

# Schlumberger Danmark ApS

Tværkaj 2, 6700 Esbjerg

CVR no. 17 37 14 44

## Annual report 2018

Approved at the Company's annual general meeting on 3 June 2019

Chairman:



Atle Jaer Nottveit

## Contents

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>3</b>
<b>Management's review</b>	<b>5</b>
<b>Financial statements 1 January - 31 December</b>	<b>15</b>
Income statement	15
Balance sheet	16
Statement of changes in equity	18
Notes to the financial statements	19

**Statement by the Board of Directors and the Executive Board**

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Schlumberger Danmark ApS for the financial year 1 January - 31 December 2018.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Esbjerg, 3 June 2019  
Executive Board:



Frank Lind  
Managing director

Board of Directors:



Atte Jaer Noltveit  
Chairman



Frank Lind



Iben Roos-Jensen

## Independent auditor's report

To the shareholders of Schlumberger Danmark ApS

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Schlumberger Danmark ApS for the financial year 1 January - 31 December 2018, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

### Statement on Management's review

Management is responsible for Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance as to 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 and the additional requirements applicable in Denmark 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 the financial statements.

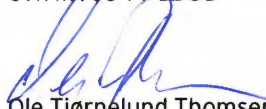
## Independent auditor's report

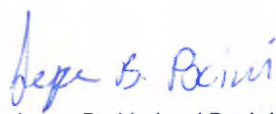
As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 3 June 2019  
PricewaterhouseCoopers  
Statsautoriseret revisionspartnerselskab  
CVR no. 33 77 12 31

  
Ole Tjørnelund Thomsen  
State authorised public accountant  
mne10637

  
Jeppe Bækkelund Pacini  
State authorised public accountant  
mne35792

## Management's review

### Company details

Name	Schlumberger Danmark ApS
Address, Postal code, City	Tværkaj 2, 6700 Esbjerg
CVR no.	17 37 14 44
Registered office	Esbjerg
Financial year	1 January - 31 December
Board of Directors	Alte Jaer Nottveit, Chairman Frank Lind Iben Roos Jensen
Executive Board	Frank Lind, Managing director
Auditors	PricewaterhouseCoopers Statsautoriseret revisionspartnerselskab Strandvejen 44, 2900 Hellerup

## Management's review

### Financial highlights

DKK	2018	2017	2016	2015	2014
<b>Key figures</b>					
Revenue	358,627,721	640,588,619	907,245,335	1,109,271,201	875,578,065
Operating profit/loss	-20,575,364	45,636,377	83,955,390	57,435,266	114,026,387
Net financials	-5,277,747	8,817,369	519,918	4,035,418	-5,587,715
Profit/loss before tax	-25,853,111	54,453,746	84,475,308	126,470,684	108,438,671
<b>Profit/loss for the year</b>	<b>-31,469,380</b>	<b>32,200,632</b>	<b>53,251,003</b>	<b>97,465,802</b>	<b>70,326,446</b>
<b>Total assets</b>					
Investment in property, plant and equipment	4,859,751	7,990,001	26,812,647	22,976,630	16,478,879
<b>Equity</b>	<b>98,924,243</b>	<b>162,594,255</b>	<b>130,393,623</b>	<b>145,736,606</b>	<b>165,705,393</b>
<b>Financial ratios</b>					
Equity ratio	30.9%	47.6%	29.1%	24.8%	26.0%
Return on equity	-24.1%	22.0%	38.6%	62.6%	63.9%
Return on assets	-5.7%	11.6%	16.2%	9.4%	18.5%
<b>Average number of employees</b>					
	<b>129</b>	<b>169</b>	<b>185</b>	<b>171</b>	<b>177</b>

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

## Management's review

### Business review

Schlumberger Danmark ApS provides products and services to the oil & gas industry.

The portfolio of services the company provides includes:

**Well Services** - provides services used during oil and gas well drilling and completion as well as those used to maintain optimal production throughout the life of a well. Such services include pressure pumping, well cementing and stimulation, and coiled tubing equipment for downhole mechanical well intervention, reservoir monitoring and downhole data acquisition.

**Drilling & Measurements** - provides mud logging services for geological and drilling surveillance, directional drilling, measurement-while-drilling and logging-while-drilling services for all well profiles as well as engineering support.

**Testing services** - provides exploration and production pressure and flow-rate measurement services both at the surface and downhole. Testing has a network of laboratories that conduct rock and fluid characterization. Testing also provides tubing-conveyed perforating services.

**Wireline** - provides the information necessary to evaluate subsurface formation rocks and fluids to plan and monitor well construction, and to monitor and evaluate well production. Wireline offers both openhole and cased-hole services including wireline perforating. Slickline services provide downhole mechanical well intervention.

**Completions** - supplies well completion services and equipment that include packers, safety valves, sand control technology as well as a range of intelligent well completions technology and equipment.

**Software Integrated Solutions** - sells proprietary software and provides consulting, information management and IT infrastructure services to customers in the oil and gas industry. SIS also offers expert consulting services for reservoir characterization, field development planning and production enhancement, as well as industry leading petrotechnical data services and training solutions.

**Artificial Lift** - provides production equipment and optimization services using electrical submersible pumps, gas lift equipment, rod lift systems, progressing cavity pumps and surface horizontal pumping systems.

**M-I Swaco** is a supplier of drilling fluid systems engineered to improve drilling performance by anticipating fluids-related problems; fluid systems and specialty equipment designed to optimize wellbore productivity; and production technology solutions formulated to maximize production rates. M-I Swaco also provides engineered managed pressure drilling and underbalanced drilling solutions, as well as environmental services and products to safely manage waste volumes generated in both drilling and production operations.

Schlumberger Danmark ApS is a Schlumberger Group Company.

### Recognition and measurement uncertainties

No particular uncertainties are considered to have an impact on the recognition of the Company's assets and liabilities.



## Management's review

### Financial review

In 2018, the Company's revenue amounted to DKK 358,627,721 against DKK 640,588,619 last year. The income statement for 2018 shows a loss of DKK 31,469,380 against a profit of DKK 32,200,632 last year, and the balance sheet at 31 December 2018 shows equity of DKK 98,924,243. The drop in activity has resulted in a drop in revenue.

### Special risks

Demand for the majority of our services depends substantially on the level of expenditures by the oil and gas industry for the exploration, development and production of oil and natural gas reserves. These expenditures are generally dependent on the industry's view of future oil and natural gas prices and are sensitive to the industry's view of future economic growth and the resulting impact on demand for oil and natural gas. Since 2014, oil and gas prices have declined significantly, globally resulting in lower expenditures by the oil and gas industry.

Continued low oil and gas prices or a further decline in oil and gas prices could cause a reduction in cash flows for our customers, which could have adverse effects on the financial condition of some of our customers. This could potentially result in project modifications, delays or cancellations, general business disruptions, and delays in payment of amounts that are owed to us. These effects could have an adverse effect on our financial condition, results of operations and cash flows.

The prices for oil and natural gas have historically been volatile and can be affected by a variety of factors, including:

- ▶ Demand for hydrocarbons, which is affected by general economic and business conditions;
- ▶ The ability or willingness of the Organization of Petroleum Exporting Countries ("OPEC") to set and maintain production levels for oil;
- ▶ Oil and gas production levels by non-OPEC countries;
- ▶ The level of excess production capacity;
- ▶ Political and economic uncertainty and geopolitical unrest;
- ▶ The level of worldwide oil and gas exploration and production activity;
- ▶ Access to potential resources
- ▶ Governmental policies and subsidies
- ▶ The costs of exploring for, producing and delivering oil and gas;
- ▶ Technological advances affecting energy consumption; and
- ▶ Weather conditions.

There can be no assurance that the demand or pricing for oil and natural gas will follow historic patterns or recover in the near term. Continued or worsening conditions in the oil and gas industry could adversely affect our financial condition, results of operations and cash flows.

## Management's review

### Impact on the external environment

Quality, Health, Safety, Environment (QHSE) remains a constant priority for the company. A number of policies and procedures have been developed to secure a consistent approach to QHSE throughout the organisation. The company continually trains and develops personnel in the field of QHSE.

The main objective of the environmental work is concentrated on preventing harmful discharges.

### Statutory CSR report

#### Description of the enterprise's business model.

Schlumberger Danmark ApS is a service provider to the Oil & Gas sector with focus on Danish part of the North Sea, offering a wide-ranging of service packages including personnel & hardware, chemicals technology, software solutions and engineering primarily to the Operators in the Danish sector. Furthermore, our North Sea simulation vessel support are managed by the onshore technical department in Esbjerg. The company currently employs 82 persons.

**Ethically:** In Schlumberger, we take great pride in our integrity and ethical business conduct. Although we work in more than 80 countries, each of which has different laws and definitions of acceptable behavior, we consider all employees, regardless of where they are located, to be accountable for their actions and to conduct themselves in compliance with our standards. These standards can be found in the Schlumberger Code of Ethics, which is designed to guide decision-making and help handle business situations ethically and professionally.

**Safely:** The safety of our people is paramount in Schlumberger and an integral part of our culture. In addition to policies and standards related to safe operations, we focus on individual well-being and on equipping our employees with the necessary training to prevent accidents both within and outside the workplace.

**Getting It Right the First Time, Every Time:** We believe that delivering flawless execution will be our next major competitive advantage. Therefore, at the end of 2007 SLB launched a major program called Excellence in Execution. The program's underlying goal is to achieve a step change in the quality of everything we do—from improving the reliability of our products and services to delivering exceptional service to our customers. As part of this program we require all employees to strive to get it right the first time, every time, regardless of their responsibilities, and to ensure they are complying with our quality system management standards and processes.

#### Information on CSR risks.

**Catastrophic events offshore** - the industry, albeit heavily regulated and with an extreme focus on safety and HSE, is continuously at risk for accidents that can cause great harm to people, environment and equipment. Although accidents rarely happen, the impact of an accident is so severe that it will always constitute a business risk. To this point, the company is following a strict HSE program to prevent any accidents and/or other injuries, to ensure that we work in a safe and compliant work environment.

**IT security** - with Schlumberger being a technology driven company in the forefront of the oil service business, the risk of cyber-attack is ever-present and is something that we take seriously. Every employee, and especially employees holding managerial or other key positions, will be potential targets of a phishing attack, and the company run regular drills to prepare the staff and training them to spot such attempts and subsequently report them.

**Anti-Corruption** - bribery and corruption are a continuous threat within a large multi-national business environment containing multiple different companies on both client and supplier's side. Schlumberger has taken a conscious and clear standing with regards to anti-corruption, including a robust anti-corruption program that is introduced and reinforced to every employee on regular basis. The company has zero-tolerance for bribes and corruptive behavior of any kind, and expect the same from any customer, supplier or business partner.

#### Information on application of non-financial KPIs relating to CSR.

**Our Purpose, Culture and Values:** The founders, Conrad and Marcel Schlumberger instilled three core values that exist today. They serve as the foundation of our culture and guide everything we do:

**People:** Our people thrive on the challenge to excel in any environment. Their dedication to safety and customer service worldwide is our greatest strength.

## Management's review

**Technology:** Our commitment to technology and quality is the basis of our competitive advantage.

**Profits:** Our determination to produce superior profits is the cornerstone of our future independence of action and growth. The roots of our corporate values can be traced back to the Schlumberger family values, which steadfastly insisted on the importance of learning and education, and which later took form in the belief that one must always keep a close eye on the customer's needs and the company's greater purpose in the world. Conrad and Marcel Schlumberger believed in the idea of driving their company's future success by re-investing profits in the business, particularly in research and development. In addition, the brothers introduced some simple global principles that form the backbone of our personnel principles such as establishing English as the corporate language, and an international mobile population who perpetuate and transmit the culture of our company.

Information about result achieved during 2018.

As our Danish business unit is fully ISO 14001 environmental certified by DNV for over 10 years without any non conformances and all our chemical solutions are managed with full upfront approvals from Danish Authorities. Furthermore, all aspects of the environment are managed within the Danish law and following the International requirements as we have maintained all permits from Danish regulators Authorities.

We have no record of any violation or any other aspects regarding the employee relations or human rights and we have just managed the social plan for the downsizing the Danish team with Danish Unions and Authorities i.e. no issues or any other negative challenges.

The company has a robust mechanism of reporting corruption and bribery, including a whistleblower program. During 2018, there were no reported incidents for corruption or bribery.

### Information on any due diligence processes concerning CSR.

Schlumberger works diligently across various functions to ensure compliance related to our Corporate Social Responsibilities.

The company has introduced a detailed due diligence of any agent or critical supplier according to our Agent Standard, which includes a wide questionnaire, legal department scrutinization, and a contract based on Schlumberger T&Cs, containing all critical provisions relevant to CSR.

Schlumberger further communicates a strict zero-tolerance to any unethical behavior, including but not limited to abuse of dominance in the market, bribery (including facilitation payments), conflict of interests and discrimination of any kind. These points, and more, are communicated both internally to all employees, and externally to anyone working with Schlumberger. It is in our employment contracts as well as our customer- and supplier contracts. The Legal Department works continuously to enforce a strict adherence to our Ethics & Compliance Program, through training and communication, incl. Legal Alerts, Integrity Days and internal audits of facilities and/or product lines. These audits can be driven by the local team, or a global team from the Schlumberger Limited Group.

The company advocates a non-retaliation principle. Through this, the company encourages any and all Schlumberger employee, and also anyone else working for or with Schlumberger, to come forward with their good faith concerns without fear of retaliation. This is communicated as a vital instrument to ensure that relevant members of management are made aware of non-conformance that needs attention. Further to this, the company allows for reports to be made through various channels; direct management, upper management, via designated functions (HR or Legal), via online reporting tools or through an anonymous phone service called Ethics Line.

In case of an alleged non-conformance, the company has a designated Ethics & Compliance team that will review and delegate the investigation based on the content of the allegation. Thereafter, an internal investigation will be ordered that shall culminate in a report including any remedial actions applicable. The designated investigator(s) will be a someone with enough distance to the matter, to ensure a non-biased and objective investigation.

### Information on policies on social and staff matters.

**Equal Opportunity-No Discrimination** One of our greatest strengths is the diversity of our workforce. Employees of many nationalities and backgrounds work together to achieve common objectives. As a global company, we encourage fair employment practices and offer equal opportunities to all our employees (Code of Conduct, p. 27).

## Management's review

### Fair Wages

Compensation paid to workers must comply with all applicable wage laws, including those relating to minimum wages, overtime hours, and benefits. The basis on which workers are being paid is clearly conveyed to them in a timely manner. We offer competitive compensation and benefits packages, and we require our suppliers to comply with all applicable wage laws wherever we work (Code of Conduct, p. 27, and internal personnel policy).

### Social Responsibility

We contribute to the social development of our communities by supporting initiatives that improve youth education and living conditions.

We foster the economic development of these communities by recruiting, hiring, and training where we work; promoting from within; and complying with national regulations and rules. We actively promote health and education in these communities (Code of Conduct, p. 27).

### Social and Environmental Management Standard

A standard to manage social and environmental issues, risks, and impacts in large-footprint projects has been applied to 14 projects where Schlumberger Production Management (SPM) develops and comanages customer oilfield assets under long-term commercial agreements. The SPM Social and Environmental Management Standard, which aligns with the International Finance Corporation Performance Standards on Environmental and Social Sustainability provides a framework for managing our local impact and ensuring that we respect the rights of individuals and groups in the communities where we live and work. The standard provides specific guidance in six social and six environmental subject areas.

### Information on anti-corruption and anti-bribery policies.

#### Supply Chain Management

Schlumberger works with suppliers in a socially responsible and ethical manner. We have zero tolerance for corruption of any kind and we expect the same from our contractors and suppliers. To meet our industry requirements, suppliers must adhere to responsible social, environmental, and economic practices, including avoiding the use of conflict minerals in our source activities. Our suppliers are selected and retained in alignment with our health, safety, and environmental stewardship standards and Code of Conduct (Code of Conduct, p. 12).

#### Employee Whistle Blower Protection

Employees who believe that a violation of Our Code of Conduct has occurred must report concerns to management using any available channel of communication. Schlumberger will not tolerate retaliation against anyone who raises a concern in good faith. Employees are required to report known and suspected violations of the Code of Conduct and applicable national laws. However, employees who intentionally report false information are subject to disciplinary action (Code of Conduct, pp. 1 and 12).

#### Conflicts of Interest

Conflicts between personal interests and the interests of Schlumberger or its customers may arise when personal, social, financial, political, or other interests interfere. To avoid such conflicts of interest, employees must not hold financial stakes in companies that do business with Schlumberger. They must put Schlumberger business interests first, disclose all conflicts of interest, and avoid situations that create the appearance of a conflict of interest. If such a conflict exists, the affected employee must obtain written approval from an appropriate Schlumberger controller before continuing to work (Code of Conduct, p. 16).

#### Stock Transactions

Our Insider Trading Standard prohibits employees from releasing material, non-public information about Schlumberger, such as financial results, changes in dividends and earnings, mergers and acquisitions, and business strategies. Employees are required to keep such information confidential, including all nonpublic and insider information that relates to Schlumberger or its financial position. Also, employees may not buy or sell Schlumberger Limited stock or publicly traded derivatives until the information becomes public, nor may they act to acquire or sell stocks and derivatives of companies with which Schlumberger does business until the information is public knowledge (Code of Conduct, p. 17).

## Management's review

### Gifts and Entertainment

Accepting or giving business gifts or hospitality must never influence business decisions. Items or benefits for which the recipient does not pay fair market value, including meals, entertainment, or tickets to sporting events worth more than a nominal value cannot be offered to or accepted from any individual or organization that wishes to do business with Schlumberger (Code of Conduct, p. 19).

### Antibribery

No employee may offer or accept bribes in any form or under any circumstance, including bribes related to charitable contributions. We avoid facilitation payments, making them only in very limited circumstances, such as when an individual's health or safety is at risk and only when we have obtained proper approval and documentation according to Schlumberger requirements. In addition, payments to government officials are forbidden. Schlumberger is politically neutral and does not make political contributions (Code of Conduct, p. 23).

### Fair and Ethical Business Practices

Schlumberger does not win business or maintain customer relationships by acting illegally or unethically. We do not enter into agreements that can restrict full and fair competition. We do not share pricing or bidding information with competitors or with anyone outside of the Company. We do not use Company funds or assets for political purposes. We may engage in dialogue with public policy decision makers, but we do not use lobbyists or seek to bring about particular outcomes or decisions. We compete aggressively, but fairly (Code of Conduct, p. 26).

### Trade Compliance

Schlumberger provides products and services in many countries worldwide. Nearly all the countries in which we operate have customs laws, and many have additional trade controls that govern the import, temporary import, export or re-export of Schlumberger products, services, technology, software, and finances. Wherever we do business, we comply with all customs and trade control laws and regulations that apply to us, and we are especially mindful of technology transfers (Code of Conduct, p. 30).

### Business and Financial Transparency

Schlumberger keeps honest and accurate business records. Employees must not hide, alter, falsify or disguise the true nature of any business transaction. Schlumberger complies with accounting and financial reporting standards and requires employees to follow internal financial approval guidelines. We retain and destroy business records in accordance with local laws and Schlumberger requirements (Code of Conduct, p. 36).

### Conflict Minerals

Schlumberger recognizes that human rights abuses can exist in the extraction, transportation, and trade of minerals in some countries including the Democratic Republic of the Congo and its adjoining countries. We do not knowingly contribute to the conflict in our sourcing activity in the covered countries. Schlumberger does not tolerate corruption of any kind and we expect our suppliers to adhere to the same standard. We have also developed a Conflict Minerals Position Statement.

### Information on environmental and climate related policies

**Operations Integrity** Operations integrity means that every employee commits to doing the job right the first time, every time. We do this to protect our people, our communities, and the environment, and to deliver flawless quality to our customers. To help make continuous quality improvements, we participate in all required audits and periodic assessments. We also help improve quality by addressing customer feedback in a timely and appropriate manner (Code of Conduct, p. 14).

### Protecting the Environment

Our advanced technologies enable our customers to lower their environmental impact while optimizing the recovery of nonrenewable resources. By combining our technology advantage with increased engagement in the communities where we work, we are lowering emissions, decreasing water usage, and reducing unplanned releases.

## Management's review

### Addressing Climate Change

As a global technology leader, we believe that our ability to address climate change issues with new technologies and increased operational performance is integral to the energy industry's global initiative to reduce its carbon footprint. Schlumberger technologies are already directly and indirectly helping our customers reduce or avoid emissions, lower water usage, improve chemistry applications, and increase oil and gas production by using fewer resources. Our corporate strategy includes the development of advanced technologies for faster drilling, reduced surface and subsurface footprint, and improved reservoir recovery and production—all of which contribute to lowering resource requirements and creating fewer emissions per hydrocarbon unit produced.

### Environmental Management

Our HSE management system has encompassed environmental quality management for more than 18 years. This system has been independently reviewed for conformance to the ISO 14001 Environmental Management System standard, and for conformance to environmental standards of the International Finance Corporation.

### Information on human rights policies

Human Rights Schlumberger employees represent more than 140 nationalities who live and work in more than 85 countries around the globe. Schlumberger is committed to conducting business in a manner that preserves and respects human dignity. The Company obeys the employment laws of the countries in which it operates and does not engage in discrimination based on race, color, gender, age, sexual orientation, ethnicity, disability, religion, union membership, or marital status in hiring and employment practices such as promotions, rewards, and access to training. Our employees are expected to treat one another professionally and with mutual respect. Schlumberger maintains zero tolerance for corruption of any kind, and we expect the same from our contractors, suppliers, and agents. They are required to comply with the laws of the countries in which they operate, and to act in a socially responsible and ethical manner, consistent with The Blue Print in Action. All suppliers, contractors, and agents must be approved and managed in accordance with internal requirements.

Schlumberger respects the principles in The International Bill of Human Rights, including Child Labor (Article 25); Discrimination (Article 7); Fair Wage and Collective Bargaining (Article 23); Freedom of Association (Article 20); Human Rights (Articles 1 and 2); and Modern Slavery and Human Trafficking (Article 4) (Code of Conduct, p. 27, and Supply Chain Services).

### Immigration and Employment Laws

Because our business involves frequent international movement of employees, we ensure that the travel, transfer, employment, and residence of all personnel complies with applicable immigration and employment laws. This requirement extends to dependents of our employees and contractor personnel. Schlumberger has visa and immigration compliance programs to assist in this effort, but we expect all employees to take responsibility for their own immigration status (Code of Conduct, p. 30).

### Child Labor

Hiring children is strictly prohibited. Our internal personnel policy defines a child laborer as any working person who is, (1) under the age of 15, (2) under the age for completing compulsory education, or (3) under the minimum age for employment in the country.

### Account of the gender composition of Management

The ultimate parent company, Schlumberger Limited has determined the following policy applicable within the Schlumberger Group: "We must attract and retain top performers worldwide from the full depth of the talent pool and address the evolving needs of our workforce in terms of quality of life and dual career expectations. By creating a variety of perspectives - gender and culture - that stimulate productive creativity and innovation - we maintain our competitive edge.

Looking forward, our goal is to continually increase the percentage of women we recruit worldwide, ensure proper career development for high-performing women, and increase our organizational flexibility to accommodate a wider range of personal situations.

We have renewed our commitment to gender diversity by setting a new target of having women comprise 25% of our workforce at all levels of the organization by 2020."

### **Management's review**

Schlumberger Danmark ApS' overall gender composition has not changed in 2018 where 12.6 % were women. At management level 26% were women. The Company aims to be a workplace of equal opportunities.

#### **Diversity in the Board of Directors**

At the moment, one of the three board members in Schlumberger Danmark ApS are women. Thereby equally representation is reached.

#### **Events after the balance sheet date**

No significant events have taken place in 2019 which have an impact on the company's financial position as at December 2018.

#### **Outlook**

In 2019 we expect the same level in activity compared to the activity in 2018.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2018	2017
3	<b>Revenue</b>	358,627,721	640,588,619
	Cost of sales	-170,621,285	-255,320,143
	Other operating income	61,776,666	3,803,557
	External expenses	-79,623,354	-119,574,829
	<b>Gross profit</b>	170,159,748	269,497,204
4	Staff costs	-132,053,744	-161,614,055
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-58,681,368	-62,246,772
	<b>Profit/loss before net financials</b>	-20,575,364	45,636,377
5	Financial income	18,048,467	17,077,884
6	Financial expenses	-23,326,214	-8,260,515
	<b>Profit/loss before tax</b>	-25,853,111	54,453,746
7	Tax for the year	-5,616,269	-22,253,114
	<b>Profit/loss for the year</b>	-31,469,380	32,200,632



## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2018	2017
	<b>ASSETS</b>		
	Fixed assets		
8	Intangible assets		
	Goodwill	0	48,683,735
		<u>0</u>	<u>48,683,735</u>
9	Property, plant and equipment		
	Plant and machinery	14,408,991	28,252,868
	Other fixtures and fittings, tools and equipment	2,102,183	7,003,305
	Leasehold improvements	3,623,416	4,126,558
	Property, plant and equipment in progress	514,832	1,902,709
		<u>20,649,422</u>	<u>41,285,440</u>
10	Investments		
	Deposits, investments	269,486	928,288
		<u>269,486</u>	<u>928,288</u>
	<b>Total fixed assets</b>	<u>20,918,908</u>	<u>90,897,463</u>
	<b>Non-fixed assets</b>		
	Inventories		
	Raw materials and consumables	12,388,342	12,378,902
	Finished goods and goods for resale	24,519,652	30,812,487
		<u>36,907,994</u>	<u>43,191,389</u>
	Receivables		
	Trade receivables	17,973,811	15,098,414
	Receivables from group entities	105,336,137	86,132,567
13	Deferred tax assets	0	241,061
	Income taxes receivable	939,752	0
	Other receivables	3,037,655	4,713,949
11	Prepayments	11,287,824	22,781,154
		<u>138,575,179</u>	<u>128,967,145</u>
	<b>Cash</b>	<u>123,818,906</u>	<u>78,393,293</u>
	<b>Total non-fixed assets</b>	<u>299,302,079</u>	<u>250,551,827</u>
	<b>TOTAL ASSETS</b>	<u><u>320,220,987</u></u>	<u><u>341,449,290</u></u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	2018	2017
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
12	Share capital	20,001,000	20,001,000
	Retained earnings	78,923,243	110,392,623
	Dividend proposed for the year	0	32,200,632
	<b>Total equity</b>	<u>98,924,243</u>	<u>162,594,255</u>
	<b>Provisions</b>		
13	Deferred tax	452,886	0
	<b>Total provisions</b>	<u>452,886</u>	<u>0</u>
	<b>Liabilities other than provisions</b>		
	<b>Current liabilities other than provisions</b>		
	Bank debt	34,340,771	5,855,739
	Trade payables	43,710,885	34,891,677
	Payables to group entities	119,871,943	96,742,919
	Income taxes payable	4,891,511	7,405,659
	Other payables	15,395,470	33,069,942
14	Deferred income	2,633,278	889,099
		<u>220,843,858</u>	<u>178,855,035</u>
	<b>Total liabilities other than provisions</b>	<u>220,843,858</u>	<u>178,855,035</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>320,220,987</u></u>	<u><u>341,449,290</u></u>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 15 Contractual obligations and contingencies, etc.
- 16 Related parties
- 17 Fee to the auditors appointed by the Company in general meeting

## Financial statements 1 January - 31 December

### Statement of changes in equity

Note	DKK	Share capital	Retained earnings	Dividend proposed for the year	Total
	Equity at				
	1 January 2017	20,001,000	110,392,623	0	130,393,623
18	Transfer, see "Appropriation of profit/loss"	0	0	32,200,632	32,200,632
	Equity at				
	1 January 2018	20,001,000	110,392,623	32,200,632	162,594,255
18	Transfer, see "Appropriation of profit/loss"	0	-31,469,380	0	-31,469,380
	Dividend distributed	0	0	-32,200,632	-32,200,632
	Equity at				
	31 December 2018	20,001,000	78,923,243	0	98,924,243

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Schlumberger Danmark ApS for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Schlumberger Ltd.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Intra-group business combinations

Intercompany business combinations are accounted for using the pooling of interest method.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

##### Revenue

Income from the sale of goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Other operating income

Other operating income comprise items of gains on sale of fixed assets and renting out staff.

##### Raw materials and consumables, etc.

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

##### Cost of sales

Cost of sales include expenses relating to raw materials and consumables used in generating the year's revenue.

##### External expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

Customer contracts are amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.

The basis of amortisation/depreciation, which is calculated as cost less any residual value, is amortised/depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Customer contracts	7 years
Plant and machinery	2-8 years
Other fixtures and fittings, tools and equipment	4-8 years
Leasehold improvements	5-30 years

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

#### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

#### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

#### Balance sheet

##### Intangible assets

Acquired goodwill is subsequently measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the estimated useful life, which is 7 years. The amortisation period is fixed on the basis of the expected repayment horizon, longest for strategically acquired business enterprises with strong market position and long-term earnings profiles.

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Investments

Investments consists of deposits which are measured at cost value. Deposits are not depreciated.

##### Impairment of fixed assets

Every year, intangible assets and property, plant and equipment as well as investments in subsidiaries and associates are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Inventories

Inventories are measured in accordance with the weighted average cost. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Equity

###### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

##### Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$

#### 2 Events after the balance sheet date

No significant events have taken place in 2019 which have an impact on the company's financial position as at December 2018.

## Financial statements 1 January - 31 December

## Notes to the financial statements

DKK	2018	2017
<b>3 Segment information</b>		
<b>Breakdown of revenue by business segment:</b>		
Drilling	42,696,777	41,606,380
Characterization	248,962,493	177,810,918
Completions	2,286,749	212,891,253
Well intervention	64,681,702	208,097,483
Production	0	182,585
	358,627,721	640,588,619
Revenue in all material respects is from Denmark or the North Sea Area.		
<b>4 Staff costs</b>		
Wages/salaries	117,164,885	150,672,678
Pensions	9,419,850	10,235,600
Other social security costs	113,339	-248,015
Other staff costs	5,355,670	953,792
	132,053,744	161,614,055
Average number of full-time employees	129	169
Total remuneration to management in 2018 amounted to DKK 1.34m (DKK 2.54m for 2017).		
<b>5 Financial income</b>		
Interest receivable, group enterprises	9,506,063	1,657,450
Exchange rate gain	8,542,404	15,405,266
Other financial income	0	15,168
	18,048,467	17,077,884

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK	2018	2017			
<b>6 Financial expenses</b>					
Interest expenses, group enterprises	2,275,933	712,450			
Exchange rate loss	21,049,852	7,548,065			
Other financial expenses	429	0			
	<u>23,326,214</u>	<u>8,260,515</u>			
<b>7 Tax for the year</b>					
Estimated tax charge for the year	4,891,511	20,893,690			
Deferred tax adjustments in the year	693,947	932,479			
Tax adjustments, prior years	30,811	426,945			
	<u>5,616,269</u>	<u>22,253,114</u>			
<b>8 Intangible assets</b>					
DKK		<u>Goodwill</u>			
Cost at 1 January 2018		340,786,147			
Cost at 31 December 2018		340,786,147			
Impairment losses and amortisation at 1 January 2018		292,102,412			
Amortisation/depreciation in the year		48,683,735			
Impairment losses and amortisation at 31 December 2018		340,786,147			
<b>Carrying amount at 31 December 2018</b>		<u>0</u>			
Amortised over		<u>7 years</u>			
<b>9 Property, plant and equipment</b>					
DKK	<u>Plant and machinery</u>	<u>Other fixtures and fittings, tools and equipment</u>	<u>Leasehold improvements</u>	<u>Property, plant and equipment in progress</u>	<u>Total</u>
Cost at 1 January 2018	146,358,675	28,993,713	7,495,443	2,098,442	184,946,273
Additions in the year	0	0	0	4,859,751	4,859,751
Disposals in the year	-77,479,361	-13,636,608	-172,014	0	-91,287,983
Transfer from other accounts	4,577,463	1,523,870	146,295	-6,247,628	0
Cost at 31 December 2018	<u>73,456,777</u>	<u>16,880,975</u>	<u>7,469,724</u>	<u>710,565</u>	<u>98,518,041</u>
Impairment losses and depreciation at 1 January 2018	118,105,807	21,990,408	3,368,885	195,733	143,660,833
Amortisation/depreciation in the year	7,174,431	2,173,767	649,434	0	9,997,632
Disposals	-66,232,452	-9,385,383	-172,011	0	-75,789,846
Impairment losses and depreciation at 31 December 2018	<u>59,047,786</u>	<u>14,778,792</u>	<u>3,846,308</u>	<u>195,733</u>	<u>77,868,619</u>
<b>Carrying amount at 31 December 2018</b>	<u>14,408,991</u>	<u>2,102,183</u>	<u>3,623,416</u>	<u>514,832</u>	<u>20,649,422</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 10 Investments

DKK	<u>Deposits, investments</u>
Cost at 1 January 2018	928,288
Disposals in the year	<u>-658,802</u>
Cost at 31 December 2018	269,486
<b>Carrying amount at 31 December 2018</b>	<b><u>269,486</u></b>

#### 11 Prepayments

Prepayments comprise prepaid expenses relating to subsequent financial years, including prepaid rent.

DKK	<u>2018</u>	<u>2017</u>
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#### 12 Share capital

Analysis of the share capital:

20,001,000 shares of DKK 1.00 nominal value each	<u>20,001,000</u>	<u>20,001,000</u>
	<u>20,001,000</u>	<u>20,001,000</u>

Analysis of changes in the share capital over the past 5 years:

DKK	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Opening balance	20,001,000	20,001,000	20,001,000	20,000,000	20,000,000
Capital increase	0	0	0	1,000	0
	<u>20,001,000</u>	<u>20,001,000</u>	<u>20,001,000</u>	<u>20,001,000</u>	<u>20,000,000</u>

#### 13 Deferred tax

Deferred tax relates to:

DKK	<u>2018</u>	<u>2017</u>
Intangible assets	0	352,000
Property, plant and equipment	725,849	185,381
Other taxable temporary differences	<u>-272,963</u>	<u>-778,442</u>
	<u>452,886</u>	<u>-241,061</u>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 14 Deferred income

Deferred income comprises payments relating to sale which will not be recognised as income until in the subsequent financial year once the recognition criteria are satisfied.

#### 15 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

##### Other financial obligations

Other rent and lease liabilities:

DKK	2018	2017
Rent and lease liabilities	14,980,322	21,253,606

The company has placed guarantees in relation to customer warranties and customs of total 2,533 thousand (2017: 2,533 thousand).

#### 16 Related parties

Schlumberger Danmark ApS' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Schlumberger B.V.	Parkstraat 83-89, 2514 JG The Hague, The Netherlands	Controlling interest

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Schlumberger Ltd.	Willemstad, Curacao	The Schlumberger Ltd. annual report can be obtained from the link <a href="http://media.corporate-ir.net/media_files/IROL/97/97513/ar2017/index.html">http://media.corporate-ir.net/media_files/IROL/97/97513/ar2017/index.html</a>

Schlumberger Ltd is the only entity within the group that consolidates the Schlumberger Danmark ApS figures in its financial reporting. No consolidation takes place at a lower level.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### Related party transactions

With reference to section 98 C(7) of the Danish Financial Statements Act, the company has chosen only to disclose transactions with related parties not carried through on normal market terms.

All transactions with related parties have been carried through on normal terms.

#### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Schlumberger B.V.	Parkstraat 83-89, 2514 JG Den Haag, The Netherlands

DKK	<u>2018</u>	<u>2017</u>
<b>17 Fee to the auditors appointed by the Company in general meeting</b>		
Statutory audit	640,305	646,852
Other services	33,844	160,759
	<u>674,149</u>	<u>807,611</u>
<b>18 Appropriation of profit/loss</b>		
<b>Recommended appropriation of profit/loss</b>		
Proposed dividend recognised under equity	0	32,200,632
Retained earnings/accumulated loss	-31,469,380	0
	<u>-31,469,380</u>	<u>32,200,632</u>