

Deep Water Slender Wells A/S

Strandvejen 351, 2980 Kokkedal

Company reg. no. 25 83 38 05

Annual report

1 January - 31 December 2018

The annual report was submitted and approved by the general meeting on the 31 May 2019.

Christopher Peter Wood
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The board of directors and the managing director have today presented the annual report of Deep Water Slender Wells A/S for the financial year 1 January to 31 December 2018.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

The board of directors and the managing director considers the requirements of omission of audit of the annual accounts for 2018 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Kokkedal, 20 May 2019

Managing Director

Torben Mejnertsen

Board of directors

Raymond Anthony Harkins

Christopher Peter Wood

Torben Mejnertsen

Auditor's report on compilation of the annual accounts

To the shareholder of Deep Water Slender Wells A/S

We have compiled the annual accounts of Deep Water Slender Wells A/S for the period 1 January to 31 December 2018 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 20 May 2019

Redmark

State Authorised Public Accountants
Company reg. no. 29 44 27 89

Henrik Juul Thomsen

State Authorised Public Accountant
mne33734

Company data

The company	Deep Water Slender Wells A/S Strandvejen 351 2980 Kokkedal
	Company reg. no. 25 83 38 05 Established: 1 January 2001 Domicile: Fredensborg Financial year: 1 January - 31 December
Board of directors	Raymond Anthony Harkins Christopher Peter Wood Torben Mejnertsen
Managing Director	Torben Mejnertsen
Auditors	Redmark Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
Bankers	Danske Bank

Management's review

The principal activities of the company

The purpose for the company is to deliver engineer services and other similar business.

Development in activities and financial matters

The gross profit for the year is DKK 796.266 against DKK 2.935.240 last year. The results from ordinary activities after tax are DKK -223.294 against DKK 173.170 last year. The management does not consider the results satisfactory.

Events subsequent to the financial year

There were no subsequent events that need disclosure. However the management consider to close down the activities in 2019.

Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2018</u>	<u>2017</u>
Gross profit	796.266	2.935.240
1 Staff costs	-1.010.782	-2.759.852
Results before net financials	-214.516	175.388
Other financial costs	-5.985	-1.287
Results before tax	-220.501	174.101
Tax on ordinary results	-2.793	-931
Results for the year	-223.294	173.170
Proposed distribution of the results:		
Allocated to results brought forward	0	173.170
Allocated from results brought forward	-223.294	0
Distribution in total	-223.294	173.170

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Current assets		
Trade debtors	0	493.633
Work in progress for the account of others	0	368.655
Deferred tax assets	0	2.793
Other debtors	0	11.339
Debtors in total	<u>0</u>	<u>876.420</u>
Available funds	<u>1.259.757</u>	<u>1.169.351</u>
Current assets in total	<u>1.259.757</u>	<u>2.045.771</u>
Assets in total	<u>1.259.757</u>	<u>2.045.771</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Equity		
Contributed capital	500.000	500.000
Results brought forward	-140	223.154
Equity in total	<u>499.860</u>	<u>723.154</u>
 Liabilities		
Trade creditors	125.250	30.000
Debt to group enterprises	512.969	574.661
Corporate tax	121.678	117.678
Other debts	0	600.278
Short-term liabilities in total	<u>759.897</u>	<u>1.322.617</u>
Liabilities in total	<u>759.897</u>	<u>1.322.617</u>
 Equity and liabilities in total	<u>1.259.757</u>	<u>2.045.771</u>

2 Mortgage and securities

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	In total
	<u> </u>	<u> </u>	<u> </u>
Equity 1 January 2017	500.000	49.984	549.984
Profit or loss for the year brought forward	<u>0</u>	<u>173.170</u>	<u>173.170</u>
Equity 1 January 2018	500.000	223.154	723.154
Profit or loss for the year brought forward	<u>0</u>	<u>-223.294</u>	<u>-223.294</u>
	<u>500.000</u>	<u>-140</u>	<u>499.860</u>

Notes

All amounts in DKK.

	<u>2018</u>	<u>2017</u>
1. Staff costs		
Salaries and wages	1.004.469	2.749.923
Other costs for social security	313	-4.805
Other staff costs	<u>6.000</u>	<u>14.734</u>
	<u>1.010.782</u>	<u>2.759.852</u>
Average number of employees	<u>1</u>	<u>1</u>

2. Mortgage and securities

The company has not pledge or provided securities as of 31 december 2018.

Accounting policies used

The annual report for Deep Water Slender Wells A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, other operating income, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Accounting policies used

Other external costs comprise costs for sales, premises, loss on debtors etc.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Work in progress for the account of others

Work in progress for the account of others in measured at the market value of the work performed. The market value is measured on basis of the scope of completion on the balance sheet date and the total expected income from the individual work in progress..

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Accounting policies used

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

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