



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 998 433 223  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: RN NORDIC OIL AS  
Forretningsadresse: Rådhusgata 4  
0151 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

Regler for små foretak benyttet: Ja  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Halfdan Milang  
Dato for fastsettelse av årsregnskapet: 13.09.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 13.10.2021



## Resultatregnskap

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Exploration expenses	5,8	5 116 520	11 355 207
Personnel expenses	2	27 937 962	28 499 676
Depreciation	3	45 833	60 876
Other operating expenses		23 946 875	18 847 069
<b>Sum kostnader</b>		<b>57 047 190</b>	<b>58 762 828</b>
<b>Driftsresultat</b>		<b>-57 047 190</b>	<b>-58 762 828</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		707 907	883 602
Other financial income		457 349	14 062 712
<b>Sum finansinntekter</b>		<b>1 165 256</b>	<b>14 946 314</b>
Rentekostnad til foretak i samme konsern	4	0	2 373 109
Annen rentekostnad		21 657	10 778
Other financial expenses		314 530	15 987 394
<b>Sum finanskostnader</b>		<b>336 187</b>	<b>18 371 281</b>
<b>Netto finans</b>		<b>829 069</b>	<b>-3 424 967</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-56 218 121</b>	<b>-62 187 795</b>
Tax on ordinary result	10	-44 595 779	-46 841 308
<b>Ordinært resultat etter skattekostnad</b>		<b>-11 622 342</b>	<b>-15 346 487</b>
<b>Årsresultat</b>		<b>-11 622 342</b>	<b>-15 346 487</b>



### Balanse

Beløp i: NOK	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	10	21 593 254	20 848 920
<b>Sum immaterielle eiendeler</b>		<b>21 593 254</b>	<b>20 848 920</b>
<b>Varige driftsmidler</b>			
Equipment and other movables	3	71 019	116 852
<b>Sum varige driftsmidler</b>		<b>71 019</b>	<b>116 852</b>
<b>Sum anleggsmidler</b>		<b>21 664 273</b>	<b>20 965 772</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Tax refund	10	20 941 647	44 878 579
Other short-term receivables		3 838 016	2 250 818
<b>Sum fordringer</b>		<b>24 779 663</b>	<b>47 129 397</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and bank deposits	9	47 499 197	37 384 594
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>47 499 197</b>	<b>37 384 594</b>
<b>Sum omløpsmidler</b>		<b>72 278 860</b>	<b>84 513 991</b>
<b>SUM EIENDELER</b>		<b>93 943 133</b>	<b>105 479 763</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share Capital	6,7	100 010 000	100 010 000
Overkurs	6	635 895 621	635 895 621
<b>Sum innskutt egenkapital</b>		<b>735 905 621</b>	<b>735 905 621</b>



### Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Opptjent egenkapital</b>			
Udekket tap	7	654 077 974	642 455 632
<b>Sum opptjent egenkapital</b>		<b>-654 077 974</b>	<b>-642 455 632</b>
<b>Sum egenkapital</b>		<b>81 827 647</b>	<b>93 449 989</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Other long term liabilities	4	31 359	32 269
<b>Sum annen langsiktig gjeld</b>		<b>31 359</b>	<b>32 269</b>
<b>Sum langsiktig gjeld</b>		<b>31 359</b>	<b>32 269</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		1 375 479	1 050 279
Public duties payable		1 721 587	1 748 669
Other current debt		8 987 061	9 198 557
<b>Sum kortsiktig gjeld</b>		<b>12 084 127</b>	<b>11 997 505</b>
<b>Sum gjeld</b>		<b>12 115 486</b>	<b>12 029 774</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>93 943 133</b>	<b>105 479 763</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 804484

#### Enheten

Organisasjonsnummer: 998 433 223  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: RN NORDIC OIL AS  
Forretningsadresse: Rådhusgata 4  
0151 OSLO

#### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

#### Konsern

Morselskap i konsern: Nei

#### Regnskapsregler

Regler for små foretak benyttet: Ja  
Benyttet ved utarbeidelsen av  
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Halfdan Milang  
Dato for fastsettelse av årsregnskapet: 13.09.2021

#### Revisjon

Årsregnskapet er utarbeidet av ekstern  
autorisert regnskapsfører: Ja

#### Grunnlag for avgivelse

År 2020: Årsregnskap er elektronisk innlevert.  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020.

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 12.10.2021



Organisasjonsnr: 998 433 223  
RN NORDIC OIL AS

## RESULTATREGNSKAP

Beløp i: NOK	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Exploration expenses	5,8	5 116 520	11 355 207
Personnel expenses	2	27 937 962	28 499 676
Depreciation	3	45 833	60 876
Other operating expenses		23 946 875	18 847 069
<b>Sum kostnader</b>		<b>57 047 190</b>	<b>58 762 828</b>
<b>Driftsresultat</b>		<b>-57 047 190</b>	<b>-58 762 828</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		707 907	883 602
Other financial income		457 349	14 062 712
<b>Sum finansinntekter</b>		<b>1 165 256</b>	<b>14 946 314</b>
Rentekostnad til foretak i samme konsern	4	0	2 373 109
Annen rentekostnad		21 657	10 778
Other financial expenses		314 530	15 987 394
<b>Sum finanskostnader</b>		<b>336 187</b>	<b>18 371 281</b>
<b>Netto finans</b>		<b>829 069</b>	<b>-3 424 967</b>
<b>Ordinært resultat før skattekostnad</b>			
Tax on ordinary result	10	-44 595 779	-46 841 308
<b>Ordinært resultat etter skattekostnad</b>		<b>-11 622 342</b>	<b>-15 346 487</b>
<b>Årsresultat</b>		<b>-11 622 342</b>	<b>-15 346 487</b>



Organisasjonsnr: 998 433 223  
RN NORDIC OIL AS

## BALANSE

Beløp i: NOK

	Note	2020	2019
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### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

Utsatt skattefordel	10	21 593 254	20 848 920
<b>Sum immaterielle eiendeler</b>		<b>21 593 254</b>	<b>20 848 920</b>

##### Varige driftsmidler

Equipment and other movables	3	71 019	116 852
<b>Sum varige driftsmidler</b>		<b>71 019</b>	<b>116 852</b>

<b>Sum anleggsmidler</b>		<b>21 664 273</b>	<b>20 965 772</b>
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#### Omløpsmidler

##### Varer

##### Fordringer

Tax refund	10	20 941 647	44 878 579
Other short-term receivables		3 838 016	2 250 818
<b>Sum fordringer</b>		<b>24 779 663</b>	<b>47 129 397</b>

##### Bankinnskudd, kontanter og lignende

Cash and bank deposits	9	47 499 197	37 384 594
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>47 499 197</b>	<b>37 384 594</b>

<b>Sum omløpsmidler</b>		<b>72 278 860</b>	<b>84 513 991</b>
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<b>SUM EIENDELER</b>		<b>93 943 133</b>	<b>105 479 763</b>
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### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share Capital	6, 7	100 010 000	100 010 000
Overkurs	6	635 895 621	635 895 621
<b>Sum innskutt egenkapital</b>		<b>735 905 621</b>	<b>735 905 621</b>

##### Opptjent egenkapital

Udekket tap	7	654 077 974	642 455 632
<b>Sum opptjent egenkapital</b>		<b>-654 077 974</b>	<b>-642 455 632</b>

<b>Sum egenkapital</b>		<b>81 827 647</b>	<b>93 449 989</b>
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#### Gjeld



<b>Langsiktig gjeld</b>		
<b>Annen langsiktig gjeld</b>		
Other long term liabilities 4	31 359	32 269
<b>Sum annen langsiktig gjeld</b>	<b>31 359</b>	<b>32 269</b>
<b>Sum langsiktig gjeld</b>	<b>31 359</b>	<b>32 269</b>
<b>Kortsiktig gjeld</b>		
Leverandørgjeld	1 375 479	1 050 279
Public duties payable	1 721 587	1 748 669
Other current debt	8 987 061	9 198 557
<b>Sum kortsiktig gjeld</b>	<b>12 084 127</b>	<b>11 997 505</b>
<b>Sum gjeld</b>	<b>12 115 486</b>	<b>12 029 774</b>
<b>SUM EGENKAPITAL OG GJELD</b>	<b>93 943 133</b>	<b>105 479 763</b>



Organisasjonsnr: 998 433 223  
RN NORDIC OIL AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
2

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:  
13.00



**Skattedirektoratet**

Saksbehandler Torstein Kinden Helleland	Deres dato 09.03.2015	Vår dato 17.03.2015
Telefon 22078139	Deres referanse EAA/EB/253602/BD2100	Vår referanse 2015/235145

KPMG LAW ADVOKATFIRMA AS  
Postboks 7000 Majorstuen  
0306 OSLO

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Rn Nordic Oil AS, org. nr. 998 433 223**

Vi viser til deres brev av 9. mars 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Rn Nordic Oil AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Rn Nordic Oil AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

**Bakgrunn**

Rn Nordic Oil AS er datterselskap til det russiske selskapet Rosneft. Selskapet opererer innen oljebransjen. Arbeidsspråket er engelsk. Styret har flere engelskspråklige styremedlemmer. Selskapet opererer i en internasjonal bransje. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

**Skattedirektoratets vurdering**

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Styret har flere engelskspråklige styremedlemmer. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
*seniorrådgiver*  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



To the General Meeting of RN Nordic Oil AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of RN Nordic Oil AS, which comprise the balance sheet as at 31 December 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by laws and regulations, 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.

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#### *Responsibilities of the Board of Directors and the Managing Director for the Financial Statements*

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo  
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no  
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Independent Auditor's Report - RN Nordic Oil AS



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*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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

*Report on Other Legal and Regulatory Requirements*

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*Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 17 September 2021  
**PricewaterhouseCoopers AS**

Sjur Holseler  
State Authorised Public Accountant



**FINANCIAL STATEMENT**

**RN NORDIC OIL AS**

**Business Registration No. 998 433 223**

**2020**



## Revenue statement

### RN Nordic Oil AS

(All numbers in NOK)

<b>Operating income and operating expenses</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
Exploration expenses	5, 8	5 116 520	11 355 207
Personnel expenses	2	27 937 962	28 499 676
Depreciation of operating and intangible assets	3	45 833	60 876
Other operating expenses		<u>23 946 875</u>	<u>18 847 069</u>
Total operating expenses		<u>57 047 190</u>	<u>58 762 829</u>
Operating loss		<u>-57 047 190</u>	<u>-58 762 829</u>
<b>Financial income and expenses</b>			
Other interest income		707 907	883 602
Other financial income		457 349	14 062 712
Interest expense to group companies	4	0	2 373 109
Other interest expenses		21 657	10 778
Other financial expenses		<u>314 530</u>	<u>15 987 394</u>
Net financial items		<u>829 069</u>	<u>-3 424 967</u>
Operating result before tax		-56 218 121	-62 187 796
Tax on ordinary result	10	<u>-44 595 779</u>	<u>-46 841 308</u>
Ordinary result after tax	7	<u>-11 622 342</u>	<u>-15 346 488</u>
Annual net loss	7	<u>-11 622 342</u>	<u>-15 346 488</u>
<b>Brought forward</b>			
Loss brought forward	7	<u>11 622 342</u>	<u>15 346 488</u>
Net brought forward	7	<u>-11 622 342</u>	<u>-15 346 488</u>



## Balance sheet

### RN Nordic Oil AS

(All numbers in NOK)

<b>Assets</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Intangible assets</b>			
Deferred tax assets	10	21 593 254	20 848 920
Total intangible assets		<u>21 593 254</u>	<u>20 848 920</u>
<b>Tangible assets</b>			
Equipment and other movables	3	71 019	116 852
Total tangible assets		<u>71 019</u>	<u>116 852</u>
Total non-current assets		<u>21 664 273</u>	<u>20 965 772</u>
<b>Current assets</b>			
Tax refund	10	20 941 647	44 878 579
Other short-term receivables		3 838 016	2 250 818
Total receivables		<u>24 779 663</u>	<u>47 129 397</u>
Cash and bank deposits	9	47 499 197	37 384 594
Total current assets		<u>72 278 860</u>	<u>84 513 992</u>
Total assets		<u>93 943 133</u>	<u>105 479 764</u>



## Balance sheet

### RN Nordic Oil AS

Equity and liabilities	Note	2020	2019
<b>Paid-up equity</b>			
Share capital	6, 7	100 010 000	100 010 000
Share premium reserve	6	635 895 621	635 895 621
Total paid-up equity	6, 7	<u>735 905 621</u>	<u>735 905 621</u>
<b>Retained earnings</b>			
Uncovered loss	7	<u>-654 077 974</u>	<u>-642 455 632</u>
Total retained earnings		<u>-654 077 974</u>	<u>-642 455 632</u>
Total equity	7	<u>81 827 647</u>	<u>93 449 989</u>
<b>Liabilities</b>			
<b>Other long-term liabilities</b>			
Other long term liabilities	4	<u>31 359</u>	<u>32 269</u>
Total of other long term liabilities		<u>31 359</u>	<u>32 269</u>
<b>Current debt</b>			
Trade creditors		1 375 479	1 050 279
Public duties payable		1 721 587	1 748 669
Other current debt		<u>8 987 061</u>	<u>9 198 557</u>
Total current debt		<u>12 084 127</u>	<u>11 997 505</u>
Total liabilities		<u>12 115 486</u>	<u>12 029 775</u>
Total equity and liabilities		<u>93 943 133</u>	<u>105 479 764</u>

The board of RN Nordic Oil AS

Halfdan Millang  
chairman of the board/General Manager

Faraj Rasulov  
member of the board



## **Note 1 - Accounting Principles**

The annual accounts have been prepared in accordance with the Accounting Act of 1998 and generally accepted accounting principles in Norway. The company comes under the Accounting Act's definition of small enterprises.

### **Going concern**

In accordance with the Accounting Act § 3-3a, the Board confirms that the financial statement for the Company have been prepared under the assumption of going concern, and the Board confirms this assumption.

### **Revenues**

The company was established in 2012. The company has not recorded any revenues since the exploration activities have not yet generated any.

### **Classification and assessment of balance sheet items**

Assets intended for long-term ownership or use are classified as fixed assets. Other assets are classified as current assets. Accounts receivable to be repaid within a year are classified as current assets. The classification of short-term or long-term debt is based on similar criteria.

Current assets are valued as the lowest of acquisition cost and the real value.

Short-term debt is recorded as the nominal value at the the debt was incurred.

### **Shares of oil and gas licenses**

Shares of oil and gas licences are entered in the accounts using the proportional consolidation method, which reflects the company's share of the activities and its financial position in the jointly controlled enterprise.

### **Exploration and evaluation costs**

The Company recognizes exploration and evaluation costs using the successful efforts method. Under this method, costs related to exploration and evaluation (license acquisition costs, exploration and appraisal drilling) are temporarily capitalized in cost centers by field (well) until the drilling program results in the discovery of economically feasible oil and gas reserves.

The length of time necessary for this determination depends on the specific technical or economic difficulties in assessing the recoverability of the reserves. If a determination is made that the well did not encounter oil and gas in economically viable quantities, the well costs are expensed to Exploration expenses in the statement of profit or loss.

Exploration and evaluation costs, except for costs associated with seismic, topographical, geological and geophysical surveys are initially capitalized as exploration and evaluation assets. Exploration and evaluation assets are recognized at costs less impairment, if any, as property, plant and equipment until the existence (or absence) of commercial reserves has been established.

Exploration and evaluation assets are subject to technical, commercial and management review as well as review for indicators of impairment at least once a year. This to confirm the continued intent to develop or otherwise extract value from the discovery. When indicators of impairment are present, impairment test is performed.



If subsequently commercial reserves are discovered, the carrying value, less loss from impairment of the respective exploration and evaluation assets, is classified as oil and gas properties (development assets). However, if no commercial reserves are discovered, such costs are expensed after exploration and evaluation activities have been completed.

#### **Accounts receivable**

Accounts receivable and other receivables are specified in the balance sheet at nominal value after deduction for allocation for expected losses. Allocations for expected losses are made on the basis of individual assessments for each receivable.

#### **Bank deposits, cash and similar**

Bank deposits, cash and similar include cash, bank and other means of payment falling due less than three months from the date of acquisition.

#### **Fixed assets**

Fixed assets include assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost, but are written down to the recoverable amount if this is lower than the book value and the decrease in value is not expected to be temporary. The recoverable amount is the highest of the net sales value and the use value. The use value is the current value of future cash flow related to the asset. The write-down is reversed when the basis for write-down no longer exists. Fixed assets with limited financial lifespans are written down systematically.

#### **Tax**

The tax costs is combined with the accounting profit or loss before tax to calculate the annual net profit.

The tax costs consists of tax payable (tax on the current year's directly taxable income) and changes in net deferred tax. Tax increasing and the tax reducing temporary variations that reverse or may be reversed in the same period are offset and netted. Deferred tax assets and deferred tax liabilities are presented net in the balance sheet. Net deferred tax advantages are presented to the degree it is probable that these may be utilised. The company may request payment from the government for the tax value of incurred exploration expenses, unless these exceed the current year's taxable loss allocated to offshore activities. The receivable is included under "Other receivables" in the balance sheet.

#### **Foreign currency**

Transactions in currencies other than the functional currency are converted when the first recognised to the rate of exchange of the accounting date. Variations between the exchange rate of the date of transactions and the date of payment are recognised in the profit and loss account as exchange gains or losses under financial items. Monetary items in foreign currencies are valued at the exchange rate prevailing at the end of the financial year.



## Note 2 - Payroll costs, number of employees, allowances

(All numbers in NOK)

<u>Payroll costs</u>	<u>2020</u>	<u>2019</u>
Salaries	21 349 574	22 003 298
Employer's social insurance contribution	3 951 234	3 684 206
Pension costs	1 110 418	1 054 360
Other benefits	1 526 736	1 757 812
<b>Sum</b>	<b>27 937 962</b>	<b>28 499 676</b>

The company had 13 employees at the end of 2020.

The company is required to have an occupational pension plan under the Act on Public Occupational Pensions. The company has established such pension plan during 2014. The pension plan is a defined contribution plan and meets the requirements of this Act. The employees are entitled to 7 % contribution of annual salary between 0 and 12G.

### Auditor's fee

Audit related services	95 000
Other services	0

The amounts do not include VAT.

### Total remuneration to senior executives (NOK)

	Salary	Bonus	Pension	Other benefits
Managing Director	2 818 995	1 755 371	84 720	143 069
Board (total)	Salary	0		

The managing director is also member of the board.

The managing director is entitled to bonus. The incentive is based on achievement of defined results. The bonus incentive is limited to 70% of the ordinary gross annual salary.

No security or loan has been provided for the managing director or the members of the board.



**Note 3 - Fixed and intangible assets**

(All numbers in NOK)

	Office equipment	Other equipment	Total
Acquisition costs 01.01.	612 694	2 112 094	2 724 788
Acquisitions 2020	0	0	0
Acquisition costs 31.12.	612 694	2 112 094	2 724 788
Acc. depreciations 31.12.	-607 046	-2 046 723	-2 653 769
<b>Carrying value 31.12.2020</b>	<b>5 648</b>	<b>65 371</b>	<b>71 019</b>
Depreciations 2020	-19 974	-25 859	-45 833

**Note 4 - Intercompany debt and transactions**

(All numbers in NOK)

Outstanding accounts between companies in the same group:

	Long-term debt	
	2020	2019
Loan from PJSC Rosneft Oil Company	31 359	32 269

The loan was borrowed at 6 December 2012 and is mostly paid back 31.12.20. The remaining amount is interest costs from earlier periods.

Internal interest costs for 2020 was NOK 0.

The company has bought internal geological & geophysical services from RN-Exploration LLC of TNOK 836 and internal accounting services from Energico Holdings Co Ltd of TNOK 365.

**Note 5 - Licences**

The company applied for new licenses in the TFO for 2020, but was not rewarded any licenses.

**Note 6 - Share capital and shareholder information**

The share capital prior to June 6th, 2019, was of NOK 100 000 000, and consisted of 10 000 shares of NOK 10 000 each. All shares have equal rights.

At June 6th, 2019, an equity issue was completed. No new shares were issued, but the face value of each share was increased by NOK 1 to NOK 10 001.

The share premium reserve was also increased from NOK 442 450 000 to NOK 635 895 621.



The company is 100 % owned by Rosneft JV Projects S.A, 16 allee marconi, L2120 Luxembourg.

The company is included in the group accounts of Rosneft Oil Company. For more information about the group accounts, please see [www.rosneft.com](http://www.rosneft.com)

## Note 7 - Equity capital

(All numbers in NOK)

	Share capital	Share premium reserve	Uncovered loss	Total
Equity capital 01.01.2020	100 010 000	635 895 621	-642 455 632	93 449 989
Current year's loss			-11 622 342	-11 622 342
Equity capital 31.12. 2020	100 010 000	635 895 621	-654 077 974	81 827 647

## Note 8 - Other operating costs

(All numbers in NOK)

	2020	2019
Exploration and evaluation costs		
Geophysics, seismic and analysis, well data	2 136 422	1 032 698
Exploration and evaluation expenditures	2 980 098	10 322 509
Total	5 116 520	11 355 207

## Note 9 - Restricted bank deposits

(All numbers in NOK)

The company holds NOK 1 806 832 in restricted cash and bank deposits. The amount is related to bank deposits, withholding tax for employees etc:

	2020
Bank deposits	
Bank deposit (withholding tax employees)	935 067
Total	935 067

## Note 10 - Tax

(All numbers in NOK)

	2020	2019
The current year's tax costs		
Tax refund (-)	-43 851 445	-44 878 578
Changes to deferred tax liabilities/tax asset (-)	-744 334	-1 962 730
Tax costs	-44 595 779	-46 841 308



	Offshore 56%	Offshore 22%
<b>Tax payable/tax refund</b>	<b>2020</b>	<b>2020</b>
Loss before tax costs	-56 218 121	-56 218 121
Permanent differences	119 782	119 782
Changes in temporary differences	633 921	633 921
Financial income (-)/cost (+)	-829 069	-829 069
<b>Profit or loss before tax refund</b>	<b>-56 293 487</b>	<b>-56 293 487</b>
Non-exploration costs	261 250	261 250
Basis for calculation of tax refund	-56 032 237	-56 032 237
<b>Tax refund explorations costs</b>	<b>-31 378 053</b>	<b>-12 327 092</b>
<b>Refund of tax loss 2020</b>	<b>-146 300</b>	
<b>Total</b>		<b>-43 851 445</b>
Received in 2020		22 909 800
<b>Balanced refund (tax cost)</b>		<b>-20 941 647</b>

<b>Calculations of deferred tax /tax advantage</b>	<b>2019</b>	<b>2020</b>	<b>Changes</b>
Fixed assets	180 483	156 367	24 116
Accruals	4 474 734	4 993 309	-518 575
Loss carry forward 56 % offshore	2 817 333	2 834 232	-16 899
Loss carry forward 22 % offshore	59 774 229	60 007 205	-232 976
<b>Net deferred tax asset</b>	<b>67 246 779</b>	<b>67 991 113</b>	<b>-744 334</b>
Provision for uncertain tax positions	-46 397 865	-46 397 865	0
<b>Net deferred tax liability (-)/tax asset (+) in the balance sheet</b>	<b>20 848 920</b>	<b>21 593 254</b>	<b>-744 334</b>