Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	916 068 530
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	SURVITEC SAFETY SOLUTIONS NORWAY AS
Forretningsadresse:	Gangstøvikvegen 66 6009 ÅLESUND

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Nei

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Jan Eskil Hollen
Dato for fastsettelse av årsregnskapet:	20.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert

År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 09.07.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	3, 12	523 828 008	428 568 091
Sum inntekter		**523 828 008**	**428 568 091**
Kostnader			
Varekostnad	12	232 219 048	218 617 051
Lønnskostnad	2	59 922 433	53 835 349
Avskrivning	7, 8	150 261 654	117 044 862
Nedskrivning av varige driftsmidler og immaterielle eiendeler	7		
Net impairment losses on financial and contract assets	11, 13	18 992 249	-70 400 092
Annen driftskostnad	2, 4	69 546 288	134 061 978
Net foreign exchange gains/losses		-32 502 346	-5 500 368
Sum kostnader		**498 439 325**	**447 658 779**
Driftsresultat		**25 388 683**	**-19 090 688**
Finansinntekter og finanskostnader			
Currency gain/(loss)	5	-33 545 367	-1 030 247
Sum finansinntekter		**-33 545 367**	**-1 030 247**
Net impairment losses on loans	11, 13		
Other financial items	5	19 992 180	26 696 204
Sum finanskostnader		**19 992 180**	**26 696 204**
Netto finans		**-53 537 547**	**-27 726 451**
Ordinært resultat før skattekostnad		**-28 148 865**	**-46 817 139**
Skattekostnad på resultat	6	760 641	158 441
Ordinært resultat etter skattekostnad		**-28 909 506**	**-46 975 580**
Årsresultat		**-28 909 506**	**-46 975 580**
Årsresultat etter minoritetsinteresser		**-28 909 506**	**-46 975 580**
Totalresultat		**-28 909 506**	**-46 975 580**

Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Avsatt til annen egenkapital		-28 909 506	-46 975 580
Sum overføringer og disponeringer		**-28 909 506**	**-46 975 580**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Forskning, utvikling, konsesjoner, goodwill o.l.		25 034	155 958
Sum immaterielle eiendeler	8	**25 034**	**155 958**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		1 604 056	
Maskiner og anlegg	7	414 465 817	421 649 245
Sum varige driftsmidler		**416 069 874**	**421 649 245**
Finansielle anleggsmidler			
Lån til foretak i samme konsern	11, 13		
Sum anleggsmidler		**416 094 908**	**421 805 203**
Omløpsmidler			
Varer			
Sum varer	9	**27 688 464**	**17 962 718**
Fordringer			
Kundefordringer	11, 13, 15	176 717 790	189 798 694
Andre kortsiktige fordringer	11	52 653 676	42 638 003
Konsernfordringer	11, 13, 11, 13, 16	577 629 254	471 078 567
Sum fordringer		**807 000 720**	**703 515 265**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.	11	53 961 693	419 639 537
Sum bankinnskudd, kontanter og lignende		**53 961 693**	**419 639 537**
Sum omløpsmidler		**888 650 877**	**1 141 117 520**
SUM EIENDELER		**1 304 745 785**	**1 562 922 723**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital (0 aksjer á kr 0)	10	1 001 000	1 001 000
Overkurs	10	1 025 085 482	970 256 121
Annen innskutt egenkapital	10		
Sum innskutt egenkapital		**1 026 086 482**	**971 257 121**
Opptjent egenkapital			
Annen egenkapital	10	-571 999 388	-543 089 882
Udisponert resultat			
Sum opptjent egenkapital		**-571 999 388**	**-543 089 882**
Sum egenkapital		**454 087 094**	**428 167 239**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	2	6 644 251	5 433 185
Sum avsetninger for forpliktelser		**6 644 251**	**5 433 185**
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	11	5 757 368	6 011 353
Sum annen langsiktig gjeld		**5 757 368**	**6 011 353**
Sum langsiktig gjeld		**12 401 619**	**11 444 538**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	11	480 607	361 698
Leverandørgjeld	11, 11, 13	309 010 703	569 598 870
Skyldige offentlige avgifter	11	4 387 509	3 752 555
Kortsiktig konserngjeld	11, 13, 14	314 753 383	375 549 115
Annen kortsiktig gjeld	11	209 624 870	174 048 709
Sum kortsiktig gjeld		**838 257 072**	**1 123 310 946**

Balanse

Beløp i: NOK	Note	2023	2022
Sum gjeld		**850 658 691**	**1 134 755 484**
SUM EGENKAPITAL OG GJELD		**1 304 745 785**	**1 562 922 723**

Annual report 2023
Survitec Safety Solutions Norway AS

Org.nr.: 916 068 530

Directors' report 2023 | Survitec Safety Solutions Norway AS

The company's activities

Survitec Safety Solutions Norway AS ("SSSN AS") sells and services equipment in the marine market. The company has four main activities: sales of safety products, multi-brand service on safety systems, global life raft exchange service offer and corporate fees. The company is represented in the United Arab Emirates with a Branch office. The branch consists of a service station in Fujairah and the delivery of safety products through a warehousing provider. It also owns the inventory/stock in the international consolidation centre in Netherlands. The company additionally delivers safety service, performs life raft exchanges and sells safety products in the following locations: Angola, Argentina, Bahrain, Bulgaria, Croatia, Denmark, Egypt, Estonia, Finland, France, Gibraltar, Greece, India, Latvia, Lithuania, Malta, Mexico, New Zealand, Philippines, Qatar, Saudi Arabia, Sweden, Taiwan and Trinidad and Tobago where 3rd parties provide safety service and life raft exchange.

The company has its business office at Gangstøvikvegen 66, 6009 Aalesund, while other locations in Norway include service stations in Bergen and Stokmarknes and sales offices in Oslo and Rosendal.

Financial summary

SSSN AS operating revenue in 2023 was TNOK 523 828 (2022: TNOK 428,568). The operating profit in 2023 was TNOK 25 389 (2022: operating loss TNOK 19 091).

By the end of the year, SSSN AS had a total positive equity of TNOK 454 087 (2022: TNOK 428 168).

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate based on the considerations set out below.

The Company is a wholly owned subsidiary of Survitec Group Norway AS who is in turn wholly owned by Survitec Group Limited. The largest and smallest Group in which the results of the Company are consolidated is Survitec Acquisition Company Limited (together with its subsidiaries, the “Group” or "Survitec Group"). The Group and the Company have a net asset position as at 31 December 2023 (31 December 2022: net asset position).

As at 31 December 2023, the Company had net current assets (2022: net current assets). The Company has received a letter of support from Survitec Group Limited which states the Directors’ intention to provide sufficient funding to the Company for a period of at least 12 months from the date these financial statements are signed, to allow the company to settle its liabilities as they fall due. This support extends to intercompany liabilities that won't be recalled unless the company has the ability to settle them. Below, the Directors’ have considered the ability of the Survitec Group Limited to provide this support.

> *As at 31 December 2023, the Company had net current assets (31 December 2022: net current assets). The Company has received a letter of support from its parent company stating the parent company Directors’ intention to provide sufficient funding to the Company for a period of at least 12 months from the date these financial statements are signed, to allow the Company to settle its liabilities as they fall due. This support extends to intercompany liabilities that won’t be recalled unless the Company has the ability to settle them. Accordingly, the Directors have concluded that it is appropriate to prepare these financial statements on a going concern basis.*
>
> *However, the financial statements of Survitec Acquisition Company Limited for the year ended 31 December 2023 reference a material uncertainty which could impact the going concern position of the Group and the parent company and therefore could impact the parent company’s ability to provide continued financial support to the Company.*
>
> *The Directors of the Company have reviewed the basis on which the Group’s Directors have concluded that it was appropriate to prepare the Group financial statements on a going concern basis and are satisfied with this conclusion. However, in view of the Company’s reliance on a letter of support from the parent company, these conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company’s ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.*
>
> *The Company’s financial statements have been prepared on a going concern basis and the financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.*

Pursuant to section 4, sub-section 5, confer section 3, sub-section 3a of the Norwegian Accounting Act, it is hereby confirmed that the annual accounts have been prepared under the assumption that the enterprise is a going concern and that the conditions for this assumption are present.

Future prospect

Survitec Group is a world leader in the markets for critical safety and survival solutions and provides our customers with a stronger total offering. Survitec Group with a historical focus on product research & development with a commercial customer focus should enable continued success for the business. However, the general shipping market remains challenging, impacted by limited volume growth, reduced activity in offshore and overcapacity in many segments. This will continue to influence revenue with ship-owners being cost focused. The long-term trends remain positive.

For the domestic market in Norway, Survitec has previously made good progress in the sale of marine evacuation systems, these will now have a need for service in the years to come. Cooperation with other companies in the Survitec Group means that the competition in markets outside Norway is further strengthened and can further develop this activity. However, it will be key to move into other segments in the local market as the ferry building program in Norway moves in cycles, focus will be more on servicing in the domestic market. To underpin this, a newly MES service station was opened in Ålesund. This is the largest MES service station to Survitec in Europe. It has also been developed as a “full range” service station offering service of suits, boats, loose equipment, life rafts in addition to MES. In 2023 we also opened a new site in Stokmarknes in Northern Norway. The plan is to extend the premisses in Ålesund in late 2024, and / or build a new site in Bergen.

The board looks more optimistic about the service revenues in the local market and a better price development is expected over medium term this comes in addition to more volume growth in the MES market. In addition the company has developed a fireservice department, a Boat and Davit Department and the company has won several newbuilding contracts on Firesystems in the local market, in addition to contracts towards wind energy. Meaning Survitec Safety Solutions Norway has build a significant wider portfolio, covering more of the total safety industry in the local market.

Market conditions

The commercial marine and offshore markets continue to exhibit only modest underlying growth. Owners and operators having an ongoing focus on costs to combat their lower levels of vessel utilization and charter rates. Signs of improvement in new build activity are starting to develop which, if sustained, would give a welcome boost to that segment of the market.

Cash flow & liquidity

Cash and cash equivalents were TNOK 53 962 (2022: TNOK 419 640). Cash inflow from operating activities was TNOK 45 251 (2022: inflow 273 023). Cash outflows from investing activities were TNOK 283 801 (2022: outflow TNOK 327 465). The cash outflow was primarily driven by investment in fixed assets and loans granted to subsidiaries and associates. Cash outflows from financing activities were TNOK 127 128 (2022: inflow TNOK 390 197).

Risk management

SSSN AS is exposed to changes in foreign currency, especially the change in USD/NOK and the local currencies of the other Survitec Safety Solution entities due to the factoring of customer invoices and internal distribution of products from the international consolidation centre in Rotterdam, Netherlands where SSSN AS owns the inventory. Credit risk for the company relates to accounts receivable, but routines for credit assessments, follow up and accruals minimise the potential risk. The Group seeks to minimise the impact of the movement in exchange rates on its local operations by the use of multi-sourcing of its key materials and the use of foreign exchange contracts.

Shareholding

Survitec Group Norway AS is the Company’s immediate parent undertaking, which is incorporated in Norway. The ultimate parent company of the Company is Ark Topco Limited, a private company registered in Jersey.

The largest and smallest Group in which the results of the Company are consolidated is Survitec Acquisition Company Limited. Copies of these consolidated financial statements can be obtained from its registered office - Aviation Industrial Park, Eric Fountain Road, Ellesmere Port, England, United Kingdom, England, CH65 1AX.

Organisation and people development

By 31 December 2023 the number of employees in SSSN AS was 64 (31 December 2022: 53). No job-related accidents involving employees were reported in the period.

The company provides a workplace with equal opportunities for all employees. We treat current and prospective employees fairly as to salaries, promotions and recruitment. The company offers its employees a sound working environment. We also give possibilities for professional development where women and men are treated equally and free of any discrimination. 30 % of the management team are women, and we are continuously working to improve this. Over the last year we have hired people from France, Scotland, Brazil, Poland and Sweden to work for us in Norway. The sick leave was 5.6% in 2023 (2022: 6.7%). In a global organization like SSSN AS it is important to attract, retain and develop the best qualified people.

The group has taken out a standard insurance that covers all directors of all Survitec companies.

Environment

The directors acknowledge the environmental challenges in the marine industry. Survitec Safety Solutions Norway AS and its subcontractors operates in multiple locations around the world with different regulatory regimes towards environmental protection. In compliance with Survitec policy we actively work towards pollution prevention in order to reduce the adverse effect on the environment within practical limits. Our product portfolio includes Pyrotechnics for life rafts and CO2/Chemicals for fire extinguishing systems where the adverse disposal can negatively affect the environment. With our partners, we work towards minimizing the adverse effects on the environment from our waste. During 2023 SSSN AS has not had any accidents or emissions that caused pollution or harmed the environment.

Emissions from production, including substances that can cause environmental damage, are within the requirements set by the authorities. The business itself has very limited impact on the external environment. The company's business is not regulated by licenses or orders.

Corporate governance

SSSN's governance follows Survitec Groups Corporate Guidelines and DLA's.

SSSN intend to meet the highest standard of performance working uninterruptedly to improve. The Norwegian Transparency Act with new regulations on sustainability was introduced in 2022 and SSSN has finalized a report to summarize the activities being made to meet the requirements of this new law. The report is available on https://survitecgroup.com/corporate/norwegian-transparency-act/.

Allocation of profit or loss

The board proposes to transfer the year's loss of TNOK 28 909 to accumulated losses.

SSSN AS's accumulated losses at 31 December 2023 were TNOK 571 999 (31 December 2022: TNOK 543 089).

Ålesund, 20.06.2024

Jan Eskil Hollen
(Chairman of the board)

Jean-Francois Bayard Vingre
(Board member)

Husain Claude Sada (Board member)

Income statement | Survitec Safety Solutions Norway AS

NOK thousand	Note	Year ended 31 December 2023	Year ended 31 December 2022
Operating revenue	2, 3, 4	523 828	428 568
Cost of goods and materials	3, 4	(232 219)	(218 617)
Gross profit		**291 609**	**209 951**
Operating expenses and income			
Payroll expenses	5	(59 922)	(53 835)
Depreciation and amortisation	6, 7	(150 262)	(117 045)
Net impairment losses on financial and contract assets	4,6,8,9	(17 409)	73 880
Net foreign exchange gains/(loss)		32 502	5 500
Other operating expenses	10	(69 546)	(134 062)
Disposal of property, plant and equipment	6	(1 583)	(3 480)
Total operating expenses and income		**(266 220)**	**(229 042)**
Operating profit/(loss)		**25 389**	**(19 091)**
Financial income and expenses			
Other financial items (net)	4, 11	(19 992)	(26 696)
Currency (loss)/gain (net)	4, 11	(33 545)	(1 030)
Net financial expenses		**(53 537)**	**(27 726)**
Loss before tax		**(28 148)**	**(46 817)**
Income tax expense	12	(761)	(158)
Profit/(Loss) for the year		**(28 909)**	**(46 975)**
Profit/(Loss) attributable to:			
Equity holders of the company	13	(28 909)	(46 975)
Total transferred to accumulated losses		**(28 909)**	**(46 975)**

Balance sheet | Survitec Safety Solutions Norway AS

NOK thousand	Note	31. December 2023	31. December 2022
Assets			
Non current assets			
Property, plant and equipment	6, 9, 14	416 070	421 649
Intangible assets	7	25	156
Total non current assets		**416 095**	**421 805**
Current assets			
Inventories	14, 15	27 688	17 963
Trade receivable	4,8,9,14	176 718	189 799
Loans to group companies - current	4, 8	356 009	165 073
Other receivables from group companies	4, 8, 9, 14, 16	221 621	306 006
Other current assets	8	52 654	42 638
Cash and cash equivalents	8, 14	53 962	419 640
Total current assets		**888 652**	**1 141 119**
Total assets		**1 304 746**	**1 562 923**

Balance sheet | Survitec Safety Solutions Norway AS

NOK thousand	Note	31. December 2023	31. December 2022
Equity and liabilities			
Equity			
Share capital	13	1 001	1 001
Share premium reserve	13	1 025 085	970 256
Accumulated losses	13	(571 999)	(543 089)
Total equity	**17**	**454 087**	**428 168**
Non current liabilities			
Pension liabilities	5	6 644	5 433
Interest-bearing debt to external parties	8	5 757	6 011
Total non current liabilities		**12 402**	**11 444**
Current liabilities			
Accounts payable	8	27 833	31 831
Accounts payable to group companies	4, 8	281 177	537 767
Interest-bearing debt to external parties - current	8	481	362
Interest-bearing debt to group companies	4,8,14	314 753	375 549
Tax and public duties payable	8	4 388	3 753
Other current liabilities	8	209 625	174 049
Total current liabilities		**838 257**	**1 123 311**
Total liabilities		**850 659**	**1 134 755**
Total equity and liabilities		**1 304 746**	**1 562 923**

Ålesund, 20.06.2024

Jan Eskil Hollen
(Chairman of the board)

Jean-Francois Bayard Vingre
(Board member)

Husain Claude Sada
(Board member)

Cash flow statement | Survitec Safety Solutions Norway AS

NOK thousand

	Note	Year ended 31 December 2023	Year ended 31 December 2022
Cash flow from operating activities			
Loss before tax		(28 148)	(46 817)
Adjustments for:			
Depreciation and amortisations	6, 7	150 262	117 045
Net impairment loss/(gain) of financial and contract assets	6, 9	17 409	(73 880)
Disposal of fixed assets	6	1 583	3 480
Net financial expenses - classified as financing activities	11	53 537	27 726
Other non-cash movements (deferred lease income)	8	15 542	34 417
Change in operating assets and liabilities:			
Change in accounts receivable	8, 9	13 081	(62 453)
Change in inventories	15	(10 480)	(13 260)
Change in accounts payable	8	(3 998)	25 078
Change in other net working capital items		10 314	(22 952)
Change in intercompany receivables and payables (factoring)	8	(173 090)	287 521
Cash generated from operations			
Interest received	11	-	1 603
Interest paid and bank charges paid	11	-	(4 327)
Income tax paid	12	(761)	(158)
Net cash provided by operating activities		**45 251**	**273 023**
Cash flow from investing activities			
Investment in life rafts and tangible fixed assets	6	(146 136)	(162 392)
Interests received on loans granted to group companies	4, 11	12 659	-
Net loans granted to other group companies	4	(150 324)	(165 073)
Net cash flow used in investing activities		**(283 801)**	**(327 465)**
Cash flow from financing activities			
Other financial items (currency losses and losses on derivatives)	11	(62 664)	(25 003)
Interests and bank charges paid on loans from group companies	4, 11	(3 533)	-
Cash added through merger		-	3 505
Loans received from (repaid to) external parties		(135)	42
Loans received from (repaid to) group companies	4	(60 796)	411 653
Net cash flow from financing activities		**(127 128)**	**390 197**
Net (decrease)/increase in cash and cash equivalents		(365 678)	335 755
Cash and cash equivalents as of 1 January		419 640	83 885
Cash and cash equivalents as of 31 December		**53 962**	**419 640**

Note 1 | SIGNIFICANT ACCOUNTING POLICIES

General information
The annual accounts have been prepared and presented in accordance with simplified IFRS as stipulated by regulation approved by the Ministry of Finance 7 February 2022. The company has elected to apply the exception from the recognition and measurement rules under IFRS for dividends and group contributions from subsidiaries.

Survitec Safety Solutions Norway AS ("the Company") is domiciled in Norway. The company is represented in the United Arab Emirates with a Branch office which is included in these accounts as part of one legal entity.

Historical cost convention
The financial statements have been prepared on a historical cost basis except for the following:
- Certain financial assets and liabilities (including derivative instruments) - measured at fair value.

Use of estimates
The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

Foreign currency
Items included in the financial statements of Survitec Safety Solutions Norway AS are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in NOK, which is the company's functional and presentational currency.

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. Currency gains and losses resulting from the settlement of such transactions and from the translation at period-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 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement as 'Net foreign exchange gains/(losses)'.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Revenue is shown net of value-added tax.
The company has four key revenue streams; sales of goods, sale of Fire Suppression Systems and Equipment and servicing of these, corporate fees and life raft commission income. The company's performance obligations and revenue recognition policy for each revenue stream is noted below.

(a) Sale of goods
For contracts for the sale of an individual item, the performance obligation is the acceptance or delivery of the item. For contracts with more than one item, the performance obligation is either:
i) The acceptance or delivery of each individual item where each item is considered distinct; or
ii) The acceptance or delivery of the final item where the goods are not distinct.

Revenue is recognised at the point in time when the customer obtains control of the goods which is based on the delivery terms of the contract.

(b) Rendering of services
The performance obligation is the provision of servicing work as specified in the agreement with the customer. Revenue is recognised over time provided that the following criteria are met:
i) The customer simultaneously receives and consumes the benefits provided by the company's performance as the service is performed; or
ii) The company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
iii) The company's performance creates an asset with no alternative usage, and the company has an enforceable right to payment for performance completed to date.

(c) Rental income
The company hires survival suits and life rafts to customers. The lease terms are up to 12 months, therefore the leases are classified as operating leases. Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature. Deferred lease income is recognised within other current liabilities.

Cont. Note 1 | SIGNIFICANT ACCOUNTING POLICIES

Inventories
Inventories of purchased goods are valued at the lower of cost in accordance with the weighted average cost method and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average cost. Weighted average costs of purchased goods comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Provision is made for obsolete, slow moving or defective items where appropriate.

Property, plant and equipment
Property, plant and equipment acquired by the company are recognised initially at cost. Depreciation is calculated on a straight-line basis, and charged as an expense over the expected useful life of the asset.
The carrying value of property, plant and equipment equals the historical cost less accumulated depreciation and any impairment charges.

Property, plant and equipment are depreciated over the following expected useful lives:
- Buildings and fittings: 5-10 years
- Life rafts and service stations: 2,5-10 years
- Machinery and equipment: 3-10 years

Each component of a property, plant and equipment which is significant for the total cost of the item will be depreciated separately. Components with similar useful lives are aggregated into a single component.

Intangible assets
Amortisation of intangible fixed assets is based on the following expected useful lives:
- Software and rights: 2-3 years

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Employee benefits
(a) Pension obligations
The company operates a defined contribution pension plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company 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. A defined benefit plan is a pension plan that is not a defined contribution plan.

For defined contribution plans, the amount charged to the income statement in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Bonus plans
The company recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the owners of the parent after certain adjustments, as well as other personal performance objectives. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Cont. Note 1 | SIGNIFICANT ACCOUNTING POLICIES

Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. Financial assets of the company include cash and cash equivalents, trade receivables and other receivables. Financial liabilities of the company include trade payables, other payables and borrowings.

Initial recognition and measurement
Financial assets and liabilities are recognised in the statement of financial position when the company becomes a party to the contractual obligations of the instrument.

The company classifies its financial assets in the following measurement categories:
(i) Those to be measured at amortised cost; and
(ii) Those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit and loss).

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows. The company reclassifies its financial assets when and only when its business model for managing those assets changes.

Financial liabilities are classified as financial liabilities at fair value through profit or loss, other financial liabilities at amortised cost or as derivatives. The company determines the classification of its financial assets and liabilities at initial recognition.

Initially, financial assets and liabilities are recognised at fair value plus, in the case of financial instruments not at fair value through profit and loss (i.e. loans and receivables and other financial liabilities), transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. Transaction costs directly attributable to financial assets and liabilities which are measured at fair value (i.e. fair value through profit and loss or derivatives) are recognised in the income statement as incurred.

Subsequent measurement
Subsequent to recognition, financial assets and liabilities are measured according to the category to which they are classified.

(a) Financial assets at fair value through profit or loss
Financial assets are classified as at fair value through profit or loss ("FVTPL") when the financial asset is either held for trading or it is designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the income statement. Fair value is determined in the manner described in note 9.

(b) Loans and receivables
Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at cost less any impairment. They are included in current assets, except for those loans and receivables with maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets.

(c) Financial liabilities at fair value through profit and loss
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other financial items' line item in the income statement.

(d) Other financial liabilities
Trade and other payables, and borrowings (including amounts due to related parties) are classified as other financial liabilities and are measured at fair value, net of transaction costs..

Cont. Note 1 | SIGNIFICANT ACCOUNTING POLICIES

Impairment of a financial asset
The company 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. Further information is presented in note 9.

Fair value of financial instruments
Fair value amounts disclosed in these financial statements represent the company's estimate of the price at which a financial instrument could be exchanged in an arm's length market transaction between knowledgeable, willing parties who are under no compulsion to act. They are point-in-time estimates that may change in subsequent reporting periods due to market conditions or other factors. Fair value is determined by reference to quoted prices in the most advantageous active market for that instrument to which the company has immediate access. However, where there is no active market for the company's financial instruments, the company determines fair value based on internal or external valuation models, such as stochastic models, option-pricing models and discounted cash flow models. These calculations represent management's best estimates based on a range of methods and assumptions. Since they are based on estimates the fair values may not be realised in an actual sale or immediate settlement of the instruments. Further information on fair value is presented in note 8 and 9.

Leases
Company as a lessee
Leases in which substantially all of the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis.

Company as a lessor
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. The Company will continue to recognise the leased asset in its statement of financial position.

Dividend and group contribution
Proposed dividend for the company's shareholders is shown in the annual account as a liability at 31 December in the current year. Group contribution to other group companies is recognised as current liabilities and the effect (net of tax) is deducted from retained earnings in the financial statements at 31 December current year.

Taxation
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 carry forward losses for tax purposes at the year-end. Tax deductible temporary differences and tax losses carries forward give rise to a deferred tax asset if there are taxable temporary differences, which reverse or may be reversed in the same period or based on estimated future taxable earnings. Deferred tax and tax assets are presented net if the tax is against the same tax authority.

Tax reduction on group contributions given is booked directly against equity. (Following the proposed change by IASB this may change in future years, as the tax deduction is proposed to be recognised in the income statement if the group contribution is deemed as a dividend for accounting purposes.) Tax on group contribution received, booked as an increase in equity, is booked net with the group contribution.

Deferred tax is measured at nominal value.

Trade receivables
Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expected in one period or less, they are classified as current assets. If not, they are presented as non-current assets.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other current highly liquid investments with original maturities of three months or less.

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. If not, they are presented as non-current liabilities.

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

Note 2 | REVENUE FROM CONTRACTS WITH CUSTOMERS

NOK thousand

Revenue by product/marked:

Year ended 31 December 2023	Liferaft rental and servicing	Fire suppression systems and equipment servicing	Fire suppression systems and equipment	Other revenues	Total
Revenue from contracts with customers	295 324	166 566	61 938	-	523 828
Operating revenue	**295 324**	**166 566**	**61 938**	**-**	**523 828**

Year ended 31 December 2022	Liferaft rental and servicing	Fire suppression systems and equipment servicing	Fire suppression systems and equipment	Other revenues	Total
Revenue from contracts with customers	230 862	147 975	49 542	189	428 568
Operating revenue	**230 862**	**147 975**	**49 542**	**189**	**428 568**

Revenue by destination:

NOK thousand

	Year ended 31 December 2023	Year ended 31 December 2022
Africa	7 859	5 655
Asia and Oceana	134 101	104 149
Europe	366 004	305 062
North America	12 607	13 386
South America	3 256	316
Revenue from contracts with customers	**523 828**	**428 568**

Note 3 | RELATED PARTY TRANSACTIONS

NOK thousand

For transactions and balances with group companies, refer to to note 4.
Operating revenue and cost of goods and materials are deliveries of products, technical services and fees charged to Wilhelmsen group entities:

Operating revenues, cost of goods and materials to related parties	Year ended 31 December 2023	Year ended 31 December 2022
Operating income from related party	6 273	5 589
Cost of goods and materials to related party	59	99
Total	**6 332**	**5 688**

Operating expenses to related party	Year ended 31 December 2023	Year ended 31 December 2022
Other operating expenses to related parties	-	-
Total	**-**	**-**

Current assets	Year ended 31 December 2023	Year ended 31 December 2022
Trade receivables from related party	4 427	4 651
Total	**4 427**	**4 651**

Current liabilities	Year ended 31 December 2023	Year ended 31 December 2022
Trade payables to related party	-	-
Total	**-**	**-**

Note 4 | INTERCOMPANY

NOK thousand

Loans to group companies - current assets	31 December 2023	31 December 2022
Hansen Protection AS	152 184	101 312
Maritime Protection AS	68 421	63 761
Survitec Group Norway AS	135 404	-
Total loans to group companies	**356 009**	**165 073**
Less impairment	-	-
Total loans to group companies	**356 009**	**165 073**

Interest-bearing debt to group companies - current liabilities	31 December 2023	31 December 2022
Survitec Group Norway AS	9 345	17 499
Survitec Group Limited (cash pool)	305 408	358 050
Total interest-bearing debt to group companies	**314 753**	**375 549**

No part of loans and interest-bearing debt from group companies is due later than 5 years after balance date.

Other receivables from group companies	Note	31 December 2023	31 December 2022
Hansen Protection AS (this year's group contribution)		54 829	80 492
Survitec Group Limited		57 658	17 778
Other receivables from group companies		131 203	214 703
Total other receivables from group companies		**243 690**	**312 973**
Less impairment	9	(22 069)	(6 967)
Total other receivables from group companies		**221 621**	**306 006**

Accounts payable to group companies	31 December 2023	31 December 2022
Accounts payable to group companies	281 177	537 767
Total accounts payable to group companies	**281 177**	**537 767**

Survitec Safety Solutions Norway AS has factoring agreements with all Survitec Safety Solutions companies, and is also a supplier to these entities. Risk for the respective balances are monitored and chased separately per legal entity.

Operating income from group companies	Year ended 31 December 2023	Year ended 31 December 2022
Operating revenue from group companies	40 614	40 327
Total operating income from group companies	**40 614**	**40 327**

Operating expenses from group companies	Year ended 31 December 2023	Year ended 31 December 2022
Cost of goods sold to group companies	(33 767)	(32 904)
Other operating expenses to group companies (management fees)*	(25 062)	(83 764)
Total operating expenses from group companies	**(58 829)**	**(116 668)**

Cont. Note 4 | INTERCOMPANY

NOK thousand

Net financial income/(expense) from group companies	Note	Year ended 31 December 2023	Year ended 31 December 2022
Financial income from group companies	11	12 659	1 603
Financial expenses to group companies	11	(2 945)	(3 787)
Total net financial expense to group companies		**9 714**	**(2 184)**

*With effect from 1 st January 2019, the Service Companies will trade as low risk distributors. Prior to this date the companies traded as limited risk distributors. A low risk distributor differs from a limited risk distributor in that it has less profit potential but crucially is less exposed to loss potential. In this instance the Service Companies are expected to generate net profits and be exposed to minimal losses.

This alteration will be brought about by putting in place a Services Agreement between Survitec Safety Solutions Norway AS ("SSS Norway") and each Service Company whereby each Service Company will be engaged for the supply of services including the procurement by each Service Company of products on a sale or return basis. Though the Service Companies' assets and functions should remain largely unchanged, the Service Companies will bear minimal risks under this model.

The Service Agreement will provide for an annual fee payable to the Service Companies based on the costs incurred or borne by the Service Companies in providing their services plus a services fee.

The Service Companies will target an operating profit margin (EBIT) of 3 % - 6 %. This will be achieved by charging the direct and indirect costs related to supplying goods and services plus a mark-up of 5 % to generate a profit. Third party costs should be charged at cost, i.e. without a mark-up.

Under this model the revenue and EBIT of a Service Company should no longer be unpredictable since it will be pegged to its operating expenses and inventory. This should also result in highly predictable cash flows and cash forecasts.

For 2023 this resulted in a net management fee relating to the Service Agreement of 4,7 MNOK (expense) (43,1 MNOK in 2022 (expense)).

Other operating expenses consists of charges made by the parent company and other group companies for services rendered on behalf of Survitec Safety Solutions Norway AS.

Financial income consists of interest on loans to other companies in Survitec Group. Financial expenses consists of interest on loans from group companies.

Note 5 | EMPLOYEE BENEFITS

NOK thousand

	Year ended 31 December 2023	Year ended 31 December 2022
Pay	36 083	37 803
Payroll tax	7 834	5 248
Pension cost	5 483	4 137
Other remuneration/social expenses	10 522	6 646
Total employee benefits	**59 922**	**53 835**
Average number of employees, both direct and indirect	66	55

Contribution pension plan

The company has contribution pension plans for all 64 employees in Norway complying with local laws and regulations. Employees in the Fujairah branch are part of a gratuity scheme in compliance with local UAE laws.

Remuneration of senior executive

Chariman of the board Jan Eskil Hollen is a 100 % employee of SSS Norway (Managing Director);

2023	Pay	Pension premium	Other remuneration	Total
Chairman of the board - Jan Eskil Hollen	1 601	131	153	1 885

Board of directors

No remuneration of the Board of Directors for 2023 and 2022, other than disclosed above.

Loans and guarantees employees

There were no loans or guarantees to employees per 31 December 2023 or 31 December 2022.

Note 6 | Property, plant and equipment

NOK thousand

2023	Property, plant and equipment	Buildings and fittings	IT equipment	Liferafts and service stations	Total
Cost as at 1 January 2023	16 015	23 744	984	935 133	975 876
Additions	40	-	407	145 689	146 136
Disposals	-	-	-	(1 583)	(1 583)
Currency translation differences	-	-	-	-	-
Cost as at 31 December 2023	**16 055**	**23 744**	**1 391**	**1 079 239**	**1 120 429**
Accumulated depreciation as at 1 January 2023	(11 968)	(19 322)	(572)	(522 365)	(554 227)
Depreciation charged in the year	(1 502)	(1 025)	(275)	(147 330)	(150 131)
Accumulated depreciation & impairment as at 31 December 2023	**(13 470)**	**(20 347)**	**(847)**	**(669 695)**	**(704 358)**
Net book value 31 December 2023	**2 585**	**3 398**	**544**	**409 544**	**416 070**

2022	Property, plant and equipment	Buildings and fittings	IT equipment	Liferafts and service stations	Total
Cost as at 1 January 2022	3 449	7 916	127	751 272	762 764
Additions through merger (refer to note 13)	12 401	15 716	725	22 178	51 020
Additions	165	112	132	161 683	162 092
Cost as at 31 December 2022	**16 015**	**23 744**	**984**	**935 133**	**975 876**
Accumulated depreciation as at 1 January 2022	(3 149)	(2 943)	(149)	(314 004)	(320 245)
Accumulated impairment as at 1 January 2022	-	-	-	(147 975)	(147 975)
Additions through merger (refer to note 13)	(6 510)	(15 281)	(95)	(10 992)	(32 878)
Depreciation charged in the year	(2 309)	(1 098)	(328)	(113 056)	(116 791)
Impairment reversed in the year (refer to note 9)	-	-	-	63 662	63 662
Accumulated depreciation & impairment as at 31 December 2022	**(11 968)**	**(19 322)**	**(572)**	**(522 365)**	**(554 227)**
Net book value 31 December 2022	**4 047**	**4 422**	**412**	**412 768**	**421 649**
Economic lifetime	3-10 years	5-10 years	3-5 years	2,5-10 years	
Depreciation schedule	Straight-line	Straight-line	Straight-line	Straight-line	

Net impairment losses on financial and contract assets

This years net impairment losses on financial and contract assets consists of:

This years impairment of intercompany receivables (estimated at year end)*	(15 102)
This years final write off, accounts receivables and intercompany receivables	(2 307)
Net reversal of impairment	**(17 409)**

*The estimates above are further disclosed in note 9.

Note 7 | INTANGIBLE ASSETS

NOK thousand

2023	Software & rights	Total
Cost as at 1 January 2023	95 331	95 331
Additions	-	-
Cost as at 31 December 2023	**95 331**	**95 331**
Accumulated amortisation as at 1 January 2023	(95 175)	(95 175)
Amortisation charged in the year	(131)	(131)
Accumulated amortisation as at 31 December 2023	**(95 306)**	**(95 306)**
Net book value 31 December 2023	**25**	**25**

2022	Software & rights	Total
Cost as at 1 January 2022	95 031	95 031
Additions	300	300
Cost as at 31 December 2022	**95 331**	**95 331**
Accumulated amortisation as at 1 January 2022	(94 921)	(94 921)
Amortisation charged in the year	(254)	(254)
Accumulated amortisation as at 31 December 2022	**(95 175)**	**(95 175)**
Net book value 31 December 2022	**156**	**156**

Intangible assets are IFS8 software/ application, which was amortised over the Transfer Service Agreement period with Wilhelmsen Ships Service (24 months from acquisition date) and a communications management system which is being amortised over five years.

Note 8 | FINANCIAL ASSETS AND FINANCIAL LIABILITIES

NOK thousand

FINANCIAL ASSETS

Financial assets at amortised cost	Note	31 December 2023	31 December 2022
Trade receivables	8(a)	176 718	189 799
Other financial assets at amortised cost	8(b)	630 284	513 717
Cash and cash equivalents	8(c)	53 962	419 640
Total		**860 964**	**1 123 156**

FINANCIAL LIABILITIES

Liabilities at amortised cost	Note	31 December 2023	31 December 2022
Trade and other payables	8(d)	352 772	591 935
Borrowings	8(e)	320 991	381 922
Total		**673 763**	**973 857**

8(a) TRADE RECEIVABLES

Current assets	Note	31 December 2023	31 December 2022
Trade receivables		180 899	192 427
Loss allowance	9	(4 181)	(2 628)
Total		**176 718**	**189 799**

8(b) OTHER FINANCIAL ASSETS AT AMORTISED COST

	31. December 2023			31. December 2022		
	Current	Non-current	Total	Current	Non-current	Total
Other receivables from group companies	243 690	-	243 690	312 973	-	312 973
Loans to group companies	356 009	-	356 009	165 073	-	165 073
Other receivables	52 654	-	52 654	42 638	-	42 638
	652 353	**-**	**652 353**	**520 684**	**-**	**520 684**
Less: impairment losses on financial and contract assets	(22 069)	-	(22 069)	(6 967)	-	(6 967)
Less: impairment losses on loans	-	-	-	-	-	-
Total	**630 284**	**-**	**630 284**	**513 717**	**-**	**513 717**

8(c) CASH AND CASH EQUIVALENTS

Current assets	31 December 2023	31 December 2022
Cash at bank and in hand	53 962	419 640
Total	**53 962**	**419 640**

Restricted cash

Survitec Safety Solutions Norway AS has a payroll tax withholding account - balance per 31.12.2023 is 2 226 NOK thousand (2022: 4 439 NOK thousand). SSSN AS has not issued any guarantees, nor does the company have any credit overdraft facilities.

8(d) TRADE AND OTHER PAYABLES

Current liabilities	Note	31 December 2023	31 December 2022
Accounts payable		27 833	31 831
Accounts payable to group companies	4	281 177	537 767
Tax and public duties payable		4 388	3 753
Accruals and other liabilities		39 375	18 585
Total		**352 772**	**591 935**

Included within "Other current liabilities" on the face of the balance sheet are the following non-financial liabilities:

	31 December 2023	31 December 2022
Deferred income from operating leases	170 250	155 464

8(e) BORROWINGS

	31. December 2023			31. December 2022		
	Current	Non-current	Total	Current	Non-current	Total
Interest-bearing debt to external parties	481	5 757	6 238	362	6 011	6 373
Interest-bearing debt to group companies	314 753	-	314 753	375 549	-	375 549
Total	**315 234**	**5 757**	**320 991**	**375 911**	**6 011**	**381 922**

Further information relating to loans from related parties is set out in note 4.

Note 9 | FINANCIAL RISK MANAGEMENT

NOK thousand

SSSN AS has exposure to the following financial risks from its ordinary operations:

Currency risk
SSSN AS has currency risk exposure on imbalances between the currency denomination of revenues and costs (transaction risk) and on imbalances between the denomination currencies of balance sheet items (translation risk). Hedging is not performed, the Survitec group treasury team monitors the currency risk on an ongoing basis.

Liquidity risk
SSSN AS's approach to managing liquidity is to secure sufficient liquidity to meet its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to SSSN AS's reputation.

Interest rate risk
SSSN AS has interest rate risk exposure in net positive liquidity and interest-bearing debt to a group company. For both categories the interest rate risk is evaluated to be limited.

Credit risk
The risk of financial loss to SSSN AS if a customer or counterparty to financial derivative fails to meet its contractual obligations originates primarily from SSSN AS's customer receivables and bank deposits. The global customer base provides a certain level of diversification with respect to credit risk on receivables. SSSN AS manages and monitors its credit risk on a regular basis. SSSN AS's exposure to credit risk on cash and bank deposits is considered to be very limited as SSSN AS maintain banking relationships with a selection of financially solid banks (as determined by their official credit ratings). SSSN AS has no outstanding financial guarantees.

The company has three types of financial assets that are subject to the expected credit loss model:
- Trade receivables from the provision of goods and services
- Other receivables from group companies
- Loans to group companies

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables
The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 December 2023 and 31 December 2022 was determined as follows for trade receivables:

31. December 2023	Current	1-90 days overdue	More than 90 days past due	Total
Expected loss rate	0 %	0 %	36 %	2 %
Gross carrying amount	121 767	47 545	11 587	180 899
Loss allowance	-	-	4 181	4 181

31. December 2022	Current	1-90 days overdue	More than 90 days past due	Total
Expected loss rate	0 %	0 %	21 %	1 %
Gross carrying amount	127 803	52 179	12 445	192 427
Loss allowance	-	-	2 628	2 628

The closing loss allowances for trade receivables and contract assets as at 31 December 2023 reconcile to the opening loss allowances as follows:

	31 December 2023	31 December 2022
Opening loss allowance as at 1 January - calculated under IFRS 9	2 628	1 078
Increase in allowance recognised in profit or loss during the year	1 652	1 550
Utilisation of existing allowance	(99)	-
Total	**4 181**	**2 628**

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the company, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. Refer to table presented in note 6.

Cont. Note 9 | FINANCIAL RISK MANAGEMENT

NOK thousand

Other financial assets at amortised cost

Other financial assets at amortised cost include amounts receivable from related parties, loans to related parties and other receivables.

The loss allowance for other financial assets at amortised cost as at 31 December 2022 reconciles to the opening loss allowance on 1 January 2023 and to the closing loss allowance as at 31 December 2023 as follows:

31 December 2023	Amounts receivable from related parties	Loans to related parties	Other receivables	Total
Closing loss allowance as at 31 December 2022	6 967	-	-	6 967
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 January 2023	6 967	-	-	6 967
Increase in the allowance recognised in profit or loss during the period	15 102	-	-	15 102
Closing loss allowance as at 31 December 2023	**22 069**	**-**	**-**	**22 069**

Significant estimates and judgements:

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed below.

Impairment of amounts due from group undertakings (significant estimate)

The Company reviews amounts due from group companies regularly for any indication of an expected credit loss under IFRS 9.

The Company has invested in its subsidiaries through both an investment in share capital and loans. The value of the investment and recoverability of monies owed from group companies is considered together and is dependent on the recoverability of the Company's subsidiary's assets. The Company tests annually for impairment of investments and the expected credit loss of amounts owed by group undertakings or more frequently if there are indications that its investment might be impaired.

There are three trading divisions of the Survitec Group, Marine, Defence and Hansen Protection. The determination of the recoverable amount of the Subsidiaries to which investment is allocated involves the use of estimates by management and is considered separately for the three trading divisions. Management have considered different options for recoverability of the balances and disposal is considered most likely. The carrying amount of the Company's investment in its subsidiaries is compared to its recoverable amount, being the higher of value in use and fair value less costs to sell, to determine if an impairment or expected credit loss exists. In assessing fair value, the Company gives consideration to the likely EBITDA multiple that would be realised through sale. The EBITDA multiples for each of the trading divisions is calculated separately. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any investment impairment or expected credit losses in relation to amounts owed by group undertakings.

An impairment and expected credit loss review was carried out on the Company's investments in and amounts owing from its subsidiaries in line with IFRS 9. To consider the impairment of the Company's investment in subsidiaries and the expected credit loss of loans to subsidiaries the fair value of the subsidiary group was compared to the Company's combined investment in and the loan to the subsidiary group. On this basis, an increase in expected credit loss of TNOK 15,102 (31 December 2022: impairment release TNOK 10,823) against intercompany receivables has been recognised.

A sensitivity analysis has also been performed on the impairment review. If the enterprise values of the subsidiary group increased by TNOK 128,937 this would increase the value of the impairment against intercompany receivables by TNOK 27. If the enterprise values of the subsidiary group decreased by TNOK 118,963 this would not change the value of impairment against intercompany receivables.

The key estimate is the calculation is the EBITDA multiple which derives from the post-tax cash flow projections as noted above. If the Defence trading division EBITDA multiple moved by +/- 0.1 and the Marine trading division EBITDA multiple moved by +/- 0.1, there would be no change in level of total impairment.

Property, plant and equipment - impairment (significant estimate)

The Survitec Group tests at least annually whether non-current assets have suffered any impairment, in accordance with its accounting policies. On an individual company basis, the carrying amount of non-current assets are compared to their recoverable amount, being the higher of value in use and fair value less costs to sell, to determine if an impairment exists.

In assessing the recoverable amount, the value in use calculation was used. Key assumptions were used within this calculation were the growth rates within the five year financial budgets (long term growth rate of 2 %) and pre-tax weighted average cost of capital 13.1%.

The impairment review concluded on 31 December 2023 that the recoverable amount of the non-current assets did exceed its carrying amount, and as such, no impairment has been recognised (31 December 2022: remaining impairment of 63,7 MNOK reversed).

If the discount rate increased by 1 % this would give rise to an increase in charge of TNOK Nil (31 December 2022: TNOK Nil) whilst if it decreased by 1 % this would give rise to a decrease in charge of TNOK Nil (31 December 2022: TNOK Nil).

If the growth rate increased by 0.5 % this would give rise to a decrease in charge of TNOK Nil (31 December 2022: TNOK Nil) whilst if the growth rate decreased by 0.5 % this would give rise to an increase in charge of TNOK Nil (31 December 2022: TNOK Nil).

If the EBITDA increased by 10 % this would give rise to a decrease in charge of TNOK Nil (31 December 2022: TNOK Nil) whilst if the EBITDA decreased by 10 % this would give rise to an increase in charge of TNOK Nil (31 December 2022: TNOK Nil).

Note 10 | OTHER OPERATING EXPENSES

NOK thousand

	Note	Year ended 31 December 2023	Year ended 31 December 2022
Communication and IT expenses		6 021	8 409
External services		5 113	7 991
Travel and meeting expenses		2 734	2 315
Intercompany management fees	4	25 062	83 764
Other operating expenses (repairs, tools, premises, freight etc.)		30 616	31 583
Other operating expenses		**69 546**	**134 062**

Expensed audit fees:

NOK thousand

	Year ended 31 December 2023	Year ended 31 December 2022
Statutory audit	2 291	1 820
Technical assisance with preperation of financial statements	125	230
Technical assisance with preperation of tax papers and filings	125	246
Assistance with VAT complience	135	0
Total expensed audit fee (excluding VAT)	**2 676**	**2 296**

Note 11 | FINANCIAL INCOME / (EXPENSES)

NOK thousand

Other financial items	Note	Year ended 31 December 2023	Year ended 31 December 2022
Interest income	4	12 659	1 603
Interest expenses	4	(3 533)	(4 327)
Other financial items	*	(29 119)	(23 973)
Net other financial items		**(19 992)**	**(26 696)**

**Relates mainly to losses on derivatives/hedges*

Financial expenses	Year ended 31 December 2023	Year ended 31 December 2022
Currency gain	433	0
Currency loss	(33 979)	(1 030)
Net financial expenses	**(33 545)**	**(1 030)**
Net financial expenses	**(53 537)**	**(27 726)**

Note 12 | TAX

NOK thousand

Allocation of tax expense	Year ended 31 December 2023	Year ended 31 December 2022
Income payable tax	-	-
Withholding tax	761	158
Total tax expenses	**761**	**158**

Basis for tax computation	Year ended 31 December 2023	Year ended 31 December 2022
Loss before tax	(28 148)	(46 817)
22% tax	(6 193)	(10 300)

Tax effect from	Year ended 31 December 2023	Year ended 31 December 2022
Withholding tax	761	158
Permanent differences	49	9 862
Change in deferred tax asset not meeting recognition criteria	6 144	438
Current year calculated tax	**761**	**158**
Effective tax rate	*3 %*	*0 %*

Summary of temporary differences are as follows	31 December 2023	31 December 2022
Non current assets and liabilities	(90 944)	(63 187)
Current assets and liabilities	(30 168)	(12 757)
Tax losses carried forward	(255 401)	(316 556)
Non-deductible interests expenses carried forward	-	(10 916)
Net temporary differences; asset	**(376 513)**	**(403 416)**
Differences not recognized for deferred tax calculation	(22 069)	(6 967)
Net temporary differences for deferred tax calculation	**(354 444)**	**(396 449)**
Nominal tax rate	22 %	22 %
Calculated deferred tax asset based on nominal tax rate	**(77 978)**	**(87 219)**

Deferred tax assets in balance sheet	-	-
Deferred tax liabilities in balance sheet	-	-
Net deferred tax (liability)/asset	**-**	**-**

Significant estimates and judgements

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Note 13 | EQUITY

NOK thousand

2023	Share capital	Share premium reserve	Not yet registered capital increase	Accumulated losses	Total
Equity 1 January 2023	1 001	970 256	-	- 543 089	428 168
Group contribution received	-	54 829	-	-	54 829
Profit/(loss) for the year	-	-	-	- 28 909	- 28 909
Equity 31 December 2023	**1 001**	**1 025 085**	**-**	**- 571 999**	**454 087**

2022	Share capital	Share premium reserve	Not yet registered capital increase	Accumulated losses	Total
Equity 1 January 2022	1 000	286 727	509 315	- 431 296	365 746
Registration of the prior year capital increase	1	509 314	- 509 315	-	-
Effect of merger*	-	93 723	-	- 64 818	28 905
Group contribution received	-	80 492	-	-	80 492
Profit/(loss) for the year	-	-	-	- 46 975	- 46 975
Equity 31 December 2022	**1 001**	**970 256**	**-**	**- 543 089**	**428 168**

The share capital of TNOK 1 001 consists of 1 001 shares with a nominal value of NOK 1 000 each.
All shares confers the same rights in the company.
As per December 31st 2023 all shares were owned by Survitec Group Norway AS.

*Survitec Safety Solutions Norway AS merged with Survitec Norway AS in 2022, a 100 % sister company based in Ålesund Norway. The merger had effect from 01.01.2022, and was carried out based on tax continuity. There were no considerations distributed relating to the merger.

Note 14 | PLEDGES

NOK thousand

Liabilities for assets being pledged	31 December 2023	31 December 2022
Debt to financial institutions	-	-
Interest bearing debt to Group Entities	314 753	375 549
Total liabilities	**314 753**	**375 549**

Book value of assets being pledged	31 December 2023	31 December 2022
Inventories	27 688	17 963
Life rafts and tangible fixed assets	416 070	421 649
Accounts receivables and other receivables	398 339	495 805
Total book value of assets having been pledged	**842 097**	**935 417**

Note 15 | INVENTORIES

NOK thousand

Inventories	31 December 2023	31 December 2022
Goods for resale	26 011	21 136
Others	5 594	(11)
Total inventories (at purchase price)	**31 606**	**21 125**
Obsolescence allowance	(3 917)	(3 162)
Inventory valued at fair value / net realisable value	**27 688**	**17 963**
Collateral inventory value	-	-

Note 16 | CAPITAL RISK MANAGEMENT

SSSN AS's approach to capital risk management is to maintain a strong capital base to secure future business development. Currently, no specific targets have been set for long-term return-objectives related to the invested capital. However, SSSN AS seeks to maintain a balance between the higher potential returns from higher levels of financial leverage and the advantages of a strong balance sheet.

Note 17 | GOING CONCERN

The financial statements have been prepared on a going concern basis, which the Directors believe to be appropriate based on the considerations set out below.

The Company is a wholly owned subsidiary of Survitec Acquisition Company Limited (together with its subsidiaries, the "Survitec Group"). The Group has a net asset position as at 31 December 2023 (31 December 2022: net asset position).

As at 31 December 2023, the Company had net current assets (31 December 2022: net current assets). The assets of the Company and the shares that the parent company owns in the Company, are pledged as collateral under Survitec Group's external bank loan and overdraft facilities ("the facilities"). This collateral would be at risk if a member of the Survitec Group defaults on obligations contained in the facilities agreement and liquidity and guarantees provided by the Group Treasury function, if and/or when required, would not be available. The Company has received a letter of support from Survitec Acquisition Company Limited which states the Directors' intention to provide sufficient funding to the Company for a period of at least 12 months from the date these financial statements are signed, to allow the Company to settle its liabilities as they fall due. This support extends to intercompany liabilities that won't be recalled unless the Company has the ability to settle them. Below, the Directors' have considered the ability of the Group to provide this support.

In reviewing the appropriateness of the Going Concern assumption, management have prepared forecasts covering the "Going Concern period", being a period of at least 12 months after approval of these financial statements. The forecasts comprise base case forecasts on which the Group's financial performance is managed and a severe but plausible downside forecast to assess the impact of a severe but plausible downside scenario which could arise over the Going Concern period. The forecasts have been further sensitised to reflect severe but plausible downside scenarios. The sensitised forecasts indicate headroom on the Group's new facilities through the Going Concern period, as well as compliance with all banking covenants. On this basis, the Group Directors continue to adopt the going concern basis in preparing the Group financial statements.

Whilst the new management team has made good progress in improving the revenue, gross margins and profitability of the Group, the Directors consider that a delay in the achievement or otherwise of these assumptions could have an impact on the Group's and Company's liquidity and the Group's and Company's ability to remain in compliance with its financial covenants upon which the ongoing availability of its banking facilities depend. Should it be required during the Going Concern period and following discussions with the lenders, the Directors are confident that the lenders would be willing either to waive covenant restrictions, and/or, allow the Group to capitalise interest payments via a payment in kind ("PIK") mechanism, in order that the Group and Company can maintain sufficient liquidity and adequate compliance with their financial covenants. This is, however, not certain at the date of approval of these financial statements. This therefore indicates the existence of a material uncertainty that may cast significant doubt on the ability of the Group to continue as a Going Concern. The Group's financial statements do not include adjustments that would result if the Group and Company were unable to continue as a going concern.

The directors of the Company have reviewed the basis on which the Group's directors have concluded it is appropriate to prepare the Group financial statements on a going concern basis and are satisfied with this conclusion. However, in view of the Company's reliance on a letter of support from the Group, these conditions indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.
The Company's financial statements have been prepared on a going concern basis and the financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

Note 18 | CONTINGENCIES

Survitec Safety Solutions Norway is not aware of any financial risk associated with disputes and legal actions which are not largely covered through insurance arrangements. Nevertheless, any such disputes/actions which might exist are of such a nature that they will not significantly affect the company's financial position.

Note 19 | EVENTS AFTER THE BALANCE SHEET DATE

There have not been any significant events after balance sheet date which are assessed to impact the entity's figures for the financial year ended 31. December 2023.

To the General Meeting of Survitec Safety Solutions Norway AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Survitec Safety Solutions Norway AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 17 in the financial statements, which indicates that the assets of Survitec Safety Solutions Norway AS and the shares that the parent company owns in Survitec Safety Solutions Norway AS, are pledged as collateral under Survitec Group's external bank loan and overdraft facilities. There is uncertainty related to going concern in the Group. As stated in Note 17, these events or conditions, along with other matters as set forth in Note 17, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian

PricewaterhouseCoopers AS, Gravane 26, Postboks 447, NO-4664 Kristiansand
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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Kristiansand, 20 June 2024
PricewaterhouseCoopers AS

Kai Arne Halvorsen
State Authorised Public Accountant
(This document is signed electronically)

Revisjonsberetning

Signers:

Name	***Method***	***Date***
Halvorsen, Kai Arne	BANKID	2024-06-20 10:31

Skatteetaten

Vår dato
16.04.2020

Din/Deres dato
25.03.2020

Saksbehandler
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Skatteetaten.no

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SURVITEC SAFETY SOLUTIONS NORWAY AS
Kingsway, Dunmurry Belfast BT17 9AF
Belfast
STORBRITANNIA
Att. Monica Ulstein, Grant Thornton Økonomiservice AS

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Survitec Safety Solutions Norway AS, org.nr. 916 068 530

Vi viser til deres brev innsendt 25. mars 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Survitec Safety Solutions Norway AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

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

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

Bakgrunn

Survitec Safety Solutions Norway AS er eid av et norsk selskap og inngår i et internasjonalt konsern. Selskapets virksomhet består av å yte service innenfor skipsfart, samt hva som naturlig står i forbindelse med dette, samt å forvalte eller ved aksjetegning eller på annen måte å delta i slik virksomhet gjennom andre selskaper. Ledelsen i selskapet er utenlandsk og kommunikasjonen i konsernet skjer på engelsk.

Skattekontorets vurdering

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

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

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,

> f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet har kun en eier og er i et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.