

Company Registered No: SC106026

**Seatec UK Limited**  
**Annual Report and Financial Statements**

**For the year ended 31 December 2023**

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## **Officers and Advisors**

### **Directors**

The following Directors held office during the year and up to the date of this report:

E A McDermott (resigned 30/09/2023)  
J P H Engels  
P S Magnin  
A F Christensen  
B T Hall  
S D MacFarlane

### **Registered Office**

5th Floor  
Skypark  
8 Elliot Place  
Glasgow  
G3 8EP

### **Bankers**

Citibank NA  
Canada Square  
Canary Wharf  
London  
E14 5LB

### **Independent Auditor**

Deloitte LLP  
Statutory Auditor  
110 Queen Street  
Glasgow  
United Kingdom  
G1 3BX

## Strategic Report for the year ended 31 December 2023

### Background

The Company is a private limited Company incorporated in the United Kingdom and registered in Scotland with a registered number of SC106026. Its registered office is situated at 5th Floor, Skypark, 8 Elliot Place, Glasgow, G3 8EP.

The immediate parent holding Company is Vouvray Acquisition Limited, incorporated in the United Kingdom and registered in England and Wales. Vouvray Acquisition Limited is a wholly owned subsidiary of AI Mistral TopCo Limited and the Directors are of the opinion that the Company ultimately is majority owned and controlled-by the GPE VIII private equity funds managed by Advent International Corporation ("Advent").

The management and reporting of risk and KPI's for safety and the number of fully technically managed and crew managed vessels is undertaken at the Group level. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance, or position of the business.

Information on management and reporting of risk and KPI's, which does not form part of the Company's Annual Report, can be found in the Group Annual Report of AI Mistral TopCo Limited and its subsidiaries which can be obtained from their registered office at 1st Floor 63 Queen Victoria Street, London, United Kingdom, EC4N 4UA.

### Principal activities

The principal activities of Seatec UK Limited are the provision of Marine Services covering projects and new builds, inspections, repairs and maintenance and subsea services to the shipping, offshore and defence industries.

### Review of the business

2023 has been a year of growth for the Company with the cruise sector reactivating. The Company continues to benefit from its diverse portfolio of services. The Company generated a profit for the year of £7.7m (2022: £4.2m). Revenue increased to £58.4m (2022: £56.7m), gross profit margin has increased to 31% (2022: 26%) and administrative expenses decreased by 2% to £9.9m (2022: £10.1m).

Inspection, Repairs and Maintenance (IRM) revenue increased by 2% to £32.0m in 2023 (2022: £31.5m) due to some large navigation and communication contracts for cruise vessels.

Projects and New Builds revenue increased by 13% to £5.8m in 2023 (2022: £5.1m) with a continued growth in consulting and new build supervision.

Underwater revenue has remained consistent with the prior year reporting £15.2m in 2023 (2022: £15.2m) with stabilised diver utilisation and consistent projects on behalf the Company's major clients including the Ministry of Defence revenue.

Training revenue from operations increased by 12% to £3.1m in 2023 (2022: £2.7m) due to more services being performed as the business positioned itself and gathered momentum to deliver tasks in the future as part of the wider HSEQ environment.

Travel revenue grew by 6% to £2.3m in 2023 (2022: £2.1m) due to an increase of new clients along with strengthening the relationships with our existing clients.

Gross profit margin has increased to 31% (2022: 26%) which is primarily being driven by the project based entities due to some larger/more complex projects needing more specialised works and subsequently attracting higher margins.

Administrative expenses decreased by 2% to £9.9m (2022: £10.1m) due to a decrease in office costs to £292k in 2023 (2022 : £642k) along with a decrease of the bad debt provision £52k (2022 : £671k). These have been offset by an increase of 15% in staff costs £2,205m in 2023 (2022 : £1,865m) as a result of recruitment within Argo.

The Company's profit after taxation for the year was £7.9m (2022: £4.2m).

Equity has increased from £12.7m to £20.4m driven by the profit for the year.

### Current and future developments

The Company will continue providing products and services to the Shipping, Offshore and Defence markets in 2023 and beyond. Business performance is expected to continue improving and further growth in the business areas are anticipated through expansion of the customer base and increased penetration of the Company's portfolio of services.

## **Strategic Report for the year ended 31 December 2023 (continued)**

### **Streamlined Energy and Carbon Reporting**

The Company is exempt from the requirements of Streamlined Energy and Carbon Reporting ("SECR") due to its inclusion in the SECR reporting in the AI Mistral TopCo Group accounts. Please refer to the SECR statement that has been made in the annual report of AI Mistral TopCo Limited.

### **Going Concern**

The Company is a subsidiary of AI Mistral Topco Limited and acts a Guarantor for external debt issued by the Group (AI Mistral TopCo Limited and its subsidiaries). On 30 June 2025, the Group is required to refinance or repay the Acquisition and Revolving credit facilities which amount to \$46.6m as at 31 December 2023. As at the date of signing the statutory financial statements, the Group does not have available cash to repay the debt. It is, however, expected that this debt will be refinanced as part of an agreed sale of the Group as discussed below.

Following the year-end, a consortium led by Star Capital Partnership LLP signed an agreement to acquire the Group from its existing owners. The transaction is subject to regulatory consents and is expected to complete in early autumn 2024. As part of deal completion the Group's existing borrowings will be repaid through a combination of equity investment from the new owners and new borrowings to be provided from a single lender, agreed as part of the sale process. The Directors of the Company have made relevant enquiries of the Group's Directors, confirming they currently have no reason to believe that the transaction will not complete in a timely manner.

The Company's Directors recognise there remains a limited possibility that the transaction may not complete given the dependency on regulatory consents. This would require the Directors of the Group to pursue alternative refinancing options. If sufficient funds are not raised through refinancing activities (the outcome of which is uncertain until such funding is secured), there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. As a result, the Company may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report.

Notwithstanding the material uncertainty explained above, the Company's Directors, having made appropriate enquiries and considered the ability of the Company to meet its ongoing liabilities, have concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Company's Directors have considered the Company's cash flow forecast for the period up until the point of required refinancing ('the period'). The Directors are satisfied that the cash flow forecast and projections for this period, taking account of reasonably possible changes in trading performance, indicate that the Company and Group is able to operate within the levels of its current facilities and has sufficient cash resources to meet its commitments.

### **Principal risks and uncertainties**

The Directors have identified the need to manage the Company's material financial risks, including foreign exchange, liquidity, and interest rate risks. These risks are monitored by the Directors on a continuous basis and where necessary the Directors will take appropriate action including fixing exchange rates.

From an operating subsidiary level, the key business risks are loss of reputation and international diplomatic relations as discussed above. This is mitigated through rigorous risk assessment processes.

## **Section 172 of the Companies Act 2006**

### **Directors' Duties and Stakeholder Engagement**

The Directors' duties below are detailed in section 172 of the UK Companies Act 2006:

A Director of a Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of the shareholders as a whole and, in doing so have regard (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the Company.

## **Strategic Report for the year ended 31 December 2023 (continued)**

### **Section 172 of the Companies Act 2006 (continued)**

#### **Directors' Duties and Stakeholder Engagement (continued)**

The following paragraphs summarise how the Directors fulfil their duties:

##### ***Risk Management***

We provide business critical services to our clients across the globe in an industry that is becoming increasingly more regulated. As we grow, our risk environment becomes more complex. It is therefore essential that we effectively identify, evaluate, manage, and mitigate the risks we face, and that we continue to evolve our approach to risk management.

##### ***Our People***

The Company is committed to being a responsible business and employer. The Company aims to recruit, develop, motivate and retain the best talent in the industry and our people are at the very core of the excellent customer service we provide. For our business to succeed we need to engage and enable our people to perform at their best, develop their skills and capabilities, ensure we are aligned and focused on meeting customer expectations while ensuring we operate as efficiently and productively as possible. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. This is embodied through our core values – the 5 C's - of We Care, We Collaborate, We Challenge, We are Consistent and We Commit & Deliver that continue to guide our behaviour and the decisions we make as a Board and across the Group more broadly.

##### ***Business Relationships***

Our strategy is a blend of organic growth of the Seatec offering and inorganic growth through acquisitions. We implemented a new operating model to revitalise our core offering and organic growth trajectory. The previous vertical structure was replaced by a matrix structure to increase collaboration and knowledge transfer through new leadership roles, a new marketing role and shared operations, sales and administration functions. At the heart of this new model is to create 'One Seatec' offering a range of services globally and independently under a single brand with a focus on providing a consistent quality of service for our customers. Standardisation and consistency in our operations and administrative functions has also been beneficial to building stronger relationships with our valued suppliers.

##### ***Community and Environment***

It is our belief that we must continue to work hard in creating a culture that believes in doing what is right; right for our clients and the wider communities we serve, the environment and for our team members. Across the Company many of our people regularly engage in volunteering and charitable activities at a local level. In committing to adopt and promote industry best practices, we have the ambition to be the leader in environmental and energy management, both at sea and ashore.

##### ***Business Conduct***

Our reputation is built on a strong foundation of honesty and transparency, both in day-to-day business, and when handling issues involving people, property and the environment. Moving forward, we are committed to protecting this reputation. With customers operating across the globe, it is essential that we operate our business to the highest standards of integrity and ethical conduct. In 2023, all of our people undertook a number of e-learning based training programs related to compliance and ethics covering data security, social media and social responsibility and the program has continued to be enhanced and developed in 2023.

##### ***Shareholders/Investors***

The Group's Board is committed to openly engaging with our shareholders and investors, as we recognise the importance of a continuing effective dialogue. It is important to us that these investors understand our strategy and objectives, so these must be explained clearly, feedback heard and any issues or questions raised are properly considered.

The submission of the Group's Quarterly Reporting as required by the terms of our First Lien Credit Agreement is followed by the opportunity for lenders to participate with senior management in a Q&A session on the Group's performance.

## **Strategic Report for the year ended 31 December 2023 (continued)**

### **Section 172 of the Companies Act 2006 (continued)**

#### **Directors' Duties and Stakeholder Engagement (continued)**

##### *Safety and Customers first*

After safety, the customer is at the centre of our business. We are committed to listening closely to our customers, responding more quickly to their needs and building stronger relationships. Positive customer advocacy is key to our success; which means putting the customer at the centre of everything that we do and building our services accordingly, emphasizing transparency, pro-activeness and partnership in our relationships

Approved by the Board of Directors and signed on behalf of the Board on 28 June 2024



B T Hall

*Director*

## **Directors' report for the year ended 31 December 2023**

The Directors present their annual report and the audited financial statements for the year ended 31 December 2023 for Seatec UK Limited ("the Company").

### **Results and dividends**

The results for the year are set out on page 12.

In the year, the Company did not declare a dividend (2022: £0m), no further dividends have been proposed after the year end.

### **Directors**

The Directors who held office throughout the year and until the date of this report were as follows:

E A McDermott (resigned 30/09/2023)  
J P H Engels  
P S Magnin  
A F Christensen  
B T Hall  
S D MacFarlane

### **Matters included in the strategic report**

The results for the year, future developments and principal risks and uncertainties have been discussed in the Strategic Report and form part of this report by cross reference.

### **Qualifying third party indemnity provisions**

The Company has granted an indemnity to its Directors (which extend to the performance of any duties as a Director of any associated Company) against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such a qualifying third-party indemnity provision remains in force as at the date of approving the Directors' report.

### **Employment Policies**

The Company's employment policies are embodied through our core values - the 5 Cs of We Care, We Collaborate, We Challenge, We are Consistent and We Commit & Deliver.

The Group places considerable value on the involvement of its employees and has an established system of keeping them informed on matters affecting them as employees and on the various factors affecting business performance and developments. Communication is made through staff briefings by senior management and regular announcements on the Group intranet site.

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

### ***Engagement with suppliers, customers and others***

To deliver our strategy, strong mutually beneficial relationships with suppliers, customers, regulatory bodies and business partners are essential.

Our engagement with suppliers, customers and others is underpinned by our core values, the 5 Cs as outlined in employment policies. The ability to promote these values effectively is an important factor in the decision to enter into or remain in such relationships. At the heart of these values is:

- to bring along others by building trust, inspiring engagement and championing customers;
- collaborating through open communication, developing capability and building partnerships both internally and externally; and
- to do things right by championing HSEQ (Health, Safety, Environment & Quality).

## Directors' report for the year ended 31 December 2023(continued)

### *Engagement with suppliers, customers and others (continued)*

In the course of the year, the Company has undertaken a number of employee culture and safety surveys, with established committees being provide with relevant feedback on the Company's progress. A Group intranet channel is also in place and is regularly updated with relevant information and engagement activities. There is a network of 'Ambassadors' across the Group with a two-way feedback mechanism in place to share ideas and information.

As part of our focus on engaging and developing our talent, the Company has completed several major training and development initiatives with a focus on operational and service delivery. Focusing on our offshore colleagues, Senior Officer and Fleet Manager development programs were delivered in 2023 and we continued to support our talent pipeline with our Global Graduate Development program. These initiatives were based on a review with the Board of our strategic agenda and operating model and the recognition of the importance of investment in these groups in support of driving flawless service delivery.)

### **Auditor**

In accordance with Section 386 of the Companies Act 2006 a resolution to dispense with the obligation to appoint an auditor annually has been passed. Accordingly, Deloitte will continue in office as auditor, having expressed their willingness to do so. In accordance with section 386 of the Companies Act 2006 a resolution to dispense with the obligation to appoint an auditor annually has been passed. Accordingly, Deloitte LLP will continue in office as auditor, having expressed their willingness to do so.

Each of the persons who is a Director at the date of the approval of this report confirms that:

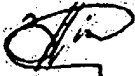
- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware;

and

- the Directors have taken steps as Directors to make themselves aware of any relevant audit information and establish that the Company's auditor is aware of that information.

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

This report was approved by the board on 28 June 2024 and signed on its behalf by:



B T Hall

*Director*

## **Directors' report for the year ended 31 December 2023(continued)**

### **Directors Responsibilities's Statement**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under Company law the Directors 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

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

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

### **Independent auditor's report to the members of Seatec UK Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion the financial statements of Seatec UK Limited (the 'company'):

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

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Material uncertainty related to going concern**

We draw attention to note 1.2 in the financial statements, which indicates that on 30 June 2025, the Group is required to refinance or repay the Acquisition and Revolving credit facilities for which the Company acts as a Guarantor. As at the date of signing the statutory financial statements, the Group is not forecast to have the available cash to repay the full debt and as such, alternative financing will be required. It is, however, expected that this debt will be refinanced as part of an agreed sale of the Group. Whilst the Directors are confident that the sale process will complete, it is subject to regulatory consents, which is not fully within the control of the Directors. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

##### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## Auditor's Report for the year ended 31 December 2023 (continued)

### Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

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 auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the the completeness and valuation of accrued income, and our procedures performed to address it are described below:

## Auditor's Report for the year ended 31 December 2023 (continued)

- agreeing revenue from the bank statements to sales invoices and ultimately to amounts recorded in the ledger;
- testing a sample of sales invoices from during the year and post year end to ensure they are correctly recorded in the ledger; and
- testing a sample of year end accrued project income balances by tracing them back to supporting documentation including invoices to evidence that they were valid accrued income balances at the year end, proof of service provided pre year-end and agreement of rates / contract agreement.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### Report on other legal and regulatory requirements

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

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

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

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

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


Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

#### Use of our report

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



Stephen Pratt CA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Edinburgh, United Kingdom  
28 June 2024

## Statement of Comprehensive Income

For the year ended 31 December 2023

	Year Ended 31 December 2023	Year Ended 31 December 2022
	GBP 000	GBP 000
<b>Revenue</b>	4 58,360	56,665
<b>Cost of sales</b>	(40,348)	(42,173)
<b>Gross Profit</b>	<b>18,012</b>	<b>14,492</b>
Other income	5 —	37
Administrative expenses	(9,882)	(10,065)
<b>Operating profit</b>	<b>8,130</b>	<b>4,464</b>
Finance income	10 1,320	700
Finance expenses	11 (1,457)	490
<b>Profit before tax</b>	<b>7,993</b>	<b>5,654</b>
Tax	12 (268)	(1,466)
<b>Profit for the year</b>	<b>7,725</b>	<b>4,188</b>
<b>Other comprehensive expense items that will not be classified subsequently to profit or loss</b>		
FX expenses relating to items that will not be reclassified subsequently to	(69)	(28)
<b>Other comprehensive loss</b>	<b>(69)</b>	<b>(28)</b>
<b>Total comprehensive profit</b>	<b>7,656</b>	<b>4,160</b>

All results in the year ended 31 December 2023 are from operations.

The accompanying notes form an integral part of these financial statements.

## Statement of Financial Position

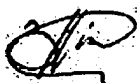
At 31 December 2023

		31 December 2023	31 December 2022
	Note	GBP 000	GBP 000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	13	2,501	2,911
Goodwill	14	785	799
Property, plant and equipment	15	1,104	642
Deferred tax asset	21	13	84
		<u>4,403</u>	<u>4,436</u>
<b>Current assets</b>			
Inventories	16	229	329
Trade and other receivables	17	26,320	22,772
Cash at bank		396	1,281
		<u>26,945</u>	<u>24,382</u>
<b>Total assets</b>		<u><b>31,348</b></u>	<u><b>28,818</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Called up share capital	25	—	—
Capital Contribution		4,431	4,431
Translation reserve		(97)	(28)
Retained earnings		16,019	8,294
<b>Total equity</b>		<u><b>20,353</b></u>	<u><b>12,697</b></u>
<b>Non-current liabilities</b>			
Lease liabilities	20	617	216
Other liabilities	22	280	15
		<u>897</u>	<u>231</u>
<b>Current liabilities</b>			
Trade and other payables	18	9,558	14,218
Current tax payable		318	1,480
Lease liabilities	20	222	192
		<u>10,098</u>	<u>15,890</u>
		<u><b>10,995</b></u>	<u><b>16,121</b></u>
		<u><b>31,348</b></u>	<u><b>28,818</b></u>

The accompanying notes form an integral part of these financial statements.

The financial statements of Seatec UK Limited, registered number SC106026, were approved and authorised for issue by the Board of Directors and signed on behalf of the Board on 28 June 2024.

B T Hall



Director

## Statement of Changes in Equity

*For the year ended 31 December 2023*

	<b>Called up share capital</b>	<b>Capital contribution</b>	<b>Retained earnings</b>	<b>Translation Reserve</b>	<b>Total Equity</b>
	<b>GBP 000</b>	<b>GBP 000</b>	<b>GBP 000</b>	<b>GBP 000</b>	<b>GBP 000</b>
<b>Balance at 1 January 2022</b>	—	<b>4,431</b>	<b>4,106</b>	—	<b>8,537</b>
Profit for the year and total comprehensive income	—	—	4,188	(28)	4,160
<b>Balance at 31 December 2022</b>	—	<b>4,431</b>	<b>8,294</b>	<b>(28)</b>	<b>12,697</b>
Profit for the year and total comprehensive income	—	—	7,725	(69)	7,656
<b>Balance at 31 December 2023</b>	—	<b>4,431</b>	<b>16,019</b>	<b>(97)</b>	<b>20,353</b>

The accompanying notes form an integral part of these financial statements.

## Notes to the Financial Statements for the year ended 31 December 2023

### 1 Accounting Policies

#### Company Information

The Company is a private limited Company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in Scotland with a registered number SC106026. Its registered office is situated at 5th Floor, Skypark, 8 Elliot Place Glasgow G3 8EP. The nature of the Company's operations and its principal activities are set out in the strategic report.

#### 1.1 Accounting Convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and in accordance with applicable accounting standards.

The financial statements are presented in Sterling ("GBP"), which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand.

These financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at revalued amounts or fair value at the end of each reporting period, as explained in the accounting policies below. Historical costs is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measuring purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as not realisable value in IAS 2 or value in use IAS 36.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, revenue, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets, leases, business combinations and related party transactions.

Where required, equivalent disclosures are given in the group accounts of AI Mistral TopCo Limited. The group accounts of AI Mistral TopCo Limited are available to the public on Companies House.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its group.

Seatec UK Limited is a wholly owned subsidiary of AI Mistral TopCo Limited and the results of Seatec UK Limited are included in the consolidated financial statements of AI Mistral TopCo.Limited which are available from 1st Floor, 63 Queen Victoria Street, London, EC4N 4UA.

#### 1.2 Going Concern

The Company is a subsidiary of AI Mistral Topco Limited and acts a Guarantor for external debt issued by the Group (AI Mistral TopCo Limited and its subsidiaries). On 30 June 2025, the Group is required to refinance or repay the Acquisition and Revolving credit facilities which amount to \$46.6m as at 31 December 2023. As at the date of signing the statutory financial statements, the Group does not have available cash to repay the debt. It is, however, expected that this debt will be refinanced as part of an agreed sale of the Group as discussed below.

Following the year-end, a consortium led by Star Capital Partnership LLP signed an agreement to acquire the Group from its existing owners. The transaction is subject to regulatory consents and is expected to complete in early autumn 2024. As part of deal completion the Group's existing borrowings will be repaid through a combination of equity investment from the new owners and new borrowings to be provided from a single lender, agreed as part of the sale process. The Directors of the Company have made relevant enquiries of the Group's Directors, confirming they currently have no reason to believe that the transaction will not complete in a timely manner.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.2 Going Concern (continued)

The Company's Directors recognise there remains a limited possibility that the transaction may not complete given the dependency on regulatory consents. This would require the Directors of the Group to pursue alternative refinancing options. If sufficient funds are not raised through refinancing activities (the outcome of which is uncertain until such funding is secured), there is a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern. As a result, the Company may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report.

Notwithstanding the material uncertainty explained above, the Company's Directors, having made appropriate enquiries and considered the ability of the Company to meet its ongoing liabilities, have concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Company's Directors have considered the Company's cash flow forecast for the period up until the point of required refinancing ('the period'). The Directors are satisfied that the cash flow forecast and projections for this period, taking account of reasonably possible changes in trading performance, indicate that the Company and Group is able to operate within the levels of its current facilities and has sufficient cash resources to meet its commitments.

### 1.3 Revenue

The Company applies a 5 step revenue recognition process as identified by IFRS 15. The process is as follows:

- Step 1 - Identify the contract - identify the enforceable contract with the commercial substance which has been approved by both parties;
- Step 2 - Identify the performance obligations - what goods or service are promised under the contract and if the goods or service are distinct.
- Step 3 - Determine the transaction price - what amount of consideration is expected to be received for the delivery of the project;
- Step 4 - Allocate the transaction price to each distinct good or service to be delivered; and
- Step 5 - Determine the revenue that should be recognised.

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for services provided and goods supplied in the normal course of business, net of discounts VAT and other sales related taxes.

Service Income represents fees, brokerages and project revenue receivable and is recognised to the extent that there is a right to a consideration, when the stage of completion at the end of the reporting period can be measured reliably and if it is probable the economic benefits from the transaction will flow to the Company; The transaction is recorded when the revenue can be measured reliably at the value of that consideration due. For contract brokerage on short term contracts, income is earned once the service has been performed.

Income receivable in respect of long-term projects is recognised in the accounting periods in which the services are provided by reference to the stage of completion of the contract. The stage of completion of the contracts is determined by reference to the proportion of total cost of providing the service. Amounts receivable are tested for impairment by comparison with the net present value of the Company's share of the estimated net profits.

The Company also delivers a range of goods and services that are transactional services for which revenue is recognised at the point in time when control of the goods or services have transferred to the customer, at the point when the customer obtains control of the goods or services as defined by the customer specified acceptance criteria within the underlying customer contract.

#### *Principal versus agent*

The Company has arrangements with some of its clients whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods and services to the customer. The Company acts as a principal if it controls a promised good or service before transferring that good or service to the customer. The Company is an agent if its role is to arrange for another entity to provide the goods or services.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.3 Revenue (continued)

Factors considered in making this assessment are most notably the discretion the Company has in establishing the price for the specified good or service, whether the Company has inventory risk and whether the Company is primarily responsible for fulfilling the promise to deliver the service or good. Where the Company is acting as a principal, revenue is recorded on a gross basis. Where the Company is acting as an agent, revenue is recorded at a net amount reflecting the margin earned.

### 1.4 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grant are intended to compensate.

### 1.5 Goodwill

Goodwill arising on the acquisition of subsidiaries and businesses represents the excess of the cost of acquisition over the fair value of the identifiable net assets acquired at the date of the acquisition and is carried at cost less accumulated impairment losses.

Goodwill is not amortised but is tested annually for impairment. For the purpose of impairment testing, goodwill is allocated to a single cash-generating unit, Argo travel. The allocation is made to the cash-generating unit that is expected to benefit from the business combination in which the goodwill arose. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata bases of the carrying amount of each asset in the unit. The impairment loss is recognised immediately in profit and loss as a charge under IAS 36 and is not reversed in subsequent periods. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit and loss on disposal.

### 1.6 Other intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is charged to administrative expenses in the income statement to write off the cost or valuation of assets less their residual values over their useful lives on a straight-line basis:

- Software - 20-33%
- Customer relationships - 10%

### 1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is charged to administrative expenses in the income statement to write off the cost or valuation of assets less their residual values over their useful lives on a straight-line basis:

Property	19-45%
Leasehold improvement	2-3%
Office equipment	10-33%
Computer equipment	10-33%
Motor vehicle	21-50%

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.7 Property, plant and equipment (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

### 1.8 Impairment of property, plant and equipment and intangible assets excluding goodwill

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognised as income immediately.

### 1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Cost is calculated using the FIFO method.

### 1.10 Fair Value Management

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Company is exempt under FRS101 from the disclosure requirements of IFRS 13.

### 1.11 Cash and bank balances

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

### 1.12 Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.12 Financial assets (continued)

#### *Trade receivables*

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

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

To ensure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company determines expected loss rates based on the payment profiles of sales over a period of at least 24 months and also considers other contractual rights to recover management fees e.g. a lien over the vessel, where existent.

#### *Financial assets at fair value through profit and loss*

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the income statement for the reporting period in which it arises.

#### *Financial assets held at amortised cost*

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

#### *Financial assets at fair value through other comprehensive income*

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

At initial recognition; financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

The Company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when equity instrument is derecognised or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

#### *Impairment of financial assets*

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

#### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.13 Financial liabilities

The Company recognizes financial debt when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

#### *Financial liabilities at fair value through profit and loss*

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

#### *Other financial liabilities*

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

#### *Derecognition of financial liabilities*

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

### 1.14 Equity instrument

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

### 1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### *Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.15 Taxation (continued)

#### *Deferred tax (continued)*

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.17 Retirement benefit obligations

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.18 Leases

At inception, the Company assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the Company is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Company's estimate of the amount expected to be payable under a residual value guarantee; or the Company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 1.19 Foreign Exchange

The individual financial statements of each Company are prepared in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and the financial position is expressed in GBP, which is the presentation currency for the consolidated financial statements.

#### i) Foreign currency transactions

Transactions in foreign currencies are translated at the prevailing foreign exchange rate at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate prevailing at that date. Foreign exchange differences arising on translation of monetary assets and liabilities are recognised in the income statement. Exchange gains/losses on translation of foreign currency transactions are recognised in the income statement within administrative expenses.

Non-monetary assets and liabilities that are measured at historical cost or stated at fair value are translated using the exchange rate at the date of transaction or at the date the fair value was determined.

#### ii) Financial statements of non-GBP denominated operations

The assets and liabilities of non-GBP denominated operations are translated into GBP at the prevailing exchange rate at the balance sheet date. The revenue and expenses of non-GBP denominated operations are translated into GBP at rates approximating the prevailing exchange rate at the dates of the transactions. Foreign currency differences arising on re-translation of non-GBP denominated operations are recognised through other comprehensive income in the currency translation reserve within equity.

### 1.20 Software-as-a-Service

SaaS arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

## 2 Adoption of New and Revised standards

### New and amended standards to be adopted by the Company

The following revised IFRS's have been adopted in this consolidated financial information:

- IFRS 17 - Insurance contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Account Policies
- Amendments to IAS 8 - Definition of Accounting Estimates
- Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendment to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 — Comparative Information
- Amendments to IAS 12 - International Tax Reform — Pillar Two Model Rules — Application of the exception and disclosure of that fact

None of these amendments and interpretations that came into effect in the current period has had or will have a material impact on the Company.

### *New and amended standards to be adopted on or after 1 January 2024*

The following standards, interpretations and amendments have not yet been adopted by the Company. At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been endorsed by the UK Endorsement Board).

- Amendment to IAS 1 – Classification of liabilities as Current or Non-Current (effective 1 January 2024)
- Amendment to IAS 1 - Non-current Liabilities with Covenants (effective 1 January 2024)
- Amendment to IFRS 16 - Lease Liability in a Sale and Leaseback (effective 1 January 2024)
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements (effective 1 January 2024)
- Amendments to IAS 21 - Lack of Exchangeability (effective 1 January 2025)
- Amendments to the SASB standards to enhance their international applicability (effective 1 January 2025)

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 2 Adoption of New and Revised standards (continued)

The Directors do not expect that the adoption of the standards and amendments listed above will have a material impact on the financial statements of the Company in future periods.

### 3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ materially from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical accounting judgements

There are no critical accounting judgements concerning the future at the statement of financial position date that may have significant risk of causing material adjustment to the financial statements.

#### Key sources of estimation uncertainty

##### *Goodwill and other intangible assets*

The Company prepares an annual impairment review to determine whether goodwill and intangible assets are impaired at the balance sheet date. The recoverable amounts have been based on value-in-use calculations. The use of this method requires the estimation of future cash flows and the determination of a pre-tax discount rate in order to calculate the present value of the cash flows. The significant estimates impacting future cash flows include travel passenger growth, gross profit margin, overhead rate and the future Greek tax rate. The Company notes there is significant headroom available on the goodwill such that the post tax discount rate and terminal growth rate would need to increase and decrease from 11.3% to 14.5% and 1.5% to -3.5% respectively to reach the breakeven point. The value in use calculations were based on projected cash flows, as prepared in accordance with IAS 36 and is derived from a risk adjusted version of the latest budget approved by the Board, discounted at CGU specific discount rates to calculate their net present value. The carrying value of other intangible assets is £2.5m (2022 : £2.9m), with no impairment recognised.

### 4 Revenue

The Company's revenue disaggregated by primary geographical markets is as follows:

	Year ended 31 December GBP 000	Year Ended 31 December GBP 000
United Kingdom	48,293	46,572
European Union	10,067	10,093
	<u>58,360</u>	<u>56,665</u>

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 4 Revenue (continued)

The revenue has been further disaggregated by service line as follows:

	Year ended 31 December 2023 GBP 000	Year Ended 31 December 2022 GBP 000
Inspections, repairs & maintenance	32,008	31,470
Projects and new builds	5,767	5,112
Subsea services	15,241	15,215
Training	3,076	2,736
Travel	2,268	2,132
	<u>58,360</u>	<u>56,665</u>

### 5 Other Income

	Year ended 31 December 2023 GBP 000	Year Ended 31 December 2022 GBP 000
Government grants (Covid subsidy) - European Union	—	37
	<u>0</u>	<u>37</u>

### 6 Auditor remuneration

Fees payable to the Company's auditor:

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
<b>For audit services</b>		
The audit of the Company's annual financial statements	46	77
<b>Total audit fees</b>	<u>46</u>	<u>77</u>

There were no non-audit expenses paid to the Company's auditor in 2023 (2022:£nil)

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 7 Administration expenses

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Staff Costs	2,205	1,865
Staff expenses	39	37
Property expenses	83	264
Office expenses	292	642
Motor and travel expenses	403	270
Legal and professional expenses	322	440
Insurance expenses	324	150
Equipment expenses	594	373
Bad debt expenses	52	671
Exchange / Finance expenses/(income)	260	(209)
Fair Value Contingent Consideration	221	1,063
Depreciation of property, plant and equipment	442	292
Amortisation of intangible assets	436	434
Intercompany expenses	4,209	3,773
	<u>9,882</u>	<u>10,065</u>

### 8 Employees

The average monthly number of persons (including Directors) employed by the Company during the year was:

	Year ended 31 December 2023 Number	Year ended 31 December 2022 Number
Executive	2	2
Management	2	0
Operations	37	35
Finance	6	5
Administration	1	0
	<u>48</u>	<u>42</u>

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 8 Employees (continued)

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Wages and salaries	1,796	1,543
Social security costs	346	273
Pension costs	63	49
	<b>2,205</b>	<b>1,865</b>

Staff costs are comprised of direct staff costs and administrative personnel costs. Direct staff costs are included in cost of sales and are costs of employees who are directly engaged in carrying out revenue generating activities. Administrative personnel costs include wages and salaries of management and other administrative staff costs.

### 9 Directors remuneration

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Remuneration for qualifying services	162	152
Company pension contributions to defined contribution schemes	8	6
	<b>170</b>	<b>158</b>
<b>Highest paid Director</b>		
Remuneration for qualifying services	101	95
Company pension contributions to defined contribution schemes	7	5
	<b>108</b>	<b>100</b>

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022: 2).

The number of Directors whereby the cost is borne by another Company is 3 (2022: 3).

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 10 Net Finance income

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Interest receivable from group companies	1,167	700
<b>Interest income</b>	<b>1,167</b>	<b>700</b>
Foreign exchange gain on loans	153	837
<b>Interest on other financial liabilities</b>	<b>153</b>	<b>837</b>
<b>Net finance income</b>	<b>1,320</b>	<b>1,537</b>

### 11 Net Finance expenses

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
<b>Interest on other financial liabilities</b>		
Interest payable to group companies	(360)	(333)
Finance cost on lease liabilities	(48)	(14)
Foreign exchange (loss) on loans	(1,049)	—
	<b>(1,457)</b>	<b>(347)</b>

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 12 Income Tax Expense

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
<b>Operations</b>		
<b>Current tax</b>		
UK corporation tax on profits for the current period	—	1,355
Adjustments in respect of prior periods	(50)	(11)
	<b>(50)</b>	<b>1,344</b>
Foreign tax	235	2
<b>Total UK current tax</b>	<b>185</b>	<b>1,346</b>
<b>Deferred tax</b>		
In respect of the current year	40	21
Adjustments in respect of prior periods	43	99
<b>Total deferred tax</b>	<b>83</b>	<b>120</b>
<b>Total tax charge</b>	<b>268</b>	<b>1,466</b>

The charge for the year can be reconciled to the profit per the income statement as

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Profit before tax	7,993	5,654
Expected tax charge based on corporation tax rate of 23.5% (2022 : 19%)	1,878	1,074
Effects of:		
Expenses not deductible for tax purposes	151	257
Adjustment in respect of prior years	(7)	143
Foreign tax not relieved	—	23
Changes in tax rates on deferred tax balances	7	—
Local taxes	—	(31)
UK group relief received for nil payment	(1,761)	—
<b>Total tax charge</b>	<b>268</b>	<b>1,466</b>

In the March 2021 Budget it was announced that the main rate of corporation tax would increase from 19% to 25% from 1 April 2023. This rate was substantively enacted by Finance Act 2021 on 24 May 2021 and is the rate that has been used in calculating deferred tax at 31 December 2023.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 12 Income Tax Expense (continued)

Finance Act 2023 and Finance (No. 2) Act 2023, which received Royal Assent on 10 January 2023 and 11 July 2023 respectively, will have no impact on current and deferred tax assets and liabilities. The corporation tax rate used for tax on profit on ordinary activities is the main rate of UK corporation tax for the year ended 31 December 2023 is 23.5% (2022: 19%).

### 13 Intangible assets

	Customer relationships	Software	Total
	GBP 000	GBP 000	GBP 000
<b>Cost</b>			
<b>At 1 January 2023</b>	4,124	460	4,584
Additions	—	74	74
Disposals	—	(7)	(7)
Exchange rate movement	(70)	—	(70)
<b>At 31 December 2023</b>	<b>4,054</b>	<b>527</b>	<b>4,581</b>
<b>Amortisation and impairment</b>			
<b>At 1 January 2023</b>	1,222	451	1,673
Amortisation charge for the year	421	15	436
Disposals	—	(7)	(7)
Exchange rate movement	(22)	—	(22)
<b>At 31 December 2023</b>	<b>1,621</b>	<b>459</b>	<b>2,080</b>
<b>Carrying amount</b>			
<b>At 31 December 2023</b>	<b>2,433</b>	<b>68</b>	<b>2,501</b>
<b>At 31 December 2022</b>	<b>2,902</b>	<b>9</b>	<b>2,911</b>

The carrying amount of customer relationships wholly relates to its customer lists, business contracts, business records and assembled workforce acquired as part of the Argo travel acquisition. The remaining amortisation period as at 31 December 2023 is 5 years (2022: 6 years).

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 14 Goodwill

	<b>Goodwill</b>
	<b>GBP 000</b>
<b>Cost</b>	
At 1 January 2023	799
Foreign currency adjustments	(14)
At 31 December 2023	<u>785</u>
<b>Carrying amount</b>	
At 31 December 2023	785
At 31 December 2022	<u>799</u>

The carrying amount wholly relates to Goodwill arising on the acquisition of Argo travel, represents the excess of the cost of acquisition over the fair value of the identifiable net assets acquired at the date of the acquisition and is carried at cost less accumulated impairment losses. Goodwill is not amortised but is tested annually for impairment.

In performing the annual test for impairment, the Company used a 'value-in-use' model to which the Company has applied the similar key estimates and judgements for the discount rates and future cash flows used by the Company to assess impairment on its cash-generating unit. The Company believes this to be appropriate given the consistency of the forecasting process. The assumptions used were the following:

Discount Rate (pre-tax): 18.7% (2022: 12.8%)

Terminal Growth Rate: 1.5% (2022: 1.5%)

Long term growth rate of 1.5% has been applied beyond the 5 year forecast period when calculating the value in use of the Argo travel cash generating unit. The Argo business is expected to operate into perpetuity and includes customer relationship intangibles with a remaining useful life of 5 years (note ).

The Company notes there is significant headroom available on the goodwill relating to the Argo intangible asset such that the post tax discount rate and terminal growth rate would need to increase and decrease from 11.3% to 14.5% and 1.5% to -3.5% respectively to reach the breakeven point.

To be able to demonstrate at what point we would have a material impairment, another scenario was ran to show that we would have an impairment of £1,158k if we had no growth in travel revenue.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 15 Property, plant and equipment

	Property	Leasehold	Office	Computer	Motor	Total
	improvements	equipment	equipment	Vehicles		
	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000	GBP 000
<b>Cost</b>						
At 1 January 2023	757	240	1,988	264	151	3,399
Additions	665	55	65	50	112	947
Disposals	—	(34)	(94)	(49)	—	(177)
Exchange rate movements	(6)	(1)	(6)	(1)	(1)	(15)
At 31 December 2023	1,416	260	1,953	264	262	4,155
<b>Accumulated depreciation and impairment</b>						
At 1 January 2023	(435)	(215)	(1,810)	(223)	(74)	(2,757)
Depreciation charge for the year	(289)	(17)	(61)	(16)	(59)	(442)
Disposals	—	34	94	12	—	140
Exchange rate movements	2	1	4	—	1	8
At 31 December 2023	(722)	(197)	(1,773)	(227)	(132)	(3,051)
<b>Carrying amount</b>						
At 31 December 2023	694	63	180	37	130	1,104
At 31 December 2022	321	25	178	41	77	642

Property, plant and equipment includes right-of-use assets, as follows:

	Property	Motor	Total
	vehicles		
	GBP 000	GBP 000	GBP 000
<b>Cost</b>			
At 1 January 2023	756	151	907
Additions	664	112	776
Terminations	—	—	—
Exchange rate movements	(6)	(1)	(7)
At 31 December 2023	1,414	262	1,676
<b>Accumulated depreciation and impairment</b>			
At 1 January 2023	(434)	(74)	(508)
Depreciation charge for the year	(289)	(59)	(348)
Terminations	—	—	—
Exchange rate movements	2	1	3
At 31 December 2023	(721)	(132)	(853)
<b>Carrying amount</b>			
At 31 December 2023	693	130	823
At 31 December 2022	322	77	399

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 16 Inventories

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Finished Goods	229	329

The Directors believe that the carrying value of inventories approximate their replacement costs.

### 17 Trade and other receivables

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Trade receivables	8,258	10,410
Expected credit loss	(983)	(496)
	7,275	9,914
Financing balances owed from parent	15,160	9,532
Financing balances owed from fellow group undertakings	-	2
Trading balances owed from fellow group undertakings	122	128
Contract assets	19 990	1,646
Accrued income and prepayments	2,530	725
Other receivables	243	825
Trade and other receivables	26,320	22,772

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Ageing of Trade Receivables:		
Current	645	1,021
30-60 days	5,319	6,994
61-90 days	537	790
91 days +	1,757	1,605
	8,258	10,410

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 17 Trade and other receivables (continued)

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Ageing of Expected credit loss:		
Current	(5)	4
30-60 days	(216)	(103)
61-90 days	(48)	(13)
91 days +	(714)	(384)
	<u>(983)</u>	<u>(496)</u>

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

The Directors consider that the carrying value of trade and other receivables is approximately equal to the fair value. Trading balances owed from fellow group undertakings do not incur interest and have credit terms of 15 days.

Financing balances owed by fellow group undertakings include loans with interest charged on the outstanding balance at 7%, per annum and unpaid interest is added to the balance. Financing balances owed by fellow group undertakings are repayable on demand.

The average credit terms offered to clients are between 30 and 60 days. The Directors have reviewed all outstanding debts and made provisions for balances estimated to be irrecoverable based on analysis of the counterparty's current financial position.

At 31 December 2023, £1,311k (2022: £813k) of total unprovided amounts due from clients, which the Directors consider fully recoverable, are older than the Company's average credit terms. The Company has not made any provision for doubtful debt against these receivables because there has not been a change in the credit quality of these clients and the amounts are considered receivable.

### 18 Trade and other payables

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Trade payables	1,829	5,190
Financing balances owed to fellow group undertakings	1,592	1,502
Trading balances owed to fellow group undertakings	897	297
Contract liabilities	2,689	5,319
Social security liabilities - European Union	135	120
Accrued expenses	2,295	506
Other payables	121	1,284
<b>Trade and other payables</b>	<u><b>9,558</b></u>	<u><b>14,218</b></u>

The Directors consider that the carrying amount of trade, other payable and all other financial liabilities is approximately equal to their fair value.

Trading balances between fellow group undertakings do not incur any interest and have credit terms of 15 days.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 18 Trade and other payables (continued)

Amounts owed to fellow group undertakings include loans with interest charged on the outstanding balance at 7% per annum and unpaid interest is added to the balance. Finance balances are repayable on demand. Also included within the balance is a contingent consideration of £1.5m.

The average credit terms offered by suppliers are between 30 and 60 days.

### 19 Contract balances

	Year ended 31 December 2023	Year ended 31 December 2022
<i>Note</i>	GBP 000	GBP 000
<b>Contract asset</b>		
<i>17</i>		
Opening Balance	1,646	1,279
Recognised in income statement	(1,646)	(1,279)
Accrued income - current	990	1,646
Year End Balance	<u>990</u>	<u>1,646</u>
<b>Contract liabilities</b>		
<i>18</i>		
Opening Balance	5,319	2,285
Released to income statement	(5,319)	(1,719)
Contract liabilities	2,689	4,753
Year End Balance	<u>2,689</u>	<u>5,319</u>

The movement in contract assets relates to an increase in income to be recognised based on the progress of ongoing projects.

The movement in contract liabilities relates to an increase in income to be deferred based on the progress of ongoing projects.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 20 Lease liabilities

Maturity analysis:	Year ended	Year ended
	31 December	31 December
	2023	2022
	GBP 000	GBP 000
Current lease liabilities (within 1 year)		
Property leases	157	147
Vehicle leases	65	44
	<u>222</u>	<u>191</u>
Non current lease liabilities (from 1 years +)		
Property leases	791	234
Vehicle leases	71	35
Less: Effect of discounting	(245)	(53)
	<u>617</u>	<u>216</u>
Total Lease liabilities	<u>839</u>	<u>407</u>

Payments of £237k (2022 : £247k) have been made in the year for the leases:

Payment analysis:	Year ended	Year ended
	31 December	31 December
	2023	2022
	GBP 000	GBP 000
Property leases	169	197
Vehicle leases	68	50
	<u>237</u>	<u>247</u>

Amounts recognised in profit or loss include the following:

	Year ended 31	Year ended 31
	December	December
	2023	2022
	GBP 000	GBP 000
Depreciation expense on right-of-use assets	348	226
Interest on lease liabilities	33	15
Expense relating to leases of low value assets	4	16

The Directors consider that the carrying amount of the lease obligations is approximately equal to their fair value. The leases are for property and motor vehicles.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 21 Deferred Tax Asset

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Deferred tax asset as at 1 January	84	115
(Charged) to the income statement in the year	(71)	(31)
Deferred tax asset as at 31 December	<u>13</u>	<u>84</u>

A deferred tax asset has been recognised in respect of accelerated capital allowances on the basis that it is probable that fellow Group companies will have taxable profits against which to offset future tax losses arising on the realisation of the assets.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Amounts recognised		
Accelerated capital allowances	377	475
Other temporary differences - intangible assets	(370)	(421)
Other temporary differences	6	30
	<u>13</u>	<u>84</u>

### 22 Other non-current provisions

	Year ended 31 December 2023 GBP 000	Year ended 31 December 2022 GBP 000
Provision for early retirement for health reasons applicable under Greek labour law	—	15
Non-current restoration provision	280	—
	<u>280</u>	<u>15</u>

### 23 Retirement benefit scheme

#### *Defined contribution schemes*

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £63k (2022: £49k). None of this balance is outstanding at the year end.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

### 24 Contingent consideration

Following the acquisition of net assets from the Argo Travel Group on 7 January 2020, part of the consideration was formed by a contingent consideration of an earn out arrangement which requires the Group to pay the former owners of the business certain earn out payments based on the revenue achieved for 2024 against agreed revenue thresholds. The former owners are entitled to interim payments if annual revenue for the years 2021-2023 exceed agreed revenue thresholds for the 'Argo' business. However, any interim payments are either clawed back or netted against the final earn out payment, depending on the revenue achieved for 2024.

The potential discounted amount of all future payments that the Group could be required to make is between £nil (€nil) and £1.5m (€1.8m), this estimate is based on 3 potential scenarios or revenue growth of between 1% and 23%. The fair value of the contingent consideration at 31 December 2023 of £1.5m (€1.8m) has been estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 12.9%.

### 25 Called up Share Capital

	Year ended 31 December 2023	Year ended 31 December 2022
	GBP 000	GBP 000
<i>Authorised, issued and fully paid</i>		
51 ordinary shares of £1 each	—	—
	—	—

The Company has one class of share capital which carries no right to fixed income.

### 26 Contingent liabilities

According to the conditions of the Group's external credit facilities Seatec UK Limited is identified as a Restricted Subsidiary.

As at 31 December 2023, the Group had external facilities Term Loan B, Term Loan C-1 and C-2 (the "Term Loans"). Seatec UK Limited is a restricted subsidiary and a Subsidiary Guarantor. Its assets have been pledged as security against the Term Loans. Total outstanding (face value) as at 31 December 2023 on Term Loan B is USD 480.2m, Term Loan C-1 is USD 60.5m and Term Loan C-2 is USD 30.2m.

### 27 Controlling party

The Company is ultimately owned and controlled by Vouvray Acquisition Limited, incorporated in the United Kingdom.

AI Mistral TopCo Limited, a 100% owned subsidiary of AI Mistral (Luxembourg) Bottomco S.a.r.l, is the largest and smallest group into which the results of the Company are consolidated. Copies are publicly available consolidated financial statements of AI Mistral TopCo Limited can be obtained from its registered office at 1st Floor, 63 Queen Victoria Street, London, EC4N 4UA.

The Directors are of the opinion that the Company ultimately is majority owned by the GPE VIII private equity funds managed by Advent International Corporation ("Advent") incorporated in Delaware, USA.

### 28 Events after balance sheet date

Following the year-end, a consortium led by Star Capital Partnership LLP signed an agreement to acquire the Group from its existing owners. The transaction is subject to regulatory consents and is expected to complete in early autumn 2024. As part of deal completion the Group's existing borrowings will be repaid through a combination of equity investment from the new owners and new borrowings to be provided from a single lender.