

**RS 2001 ApS**  
**Central Business Registration No**  
**20862831**  
**Gydevang 25**  
**DK-3450 Allerød**

**Annual report 2015**

The Annual General Meeting adopted the annual report on 31.05.2016

**Chairman of the General Meeting**

  
Name: Martin Skovbjerg

## Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's reports	3
Management commentary	5
Accounting policies	6
Income statement for 2015	9
Balance sheet at 31.12.2015	10
Statement of changes in equity for 2015	12
Notes	13

## Entity details

### Entity

RS 2001 ApS  
Gydevang 25  
DK-3450 Allerød

Central Business Registration No: 20862831

Registered in: Allerød

Financial year: 01.01.2015 - 31.12.2015

Phone: 48143514

Fax: 48143518

### Executive Board

Jørgen Hallundbæk, CEO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
Postboks 1600  
0900 København C

## **Statement by Management on the annual report**

The Executive Board has today considered and approved the annual report of RS 2001 ApS for the financial year 01.01.2015 - 31.12.2015.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Allerød, 31.05.2016

**Executive Board**



Jørgen Hallundbæk  
CEO

## **Independent auditor's reports**

### **To the owner of RS 2001 ApS**

#### **Report on the financial statements**

We have audited the financial statements of RS 2001 ApS for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **Management's responsibility 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.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of financial statements that give a true and fair view 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 Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2015 and of the results of its operations for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

## Independent auditor's reports

### Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the financial statements.

Copenhagen, 31.05.2016

### Deloitte

Statsautoriseret Revisionspartnerselskab



Sumit Sudan

State Authorised Public Accountant

CVR-nr. 33963556

## **Management commentary**

### **Primary activities**

The Company is a provider of rental of equipment to the offshore industry.

### **Development in activities and finances**

There have been no operating activities in the Company during 2015. On this basis, net loss of USD 102 thousand is considered satisfactory.

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

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

## **Accounting policies**

### **Reporting class**

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

The accounting policies applied for these financial statements are consistent with those applied last year.

The financial statements are presented in USD, which is regarded as the presentation currency in relation to the Company's activities and the relevant currency of the business.

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

### **Income statement**

#### **Administrative expenses**

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including audit costs.



## Accounting policies

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Welltec Group's Danish subsidiaries are jointly taxed with the principal shareholder JH Holding. Allerød, ApS. The current Danish income tax is allocated among the jointly taxed companies in portion to their taxable income (full allocation subject to reimbursement in respect of tax losses).

The current tax charge for the year is calculated based on the tax rates and tax legislation in each country applicable on the balance sheet date.

Deferred tax is recognised on all temporary differences between carrying values and tax-based values of assets and liabilities, except for deferred tax on all temporary differences on initial recognition of goodwill or on initial recognition of a transaction that is not a business combination, and for which the temporary difference found at the time of initial recognition neither affects profit nor loss for the year nor taxable income.

Deferred tax is calculated based on the expected use of each asset and the settlement of each liability, respectively.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on the tax rates and tax legislation that have been enacted or substantively enacted in the respective countries on the balance sheet date. Changes in deferred tax resulting from changed tax rates or tax rules are recognised in profit or loss, unless the deferred tax is attributable to items previously recognised in other comprehensive income or in equity. If so, such changes are also recognised in other comprehensive income or in equity.

Exchange adjustments on deferred tax are recognised as part of the year's adjustment in deferred tax.

## **Accounting policies**

Changes in local tax rates, affecting deferred tax, are used and thus affecting the value of the calculated deferred tax asset, alternatively deferred tax liability at year-end.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the statement of financial position at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets for set-off against future positive taxable income. At the end of each reporting period, it is reassessed whether sufficient taxable income is probable to arise in the future for the deferred tax asset to be used.

Balances calculated according to the rules on interest deductibility limitations in the Danish Corporate Income Tax Act are allocated according to a joint taxation agreement between the companies that are subject to deductibility limitation in proportion to their share of the total limitation. Deferred tax liabilities in respect of these balances are recognised in the statement of financial position; whereas deferred tax assets are recognised only if the criteria for recognition of deferred tax assets are met.

## **Balance sheet**

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad and doubtful debts.

### **Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item in equity.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Income tax receivable or payable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

## Income statement for 2015

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Administrative costs		(1.106)	(1.258)
<b>Operating profit/loss</b>		<b>(1.106)</b>	<b>(1.258)</b>
Other financial income	1	42.771	31.695
Other financial expenses	2	(137.375)	(151.770)
<b>Profit/loss from ordinary activities before tax</b>		<b>(95.710)</b>	<b>(121.333)</b>
Tax on profit/loss from ordinary activities	3	(6.132)	(7.138)
<b>Profit/loss for the year</b>		<b>(101.842)</b>	<b>(128.471)</b>
<b>Proposed distribution of profit/loss</b>			
Dividend for the financial year		1.000.000	0
Retained earnings		(1.101.842)	(128.471)
		<b>(101.842)</b>	<b>(128.471)</b>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Receivables from group enterprises		<u>1.075.492</u>	<u>1.568.851</u>
<b>Receivables</b>		<u><b>1.075.492</b></u>	<u><b>1.568.851</b></u>
<b>Current assets</b>		<u><b>1.075.492</b></u>	<u><b>1.568.851</b></u>
<b>Assets</b>		<u><b>1.075.492</b></u>	<u><b>1.568.851</b></u>

**Balance sheet at 31.12.2015**

	<u>Notes</u>	<u>2015 USD</u>	<u>2014 USD</u>
Contributed capital	4	21.756	21.756
Retained earnings		47.604	1.149.446
Proposed dividend		<u>1.000.000</u>	<u>0</u>
<b>Equity</b>		<u><b>1.069.360</b></u>	<u><b>1.171.202</b></u>
Debt to group enterprises		0	387.587
Income tax payable		6.132	7.138
Other payables		<u>0</u>	<u>2.924</u>
<b>Current liabilities other than provisions</b>		<u><b>6.132</b></u>	<u><b>397.649</b></u>
<b>Liabilities other than provisions</b>		<u><b>6.132</b></u>	<u><b>397.649</b></u>
<b>Equity and liabilities</b>		<u><u><b>1.075.492</b></u></u>	<u><u><b>1.568.851</b></u></u>
Contingent liabilities	5		
Consolidation	6		

**Statement of changes in equity for 2015**

	<b>Contributed capital USD</b>	<b>Retained earnings USD</b>	<b>Proposed dividend USD</b>	<b>Total USD</b>
Equity beginning of year	21.756	1.149.446	0	1.171.202
Profit/loss for the year	0	(1.101.842)	1.000.000	(101.842)
<b>Equity end of year</b>	<b>21.756</b>	<b>47.604</b>	<b>1.000.000</b>	<b>1.069.360</b>

## Notes

	<u>2015</u> <u>USD</u>	<u>2014</u> <u>USD</u>
<b>1. Other financial income</b>		
Exchange rate adjustments	42.771	31.695
	<u>42.771</u>	<u>31.695</u>

	<u>2015</u> <u>USD</u>	<u>2014</u> <u>USD</u>
<b>2. Other financial expenses</b>		
Interest expenses	285	0
Exchange rate adjustments	137.090	151.770
	<u>137.375</u>	<u>151.770</u>

	<u>2015</u> <u>USD</u>	<u>2014</u> <u>USD</u>
<b>3. Tax on ordinary profit/loss for the year</b>		
Current tax	6.132	7.138
	<u>6.132</u>	<u>7.138</u>

## 4. Contributed capital

	<u>Number</u>	<u>Par value</u> <u>DKK</u>	<u>Nominal</u> <u>value</u> <u>DKK</u>
Share capital	250	500	125.000
	<u>250</u>		<u>125.000</u>

## 5. Contingent liabilities

RS 2001 ApS is part of a Danish joint taxation scheme with JH Holding, Allerød, ApS and its Danish subsidiaries. As from the financial year 2013, the Company has partly a joint and several liability and partly a secondary liability with respect to income taxes etc for the jointly taxed companies. As from 1 July 2012, the Company also has partly a joint and several liability and partly a secondary liability with respect to any obligations to withholding tax on interest, royalties and dividends for these companies. However, in both cases, the secondary liability is capped at an amount equal to the share of the capital of the company directly or indirectly owned by the ultimate Parent.

## Notes

Debt established under the bond programme in Welltec A/S is guaranteed by Welltec International ApS, Welltec Holding ApS, Welltec Canada Inc., Welltec Africa ApS, Welltec Latinamerica ApS, RS 2001 ApS, Welltec (UK) Ltd, Welltec Inc. and Welltec Oilfield Services (RUS) LLC.

Subject to certain exceptions and permitted liens, debts established under the bond programme are secured, by (i) all of the issued shares of the Issuer and each of the Guarantors (other than Welltec International ApS, Welltec (UK) Ltd and Welltec Oilfield Services (RUS) LLC), (ii) certain intercompany loans and receivables of the Issuer and the Guarantors, (iii) the bank accounts of the Issuer and certain of the Guarantors and (iv) certain other assets of certain of the subsidiary Guarantors, including receivables and intellectual property rights. The bonds and the bond guarantees are secured by first-ranking liens over the same property and assets that will secure the obligations outstanding under the Revolving Credit Facility, certain hedging obligations and certain other indebtedness.

In 2015, new debt was established by Welltec A/S with the European Investment Bank. The financial obligations of Welltec A/S under this agreement are guaranteed by Welltec International ApS, Welltec Holding ApS, Welltec Canada Inc., Welltec Africa ApS, Welltec Latinamerica ApS, RS 2001 ApS, Welltec (UK) Ltd, Welltec Inc. and Welltec Oilfield Services (RUS) LLC.

## 6. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

JH Holding. Allerød, ApS (Græsted)

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Welltec A/S (Allerød)