

Total E&P Middle East A/S

CVR-No. 33783949

Annual Report 2018



Approved at the General Assembly: 24 May 2019
Chairman of the meeting: Majbritt Perotti Carlson

Amerika Plads 29, 2100 Copenhagen Ø

Company information

Total E&P Middle East A/S
Amerika Plads 29
2100 Copenhagen Ø
Denmark

CVR-No.: 33783949
Date of incorporation: 8 July 2011
Registered office: Copenhagen
Financial year: 1 January 2018 - 31 December 2018

Board of Directors

Stéphane Gerard Francois Michel (Chairman)
Martin Rune Pedersen (Vice Chairman)
Troels Albrechtsen

Executive Board

Hatem Nuseibeh

Management's Statement

The Board of Directors and Executive Board have today discussed and approved the annual report of Total E&P Middle East A/S for 2018.

The annual report for 2018 of Total E&P Middle East A/S has been prepared in accordance with Danish Financial Statements Act and in our opinion gives a true and fair view of the Company's assets, liabilities and the financial position at 31 December 2018 and of the results of the Company's operations for the financial year 2018.

In our opinion the Directors' report includes a fair review of the development in and the result of the Company's operations and financial conditions, the result for the year and financial position.

In 2016, a decision was taken to opt out of auditing the Financial Statements in accordance with provision 135 of the Danish Financial Statements Act. The conditions for this exemption are still applicable.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 24 May 2019

Executive Board:



Hatem Nuselbeh

Board of Directors:



Stéphane Gerard Francols

Michel
(Chairman)



Martin Rune Pedersen

(Vice Chairman)



Troels Albrechtsen

Accounting Policies

The Annual Report for 2018 of Total E&P Middle East A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applicable to class B companies.

The accounting policies for the Financial Statements are unchanged from last year.

Foreign Currency

The functional currency is USD. The Annual Report is presented in USD, in accordance with provision 16 of the Danish Financial Statements Act. The exchange rate of USD to DKK was 6.5213 at 31 December 2018 (2017: DKK 6.2067).

Monetary assets and liabilities in currencies other than USD are translated at the exchange rate at the balance sheet date. Transactions in currencies other than USD are translated at the exchange rate prevailing at the date of the transaction.

Exchange rate gains and losses are included in the income statement as financial income and expenses.

The Income Statement

Administrative expenses comprise office rent, staff costs and other administrative expenses.

Financial items comprise interest and currency exchange rate gains and losses from translation of cash, receivables and debt in foreign currencies other than USD.

The Company is jointly taxed with a number of Danish companies in the Total Group. **Tax on profit** for the year includes the amount estimated to be paid for the year as well as adjustments regarding previous years and change in deferred tax.

Provision for deferred tax is made on temporary differences between the accounting and tax values of assets and liabilities. Deferred tax on temporary differences which at the time of the transaction does not affect the financial result or the taxable income is not recognised.

Deferred tax assets are only recognised to the extent that it is probable that they can be utilised against future taxable income.

The Balance Sheet

Receivables are measured at nominal value which in all material respects corresponds to amortised cost. Write-down is made for anticipated losses on an individual basis.

Dividend for distribution regarding the financial year is included as part of the **equity**.

Debt to group, suppliers etc. is measured at amortised cost price or lower net realisable value, which in most situations corresponds to the nominal value.

TOTAL E&P MIDDLE EAST A/S
INCOME STATEMENT
FOR 2018

| Note | USD 1,000 | |
|---------------------------------------|------------------|-------------|
| | 2018 | 2017 |
| 1. Administrative expenses | (10) | 4 |
| Result before financial items and tax | (10) | 4 |
| 2. Financial income | 9 | 34 |
| 3. Financial expenses | (8) | 0 |
| Result before tax | (9) | 38 |
| 4. Tax for the year | (18) | (7) |
| RESULT FOR THE YEAR | (27) | 31 |
| Proposed distribution of net result | | |
| Extraordinary dividend | 0 | 800 |
| Retained earnings | (27) | (769) |
| | (27) | 31 |
| 5. Company activity | | |

TOTAL E&P MIDDLE EAST A/S
BALANCE SHEET AT 31.12.2018

| Note | USD 1,000 | |
|-----------------------------|------------------|-------------|
| | 2018 | 2017 |
| ASSETS | | |
| CURRENT ASSETS | | |
| Receivables | | |
| Receivables Group companies | 674 | 688 |
| Tax receivables | 0 | 12 |
| Other receivables | 22 | 23 |
| | 696 | 723 |
| | | |
| TOTAL CURRENT ASSETS | 696 | 723 |
| | | |
| TOTAL ASSETS | 696 | 723 |

TOTAL E&P MIDDLE EAST A/S
BALANCE SHEET AT 31.12.2018

| Note | USD 1,000 | |
|------|-------------------------------------|-----------------------------------|
| | 2018 | 2017 |
| | LIABILITIES AND EQUITY | |
| 6. | EQUITY | |
| | Share capital | 699 |
| | Retained earnings | (11) |
| | <u>688</u> | <u>715</u> |
| | CURRENT LIABILITIES | |
| | Payables to Group companies | 8 |
| | <u>8</u> | <u>8</u> |
| | TOTAL LIABILITIES | <u>8</u> |
| | TOTAL LIABILITIES AND EQUITY | <u>696</u> <u>723</u> |
| 7. | Contingencies etc. | |
| 8. | Related parties | |

TOTAL E&P MIDDLE EAST A/S

Notes as at 31.12.2018

USD 1,000

Note 1, Staff costs

The Company has no employees, as all those engaged are employed in other group companies.

Note 2, Financial income

Interest received from Group companies
Exchange rate adjustments etc.

| | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------|
| | 3 | 13 |
| | 6 | 21 |
| | <u>9</u> | <u>34</u> |

Note 3, Financial expenses

Exchange rate adjustments etc.

| | | |
|--|----------|----------|
| | 8 | 0 |
| | <u>8</u> | <u>0</u> |

Note 4, Corporate tax

Tax for the year is an expense of USD 18 thousand (2017: USD 7).

This Company is part of a joint taxation scheme with the Danish companies within the Total Group. The tax is divided between the members of the joint taxation scheme by use of the full allocation method.

Note 5, Company activity

The Company was established to conduct upstream business development activities in Abu Dhabi. The branch office in Abu Dhabi was closed in September 2018. Preparation of closing the company is ongoing.

Note 6, Equity

| | 2018 | 2017 |
|---|-------------|-------------|
| Share capital | | |
| Share capital at 01.01 | 699 | 699 |
| Share capital at 31.12 | <u>699</u> | <u>699</u> |
| Retained earnings | | |
| Retained earnings at 01.01 | 16 | 785 |
| Transferred result for the year | (27) | (769) |
| Retained earnings at 31.12 | <u>(11)</u> | <u>16</u> |
| Proposed dividend for distribution | | |
| Proposed dividend at 01.01 | 0 | 0 |
| Extraordinary dividend | 0 | 800 |
| Extraordinary dividend paid | 0 | (800) |
| Proposed dividend at 31.12 | <u>0</u> | <u>0</u> |
| Total equity | <u>688</u> | <u>715</u> |

Share capital consists of the following shares:

| Number | Nominal, DKK |
|-------------------------------|------------------|
| 4,000 | 1,000 |
| Total nominal value in DKK | <u>4,000,000</u> |

Share capital, changes:

| | |
|-------------------------------------|---------|
| Increase of capital 12 May 2014 | 500,000 |
| Increase of capital 4 November 2014 | 500,000 |
| Increase of capital 27 May 2015 | 500,000 |

Note 7, Contingencies

As of 31 December 2018, the Company is jointly taxed with the Danish companies within the Total Group. This entails unlimited joint liability for Danish corporation taxes and withholding taxes on dividends, interests and royalties within the jointly taxed companies. A similar obligation exists for joint registration of VAT.

Joint liability for previous joint taxation still exists.

Note 8, Related parties

Companies in the Total Group and the Executive board and board members of the Company are related parties.

Payables and receivables to group entities are disclosed in the balance sheet, and financial income is disclosed in note 2.

Transactions during 2018 with related parties:

| | 2018 |
|---------------------------------------|-------------|
| Expenses related to services received | <u>(18)</u> |

Parties exercising control

The Company is 100% owned by Total E&P Danmark A/S.

As of 31 December 2018, the ultimate parent company is Total S.A., Tour Coupole, 2 place Jean Millier, 92078 Paris la Défense, France The consolidated Financial Statements of the Total group are available at

<https://www.total.com/en/investors/publications-and-regulated-information/regulated-information/annual-financial-reports>

The Company is included in the consolidated Financial Statements as a subsidiary.