0	0
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	0
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		13 000	13 000
Sum bankinnskudd, kontanter og lignende		13 000	13 000
Sum omløpsmidler		13 000	13 000
SUM EIENDELER		13 000	13 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		290 000	290 000
Overkurs		372 845 000	372 845 000
Annen innskutt egenkapital		28 745 000	28 745 000
Sum innskutt egenkapital		401 880 000	401 880 000
Opptjent egenkapital			
Udekket tap		412 916 000	412 791 000
Sum opptjent egenkapital		-412 916 000	-412 791 000
Sum egenkapital		-11 036 000	-10 911 000



Balanse

Beløp i: NOK	Note	2022	2021
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		11 049 000	10 924 000
Sum annen langsiktig gjeld		11 049 000	10 924 000
Sum langsiktig gjeld		11 049 000	10 924 000
Sum gjeld		11 049 000	10 924 000
SUM EGENKAPITAL OG GJELD		13 000	13 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		937 432 000	725 692 000
Annen driftsinntekt		74 000	41 000
Sum inntekter	5	937 506 000	725 733 000
Kostnader			
Varekostnad	21	317 612 000	184 574 000
Lønnskostnad	19	227 263 000	198 227 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	6,16	96 912 000	101 829 000
Annen driftskostnad	18	300 149 000	217 822 000
Sum kostnader		941 936 000	702 452 000
Driftsresultat		-4 430 000	23 281 000
Finansinntekter og finanskostnader			
Annen renteinntekt	17	251 000	14 000
Sum finansinntekter		251 000	14 000
Annen rentekostnad	16,17	43 648 000	34 517 000
Annen finanskostnad	17	1 522 000	1 723 000
Sum finanskostnader		45 170 000	36 240 000
Netto finans		-44 919 000	-36 226 000
Ordinært resultat før skattekostnad		-49 349 000	-12 945 000
Ordinært resultat etter skattekostnad		-49 349 000	-12 945 000
Ekstraordinære poster			12 558 000
Skattekostnad på ekstraordinære poster			568 000
Årsresultat		-49 349 000	-955 000



Konsernets balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	14	7 834 000	7 834 000
Intangible assets	6	31 438 000	
Sum immaterielle eiendeler		39 272 000	7 834 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	6	81 631 000	87 936 000
Maskiner og anlegg	6	58 749 000	95 399 000
Maskiner og anlegg	6,16	170 012 000	150 639 000
Sum varige driftsmidler		310 392 000	333 974 000
Sum anleggsmidler		349 664 000	341 808 000
Omløpsmidler			
Varer			
Varer		7 632 000	398 000
Sum varer		7 632 000	398 000
Fordringer			
Kundefordringer	8	180 538 000	154 084 000
Sum fordringer		180 538 000	154 084 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9,13	16 091 000	52 442 000
Sum bankinnskudd, kontanter og lignende		16 091 000	52 442 000
Sum omløpsmidler		204 261 000	206 924 000
SUM EIENDELER		553 925 000	548 732 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Konsernets balanse

Beløp i: NOK	Note	2022	2021
Innskutt egenkapital			
Selskapskapital	10	291 000	291 000
Overkurs		372 845 000	372 845 000
Annen innskutt egenkapital		28 745 000	28 745 000
Sum innskutt egenkapital		401 881 000	401 881 000
Opptjent egenkapital			
Udekket tap		609 292 000	559 942 000
Sum opptjent egenkapital		-609 292 000	-559 942 000
Sum egenkapital		-207 411 000	-158 061 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	12	205 820 000	
Langsiktig konserngjeld	12	59 714 000	
Øvrig langsiktig gjeld	16	113 804 000	89 752 000
Øvrig langsiktig gjeld	12	23 080 000	35 080 000
Sum annen langsiktig gjeld		402 418 000	124 832 000
Sum langsiktig gjeld		402 418 000	124 832 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	12	19 000 000	210 831 000
Leverandørgjeld	11	151 567 000	90 141 000
Skyldige offentlige avgifter		15 662 000	20 696 000
Annen kortsiktig gjeld	12	12 000 000	30 000 000
Annen kortsiktig gjeld	12		54 986 000
Annen kortsiktig gjeld	16	68 592 000	72 734 000
Annen kortsiktig gjeld	15	92 097 000	102 573 000
Sum kortsiktig gjeld		358 918 000	581 961 000
Sum gjeld		761 336 000	706 793 000
SUM EGENKAPITAL OG GJELD		553 925 000	548 732 000



To the General Meeting of SSCP SPV1 AS

Independent Auditor's Report

Opinion

We have audited the financial statements of SSCP SPV1 AS, which comprise:

- the financial statements of the parent company SSCP SPV1 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, and
- the consolidated financial statements of SSCP SPV1 AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the income statement, statement of changes in equity 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 statutory requirements,
- 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 Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

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 and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the

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Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 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 June 2023

PricewaterhouseCoopers AS

Siren Iversen Dahle
State Authorised Public Accountant



SSCP SPV 1 AS

SAR Group

Annual Accounts 2022



SAR Group – Board of Directors report 2022



Board of Director's report 2022

The nature of the business

SAR AS is a company providing Waste Chain Management services to offshore and onshore industry. The company offers complete waste solutions and waste recycling services. This includes treatment, handling, cleaning, removal, and disposal of waste. SAR AS is the operating company in the Group.

Operations

Norwegian operations

SAR AS mainly provides services to clients in the Norwegian offshore and onshore segment, in addition to onshore industrial companies. SAR AS has eight operating branches located along the Norwegian coastline from Tananger - in the south, to Hammerfest - in the north. The head office is located in Tananger.

SAR AS has production facilities for treatment of offshore drilling waste, comprising slop, and cuttings at Averøy, cuttings treatment at Sandnessjøen, Hammerfest and in Risavika, in addition to a facility for biological water treatment at Mongstad.

After several challenging years, an ambitious improvement program was initiated in 2020. The improvement program aims to improve the operational performance and financial sustainability of the company and contains improvement initiatives in all areas of the company. The program will continue into 2023 and 2024 to complete started initiatives. In addition, new initiatives have been established in 2022 to ensure further financial improvement, the achievement of budget targets for 2023, as well as long-term goal achievements towards 2026. Furthermore, the improvement program also includes initiatives that further reduce the Company's environmental footprint and increase the amount of waste that is fully recycled. The focus on creating re-usable products from received and recycled waste has been further reinforced during 2022 and will continue to be a priority and strategy for the company in the years to come through the SAR Circular program.

Assessment of going concern

The Board of Directors confirms that the accounts for 2022 have been prepared under the assumption of going concern. The going concern assumption is based on an assessment of the market outlook and the effects from the Group's continuous improvement program started in 2020 and continued in 2021 and 2022 and further into 2023. The improvement program has already had substantial positive effects on the company's performance and robustness as well as growth over the last years. The market outlook going forward is considered positive with expected further high activity on the



SAR Group – Board of Directors report 2022



Norwegian Continental Shelf and in the onshore waste market. Also important contracts have been extended during 2022, which further supports the Board's assessment of going concern.

In December 2022, SAR entered into an agreement with its Shareholders and Senior lender for a prolongation of its Senior Facility Agreement for two more years.

SAR was in 2021 involved in a fire incident at one of its downstream suppliers. Following the incident SAR AS has received three claims from the insurers of this supplier. SAR has fully rejected all claims put forward, disputed that it exists any factual and/or legal basis for the claims and rejects any responsibility for the claims put forward. The Board is currently considering the claims to have no impact to the going concern assessment and for the annual accounts 2022. See below for additional description of the incident.

Employees and working environment

SAR Group had 273 permanent employees on the 31st of December 2022. The parent company, SSCP SPV1 AS, had zero employees. The Group reported absence due to sickness was 4,5 % of the total number of working hours in 2022, down from 5,2 % in 2021. Company management is continuously working on efforts to reduce employee's absence.

SAR registered three injuries that resulted in absence, compared to four injuries previous year. Internal investigation regarding all injuries is performed and appropriate measures are implemented to reduce the risk of similar incidents occurring in the future.

The working environment in the company is considered good. The Group carries out leadership and working environment surveys ("Klimaundersøkelsen") annually and has implemented various other measures to ensure employee satisfaction and a positive working environment. The collaboration between the management and the unions is considered constructive and has contributed positively to the operations in 2022.

Equality and anti-discrimination

The Group is strongly committed to the objective of complete gender equality and no discrimination related to ethnicity, national origin, language, religion, or physical disability. Of the company's permanent employees at the end of 2022, 25 % were women and 75 % were men. The proportion of women in the company's management was 43 %. SAR's diverse workforce represents over 20 nationalities contributing to high competence in a wide range of areas and valuable insights. The Group's policies include provisions to ensure that there is no discrimination with regards to salaries, promotions, or recruitment.

SAR Group – Board of Directors report 2022



Transparency act

The purpose of the Transparency act is promoting respect, human rights and equal opportunities in addition to securing transparency.

The Group conducts due diligence assessments according to its procedures to follow up the suppliers and is on schedule to publish this according to the Authorities due date. The Group has published its assessment on its web page www.sargruppen.no.

Environmental reporting

Emissions from our treatment facilities, including waste that can cause damage to the environment, does not exceed the limits set by the Authorities. The Group operates within a strict regime of regulations and the operations are governed by concessions and such regulations. As a result, the Group has extensive internal control routines for safe operations and for the control of emissions. The Group has a high focus with regards to its social responsibilities and spends significant resources on the objective of operating in an environmentally friendly manner and minimizing its environmental footprint.

SAR's activities to recover and recycle waste involves energy consumption, especially in the sea logistics between the departments of SAR and electricity consumption at our treatment locations. SAR has prepared a Climate Emission Report which covers emission data connected to Service, Treatment and Logistics activity. This Climate Emission Report represents the collected data within Scope 1 & 2 and partly Scope 3, according to the Greenhouse Gas Protocol (GHG-Protocol). The report helps us to continuously evaluate and improve SARs climate footprint.

There has not been reported any environmental emissions from our facilities that may have an environmental impact in 2022.

Market Outlook

SAR's activity level is primarily correlated with activity in the Energy segment and offshore drilling activity on the Norwegian Continental Shelf, but the Company works actively to further strengthen its position in other waste segments. In addition, the Company continues its expansion within greener business models where waste-to-product and footprint-based decision making are key success factors to achieve a sustainable business - both financially and environmentally.

As a consequence of the marked development during 2022, the Company has identified several new market opportunities. We expect the market outlook to be positive on SARs behalf in the years to come. On the other hand, the Company has during 2022 experienced a significant increase in several cost segments, especially within transportation, fuel and electricity costs. We expect that prices will continue to be volatile in the near future, but also continue at a high level.

Finally, SAR AS has continued to increase its focus on logistics, value chain collaboration and ecosystem partnerships to accelerate the company in a circular direction.



SAR Group – Board of Directors report 2022



Key financial information

The Group's total revenue for 2022 amounted to NOK 937,5 million (NOK 725,7 million in 2021), representing an increase of 29 %. Profit after tax for the year amounted to negative NOK 49,3 million (negative NOK 1,0 million in 2021). The Operating result for 2022 amounted to negative NOK 4,4 million (NOK 23,3 million in 2021). Reported gross margin for 2022 was 66 % compared to 75 % in 2021, whilst other operating costs was increased from NOK 517,9 million in 2021 to NOK 624,3 million in 2022. Increase cost related to transportation, fuel and electricity as well as increased cost related to more challenging waste received were the main drivers for the cost increase in 2022. Contribution from the Groups improvement program partly compensated for the increased cost.

The Groups EBITDA for 2022 amounted to NOK 92,5 million. The Groups EBITDA for 2021 amounted to NOK 130,6 million.

Cash flow from operations amounted to NOK 89,8 million compared to NOK 101,6 million in 2021. Net cash from investing activities amounted to negative NOK 16,0 million (NOK 7,4 million in 2021) and cash flow from financing activities amounted to negative NOK 110,1 million (negative NOK 78,8 million in 2021). Net cash flow for 2022 amounted to negative NOK 36,4 million. Net cash flow previous year amounted to NOK 30,2 million. Cash balance per 31 December 2021 amounted to NOK 16,1 million compared to NOK 52,4 million previous year.

As of the 31st of December 2022, total assets were NOK 553,9 million (NOK 548,8 million in 2021). Total equity per 31 December 2021 amounted to negative NOK 207,4 million (negative NOK 158,1 million in 2021)

The parent company SSCP SPV 1 AS did not have revenue in 2022 nor in 2021. Profit after tax for the year amounted to negative NOK 0,1 million (negative NOK 0,4 million in 2021). As of the 31st of December 2022, SSCP SPV 1 AS had total assets of NOK 0 (no changes from previous year). Total equity per 31 December 2022 amounted to negative NOK 11,0 million (negative NOK 10,9 million in 2021).

Financial risks

Currency risk

The Group operates internationally and is exposed to currency risk arising primarily from US dollars and Euros. Currency risk mainly arises from commercial transactions (supplier purchases) and related trade liabilities

Credit risk

Credit risk is managed at Group level except for credit risk related to accounts receivable. Each location is responsible for managing and analyzing the credit risk of its new customers before standard payment and delivery terms are offered. No credit limits were exceeded during the reporting period and management does not expect any losses on receivables from these counterparties. The Group has

SAR Group – Board of Directors report 2022



reported only minor losses on trade receivables during the year and expects that all receivables per December 31st will be fully settled.

Liquidity risk

Group finance continuously monitors rolling forecasts of the Group's liquidity requirements to ensure they have sufficient cash to meet operational needs while always maintaining sufficient room for maneuvers in accordance with the conditions in the company's Senior Financing Facilities to ensure that the Group does not breach borrowing limits or covenants (where applicable) on any of its facilities. The Group has not paying installments on its Senior Facility Agreement in 2022.

In December 2022, the Group entered into an agreement with its Shareholders and Senior lenders to prolong the Senior Facility Agreement for two more years until December 2024.

Per end of December 2022 and per date, the Group has NOK 60 million in undrawn credit facilities.

The company has per date a Directors and Officers liability insurance limited to GBP 5 million.

Ongoing disputes

In June 2021, a tanker from SAR was present and dispatching waste at one of its suppliers when an explosion and subsequent fire occurred in the waste pit at the supplier's facility. The explosion and the subsequently fire caused extensive damages to personnel and the waste facility, including damages on SAR's involved tanker. Following the incident SAR has received regress claims from two insurance companies of NOK 177 million and a regress claim from the insurance company of one of the involved employees. The size of this claim is unknown. SAR, for its part, has rejected the claims received in its entirety, as SAR believes that there is neither a factual nor legal basis for the claims made. Both SAR and SAR's insurance company has filed regress claims against the respective supplier. Both with basis in negligent conduct and breach of contract from the supplier's side.

The outcomes of the regress claims are associated with a high degree of uncertainty, in addition to the fact that it is difficult to prepare a reliable estimate of the size of any obligation. Based on this, no provisions have been recognized for liabilities in the annual accounts for 2022.



SAR Group – Board of Directors report 2022



Tananger, 30 June, 2023.

Tor Olav Schibevaag

Member of the Board

Stefano Bonfiglio

Chairman of the Board

Ahmed Khamassi

Member of the Board



SAR Group SSCP SPV1 AS - 2022 - Financial Report

Consolidated Income Statement

<i>All amounts in NOK thousands</i>	Notes	31 December	
		2022	2021
Operating revenue		937 432	725 692
Gain on sale of assets		74	41
Total Revenue	5	937 506	725 733
Waste treatment costs	21	317 612	184 574
Personnel costs	19	227 263	198 227
Depreciation and amortisation - Intangible assets	6	2 406	-
Depreciation - Fixed assets	6	25 166	33 548
Depreciation - Right of use assets	6, 16	69 340	68 281
Other operating expenses	18	300 149	217 822
Total Operating expenses		941 935	702 451
Operating profit		-4 430	23 282
Interest income	17	251	14
Interest costs	16, 17	43 648	34 517
Other financial expenses	17	1 522	1 723
Net financial costs		44 919	36 226
Profit before income tax		-49 349	-12 944
Income taxes	14	-	-
Profit from continuing operation		-49 349	-12 944
Profit before income tax from discontinued operation	22	-	12 558
Income tax on discontinued operation	14, 22	-	568
Profit from discontinued operation		-	11 990
Profit for the year		-49 349	-954
Attributable to:			
Equity holders of the Group		-49 349	-954
Non-controlling interests		-	-
		-49 349	-954



SAR Group SSCP SPV1 AS - 2022 - Financial Report

Consolidated Balance sheet

<i>All amounts in NOK thousands</i>	Notes	31 December	
		2022	2021
ASSETS			
Non-current assets			
Deferred tax asset	14	7 834	7 834
Intangible assets	6	31 438	-
Land and buildings	6	81 631	87 936
Right of use assets	6, 16	170 012	150 639
Other machinery	6	58 749	95 399
Total non-current assets		349 664	341 807
Current assets			
Inventory		7 632	398
Accounts receivable and other receivables	8	180 538	154 084
Cash and cash equivalents	9, 13	16 091	52 442
Total current assets		204 261	206 923
Total assets		553 925	548 731
EQUITY			
Equity attributable to owners of the parent			
Ordinary shares	10	291	291
Share premium		372 845	372 845
Other paid in capital		28 745	28 745
Other equity		-609 292	-559 942
Total equity		-207 411	-158 062
LIABILITIES			
Non-current liabilities			
Bank borrowings	12	205 820	-
Loan from shareholder and related parties	12	59 714	-
Finance lease obligations (LT)	16	113 804	89 752
Other long term liabilities	12	23 080	35 080
Total non-current liabilities		402 417	124 832
Current liabilities			
Borrowings	12	12 000	30 000
Bank borrowings	12	19 000	210 831
Loan from shareholder and related parties	12	-	54 986
Finance lease obligation (ST)	16	68 592	72 734
Accounts payable	11	151 567	90 141
Public duties payable		15 662	20 696
Provisions for other liabilities and charges	15	92 097	102 573
Total current liabilities		358 918	581 961
Total liabilities		761 335	706 792
Total equity and liabilities		553 925	548 731

Tananger, 30.06.2023

Tor Olav Schibevaag
Member of the Board/CEO

Stefano Bonfiglio
Chairman of the Board

Ahmed Khamassi
Member of the Board



SAR Group SSCP SPV1 AS - 2022 - Financial Report

Consolidated Statement of cash flows

<i>All amounts in NOK thousands</i>	Notes	31 December	
		2022	2021
Cash flows from operating activities			
Profit before tax from continuing operations		-49 349	-12 944
Profit before tax from discontinued operations	22	-	12 558
Paid taxes / received taxes		-	-568
Gain on sale of operating assets	22	-74	-13 330
Depreciation and impairment		96 912	101 829
Depreciation from discontinued operation		-	1 799
Write down of financial investments		-	100
Interest expense, not paid	17	18 681	26 062
Change in stock		-7 234	-398
Change in account receivables and other receivables		-28 524	-36 689
Change in account payables		61 426	8 751
Change in other accruals		-2 089	14 415
Net Cash generated from operating activities		89 750	101 584
Cash flows from investing activities			
Net purchases of buildings and equipment	6	-16 055	-19 271
Payments received from sales of operating assets	22	74	26 646
Net cash used in investing activities		-15 981	7 375
Cash flow from financing activities			
Repayment of borrowings	13	-30 000	-
Repayment of finance lease	16	-80 120	-78 820
Share issue		-	13
Net cash used in financing activities		-110 120	-78 807
Net (decrease) / increase in cash and cash equivalents		-36 351	30 152
Cash and cash equivalents at the beginning of year		52 442	22 289
Cash and cash equivalents at the end of year	9	16 091	52 442



Consolidated Statement of changes in equity

Consolidated Statement of changes in equity

<i>All amounts in NOK thousands</i>	<i>Attributable to owners of the parent</i>						Non-controlling interest	Total equity
	Notes	Share capital and share premium	Other paid in capital	Other equity	Total			
Balance as at 1 January 2021		373 123	28 745	-558 987	-157 119	-	-157 120	
Share capital increase		13	-	-	13	-	13	
Profit/Loss for the year		-	-	-954	-954	-	-954	
Balance as at 31 December 2021		373 135	28 745	-559 941	-158 062	-	-158 062	
Balance as at 1 January 2022		373 135	28 745	-559 941	-158 062	-	-158 062	
Share capital increase		-	-	-	-	-	-	
Profit/Loss for the year		-	-	-49 349	-49 349	-	-49 349	
Balance as at 31 December 2022		373 136	28 745	-609 292	-207 411	-	-207 411	



Notes to the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

(all figures in NOK thousands if not otherwise specified)

SAR AS offers a full range of Waste Chain Management (WCM®) services. SAR focuses primarily on hazardous waste fractions and drilling waste from the energy segment primarily located on the Norwegian continental shelf.

SAR AS, is located in 8 facilities along the Norwegian coast; Tananger, Risavika, Mongstad, Florø, Kristiansund, Averøy, Sandnessjøen and Hammerfest.

The Group's major shareholder is a UK based private equity fund managed by Stirling Square Capital Partners (SSCP). SAR AS was acquired by the current owners in 2012 and has made significant investments in the Group's operations, enabling growth in both national and international markets.

In December 2022, following negotiations between the Group, its Shareholders and Senior lenders a prolongation of the Senior Facility Agreement (SFA) was concluded. The new agreement secures financing for the SAR Group until 31 December 2024.

The statutory accounts for the SSCP SPV 1 Group ("SAR Group") for 2022 have been prepared on the basis of going concern. See note 4.1 c) for details.

The Group accounts for 2022 are prepared in accordance with IFRS.

SAR Group companies

SSCP SPV 1 AS	Tananger	Parent	-11 036	-125	n.a
Subsidiaries					
SSCP SPV 2 AS	Tananger	100 %	-149	-13	-
SSCP SPV 3 AS	Tananger	100 %	-149	-13	-
Sar Gruppen AS	Tananger	100 %	-562	-13	-
SAR AS	Tananger	100 %	-183 236	-48 684	-

The SSCP managed and Luxembourg based company SSCP SAR Parent S.a.r.l is the ultimate owner of the Group through the parent Company SSCP SPV 1 AS.



Notes to the consolidated financial statements

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis for preparation

The consolidated financial statements of the SAR Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS as adopted by the EU. The consolidated financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.2 Consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group applies the equity method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of



Notes to the consolidated financial statements

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian Krone' (NOK), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within "net financial costs". All other foreign exchange gains and losses are presented in the income statement within "Other financial expenses".

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measure at fair value, such as equities classified as available for sale, are included in other comprehensive income.

2.5 Property, plant and equipment

Land and buildings comprise mainly waste processing facilities and offices. Land and buildings are shown at historical cost less subsequent depreciation for buildings. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

i)	Land and buildings 10-20 years
ii)	Plant and machinery 5-10 years
iii)	Other machinery 3-7 years
iv)	Intangible assets 5-10 years
v)	Right of use assets 1-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7). Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "Other gain/losses". When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.6 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.7 Leases

The Group leases certain land, office buildings, tanks, vehicles and equipment. The Group implemented IFRS 16 on 1st of January 2019, using the modified retrospective approach. Exception for contracts with a lease term of 12 months or less have been applied. These lease payments are recognised in profit or loss on a straight-line basis over the lease term.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract includes the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying value to reflect the lease payments made.

The right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. They are subsequently measured at cost less accumulated depreciation and impairment losses. The right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.



Notes to the consolidated financial statements

2.8 Financial instruments

2.8.1 Classification of financial assets

The Group classifies its financial assets in the following three categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in Other Comprehensive Income.

(a) Financial assets at amortised cost

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

The Group carries no assets under the following classifications:

- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss

2.8.2 Recognition and measurement

Financial assets at amortised cost.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policy and the calculation of the loss allowance are provided in notes 2.10 and 2.22.

2.9 Impairment of financial assets

Assets carried at amortised cost.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.10 Trade receivables

Trade receivables are amounts due from customers for services performed or equipment sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer) they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.11 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated balance sheet, bank overdrafts are shown within borrowings in current liabilities.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges for purchases of raw materials.

2.13 Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Where any group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.



Notes to the consolidated financial statements

2.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.16 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.17 Employee benefits

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.18 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the group's activities, as described below. The Group bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of services

The Group sells waste management services to industrial offshore and onshore customers. Revenue is recognised in the accounting period in which the Group receives waste from customers (when risk and control of the waste has been transferred).

(b) Sale and rental of equipment

The Group also sells and rents equipment for collection and labelling of waste. Revenue from the sale of such goods and equipment is recognised in the accounting period in which the equipment and goods are delivered to the customer.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The Group's operating company, SAR AS, receives waste from customers which is either delivered at the company's premises or collected from the customers onshore premises. When the waste has been controlled and analysed under the terms of the contracts by SAR, it has taken control over the waste and issues invoices to customers based on weight or volume at the contracted prices. The performance obligation in the customer contract is fulfilled when SAR takes control of the waste. SAR AS also performs tank cleaning services and revenue from such services is recognised when the job has been completed.

In Kuwait, the company had a performance contract with its customer Kuwait Oil Company which ended 30 June 2021. The performance elements (uptime hours and volumes of waste treated) was measured monthly based on the actual monthly performance. The company issues invoices and recognises revenue as per invoice. The company has no other customer contracts that require assessment of performance and related revenue recognition.

2.19 Provisions

Provision for destruction costs

The Group receives waste from customers and the waste is normally treated over a period of time subsequent to receipt. In order to recognise cost in the same accounting period as revenue is recognised, Management estimate provisions for destruction costs. The cost of destruction is based on historical actual costs for the different types of waste. Inventories of waste are followed up periodically and provisions for destruction costs are revised to reflect the appropriate cost in the accounting period.



Notes to the consolidated financial statements

2.20 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders.

2.21 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective

2.22 Changes in accounting principles and information

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.23 Adjustments in comparative information

In preparing our financial statements, adjustments were made to the reported figures for the year ended December 31, 2021, related to lease agreements. These adjustments are attributed to the inclusion of an option on a lease agreement that was not previously reflected.

Right of use assets	126 611	24 028	150 639
Net impact - Assets		24 028	
Finance lease obligations (LT)	-71 202	-18 550	-89 752
Finance lease obligation (ST)	-67 256	-5 478	-72 734
Net impact - Liabilities		-24 028	

See note 16 for more details.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks such as market risk (including currency risk, sales volumes risk, cost level risk and price risk), credit risk and liquidity risk. Management seek to minimise potential adverse effects on the Group's financial performance on a case by case basis.

Market risk

i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from primarily US dollar, Euros and Danish kroner. Foreign exchange risk mainly arises from commercial transactions (supplier purchases) and related trade liabilities. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not in SAR's functional currency (Norwegian Krone). Balance sheet items denominated in foreign currencies mainly comprise accounts payable in Euros and Danish Krone and receivables in US Dollars.

Variations in foreign exchange rates to NOK within +/-10%, would not materially change the group's book values as per 31 December 2022. See details below.

Foreign exchange exposure 2022

USD	5 595	30 305	-24 710	2 471	-2 471
EUR	27 851	24 478	3 373	-337	337
KWD	-	-	-	-	-
DKK	1 704	-	1 704	-170	170
Other	901	-	901	-90	90
Total	36 051	54 783	-18 732	1 873	-1 873

USD	-	11 829	11 829	1 183	-1 183
EUR	2 032	740	-1 292	-129	129
KWD	-	-	-	-	-
Other	2 137	-	-2 137	-214	214
Total	4 169	12 568	8 399	840	-840

Foreign exchange exposure 2021

USD	1 799	20 327	-18 528	1 853	-1 853
EUR	8 252	10 594	-2 342	234	-234
KWD	7 312	680	6 632	-663	663
DKK	705	20	685	-69	69
Other	823	-	823	-82	82
Total	18 892	31 621	-12 729	1 273	-1 273

USD	11	5	-6	-1	1
EUR	1 664	-	-1 664	-166	166
KWD	174	44	-130	-13	13
Other	124	-	-124	-12	12
Total	1 973	49	-1 924	-192	192

See note 8 and note 11 for year end balances for receivables and payables respectively.



Notes to the consolidated financial statements

ii) Floating interest risk

The group's interest rate risk arises from long-term borrowings.

iii) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers. If customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

iv) Liquidity risk

Cash flow forecasting is performed by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (note 12) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements. Key assumptions relate to estimates of future volumes of various waste categories and the expected margins. An assessment of the volumes going forward includes uncertainty, however, the short-term market outlook is assessed as promising and together with effect from improvement initiatives are assumed to mitigate the liquidity risk. The Group has currently NOK 60 million in unused credit facility.

Maturity groupings for the Group's non-derivative financial liabilities are presented in note 12. The maturity is based on the current repayment plan of the bank debt and the maturity of the shareholder loan.

For further information about the process of refinancing, see note 4.1c.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a) Provision for waste disposal and treatment

The Group receives waste from customers and the waste is normally treated over a period of time subsequent to receipt. In order to recognise cost in the same accounting period as the revenue is recognised, the Group makes provisions for destruction costs. The cost of destruction is based on estimated full destruction cost for the different types of waste. Inventories of waste are followed up periodically and provisions for destruction costs are revised to reflect the appropriate cost for services in the accounting period.

b) Tangible and intangible asset impairment test

For tangible assets that have definite useful life and thus are amortised, an entity is required to assess indications that an asset may be impaired at the end of each reporting period (IAS 36.9).

In assessing potential impairments of tangible and intangible assets, management has used the Group's actual results from 2022 as well as market information as a basis for the 2023 forecast. For the 2024-2026 forecast, management has used the Business Plan, with a 10% decrease in revenue compared to the figures used in the Business Plan. We assume zero growth in computing the terminal value. The impairment test is based on comparing discounted expected future cash flows to the book value of the assets. The discount rate (wacc) applied is 14,2%, and reflects the current interest rate level and the Group's long term debt to equity ratio. Sensitivities to the impairment test is done by changing assumptions related to growth in profitability, different discounts rates and growth assumptions in the terminal value.

The assessment concludes that book value is supported with some headroom. Management assess that customer relations and contract base is strong. The Group, is seeing positive contributions from the Continuous Improvement Programme (CIP) among others related to improved operational work processes and cost savings. Based on discussions with key customers and the high activity level on the NCS, as well as further improvements from the Continuous Improvement Program (CIP), the outlook for 2023 and beyond is good and Management expect improvements in the Group's financial performance going forward. Management concludes that there is no need for impairment write downs in 2022 financial accounts. See also note 6 for more details about long-lived assets.



Notes to the consolidated financial statements

7 Financial assets and liabilities

Assets as per balance sheet

Trade and other receivables excluding prepayments	169 125	-	-	169 125
Cash and cash equivalents	16 091	-	-	16 091
Total	185 216	-	-	185 216

Assets as per balance sheet

Trade and other receivables excluding prepayments	108 260	-	-	108 260
Cash and cash equivalents	52 442	-	-	52 442
Total	160 702	-	-	160 702

Financial liabilities

Bank borrowings	224 820			224 820
Shareholder loan	30 299			30 299
Loans from related parties	29 414			29 414
Lease liabilities	182 396			182 396
Deferred acquisition liability	25 580			25 580
Account payables	151 567			151 567
Total	644 077			644 077

Financial liabilities

Bank borrowings	210 831			210 831
Shareholder loan	27 632			27 632
Loans from related parties	27 354			27 354
Lease liabilities	138 458			138 458
Deferred acquisition liability	55 580			55 580
Account payables	90 141			90 141
Total	549 995			549 995



Notes to the consolidated financial statements

8 Trade and other receivables

Trade receivables	142 724	99 579
Trade receivables - net	142 724	99 579
Other receivables	11 974	18 249
Earned income, not invoiced	21 634	36 256
VAT receivable	4 207	-
Total other receivables	37 814	54 505
Total trade receivables and other receivables	180 538	154 084

Not due	104 767	96 659
Due 0-90 days	32 988	2 875
Due 91-180 days	723	-
Due 181-360 days	5 517	-
Due over 361 days	-1 271	44
Total	142 724	- 99 579

Management assess and follow up overdue receivables continuously. As at 31 December 2022 SAR Group has NOK 0,5m in general accrual for potential loss.

As at 31 December 2022 the Group has no receivables due from any related parties.

NOK	130 610	99 530
USD	11 829	5
EURO	740	-
KWD	-	44
Other	-	-
Total	142 724	99 579

9 Cash and cash equivalents

Cash at bank and on hand	7 040	44 642
Restricted cash	9 050	7 800
Cash and cash equivalents	16 091	52 442

Cash at bank and on hand includes amounts which are not in the functional currency of the Group of USD 9,2K (equivalent to NOK 91K) and EURO 12,4k (equivalent to NOK 130,6) as per 31 December 2022.

10 Share capital

The share capital is NOK 290 342 and consists of 9 250 000 A shares at face value NOK 0,01, 9 250 000 B shares at face value NOK 0,01 and 10 534 725 C shares at face value NOK 0,01.

SSCP SAR Parent SARL	27 750 000	0,01	96 %
SAR Manager AS	1 284 722	0,01	4 %
Total number of shares	29 034 722		100 %



Notes to the consolidated financial statements

11 Accounts payable

Accounts payable	151 567	90 141
NOK	147 398	88 168
USD	-	11
EURO	2 032	1 664
GBP	10	-
SEK	-	124
DKK	2 128	-
KWD	-	174
Total	151 567	90 141

12 Borrowings

Non-current		
Bank borrowings *	205 820	-
Shareholder loan **	30 299	-
Management fee	9 500	9 500
Long term portion of deferred acquisition liability ¹⁾	13 580	25 580
Finance lease liabilities (LT) ²⁾	113 804	89 752
Borrowings from related parties ³⁾	29 414	-
Total non-current borrowings	402 417	124 832
Current		
Deferred acquisition liability	12 000	30 000
Shareholder loan	-	27 632
Borrowings from related parties ³⁾	-	27 354
Bank borrowings *	19 000	210 831
Finance lease liabilities (ST) ²⁾	68 592	72 734
Total current borrowings	99 592	368 551
Total borrowings	502 009	493 383

1) As part of an asset purchase transaction in 2016 it was agreed with the counterparty that a portion of the purchase price will be paid over the period from 2017 to 2020. In May 2018, the parties entered into a new agreement which reschedules these payments to begin in 2020 and end in 2024. A new amendment was signed in January 2022 with repayment from 2022 - 2024.

2) Refer to note 17 for further information on finance lease liabilities.

3) Refer to note 21 for further information on borrowings from related parties.

1 years	99 592	368 551
2-5 years	402 417	124 832
Total	502 009	493 383

Refer to note 16 for maturity analysis of IFRS 16 lease liabilities.

* Bank borrowings	Nibor + 4%	Nibor + 5%
** Shareholder loan	Nibor + 8%	Nibor + 8%
Average interest rate bank borrowings	Nibor + 6.0%	Nibor + 6.5%

Refer to note 18 for specification of interest costs.



Notes to the consolidated financial statements

Bank borrowings	19 000	205 820
Long term portion of deferred acquisition liability	12 000	13 580
Shareholder loan	-	30 299
Loan from related party	-	29 414
Total	31 000	279 114

Following negotiations, the Group, its Shareholders and Senior lenders reached an agreement for prolongation of its Senior Facility Agreement ("SFA") in December 2022 which extends the respective facilities included in the agreement until December 2024.

In the new SFA, there is agreed a yearly debt repayment of NOK 19m to the Senior lender. Interests are either charged and accrued or charged and paid, pending on the agreement for each of the respective debt facility.

The SFA includes covenants related to minimum cash balance (including any undrawn amounts from the Bridge and RCF facilities) of NOK 10m at every month end together with an overall limit on capital expenditures on an annual basis.

The Group was in compliance with the covenants throughout 2022.

Term Loan A (rollover)	n/a	113 914	n/a	106 474
Term Loan B (rollover)	n/a	98 430	n/a	92 022
Revolving credit facility	40 000	-	40 000	-
Total loan facility	40 000	212 344	40 000	198 497
Guarantee facility	200 000	197 112	200 000	187 731
Total commitment SFA	240 000		240 000	

13 Bank guarantees

Property lease guarantees			
Kristiansund	3 083	SAR Eiendomsforvaltning AS	28.02.2023
Hammerfest	10 601	SAR Eiendomsforvaltning AS	28.02.2023
Florø	15 401	SAR Eiendomsforvaltning AS	28.02.2023
	1 250	Westco Eiendom AS	31.12.2026
Operating license guarantees			
Averøy	25 271	Staten v/Miljødirektoratet	31.05.2023
Sandnessjøen	3 445	Staten v/Miljødirektoratet	31.05.2023
Tananger	2 179	Staten v/Miljødirektoratet	31.05.2023
Mongstad	27 195	Staten v/Miljødirektoratet	31.05.2023
Risavika	9 204	Miljødirektoratet	31.05.2023
Hammerfest	15 703	Miljødirektoratet	31.12.2023
Risavika	1 975	Staten v/Fylkesmannen i Rogaland	31.01.2023
Dusavik	3 076	Staten v/Fylkesmannen i Rogaland	31.01.2023
Kristiansund	5 339	Staten v/Fylkesmannen i Møre og Romsdal	31.01.2023
Tananger	10 017	Staten v/Fylkesmannen i Rogaland	13.03.2023
Kristiansund	4 520	Staten v/Fylkesmannen i Møre Og Romsdal	13.03.2024
Sandnessjøen	5 513	Staten v/Fylkesmannen i Nordland	13.03.2023
Florø	8 816	Fylkesmannen I Sogn og Fjordane	31.12.2023
Florø	2 517	Fylkesmannen I Sogn og Fjordane	31.12.2023
Tananger	2 216	Staten v/Fylkesmannen i Rogaland	11.07.2023
Tananger	2 143	Staten v/Fylkesmannen i Rogaland	30.11.2023
Contract guarantees			
Performance Bond - Kuwait	15 850	Kuwait Oil Company	15.04.2023
Export guarantees	300	Miljødirektoratet	31.12.2025
Export guarantees	3 000	Miljødirektoratet	31.07.2025
Export guarantees	300	Miljødirektoratet	31.12.2025
Export guarantees	10 000	Equinor Energy As	31.12.2031
Export guarantees	3 000	Miljødirektoratet	31.07.2026
Export guarantees	2 500	Miljødirektoratet	31.08.2024
Transport licenses	2 700	Miljødirektoratet	n.a.
Total	197 112		

n.a. = guarantee does not have a specific expiry date.

Operating license guarantees are renewed at expiry. Contract guarantees are related to specific contracts and established when required.



Notes to the consolidated financial statements

14 Income taxes

Tax payable in Norway	-	-
Taxes payable in Kuwait	-	568
Change in deferred tax	-	-
Tax expense (income)	-	568

Temporary differences

Receivables	-	-
Inventory	-	-
Fixed assets	-53 232	-49 190
Cost incurred stock waste/provision	-52 481	-45 947
Financial leasing	-105	-71
Tax loss carry forward	-86	-107
Net temporary differences	-105 904	-95 315
Tax loss carry forward	-488 065	-478 588
Limitation of deduction for interest between related entities	-99 554	-137 049
Net basis for deferred tax	-693 523	-710 951
Valuation allowance	-685 689	-703 117
Net deferred tax liability / (tax asset)	-7 834	-7 834
Tax rate applied on deferred tax	22 %	22 %
Deferred tax liability at 22%	-	-
Deferred tax asset at 22%	7 834	7 834
Net deferred tax / (tax asset)	-7 834	-7 834

Profit / (Loss) before tax	-48 996	-386
22% tax on profit / (loss) before tax	-10 779	-85
Permanent differences	2 025	12 681
Change in temporary differences	-	-14 084
Other differences	-	7 348
Effect of change of tax rate in Norway	-	-
Tax expense in other jurisdictions	-	568
Change in deferred tax asset, not recognized	8 755	-5 859
Tax expense	0	568

15 Provisions for other liabilities and charges

Provision for waste disposal and treatment cost	61 062	54 612
Accrued expenses	23 150	45 868
Other current liabilities	7 886	2 093
Total provisions for other liabilities and charges	92 097	102 573

At January 1 2022	39 287	7 847	7 478	1 892	43 976	2 093	102 573
Change in provisions credited to the income statement	-3 171	15 442	-5 821	106	-22 824	5 792	-10 476
At December 31 2022	36 116	23 289	1 657	1 998	21 152	7 886	92 097

The Group provides for the cost of destruction of waste received but not yet disposed of. The waste volumes in the storage facilities vary.

The principles for valuation of the provision have not changed during the period.

The valuation is based on historically observed destruction costs from suppliers and on SAR's estimated cost of treatment. Transportation costs to the final point of disposal are also included as part of the total cost of destruction.

In relation to an incident involving a tanker from SAR at the location of one of SAR's suppliers in 2021, SAR has received 3 regress insurance claims. For further information, see note 4.1c.



Notes to the consolidated financial statements

16 Property and facility lease obligations

IFRS 16 was implemented on 1st of January 2019, using the modified retrospective approach.

Exception for contracts with a lease term of 12 months or less have been applied. These lease payments are recognised in profit or loss on a straight-line basis over the lease term.

Lease liabilities (ending balance 2021)	138 458
Adjustments 2021	24 028
Lease liabilities (opening balance)	162 486
Additions	88 714
Lease payments	80 120
Interests	11 315
Lease liabilities (ending balance)	182 396
Share which is current lease liability	68 592
Share which is non-current lease liability	113 804

The lease liabilities are mainly related to lease of facilities and lease of trucks and cars.

Right of use (ending balance 2021)	126 611
Adjustments 2021	24 028
Right of use (Opening balance)	150 639
Additions	88 714
Depreciations	69 340
Right of use (ending balance)	170 012

Adjustments are attributed to the inclusion of an option on a lease agreement that was not previously reflected.

Property and trucks	76 444	54 570	43 077	30 648	20 126	13 140	238 005
Total	76 444	54 570	43 077	30 648	20 126	13 140	238 005

Weighted average discount rate at the date of initial application was 7,10 %.

Property	252
Total	252

Increase in depreciation	69 340
Increase in interests	11 315
Decrease in other operating expenses	80 120
Net impact	-536



Notes to the consolidated financial statements

17 Net financial costs

Interest expenses - Bank borrowings (paid in kind)	15 418	10 446
Interest expenses - Bank borrowings (cash interest)	9 219	8 683
Interest costs - Shareholder loan	2 668	2 011
Interest costs - Leasing	11 186	11 779
Interest costs - Related parties	2 061	1 826
Interest income	-251	-14
Foreign exchange gains	-2 510	-397
Foreign exchange losses	3 131	427
Other financial expenses	3 997	1 465
Net financial cost from continuing operations	44 919	36 226
Net financial cost from discontinued operations	-	-990
Net financial cost	44 919	35 236

18 Other operating expenses by nature

Hired personnel	19 679	3 544
Fees	19 689	9 712
Property and factory costs	80 725	61 739
Consumables	33 812	41 794
IT & Communication	14 236	12 263
Transportation and logistics	90 272	60 893
Truck expenses	20 388	16 134
Sales and admin expenses	13 479	10 219
Other operating expenses	7 868	1 523
Other operating expenses from continuing operations	300 149	217 822
Other operating expenses from discontinued operations	-	10 027
Total other operating expenses	300 149	227 848

Audit fees	520	1 087
Tax advisory (including technical preparation tax returns)	298	1 214
Other services	79	-
Total fees to auditor	897	2 301



Notes to the consolidated financial statements

19 Employee benefit expenses

Wages and salaries	179 946	165 156
Payroll tax expenses	25 584	20 380
Pension costs	11 407	10 482
Employee insurance benefits	3 096	2 093
Other benefits	7 230	116
Employee benefit expenses related to continuing operations	227 263	198 227
Employee benefit expenses related to discontinued operations	-	8 642
Total employee benefit expenses	227 263	206 868
Compensation to executive directors		
Chief Executive Officer	2 468	2 011
Chief Financial Officer	2 108	1 616
Chief Operations Officer	2 052	1 572
Chairman of the Board	965	1 017
Total compensation to executive directors	7 592	6 217

Average number of FTE's in 2022 was 300 (262 in 2021).

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

20 Related party transactions and balances

Stirling Square Capital Partners		
Management fee	9 500	9 500
Shareholder loan	20 000	20 000
Accumulated shareholder interests	10 299	7 632
Total	39 799	37 132

The interest rate for the Shareholder loan is Nibor + 8% and the maturity date is 31.12.2024.

SAR Holdco AS		
Loan	29 414	27 354
Total	29 414	27 354

On 1st September 2020 SAR Holdco AS granted a loan to SAR AS. SAR Holdco AS is 97% owned by SSCP SAR Parent S.a.r.l. (Luxembourg) that owns 100% of SSCP SPV 1 AS. The interest rate for this loan is Nibor + 6% and the maturity date is prolonged to 31.12.2024.



Notes to the consolidated financial statements

21 Waste treatment cost

Process waste	58 427	49 079
Hazardious waste	94 609	45 759
Industrial waste	57 372	45 867
Tank cleaning	18 767	24 227
Other operating cost	88 437	19 642
Total operating cost from continuing operations	317 612	184 574
Cost from discontinued operations	-	1 328
Total costs	317 612	185 902

Kuwait	-	1 328
Norway	317 612	184 574
Total Costs	317 612	185 902

22 Discontinued operations

SARs operation in Kuwait ended in June 2021. All assets was subsequently sold.

Operating revenue	-	20 033
Gain on sale of assets	-	13 330
Total revenue	-	33 363
Waste treatment costs	-	1 328
Personnel costs	-	8 642
Depreciation - Fixed assets	-	1 799
Other operating expenses	-	10 027
Total Operating expenses	-	21 795
Operating profit	-	11 568
Net financial costs	-	-990
Profit before income tax	-	12 558
Income tax	-	568
Profit from discontinued operation	-	11 990

Profit before tax	-	12 558
Paid taxes / received taxes	-	-568
Depreciation and impairment	-	1 799
Gain on sale of Kuwait operations	-	-13 330
Change in account receivables and other receivables	-	4 141
Change in account payables	-	-1 313
Change in other accruals	-	-373
Net Cash generated from operating activities	-	4 935
Cash flows from investing activities		
Net purchases of buildings and equipment	-	-47
Payments received from sale of Kuwait operations	-	26 646
Net cash used in investing activities	-	26 600
Net Cash flow from discontinued operation	-	31 534

23 Subsequent events.

SAR has subsequent the balance sheet date received a new regress claim related to an incident from June 2021 involving a tanker from SAR. See note 4.1 c) for more information.



SSCP SPV 1 AS - Annual Accounts 2021

SSCP SPV 1 AS

Income Statement

<i>All amounts in NOK thousands</i>	<i>Notes</i>	31 December	
		2022	2021
Payroll cost		-	-
Other operating expenses		125	375
Total operating costs		125	375
Operating profit		-125	-375
Write down investment in subsidiaries		-	-
Net financial costs		-	-
Pre-tax profit		-125	-375
Income tax expense	4	-	-
Net profit after tax		-125	-375
Attributable to:			
Equity holders in SSCP SPV 1 AS		-125	-375
Total		-125	-375




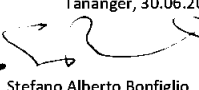
SSCP SPV 1 AS - Annual Accounts 2021

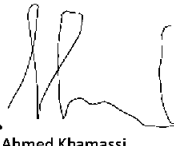
Balance sheet

<i>All amounts in NOK thousands</i>	Notes	31 December	
		2022	2021
ASSETS			
Non-current assets			
Investment in subsidiary	1	-	-
Receivables from group company		-	-
Total non-current assets		-	-
Current assets			
Cash and cash equivalents		13	13
Total current assets		13	13
Total assets		13	13
EQUITY			
Equity attributable to owners of the parent			
Ordinary shares	2,3	290	290
Share premium		372 845	372 845
Other paid in capital		28 745	28 745
Retained earnings / uncovered loss		-412 916	-412 791
Total Equity	2	-11 035	-10 910
LIABILITIES			
Non-current liabilities			
Management fee	5	9 500	9 500
Long term debt to group companies		1 549	1 424
Total non-current liabilities		11 049	10 924
Current liabilities			
Accounts payable		-	-
Current income tax liabilities	4	-	-
Other short term debt		-	-
Total current liabilities		-	-
Total liabilities		11 049	10 924
Total equity and liabilities		13	13

Tananger, 30.06.2023


Tor Olav Schibevaag
Member of the Board/CEO


Stefano Alberto Bonfiglio
Chairman of the Board


Ahmed Khamassi
Member of the Board



SSCP SPV 1 AS - Annual Accounts 2021

Statement of cash flows

<i>All amounts in NOK thousands</i>	Notes	31 December	
		2022	2021
Cash flows from operating activities			
Profit before tax		-125	-375
Cash generated from operations		-125	-375
Income tax paid		-	-
Management fee		-	-
Amortization		-	-
Net Cash generated from operating activities		-125	-375
Cash flows from investing activities			
Investments in subsidiaries		-	-
Net cash used in investing activities		-	-
Cash flow from financing activities			
Proceeds from borrowings		125	375
Share issue		-	-
Net cash used in financing activities		125	375
Net (decrease) / increase in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of year		13	13
Cash and cash equivalents at the end of year		13	13



1 Accounting policies

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

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.

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.

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.

Liabilities

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

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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.

Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the financial statement in the period in which the dividends are approved by the company's shareholders.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 Long term investment in subsidiary

Company	Head office	Ownership	Equity	2022 Earnings	Carrying value
Subsidiaries					
SSCP SPV 2 AS	Tananger	100 %	-149 #	-13	-

Based on a valuation of underlying assets the investment in SSCP SPV 2 has been written down to zero.

3 Share capital and retained earnings

List of all shareholders at 31.12.	Shares	Face value	Ownership
SSCP SAR Parent SARL	27 750 000	0,01	95,56 %
SAR Manager AS	1 284 722	0,01	4,42 %
Total number of shares	29 034 722		100,00 %

Total shares as at December 31 2022 is 9 250 000 class A shares, 9 250 000 class B shares and 10 534 725 class C shares.



SSCP SPV 1 AS - Notes to the financial statements

4 Change in equity

<i>All amounts in NOK thousands</i>	Share capital	Share premium	Other paid in equity	Uncovered loss	Total equity
Balance as at 01 January 2022	291	372 845	28 745	-412 791	-10 910
Profit for the year	-	-	-	-125	-125
Share capital increase	-	-	-	-	-
Issue of warrents	-	-	-	-	-
Balance as at 31 December 2022	291	372 845	28 745	-412 916	-11 035

5 Income taxes

Components of the income tax expense	2022	2021
Tax payable	-	-
Adjustment in respect of prior year	-	-
Change in deferred tax	-	-
Tax cost (income)	-	-

Basis for income tax expense, changes in deferred tax and tax payable	2022	2021
Pre tax profit	-125	-375
Permanent differences	-	-
Interest limitation	-	-
Write down investments	-	-
Basis for loss carry forward not recorded in balance sheet	125	375
Taxable result	-	-
Utilized loss carry forward	-	-
Basis for payable taxes in the income statement	-	-
22% calculated tax payable	-	-
Changes prior year tax recorded in current year	-	-
Tax payable in balance	-	-

Calculation of deferred tax/deferred tax benefit	Change	2022	2021
Temporary differences			
Receivables	-	-	-
Loss carry forward	-125	-11 048	-10 923
Net temporary differences	-125	-11 048	-10 923
Off balance sheet deferred tax asset	125	11 048	10 923
Net basis for deferred tax	-	-	-
Deferred tax cost / (income)	-2 431	-2 431	-2 403
Not recognized in the balance sheet	2 431	2 431	2 403
Deferred tax cost / (income) in the balance sheet	0	0	0
Applied tax rate		22 %	22 %

5 Long term payables to related parties

Payables	2022	2021
Other Group payable	11 049	10 924
Total	11 049	10 924



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 08.09.2017	Vår dato 12.09.2017
Telefon 977 59 464	Deres referanse Njål Nummedal	Vår referanse 2015/673123

PricewaterhouseCoopers AS
Kanalsletta 8
4052 RØYNEBERG

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for SSCP SPV 1 AS, org.nr. 916 884 222

Vi viser til brev mottatt i e-post 8. september 2017 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for SSCP SPV 1 AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering SSCP SPV 1 AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

Fra deres søknad gjengis:

SSCP SPV 1 AS (SAR) søker om å få avlegge årsregnskap og årsberetning på engelsk språk fra og med regnskapsåret 2016. Største eiere i SAR er SAR Luxembourg SARL (90,1 %) som igjen eier av et britisk Private Equity selskap (Stirling Partners) med 100 %. Arbeidsspråket hos eierne er engelsk. Tilsvarende gjelder for søsterselskapet SAR Holdco AS som har fått innvilget tilsvarende søknad for regnskapsåret 2014.

Øvrige aksjonærer er norske personer og selskaper hvor sentral ledelse er på eiersiden.

Selskapet er i en internasjonalisering og har etablert virksomhet i Midtøsten. Kunder er både i Norge og i utland, og er hovedsakelig internasjonale olje selskap og oljeservice selskaper. Deres arbeidsspråk er i hovedsak engelsk.

Bransjen selskapet opererer i er internasjonal. Det dominerende arbeidsspråket er engelsk også i Norge. Både kunder og leverandører av selskapene er komfortable med å forholde seg til engelskspråklig finansiell informasjon. I mange tilfeller er dette også påkrevd, noe som innebærer at finansiell informasjon må oversettes og dermed dubliseres.

(.....)

Selskapets styre består av tre personer pluss ett varamedlem, hvor kun ett styremedlem er norsk. Øvrige bruker engelsk som sitt forretningspråk. Styreformann Bolaji Adekunle Odunsi som representerer Stirling Partners er britisk og har engelsk som sitt hovedspråk, og kan ikke noe norsk.

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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 gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap av et utenlandsk selskap og at eierkretsen er begrenset. Videre er det vektlagt at selskapet opererer innen en bransje der engelsk er det dominerende språket og at selskapets arbeidsspråk er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad



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