
Welltec Oilfield Services (Continental Europe) A/S

Gydevang 25, DK-3450 Allerød

Annual Report for 1 January - 31 December 2017

CVR No 36 05 95 75

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
06/06 2018

Jacob Federspiel
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Welltec Oilfield Services (Continental Europe) A/S for the financial year 1 January - 31 December 2017.

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 at 31 December 2017 of the Company and of the results of the Company operations for 2017.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Allerød, 6 June 2018

Executive Board

Björg Nissen Kjermann
Executive Officer

Board of Directors

Martin Skovbjerg
Chairman

Søren Søgaard Suhr

Björg Nissen Kjermann

Independent Auditor's Report

To the Shareholder of Welltec Oilfield Services (Continental Europe) A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Welltec Oilfield Services (Continental Europe) A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes ("the 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 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the

Independent Auditor's Report

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 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, 6 June 2018

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mikkel Sthyr
statsautoriseret revisor
mne26693

Tue Stensgaard Sørensen
statsautoriseret revisor
mne32200

Company Information

The Company

Welltec Oilfield Services (Continental Europe) A/S
Gydevang 25
DK-3450 Allerød

CVR No: 36 05 95 75

Financial period: 1 January - 31 December

Municipality of reg. office: Allerød

Board of Directors

Martin Skovbjerg, Chairman
Søren Søgaard Suhr
Björg Nissen Kjellmann

Executive Board

Björg Nissen Kjellmann

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Income Statement 1 January - 31 December

	Note	2017 USD	2016 USD
Other external expenses		-2,331	-1,457
Gross profit/loss		-2,331	-1,457
Financial income	2	9,275	0
Financial expenses	3	-634	-2,242
Profit/loss before tax		6,310	-3,699
Tax on profit/loss for the year	4	674	313
Net profit/loss for the year		6,984	-3,386

Distribution of profit

Proposed distribution of profit

Retained earnings		6,984	-3,386
		6,984	-3,386

Balance Sheet 31 December

	Note	2017 USD	2016 USD
Assets			
Receivables from group enterprises		80,131	0
Corporation tax		674	313
Receivables		80,805	313
Cash at bank and in hand		0	70,787
Currents assets		80,805	71,100
Assets		80,805	71,100
Liabilities and equity			
Share capital		86,462	86,462
Retained earnings		-10,617	-17,601
Equity		75,845	68,861
Payables to group enterprises		2,898	424
Other payables		2,062	1,815
Short-term debt		4,960	2,239
Debt		4,960	2,239
Liabilities and equity		80,805	71,100
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Statement of Changes in Equity

	<u>Share capital</u> USD	<u>Retained earnings</u> USD	<u>Total</u> USD
Equity at 1 January	86,462	-17,601	68,861
Net profit/loss for the year	0	6,984	6,984
Equity at 31 December	86,462	-10,617	75,845

Notes to the Financial Statements

1 Key activities

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

	2017 USD	2016 USD
2 Financial income		
Exchange adjustments	9,275	0
	9,275	0
3 Financial expenses		
Impairment losses on financial assets	-1	0
Other financial expenses	635	0
Exchange adjustments, expenses	0	2,242
	634	2,242
4 Tax on profit/loss for the year		
Current tax for the year	-674	-313
	-674	-313

5 Contingent assets, liabilities and other financial obligations

The Group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of JH Holding ApS, which is the management company of the joint taxation purposes. Moreover, the Group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

6 Related parties

Consolidated Financial Statements

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

<u>Name</u>	<u>Place of registered office</u>
Welltec A/S	Allerød

7 Micro-enterprises

The Annual Report of Welltec Oilfield Services (Continental Europe) A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to micro-enterprises of reporting class B. The Company has therefore opted not to prepare:

- Description of the accounting policies applied.