



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 915 056 229
Organisasjonsform: Aksjeselskap
Foretaksnavn: PURE E&P HOLDING AS
Forretningsadresse: Jåttåvågveien 7
4020 STAVANGER

Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: 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: Ove Martin Juul
Dato for fastsettelse av årsregnskapet: 05.06.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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, 17.08.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
General and administrative expenses	2	96 115	60 036
Sum kostnader		96 115	60 036
Driftsresultat		-96 115	-60 036
Finansinntekter og finanskostnader			
Income from subsidiaries		471 801 583	1 896 702 396
Other financial income		47 345	278 089
Sum finansinntekter		471 848 928	1 896 980 485
Annen rentekostnad		47	
Other financial expenses		21 465	86 491
Sum finanskostnader		21 512	86 491
Netto finans	3	471 827 416	1 896 893 994
Ordinært resultat før skattekostnad		471 731 301	1 896 833 958
Income tax expense	5		
Ordinært resultat etter skattekostnad		471 731 301	1 896 833 958
Årsresultat		471 731 301	1 896 833 958
Årsresultat etter minoritetsinteresser		471 731 301	1 896 833 958
Totalresultat		471 731 301	1 896 833 958
Overføringer og disponeringer			
From share premium	7	-471 801 583	
Utbytte	7, 7	471 801 583	1 896 702 396
Konsernbidrag	7		
To/from other equity	7	471 731 301	131 562
Transferred from other equity	7		
Sum overføringer og disponeringer		471 731 301	1 896 833 958



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	4	2 518 199 750	2 518 199 750
Sum finansielle anleggsmidler		2 518 199 750	2 518 199 750
Sum anleggsmidler		2 518 199 750	2 518 199 750
Omløpsmidler			
Varer			
Fordringer			
Other short-term receivables	6	84 146	1 900 614 630
Sum fordringer		84 146	1 900 614 630
Bankinnskudd, kontanter og lignende			
Cash and bank deposits		3 454 452	2 211 398
Sum bankinnskudd, kontanter og lignende		3 454 452	2 211 398
Sum omløpsmidler		3 538 598	1 902 826 028
SUM EIENDELER		2 521 738 347	4 421 025 778
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	7, 8	304 596	304 596
Overkurs	7	2 044 002 506	2 515 804 089
Annen innskutt egenkapital	7	16 166	16 166
Sum innskutt egenkapital		2 044 323 268	2 516 124 851
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2019	2018
Other equity	7	477 290 742	5 559 441
Sum opptjent egenkapital		477 290 742	5 559 441
Sum egenkapital		2 521 614 010	2 521 684 293
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		25 000	5 101
Utbytte	7		1 896 702 396
Other current debt	6	99 337	2 633 989
Sum kortsiktig gjeld		124 337	1 899 341 485
Sum gjeld		124 337	1 899 341 485
SUM EGENKAPITAL OG GJELD		2 521 738 347	4 421 025 778



Skatteetaten

Vår dato 13.03.2020	Din/Deres dato 29.01.2020	Saksbehandler Vibeke Horne
800 80 000 Skatteetaten.no	Din/Deres referanse AR357850712	Telefon 32212250
Org.nr 974761076	Vår referanse 2020/5120732	Postadresse Postboks 9200 Grønland 0134 OSLO

HV VII INVEST UNIFORM AS
Jåttåvågeien 7
4020 STAVANGER

Att. Ove Martin Juul

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 29. januar 2020 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for selskapene som er oppgitt i vedlegget til dette vedtaket.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering de nevnte selskaper (se vedlegg) dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Selskapene som er opplistet i vedlegget er norske investerings- og holdingselskaper som er hel- eller deleid av fem ulike HitecVision private equity-fond lokalisert på Guernsey. Samtlige av selskapenes direkte og indirekte aksjonærer er profesjonelle investorer. Arbeidsspråket som benyttes er engelsk. Selskapene har foretatt, eller vil foreta investeringer innenfor olje- og gassnæringen. Selskapene har ingen eksterne kunder. Selskapenes leverandører består utelukkende av profesjonelle tjenesteytere innenfor juridisk eller finansiell profesjon, og som benytter engelsk som arbeidsspråk. All kommunikasjon med selskapenes långivere og aksjonærer foregår på engelsk.

Skattekontorets 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 mv., 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 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 skattekontorets 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 skattekontoret lagt vekt på at selskapene er hel- eller deleid av utenlandske investerings- og holdingsselskaper i fem ulike private equity fond. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Vedlegg



Vedlegg til søknad om å utarbeide årsregnskap og årsberetning på engelsk språk

Selskap:	Org.nummer:	Fond:
HV IV Invest Alfa AS	992 149 264	HVPE IV
AE HoldCo AS	818 858 892	HVPE IV
AO HoldCo AS	918 858 911	HVPE IV
AL HoldCo AS	991 937 226	HVPE IV
Sørco HoldCo AS	918 274 790	HVPE IV
HV IV Invest Alfa II AS	919 604 778	HVPE IV
TB HoldCo AS	918 858 881	HVPE IV
HV IV Invest Gamma AS	997 550 528	HVPE IV
RNS Holding II AS	915 284 892	HVPE IV
APP Investment AS	917 906 130	HV V
HV V Invest Lima AS	995 929 961	HV V
Core Energy Holding AS	997 043 545	HV V
CE Investment AS	997 153 502	HV V
HV V Invest Zulu II AS	914 148 308	HV V
HVAS Invest Zeta AS	995 610 671	HVAS
HVAS Invest Kappa AS	995 930 099	HVAS
HV VI Invest Omega AS	998 159 555	HV VI
HV VI Invest Omega II AS	998 159 563	HV VI
Spike Exploration AS	998 483 476	HV VI
SEH Investments AS	999 299 172	HV VI
OMP Holding AS	912 084 957	HV VI
HV VI Invest Ypsilon AS	999 178 359	HV VI
Nord Well AS	912 536 394	HV VI
DW Quip AS	922 983 410	HV VI
HV VI Invest Giba AS	912 536 270	HV VI
HV VI Invest Giba II AS	913 192 303	HV VI
HV VI Invest Aza AS	911 628 007	HV VI
Moreld AS	923 807 799	HV VI
Karsten Moholt Inspection & Repair Group AS	913 192 230	HV VI
HV VII Invest Dags AS	913 641 043	HV VII
Circle Group AS	913 640 969	HV VII
HV VII Invest Manna AS	913 930 991	HV VII
HV VII Invest Manna II AS	914 270 405	HV VII
Pure E&P Holding AS	915 056 229	HV VII
Pure E&P AS	940 376 645	HV VII
Geotech Software Solutions AS	997 043 545	HV VII
Rocksource Gulf of Mexico AS	997 153 502	HV VII
HV VII Invest Juliet AS	914 480 787	HV VII
HV VII Invest Juliet II AS	815 672 852	HV VII
HV VII Invest Shankly AS	916 162 537	HV VII
HV VII Invest Shankly II AS	916 162 529	HV VII
North Sea Strategic Investments AS	916 162 545	HV VII
HV VII Invest Lagus AS	916 162 642	HV VII
Asset Buyout Partners Holding AS	916 162 650	HV VII
HV VII Invest Foxtrot AS	820 901 312	HV VII
HV VII Invest Foxtrot II AS	822 047 572	HV VII
Neo E&P Holding AS	922 047 804	HV VII



HV VII Invest Uniform AS	922 404 815	HV VII
HV VII Invest Uniform III AS	823 862 822	HV VII
HV VII Invest Uniform IV AS	923 862 943	HV VII
Sval Energi Holding AS	922 404 798	HV VII
Point Resources Holding AS	915 075 894	HV V / HV VI / HV VII



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To the General Meeting of Pure E&P Holding AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pure E&P Holding AS showing a profit of NOK 471 731 301. The financial statements comprise the balance sheet as at 31 December 2019, the income statement and cash flow 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 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including fair presentation 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.

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Organisasjonsnummer: 980 211 282

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Independent Auditor's Report -
Pure E&P Holding AS

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.

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.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.



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Independent Auditor's Report -
Pure E&P Holding AS

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.

Stavanger, 29 May 2020
Deloitte AS

Ommund Skailand
State Authorised Public Accountant (Norway)



Financial Statements

2019

Pure E&P Holding AS

Org.no.:915 056 229

Penneo document key: KSY85-HAVEB-7SEJF-ZMPLM-W824Y-M6MQ0



Pure E&P Holding AS

Board of Directors' report

Introduction

Pure E&P Holding AS (the "Company") with reg.no 915 056 229 is an investment company based in Stavanger, holding shares i Pure E&P AS.

Financial results

Net profit in 2019 was MNOK 471,7 compared to a profit of MNOK 1 896,8 in 2018. Allocation of this years' profit is transferred to other equity. Equity ratio as of 31.12.2019 is 99,9 %.

Share capital and shareholders

HV VII Invest Manna II AS is the main shareholder of the Company, holding 99,94% of the Preference A shares and 26% of the Preference B shares and 27,9% of the Ordinary shares.

Employees and the working environment

The Company has no employees. The board consists of three men. The board has not found it necessary to take special actions with regard to equal opportunities.

Environmental issues

The Company's operations do not pollute the environment.

Going concern

In accordance with the Accounting Act § 3-3, we confirm that the financial statements have been prepared under the assumption of going concern.

Stavanger, 29.05.2020
The board of Pure E&P Holding AS

Tor Espedal
Chair of the board

Oddvar Dirdal
Board member

Ove Martin Juul
Board member

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Revenue statement			
Pure E&P Holding AS			
Operating income and operating expenses	Note	2019	2018
General and administrative expenses	2	96 115	60 036
Total operating expenses		96 115	60 036
Operating profit		-96 115	-60 036
Financial income and expenses			
Income from subsidiaries		471 801 583	1 896 702 396
Other financial income		47 345	278 089
Other interest expenses		47	0
Other financial expenses		21 465	86 491
Net financial items	3	471 827 416	1 896 893 994
Net profit(-loss) before tax		471 731 301	1 896 833 958
Income tax expense	5	0	0
Net profit(-loss)		471 731 301	1 896 833 958
Allocation of net profit (-loss)			
Dividend	7	0	1 896 702 396
Additional dividend	7	471 801 583	0
From share premium	7	-471 801 583	0
To/from other equity	7	471 731 301	131 562
Total allocation		471 731 301	1 896 833 958

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Balance sheet			
Pure E&P Holding AS			
Assets	Note	2019	2018
Non-current assets			
Financial fixed assets			
Investments in subsidiaries	4	2 518 199 750	2 518 199 750
Total non-current assets		2 518 199 750	2 518 199 750
Current assets			
Debtors			
Other short-term receivables	6	84 146	1 900 614 630
Total receivables		84 146	1 900 614 630
Cash and bank deposits		3 454 452	2 211 398
Total current assets		3 538 598	1 902 826 028
Total assets		2 521 738 347	4 421 025 778

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Balance sheet			
Pure E&P Holding AS			
Equity and liabilities	Note	2019	2018
Paid-in capital			
Share capital	7, 8	304 596	304 596
Share premium	7	2 044 002 506	2 515 804 089
Other paid-in capital	7	16 166	16 166
Total paid-in capital		2 044 323 268	2 516 124 851
Retained earnings			
Other equity	7	477 290 742	5 559 441
Total retained earnings		477 290 742	5 559 441
Total equity		2 521 614 010	2 521 684 293
Liabilities			
Current debt			
Trade creditors		25 000	5 101
Dividend	7	0	1 896 702 396
Other current debt	6	99 337	2 633 989
Total current debt		124 337	1 899 341 485
Total liabilities		124 337	1 899 341 485
Total equity and liabilities		2 521 738 347	4 421 025 778
Stavanger, 29.05.2020 The board of Pure E&P Holding AS			
_____ Tor Espedal Chair of the board	_____ Oddvar Dirdal Board member	_____ Ove Martin Juul Board member	
Pure E&P Holding AS		Page 5	

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Indirect cash flow			
Pure E&P Holding AS			
	Note	2019	2018
Cash flows from operating activities			
Profit/(-loss) before tax		471 731 301	1 896 833 958
Change in accounts receivable		0	2 923
Change in accounts payable		19 899	-2 335 858
Items classified as investment or financing activities		-471 801 583	0
Change in other accrual items		1 293 437	-1 894 551 806
Net cash flows from operating activities		1 243 054	-50 783
Cash flows from investment activities			
Dividend received		2 368 503 979	0
Net cash flows from investment activities		2 368 503 979	0
Cash flows from financing activities			
Payment of additional dividend		-471 801 583	0
Payment of dividend		-1 896 702 396	0
Net cash flows from financing activities		-2 368 503 979	0
Net change in cash and cash equivalents		1 243 054	-50 783
Cash and cash equivalents at the start of the period		2 211 398	2 262 181
Cash and cash equivalents at the end of the period		3 454 452	2 211 398

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PURE E&P HOLDING AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting standards.

Consolidation

Subsidiaries are not consolidated, as Pure E&P Holding AS is an investment company.

Operating income and expenses

The revenue is recognized in the income statement based on time of earning which would normally be the time of delivery of goods and services. Costs are included based on the matching principle signifying the costs are included in the same period as the related revenue is recognized.

Valuation and classification of assets and liabilities

Net current assets and liabilities comprise receivables and payables due within one year. Other entries are classified as fixed assets and/or long term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

Shares in subsidiaries and associates

Subsidiaries and investments in associates are carried at cost in the parent company accounts. A write-down to fair value will be performed if the impairment is not considered to be temporary, and an impairment charge is deemed necessary according to generally accepted accounting principles. Dividends and group contributions are recognised as other financial income.

Foreign currency translation

Foreign currency transactions are translated using the exchange rate prevailing at the date of the transaction. Balances in foreign currency are translated using the exchange rates prevailing at the balance sheet date.

Tax

Tax in the income statement includes both payable taxes and changes in deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values including tax loss carry forwards at the end of the fiscal year. Taxable and deductible temporary differences that reverse or may reverse in the same period are netted.

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PURE E&P HOLDING AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Related parties

Parties are related when one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial or operational decisions. Parties are also related if they are subject to common control.

Transactions between related parties are transfers of resources, services or obligations, regardless of whether a price is charged. All transactions between related parties are made based on the principle of arm's length, which is the estimated market price.

Note 2 General and administrative expenses

	2019	2018
Consulting, legal and audit fees	93 319	58 599
Other expenses	2 796	1 439
Sum	96 115	60 038

No compensation have been paid to any member of the Board of Directors.

Auditor

Auditors' fee for 2019 was NOK 22 250.

VAT is not included in the figures of auditor's fee.

Note 3 Net financial items

	2019	2018
Intercompany interest income	0	186 250
Interest income on bank accounts	416	261
Net exchange rate gain/(loss)	46 929	91 578
Intercompany interest expense	0	-49 457
Other financial expenses	-21 465	-37 034
Other interest expenses	-47	0
Dividend Income	471 801 583	1 896 702 396
Sum	471 827 416	1 896 893 994

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PURE E&P HOLDING AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 4 Investment in subsidiaries

Company	Office	Ownership	Result 2019	Equity as of 31.12	Booked value as of 31.12
Pure E&P AS	Stavanger	100%	474 761 244	2 073 433 643	2 518 199 750
Sum			474 761 244	2 073 433 643	2 518 199 750

Note 5 Tax

This year's tax expense	2019	2018
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Ordinary result before tax	471 731 301	1 896 833 958
Permanent differences	-471 801 583	-1 896 702 396
Changes in temporary differences	0	0
Allocation of loss to be brought forward	0	-131 562
Taxable income	-70 282	0
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences:

	2019	2018	Difference
Accumulated loss to be brought forward	-3 914 241	-3 843 959	70 282
Not included in the deferred tax calculation	3 914 241	3 843 959	-70 282
Basis for deferred tax assets	0	0	0
Deferred tax assets (22 %)	0	0	0

Deferred tax is not booked to the balance sheet

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PURE E&P HOLDING AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 6 Balances with group companies

Receivables	2019	2018
Pure E&P AS	0	3 657 978
Pure E&P AS - Dividend	0	1 896 702 396
Sum	0	1 900 360 374

Payables and other short term debt	2019	2018
Point Resources Holding AS	0	2 376 857
Pure E&P AS	92 656	0
Sum	92 656	2 376 857

Note 7 Equity

	Share capital	Share premium	Other paid-in capital	Other equity	Total equity
As of 01.01.2019	304 596	2 515 804 089	16 166	5 559 441	2 521 684 293
Profit for the period				471 731 301	471 731 301
Additional dividend		-471 801 583			-471 801 583
As of 31.12.2019	304 596	2 044 002 506	16 166	477 290 742	2 521 614 010

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PURE E&P HOLDING AS NOTES TO THE FINANCIAL STATEMENTS FOR 2019

Note 8 Shareholders

The share capital in Pure E&P Holding AS as of 31.12 consists of the following share classes:

	Total	Nominal amount	Share capital
Common shares	250 000	0,010	2 500
Preference A shares	29 809 599	0,010	298 096
Preference B shares	400 000	0,010	4 000
Total	30 459 599		304 596

Redemption Rights

The owner of Preference A shares shall have the rights to request the redemption of Preference A shares by reduction of the share capital, cf section 12-7 of the private limited companies act. The company has the right to request the redemption of Preference B shares by reduction of share capital.

In the event of distributions, the shareholders' meeting may resolve by general majority that the different share classes shall receive different amounts.

Ownership structure

Largest shareholder as of 31 December 2019:

	Common shares	Preference A shares	Preference B shares	Total number of shares	Ownership/ Voting share
HV VII Invest Manna II AS	69 695	29 792 474	104 114	29 966 283	98,38 %
Total > 5 % of the shares		-	-	-	98,38 %
Total remaining shareholders	180 305	17 125	295 886	493 316	1,62 %
Total number of shares	250 000	29 809 599	400 000	30 459 599	100,00 %

Note 9 Subsequent events

COVID-19 is affecting all aspects of society, including the company, however it is still too early to know what the short and long-term effects will be. The company's main income stream is investment income from the underlying investment in Pure E&P AS.

The investment income depends on the performance and value development of the underlying investment. As the underlying investment has most of its exposure towards oil and gas it expected that the decoupling of the oil and gas market in 2020 will have a significant impact on the valuation, potentially leading to an impairment of the financial assets of the company. The length of the downturn is highly dependent on a market recovery, however once the oil and gas market balances it is expected that increased prices and activity level will have a positive impact on the company's investment.

There have been no other events subsequent to the year-end which require adjustment of or disclosure in the financial statements or in the notes.

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