

**ASCO Group Limited**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**

**Registered No: 07853258**

ASCO Group Limited  
Annual report and consolidated financial statements  
For the year ended 31 December 2024

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ASCO Group Limited  
Officers and professional advisers

**Directors**

T M R Pettigrew  
A R W Wright

**Company Secretary**

F N McIntyre

**Registered Office**

Great Yarmouth Offshore Supply Base  
South Denes Road  
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Norfolk  
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NR30 3LX

**Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
The Capitol, 431 Union Street  
Aberdeen  
AB11 6DA

**Bankers**

HSBC Bank plc  
95-99 Union Street  
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AB11 6BD

The directors present the Strategic Report for the year ended 31 December 2024.

### **Principal activities**

ASCO is a leading global provider of logistics and materials management services supporting projects onshore and offshore. We provide our services to a wide range of industries including the Renewables, New Energy, Industrial, Oil and Gas and Decommissioning sectors. The company operates across five continents and nine countries. Headquartered in Aberdeen, Scotland, ASCO operates from over 70 locations worldwide and employs approximately 1,500 people.

ASCO's innovative processes and systems mean the company is at the forefront of driving supply chain efficiency, providing full transparency of the entire process from vendors to end users. The fully integrated suite of support includes logistics, transport and freight, supply base management, consultancy services, aviation services, warehousing and storage solutions, materials management, fuel and bulk provision, marine services, training, lifting and assurance, personnel provision and environmental services.

We combine this with specialist technical and advisory services across marine, materials, inventory and lifting operations, and world-class technology via our proprietary integrated Logistics Management System (iLMS), to meet the needs of energy operators across the world.

With over 50 years of logistics and materials management experience, ASCO's expertise and capability help customers by transforming operational efficiency and improving processes. ASCO's continued execution of innovative low-carbon strategies mark them as the supplier of choice in supporting a sustainable future.

### **CEO statement**

2024 was my first full year as Group CEO and I'm pleased to report healthy financial growth in underlying EBITDA in 2024, achieved against a backdrop of the ongoing conflicts in Ukraine and the Middle East, geopolitical uncertainty and high interest rates.

Our fundamental obsessions of safety, service and sustainability are well embedded in the business and are a major contributing factor in our ability to secure substantive growth opportunities, both domestically and internationally.

We were pleased to secure new contracts during the year, in particular our new operations in Teesworks in the UK.

We have continued to explore new locations, setting up an office in Namibia.

Strong progress continues to be made in developing and executing our sustainability plans. Our third sustainability report was launched during 2024 that highlighted the work undertaken so far to create a more sustainable business and reporting against our progress for a net zero future.

Equality, Diversity and Inclusion continues to be a key focus area as we continue the drive to be an employer of choice that has a diverse and inclusive culture where everyone feels valued and has the ability to contribute to the success of the company.

The health and well-being of our colleagues remains our number one priority. We have continued with our worksite engagement visits that allow management, in a more informal way, to spend time with small groups of colleagues and receive direct feedback on a range of topics. The formal site leadership programme remains in place that focuses on adherence to process and safety performance, with the number of visits by senior leaders increasing during the year.

2024 was the first full year of the Group's ownership by funds under the management of Endless LLP who are supporting the leadership team on our growth ambitions.

## Section 172 (1) of the Companies Act

The Board of Project Advance Topco Limited manages the overall governance and strategy of the ASCO Group.

As a Board of Directors we recognise the importance of maintaining an active dialogue with our stakeholders. Engaging with our stakeholders and acting in a way that promotes the long-term success of the Company, while taking into account the impacts of our business decisions on our stakeholders, is central to our strategic thinking and our statutory duty in accordance with Section 172(1) of the Companies Act 2006.

We understand that it is important to behave responsibly, and ethically at all times, in line with our values to ensure that the business operates to the highest standards of business conduct and good governance. Our aim is to contribute to the long-term success of the Company and continue to nurture our reputation as a responsible, successful Group that delivers value to our stakeholders as stated in our Company purpose.

The Board of Directors considers that in the decisions taken during the financial year they have acted in a way they consider in good faith and most likely to promote the success of the Company, having regard to matters defined in section 172(1)(a) to (f) of the Companies Act.

The sustainability of the business is for the benefit of all stakeholders including the shareholders, lenders, staff, supply chain, customers and the communities where we operate.

## Financial Highlights

Group sales were £481.1m (2023: £524.6m), down 8.23% with UK fuels revenues accounting for £60.7m of the £43.4m drop. Underlying services revenue increased by £17.3m reflecting a stronger performance in the UK and Canada but partly offset by some reductions in our other international operations.

Overall our EBITDA from continuing operations excluding exceptional items increased by 13.4% to £26.2m (2023: £23.1m).

Volatility in foreign exchange markets has negatively impacted results in the year leading to net assets decreasing to £2.1m (2023: £1.7m).

## UK Business

The UK business is mainly centred on quayside logistics, materials management, environmental and bunkering services. In the UK we have four main offshore supply bases in Peterhead, Aberdeen, Great Yarmouth and Teesworks and we operate from a number of other locations based on operational requirements.

### Activity

The UK business saw quayside activity levels reduce moderately during the year with tonnage down 15.2% on 2023 but offset by strong growth in the warehousing and materials management operations. Our fuels bunkering business saw a 13.6% reduction in tonnage on the prior year and the environmental business saw continued strong activity in projects.

Our Specialist Services businesses performed strongly during the year delivering growth in profits on increased activity.

## International Business

2024 was a year of strong growth for the international business though some ups and downs. There are also emerging opportunities that contribute to a positive outlook for growth in 2025 and beyond.

**Norway:** higher activity levels in both Tananger and Sandnessjoen base together with the benefit of exiting the loss-making Hammerfest base, resulted in strong performance in 2024.

**Trinidad/Suriname:** Securing the new contract with BP that commenced at the start of 2024 produced healthy returns from a breakeven position in 2023.

**Australia:** The turnaround of the Australian business has continued in 2024, with strong performance in Darwin and the camps business. We expect to build on this growth in 2025.

**Canada:** The Canadian business has performed strongly in 2024 with increased activity within our Manatokan operations and continued strong performance in East Canada.

**Senegal:** In line with the operating model, some of the roles under the core contract have been assumed by local companies. The planned transition to adjacent opportunities has been slower than expected with political decisions impacting on appetite for drilling.

**International Other:** We continue to explore opportunities in Africa, in particular Egypt, Cote D'Ivoire and Namibia.

## Environment, Social and Governance (ESG)

Recognising our commitments to sustainability and protecting the environment we have voluntarily incorporated a new section in our annual report covering the Taskforce on Climate related Financial Disclosures ('TCFD'). This sets out our governance arrangements, key responsibilities, our key climate related risks, risk management and further disclosure of our scope 1, 2 and 3 emissions, generation and management of waste and consumption of water across all of our operations. We have been publishing a sustainability report annually since 2022. The latest version is available at: [www.ascoworld.com](http://www.ascoworld.com).

ASCO is committed to maintaining a reduction in Group emissions as set out by our five-year plan to reduce scope 1, 2, and 3 emissions by 30%, 15%, and 25% respectively, by 2024; to set a solid foundation to becoming a net zero business by 2040. We are currently outperforming our scope 1 and 2 targets through a suite of initiatives which have taken place across the Group. Although our scope 3 emissions have increased this year, this has been a result of business growth as we look to expand our operations in Senegal. We are continually improving our environmental data collection and reporting methods through the introduction of market-based scope 2 reporting and ongoing review of our activity data.

## Company Culture

Our culture remains firmly rooted in our three fundamental obsessions for Safety, Service and Sustainability. This has been the foundation of our success over the past few years and has helped enhance our reputation with our customers and to build high levels of employee engagement and trust. Safety performance has continued to be a focus in 2024. Efforts continue to be increased to ensure that, even after the challenges of COVID-19, employees remained focussed on the fundamental elements of operational safety. This included a new training programme for key managers and supervisors focused around safety leadership and behaviours.

## Key Performance Indicators (KPIs)

The Group's activities are managed by teams of dedicated people whose performance is monitored by a series of key performance indicators. At the highest level these are based on profitability, including EBITDA, cash, debt and liquidity management. These are commented on in further detail within the Financial review.

As a Group, the number one priority is the safety of all our people and anyone who may be affected by our work activities. Key performance indicators including LTIF (lost time injury frequency) and TRCF (total recorded case frequency) are generated and reported against both targets and prior years, both monitoring performance and highlighting to staff the emphasis the Group places on safety.

	2024	2023
Lost time injury frequency (LTIF)	0.59	0.11
Total recordable case frequency (TRCF)	1.13	0.61

Both the LTIF and TRCF are stated at a rate per 200,000 person hours worked. Whilst the increase in the lost time injury and recorded case frequency rate against the prior year is frustrating the Company commenced actions during the year to reverse the trend and performance in Q1 2025 has improved. The Group remains committed to maintaining a culture where the health & safety of our employees is paramount. We have continued to invest in our systems and processes and undertaken additional management training to further develop our safety leadership.

## Strategy 2025 - 2029

The Group's strategy is being reviewed with our new owners and will be finalised in 2025.

## Principal risks and uncertainties

Further progress was made during the year in terms of developing risk registers across the business and for identifying our principal risks.

The risks and uncertainties faced by the Group in the course of its day to day operations are set out in the Directors' report at page 20. These include potential repercussions from fluctuations in the global energy market, geopolitical risk, cybersecurity threats, currency movements, interest rates and inflation, compliance with laws and regulations, climate change and the energy transition and credit exposures.

## Outlook

The Group has an evolving set of growth opportunities across multiple markets. The energy transition will continue to offer opportunities in the UK and Norway with our skills and expertise in the oil and gas industry providing multiple opportunities for our international businesses. These opportunities support our objective of servicing all aspects of the energy and industrial supply chain.

Under the new UK government, uncertainty remains regarding investment plans from the oil and gas industry in the UK North Sea, we believe that internationally the current oil price, energy security concerns and current planned investments provide a positive back drop for future growth across the Group.

Our strategy for sustainable growth is embedded in the business and we anticipate further opportunities as we expand our service offering to new sectors and geographies, alongside building expanded relationships with our core customers by increasing the breadth of our service offering.

To support the strategic growth of the Group, on 27 June 2024 the Group completed a £80.2m refinancing of the Balance Sheet.

Based on the new ownership, market opportunities and operational improvements underway the Board is positive that the Group can deliver significant growth.

On behalf of the board:



**T M R Pettigrew**

Group Chief Executive Officer

15 May 2025

## Overview

The financial statements of the Group for the year ended 31 December 2024 have been prepared in accordance with UK-adopted international accounting standards and are presented in GBP which is the principal functional and presentational currency of the Group's income streams and cash flows.

## Trading performance

The Group Consolidated Statement of Comprehensive Income is shown on page 31 to these financial statements.

Group revenue has fallen overall by 8.2% to £481.1m compared to £524.6m in 2023, with UK fuels revenues accounting for £60.7m of the £43.4m drop. The UK fuels revenue varies with the price of marine gas oil and these movements, both up and down, often have little effect on actual activity levels or profitability but can distort the margin percentage. Underlying service revenues increased by £17.3m reflecting stronger performance in the UK and Canada but partly offset by some declines in other international operations.

For that reason, the £43.4m decrease in revenues does not translate to a reduction in profitability, with the Group producing an operating profit of £23.0m in the year compared to an operating profit of £16.7m in 2023. Operating profit before exceptional costs and impairment was £23.2m (2023: profit of £17.7m).

The Group applies the international accounting standard for leases, IFRS 16. As a consequence of the standard, assets leased in the business previously accounted for within operating profit as lease expenses, are, with certain exceptions, now recorded on the Group's balance sheet with depreciation charge and finance cost replacing lease expenses in the Statement of Comprehensive Income.

The Group monitors capital ratios in order to comply with external covenants as described at note 22(e). The terms of the covenants as set out in the Group's borrowing arrangements exclude the impact of IFRS 16 and leases continue to be accounted for under the former reporting standard (IAS 17) for covenant purposes. A reconciliation between operating profit per these financial statements and the measure included in the lending documents and as measured by management is set out below.

	2024 £m	2023 £m
Operating profit	23.0	16.7
Depreciation (note 13a)	6.8	6.0
Depreciation of right of use assets (IFRS 16) (note 13b)	13.7	10.1
Amortisation (note 14)	3.4	3.4
Exceptional items - other (note 6)	0.3	1.0
	<hr/>	<hr/>
EBITDA pre exceptional items	47.2	37.2
Non-recurring costs (net)	0.6	1.6
Contribution from joint ventures	0.2	0.2
Lease expenses (IAS 17 vs IFRS presentation)	(21.8)	(15.9)
	<hr/>	<hr/>
<b>EBITDA (adjusted)</b>	<b>26.2</b>	<b>23.1</b>
	<hr/> <hr/>	<hr/> <hr/>

### **Trading performance (continued)**

The underlying earnings before interest, taxation, depreciation and amortisation (EBITDA) of the Group was £26.2m in 2024 compared to £23.1m in 2023, an increase of £3.1m (13.4%). In large part, this reflected a recovery of business activity in the Canadian oil sands and BP contract in Trinidad, but also strong growth in the UK materials management businesses.

The Group recorded net exceptional costs of £0.3m (2023: exceptional costs of £1.0m) made up of costs relating to restructuring and other corporate activities. In 2023 exceptional costs were largely linked to acquisition and some restructuring costs (note 6).

The Group incurred a further net £0.6m (2023: £1.6m) of non-recurring costs during the year in connection with various corporate reorganisation activities. These are considered to be exceptional for management accounts purposes but are not considered exceptional for statutory financial statements disclosure.

### **Depreciation and amortisation**

Depreciation of the Group's tangible assets totalled £6.8m (2023: £6.0m) of which £4.9m (2023: £4.3m) related to depreciation of plant and equipment. A further £13.7m (2023: £10.1m) of depreciation was reported on right of use assets. Amortisation of intangible assets, which consist of the value of customer relationships, trade name and Group technology, amounted to £3.4m (2023: £3.4m).

### **Exceptional items**

Exceptional costs presented within operating costs in the Consolidated Statement of Comprehensive Income amounted to £0.3m (2023: £1.0m) and included costs of restructuring the group under new management and Hammerfest base closure costs, net of a credit for the release of a provision against recovery of taxes no longer required.

The total exceptional items recognised in the Consolidated Statement of Comprehensive Income (exceptional items and exceptional finance costs) was a net cost of £1.4m (2023: net cost of £1.2m).

### **Finance costs**

Net finance costs for the Group in the year amounted to £19.1m (2023: £16.3m) and the analysis is shown in Notes 9 and 10 to the financial statements.

### **Taxation**

Notes 11 and 20 to the financial statements set out the analysis of the Group's tax charge and breakdown of deferred tax respectively along with the Group's effective tax rate.

The tax charge on continuing operations in the Consolidated Statement of Comprehensive Income was a charge of £0.9m in 2024, and was also a charge of £0.6m in 2023. The charge recorded in the year reflects tax payable within the UK and international jurisdictions in which taxable profits were achieved and movement in deferred tax.

### **Capital investment**

During the year a total of £7.2m (2023: £9.3m) was invested in fixed assets of which £6.6m (2023: £6.3m) related to plant and equipment. In 2023 £3.0m was invested in land and buildings including the acquisition of a site in Peterhead to support materials management and logistics operations. Assets with net book value of £0.3m were disposed of in the year (2023: £0.2m), largely relating to land and buildings in Australia.

ASCO Group Limited  
Financial review (continued)

**Group cash flow and debt**

The Group's consolidated statement of cash flows is shown on page 35 of these financial statements. The Group's debt movements in the year was as follows:

	2024 £m	2023 £m
Net debt at 1 January	(40.8)	(75.9)
Increase/(decrease) in cash in the year (net of exchange)	3.2	(14.3)
Repayment of debt (including asset financing)	0.3	104.4
Repayment/(drawdown) of Shareholder loan notes	55.0	(55.0)
Drawdown of BZ borrowings	(51.2)	-
	<u>(33.5)</u>	<u>(40.8)</u>
Net debt at 31 December	<u><u>(33.5)</u></u>	<u><u>(40.8)</u></u>

Net debt in the Group's lending documents is defined as the excess of the Group's long and short term borrowings (including overdrafts) over cash, cash equivalent and other deposits excluding capitalised debt arrangement fees. The net debt balances above do not include the impact of IFRS 16, Leases.

	2024 £m	2023 £m
Term loan - current (secured) (note 19)	(4.7)	-
Asset based facility - current (secured) (note 19)	(17.6)	-
Term loan - non-current (secured) (note 19)	(28.8)	-
Shareholder loan notes	-	(55.0)
Finance lease liabilities - current (secured)	(0.1)	(0.1)
Finance lease liabilities - non-current (secured)	(0.6)	(0.8)
Cash	9.5	14.3
Restricted cash	8.8	0.8
	<u>(33.5)</u>	<u>(40.8)</u>
Net debt at 31 December	<u><u>(33.5)</u></u>	<u><u>(40.8)</u></u>

At the end of 2024 the Group held unrestricted cash balances of £9.4m plus unutilised available credit facilities of £27.8m.

In 2023, Endless Fund V loaned £55m by way of shareholder loan notes to enable bank debt to be repaid. These loan notes were intended to be bridging finance pending a refinancing of the group. On 28 June 2024 the group entered into new financing arrangements with BZ Commercial Finance and Leumi UK Group which enabled the £55m shareholder loan notes to be repaid.

£47.2m of shareholder loan notes (and associated accrued interest) provided by Project Advance Bidco Limited is excluded from the net debt figures presented as it is more akin to equity.

**Borrowings**

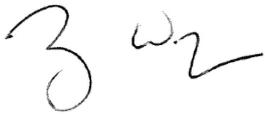
At 31 December 2024 the Group's total bank borrowings, excluding capitalised debt arrangement fees, were £49.0m (2023: £nil). The Group has access to a revolving credit facility of £15m, of which £8.1m was drawn at 31 December 2023 by way of guarantees.

**Financial risk management objectives and policies**

The Group's principal financial assets are bank balances and cash, trade and other receivables and investments. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the Consolidated Statement of Financial Position are net of provisions for impairment. Provisions for impairment are determined by measuring expected credit losses of the financial assets held.

The credit risk on liquid funds is limited because the counterparty is a bank with high credit ratings assigned by international credit rating agencies. The Group has no significant concentration of credit risk, with exposure spread over a number of customers.

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments, the Company is party to Group funding arrangements and uses a mixture of long-term and short-term finance.



**A R W Wright**  
Group CFO  
15 May 2025

ASCO Group Limited  
Taskforce on Climate-related Financial Disclosures ('TCFD')

ASCO acknowledges the Taskforce on Climate-related Financial Disclosures (TCFD) as one of the most effective frameworks for reporting, aimed at mitigating the material impact of physical and transition risks posed to the global economy by climate change. Both the TCFD Annex and the Department for Business, Energy and Industrial Strategy (BEIS) guidance for mandatory Climate-related Financial Disclosures by publicly quoted companies, large private companies, and Limited Liability Partnerships (LLPs) were utilised as guidance for complying with the disclosure obligations across the four sections of the TCFD: Governance, Strategy, Risk Management, and Metrics and Targets.

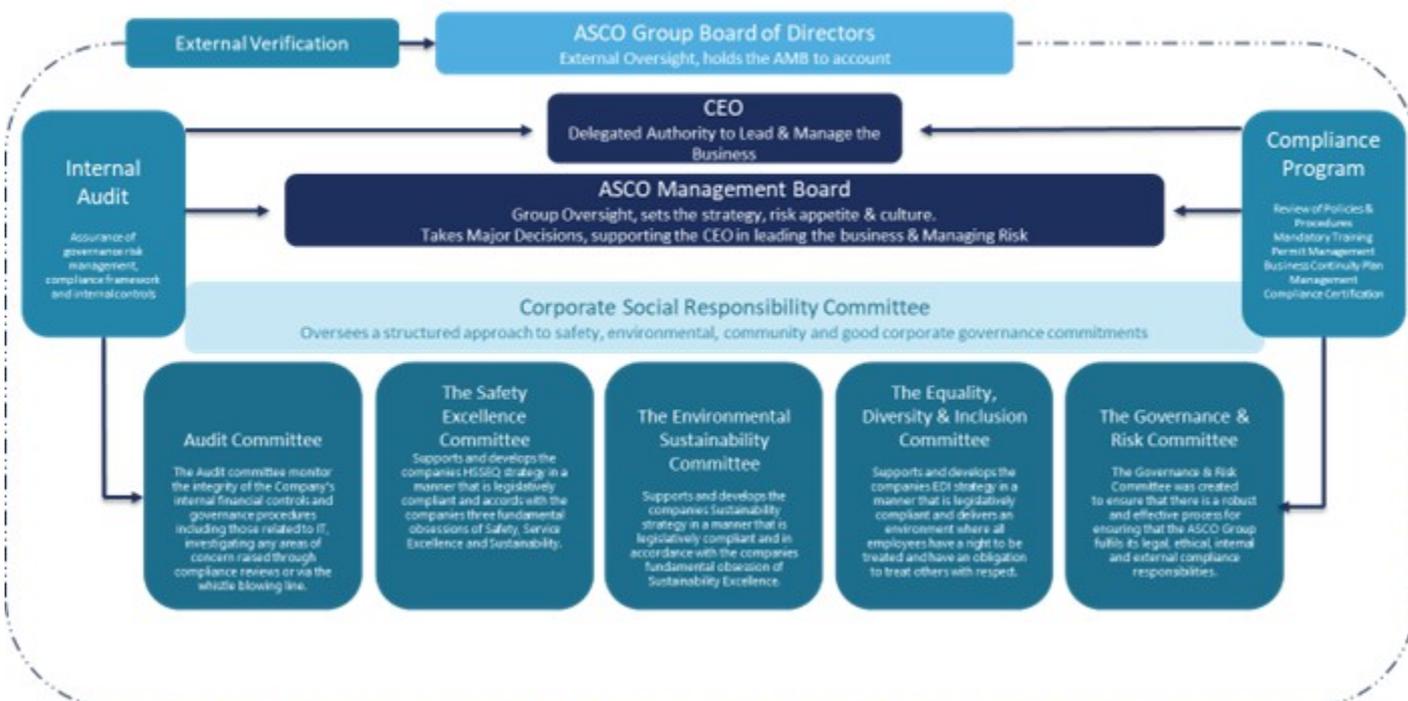
**Governance**

ASCO's Board of Directors (the Board) is committed to the mitigation of climate-related issues. The Board is responsible for engaging with key departments within the business on these issues through providing external oversight to various committees, including the Environmental Sustainability Committee (ESC) and the Governance and Risk Committee (GRC). The Board is committed to strengthening its oversight of climate-related risks and opportunities (CROs) and it will continue to delegate elements of oversight to various committees within the Group.

The ASCO Management Board (AMB), is held to account when setting targets relating to sustainability and risks through an annual review process to track progress and to determine potential risks not already accounted for. The AMB is committed to strengthening its oversight of climate-related risks, which is discussed in this report's Risk Management section (page 15). The GRC is responsible for identifying and assessing CROs and the ESC is committed to managing climate-related risks and opportunities, ensuring ASCO is on track to meet its targets, as detailed in this report's Metrics and Targets section (page 17).

Sustainability has been one of ASCO's three fundamental obsessions since 2020; these obsessions act as pillars to underpin ASCO's strategy across the whole Group. In 2021, this obsession led to the creation of the Environmental Sustainability Policy, as well as the formation of the ESC, to instil the Group's commitment to net zero by 2040 across the business through continuous review of work practices, challenging the status quo and collaborating to reduce water and waste footprint.

**ASCO GROUP GOVERNANCE STRUCTURE**



### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSRC) is chaired by the CEO. Its principal activity is to support the Board in overseeing the sub-committees involved in the delivery of climate-related projects and improvement programmes. This committee meets quarterly, and its key responsibilities include oversight of:

- Sustainability culture to ensure alignment with the purpose, values and strategies of the Group;
- The impact of the Group's operations on the community and the environment;
- The Group's processes and mechanisms for building relationships with customers, suppliers and other key stakeholders and understanding their views;
- Compliance with relevant laws and regulations.

### Governance and Risk Committee

The GRC meets on a quarterly basis to drive improvements to address climate-related risk gaps identified during the Risk Framework Review. The GRC's key responsibilities include:

- Identifying and assessing CROs;
- Integrating climate-related risks into the strategy;
- Conducting climate-related scenario analysis;
- Managing CROs.

### Environmental Sustainability Committee

The ESC meets every two months to lead sustainability initiatives across the ASCO workforce and partners, ensuring the Group is on track to reach interim targets, along with achieving net zero by 2040. To ensure equal representation from across the business, the committee comprises personnel from each of ASCO's global locations and across the service lines. The ESC's key responsibilities include:

- Engage with key departments and wider stakeholder group to provide guidance and support on sustainability initiatives where deemed necessary;
- Review and action requests from the workforce, supply chain and clients on all aspects of environmental sustainability;
- Ensure that environmental sustainability activities and support are regularly communicated and promoted to the global workforce, with opportunities made available for the workforce to engage and support any activities that are being progressed;
- Engage with clients and recognised industry groups, where ASCO operates, to ensure ASCO remains up to date with best practice, and promote the organisation's existing contributions;
- Actively promote a positive environmental sustainability culture across the organisation;
- Develop and implement a climate transition plan;
- Monitor progress against climate-related corporate targets;
- Identifying CROs;
- Identifying opportunities for the organisation to accelerate its commitment towards being net zero by 2040.

ASCO's Head of New Energy and Net Zero chairs the ESC and works closely with the General Managers and Heads of Function lines to support the CEO and various committees in climate related risks and opportunities. The Head of New Energy and Net Zero is responsible for identifying, positioning, and progressing opportunities for ASCO's sustainability strategy in line with the overall business strategy and reports directly to the Group Management Board in doing so.

## Strategy

ASCO is continuously incorporating the United Nations 17 Sustainable Development Goals (UNSDGs) in its sustainability strategy. An integral part of ASCO's sustainability strategy is to ensure the consistent disclosure of CROs, in keeping with ASCO's transparency and commitment to aligning its processes with TCFD recommendations. ASCO's risk management process has developed to assess the risks and opportunities identified through climate change and the energy transition, ensuring that key transition and physical risks faced by the Group are included, and mitigation measures are set in place to ensure company resilience.

Within the current risk management framework (page 15) CROs are identified including, but not limited to, ASCO's operations and involvement in the oil and gas industry, the evolving energy transition market and the geographical location of ASCO's operations. From 2023 onwards, secondary risk categories were included in the risk register, recognising that climate-related risks can impact the business in several ways. No new climate-related risks were identified during the annual risk review process in 2024. Within the risk register, each risk and opportunity is assessed in a timeframe, set out as follows; short-term (up to 5 years), medium-term (5-10 years), and long-term (beyond 10 years).

To determine an overall risk score each risk is assessed on probability of occurrence or likelihood from 1-5 (very low to very high probability), as well as the impact of each risk from 1-5 (very low to very high impact). Further detail for evaluating the risk score is described in the risk management process, see page 15. Each risk has controls currently in place and future mitigation recommendations are raised to reduce the risk impact.

### Scenario Analysis:

In 2023, ASCO introduced scenario planning into its strategy plan and risk register to test the resiliency of ASCO Group's strategy every two years. The Group undertook a review of customer and other publicly available scenarios and selected the ones below to test against the risk register:

- Scenario 1 – Energy Security: In this scenario, energy security and affordability take precedence over the sustainability of its source. There is a heavy reliance on the rapid introduction of low carbon technologies with global emissions peaking in the 2020's and starting to fall gradually from the mid-2030s. Temperature increase will be expected to level off at 2.2 °C as emissions close in on net zero. This scenario highlights climate-related physical risks that can arise from a future scenario where global temperatures have risen and extreme weather events are a more common occurrence.
- Scenario 2 – Net Zero: In this scenario, the global community pulls together to prioritise climate security, with this prioritisation working in parallel to energy security and affordability. Global emissions start to fall by 2025 with the goal of net zero in sight by 2040. Temperature increase will be expected to level off at 1.5 °C by 2075 falling to 1.2 °C by 2100. This scenario highlights climate-related transition risks that can arise from a future scenario where the current planned regulatory policies continue to be developed, driving increased energy transition and move away from fossil fuel production.

ASCO performed a qualitative analysis in 2023 to stress test its risk register against these two scenarios. This is carried out to consider new material risks introduced as a result of the different scenarios, along with their probability, impact, and timeframe. Risk mitigation, as well as opportunity detection, is conducted as part of this analysis. The outcome is that there were no additional risks for both scenarios, however the impact of existing risks has increased and as well as has resulted in shortened timelines for probability of occurring. Through carrying out the scenario analysis it was deemed that ASCO's strategy actively contributes to managing risks and benefitting from opportunities. While no additional risk mitigation is necessary from the results of the scenario analysis, the main factors which ASCO will take into consideration are primarily focussed on ensuring the timely of implementation of actions. The 2023 scenario analysis was deemed valid for two years with the next review set for 2025.

Sustainability continues to be the core of ASCO's strategy plan and operations, emphasising decarbonisation as key in improving performance and enhancing the customer experience while targeting net zero emissions by 2040. ASCO has actively supported clients with recommendations to decarbonise their emissions.

ASCO Group Limited  
Taskforce on Climate-related Financial Disclosures ('TCFD') (continued)

Climate-related risks and opportunities

The table below details physical and transitional risks identified by ASCO, which are specific to climate change through being assigned climate as a primary or secondary risk category. The table is ordered from highest to lowest overall risk score with current mitigation controls and actions in place.

Climate-related risks:

Risk	Risk Category	Secondary Risk Category	Time Horizon	Probability	Impact	Risk Score	Risk Level	Scenario 1 Impact to Risk Mitigation	Scenario 2 Impact to Risk Mitigation
<b>Replacement of MGO with a renewable alternative</b> Making the switch from the high revenue-generating product MGO to a new market will put 33% of the Group's revenue at risk	Financial	Climate	Medium	3	4	12	High	None	None
<b>Capital markets</b> Financial Markets being constrained and /or poor sentiment towards O&G sector	Financial	Climate	Short	3	3	9	Medium	None	Will require more focus on diversifying into new energy markets quicker.
<b>Key market dependency</b> Too slow to be able to adapt or transition in move towards renewables	Climate	Operational	Short	2	4	8	Medium	None	Will require more focus on diversifying into new energy markets quicker.
<b>Impact of extreme weather events</b> Too heavy a reliance on a small group of significant customers operating in locations at a higher risk of climate events	Climate	Operational	Short	4	2	8	Medium	None	None
<b>Ability to retain and attract key personnel</b> The Group's business depends on its ability to attract and retain skilled professionals with appropriate experience, technical expertise, training and certificates	Operational	Climate	Short	3	2	6	Medium	None	None
<b>Increased internal cost due to investment required to decarbonise ASCO's operations</b> An accelerated transition to reducing our carbon footprint and achieving ASCO's targets is likely to increase pressure on the supply chain, driving costs up	Climate		Short	3	2	6	Medium	None	None
<b>Compliance with laws, regulations and industry standards</b> Increased legislative burden. Potential of failure to comply with standards	Legal / Regulatory	Climate	Medium	2	2	4	Low	None	Increased scrutiny on regulatory compliance may require additional internal compliance audit resource
<b>Global Market Risks / Oil Price Impact/ Energy Transition</b> A significant decrease in the demand for oil and gas.	Strategic	Climate	Short	1	5	5	Medium	None	Continue with existing strategy as set out in Current Controls. Diversification (Geographical location and Service Lines) Further diversification into the New Energy Market

As per the process described under Risk Management on page 15, each risk has an agreed set of mitigating actions, progress of which are monitored by the GRC.

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The table below details opportunities identified by ASCO, which are specific to climate change through being assigned climate as a primary or secondary risk category

The opportunities identified are relevant in both scenario 1 and 2, with only the scale and timeline being affected by each scenario. As such, strategies developed by the Board to benefit from such opportunities primarily take the pace and magnitude of action into consideration.

Climate-related opportunities:

Climate-Related Opportunity	Value Chain	Opportunity type	Potential financial impact	Time Horizon	Likelihood	Magnitude of impact
<b><u>Build strong, lasting customer relationships through sustainable reputation</u></b> By providing low carbon operations, reducing ASCO's environmental footprint and providing environmental performance reporting, ASCO can build strong and <u>long lasting</u> customer relationships.	Direct operations	Energy source	Improved profit resulting from enhanced services	Short	Very Likely	Medium
<b><u>Ability to support ASCO's customers to decarbonise</u></b> Through consultancy service, ASCO supports its customers to decarbonise their operations and reduce waste generation.	Direct operations	Energy source	Increase revenues resulting from increased demand for products and services	Short	Very Likely	Medium
<b><u>Ability to diversify business activities in New Energy market</u></b> Drawing on over 50+ years of experience in offshore logistics and materials management, ASCO deliver services across the entire energy sector, including offshore wind, hydrogen, CCUS and oil and gas. ASCO have been supporting offshore wind projects in the UK and in Norway since 2018, in both the Construction and Operations & Maintenance (O&M) phases, delivering a comprehensive range of services including but not limited to logistics, warehousing, fuel provision, marine coordination, ship agency services, environmental services, heavy lifting and technical support and more. Projects ASCO have supported so far includes but are not limited to Dungeon, Greater Gabbard, Moray West, Moray East, Hywind, Dogger Bank, <del>Seagreen</del> and the Lista project. ASCO is championing the development of hydrogen and carbon capture, with collaborations in place for the Barents Blue and the Green Arctic <del>HyHub</del> projects in Norway, project ACORN in Scotland and the <del>EverLONG</del> project in Europe.	Upstream	Products and services	Increased revenues through access to new and emerging markets	Short	Very Likely	High
<b><u>Export</u></b> Leveraging ASCO's capabilities built in mature markets, ASCO can export its services in new geographies (e.g. decommissioning in Australia).	Upstream	Products and services	Increased revenues through access to new and emerging markets	Medium	Likely	High
<b><u>Open up investment opportunities through exploiting available grant funding provided for energy transition</u></b>	Upstream	Products and services	Increased revenues through investment to enable access to new and emerging markets	Medium	Likely	High

The CROs influence the Group's strategy in three main areas of business:

- Its products and services, through developing a renewable energy business and providing low carbon services;
- The supply chain, through the tendering process inclusion of sustainability considerations;
- Operations, though providing low carbon services.

Since sustainability became one of ASCO Group's three fundamental obsessions in 2020, ASCO has remained committed to continually improving energy efficiency and reducing environmental impact while operating as a responsible and sustainable business. As part of ASCO's annual planning process, budget has been allocated to increase business development activity in the new energy sector to enable an accelerated transition, and maintain alignment with the Group's net zero strategy plan. Financial planning with sustainability considerations has been integrated into the budget process, with investment being authorised to decarbonise fixed assets through several initiatives undertaken in 2024 which will result in carbon emissions reductions for the company.

#### 2024 Environmental Sustainability Initiatives:

- A focus on an energy efficiency culture across the business, through training materials, engagement sessions, appointment of energy champions and ESOS energy audit & assessment;
- Investigating pursuing an ISO 50001 accreditation for a select number of ASCO's top consuming UK sites, auditing, creating action plans and assigning site level responsibility for energy performance;
- Continuing to transition ASCO's light vehicle fleet to electric;
- Majority of ASCO's HGV, quayside crane and forklift fleets will continue to use HVO renewable fuel;
- Green tariffs in place for the majority of ASCO's UK locations for another full financial year;
- Optimisation of gas consumption.

#### ASCO's Net Zero Strategy Plan

Building upon previous years' efforts, the Group has made significant progress towards its target to become net zero by 2040. Guided by the Environmental Sustainability Policy and Decarbonisation Roadmap in the Sustainability Report (<https://ascoworld.com/uploads/Sustainability-Report-2023-2024.pdf>), ASCO is continuing to decarbonise its operations. A five-year plan was set out in 2019, which included interim emission reduction targets by 2024. These targets were to reduce scope 1, 2, and 3 emissions, see targets and metrics section for more details, page 17. By the end of FY24, ASCO has achieved the targets for scope 1 and 2 emissions reduction due to initiatives implemented throughout the last few years.

ASCO has implemented many decarbonisation initiatives across all regions, including issuing an energy saving policy, creating an energy saving guidance document, and supply chain sustainability questionnaire, establishing an Environmental Sustainability Monitoring and Reporting Global Operating Procedure, and implementing a data reporting dashboard to ensure strong environmental data reporting and creating a waste reduction guidance document.

#### **Risk Management**

Climate-related risks are integrated within the Group's principal risk identification and assessment methodology, thereby using the same terminology and language as other risks and ensuring that climate-related risks and appropriate mitigating actions are embedded in the enterprise risk management process. ASCO's risk management process is an annual cyclical process consisting of four key stages:

**Identification:** The process starts with the GRC reviewing the Strategic and Financial Risk Register for any relevant adjustments required due to changes in internal or external factors. It involves identifying climate-related risks and opportunities including, but not limited to, ASCO's operations and involvement in the oil and gas industry, the evolving energy transition market, and the geographical location of ASCO's operations.

**Assessment:** ASCO uses a risk matrix to assess identified risks, which are categorised into strategic, operational, financial, climate, and legal / regulatory (current and emerging). The ESC is responsible for identifying and managing ASCO's CROs and will share them with the GRC as matters arise. Secondary categories are included in the risk register, acknowledging that climate risks often impact the business in more than one way.

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Each risk is assessed by its probability to occur, the time horizon in which it is expected to materialise, and its impact to the company.

- **Timeframe Assessment:** Each risk and opportunity is evaluated over timeframes set as short-term (up to 5 years), medium-term (5-10 years), and long-term (beyond 10 years).
- **Probability Assessment:** Risks are assessed based on the probability of occurrence, rated from 1-5, where 1 indicates an event happening less than once in 5 years, and 5 indicates it is likely to happen within the next month.
- **Impact Assessment:** The impact of each risk is evaluated across financial, operational, reputational, health, safety and environment (HES), and regulatory categories. The ratings are set out 1-5, with 1 being a very low impact on all categories (e.g., financial impact <£200K, an insignificant fall in service quality, there being no media or stakeholder interest on reputation, minor impact to health, with no impact on environment or no third party regulatory intervention) and 5 being a very high impact on these categories (e.g., financial impact >£5M, catastrophic fall in service quality and sustained, serious disruption to standards, a prolonged regional, national or international condemnation resulting in total loss of confidence, occurrence of a fatality or fatalities, or multiple serious or extensive injuries, major environmental event incident (e.g. pollution) for which ASCO is found to be responsible, or third party regulatory intervention with potential for high fines and penalties and/or civil or criminal proceedings).
- **Risk Score:** The probability and impact are multiplied to produce low (1-4), medium, (5-9), high (10-16) or very high (17-25) risk levels.

**Control:** The updated matrix is reviewed at an annual ASCO Extended Leadership (AEL) conference by the company’s leaders for any further adjustments and to agree on mitigating actions. Existing controls for any ongoing risks are assessed at this point to determine whether these control measures are effective, and ratings are applied which categorises the mitigation actions as requires improvement, partially effective, effective, and optimised. Each risk has controls currently in place and future mitigation recommendations are raised to reduce the risk impact.

**Monitor and Report:** The finalised risk register is presented to the Board for approval. The approved risk register, including all mitigating actions and action owners, is cascaded to all business units for them to align their local risk registers and business continuity plan. The GRC monitors the progress of actions through quarterly reviews.

The core risk management process consists of cyclical activities which promote active risk management through organizational integration across four key stages:

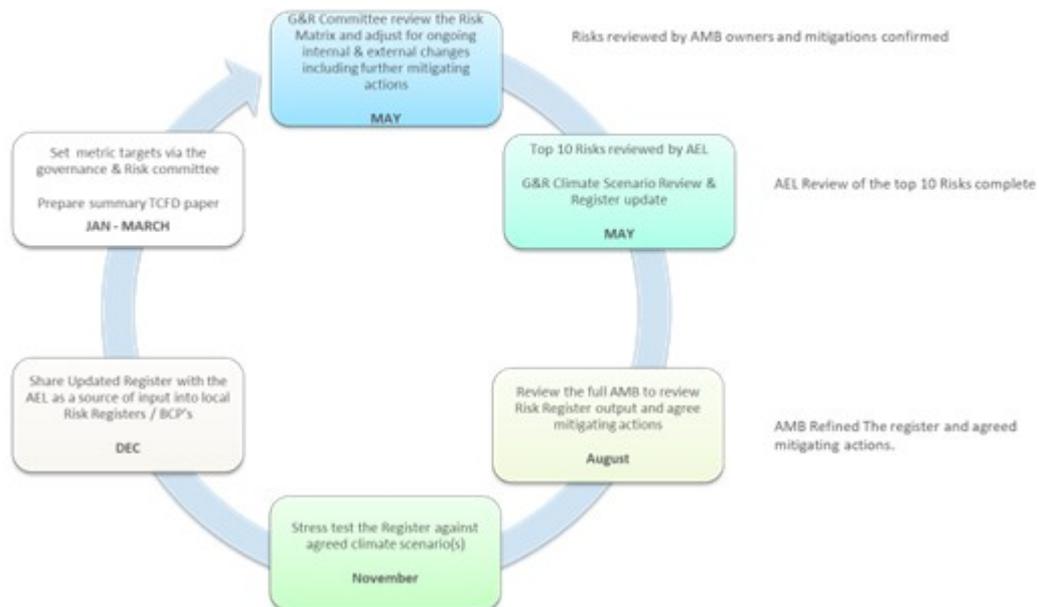


Figure 1 Organisational structure for risk management activities

## Metrics and Targets

ASCO is committed to operating sustainably in all aspects of the business. It has identified key metrics which are used to monitor continuous improvements to the environmental impact of its operations. Metrics measured by the group include global scope 1, 2, and 3 GHG emissions, carbon intensity of operations based on EBITDA and hours worked across the Group.

In addition, ASCO tracks the incremental OPEX related to expenditure associated with reducing the carbon emissions of its operations e.g. costs associated with transitioning the transport fleet from diesel to HVO. This metric allows ASCO to monitor the financial impact of the energy transition on the business and better inform risk management associated with the added cost of decarbonisation.

### Metrics - Emissions

Emissions recording is the central metric used by ASCO to assess the environmental performance of the Group and track progress against ASCO's 2040 net zero target.

Figure 1 shows ASCO's global emissions yearly since emissions reduction targets were set in 2019. Emissions are calculated in line with the methodology set out in the GHG Protocol, with scope 2 emissions being assessed against targets on a market-based basis. 2024 is an interim year for assessing performance against emissions targets, and in future years emissions will continue to be assessed against the 2019 baseline, with new targets set in 2024. UK specific emissions are disclosed in the SECR section of this report (page 24).

**Table 1. Group GHG emissions 2024, targets, and performance against baseline**

Metric	2024	2023	2019 (Baseline Year)	Performance Against Previous Year	Performance Against Baseline Year	2024 Interim Target
Scope 1 (teCO <sub>2</sub> e)	<b>4,143</b>	5,333	15,471	-22%	<b>-73%</b>	<b>10,829</b>
Scope 2, market-based (teCO <sub>2</sub> e)	<b>365</b>	355	3,703	3%	<b>-90%</b>	<b>3,158</b>
Scope 2, location- based (teCO <sub>2</sub> e)	<b>1,177</b>	1,136	1,530	4%	<b>-23%</b>	<b>1,300</b>
Scope 3 (teCO <sub>2</sub> e)	<b>615</b>	648	495	-5%	<b>+24%</b>	<b>371</b>
Intensity Factor (teCO <sub>2</sub> /000 h worked)	<b>2.07</b>	1.75	5.24	18%	<b>-60%</b>	N/A
Intensity Factor (teCO <sub>2</sub> /£m EBITDA)	<b>0.20</b>	0.58	1.38	-66%	<b>-86%</b>	N/A

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Scope 1 emissions were 4,143 teCO<sub>2</sub>e in 2024, representing a reduction of 73% against the 2019 baseline. Scope 1 emissions are the most significant portion of ASCO's total emissions which is mostly contributed to by diesel use. To reduce these emissions HVO is continually being deployed across HGVs, cranes, and forklifts, and transitioning the light vehicle fleet to electric vehicles.

Total scope 2 market-based emissions were 365 teCO<sub>2</sub>e, representing a reduction of 90% from the 2019 baseline to 2024. Since 2019, ASCO has used green tariffs in the UK and Norway which has resulted in considerable emissions reductions in these regions using the market-based reporting method. Renewable solar energy is generated at the ASCO warehouse in Farsund, Norway with other regions looking at solar opportunities. Energy efficiency schemes have been a focus for ASCO this year with a concerted effort to develop an energy efficient culture across the Group. This has been delivered through the appointment of energy champions and rollout of training materials across the Group and ESOS energy audits and assessments within the UK.

ASCO's scope 3 emissions are calculated from business travel between its sites (category 6 – business travel) and contributed 596 teCO<sub>2</sub>e towards emissions totals in 2024, an increase of 21% from 2019. A target of 25% reduction by 2024 was set against the 2019 base year. Scope 3 emissions targets have not been met due to an increase in business travel flights to support the Group's global expansion since 2019. Global business travel flights will continue to be necessary for business operations in the coming years as global expansion remains an important avenue to deliver growth in the business. However, ASCO is committed to reducing scope 3 emissions even with planned growth by 2029 and is updating its global operational procedure for travel to assess on the necessity of business travel, particularly through carbon intensive modes.

ASCO monitors the carbon intensity of its operations through two intensity metrics, Group emissions per thousand hours worked and Group emissions per million pounds EBITDA. Based on the Group's EBITDA, the carbon intensity in 2024 compared to a 2019 baseline has reduced by 86%.

The main risks associated with ASCO's emissions are transition risks related to its impact on rising global temperatures and directly impacting climate change, particularly in regions already facing periods of extreme weather events, as well as associated transitional risks following trends in the energy transition such as carbon taxes, increasing pressure to decarbonise and failing to diversify its customer base in new markets, as detailed in the Group's Risk Register (page 15). The company is likely to face increased reporting pressures and policy changes, the effects of which are mitigated by ASCO's ongoing emissions reduction strategy.

#### Metrics - Incremental OPEX

ASCO has been recording the incremental OPEX spent on achieving emissions reduction targets since 2023. The increased cost of HVO has been the main driver for incremental OPEX, costing the business an additional £0.2 million in 2024 compared to the cost of diesel fuel. HVO was selected by ASCO as the best diesel alternative drop-in fuel as, along with its significant emissions reduction, it is also the most cost effective alternative in the current market. Since ASCO began recording this metric in 2023, incremental OPEX associated to the purchase of HVO is £0.7 million.

#### Targets

ASCO has a commitment to become a net zero business, targeting 90% emissions reduction by 2040 against a 2019 baseline, with the remaining 10% offset through some form of permanent carbon removal projects. This net zero target has been set to align with the Science Based Targets Initiative's (SBTi's) Net-Zero Standard although cannot be validated by the initiative due to revenue generated from the oil and gas industry. The target addresses the opportunity of building strong, lasting customer relationships through sustainable reputation, and emissions data is central to understanding the progress against the target. ASCO has set interim targets for 2024, meaning this is a key year for assessing ongoing performance against these targets, to ensure it is on track to achieve the long-term goals. ASCO's 2024 interim targets aimed to reduce scope 1 emissions by 30%, scope 2 emissions by 15%, and scope 3 emissions by 25%, all against a 2019 baseline. ASCO has achieved its 2024 interim targets for scope 1 and 2 emissions. Scope 3 emissions reduction targets have not been met due to the increased flights required to enable global growth since 2019.

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Table 2. ASCO's Environmental Targets – Performance against 2024 targets

Risks (R) and Opportunities (O)	Emissions Sources/Impact	Target by 2024 (against 2019 baseline)	Performance Against Target (2024 interim)	Target by 2029 (against 2019 baseline)
(O) Build strong, lasting customer relationships through sustainable reputation	Scope 1 (teCO <sub>2</sub> e)	30% reduction	Achieved	50% reduction
	Scope 2 (teCO <sub>2</sub> e)	15% reduction	Achieved	60% reduction
	Scope 3 (teCO <sub>2</sub> e)	25% reduction	Not Achieved	10% reduction
(R) Increased internal cost due to investment required to decarbonise ASCO's operations	Business Growth	-	-	40% increase in EBITDA (against 2024 baseline)
	Incremental OPEX (£)	For information	For information	For information

To continue ensuring the business stays on track to achieve its longer-term goals ASCO has set new interim targets for 2029. Since total emissions reductions have exceeded the 2024 targets, substantially ASCO is on track to achieving its 2040 net zero target. The new targets for 2029 are to maintain at least 50% total emissions reduction, all against a 2019 baseline. ASCO has updated its scope 3 interim target for 2029 to a reduction target of 10% against a 2019 baseline. These targets to maintain performance are set alongside a target for ASCO to increase its EBITDA by 40% against a 2024 baseline. This reflects ASCO's goal to grow its business operations in a sustainable manner in the coming years.

The directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2024.

### Results and dividends

The loss for the year after interest, taxation and non-controlling interest was £2.1m (2023: loss of £2.2m). The directors recommended that no dividend be paid (2023: £nil) and the loss for the year will be debited to the profit and loss reserve.

A more detailed review of the business and future developments is given in the Strategic Report and Financial Review on pages 2 to 9.

### Going concern

As part of its normal annual budgeting process, the directors have prepared detailed trading and cash flow projections for 2025 and 2026 which form the basis for their going concern assessment. On the basis of these projections, the directors believe the Group has adequate cash resources to continue operationally for the foreseeable future.

When assessing the going concern basis of preparation of the financial statements, the directors and management have considered the Group's and Parent Company's cash flow forecasts, funding requirements and current contract back-log and prospective additional work.

Management has also applied a severe but plausible downside to its base projections. This includes adjusting for downside risk in relation to securing key contracts and ability to maintain activity levels in declining core markets. These downsides are partly offset by mitigations under the control of management, including the ability to manage items such as capital expenditure and business overheads in the event of market conditions being worse than anticipated in our best case forecast. Cash is reasonably readily available across the group and can be transferred within the group to address short term liquidity concerns in particular geographies to meet particular working capital needs. Based on this severe but plausible downside, positive liquidity remains and no covenant breaches are forecast throughout the period of the downside forecast. Management recognises that the current geopolitical situation results in some potential uncertainty and volatility in markets, including the global oil and gas market. Initial indications are that this should not have a material impact in the short term, and management is confident there remains sufficient liquidity headroom and continued compliance with covenants under a severe but plausible downside to address any impact over the 12 months from the date of signing these financial statements.

The projections indicate adequate performance to satisfy the conditions of the current available facilities.

The directors, having considered all relevant risk factors, believe the Group has adequate financial resources to continue in operational existence for the foreseeable future and at least the going concern period. Accordingly, they have adopted the going concern basis in preparing the annual report and financial statements.

### Risks and uncertainties

As with any business, ASCO Group Limited faces a number of risks and uncertainties in the course of its day to day operations. The principal risks and uncertainties, and mitigating actions that are employed by the Group to manage those risks, are noted below.

#### Market risk

The Group continues to have significant operations in the oil and gas sector which is a market driven, cyclical industry where activity is closely correlated with the market prices for oil and gas. These prices are driven by a number of macroeconomic, geo-political and other factors including, in the longer term, the ongoing transition to a lower carbon economy. Changes in such prices may lead to an increase or decrease in our activity levels as we have seen over recent years. In periods of lower commodity prices our customer activity may reduce.

Part of our business is the sourcing, storage and supply of Marine Gas Oil (MGO) to our clients predominantly in the North Sea. As a result of sanctions placed on Russia the supply of MGO has become much tighter and could, in certain circumstances, limit our ability to source product from our supply chain and in turn provide this to our clients.

We mitigate the impact of this risk through endeavouring to secure longer term contracts with our clients and key suppliers where possible. Many of our clients own oil and gas assets where the lifting costs are at the lower end of the spectrum and hence are still able to make positive returns even at lower energy prices. Where possible we employ a flexible cost model such that we are able to change manning levels as activity changes. Each of our businesses and geographies has different exposure and sensitivity to changes in energy prices with Manatokan in Canada and ASCO Transport and Logistics Pty Ltd in Australia being the most susceptible to reduced activity as their work is generally linked to onshore drilling activity. In each of our locations we endeavour to have a positive and collaborative relationship with our key customers and suppliers with the aim of adding long term value to each of our businesses.

#### Geographical & political risk

Our business is focused around certain geographical hubs both at a country and a regional level. As we have seen from recent geo-political events it is possible that the impact of unpredictable things such as war, terrorism or political change may limit our ability to continue our operations. Our operations are also exposed to the risk of natural events such as flood and fire. We seek to mitigate these risks through operating in more than one facility at most locations, developing robust processes and procedures and putting in place appropriate insurance coverage.

We recognise that our business and the market in which we operate is continually evolving and that ASCO must also evolve in order to thrive in the long term. In the North Sea our key operating locations have been focused around the oil & gas operations of our clients. As the Energy Transition picks up pace we recognise that ASCO may need to open up new bases in the locations which will support the new energy sectors such as wind and carbon capture.

Under the new UK government, uncertainty remains in the oil and gas sector while at the same time increasing the focus on low carbon energy, presenting both challenges and opportunities for ASCO.

#### Customer risk

In certain geographies ASCO is reliant on either a single or small number of key customers. In the event that these contracts are lost in the future this could have a material impact on some of our overseas operations. We seek to mitigate this risk by adopting our strategy of being passionate about our service performance and building trust with our customers through honest and transparent collaboration. We also seek to manage the downside risk by limiting our long term fixed cost commitments which are not covered by our customer contracts and seeking a broader customer mix over time.

Our customer contracts also open us up to the potential for disputes and future litigation. We manage this through robust contracting principles and governance processes which we continue to evolve and strengthen. This is supported by ongoing training and a desire to work with our customers on a collaborative basis for mutual benefit.

#### Compliance with laws & regulations

Our operations expose us to a number of risks around environmental protection, the control of potentially dangerous substances as well as the inherent risks of moving heavy equipment through our logistics operations. There are a number of legal and compliance related measures we are required to adhere to in our day to day operations to ensure the safe delivery of our services. Our customers also place a high expectation on ASCO to deliver an effective and high quality service without harming our employees, contractors, the environment and the communities in which we operate.

We are also bound by requirements to follow tax laws in each of the jurisdictions in which we operate as well as anti-bribery and corruption and other relevant legislation.

Failure to comply with relevant laws and regulations, or meeting the expectations of our customers, could have a negative impact on our business and reputation. We mitigate these risks by putting in place appropriate policies and procedures and through training our personnel to operate safely. In addition we have established governance and review processes to validate that the required processes are operating effectively. We also ensure that relevant employees receive regular training on anti-bribery and corruption and encourage a culture of open communication and continuous improvement. External professional advice is routinely sought in relation to tax and legal compliance. We publish our tax strategy on our website on an annual basis setting out our aim to fully comply with all tax legislation.

## Energy transition and evolving business model

In the future we expect our business to evolve into supporting the broader energy industry including offshore wind, renewables and new sources of energy such as hydrogen. We expect that this will be a gradual evolution but that this transition will bring new challenges and uncertainties. We believe however that the business is well placed to participate in the changing energy market as it develops. ASCO is actively involved in working with new potential customers in these evolving markets and will continue to develop these in order to gain access to this work as it grows. We anticipate that this may involve such things as opening up new bases in new geographical locations, developing new business models where for example historical rates per tonne may not be appropriate, continually evolving our systems and technology to be best in class and taking a leading position on new alternative fuel types such as HVO, ammonia and hydrogen.

## Climate change risk

Climate change risk has been identified as one of our long term business risks. Full details of the risk and mitigation measures in place are fully reviewed in the Taskforce on Climate-related Financial Disclosures (TCFD) report on pages 10 to 19.

## Cybersecurity risks

Our operations are dependent upon various IT systems. Threats to IT systems associated with cybersecurity risks continue to grow and evolve including targeted attacks through viruses, malware, phishing as well as potentially by employees. The risks associated with these include the potential loss or misappropriation of funds, loss of data and intellectual property, damage to our reputation and potential for litigation.

Although we employ various controls to mitigate our exposure to such risk, cybersecurity risks are continuing to rapidly evolve with new threats regularly emerging. We have ongoing and regular training for our employees on cyber risks and have also worked with our insurers on training around business continuity planning. Each of our businesses is now developing business continuity plans to assist in ensuring continuity of business operations in the event of an incident.

## Future talent

ASCO is a service business and is therefore reliant on the sourcing of suitably qualified, experienced and capable employees now and in the future. Following Brexit and the COVID-19 pandemic the UK economy in particular has experienced a tight labour market, with the oil and gas sector also impacted by significant contraction over recent years and a perception of being a declining and polluting industry amongst the general public.

ASCO puts people at the heart of our strategy aiming to have a culture that is fair and inclusive and an aim of being the employer of choice. Our people strategy will need to continue to evolve, particularly as we evolve into the broader energy sector, to ensure that we have the talent to allow our business to continue to thrive into the future.

## Inflation and funding risk

Although now generally reducing back to normal levels, over the recent past the world economy has seen a significant increase in inflation and interest rates after a long period of historically low rates. Rapid cost escalation can put pressure on margins. Rising interest rates increase the cash expense of funding debt service costs potentially reducing liquidity, putting pressure on covenants and diverting funds away from new investment opportunities.

In response to these risks we continue to monitor and improve our commercial processes to ensure increases are passed on through our contracts. Cost management remains a key priority including where cost commitments are not matched off against customer contracts.

## Currency related risks

We carry out our operations in a number of countries and are exposed to currency risk as those currencies become stronger or weaker against the Pound Sterling. Our financial results are presented in Pounds Sterling and these results are sensitive to either a relative strengthening or weakening of the major currencies we are exposed to against the Pound Sterling.

The Group employs a number of mechanisms to manage elements of exchange risk. Where possible we will seek to naturally hedge our exposures through matching currency revenue and expenditure which we typically achieve through the autonomous trading of our overseas subsidiaries where revenues and costs are typically in the same local currency. Where this is not possible, we may seek to hedge our currency exposures through the purchase of forward contracts.

Credit related risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, local finance teams assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

We seek to mitigate these risks through continuous monitoring of exposures to individual clients. Financial credit checks are required to be performed on new clients, and where possible we seek payments in advance of services, particularly where the financial credit check does not support normal commercial terms being offered. We have robust escalation processes to chase overdue accounts with regular reviews with our senior management team.

**Environment**

The following information summarises the energy and carbon emissions, as required by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The carbon emissions, using a location-based approach to calculating emissions, were 2236 tonnes CO<sub>2</sub>e (location-based) for 2024, this is 18% lower than in 2023.

These include the emissions associated with electricity, gas, use of cranes and forklifts on site and travel in company vehicles. The intensity of 1.1 tonnes CO<sub>2</sub>e per 1000 miles (location-based) is 15% lower than last year.

Greenhouse gas emissions

*Table 1 Greenhouse gas emissions by year (tonnes CO<sub>2</sub>e)*

Activity Category	2023 (tCO <sub>2</sub> e)	2024 (tCO <sub>2</sub> e)	Percentage Change (%)	Actual Change (tCO <sub>2</sub> e)
<b>Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment</b>				
Scope 1 Total (tCO <sub>2</sub> e)	1,815.7	1,300.1	-28%	-515.6
<b>Scope 2: Indirect emissions from the production of purchased energy</b>				
Scope 2 Location-Based Total (tCO <sub>2</sub> e)	796.4	815.8	2%	19.4
Scope 2 Market-Based Total (tCO <sub>2</sub> e)	33.8	18.1	-46%	-15.7
<b>Scope 3: Indirect emissions from the value chain</b>				
3. Fuel and energy related activities	110.7	120.1	8%	9.4
Scope 3 Location-Based Total (tCO <sub>2</sub> e)	110.7	120.1	8%	9.4
Scope 3 Total Market-Based (tCO <sub>2</sub> e)	110.7	120.1	8%	9.4
<b>Total Gross Emissions - Location-Based (tCO<sub>2</sub>e)</b>	<b>2,722.8</b>	<b>2,236.0</b>	<b>-18%</b>	<b>-486.8</b>
<b>Total Net Emissions – Market-Based (tCO<sub>2</sub>e)</b>	<b>1,960.2</b>	<b>1,438.3</b>	<b>-27%</b>	<b>-521.9</b>
Road transport miles	2,083,154.1	2,101,408.0	1%	18,253.9
Intensity Ratio tCO <sub>2</sub> e per 1,000 mile Location-Based	1.3	1.1	-15%	-0.2
Intensity Ratio tCO <sub>2</sub> e per 1,000 mile Market-Based	0.9	0.7	-22%	-0.2

### Energy consumption

Annual quantity of energy consumed by the company, in the UK resulting from the purchase of electricity, combustion of gas and consumption of fuel for transport purposes.

Table 2 Energy consumption by year (kWh)

Scope and Emissions Source Category	Energy Source	2023 (kWh)	2024 (kWh)	Percentage Change (%)	Actual Change (kWh)
<b>Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment</b>					
Stationary combustion	Natural Gas	614,734	103,489	-83%	-511,245
Mobile combustion	Company_vehicles - Diesel	4,062,124	4,133,398	2%	71,274
Mobile combustion	Company_vehicles - Petrol	1,268	1,031	-19%	-237
Mobile combustion	Company_vehicles - HVO	12,480,832	11,740,627	-6%	-740,205
Mobile combustion	Cranes & Forklifts - Diesel	2,834,214	994,687	-65%	-1,839,527
Mobile combustion	Cranes & Forklifts - HVO	2,588,700	3,604,784	39%	1,016,084
<b>Scope 2: Indirect emissions from the production of purchased energy</b>					
Generation of purchased energy	Electricity - Location Based	3,846,006	3,939,951	2%	93,945
Generation of purchased energy	Electricity - Market Based*	92,547	46,475	-50%	-46,072
<b>Scope 3: Indirect emissions from the value chain</b>					
Mobile combustion	Private Car – Unknown	172,374	198,782	15%	26,408
	<b>Total kWh*</b>	<b>26,692,799</b>	<b>24,763,224</b>	<b>-7%</b>	<b>-1,929,575</b>
	<b>Road transport miles</b>	<b>2,083,154</b>	<b>2,101,408</b>	<b>1%</b>	<b>18,254</b>
	<b>Intensity Ratio kWh per 1,000 mile</b>	<b>13</b>	<b>12</b>	<b>-8%</b>	<b>-1</b>

### Methodology

The SECR report covers the emissions from operations from 1 January 2024 to 31 December 2024, aligning with the fiscal year.

The reported carbon emissions have been calculated following the guidance in the UK Government's Environmental Reporting Guidelines, 2019, and the methodology outlined in The GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Carbon Emission factors have been obtained from the UK Government's GHG Conversion Factors for Company Reporting 2024.

An 'operational control' methodology has been adopted to outline the scope of carbon emissions reporting.

Operational control refers to the ability of an organisation to direct the activities of a facility or operation. In the context of greenhouse gas (GHG) reporting, a company is considered to have operational control over a facility, if it has the authority to introduce and implement operating policies at that facility, regardless of ownership. This means the organisation is responsible for the GHG emissions from the 'operations it controls'.

This report includes the material carbon emissions, in line with the emissions categories, as required to be reported under the SECR regulations.

Table 1 includes a reduced 'net' carbon emission figure, the 'net' figure is based on our purchase of a 'contractual arrangement' for the supply of renewable electricity, the emissions reduction is reported as 'market-based'. This is voluntarily reported.

### Energy efficiency initiatives

ASCO Group Limited is committed to continually improving energy efficiency and reducing environmental impact while operating as a responsible and sustainable business. Over the past year, we have undertaken several initiatives that will result in carbon emissions reductions for the company:

- A focus on an energy efficiency culture across the business, through training materials, engagement sessions, appointment of energy champions and ESOS energy audit & assessment.
- Investigating pursuing an ISO 50001 accreditation for a select number of our top consuming UK sites, auditing, creating action plans and assigning site level responsibility for energy performance.
- Continuing to transition our light vehicle fleet to electric.
- Majority of our HGV, quayside crane and forklift fleets will continue to use HVO renewable fuel.
- Green tariffs in place for the majority of our UK locations for another full financial year.

### **Employees**

Details concerning employees are shown in note 8 and discussed in the Strategic Report. Good relations with employees are regarded as paramount, and communication is maintained through regular visits by management to all departments and through town hall meetings and employee engagement calls. The Health and Safety of all employees is constantly reviewed.

Internal communication systems have been developed to inform all managers and staff throughout the Group of significant events, including major financial and economic factors that affect the performance of the Group. Employees are provided with information on matters of concern to them, principally through the operation of regular team briefings to every employee.

The Group has well-developed procedures with the appropriate trade unions, where they are recognised, and it is through such procedures and union representation involved that the views of the employees are taken into account in making decisions which are likely to affect their interests. Elsewhere, views of employees are sought as appropriate through the management structure together with an employee satisfaction survey, encouraging involvement in the Group's performance.

Disabled employees are employed where possible and people with disabilities have full and fair consideration for all suitable vacancies. Training is available as necessary and should an employee become disabled when working for the Group, efforts are made to continue their employment and retraining is provided if required.

Most employees are members of company pension schemes.

### **Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

- T M R Pettigrew
- A R W Wright

### Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, a director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### Statement of disclosure of information to the auditors

In the case of each director in office at the date the directors' report is approved:

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

### Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

The financial statements on pages 31 to 73 were approved by the board of directors on 15 May 2025 and signed on its behalf by:



**A R W Wright**  
Director  
15 May 2025

# Independent auditors' report to the members of ASCO Group Limited

## Report on the audit of the financial statements

### Opinion

In our opinion:

- ASCO Group Limited's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Parent company statements of financial position as at 31 December 2024; the Consolidated statement of comprehensive income, the Consolidated and Parent company statements of changes in equity and the Consolidated statement of cash flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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 group's and the parent 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.

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.

ASCO Group Limited  
Independent auditors' report to the members of ASCO Group Limited

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

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

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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 auditors' 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.

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 extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK and overseas health, safety and environmental regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK and overseas tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls, and determined that the principal risks were related to posting of inappropriate journal entries to increase revenue or profitability and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with the Board of Directors, certain key management personnel, and in-house legal team in relation to their awareness of any instances of actual or potential litigation and claims or non-compliance with laws and regulations;
- Review of minutes of meetings of the Board of Directors;
- Identifying and testing journal entries with specific focus on entries with unusual account combinations in response to the risk of management override;
- Challenging management in respect of the key judgements made in respect of accounting estimates; and
- Evaluated management's controls designed to prevent and detect irregularities.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

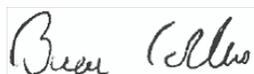
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Bruce Collins (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Aberdeen  
15 May 2025

ASCO Group Limited  
Consolidated statement of comprehensive income  
For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Revenue</b>	5	481,111	524,550
Cost of sales		(431,941)	(478,314)
<b>Gross profit</b>		49,170	46,236
Administrative expenses		(22,577)	(25,113)
Amortisation of intangible assets	14	(3,376)	(3,400)
<b>Operating profit before exceptional items</b>		23,217	17,723
Exceptional items	6	(265)	(997)
<b>Operating profit</b>	7	22,952	16,726
Finance costs	9	(19,407)	(16,567)
Finance income	10	269	247
Exceptional finance costs	6	(1,102)	(217)
Foreign exchange loss on financing		(4,212)	(1,915)
Share of profit of joint ventures	12a	254	118
<b>Loss before tax</b>		(1,246)	(1,608)
Income tax charge	11	(888)	(621)
<b>Loss for the year from continuing operations</b>		(2,134)	(2,229)
<b>Other comprehensive income/(expense)</b>			
Exchange rate variances on translation of overseas subsidiaries		2,457	(399)
<b>Total other comprehensive income/(expense)</b>		2,457	(399)
<b>Total comprehensive income/(expense)</b>		323	(2,628)

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

ASCO Group Limited  
Consolidated statement of financial position  
As at 31 December 2024

		2024	2023
	Note	£'000	£'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	13a	38,790	39,281
Right-of-use assets	13b	61,550	62,584
Goodwill	14	36,128	36,987
Other intangible assets	14	7,129	10,639
Investments in joint ventures	12a	700	874
Investments in finance subleases	13c	1,765	1,455
Investment in associate	12	1	1
Deferred income tax asset	20	542	997
Trade and other receivables	16	1,200	1,200
		<u>147,805</u>	<u>154,018</u>
<b>CURRENT ASSETS</b>			
Inventories	15	1,169	841
Trade and other receivables	16	72,005	67,719
Cash at bank and in hand	17	9,430	14,346
Restricted cash	17	8,820	790
		<u>91,424</u>	<u>83,696</u>
<b>TOTAL ASSETS</b>		<u>239,229</u>	<u>237,714</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	18	(47,139)	(45,547)
Financial liabilities	19	(89,167)	(58,202)
Income tax payable		(1,338)	(1,562)
		<u>(137,644)</u>	<u>(105,311)</u>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	19	(92,428)	(122,582)
Provisions	21	(2,584)	(2,326)
Deferred tax liabilities	20	(4,505)	(5,750)
		<u>(99,517)</u>	<u>(130,658)</u>
<b>TOTAL LIABILITIES</b>		<u>(237,161)</u>	<u>(235,969)</u>
<b>NET ASSETS</b>		<u>2,068</u>	<u>1,745</u>

ASCO Group Limited  
 Consolidated statement of financial position (continued)  
 As at 31 December 2024

	Note	2024 £'000	2023 £'000
<b>CAPITAL AND RESERVES</b>			
Equity share capital	29	13,505	13,505
Share premium account	29	87,060	87,060
Foreign currency translation reserve		(5,742)	(8,199)
Capital contribution reserve		232,273	232,273
Accumulated losses	30	(325,028)	(322,894)
<b>TOTAL EQUITY</b>		<u>2,068</u>	<u>1,745</u>

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

The financial statements on pages 31 to 73 were approved by the board of directors and signed on its behalf by:



A R W Wright  
 Director  
 15 May 2025

ASCO Group Limited  
Consolidated statement of changes in equity  
For the year ended 31 December 2024

	Equity share capital £'000	Share premium £'000	Foreign currency translation reserve £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total equity £'000
<b>At 1 January 2023</b>	9,673	87,060	(7,799)	232,273	(320,665)	541
Loss for the year	-	-	-	-	(2,229)	(2,229)
Other comprehensive expense	-	-	(399)	-	-	(399)
<b>Total comprehensive expense for the year</b>	-	-	(399)	-	(2,229)	(2,628)
Issued share capital	3,832	-	-	-	-	3,832
<b>At 31 December 2023</b>	13,505	87,060	(8,199)	232,273	(322,894)	1,745
Loss for the year	-	-	-	-	(2,134)	(2,134)
Other comprehensive income	-	-	2,457	-	-	2,457
<b>Total comprehensive income for the year</b>	-	-	2,457	-	(2,134)	323
<b>At 31 December 2024</b>	13,505	87,060	(5,742)	232,273	(325,028)	2,068

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

ASCO Group Limited  
Consolidated statement of cash flows  
For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	44,156	26,579
Income tax paid		(1,373)	(1,453)
<b>Net cash generated from operating activities</b>		<u>42,783</u>	<u>25,126</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(7,174)	(9,298)
Proceeds from sale of property, plant & equipment	23	1,880	425
Principal elements of finance sublease receipts		359	445
Dividend from associate		122	80
<b>Net cash used in investing activities</b>		<u>(4,813)</u>	<u>(8,348)</u>
<b>Cash flows from financing activities</b>			
Interest paid - borrowings		(6,179)	(10,594)
Interest paid - leases		(6,347)	(5,281)
Transaction costs in relation to borrowings		(2,585)	(1,100)
Principal elements of lease payments		(14,445)	(11,591)
Proceeds from borrowings		51,203	102,240
Repayments of borrowings		(55,000)	(104,172)
<b>Net cash used in financing activities</b>		<u>(33,353)</u>	<u>(30,498)</u>
<b>Net increase/(decrease) in restricted cash, and cash and cash equivalents</b>		4,617	(13,720)
Restricted cash, and cash and cash equivalents at beginning of year		15,136	29,447
Exchange losses on cash and cash equivalents		(1,503)	(591)
<b>Restricted cash, and cash and cash equivalents at end of year</b>		<u><u>18,250</u></u>	<u><u>15,136</u></u>

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

## 1. GENERAL INFORMATION

ASCO Group Limited (“the Company”) is a private limited company limited by shares incorporated and registered in England and domiciled in the United Kingdom. The principal activity of the Company is that of a holding company. The principal activity of the Group is as a leading global provider of logistics and materials management services supporting projects onshore and offshore. These services are provided to a wide range of industries including the Renewables, New Energy, Oil and Gas and Decommissioning sectors across five continents and eight countries. It operates primarily in the UK and Norwegian sectors of the North Sea, Trinidad, Canada and Australia.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of preparation

The Group's financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, and the Company's financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and in accordance with the Companies Act 2006. The financial statements have been prepared on a historical cost basis as modified by the revaluation of land and buildings and financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. The financial statements are presented in Pounds Sterling and all values are rounded to the nearest thousand (£000) unless otherwise indicated.

The application of FRS 101 has enabled the Company to take advantage of certain disclosure exemptions that would have been required had the Company adopted International Financial Reporting Standards in full.

In particular, the Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 10(d), 16, and 134-136 of IAS 1 Presentation of Financial Statements, to include a statement of compliance with IFRS and capital management policies;
- the requirements of IAS 7 Statement of Cash Flows to include a statement of cash flows;
- the requirements in 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 is a party to the transaction is wholly owned by such a member;
- the requirements of IFRS 7 Financial Instruments: Disclosures.

The material accounting policies adopted which are consistently applied in preparing the financial statements are described below.

### 2.2 Going concern

As part of its normal annual budgeting process, the directors have prepared detailed trading and cash flow projections for 2025 and 2026 which form the basis for their going concern assessment. On the basis of these projections, the directors believe the Group has adequate cash resources to continue operationally for the foreseeable future.

When assessing the going concern basis of preparation of the financial statements, the directors and management have considered the Group's and Parent Company's cash flow forecasts, funding requirements and current contract back-log and prospective additional work.

Management has also applied a severe but plausible downside to its base projections. This includes adjusting for downside risk in relation to securing key contracts and ability to maintain activity levels in declining core markets. These downsides are partly offset by mitigations under the control of management, including the ability to manage items such as capital expenditure and business overheads in the event of market conditions being worse than anticipated in our best case forecast. Cash is reasonably readily available across the group and can be transferred within the group to address short term liquidity concerns in particular geographies to meet particular working capital needs. Based on this severe but plausible downside, positive liquidity remains and no covenant breaches are forecast throughout the period of the downside forecast. Management recognises that the current geopolitical situation results in some potential uncertainty and volatility in markets, including the global oil and gas market. Initial indications are that this should not have a material impact in the short term, and management is confident there remains sufficient liquidity headroom and continued compliance with covenants under a severe but plausible downside to address any impact over the 12 months from the date of signing these financial statements.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.2 Going concern (continued)

The projections indicate adequate performance to satisfy the conditions of the current available facilities.

The directors, having considered all relevant risk factors, believe the Group has adequate financial resources to continue in operational existence for the foreseeable future and at least the going concern period. Accordingly, they have adopted the going concern basis in preparing the annual report and financial statements.

### 2.3 Basis of consolidation

The consolidated financial statements include the results of the Company and all of its subsidiary and associate undertakings. The results of those subsidiary undertakings based in foreign countries are translated at the average exchange rate for the year and their balance sheets are translated at the year-end exchange rate. Any differences arising from the application of these rates or on opening net assets is accounted for through other comprehensive income. All intra group transactions and balances are eliminated on consolidation.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

#### *Subsidiary undertakings exemption from audit*

The following *subsidiary* companies will take advantage of the exemption from audit under section 479A of the Companies Act 2006 (the 'Act') for the year ended 31 December 2024:

- ASCO Freight Management Limited
- ASCO JV Holdings Limited
- ASCO Net Zero Limited
- ASCO Properties Limited
- ASCO Ventures Limited
- North Sea Lifting Limited
- Seletar Shipping Limited

#### *Goodwill and business combinations*

The identifiable assets and liabilities of the companies acquired are included in the Group's consolidated balance sheet at their fair value at the date of acquisition. The difference between the fair value of the net identifiable assets acquired and the fair value of the purchase consideration is treated as either positive or negative goodwill. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration which is deemed to be an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with changes in fair value either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.3 Basis of consolidation (continued)

If the business combination is achieved in stages, the previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

#### *Impairment review*

The Group performs impairment reviews in respect of goodwill annually. An impairment loss is recognised when the recoverable amount of an asset, calculated as the higher of fair value less costs of disposal and value in use, is less than its carrying amount. In the absence of comparable market transactions, a discounted cash flow model has been used to calculate the recoverable amount. Unless the impairment is identifiable against a specific asset class, any impairment is first allocated to goodwill then to intangible assets followed by property, plant and equipment. Cash-generating units (CGUs) are aligned to the structure the Group uses to manage its business.

### 2.4 Investment in joint ventures

The Group has interests in joint ventures which are jointly controlled entities, whereby the venturers have contractual arrangements that establish joint control over the economic activities of the entities. The arrangements require unanimous agreement for financial and operating decisions among the venturers.

In accordance with IFRS 11, Joint Arrangements, the Group's Joint Ventures are accounted for on an equity accounting basis. The Group's share of the joint ventures' result after tax is presented separately in the income statement and the Group's share of joint ventures' net assets shown as a single line in the balance sheet. Where obligated or where the Group has plans to support the joint venture, the Group's share of net liabilities is shown within current financial liabilities.

### 2.5 Functional currency

The Group's consolidated financial statements are presented in Pounds Sterling, which is also the Company's functional currency.

### 2.6 Foreign currencies

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rate ruling at the dates of the transaction. Monetary assets and liabilities at the balance sheet date are translated at year end rates of exchange. All exchange differences arising are reported as part of the results for the period.

### 2.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services supplied, stated net of discounts and value added taxes. The Group recognises revenue when performance obligations have been satisfied and for the Company this is when the goods or services have transferred to the customer and the customer has control of these.

#### *Sales of goods*

Sales of goods primarily relate to sales of marine gas oil (MGO). Sales are recognised when control of the goods has transferred, being when the products are delivered to the customer. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.7 Revenue recognition (continued)

#### Sale of services

The Group provides logistics, materials and waste management services. For most contracts, revenue is recognised over time because the customer receives and uses the benefits simultaneously. There are some contracts for which revenue is recognised at a point in time in line with the performance obligations in the contracts with the customers. The Group has adopted the practical expedient permitted by IFRS 15 and recognises revenue in the amount at which the Group has a right to invoice, as the amount corresponds directly with the value to the customer of the Group's performance to date.

Goods and services may be sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely amount method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with credit terms which are consistent with market practice. The value of discounts is not material to the Group's sales.

### 2.8 Intangible assets

Intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the income statement when it is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The rates of amortisation are as follows:

Development costs	7 years
Software	5 to 10 years

The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets.

The Group performs annual impairment reviews as described at note 2.3.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.9 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. The cost of fixed assets is their purchase cost together with any directly related costs of acquisition.

The Group performs impairment reviews in respect of PP&E, investment in joint ventures and intangible assets whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less cost of disposal and its value in use, is less than its carrying amount.

On the occurrence of new events, or changes in existing circumstances, which indicate that an impairment loss associated with tangible assets recognised on a prior date could have reversed, a new estimate of the recoverable value of the corresponding assets is determined. In the event of a reversal of an impairment previously recorded, the carrying amount of the asset is increased to the revised estimate of its recoverable value, so that the increased carrying amount does not exceed the carrying amount that would have been determined in case no impairment loss had been recognised for the asset in prior years.

Depreciation is recognised on all tangible fixed assets, other than freehold land, at annual rates calculated to write off the cost on a straight line basis over the expected useful economic lives of the assets. There is no depreciation charged on assets when construction is in progress. The rates of depreciation are as follows:

Land and buildings	
- Freehold property	25 to 50 years
- Leasehold property	Over the period of the lease
Plant and equipment	
- Base infrastructure	10 to 25 years
- Fuel infrastructure	10 to 20 years
- Cranes	10 to 15 years
- Forklifts	10 years
- Vehicles	5 to 7 years
- Software applications	5 to 10 years
- Computer equipment	3 to 5 years
- Office furniture	5 years

### 2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using a weighted average cost of the most recent inventory purchased. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to sell.

### 2.11 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

#### Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.11 Leases (continued)

#### Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

#### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. The lease term includes options to extend if reasonably certain to be exercised.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the Group's incremental borrowing rate is used.

To determine the incremental borrowing rate, the Group where possible uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since the third party financing was received. Alternatively, where this is not possible, the Group uses a build-up approach that starts with a risk-free interest rate, adjusted for credit risk for leases held by the Group, and makes adjustments specific to the lease, such as term, country, currency and security.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing loans and borrowings.

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

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., 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 lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. 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.

#### Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Contingent rents are recognised as revenue in the period in which they are earned.

Leases in which the Group does transfer substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases. On inception of the lease, the Group recognises an asset in the Consolidated Statement of Financial Position presented as an Investment in Finance Sublease at an amount equal to the net investment in the lease. Subsequent recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the net investment in the finance lease. Although the risks associated with rights that the Group retains in underlying assets are not considered to be significant, the Group employs strategies to further minimise these risks where possible.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.12 Taxation

The tax expense for the current period comprises current tax and deferred tax.

Current income tax assets and liabilities for the period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date in the countries where the Group operates and generates taxable income. Taxable income differs from the profit/loss as reported in the statement of comprehensive income because it excludes or includes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Group obtains the benefit of tax losses incurred by any of its UK subsidiaries in the form of group relief. The Company accounts for group relief by accounting for a charge in return for receipt of group relief losses from other group companies (the surrendering company receives a payment for the losses surrendered). The value of the payment is determined by the amount of corporation tax saved by reason of the group relief being surrendered or claimed.

Deferred tax is provided, using the full liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The principal temporary differences arise from depreciation on property, plant and equipment, tax losses carried forward and, in relation to acquisitions, the difference between the fair values of the net assets acquired and their tax base.

Tax rates enacted, or substantially enacted, at the balance sheet date are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.13 Financial assets

#### Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group and the parent company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, dispute, default or delinquency in payments are considered indicators that the receivable is impaired.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) which uses a lifetime expected loss allowance for all trade receivables. The assessment of the Group's exposure to credit risk includes consideration of historical and forward-looking information regarding both the financial position and performance of the counterparty and the general macro-economic environment. The Group reviews its exposure to trade receivables, analysed by age and customer risk profile, together with historic default rates over the previous two financial years and experience of the time taken to collect receivables.

For other financial assets, including intercompany receivables, the allowance for ECLs is calculated on a 12-month basis and is based on the portion of ECLs expected to result from default events possible within 12 months of the reporting date. The Group monitors for significant changes in credit risk and where this is materially different to credit losses calculated on a 12-month basis changes the allowance to reflect the risk of expected default in the contractual lifetime of the financial asset. Unless there is a valid mitigating factor, the Group considers there to have been an increase in credit risk when contractual payments are more than 60 days past due. For intercompany receivables, expected credit losses are the difference between the contractual cash flows due to the Group and the weighted average cash flows that are expected to be received from different recovery scenarios.

The Group assesses at each reporting date whether any indicators exist that a financial asset or group of financial assets has become credit impaired. Where an asset is considered to be credit impaired a specific allowance is recognised based on the actual cash flows that the Group expects to receive and is determined using historical credit loss experience and forward-looking factors specific to the counterparty and the economic environment. Any shortfall is discounted at the original effective interest rate for the relevant asset.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.13 Financial assets (continued)

#### Restricted cash, and cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position. The Group considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

The Group defines restricted cash as any cash or cash equivalent that is legally restricted as to withdrawal or usage.

### 2.14 Financial liabilities

The Group and parent company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts, and lease liabilities. Management determines the identification of financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs.

#### *Loans and borrowings*

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method (EIR). Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the EIR method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement.

#### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

### 2.15 Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the consolidated statement of financial position only if there is a current enforceable legal right to offset the recognised amounts and an intent to settle on a net basis, or to realise the asset and settle the liabilities simultaneously.

### 2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of that obligation.

### 2.17 Pensions

The Group operates a number of defined contribution schemes. The pension cost charge represents contributions payable by the Group during the accounting period.

### 2.18 Exceptional items

Exceptional items are those significant items which are non-recurring in nature and are separately disclosed by virtue of their size or incidence to enable a full understanding of the Group's financial performance. See note 6 on full details of exceptional items.

## 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.19 Capital contribution reserve

On 18 December 2020 ownership of the shareholder loans transferred to the Group's new parent undertaking, Zander Midco Limited, and a process was commenced to release ASCO Group Limited from its obligations under the shareholder loan notes including accrued interest which completed in February 2021.

The release of the shareholder loan obligations resulted in an increase in the net assets of ASCO Group Limited recorded as a Capital contribution reserve of £232,273,000.

## 3. NEW AND FUTURE ACCOUNTING STANDARDS

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2024 that have a material impact on the company's financial statements.

New Standards and interpretations not yet adopted:

*Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)*

In August 2023, the IASB amended IAS 21 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not.

*Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)*

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.

*IFRS 19 Subsidiaries without Public Accountability Disclosures (effective for annual periods beginning on or after 1 January 2027)*

Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.

*IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)*

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users.

ASCO Group Limited is still exploring whether the changes in IFRS 18 will have a material impact on its operations or financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

### (a) Carrying value of goodwill and intangible assets

The Group tests the carrying value of goodwill for impairment annually and other intangible assets when there is an indicator of impairment, in accordance with the accounting policy stated in note 2.3. The recoverable amounts of cash-generating units have been determined based on fair value less costs of disposal calculations. These calculations require the use of estimates (note 14).

### (b) Lease accounting

In accordance with the requirements of IFRS 16, 'Leases', significant estimates and judgements have been made with regards to the determination of both the incremental borrowing rate to measure lease liabilities and the likely duration of leases as set out at note 13b.

For subleases where the Group is the lessor, judgements have been made with regards to whether the leases should be classified as finance or operating leases.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**

(c) Recoverability of amounts owed by group undertakings (parent entity)

The Company assesses the recoverability of intercompany debtors on an annual basis, as well as assessing the need to raise expected credit losses on these financial assets. The recoverability of amounts owed by group undertakings is assessed by doing a comparison to the forecast discounted future cash flows of the entity to assess whether this is sufficient to support the level of the asset. In cases where the full amount of the asset is not supported by this forecasted amount then a provision is recorded for the value of the asset that is not supportable. The forecast future cash flows are based on various recovery scenarios available to the parent and subsidiaries, were the debt called at year end.

(d) Impairment of investments (parent entity)

Investments in subsidiary undertakings are stated at cost, less any provision for diminution in value. Investments are tested for impairment annually by comparing the value of the investments to a combination of the net assets of the subsidiary that the investment is held in and a comparison to the forecast discounted future cash flows of the entity based on the most recently approved directors' forecast for the related subsidiaries, adjusted for the net debt within those subsidiaries. This is used to assess whether this is sufficient to support the level of the asset. In cases where the full amount of the asset is not supported by this forecasted amount then a provision is recorded for the value of the asset that is not supportable.

**5. REVENUE**

Revenue recognised in the income statement is analysed as follows:

	2024 £'000	2023 £'000
Sale of goods		
- UK	214,990	275,722
Rendering of services		
- UK	140,380	144,402
- Norway	60,802	52,686
- Canada	29,648	27,254
- Australia	14,369	11,272
- Other	20,922	13,214
	266,121	248,828
Total	481,111	524,550

Segments presented reflect the structure of the Group as discussed at note 14.

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**6. EXCEPTIONAL ITEMS**

Items that are material either because of their size or their nature, or that are non-recurring are considered as exceptional items and are presented within the line items below to which they best relate. During the year, the total of exceptional items detailed below have been included separately in the income statement.

	2024	2023
	£'000	£'000
Within operating costs:		
Release of overseas tax provision	(613)	-
Restructuring	965	388
Transaction related costs	-	560
Other exceptional (gains)/costs	(87)	49
	265	997
	265	997
Within finance costs:		
Finance restructuring fees	1,102	217
	1,102	217
	1,102	217

In the current year, restructuring costs include the costs of restructuring the group under new management and Hammerfest base closure costs.

In the prior year, transaction related costs represent costs associated with the disposal of the group to Endless on 11 August 2023. The restructuring costs were incurred following this transaction, and other exceptional costs comprise a number of minor items.

In the current year, finance restructuring fees represent old deal fees written off in the year and other refinancing fees not capitalised.

**7. OPERATING PROFIT**

	2024	2023
	£'000	£'000
Operating profit is stated after charging/(crediting):		
Cost of inventories recognised as an expense	204,844	261,601
Depreciation (note 13a)	6,752	5,985
Depreciation of right-of-use assets (note 13b)	13,663	10,119
Amortisation of intangible assets (note 14)	3,376	3,400
Expense relating to short term leases (note 13b)	8,454	9,138
Loss on foreign exchange	246	48
Gain on disposal of fixed assets (note 23)	(1,532)	(226)
	204,844	261,601
	204,844	261,601

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**7. OPERATING PROFIT (CONTINUED)**

**Auditors' remuneration**

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditors and their associates:

	2024 £'000	2023 £'000
Audit services		
- UK audit	372	383
- Overseas audit	183	184
Tax services - tax compliance	68	82
Other non-audit services	67	44
	<u>690</u>	<u>693</u>

**8. EMPLOYEES**

	2024 £'000	2023 £'000
Wages and salaries	77,633	74,368
Social security costs	7,009	6,823
Other pension costs	3,755	3,660
	<u>88,397</u>	<u>84,851</u>

Monthly average number of people employed

	2024 No.	2023 No.
Number of employees	<u>1,549</u>	<u>1,484</u>

Average number of people (including executive directors) employed:

	2024 No.	2023 No.
Administration	247	219
Operations	1,302	1,265
<b>Total average headcount</b>	<u>1,549</u>	<u>1,484</u>

Directors emoluments disclosed at note 25(c).

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**9. FINANCE COSTS**

	2024 £'000	2023 £'000
Interest payable on bank borrowings	-	6,272
Interest on term loan	2,341	-
Interest on asset based facility	1,157	-
Interest payable on lease liabilities (note 13b)	6,635	5,299
Interest payable on shareholder loans	2,706	2,047
Interest payable on parent company loans	6,207	2,453
Interest payable on other loans	361	496
	19,407	16,567
	19,407	16,567

**10. FINANCE INCOME**

	2024 £'000	2023 £'000
Interest income from sublease of property classified as finance lease	131	144
Dividend received from associate	122	80
Other interest income	16	23
	269	247
	269	247

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**11. INCOME TAX CHARGE**

	2024 £'000	2023 £'000
Current tax		
- Current tax for the year	1,986	2,043
- Adjustments in respect of prior years	(273)	(102)
<b>Total current tax</b>	<b>1,713</b>	<b>1,941</b>
Deferred tax (note 20)		
- Current year	(944)	(1,095)
- Adjustments in respect of prior years	119	(188)
- Change in tax rates	-	(37)
<b>Total deferred tax</b>	<b>(825)</b>	<b>(1,320)</b>
<b>Income tax charge</b>	<b>888</b>	<b>621</b>

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the standard tax rate applicable to losses of the consolidated entities as follows:

	2024 £'000	2023 £'000
Loss before tax - continuing operations	(1,246)	(1,608)
Tax calculated at domestic tax rates applicable to profits in the respective countries	4	(378)
<i>Tax effect of:</i>		
- Expenses not deductible for tax purposes	1,979	232
- Income not taxable	(482)	(141)
- Movement in deferred tax not provided	(962)	581
- Overseas tax	431	158
- Change in tax rates	-	(60)
- Dividends - exempt distributions	(176)	-
- Adjustment in respect of prior years	(154)	(290)
- Other differences	248	519
<b>Income tax charge</b>	<b>888</b>	<b>621</b>

The UK corporation tax rate increased to 25% from 1 April 2023.

The effective deferred tax rate of 25% reflects changes to the UK corporation tax rate effective from 1 April 2023.

Global minimum corporate tax rate - Pillar Two requirements

The legislation implementing the Organisation for Economic Co-Operation and Development's (OECD) proposals for a global minimum corporation tax rate (Pillar Two) was substantively enacted into UK law on 20 June 2023. The rules have effect from 1 January 2024.

The Group has both UK and overseas entities. The Group has performed an assessment of the potential exposure to Pillar Two income taxes for the year to 31 December 2024 and found that the Group does not meet the defined thresholds for Pillar Two to apply and on this basis, the Group does not have an exposure to Pillar Two income taxes in the UK.

## 12. INVESTMENTS

The Group's investments in joint ventures and subsidiaries are set out in notes 12a and 12b. The Group's investment in an associate company is held at a value of £1,000 (2023: £1,000) and is included in note 27.

### 12a. INVESTMENTS IN JOINT VENTURES

	Share of JV assets	
	2024	2023
	£'000	£'000
At 1 January	874	821
Share of profit	254	118
Share of tax charge	(60)	-
Dividend	(291)	-
Exchange movement	(77)	(65)
	<hr/>	<hr/>
At 31 December	<u>700</u>	<u>874</u>

Share of JV assets represents the Group's interests in Kristiansund Base AS.

#### Commitments and contingent liabilities in respect of joint ventures

At the end of 2024, ASCO Norge AS, a subsidiary of the Group, had guaranteed 50% of the value of a property lease held by its joint venture Kristiansund Base AS at a total value of 53m NOK (£3.7m) (2023: total value of 53m NOK (£4.0m) over 10 years). Both companies are privately incorporated.

The joint venture has no significant contingent liabilities to which the Group is exposed, nor has the Group any significant contingent liabilities in relation to its interest in the joint venture (2023: £nil).

### 12b. SUBSIDIARIES

All subsidiary undertakings (as detailed in note 27) are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

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**13a. PROPERTY, PLANT AND EQUIPMENT**

	Land and buildings £'000	Plant and equipment £'000	Total £'000
<b>Cost</b>			
At 1 January 2023	39,816	76,424	116,240
Additions	2,960	6,347	9,307
Disposals	(733)	(5,458)	(6,191)
Exchange rate variance	(409)	(2,018)	(2,427)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	41,634	75,295	116,929
Additions	535	6,639	7,174
Disposals	(1,038)	(3,825)	(4,863)
Exchange rate variance	(464)	(3,681)	(4,145)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	<u>40,667</u>	<u>74,428</u>	<u>115,095</u>
<b>Accumulated depreciation</b>			
At 1 January 2023	17,099	62,600	79,699
Charge for the year	1,647	4,338	5,985
Disposals	(549)	(5,443)	(5,992)
Exchange rate variance	(280)	(1,764)	(2,044)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	17,917	59,731	77,648
Charge for the year	1,815	4,937	6,752
Disposals	(736)	(3,780)	(4,516)
Exchange rate variance	(298)	(3,281)	(3,579)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	<u>18,698</u>	<u>57,607</u>	<u>76,305</u>
<b>Net book value</b>			
At 31 December 2024	<u>21,969</u>	<u>16,821</u>	<u>38,790</u>
At 31 December 2023	<u>23,717</u>	<u>15,564</u>	<u>39,281</u>

Depreciation expense of £6,030,000 (2023: £5,300,000) has been charged in 'cost of sales', £722,000 (2023: £685,000) in 'administrative expenses'.

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**13b. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

Where the Group is a lessee

Amounts recognised in the balance sheet

Right-of-use assets	2024 £'000	2023 £'000
Property	45,098	47,493
Large plant, vehicles and equipment	10,695	11,144
Small plant, vehicles and equipment	5,757	3,947
	<u>61,550</u>	<u>62,584</u>

Right-of-use assets are stated net of impairment of £nil (2023: £nil). Additions to the right-of-use assets during 2024 were £17,552,000 (2023: £9,209,000), and lease terminations during 2024 were £2,105,000 (2023: £11,000).

Lease liabilities	2024 £'000	2023 £'000
Current	11,620	10,837
Non-current	64,311	67,807
	<u>75,931</u>	<u>78,644</u>

Amounts recognised in the Consolidated Statement of Comprehensive Income relating to leases

Depreciation of right-of-use assets	2024 £'000	2023 £'000
Property	9,680	5,861
Large plant, vehicles and equipment	2,770	2,739
Small plant, vehicles and equipment	1,213	1,519
	<u>13,663</u>	<u>10,119</u>

	2024 £'000	2023 £'000
Interest expense (included in finance cost)	6,635	5,299
Expense relating to short-term and low value leases (included in cost of sales and administrative expenses)	8,454	9,138
	<u>15,089</u>	<u>14,437</u>

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**13c. INVESTMENTS IN FINANCE SUBLEASES**

Where the Group is a lessor

The Group has entered into 3 (2023: 3) sublease arrangements as a lessor in relation to properties that are considered finance leases. As the leases transfer substantially all of the risks and rewards of ownership of the assets, they are classified as finance leases.

	2024 Current receivables £'000	2024 Non-current receivables £'000	2023 Current receivables £'000	2023 Non-current receivables £'000
Finance leases - gross receivables	110	7,538	258	6,682
Unearned finance income	(135)	(5,773)	(114)	(5,227)
	<u>(25)</u>	<u>1,765</u>	<u>144</u>	<u>1,455</u>

	2024 £'000	2023 £'000
Gross receivables from finance leases		
- No later than 1 year	110	258
- Later than 1 year and no later than 5 years	476	369
- Later than 5 years	7,060	6,313
	<u>7,646</u>	<u>6,940</u>
Unearned future income on finance leases	(5,906)	(5,342)
Net investment in finance leases	<u>1,740</u>	<u>1,598</u>

	2024 £'000	2023 £'000
The net investment in finance leases may be analysed as follows:		
- No later than 1 year	(25)	144
- Later than 1 year and no later than 5 years	(66)	(69)
- Later than 5 years	1,831	1,523
Net investment in finance leases	<u>1,740</u>	<u>1,598</u>

No allowance for expected credit losses is required in 2024 (2023: £nil).

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**14. INTANGIBLE ASSETS**

	Goodwill £'000	Customer relationships £'000	Trademarks £'000	Development costs £'000	Software £'000	Total £'000
<b>Cost</b>						
At 1 January 2023	37,829	59,851	14,660	218	13,375	125,933
Exchange rate variances	(842)	(987)	(246)	-	-	(2,075)
At 31 December 2023	36,987	58,864	14,414	218	13,375	123,858
Exchange rate variances	(859)	(1,009)	(251)	-	-	(2,119)
At 31 December 2024	36,128	57,855	14,163	218	13,375	121,739
<b>Accumulated amortisation</b>						
At 1 January 2023	-	56,660	7,769	39	9,422	73,890
Amortisation for year	-	1,044	751	21	1,584	3,400
Exchange rate variances	-	(932)	(126)	-	-	(1,058)
At 31 December 2023	-	56,772	8,394	60	11,006	76,232
Amortisation for year	-	1,034	744	21	1,577	3,376
Exchange rate variances	-	(977)	(149)	-	-	(1,126)
At 31 December 2024	-	56,829	8,989	81	12,583	78,482
<b>Net book value</b>						
At 31 December 2024	36,128	1,026	5,174	137	792	43,257
At 31 December 2023	36,987	2,092	6,020	158	2,369	47,626

No charges for impairment have been made in the current year.

Amortisation of £3,376,000 (2023: £3,400,000) is included separately in the consolidated statement of comprehensive income.

As at 31 December 2024 there is 1 (2023: 2) remaining annual amortisation periods in respect of customer relationships.

As at 31 December 2024 there are 7 (2023: 8) remaining annual amortisation periods in respect of trademarks.

Development costs amortisation period is 20 years. As at 31 December 2024 there were 7 (2023: 8) remaining annual amortisation periods.

Software is amortised over the original period of 5 to 10 years.

#### 14. INTANGIBLE ASSETS (CONTINUED)

##### Impairment test - non-Current Assets

Management reviews the business performance based on geography. Management has identified the main cash-generating units (CGUs) to be the UK, Norway, Canada, Australia and Other. Intangible assets are monitored by management at the level of these CGUs. The following is a summary of the intangible assets allocation for each of the CGUs:

2024	Opening £'000	Amortisation £'000	Foreign exchange £'000	Closing £'000
UK	36,413	(3,038)	-	33,375
Norway	11,213	(338)	(993)	9,882
Total	47,626	(3,376)	(993)	43,257

2023	Opening £'000	Amortisation £'000	Foreign exchange £'000	Closing £'000
UK	39,429	(3,016)	-	36,413
Norway	12,614	(384)	(1,017)	11,213
Total	52,043	(3,400)	(1,017)	47,626

The recoverable amount of all CGUs has been determined based on fair value less costs of disposal calculations. These calculations use post-tax cash flow projections based on financial budgets and forecasts approved by management covering a three-year period. Group budgets and forecasts are built up from detailed analysis carried out by individual business units at a local level and applying a central contingency where appropriate. Cash flows beyond the three-year period are extrapolated using the estimated growth rates stated below. The budgets and forecasts are based on estimates and assumptions regarding, in particular, the expected market outlook, and retention of customers beyond the end of current fixed term contracts unless notice has been given.

The Group recognises that there may be potential financial implications in the future from climate change risk. The Group expects that climate change policies, legislation and regulation will increase, and likely on accelerating timelines in order to meet the Government targets. Such changes may increase associated costs and administration requirements. These, in due course, may well have an impact across a number of assumptions underlying the impairment assessment. However, as at the balance sheet date, the Group believes there is no material impact on balance sheet carrying values of either assets or liabilities. Although this is an estimate, it is not considered a critical estimate as management's view is that at the end of the current reporting period there is no significant risk of climate change resulting in a material adjustment to the carrying value of assets and liabilities within the next financial year.

The key assumptions used for the fair value less costs of disposal calculations are as follows:

2024	UK	Norway
Long term growth rate	1.9%	2.0%
Post tax discount rate	16.0%	14.8%

2023	UK	Norway
Long term growth rate	1.9%	2.0%
Post tax discount rate	17.5%	15.2%

#### 14. INTANGIBLE ASSETS (CONTINUED)

These assumptions have been used for the analysis of each geographical CGU within the Group and are considered to be consistent with those a market participant would use. The assumptions used in the fair value discounted cash flows are not based on observable market data and as such the valuation method is classified as level 3 in the fair value hierarchy.

The result of the impairment testing is a total charge of £nil (2023: £nil), being £nil (2023: £nil) for the impairment of right-of-use assets (note 13b) and £nil (2023: £nil) for the impairment of property, plant and equipment (note 13a).

A sensitivity analysis has been performed on the basis that the expected long term growth rate fell by 0.5% and that the discount rates are 1.0% higher than those above in order to assess the impact of reasonable possible changes to the assumptions used in the impairment review.

The sensitivity analysis shows that a 0.5% point reduction in growth rate would result in a £10.2m reduction in the fair value less costs of disposal and an additional impairment of £nil (2023: additional impairment of £6.5m). A 1.0% point increase in the discount rate results in a £8.2m reduction in the fair value less costs of disposal and an additional impairment of £nil (2023: additional impairment of £7.6m). The carrying value of investments in subsidiaries will continue to be monitored going forward.

#### 15. INVENTORIES

	2024 £'000	2023 £'000
Finished goods	1,169	841

During the year, stock amounting to £nil (2023: £nil) was written off to the income statement.

#### 16. TRADE AND OTHER RECEIVABLES

	2024 £'000	2023 £'000
<b>Current</b>		
Trade receivables	40,793	41,375
Loss allowance for expected credit losses	-	(956)
	40,793	40,419
Prepayments and accrued income	18,908	16,861
Other debtors	432	1,207
Investments in subleases (note 13c)	(25)	144
Corporation tax	669	1,139
Amounts due from parent undertakings	11,228	7,949
	72,005	67,719
<b>Non-current</b>		
Other debtors	1,200	1,200
	1,200	1,200

**16. TRADE AND OTHER RECEIVABLES (CONTINUED)**

The carrying value of trade and other receivables are approximate to fair value. The Group has no significant concentration of credit risk, with exposure spread over a number of customers. The Group assesses expected credit losses considering factors influencing risk of default. No allowance for expected credit losses is considered required in 2024.

The amounts due from parent undertakings are unsecured, interest free, repayable on demand and have no fixed repayment dates.

The assumptions included within the expected credit loss provisioning model that gives rise to estimation uncertainty is that future performance will be reflective of past performance and there will be no significant change in the payment profile or recovery rates within each identified group of receivables. To address this risk, the Group reviews and updates default rates, on a regular basis to ensure they incorporate the most up to date assumptions along with forward-looking information where available and relevant.

Movements on the Group provision for impairments of trade and other receivables are as follows:

	2024 £'000	2023 £'000
At 1 January	956	998
Exchange movement	65	-
Net impairment gains on financial assets	(764)	(42)
	257	956
At 31 December	257	956

Of the above, £257,000 relates to other debtors (2023: £nil).

As at 31 December, the ageing analysis of trade receivables is as follows:

	2024 £'000	2023 £'000
Current	33,443	38,434
Past due less than 90 days	6,494	1,648
Past due more than 90 days less than 120 days	577	228
Past due more than 120 days	279	109
	40,793	40,419
	40,793	40,419

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security. Amounts shown as past due but not impaired in the above table are considered to be recoverable in full based on the Group's experience of receiving payments from customers within a reasonable timeframe and the nature of discussions ongoing with customers in relation to those older balances.

**17. CASH AT BANK AND IN HAND**

Cash and cash equivalents totals £9,430,000 (2023: £14,346,000).

Restricted cash totals £8,820,000 (2023: £790,000). This represents cash held in separate designated bank accounts to provide security for performance guarantees issued to a number of suppliers to the group £8,229,000 (2023: £185,000), and to settle payroll tax obligations in Norway £591,000 (2023: £605,000).

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**18. TRADE AND OTHER PAYABLES**

	2024 £'000	2023 £'000
Trade payables	15,025	16,292
Other taxation and social security	2,872	2,670
Accruals	25,157	21,024
Other payables	4,085	5,561
	<u>47,139</u>	<u>45,547</u>

**19. FINANCIAL LIABILITIES**

**Current**

	2024 £'000	2023 £'000
Term loan (secured)	4,720	-
Asset based facility (secured)	17,688	-
Parent company loans	55,900	47,240
Capitalised deal fees	(862)	-
	<u>77,446</u>	<u>47,240</u>
Finance lease liabilities (secured)	101	125
Lease liabilities (note 13b)	11,620	10,837
	<u>89,167</u>	<u>58,202</u>

**Non-current**

	2024 £'000	2023 £'000
Term loan (secured)	28,796	-
Shareholders loans (unsecured)	-	53,992
Capitalised deal fees	(1,298)	-
	<u>27,498</u>	<u>53,992</u>
Finance lease liabilities (secured)	619	783
Lease liabilities (note 13b)	64,311	67,807
	<u>92,428</u>	<u>122,582</u>

## 19. FINANCIAL LIABILITIES (CONTINUED)

### Secured Lease Liabilities

Lease obligations for plant, vehicles and equipment are typically secured over the assets concerned.

### Parent Company Loans

Included within financial liabilities at 31 December 2024 is a loan payable balance established with Project Advance Bidco Limited on 11 August 2023 with a principal value of £47,240,000. This balance is repayable on demand and bears interest at a rate of SONIA plus 8.0% which accrues monthly and is rolled up annually on 11 August. Interest of £8,660,000 (2023: £2,453,000) is included in the parent company loan balance.

### Shareholder Loans

Following the change in ownership of the group in 2023, Endless Fund V the ultimate controlling party of ASCO Acquisitions Limited provided £55,000,000 of shareholder loan notes bearing interest of SONIA plus 4.25% which is accrued monthly and is payable monthly in arrears. Shareholder loans at 31 December 2023 were stated net of capitalised deal fees of £1,008,000. These loan notes were repaid out of the proceeds of the new financing arrangements entered into in the year (details below).

### Secured Term Loan and Asset Based Facility

On 24 June 2024, ASCO Group Limited entered into new financing arrangements with BZ Commerical Finance and Leumi UK Group.

The facility is an £80.2 million asset based lending facility to provide a combination of acquisition finance and working capital to the Group and is initially available for a term of 36 months. The facility comprises the following:

Term loan (real property facility) of £22,200,000. This loan bears interest at SONIA plus 5.2% and is repayable in monthly instalments of £185,000. At 31 December 2024, the balance on this loan was £21,640,000.

Term loan (cashflow facility) of £12,500,000. This loan bears interest at SONIA plus 5.47% and is repayable in monthly instalments of £208,000. At 31 December 2024, the balance on this loan was £11,876,000.

Accounts receivable and accrued income based loans totalling £45,500,000. These loans bear interest at a margin of 2.55% (accounts receivable) and 3.75% (accrued income) over local bank base rates depending where drawn (UK, Norway, Canada). At 31 December 2024, the balance drawn under this facility was £17,688,000. There are no fixed repayments, but availability of the loan is linked to the value of outstanding receivables in the relevant group entity at a given point in time, with ASCO retaining credit risk on the outstanding receivable balances.

There are capitalised deal fees of £2,160,000 in respect of the term loans and asset based facilities as at 31 December 2024.

As is normal for a facility of this nature, the agreement sets out a number of financial and operating covenants including leverage and fixed charge cover covenants, and performance of the Group being within a stated % of annual budgets. The Group complied with financial covenants as set out at note 22(e).

### Ancillary

The group has an ancillary facility with HSBC in order to support the day to day operations of the group. At 31 December 2024, £8,132,000 of the facility had been utilised by way of providing performance related guarantees in relation to the trading entities. These facilities are secured on separately identified cash balances.

### Cross Guarantees

Cross guarantees also exist with other group companies. The contingent liability of the Group under these arrangements at 31 December 2024 amounted to £104,468,000 (2023: £97,385,000).

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**20. DEFERRED INCOME TAX ASSET AND DEFERRED TAX LIABILITIES**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2024 £'000	2023 £'000
Deferred tax assets	(542)	(997)
Deferred tax liabilities	4,505	5,750
	3,963	4,753
<b>Deferred tax liabilities (net)</b>	<b>3,963</b>	<b>4,753</b>

The net movement on the deferred income tax account is as follows:

	2024 £'000	2023 £'000
At 1 January	4,753	6,053
Credit to income statement (note 11)	(825)	(1,320)
Foreign exchange difference	35	20
	3,963	4,753
<b>At 31 December</b>	<b>3,963</b>	<b>4,753</b>

The deferred tax balances are analysed as follows:

	Short term temporary differences £'000	Accelerated tax depreciation £'000	Intangible assets £'000	Total £'000
<b>2024</b>				
Deferred tax assets	(322)	(220)	-	(542)
Deferred tax liabilities	(1,322)	4,277	1,550	4,505
	(1,644)	4,057	1,550	3,963
Deferred tax liabilities (net)	(1,644)	4,057	1,550	3,963
<b>2023</b>				
Deferred tax assets	(640)	-	(357)	(997)
Deferred tax liabilities	(862)	4,584	2,028	5,750
	(1,502)	4,584	1,671	4,753
Deferred tax liabilities (net)	(1,502)	4,584	1,671	4,753

## 20. DEFERRED INCOME TAX ASSET AND DEFERRED TAX LIABILITIES (CONTINUED)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of £7,268,000 (£28,182,000 gross) (2023: £9,205,000 (£36,167,000 gross)) in respect of losses that can be carried forward against future taxable income, £23,000 (£91,000 gross) (2023: £37,000 (£150,000 gross)) in respect of fixed asset temporary differences and £1,410,000 (£5,640,000 gross) (2023: £1,600,000 (£6,400,000 gross)) in respect of short term temporary differences on interest.

No deferred tax liability has been recognised in respect of unremitted earnings of subsidiaries (2023: £nil). It is likely that the majority of overseas earnings will qualify for the UK dividend exemption and the Group can control the distribution of dividends by its subsidiaries. In some countries, local tax is payable on the remittance of a dividend. If dividends were to be remitted from these countries, additional tax would be payable.

## 21. PROVISIONS

	Dilapidations	
	2024	2023
	£'000	£'000
At 1 January	2,326	2,476
Utilised during the year	-	(290)
Adjustment to provision during the year	-	140
Charged to the income statement	258	-
	2,584	2,326
At 31 December	2,584	2,326
Analysis of total provisions:		
	2024	2023
	£'000	£'000
Non-current	2,584	2,326
Total	2,584	2,326

A discounted provision of £2,584,000 (2023: £2,326,000) has been recorded in respect of the estimated cost for dilapidations on certain leased properties, which the Group is obliged to remediate prior to returning.

In accordance with IFRS 16, Leases, provisions for dilapidations are added to the right of use asset arising on the related lease contract. The provision is subsequently recognised as a charge to the income statement through depreciation of the right of use asset. Any future adjustments to the provision are recorded as an adjustment to the right of use asset.

## 22. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments, as required to hedge certain risk exposures.

Risk management is carried out by a central finance team (Group Finance) under policies approved by the Board of Directors. Group Finance identifies, evaluates and hedges financial risk in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (a) Market Risk

#### Foreign exchange risk

The Group has a number of subsidiary companies whose revenue and expenses are denominated in currencies other than Pounds Sterling, primarily the US Dollar, Norwegian Krone, Canadian Dollar, Australian Dollar, West African Franc and Trinidad and Tobago Dollar. The revenues and costs of these entities are largely denominated in their own or common currencies, therefore the foreign exchange risk on these balances are naturally hedged on consolidation.

The operating profit of the Group is affected by fluctuations in foreign exchange rates when results denominated in other currencies are translated to Pounds Sterling.

A movement of 10% is considered to represent a material fluctuation of exchange rates.

If the Pound Sterling had been 10% stronger against all other main currencies of the Group, this would give rise to a reduction of £1.1m (2023: £0.5m) in the Group's reported operating profit. If the Pound Sterling had been 10% weaker against all other main currencies of the Group, this would give rise to an increase of £1.0m (2023: £0.5m) in the Group's reported operating profit.

Some of the Group's sales are denominated in USD, with the corresponding costs typically denominated in GBP. Where any such material transactions arise, the Group uses forward contracts to fix the GBP to USD exchange rates in order to mitigate any risks involved with regard to currency fluctuations between the date of the sale being agreed and the date in which the customer advances payment to settle the debt.

### (b) Credit Risk

Credit risk is managed locally by each of the trading entities, all of whom follow similar procedures and comply with the policies of the Group as set out in the accounting manual. Each local entity is responsible for managing and analysing credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If customers are independently rated, these ratings are used. If there is no independent rating, local finance teams assess the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

### (c) Interest rate risk

The Group is exposed to interest rate risk on its secured bank loans. The interest rates applicable are set based on fixed margins over the SONIA daily rate (or Norway/Canada equivalent) as described at note 19.

A movement of 1% is considered to represent a material fluctuation of interest rates.

If the SONIA rates had been 1% higher during 2024, then the profit / (loss) before taxation for the Group would have been £1.0m lower (2023: £1.0m lower). If the SONIA rates had been 1% lower during 2024 then the profit / (loss) before taxation for the Group would have been £1.0m higher (2023: £1.0m higher).

## 22. FINANCIAL RISK MANAGEMENT (CONTINUED)

### (d) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated and monitored at group level. The rolling forecasts of the Group's liquidity requirement is monitored to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

<b>At 31 December 2024</b>	<b>Less than 3 months £'000</b>	<b>Between 3 months &amp; 1 year £'000</b>	<b>Between 1 and 2 years £'000</b>	<b>Between 2 and 5 years £'000</b>	<b>Over 5 years £'000</b>
Parent company loans	55,900	-	-	-	-
Lease liabilities	3,003	8,717	11,602	22,600	30,729
Trade and other payables	44,267	-	-	-	-
Term loan	1,180	3,540	4,720	24,076	-
Asset based facility	17,688	-	-	-	-

<b>At 31 December 2023</b>	<b>Less than 3 months £'000</b>	<b>Between 3 months &amp; 1 year £'000</b>	<b>Between 1 and 2 years £'000</b>	<b>Between 2 and 5 years £'000</b>	<b>Over 5 years £'000</b>
Parent company loans	47,240	-	-	-	-
Lease liabilities	2,710	8,127	9,255	23,035	35,517
Trade and other payables	42,877	-	-	-	-
Shareholder loans	-	-	-	53,992	-

### (e) Capital risk

The capital structure of the Group consists of shareholders' equity, parent company loans and cash. The primary objective of the Group's capital management is to ensure that it maintains robust capital ratios in order to comply with external covenants, support its business and maximise shareholder value. Following the refinancing completed in June 2024, the Group monitors capital using fixed charge ratio and leverage ratio as well as minimum EBITDA and minimum liquidity ratios and remained in compliance with the requirements of its financing documents during the year. Covenants are measured monthly by reference to rolling cumulative data for specified periods.

The fixed charge ratio is calculated by dividing EBITDA (for a trailing period) by the aggregate of cash settled interest, loan repayments, exceptional costs, tax and capex, excluding the impact of IFRS 16.

The leverage ratio is calculated by dividing net debt by trailing twelve month EBITDA.

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**23. CASH FLOW INFORMATION**

(a) Cash generated from operations

	2024 £'000	2023 £'000
Loss before income tax from continuing operations	(1,246)	(1,608)
Adjustments for:		
- Depreciation (note 13a)	6,752	5,985
- Depreciation of right of use assets (note 13b)	13,663	10,119
- Amortisation (note 14)	3,376	3,400
- Impairment of trade and other receivables (note 16)	-	(42)
- Profit on disposal of property, plant and equipment (note 7)	(1,532)	(226)
- Movement in provisions (note 21)	258	(150)
- Finance costs (note 9)	19,407	16,567
- Finance income (note 10)	(269)	(247)
- Exceptional items - non-cash impact	13	(1,847)
- Net foreign exchange movement on operations	351	48
- Foreign exchange movement on financing	4,210	1,917
Changes in working capital		
- Inventories	(328)	3,308
- Trade and other receivables	3,505	1,376
- Trade and other payables	(4,004)	(12,096)
	44,156	26,579
	44,156	26,579

In the statement of cash flows, proceeds from sale of property, plant and equipment comprise:

	2024 £'000	2023 £'000
Net book amount (note 13a)	348	199
Gain on disposal of property, plant and equipment (note 7)	1,532	226
	1,880	425
Proceeds from disposal of property, plant and equipment	1,880	425

ASCO Group Limited  
Notes to the consolidated financial statements  
Year ended 31 December 2024

**23. CASH FLOW INFORMATION (CONTINUED)**

(b) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

	2024 £'000	2023 £'000
Cash	9,430	14,346
Restricted cash	8,820	790
Borrowings - term loan (net of transaction fees)	(32,074)	-
Borrowings - asset based facility (net of transaction fees)	(16,969)	-
Borrowings - parent company loans	(55,900)	(47,240)
Borrowings - shareholder loans (net of transaction fees)	-	(53,992)
Lease liabilities	(76,651)	(79,552)
	<b>(163,344)</b>	<b>(165,648)</b>
Net debt	<b>(163,344)</b>	<b>(165,648)</b>

Borrowings presented above consist of the Group's long and short term borrowings, net of capitalised debt arrangement fees. Finance lease liabilities together with liabilities arising on application of IFRS 16, Leases, are included within Lease liabilities.

	Borrowings £'000	Leases £'000	Subtotal £'000	Restricted cash, and cash and equivalents £'000	Total £'000
Net debt as at 1 January 2023	(103,619)	(81,376)	(184,995)	29,447	(155,548)
Cash flows	2,940	11,591	14,531	(13,720)	811
Repayment of borrowings - bank	101,232	-	101,232	-	101,232
Proceeds from borrowings - parent company loans	(47,240)	-	(47,240)	-	(47,240)
Proceeds from borrowings - shareholder loans	(55,000)	-	(55,000)	-	(55,000)
Movements in capitalised deal fees	455	-	455	-	455
Leases recognised	-	(13,331)	(13,331)	-	(13,331)
Foreign exchange adjustments	-	3,564	3,564	(591)	2,973
	<b>(101,232)</b>	<b>(79,552)</b>	<b>(180,784)</b>	<b>15,136</b>	<b>(165,648)</b>
Net debt as at 31 December 2023	<b>(101,232)</b>	<b>(79,552)</b>	<b>(180,784)</b>	<b>15,136</b>	<b>(165,648)</b>
Cash flows	(9,195)	2,294	(6,902)	4,615	(2,286)
Proceeds from borrowings - term loan and asset based facility	(51,203)	-	(51,203)	-	(51,203)
Repayment of borrowings - shareholder loans	55,000	-	55,000	-	55,000
Movements in capitalised deal fees	1,687	-	1,687	-	1,687
Leases recognised	-	(3,296)	(3,296)	-	(3,296)
Foreign exchange adjustments	-	3,903	3,903	(1,501)	2,402
	<b>(104,943)</b>	<b>(76,651)</b>	<b>(181,595)</b>	<b>18,250</b>	<b>(163,344)</b>
Net debt as at 31 December 2024	<b>(104,943)</b>	<b>(76,651)</b>	<b>(181,595)</b>	<b>18,250</b>	<b>(163,344)</b>

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Year ended 31 December 2024

**23. CASH FLOW INFORMATION (CONTINUED)**

As a result of the refinancing in June 2024, the shareholder loans were extinguished and new debt facilities were put in place by way of asset based loans.

Note that borrowings includes the parent company loan of £55,900,000, being principal of £47,240,000 and accrued interest of £8,660,000.

Cash flows related to Leases represent the repayment of principal. Leases recognised represents the net increase in liabilities from new leases in the year, less any liabilities derecognised on the early termination of a lease, as well as any changes to liabilities arising on the modification of pre-existing leases. Additions to right of use assets which arise due to adjustments to provisions for dilapidations (note 21) do not give rise to increases in lease liabilities.

The non-cash investing and financing activities is shown in the below table:

	2024 £'000	2023 £'000
Additions in relation to right of use assets	17,552	9,209

**24. COMMITMENTS & CONTINGENCIES**

(i) Capital Commitments

Capital expenditure contracted for at the end of the reporting year but not yet incurred is as follows:

	2024 £'000	2023 £'000
<b>Group</b>		
Property, plant and equipment	<u>2,749</u>	<u>2,275</u>

(ii) Securities

At 31 December 2024, BZ Commercial Finance held standard securities in respect of certain properties in addition to a bond and floating charge over the Group's assets, as security over the borrowing facilities and Endless LLP, as security agent, held second ranking standard securities in respect of certain properties in addition to a bond and floating charge over the Group's assets, as security over shareholder loan notes in Project Advance Bidco Limited.

(iii) Lease contracts not yet commenced

The Group has the following lease contracts committed to but not yet commenced at 31 December 2024:

Leases extended on 36 trailers from January to March 2025 with a combined £8k monthly lease cost over 2 years.

3 new tractor units on order and delivery is expected May/June 2025, with a combined £8k monthly lease cost over 6 years.

3 new tractor units on order and delivery is expected May/June 2025, with a combined £6k monthly lease cost over 5 years.

## 25. RELATED PARTY TRANSACTIONS

The parent undertaking is Project Advance Bidco Limited, a company registered in England, United Kingdom. The ultimate parent undertaking is Project Advance Topco Limited, a company registered in England, United Kingdom, whilst the ultimate controlling party is limited partnerships constituting Endless Fund V, a fund managed by Endless LLP.

ASCO Group Limited, registered in the United Kingdom, is the smallest group for which group financial statements are drawn up and are publicly available from the Company Secretary at ASCO Group Headquarters, Unit A, 11 Harvest Avenue, D2 Business Park, Dyce, Aberdeen, AB21 0BQ.

Project Advance Topco Limited, registered in the United Kingdom, is the largest group for which group financial statements are drawn up and are publicly available from the Company Secretary at ASCO Group Headquarters, Unit A, 11 Harvest Avenue, D2 Business Park, Dyce, Aberdeen, AB21 0BQ.

The registered office for Project Advance Topco Limited is Great Yarmouth Offshore Supply Base, South Denes Road, Great Yarmouth, Norfolk, England, United Kingdom, NR30 3LX.

The following transactions were carried out with related parties:

### (a) Transactions with related parties

	<b>Amounts owed by related parties £'000</b>	<b>Amounts owed to related parties £'000</b>
<b>2024</b>		

During the year there were transactions with the following related parties:

Project Advance Bidco Limited - interest payable	-	6,207
Kristiansund Base AS (50% joint venture, note 12a)	254	-

	<b>Amounts owed by related parties £'000</b>	<b>Amounts owed to related parties £'000</b>
<b>2023</b>		

During the year there were transactions with the following related parties:

Project Advance Bidco Limited - settlement of professional fees and net of received interest	7,948	-
Kristiansund Base AS (50% joint venture, note 12a)	118	-

**25. RELATED PARTY TRANSACTIONS (CONTINUED)**

(b) Key management compensation

Key management includes group based directors, members of the group management board and the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

	2024 £'000	2023 £'000
Salaries and other short-term employment benefits	2,229	6,662
Company contributions to defined contribution plan	149	179
	2,378	6,841
<b>Total</b>	<b>2,378</b>	<b>6,841</b>

(c) Directors - remuneration paid by subsidiaries:

	2024 £'000	2023 £'000
Aggregate emoluments	679	2,660
Company contributions to defined contribution plan	56	95
	735	2,755
<b>Total</b>	<b>735</b>	<b>2,755</b>

The compensation receivable by the highest paid director in the year was £363,000 (2023: £2,464,000), including £30,000 (2023: £75,000) company pension contributions that were made on his behalf. Included within remuneration is £nil (2023: £240,000) related to loss of office.

(d) Loans to related parties

There were no loans advanced to key management or associates during the current year or the preceding year. There were no outstanding balances due to the group from key management or associates at the year-end or at the end of the preceding year.

**26. EVENTS AFTER THE REPORTING YEAR**

There have been no material events between 31 December 2024 and the date of authorising of the Consolidated Financial Statements that would require adjustment to the Consolidated Financial Statements or disclosure.

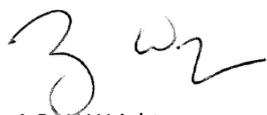
ASCO Group Limited  
Parent company statement of financial position  
At 31 December 2024

	Note	2024 £'000	2023 £'000
<b>NON-CURRENT ASSETS</b>			
Investments	27	14,450	14,450
<b>CURRENT LIABILITIES</b>			
Trade and other payables	28	(50)	-
<b>NET ASSETS</b>			
		14,400	14,450
<b>CAPITAL AND RESERVES</b>			
Equity share capital	29	13,505	13,505
Share premium account	29	87,060	87,060
Capital contribution reserve		232,273	232,273
Accumulated losses	30	(318,438)	(318,388)
<b>TOTAL EQUITY</b>			
		14,400	14,450

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

The loss of the parent company for the year was £50,000 (2023: loss of £81,887,000).

The financial statements on pages 31 to 73 were approved by the board of directors and signed on its behalf by:



A R W Wright  
Director  
15 May 2025

ASCO Group Limited  
Parent company statement of changes in equity  
For the year ended 31 December 2024

	Equity share capital	Share premium	Capital contribution reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000	£'000
<b>At 1 January 2023</b>	9,673	87,060	232,273	(236,501)	92,505
Loss for the year	-	-	-	(81,887)	(81,887)
<b>Total comprehensive expense</b>	-	-	-	(81,887)	(81,887)
Issued share capital	3,832	-	-	-	3,832
<b>At 31 December 2023</b>	13,505	87,060	232,273	(318,388)	14,450
Loss for the year	-	-	-	(50)	(50)
<b>Total comprehensive expense</b>	-	-	-	(50)	(50)
<b>At 31 December 2024</b>	13,505	87,060	232,273	(318,438)	14,400

Notes on pages 36 to 68 and 71 to 73 are an integral part of these financial statements.

ASCO Group Limited  
Notes to the parent company financial statements  
Year ended 31 December 2024

## 27. INVESTMENTS

Investment in subsidiary undertaking is stated at cost less provision for impairment.

	2024	2023
<b>Subsidiary at cost less provision for impairment</b>	<b>£'000</b>	<b>£'000</b>
As at 1 January	14,450	39,500
Recapitalisation of ASCO Acquisitions Limited	-	131,695
Impairments	-	(156,745)
	14,450	14,450
<b>At 31 December</b>	<b>14,450</b>	<b>14,450</b>

The investments in subsidiaries are assessed annually to determine if there is any indication that any of the investments might be impaired. Management have performed their impairment assessment based on fair value less costs of disposal calculated, to determine the recoverable amount of the investment, in the same way as described in the impairment testing section of note 14 on intangibles.

The result of the impairment testing is a total charge of £nil (2023: £156.7m) for the impairment of investments.

A sensitivity analysis has been performed on the basis that the expected long term growth rate fell by 0.5% and that the discount rates are 1.0% higher than those above in order to assess the impact of reasonable possible changes to the assumptions used in the impairment review.

The sensitivity analysis shows that a 0.5% point reduction in growth rate would result in a £10.2m reduction in the fair value less costs of disposal and an additional impairment of £nil (2023: additional impairment of £6.5m). A 1.0% point increase in the discount rate results in a £8.2m reduction in the fair value less costs of disposal and an additional impairment of £nil (2023: additional impairment of £7.6m). The carrying value of investments in subsidiaries will continue to be monitored going forward.

The Group's subsidiary at 31 December 2024 is listed below.

Name of subsidiary	Class of shares	% owned	Registered office address	Nature of business
ASCO Acquisitions Limited	Ordinary £1	100%	Great Yarmouth Offshore Supply Base	Holding company

The share capital of the following entities is held by an intermediate holding company:

Name of subsidiary	Class of shares	% owned	Registered office address	Nature of business
Advanced Logistics LLC	Ordinary US\$1	25%	207 Acacia Drive, Lafayette, LA 70508, USA	Logistic support services
ASCO (DC2) Limited	Ordinary £1	100%	Great Yarmouth Offshore Supply Base	Holding company
ASCO (DC3) Limited	Ordinary £1	100%	Great Yarmouth Offshore Supply Base	Holding company
ASCO (DC4) Limited	Ordinary £1	100%	Great Yarmouth Offshore Supply Base	Holding company
ASCO (St Lucia) Limited	Ordinary US\$1	100%	Offices of Corporate Services St Lucia (1996) Ltd, St Lucia	Holding company
ASCO Australia Pty Limited	Ordinary Aus\$1	100%	Level 1, 9 Havelock Street, West Perth, WA 6005, Australia	Logistic support services
ASCO Canada Limited	Ordinary C\$1	100%	1100-1959 Upper Water Street, Halifax, NS, B3J3E5, Canada	Logistic support services
ASCO Decommissioning Limited	Ordinary £1	100%	ASCO Group Headquarters	Environmental services
ASCO Energy Logistics Namibia (PTY) Ltd	Ordinary N\$1	100%	P.Bag 12012, Windhoek, Namibia, 0000	Logistic support services
ASCO Freight Management Limited	Ordinary £1	100%	ASCO Group Headquarters	Freight management
ASCO Holdings Limited	Ordinary £1	100%	ASCO Group Headquarters	Holding company

ASCO Group Limited  
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Year ended 31 December 2024

**27. INVESTMENTS (CONTINUED)**

Name of subsidiary	Class of shares	% owned	Registered office address	Nature of business
ASCO Holdings Norge AS	Ordinary NOK1	100%	Risavika Havnering 235, Postboks 250, Tananger, 4098, Norway	Dormant
ASCO JV Holdings Limited	Ordinary £1	100%	ASCO Group Headquarters	Holding company
ASCO Logistics Limited	Ordinary US\$1	100%	Fifth Floor, Newtown Centre, 30-36 Maraval Road, Newtown, Port of Spain, Trinidad, W.I	Oil Services
ASCO Marine Limited	Ordinary £1	100%	ASCO Group Headquarters	Oil Services
ASCO Net Zero Limited	Ordinary £1	100%	ASCO Group Headquarters	Logistic support services
ASCO Norge AS	Ordinary NOK1	100%	Risavika Havnering 235, Postboks 250, Tananger, 4098, Norway	Logistic support services
ASCO Properties Limited	Ordinary £1	100%	ASCO Group Headquarters	Property services
ASCO Senegal LLC	Ordinary XOF1	100%	47, Boulevard de la Republique, Zeme etage Cabinet Geni & Kebe, Dakar, Senegal	Oil services
ASCO Transport & Logistics Pty Ltd	Ordinary Aus\$1	100%	Level 4, 673 Murray Street, West Perth, WA 6005, Australia	Logistic support services
ASCO Trinidad Limited	Ordinary US\$1	100%	Eleven Albion, Corner Dere & Albion Streets, Port of Spain, Trinidad, W.I.	Dormant
ASCO UK Limited	Ordinary £1	100%	ASCO Group Headquarters	Logistic support services
ASCO Ventures Limited	Ordinary £1	100%	ASCO Group Headquarters	Oil services
Enviroco Limited	Ordinary £1	100%	Great Yarmouth Offshore Supply Base	Dormant
Enviroco Trinidad Limited	Ordinary US\$1	100%	Eleven Albion, Corner Dere & Albion Streets, Port of Spain, Trinidad, W.II	Dormant
Hausvik Energy Yard AS	Ordinary NOK 10	20%	Industriveien 3, 4580 Lyngdal, Norway	Renewable energy services
Kristiansund Base AS	Ordinary NOK 1	50%	Bruhagen Industripark, Baseveien 105, 6531 Averøy, Norway	Oil services
Manatokan Oilfield Services Inc.	Ordinary C\$1	100%	General Delivery, Iron River, Alberta, T0A 2A0, Canada	Oil services
NORM Solutions Limited	Ordinary £1	100%	ASCO Group Headquarters	Environmental services
North Sea Lifting Limited	Ordinary £1	100%	ASCO Group Headquarters	Safety training
NS Lifting America Inc.	Ordinary US\$1	100%	1254 Enclave Parkway, Suite 625, Houston, TX 77077, USA	Safety training
OBM Limited	Ordinary £1	100%	ASCO Group Headquarters	Personnel
Seletar Shipping Limited	Ordinary £1	100%	ASCO Group Headquarters	Ships agency services

ASCO Group Headquarters are based at Unit A, 11 Harvest Avenue, D2 Business Park, Dyce, Aberdeen, AB21 0BQ in the United Kingdom.

After the year-end on 18 March 2025 ASCO (DC2) Limited and ASCO (DC3) Limited were dissolved.

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

ASCO Group Limited  
Notes to the parent company financial statements  
Year ended 31 December 2024

**28. TRADE AND OTHER PAYABLES**

	2024 £'000	2023 £'000
Amounts owed to group undertakings	(50)	-

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**29. EQUITY SHARE CAPITAL & SHARE PREMIUM ACCOUNT**

Group and parent company

	Number of shares '000	Equity share capital £'000	Share premium £'000	Total £'000
At 1 January 2023	135,050	13,505	87,060	100,565
At 31 December 2023 and 2024	135,050	13,505	87,060	100,565

On incorporation, 96,406,795 ordinary shares of 10p each were issued at £1 each and have all been fully paid. This created a share premium of £86,766,115.

On 22 December 2023, 38,316,800 ordinary shares of 10p each were issued and have all been fully paid.

The total share premium at the year-end was £87,060,400 (2023: £87,060,400).

The holders of ordinary shares are entitled to one vote per share held.

**30. ACCUMULATED LOSSES**

The loss for the parent company for the year was £50,000 (2023: loss of £81,887,000). The loss for the prior year included an investment impairment of £156,745,000 and a reversal impairment of amounts due from group undertakings of £66,622,000. The directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and not presented a Statement of Comprehensive Income for the parent company.

The parent company had no employees during the year (2023: nil).