



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 976 281 896  
Organisasjonsform: Norskreg. utenlandsk foretak  
Foretaksnavn: SERIMAX LIMITED NUF  
Forretningsadresse: Kanalsletta 4  
4033 STAVANGER

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Guillaume Graindor  
Dato for fastsettelse av årsregnskapet: 02.10.2024

### 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, 07.10.2025



## Resultatregnskap

Beløp i: GBP	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	3	26 045 824	21 148 268
Other operating income		89 602	258 251
<b>Sum inntekter</b>		<b>26 135 426</b>	<b>21 406 519</b>
<b>Kostnader</b>			
Cost of sales		15 838 475	15 830 674
Administrative expenses		8 230 875	9 304 605
<b>Sum kostnader</b>		<b>24 069 350</b>	<b>25 135 279</b>
<b>Driftsresultat</b>		<b>2 066 076</b>	<b>-3 728 760</b>
<b>Finansinntekter og finanskostnader</b>			
Gain on disposal of tangible fixed assets		509 311	1 000
<b>Sum finansinntekter</b>		<b>509 311</b>	<b>1 000</b>
Finance costs	4	767 862	690 183
<b>Sum finanskostnader</b>		<b>767 862</b>	<b>690 183</b>
<b>Netto finans</b>		<b>-258 551</b>	<b>-689 183</b>
<b>Resultat før skattekostnad</b>	5	<b>1 807 525</b>	<b>-4 417 943</b>
Tax on Profit/Loss	9	65 040	0
<b>Årsresultat</b>		<b>1 742 485</b>	<b>-4 417 943</b>



### Balanse

Beløp i: GBP	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Right of use assets	19	36 564	59 700
<b>Sum immaterielle eiendeler</b>		<b>36 564</b>	<b>59 700</b>
<b>Varige driftsmidler</b>			
Property, plant and equipment	11	1 409 483	1 490 271
<b>Sum varige driftsmidler</b>		<b>1 409 483</b>	<b>1 490 271</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	12	1	1
<b>Sum finansielle anleggsmidler</b>		<b>1</b>	<b>1</b>
<b>Sum anleggsmidler</b>		<b>1 446 048</b>	<b>1 549 972</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Inventories	13	859 976	923 644
<b>Sum varer</b>		<b>859 976</b>	<b>923 644</b>
<b>Fordringer</b>			
Trade and other receivables	14	3 917 079	5 624 966
<b>Sum fordringer</b>		<b>3 917 079</b>	<b>5 624 966</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank balances		53	378
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>53</b>	<b>378</b>
<b>Sum omløpsmidler</b>		<b>4 777 108</b>	<b>6 548 988</b>
<b>SUM EIENDELER</b>		<b>6 223 156</b>	<b>8 098 960</b>

### BALANSE - EGENKAPITAL OG GJELD



### Balanse

Beløp i: GBP	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	17	36 600 000	36 600 000
<b>Sum innskutt egenkapital</b>		<b>36 600 000</b>	<b>36 600 000</b>
<b>Opptjent egenkapital</b>			
Udekket tap		39 768 610	41 511 094
<b>Sum opptjent egenkapital</b>		<b>-39 768 610</b>	<b>-41 511 094</b>
<b>Sum egenkapital</b>		<b>-3 168 610</b>	<b>-4 911 094</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Defferd income	16	95 457	98 079
Lease liabilities	18	15 370	41 715
<b>Sum annen langsiktig gjeld</b>		<b>110 827</b>	<b>139 794</b>
<b>Sum langsiktig gjeld</b>		<b>110 827</b>	<b>139 794</b>
<b>Kortsiktig gjeld</b>			
Current tax liabilities	15	2 357 992	1 265 626
Trade and other payables	15	5 633 272	11 057 439
Deffered income	16	1 262 683	523 058
Lease liabilities	18	26 992	24 137
<b>Sum kortsiktig gjeld</b>		<b>9 280 939</b>	<b>12 870 260</b>
<b>Sum gjeld</b>		<b>9 391 766</b>	<b>13 010 054</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>6 223 156</b>	<b>8 098 960</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 752278

#### Enheten

Organisasjonsnummer: 976 281 896  
Organisasjonsform: Norskreg. utenlandsk foretak  
Foretaksnavn: SERIMAX LIMITED  
Forretningsadresse: Kanalsletta 2  
4033 STAVANGER

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#### Regnskapsregler

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Brønnøysundregistrene, 12.10.2024



Organisasjonsnr: 976 281 896  
SERIMAX LIMITED

## RESULTATREGNSKAP

<b>Beløp i: GBP</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue		26 045 824	21 148 268
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Organisasjonsnr: 976 281 896  
SERIMAX LIMITED

## BALANSE

Beløp i: GBP

Note	2023	2022
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### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

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##### Finansielle anleggsmidler

Investeringer i tilknyttet selskap	12	1	1
<b>Sum finansielle anleggsmidler</b>		<b>1</b>	<b>1</b>

<b>Sum anleggsmidler</b>		<b>1 446 048</b>	<b>1 549 972</b>
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#### Omløpsmidler

##### Varer

Inventories	13	859 976	923 644
<b>Sum varer</b>		<b>859 976</b>	<b>923 644</b>

##### Fordringer

Trade and other receivables	14	3 917 079	5 624 966
<b>Sum fordringer</b>		<b>3 917 079</b>	<b>5 624 966</b>

##### Bankinnskudd, kontanter og lignende

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<b>Sum omløpsmidler</b>		<b>4 777 108</b>	<b>6 548 988</b>
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<b>SUM EIENDELER</b>		<b>6 223 156</b>	<b>8 098 960</b>
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

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##### Opptjent egenkapital

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Sum gjeld		9 391 766	13 010 054
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Organisasjonsnr: 976 281 896  
SERIMAX LIMITED

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

Antall årsverk i regnskapsåret  
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

## Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

## Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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**Serimax Limited**

**Annual report and financial statements**

**for the year ended 31 December 2023**

Registered number: SC73616



## Serimax Limited

### Annual report and financial statements for the year ended 31 December 2023

#### Officers and professional advisers

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## **Serimax Limited**

### **Annual report and financial statements for the year ended 31 December 2023**

#### **Officers and professional advisers**

##### **Director**

G Graindor

##### **Company Secretary**

Burness Paull LLP

##### **Registered Office**

16 Airfield Road  
Evanton  
Ross-shire  
IV16 9XJ

##### **Bankers**

Barclays Bank plc  
Aurora 1<sup>st</sup> Floor  
120 Bothwell Street  
Glasgow  
G2 7JT

##### **Solicitors**

Burness Paull LLP  
2 Marischal Square  
Broad Street  
Aberdeen  
AB10 1DQ

##### **Independent Auditor**

A9 Accountancy Limited  
Elm House  
Cradlehall Business Park  
Inverness  
IV2 5GH



## Serimax Limited

### Strategic report

The director, in preparing this strategic report, has complied with section 414C of the Companies Act 2006.

#### Principal activities and business review

The principal activity of the company is the provision of welding services in the construction of pipelines for the energy and utilities industries. The entity operates as part of the Vallourec SA group (“the Group”), a world leader in premium tubular solutions serving the Energy and Industry markets.

The Group’s operations are managed on a divisional and regional basis. For this reason, key performance indicators for the company are not identified and presented in this report.

Following the business restructuring announced at the end of 2022- the implementation of the scheme and delivery of the new operating model, 2023 was a positive year for Serimax. Revenue growth of £4.9m, to £26.0m was matched with a stabilisation of costs of sales at a constant £15.1m- leading to a higher margin on jobs. In addition the measures announced in 2022 helped save £1m in fixed and administrative costs compared to the prior year. The result being Serimax delivering a profit of £1.8m once all additional items are considered. This is a welcome return to profitability and demonstrates the turn around measures taken are the first step on the correct path to a sustainable and profitable future. The portfolio of turnover was a healthy mixture across all product lines with positive contributions being made by each, this mix of product lines will help ensure Serimax is more cycle-proof in the future.

#### Future developments

During 2023 Serimax reduced the size and scale of fabrication welding services offered-following the successful completion of a project in Cyprus. Additionally, the company will close the Cyprus branch and no longer operate in that country. In 2024 Serimax focus will be on the successful delivery of pipeline welding and equipment in various sectors of utilities, in both the UK and Norway. Meanwhile Serimax will seek to further decarbonize and are well placed geographically close to the Green Free Port of Cromarty and Inverness. It is anticipated in future years the Green Freeport will lead to opportunities in the renewables sector and Serimax is working to be ready to seize these when they arise, while continuing to operate in the existing sectors and deliver further growth within these. 2024 will see revenues drop compared to 2023 due to fluctuating demand from key customers. The restructuring works undertaken in late 2022 however mean Serimax will still return a profit in 2024 and be cash positive on a similar level to 2023.

#### Climate Change

In 2022 September, Vallourec’s new management team strengthened its CSR governance by forming a CSR committee comprising all the members of the Executive Committee.. Full details can be found within the Vallourec Group Annual 2023 Report chapter 2 pages 45-125.

One area to highlight is in 2022 Vallourec strengthened its commitment by launching the ‘Climate Challenge’ program, which defines the decarbonization roadmap for 2030-35-50 in order to actively contribute to a carbon-neutral world in 2050 by transforming the company’s supply and production processes and diversifying the Group’s commercial offering. Serimax in 2022 launched the 2030 road map on sustainability- with a series short, medium and long measures to be enacted to lead to the delivery of this road map and contribute positively to climate change and sustainable development. Serimax in 2025 will commence work to understand and report on Sustainable requirements ahead of required implementation of IFRS S1 and S2 in 2026.



## Serimax Limited

### Strategic report (continued)

#### Principal risks and uncertainties

The principal risk and uncertainties affecting the business include the following:

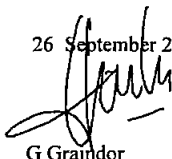
- **Supply/Demand:** The nature of the Oil and Gas market is inherently cyclical and the company monitors, on a regular basis, the order book forecast for the short and medium term requirements of the customers. The company seeks to balance the sales order with the seamless supply of appropriate personnel and equipment resources, ensuring that the operations have sufficient capacity and resources to meet the needs of customers.
- **Cash flow risk:** The company's activities expose it to the financial risks of changes in foreign currency exchange rates. This is managed at an intermediate group level by Serimax Holdings SAS who hold accounts in Sterling, US Dollars and Euros, the three main currencies involved in the business. Vallourec as ultimate parent entity, does enter into hedging contracts mainly to manage its exposure to foreign exchange risks arising from orders taken and sales made by certain subsidiaries in currencies other than their functional currency. The group manages its exposure to foreign exchange risk by setting up hedges based on regularly updated forecasts of customer orders, operating receivables and revenue that will be generated by the orders are therefore hedged by financial instruments, mainly forward currency sales.
- **Credit risk:** The company's principal financial assets are bank balances, cash and trade and other debtors. The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. While concentration of credit risk arises due to a high percentage of our work being with a small number of customers, the relationship is long standing and we are assured of their financial security. In addition in October 2021 Serimax Limited entered into a factoring arrangement with JP Morgan to enable a faster drawdown of customer payment with a key customer, this enables Serimax Limited to access customers payments 90 days early while paying a small discount fee in return. The credit risk on liquid funds is limited because the counterparties are internationally recognised banks.
- **Interest risk:** The company's financial liabilities include amounts due to other Group undertakings which bear a market rate of interest. Interest rate risk is managed at Group level.
- **Legal and Regulatory:** The nature of the industry and activity the company operates in means there are significant regulatory and legal compliance requirements. The responsibility of ensuring compliance sits with senior management of all functions, supported by group teams where necessary. Changes in regulatory and or legal requirements are monitored on a regular basis by management, in addition policies, training and performance checks are undertaken to ensure continued compliance with such regulations.
- **Liquidity risk:** The company is party to Group funding arrangements in order to maintain liquidity and ensure that funds are available for ongoing operations and future developments.

#### Going concern

As discussed in note 1 to the financial statements, having assessed the financial position of the company and its future prospects, including the continuing availability of funding support from the Group (through a letter of support), the director considers the company has access to appropriate resources to allow it to continue in operational existence for at least 12 months from the date of signing the financial statements. Accordingly, the going concern basis continues to be adopted in the preparation of the financial statements.

Approved by the director:

26 September 2024



G Graindor



## Serimax Limited

### Director's report

The director presents their annual report on the affairs of Serimax Limited ('the Company'), together with the financial statements and auditor's report, for the year ended 31 December 2023

The following sections have been included in the Strategic Report on page 2 - principal activities, business review, future developments, financial risk management objectives and policies and going concern. In the year, the company continued to operate branches in the United Kingdom and Europe.

#### Donations

During the year the company made donations of £201 (2022: £2,127) to a number of different charities and organisations locally.

#### Dividends

The company paid no dividends during the current or previous year, and have proposed no dividends post year end.

#### Director

The present membership of the board is set out on page 1. The director who served during the year and to the date of this report was as follows:

G Graindor

#### Director's indemnities

The company has made qualifying third-party indemnity provisions for the benefit of its director and company which were made during the period and remain in force at the date of this report.

#### Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is our policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### Employee consultation and communication

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through briefing and zone meetings. In addition tool box talks, and EAR card reporting systems alongside a confidential speak up line are all in existence to ensure employees can raise any areas for improvement and discussion through a variety of channels.

#### Branches

The company has a registered branch in Norway and Cyprus.

#### Research and development

The company carries out a limited amount of research and development work locally relating to local welding processes and operations. There is also work done at the Group Corporate research & development centre in Paris, costs of which are allocated to this company by way of recharge each year £645,594 (2022: £643,876).

#### Events after the balance sheet date

There have been no events subsequent to the balance sheet date.

#### Engagement with supplier, customers, and others

We value all of our customers and suppliers especially as many are small, local suppliers and it is our duty to act in a responsible manner towards them and continue to support the local business community.



## Serimax Limited

### Director's report (continued)

#### Auditor

The director at the date of approval of this report confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of the information.

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A9 Accountancy have expressed their willingness to be re-appointed for another term and appropriate arrangements are being put in place for them to be deemed re-appointed as auditor in the absence of an Annual General Meeting.

Approved by the director:

G Graindor  
Director

26 September 2024



## Serimax Limited

### Director's responsibilities statement

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## Serimax Limited

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERIMAX LIMITED

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#### Opinion

We have audited the financial statements of Serimax Limited (the 'company') for the year ended 31 December 2023 which comprise the income statement, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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## Serimax Limited

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have 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 (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### The extent to which our procedures are capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- United Kingdom Generally Accepted Accounting Practice
- Companies Act 2006
- Corporation Tax legislation
- VAT legislation

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management. We corroborated these enquiries through our review of company policy documents, relevant correspondence and board meeting minutes.



## Serimax Limited

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.
- Procedures to confirm the existence and completeness of revenue ensuring recognised in line with the company's accounting policies.
- Enquiries with management regarding the compliance with laws and regulations, including health and safety requirements.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

Paul Capewell FCA CA  
Senior Statutory Auditor  
For and on behalf of A9 Accountancy Limited

Date: 27/9/24

Chartered Accountants  
Statutory Auditor

Elm House  
Cradlehall Business Park  
Inverness  
United Kingdom  
IV2 5GH



## Serimax Limited

### Income statement For the year ended 2023

	Note	2023	2022
Revenue	3	26,045,824	21,148,268
Cost of sales		<u>(15,838,475)</u>	<u>(15,830,674)</u>
<b>Gross profit</b>		10,207,349	5,317,594
Other operating income		89,602	258,251
Administrative expenses		<u>(8,230,875)</u>	<u>(9,304,605)</u>
<b>Operating Profit/(Loss)</b>		2,066,075	(3,728,758)
Gain on disposal of tangible fixed assets		<u>509,311</u>	<u>1,000</u>
Finance costs	4	<u>(767,862)</u>	<u>(690,183)</u>
<b>Profit/(Loss) before tax</b>	5	1,883,418	(4,417,941)
Tax on Profit/(Loss)	9	<u>(65,040)</u>	-
<b>Profit/(Loss) for the financial year</b>		<u><u>1,742,484</u></u>	<u><u>(4,417,941)</u></u>

All activities relate to continuing operations.

There are no recognised gains or losses other than as included in the income statement for the current and prior year. Accordingly, no separate statement of comprehensive income is presented.



## Serimax Limited

### Balance sheet As at 31 December 2023

	Notes	2023	2022
<b>Non-current assets</b>			
Property, plant and equipment	11	1,409,483	1,490,271
Right of use assets	19	36,564	59,700
Investment	12	1	1
		<u>1,446,048</u>	<u>1,549,972</u>
<b>Current assets</b>			
Inventories	13	859,976	923,644
Trade and other receivables	14	3,917,079	5,624,966
Cash and bank balances		53	378
		<u>4,777,108</u>	<u>6,548,988</u>
<b>Total assets</b>		<u>6,223,156</u>	<u>8,098,960</u>
<b>Current Liabilities</b>			
Trade and other payables	15	(5,633,272)	(11,057,439)
Current tax liabilities	15	(2,357,992)	(1,265,626)
Deferred income	16	(1,262,683)	(523,058)
Lease liabilities	18	(26,992)	(24,137)
		<u>(9,280,939)</u>	<u>(12,870,260)</u>
<b>Net current liabilities</b>		<u>(4,503,831)</u>	<u>(6,321,272)</u>
<b>Total assets less current liabilities</b>		<u>(3,057,783)</u>	<u>(4,771,300)</u>
<b>Non-current liabilities</b>			
Deferred income	16	(95,457)	(98,079)
Lease liabilities	18	(15,370)	(41,715)
		<u>(110,827)</u>	<u>(139,794)</u>
<b>Net liabilities</b>		<u>(3,168,610)</u>	<u>(4,911,094)</u>
<b>Equity</b>			
Share capital	17	36,600,000	36,600,000
Retained earnings		<u>(39,768,610)</u>	<u>(41,511,094)</u>
<b>Equity attributable to owners of the Company</b>		<u>(3,168,610)</u>	<u>(4,911,094)</u>

The financial statements of Serimax Limited (registered number SC73616) were approved by the director and authorised for issue on 26 September 2024. They were signed on its behalf by:

G Grainger  
Director



**Serimax Limited**

**Statements of changes in equity  
For the year ended 31 December 2023**

	<b>Called up Share capital (Note 17) £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance at 1 January 2022</b>	36,600,000	(32,645,378)	3,954,622
Loss for the period and total comprehensive expense	-	(4,447,775)	(4,447,775)
Issue of share capital			
<b>Balance at 31 December 2022</b>	36,600,000	(41,511,094)	(4,911,094)
Loss for the period and total comprehensive expense	-	1,742,484	1,742,484
<b>Balance at 31 December 2023</b>	36,600,000	(39,768,610)	(3,168,610)



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

##### Basis of accounting

Serimax Limited is a private company limited by shares incorporated and domiciled in the United Kingdom under the Companies Act and is registered in Scotland SC073616. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the business review on page 2.

These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council, taking advantage of the section 400 exemption from preparing group financial statements. The company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to:

- the requirements of IFRS 7 Financial instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, paragraph 73(e) of IAS 16 Property, Plant and Equipment, paragraph 118(e) of IAS 38 of Intangible Assets and paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of paragraph 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirement of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which a party to the transaction is wholly owned by such a member;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 IFRS 15 Revenue from Contracts with Customers;
- the requirements of paragraph 52 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.; and
- the requirements of paragraphs 45(b), and 46-52 of IFRS 2, Share Based Payments.

Where required, equivalent disclosures are given in the group financial statements of Vallourec S.A. The group financial statements of Vallourec S.A are available to the public and can be obtained as set out in note 22.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group financial statements of Serimax Holdings SAS.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 1. Accounting policies (continued)

##### Basis of accounting (continued)

Details of the parent in whose consolidated financial statements the company is included are shown in note 22 to the financial statements.

Monetary Amounts in these financial statements are rounded to the nearest £.

##### Going concern

At 31 December 2023 the company has net current liabilities of £(3,092,716) (2022: net current liabilities £4,911,094). The director has considered the financial position of the company, the future strategy of the company and continuing financial support required from the Vallourec group (through a letter of support from Group). As mentioned before Serimax has undergone restructuring and has agreed new pricing for work and also cash in advance milestone invoicing, this will aid the liquidity and profitability of the Company in both the immediate and longer term. Having considered the circumstances and available information, the director has a reasonable expectation that the company will have access to appropriate resources to allow it to continue to trade in the ordinary course of business for at least 12 months from date of signing the financial statements. Accordingly, the director continues to adopt the going concern basis in the preparation of the financial statements.

##### Investment in subsidiaries

Investments in subsidiaries are recorded at cost less, where appropriate, any provision for impairment.

##### Tangible fixed assets

Tangible fixed assets are initially recorded at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	2% per annum
Plant and machinery	14% per annum
Motor vehicles	14% per annum
Computer equipment	33% per annum

Residual value is calculated on prices prevailing at the date of acquisition or revaluation. Useful lives and residual values are reviewed at the end of every reporting period.

##### Impairment of tangible assets

At each balance sheet date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment

#### 1. Accounting policies (continued)

##### Impairment of tangible assets (continued)

loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### Government grants

Capital grants in respect of capital expenditure are credited to a deferred income accounts and are released to the profit and loss account over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

##### Inventories

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and costs to be incurred in marketing, selling and distribution. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

##### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

##### *Current tax and deferred tax for the year*

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

##### Retirement benefit costs



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### 1. Accounting policies (continued)

##### Leases

###### *Lease identification*

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identifiable asset for a period of time in exchange for consideration.

###### *Right-of-use assets*

A right-of-use asset is recognised by the Company if the right to obtain substantially all of the economic benefits from the identified asset and the Company has the right to direct the use of the identified asset. In circumstances where the supplier has a substantive right to substitute the asset throughout the period of use, the 'right to use an asset' criteria has not been met. Following the initial recognition of the right-of-use asset, the right-of-use asset is measured using a cost model.

###### *Lease liabilities*

Lease liabilities are measured using an effective interest method so that the carrying amount of the lease liability is measured on an amortised cost basis and the interest expenses is allocated over the lease term.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. The periodic rate of interest is the discount rate used in the initial measurement of the lease liability. Lease payments are discounted using the interest rate implicit in the lease or the Company's incremental borrowing rate if the rate implicit in the lease is not readily determined. After the commencement date, both interest on the lease liability and variable lease payments (if applicable) are not included in the measurement period. If these are included, they would be recognised in the profit or loss.

###### *Extensions and terminations*

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances which is in its control. It is considered significant if it affects whether the Company is reasonably certain to exercise (or not exercise) an option not previously included in its determination of the lease term. The Company will revise the lease term if there is a change in the non-cancellable period of a lease.

###### *Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the low-value assets recognition exemption to leases of assets below £5,000. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

##### Foreign currency

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

##### Financial instruments



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

#### 1. Accounting policies (continued)

##### Financial instruments (continued)

###### *Financial Assets*

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

###### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

###### *Loans and receivables*

Trade receivables, loans, 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 amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

###### *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### *Impairment of financial assets*

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### **1. Accounting policies (continued)**

##### **Financial instruments (continued)**

#### *Reclassification of financial assets*

Reclassification is only permitted in rare circumstances and where the asset is no longer held for the purpose of selling in the short-term. In all cases, reclassifications of financial assets are limited to debt instruments. Reclassifications are accounted for at the fair value of the financial asset at the date of reclassification.

#### *Derecognition of financial assets*

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

#### *Derecognition of financial assets*

On derecognition of a financial asset other than in its entirety (e.g. when the company retains an option to repurchase part of a transferred asset), the company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### *Financial liabilities and equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

#### *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

#### *Other financial liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### 1. Accounting policies (continued)

##### Financial instruments (continued)

##### *Derecognition of financial liabilities*

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire.

##### Revenue recognition

Revenue is stated net of VAT and trade discounts. Revenue represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Revenue is calculated by reference to the value of work performed to date as a proportion of the total contract value. Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity to be entitled in exchange for transferring goods or services to a customer.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

In 2023 Serimax Limited recognised revenue across the following product lines:

- Spoolbase £13,692k
- Fabrication £3,216k
- Landlines £6,940k
- Training £48k

No incremental costs were incurred in obtaining these contracts, and the cost to fulfil these contracts was:

- Spoolbase £7,740k
- Fabrication £2,735k
- Landlines £4,929k
- Training £53k

Performance obligations are satisfied over time through provision of welding and fabrication services for each specific contract that contains specific technical requirements to be fulfilled for that contract. Progress is measured and revenue recognised through time and milestone achievement.

##### Research and development

Research expenditure is expensed as incurred. Development expenditure is also expensed, except where the director is satisfied as to the technical, commercial and financial viability of individual projects.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 1. Accounting policies (continued)

##### Share-based payment

The group share ownership programme allows eligible employees to acquire shares and options over shares of Vallourec S.A., the ultimate parent company. Under these schemes, employees are granted share options and performance based share awards based on certain criteria. In addition, staff may also be allocated shares as part of a "free share" programme and can also purchase shares through a FCPE arrangement. Finally, there is an older arrangement whereby employees were entitled to buy share appreciation rights at a discounted value. Further details of the schemes are detailed in note 10.

The fair value of options granted is recognised as an employee expense over the vesting period, with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options which is generally a period between four and five years. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of shares options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting. This expense is recognised as an employee expense with a corresponding entry in equity. The entry to equity is reduced by any contribution payable by the company, and should the contribution payable exceed the expense incurred then the excess is treated as a distribution.

Share appreciation rights are accounted for as "cash settled" and the fair value of appreciation rights granted is recognised as an employee expense, with a corresponding entry in liabilities.

Warrants taken out against share appreciation rights are recognised at their fair value with movements in the value reflected in the profit and loss account.

##### New Mandatory Standards

Main mandatory standards 2023:

- Amendments to IAS1 and IFRS Practice Statement 2- Companies required to disclose material accounting policies as opposed to significant accounting policies. Serimax discloses all material accounting policies already so no change required.
- Amendments to IAS8: Amendments to accounting policies, changes in accounting estimates and errors. No change required for Serimax.
- Amendments to IAS12: Amendments to Deferred Tax related to assets and liabilities arising from a single transaction. Not applicable as Serimax does not recognise a deferred tax asset or liability within the financial statements.
- Amendments to IFRS17: Amendment to Insurance Contracts- Not applicable as Serimax does not operate within Insurance industry.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1 above, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Any critical accounting judgements or key sources of estimation uncertainty are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. At 31 December 2023 the carrying amount of Non-Current Assets was £1,409,483.

#### Critical judgements in applying the company's accounting policies

The company have considered critical judgements and do not believe there are any.

#### Key sources of estimation uncertainty

##### *Useful lives and value in use of tangible fixed assets*

The estimated useful lives and value in use of property, plant and equipment is reviewed at the end of each reporting period. In considering the risk of impairment and the useful lives of assets consideration is given to the historical performance, condition and prospects of assets. During the period no impairment has been identified and there is no change in useful lives.

##### *Percentage of completion contracts*

As described in note 1 the directors of the company estimate the percentage stage of completion of long term contracts to determine revenue, amounts recoverable on contracts, work in progress as well as cost accrued on these contracts during the year. In making his judgement on the percentage of a contract completion, the director assesses costs to complete as the proportion of the total costs budgeted as well as time patterns of a contract execution.

#### 3. Revenue

An analysis of the Company's turnover by geographical market is set out below.

	2023	2022
	£	£
United Kingdom	16,098,054	7,670,888
Rest of Europe	9,224,204	12,567,384
Others	723,566	909,996
	<u>26,045,824</u>	<u>21,148,268</u>

All turnover, in both the current and previous year, relates to the provision of services.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 4. Finance costs

	2023	2022
	£	£
Interest payable to group companies	456,680	573,984
Interest payable on leases	117	(33,464)
Customer factoring	311,064	149,663
	<u>767,862</u>	<u>690,183</u>

During 2022 Serimax identified historic over accrual of lease liabilities and associated interest charges, these were adjusted in last years financial statement.

#### 5. Loss before tax

Loss before tax is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of property, plant and equipment (note 11)	106,701	177,931
Depreciation of right of use assets (note 19)	23,136	28,286
Foreign exchange gains/(loss)	21,887	5,071
Capital grants released (note 16)	(2,621)	(2,623)
Gain/(Loss) on disposal of tangible fixed assets	509,311	1,000
Research and development	645,594	643,876
Cost of inventories recognised as an expense	(134,671)	531,124
	<u>674,337</u>	<u>1,963,966</u>

#### 6. Auditor's remuneration

Fees payable to A9 Accountancy and their associates for the audit of the company's annual financial statements were £34,000 for 2023

Deloitte were paid in 2022: £55,000. There was nil non-audit fees in 2023 (2022: nil).

#### 7. Staff costs

The average monthly number of employees was:

	2023	2022
	No.	No.
Production staff	93	109
Administrative staff	43	50
	<u>136</u>	<u>159</u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	11,094,534	13,095,974
Social security costs	1,281,782	1,360,008
Other pension costs (note 20)	432,108	455,085
	<u>12,808,424</u>	<u>14,911,067</u>



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 8. Director's remuneration and transactions

The director is an employee of Serimax Holdings SAS, who recharged the company £nil (2022: £nil) in respect of a portion of his remuneration allocated to his services for the company.

#### 9. Tax on (loss)/profit

The tax charge comprises:

	2023	2022
	£	£
<i>Current tax:</i>		
Foreign tax suffered	-	-
Adjustment in respect to prior year	-	-
Total tax on loss	-	-

The charge for the year can be reconciled to the loss in the profit and loss account as follows:

	2023	2022
	£	£
Profit/(Loss) before taxation	1,742,484	(4,417,941)
Tax at 25% (2022: 19%) thereon	435,621	(839,409)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	266,731	246,535
Effects of overseas tax	(65,040)	-
Deferred tax not recognized	-	592,874
Effects of tax losses carried forward	(637,312)	-
Total tax	-	-

No tax payable due to historic losses brought forward.

The company has estimated unused tax losses of £10,145,561 pre-1<sup>st</sup> April 2017 and £19,347,481 post 1<sup>st</sup> April 2017. No deferred tax asset has been recognised in respect of the losses as its recovery is not certain in the foreseeable future.

#### 10. Share-based payments

The management board of Vallourec S.A. (the ultimate parent undertaking) authorised, from 2010 to 2022, share subscription plans for executive management and corporate officers and performance and free share plans for some employees and corporate officers throughout the Vallourec group, including employees and management of the company. It should be noted that the characteristics of the 2011 to 2020 plans were revised to take account of the decision of the Chairman of the Management Board on June 30, 2021 to adjust the number and exercise price of the shares in order to protect the rights of the holders following the capital increase of June 30, 2021. Exercise price is the fair value on grant date. The weighted average price of options exercised in 2023 was £10.98 (2022 £10.52).



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Share option plans have a vesting period of 4.6 years and a maximum holding period of between 3 and 6 years. A performance factor is applied to determine the number of options available to exercise at the end of the vesting period.

Performance share allocation plans granted have a vesting period of 3 years and a maximum holding period of between 0 and 2 years. A performance factor is applied to determine the number of options available to exercise at the end of the vesting period.

There was no expense incurred in 2023 (2022: £nil).

#### 11. Tangible assets

	Freehold land and buildings	Plant and machinery	Motor vehicles	Computer equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2023	2,223,644	2,174,823	136,857	298,021	4,833,345
Additions	8,611	32,654	-	1,684	42,949
Disposals	-	(1,228,326)	(74,250)	(2,717)	(1,305,293)
At 31 December 2023	2,232,255	979,151	62,606	296,988	3,571,001
<b>Depreciation</b>					
At 1 January 2023	955,367	1,990,633	132,240	264,834	3,343,074
Charge for the year	41,376	44,890	1,467	18,968	106,701
Disposals	-	(1,215,497)	(71,100)	(1,660)	(1,288,257)
At 31 December 2023	996,743	820,026	62,606	282,142	2,161,518
<b>Net book value</b>					
At 31 December 2023	1,235,512	159,125	0	14,846	1,409,483
At 31 December 2022	1,268,277	184,190	4,617	33,187	1,490,271

Included in freehold property is land of £167,872 (2022: £167,872) which has not been depreciated.

#### 12. Investment

	Shares in group company £
<b>Cost and net book value</b>	
At 1 January 2023 and 31 December 2023	1

Subsidiary undertaking & Principle place of business	Country of incorporation	Principal activity	Percentage of ordinary shares held
---	-----------------------------	--------------------	--



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Serimax Angola Limited (16 Airfield Road, Evanton, Scotland Ross-shire, IV16 9XJ) Pipeline fabrication 100%

During the year, the company made a loss of £513,578 (2022: loss of £4,719) and there are net liabilities of £27,814 (2022: £14,236) as at 31 December 2023.

#### 13. Inventory

	2023	2022
Consumables	<u>859,976</u>	<u>923,644</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

#### 14. Trade and other receivables: amounts falling due within one year

	2023	2022
Trade receivables	366,523	2,313,480
Amounts owed by group undertakings	300,432	186,028
Other receivables	879,347	572,838
Prepayments	179,682	77,538
Accrued income	<u>2,191,095</u>	<u>2,475,082</u>
	<u>3,917,079</u>	<u>5,624,966</u>

All amounts are recoverable within one year. Amounts due from group undertakings are in return for provision of welding services to associated group companies at agreed Intercompany rates, these are not interest bearing.

#### 15. Trade and other payables: amounts falling due within one year

	2023	2022
Trade payables	169,842	26,037
Amounts owed to group undertakings	3,784,880	9,190,778
Other taxation and social security	2,357,992	1,265,626
Accrued expenses	<u>1,678,550</u>	<u>1,840,624</u>
	<u>7,991,264</u>	<u>12,323,065</u>

Amounts due to group undertakings are:

- unsecured, repayable on demand and interest bearing where interest is payable at market interest rates at SONIA 3M spread +7.5% plus intermediation fee +0.15% as part of cash facility provided from group.
- purchase of welding equipment/services from other group companies, these are at agreed intercompany rates and are not interest bearing.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 16. Deferred income

	Deferred capital grants	Project	Total £
At 1 January 2023	98,079	523,058	621,137
Added during the year	-	1,257,097	1,257,097
Released during the year	(2,622)	(1,369,038)	(1,371,661)
At 31 December 2023	<u>95,457</u>	<u>1,262,683</u>	<u>1,358,140</u>

The deferred capital grant is being amortised over the same period as the useful lives of the fixed assets purchased using the proceeds of the grant funding.

Project revenue reflects amounts paid for work on Spoolbase projects in both UK and Norway yet to be completed due to project milestones.

#### 17. Called up share capital

	2023 £	2022 £
<b>Authorised, allotted, called up and fully paid</b>		
Opening (36,600,000 Ordinary shares of £1 each)	36,600,000	36,600,000
Issued in the year (0 Shares)	-	-
Closing (36,600,000 Ordinary shares at £1 each)	<u>36,600,000</u>	<u>36,600,000</u>

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

Retained earnings represents cumulative profits or losses, including unrealised profit on the remeasurement of investment properties, net of dividends paid and other adjustments.

#### 18. Borrowing and lease liabilities

##### (a) Analysis of lease liabilities

Amount due for settlement	2023 £	2022 £
On demand or within one year	26,992	24,137
Between one and five years	15,370	41,715
After five years	-	-
	<u>42,362</u>	<u>65,852</u>



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

Serimax Limited does not face a significant liquidity risk with regard to its lease liabilities- all lease obligations are denominated in currency units.

In 2022 Serimax evaluated leases and removed historic over liabilities from lease schedule this has impacted the interest expense future liability amounts payable this year.

#### 19. Right of use

	Freehold buildings	Motor vehicles	Computer equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2023	75,889	35,066	67,238	178,193
Additions	-	-	-	-
Adjustment	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	75,889	35,066	67,238	178,193
<b>Depreciation</b>				
At 1 January 2023	44,944	20,689	52,860	118,493
Charge for the year	15,161	3,287	4,688	23,136
Adjustment	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	60,105	23,976	57,548	141,629
<b>Carrying Amount</b>				
At 31 December 2023	15,784	11,090	9690	36,564
At 31 December 2022	30,945	14,377	14,378	59,700

The Company leases the assets as part of the routine nature of business activities. It has the right to terminate all leases, subject to minimum term penalty fees.

The Company has a right to extend the freehold building lease for a further 5 years from 31<sup>st</sup> December 2024- no such decision has been made on this extension at balance sheet date.

The Company leases several assets (above) including motor vehicles, plants and IT equipment, the average lease term is 3 years. The maturity analysis of lease liabilities is presented above.

Amounts Recognised in profit and loss	£
Depreciation expense on right-of-use-assets	23,136
Interest expense on lease liabilities	117

At 31 December 2023, the company is committed to £0 (2022: £0) in short term leases. The expenditure on short term leases was £708 in 2023.

Total cash out for lease payments in 2023 was £42,120.



## Serimax Limited

### Notes to the financial statements For the year ended 31 December 2023

#### 20. Retirement benefit schemes

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs in the year amounted to £432,108 (2022: £455,085). Contributions of £78,445 were outstanding at year end (2022: £67,969) and are included within accrued expenses.

#### 21. Related party transactions

As permitted by FRS 101 the company has not disclosed transactions with related parties who are fellow group companies, which are 100% owned within the group.

Technip FMC owns 20% of the immediate parent undertaking Serimax Holdings SAS. During the year, Serimax Limited made sales of £12,168,306 (2022: £4,915,230) with Technip UK Limited, sales of £96,615 (2022:£0) to FMC Technology Cameroon, £438,219 (2022:£682,200) to Technip Brasil, £7,373,964 (2022: £10,178,174) to Technip Norge AS, £148,015 (2022:£0) to Technip Ships One Israeli Branch and £255,371 (2022: £0)to TechnipFMC Subsea France.

At 31 December 2023 there is a debtor balance for Technip UK Limited of £266,313 (2022: £718,575) and accrued revenue balance of £1,055,089 (2022: £666,396).

Technip Brasil a debtor balance of £28,395 (2022: £0) with no accrued revenue.

Technip Norge AS had a £0 debtor balance (2022:£1,354,582) and accrued revenue of £628,177 (2022:£1,119,686)

All transactions were undertaken as standard external trading arrangements at arm's length, no discounted or preferential rates were used.

#### 22. Controlling party

The company's immediate parent undertaking is Serimax Holdings SAS. The ultimate controlling party is Vallourec S.A.

The smallest and largest group in which the results of the company are consolidated is that headed by Vallourec S.A. a company registered in France, and whose share capital is listed on NYSE Euronext which is the ultimate parent company.

Copies of the group financial statements are available from:

Vallourec S.A., 12 Rue de la Verrerie, Meudon, France.

Or the website

[www.vallourec.com](http://www.vallourec.com)



## Serimax Ltd Permanent Establishment INCOME STATEMENT

Director's Report for the year ended 31 December 2023

	Note	2023	2022
Revenue		94,607,117	124,487,513
<b>Total operating revenue</b>		<b>94,607,117</b>	<b>124,487,513</b>
Cost of goods sold	4	20,580,818	52,093,715
Payroll costs		25,904,041	46,240,066
Other operating expenses indirect costs	3, 4	21,868,347	51,332,635
<b>Total operating expenses</b>		<b>68,333,205</b>	<b>149,666,416</b>
<b>Ordinary result before tax</b>		<b>26,273,912</b>	<b>-25,178,902</b>
Finance Cost		2,751,835	0*
Tax on ordinary result	2	0	0
<b>Ordinary result</b>		<b>23,522,076</b>	<b>-25,178,902</b>
<b>Profit of the year</b>		<b>23,522,076</b>	<b>-25,178,902</b>

\*4284 NOK included as Other  
Indirect costs in 2022



**Serimax Ltd Permanent Establishment**

**BALANCE SHEET PR. 31.12.23**

Director's Report for the year ended 31 December 2023

ASSETS	Note	2023	2022
<b>Total Assets</b>		<b>1,5</b>	<b>0</b>
<b>EQUITY AND LIABILITY</b>			
Taxes payable		1, 2, 5	
<b>Total equity and liability</b>		<b>0</b>	<b>0</b>

Paris, 2 October 2024

Guillaume Graindor - Sole Board Member



## Accounting Principles

Director's Report for the year ended 31 December 2023  
generally accepted accounting principles for Small Companies in Norway.

### a) Operating revenue

Sales revenue is recognized upon delivery of goods and services.

### b) Current Assets and short term liability

Current assets and short term liabilities related to the Norwegian activity are included in and controlled by the head office in UK and therefore not included in the Serimax Limited Permanent Establishment financial reporting.

Balance sheet items related to the Norwegian activity are shown in note 1.

### c) Foreign currency

Transactions in foreign currency are converted at average currency rates.

### d) Tax

Tax expense in Income Statement consist of taxes payable for the periods calculated at a tax rate of 22%.

The company has historic losses of 110,000,000NOK- 2023 profit would have been taxable amount 5,174,857- this will be offset against historic losses.

<b>Note 1 Balance sheet items related to the Norwegian Activity</b>	<b>2023</b>
Taxes payable related to taxable profit	0
	<u>0</u>
	<u>0</u>

The entity does not have a separate local bank account.

## Note 2 Tax

	<b>2023</b>
<b>Profit before Tax</b>	<b>26,273,912</b>
Ordinary tax expense	0
<b>Total tax expense</b>	<b>0</b>
	<u>0</u>
<b>Taxes payable per December 31st</b>	<b>0</b>
<b>*tax amount due offset against historic losses</b>	<u>0</u>

## Note 3 operating costs

Other operating costs consists of unallocated costs, allocated proportionally to the Company's projects in Norway based on project revenue Norway out of total revenue of the Company.

### Auditor fees:

Audit and related fees: NOK 80,000

## Note 4 Transactions with group companies

All revenue is external. In addition to overhead charges there are related company costs with regard to equipment rental.

## Note 5 Other information

The entity has no equity or specific balance sheet accounts since the activity / establishment is an integrated part of Serimax Ltd



## **Serimax Ltd Permanent Establishment**

### **Director's Report for the year ended 31 December 2023**

#### **Place of Business**

Serimax Limited Permanent Establishment is part of the business activity of the company Serimax Limited which, according to the regulation related to permanent place of operation, is taxable in Norway.

Serimax Limited is a company registered in Scotland and its registered office is 16 Airfield Road, Evanton, Scotland. The Norwegian contact address is Kanalsletta 2, 4033, Stavanger

#### **Principal activities**

The principal activity of Serimax Limited Permanent Establishment during the year was to support Serimax's various Norwegian based projects in the year. The business activity takes place at the Norwegian Continental Shelf. The Permanent Establishment carried out no Research and Development activities during the year.

The Board consist of 1 men and no women.

#### **Business Review**

According to the Norwegian Accounting Act 3-3 it is confirmed that the company's financial statements are based on the assumption of continued operations, however, the duty to pay tax and to submit the annual accounts in Norway is dependent on products and services being produced and delivered in the Norwegian sector.

#### **Results**

The Permanent Establishment's financial statements show a profit for the financial year of NOK 23,522,076 before tax with no tax payable, due to offset against historic losses

Since the business unit is not an independent legal unit in relation to customers, contractors and owners; it is not allocated balance sheet items to the business unit in the financial statements.

#### **Future outlook**

The company shall continue to operate under similar levels of activity and revenue in 2025, with contracts already secured for the year.

#### **Injuries/Accidents**

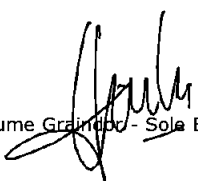
There were no incidents during the year.

#### **Environment**

Serimax as a company is committed to working and other practices which take cognisance of the need to operate in environmentally-friendly ways wherever possible. Serimax adheres to and has published it's compliance with the Norway Transparency Act requirements on the website

Paris, 2 October 2024



  
Guillaume Grandjeu - Sole Board Member



# Deloitte.

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To the General Meeting of Serimax Limited Permanent Establishment

## INDEPENDENT AUDITOR'S REPORT

### *Opinion*

We have audited the financial statements of Serimax Limited Permanent Establishment (the Company), which comprise the balance sheet as at 31 December 2023, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### *Basis for Opinion*

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

### *Responsibilities of the Management for the Financial Statements*

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

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Registrert i Foretaksregisteret  
Medlemmer av Den norske Revisorforening  
Organisasjonsnummer: 980 211 282



**Deloitte.**

Independent auditor's report  
Serimax Limited Permanent  
Establishment

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stavanger, 2 October 2024  
Deloitte AS

**Arnstein Antonsen**  
State Authorised Public Accountant



## Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 29.03.2016	Vår dato 01.04.2016
Telefon 22078139	Deres referanse Amstein Antonsen	Vår referanse 2016/288333

DELOITTE AS  
Postboks 287  
4066 STAVANGER

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Serimax Limited NUF, org. nr. 976 281 896

Vi viser til deres brev av 29. mars 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Serimax Limited NUF.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Serimax Limited NUF 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

Serimax Limited NUF er en filial av Serimax Limited UK. Hovedforetaket Serimax Limited UK har prosjekter på norsk sokkel. Alle personer involvert med selskapet er engelskspråklige. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### 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*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

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

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*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 en filial av et utenlandsk selskap. Eierkretsen er begrenset. Alle personer involvert med selskapet er engelskspråklige. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
*seniorrådgiver*  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

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