



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 913 678 745  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: LS PETROLEUM 3 AS  
Forretningsadresse: Karenslyst allé 4  
0278 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Martha Korneliussen  
Dato for fastsettelse av årsregnskapet: 30.06.2020

### 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, 20.08.2021



## Resultatregnskap

Beløp i: NOK	Note	2019	2018
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	6,7		3 257 734
Annen driftsinntekt	6,7	4 345 780	1 498 377
<b>Sum inntekter</b>		<b>4 345 780</b>	<b>4 756 111</b>
<b>Kostnader</b>			
Varekostnad			2 526 348
Lønnskostnad	8,9	1 246 612	7 976 908
Avskrivning på varige driftsmidler og immaterielle eiendeler	13		1 355
Annen driftskostnad	8	807 688	2 682 671
<b>Sum kostnader</b>		<b>2 054 300</b>	<b>13 187 282</b>
<b>Driftsresultat</b>		<b>2 291 480</b>	<b>-8 431 171</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt	14	66 294 378	28 751 574
<b>Sum finansinntekter</b>		<b>66 294 378</b>	<b>28 751 574</b>
Annen finanskostnad	14	108 620 101	426 738 062
<b>Sum finanskostnader</b>		<b>108 620 101</b>	<b>426 738 062</b>
<b>Netto finans</b>		<b>-42 325 723</b>	<b>-397 986 488</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-40 034 243</b>	<b>-406 417 659</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>-40 034 243</b>	<b>-406 417 659</b>
<b>Årsresultat</b>		<b>-40 034 243</b>	<b>-406 417 659</b>
<b>Overføringer og disponeringer</b>			
Utbytte		0	0
Overføringer til/fra annen egenkapital		-40 034 243	-406 417 659
<b>Sum overføringer og disponeringer</b>		<b>-40 034 243</b>	<b>-406 417 659</b>



### Balanse

Beløp i: NOK	Note	2019	2018
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	2	0	0
<b>Sum immaterielle eiendeler</b>		<b>0</b>	<b>0</b>
<b>Varige driftsmidler</b>			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	13		62 683
<b>Sum varige driftsmidler</b>		<b>0</b>	<b>62 683</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	5	76 014 622	175 150 259
Investeringer i aksjer og andeler			1 643 131
<b>Sum finansielle anleggsmidler</b>		<b>76 014 622</b>	<b>176 793 390</b>
<b>Sum anleggsmidler</b>		<b>76 014 622</b>	<b>176 856 073</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Sum varer</b>		<b>0</b>	<b>0</b>
<b>Fordringer</b>			
Kundefordringer			1 214 506
Andre fordringer		156 110	490 437
Konsernfordringer	11	62 167 466	208 029 047
<b>Sum fordringer</b>		<b>62 323 576</b>	<b>209 733 990</b>
<b>Investeringer</b>			
<b>Sum investeringer</b>		<b>0</b>	<b>0</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	12	6 081 918	62 075 970
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>6 081 918</b>	<b>62 075 970</b>
<b>Sum omløpsmidler</b>		<b>68 405 494</b>	<b>271 809 960</b>



## Balanse

Beløp i: NOK	Note	2019	2018
<b>SUM EIENDELER</b>		<b>144 420 116</b>	<b>448 666 033</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	3,4	8 394 470	8 390 163
Overkurs	4	778 384 192	
Annen innskutt egenkapital	4	46 649 207	37 349 207
<b>Sum innskutt egenkapital</b>		<b>833 427 869</b>	<b>45 739 370</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	4	-825 277 587	-812 726 677
<b>Sum opptjent egenkapital</b>		<b>-825 277 587</b>	<b>-812 726 677</b>
<b>Sum egenkapital</b>		<b>8 150 282</b>	<b>-766 987 307</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	11		683 100 318
<b>Sum annen langsiktig gjeld</b>		<b>0</b>	<b>683 100 318</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>683 100 318</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld			50 300
Skyldige offentlige avgifter			2 470 276
Kortsiktig konserngjeld	11	133 841 439	519 595 120
Annen kortsiktig gjeld	10	2 428 395	10 437 325
<b>Sum kortsiktig gjeld</b>		<b>136 269 834</b>	<b>532 553 021</b>
<b>Sum gjeld</b>		<b>136 269 834</b>	<b>1 215 653 339</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>144 420 116</b>	<b>448 666 032</b>



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Statsautoriserte revisorer  
Ernst & Young AS

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Medlemmer av Den norske revisorforening

## UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i LS Petroleum 3 AS

### Uttalelse om revisjonen av årsregnskapet

#### Konklusjon

Vi har revidert årsregnskapet for LS Petroleum 3 AS som består av balanse per 31. desember 2019, resultatregnskap og kontantstrømpoppstilling for regnskapsåret avsluttet per denne datoen, og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger.

Etter vår mening er årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2019, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

#### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i avsnittet *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med de relevante etiske kravene i Norge knyttet til revisjon slik det kreves i lov og forskrift. Vi har også overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

#### Øvrig informasjon

Øvrig informasjon omfatter informasjon i selskapets årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret (ledelsen) er ansvarlig for den øvrige informasjonen. Vår uttalelse om revisjonen av årsregnskapet dekker ikke den øvrige informasjonen, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom den øvrige informasjonen og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon, er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

#### Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvikle selskapet eller legge ned virksomheten, eller ikke har noe annet realistisk alternativ.

#### Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig



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dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg

- ▶ identifiserer og anslår vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll;
- ▶ opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll;
- ▶ vurderer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige;
- ▶ konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det foreligger vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet. Hvis slike tilleggsopplysninger ikke er tilstrekkelige, må vi modifisere vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapets evne til fortsatt drift ikke lenger er til stede;
- ▶ vurderer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen, tidspunktet for vårt revisjonsarbeid og eventuelle vesentlige funn i vår revisjon, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom vårt arbeid.

## Uttalelse om øvrige lovmessige krav

### Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til disponering av resultatet] er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

### Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendige i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Bergen, 29. juni 2020  
ERNST & YOUNG AS

*Revisjonsberetningen er signert elektronisk*

Eirik Moe  
statsautorisert revisor

Uavhengig revisors beretning - LS Petroleum 3 AS

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## Eirik Moe

Statsautorisert revisor

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## Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	19.01.2018	29.01.2018
Telefon	Deres referanse	Vår referanse
22078139	Svein Sollund	2018/68029

AGR HOLDINGS AS  
Postboks 444 Skøyen  
0213 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for AGR Holdings AS, org.nr. 913 678 745

Vi viser til deres brev av 19. januar 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for AGR Holdings AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering AGR Holdings 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

Fra søknaden gjengis:

*AGR Holdings AS og dets datterselskaper er en ledende leverandør av tjenester og teknologi til olje- og gassindustrien. Selskapet er lokalisert i Oslo og tilbyr administrasjonstjenester til datterselskaper i konsernet.*

*Konsernet utøver sin virksomhet i en internasjonal bransje, og arbeidsspråket i selskapet og konsernet er engelsk. Selskapet har datterselskaper lokalisert i Australia, Norge, Storbritannia, De Forente Arabiske Emirater og USA hvor den operative virksomheten utøves. Selskapet har også en filial i Abu Dhabi, som ved levering av anbud må legge ved revidert selskapsregnskap for AGR Holdings AS på engelsk.*

*Selskapet er et datterselskap av AGR Holdco Limited, et britisk selskap lokalisert i Aberdeen, som igjen eies igjen av Silverfleet Capital, et London-basert private equity selskap.*

### 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

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	E-post:	22 17 08 60
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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 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 vekt på at selskapet er eid av et utenlandsk selskap. Eierkretsen er begrenset. Selskapet driver virksomhet i en internasjonal bransje og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale brukere av regnskapet behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette Munkvold Skovholt  
*seniorrådgiver*  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

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



## LS Petroleum 3 AS

### DIRECTOR'S REPORT 2019

#### **Company overview**

LS Petroleum 3 AS (the "Company") offers management services to its subsidiaries. The company is located in Oslo, Norway.

The Company was incorporated at completion of the demerger of Petroleum Services Holding AS in 2014 and was a part of the AGR Group until 2 April 2019. Please refer to the Going concern section for further information about the restructuring of the AGR Group.

The Company had revenues of TNOK 4 346 in 2019 and the equity to asset ratio was 5,6%. The annual result was TNOK (40 034). The negative result is mainly attributable to write-downs of shares in subsidiaries.

The Board is of the opinion that the annual accounts provide a true and fair view of the Company's assets, debt, financial standing and result.

#### **Central risks and uncertainty factors**

##### *Financial risk*

The Company and the group have limited currency risks.

##### *Credit risk*

The Company mainly offers services to subsidiaries so there is little risk that its customers will not be able to fulfill their financial obligations.

##### *Liquidity risk*

The Board assesses the liquidity of the Company to be satisfactory. Consequently, no efforts have been made to improve this risk.

##### *Research and development*

The Company does not have any ongoing research or development activities.

#### **Going concern**

On 7 December 2018 a Share Purchase Agreement ("SPA") was signed with Akastor taking ownership of AGR AS (the former parent company of the Company). Closing of the transaction took place on 2 April 2019. The transaction was carried out primarily as an asset deal, whereby assets in AGR's group of companies and the three legal entities AGR AS, AGR Consultancy Services AS (formerly AGR Steinsvik AS) and AGR Software AS, together with Akastor subsidiary First Geo AS, were transferred to a new legal structure, which in turn was transferred to Akastor to establish a new AGR group. The Company and the other entities remaining in the old structure are hereafter referred to as the "Legacy Structure".

Transaction subsequent to the balance sheet date indicates that the market value of the company's shares in subsidiaries is significantly below book values as of 31 December 2019. As a result, the Company made a write down of shares amounting to TNOK 69 599. In addition, the Company made a write down of TNOK 20 902 on the intercompany loans to LS Petroleum 2 Limited (formerly AGR Group (Holdings) Limited), LS Petroleum 1 Limited (former AGR Holdco Limited) and AGR Petroleum (ME) Limited in the 2019 Financial Statements.

On 6 February 2019, the Company sold its shares in AGR Mexico Well Management S. de R.L. de C.V. to AGR AS against a note of TUSD 1.8.

On 26 March 2019 the company sold its shares in AGR Consultancy Services AS for TNOK 12 849, AGR Software AS for TNOK 16 688 and DBO Energy Do Brazil S.A. for TNOK 1 634 to AGR AS. On the same date the company sold all its assets and liabilities to AGR AS for TNOK 5 665. On 29 March 2019 the company received a dividend in kind of TNOK 27 471. In late March and early April, a series of intragroup transfers and



offsets of debt and receivables took place as a result of the legal restructuring. Thereafter the remaining debt of TNOK 778 388 to AGR AS was converted into equity.

On 2 April 2019 the shares in the Company were, together with the shares in certain related companies in the Legacy Structure, subsequently sold to LS Petroleum 2 AS. Funds amounting to TNOK 8 700 remained in the cash pool held by the Company, and part of the funds will be used to liquidate all the companies in the Legacy Structure. The parent entity LS Petroleum 2 AS intends to liquidate the Company on a solvent basis in 2020 and the latest 2021. However, the formal decision is yet to be made.

#### **Subsequent Events**

At the time of presentation of the 2019 financial statements, there is a general uncertainty related to the impact of the COVID-19 virus outbreak. However, the parent entity LS Petroleum 2 AS intends to liquidate the Company in 2020, and as such COVID-19 is not expected to negatively impact the Company. A formal decision has been made to liquidate the subsidiaries LS Petroleum 4 AS, LS Petroleum 5 AS, LS Petroleum 3 Ltd, LS Petroleum 4 Ltd, LS Petroleum 1, Inc. LS Petroleum 2, Inc and AGR Group Mexico, Inc. All expected to be liquidated on a solvent basis and dissolved during 2020. LS Petroleum 2 Ltd is currently undergoing an insolvent liquidation, as the company was not able to service its debt to its creditors.

The equity is positive, and the company has access to cash through the group cash pool. The Board has considered the factors above and concluded that the financial statements of the company have been prepared in a prudent way taking into consideration that the Company will be entering formal liquidation as soon as its subsidiaries are liquidated. Initial plans catered for all liquidations to take place in 2020, but the Corona pandemic has made the timeline somewhat uncertain.

#### **Working environment and personnel**

The Company had no employees at the end of 2019.

#### **Gender equality**

At year end, the Board of Directors had two members, of which no women.

Based on an assessment of the number of employees and job categories, the Board has not found it necessary to take specific action with respect to gender equality.

#### **Environmental reporting**

The company's operations are not regulated by any significant environmental regulations. The company does not pollute the environment.

#### **Annual result and allocation of profit**

The Board believes that the annual result and balance sheet with notes that have been presented express the result of the company for 2019 and its financial position at year end.

Beyond the conditions mentioned in the going concern section, no matters of importance for the assessment of the accounts have occurred.

The net result was negative NOK 40 million in 2019 and the following allocation has been proposed

Allocation to retained earnings	TNOK (40 034)
Total allocation	TNOK (40 034)



Oslo, 29.06.20

\_\_\_\_\_  
Leif Chr. Salomonsen  
Chairman of the board

\_\_\_\_\_  
Runar Nilsen  
Director



## INCOME STATEMENT

### LS Petroleum 3 AS

<b>OPERATING REVENUE AND EXPENSES</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>Operating revenue</b>			
Revenue	6,7	-	3 257 734
Other operating revenue	6,7	4 345 780	1 498 377
<b>Total operating revenue</b>		<b>4 345 780</b>	<b>4 756 111</b>
<b>Operating expenses</b>			
Goods and consumables used		-	2 526 348
Payroll expenses	8,9	1 246 612	7 976 908
Depreciation, amortisation and impairments	13	-	1 355
Other operating expenses	8	807 688	2 682 671
<b>Total operating expenses</b>		<b>2 054 300</b>	<b>13 187 282</b>
<b>Operating profit</b>		<b>2 291 480</b>	<b>-8 431 171</b>
<b>FINANCIAL INCOME AND -EXPENSES</b>			
Financial income	14	66 294 378	28 751 574
Financial expenses	14	108 620 101	426 738 062
<b>Net financial items</b>		<b>-42 325 723</b>	<b>-397 986 488</b>
<b>Profit before income tax</b>		<b>-40 034 243</b>	<b>-406 417 659</b>
Income tax expense	2	-	-
<b>Profit for the year</b>		<b>-40 034 243</b>	<b>-406 417 659</b>
<b>Attributable to</b>			
Retained earnings		-40 034 243	-406 417 659
<b>Total appropriation</b>		<b>-40 034 243</b>	<b>-406 417 659</b>



## STATEMENT OF FINANCIAL POSITION

### LS Petroleum 3 AS

ASSETS	Note	31.12.2019	31.12.2018
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Deferred tax assets	2	-	-
<b>Total intangible assets</b>		-	-
Machinery and operating equipment	13	-	62 683
<b>Total tangible fixed assets</b>		-	<b>62 683</b>
<b>Financial fixed assets</b>			
Investment in subsidiaries	5	76 014 622	175 150 259
Investment in shares		-	1 643 131
<b>Total financial fixed assets</b>		<b>76 014 622</b>	<b>176 793 390</b>
<b>Total fixed assets</b>		<b>76 014 622</b>	<b>176 856 073</b>
<b>Receivables</b>			
Trade receivables		-	1 214 506
Other receivables		156 110	490 437
Group receivables	11	62 167 466	208 029 047
<b>Total receivables</b>		<b>62 323 576</b>	<b>209 733 990</b>
Cash pool	12	6 081 892	60 536 827
Cash and cash equivalents	12	26	1 539 143
<b>Total cash and cash equivalents</b>		<b>6 081 918</b>	<b>62 075 970</b>
<b>Total current assets</b>		<b>68 405 494</b>	<b>271 809 960</b>
<b>TOTAL ASSETS</b>		<b>144 420 116</b>	<b>448 666 033</b>



## STATEMENT OF FINANCIAL POSITION

### LS Petroleum 3 AS

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>Equity</b>			
<b>Paid-in equity</b>			
Share capital	3,4	8 394 470	8 390 163
Other paid in capital	4	825 033 399	37 349 207
<b>Total paid-in equity</b>		<b>833 427 869</b>	<b>45 739 370</b>
<b>Retained earnings</b>			
Retained earnings	4	-825 277 587	-812 726 677
<b>Total retained earnings</b>		<b>-825 277 587</b>	<b>-812 726 677</b>
<b>Total equity</b>		<b>8 150 282</b>	<b>-766 987 307</b>
<b>Liabilities</b>			
<b>Noncurrent liabilities</b>			
Loans from group companies	11	-	683 100 318
<b>Total noncurrent liabilities</b>		<b>-</b>	<b>683 100 318</b>
<b>Current liabilities</b>			
Trade payables		-	50 300
Tax payable		-	-
Other taxes payable		-	2 470 276
Group payables	11	133 841 439	519 595 120
Other current liabilities	10	2 428 395	10 437 325
<b>Total current liabilities</b>		<b>136 269 834</b>	<b>532 553 021</b>
<b>Total liabilities</b>		<b>136 269 834</b>	<b>1 215 653 339</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>144 420 116</b>	<b>448 666 032</b>

Oslo, 29.06.2020

Leif Chr. Salomonsen  
Chairman of the board

Runar Nilsen  
Director



## CASH FLOW STATEMENT

### LS Petroleum 3 AS

	Note	2019	2018
<b>Operating activities</b>			
Profit/(loss) before taxes		-40 034 243	-406 417 659
<i>Non-cash adjustments to reconcile profit before tax to net cash flows</i>			
Depreciation, amortisation and impairment of tangible assets		-	1 355
Finance income	14	-66 294 378	-28 751 574
Finance costs	14	108 620 101	426 738 062
<i>Working capital adjustments:</i>			
Decrease (increase) in trade and other receivables and prepayments		1 548 833	2 112 640
Decrease (increase) in group receivables		201 179 469	24 277 695
(Decrease) increase in trade and other payables		-10 529 506	2 592 399
(Decrease) increase in group payables		-385 753 681	-
Decrease (increase) in other provisions		-430 456	-1 217 650
		<b>-191 693 861</b>	<b>19 335 268</b>
Interest received	14	1 850 977	6 265 518
<b>Net cash flow from operational activities</b>		<b>-189 842 885</b>	<b>25 600 786</b>
<b>Investing activities</b>			
Investments in shares and units		-	-1 643 131
Proceeds from sales of subsidiaries		31 179 781	-
<b>Net cash flows from investing activities</b>		<b>31 179 781</b>	<b>-1 643 131</b>
<b>Financing activities</b>			
Proceeds from new equity		787 688 499	-
Change in Group loans		-676 531 128	-40 000 000
Interest and other financials paid		-7 845 812	-
<b>Net cash flow from financing activities</b>		<b>103 311 559</b>	<b>-40 000 000</b>
Net foreign exchange differences		-642 507	-10 289 204
<b>Net increase in cash and cash equivalents</b>		<b>-55 994 052</b>	<b>-26 331 549</b>
<b>Cash and cash equivalents at 1 January</b>		<b>62 075 970</b>	<b>88 407 519</b>
<b>Cash and cash equivalents at 31 December</b>		<b>6 081 918</b>	<b>62 075 970</b>



## LS Petroleum 3 AS

# Notes to the accounts

### Note 1 - Accounting principles

LS Petroleum 3 AS ('the Company'), formerly known as AGR Holdings AS, was incorporated at completion of the demerger of Petroleum Services Holding AS in 2014. It is a limited liability company incorporated and domiciled in Norway on 12 March 2014. The address of its registered office is Karenslyst allé 4, 0213 Oslo. The Company and its subsidiaries (together 'the Group') were leading suppliers of services and technology to the oil and gas offshore industry. The Group's main operations have been based in Oslo, with other offices around the world including Stavanger, Aberdeen, Houston, Perth, Abu Dhabi and Dubai. The company previously offered management services to its subsidiaries.

On 7 December 2018 a Share Purchase Agreement ("SPA") was signed with Akastor taking ownership of AGR AS. Closing of the transaction took place on 2 April 2019. The transaction was carried out primarily as an asset deal, whereby assets in the current AGR legal structure and the three legal entities AGR AS, AGR Consultancy Services AS (formerly AGR Steinsvik AS) and AGR Software AS, together with Akastor subsidiary First Geo AS, were transferred to a new legal structure, which in turn was transferred to Akastor to establish the merged company.

On 6 February 2019, the Company sold its shares in AGR Mexico Well Management S. de R.L. de C.V. to AGR AS against a note of TUSD 1.8.

On 26 March 2019 the Company sold its shares in AGR Consultancy Services AS for TNOK 12 849, AGR Software AS for TNOK 16 688 and DBO Energy Do Brazil S.A. for TNOK 1 634 to AGR AS. On the same date the Company sold all its assets and liabilities to AGR AS for TNOK 5 665. Gain on the sale of net assets amounted to TNOK 3 768 and was booked on 26 March 2019. On 29 March 2019 the company received a dividend in kind of TNOK 27 471. In late March and early April, a series of intragroup transfers and offsets of debt and receivables took place as a result of the legal restructuring. Thereafter the remaining debt of TNOK 778 388 to AGR AS was converted into equity. Following the conversation, the Company's book equity amounted to TNOK 18 864.

On 2 April 2019 the shares in the company were, together with the shares in certain related companies in the legacy structure, subsequently sold to LS Petroleum 2 AS (previously AGR Midco AS). Funds amounting to TNOK 8 700 will remain in the cash pool held by the Company, and part of the funds will be used to liquidate the Company and the other companies in the legacy structure. LS Petroleum 2 AS intends to liquidate the company on a solvent basis as soon as possible, however a formal decision is yet to be made and the timing of the said liquidation is uncertain but is planned to take place during 2020.

The company is part of the group R Holdco AS. The Group's head office has registered business address at Filipstad brygge 1, 0258 Oslo. In accordance with section 3-8 in the Norwegian Accounting Act (rskl. §3-8), no consolidated financial statements are prepared as most companies are in liquidation (temporary ownership).

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The management has applied estimates and assumptions which have affected assets, liabilities, income and expenses, as well as the disclosures regarding potential obligations. The financial year follows the calendar year. Income statement items are classified by nature.

#### Changes in accounting policies

Changes in accounting principles and disclosures and the correction of material errors in previous years are recognised directly in equity. Basis of comparison is changed correspondingly.

#### Subsidiaries

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends/group contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet of the parent company.

#### Balance sheet classification

Assets intended for permanent ownership or long-term use are classified as non-current assets.

Assets which are a part of the company's service cycle and are expected to be realised or used during the course of the company's normal production period are classified as current assets. Receivables are classified as current if they are expected to be realised within 12 months of the balance sheet date. Liabilities which fall due more than a year after the balance sheet date are classified as non-current. All other liabilities are classified as current. Liabilities which are part of the service cycle, however, are always classified as current.



## LS Petroleum 3 AS

# Notes to the accounts

### Note 1 – Accounting principles, continued

Current assets are recognised at the lower of cost and fair value. Current liabilities are carried at nominal value at the time they are incurred.

Non-current assets are valued at cost. Tangible fixed assets which deteriorate in value over time are depreciated applying a straight line method over their expected economic lifetime. Tangible fixed assets are impaired to fair value if the drop in value is not expected to be temporary.

#### Revenue recognition

The company's activity is mainly related to the supply of services to subsidiaries in the Group. Revenues from sales of services are recognised in the income statement according to the level of completion. The Company recognises revenue when it is probable that the transaction will generate future economic benefits that will accrue to the company and the value of such benefits can be estimated reliably. Revenue is shown net of value-added tax, returns, rebates and discounts.

#### Matching principle

Revenues are matched with expenses in accordance with the matching principle. Unrealised losses which are considered both likely to incur and quantifiable, as well as unconditional obligations and orders, are expensed in accordance with generally accepted accounting principles.

#### Foreign exchange

Monetary items in foreign currency are translated to NOK using the exchange rates at the balance sheet date. Foreign exchange gains/losses are presented as finance income/expenses in the income statement.

#### Provisions, contingent liabilities and conditional assets

Contingent liabilities are recognised in the financial statements if there is more than a 50% probability that the liability will be settled. Best estimate is applied when calculating the settlement value. Provisions for contingent liabilities arising from the movement of goods or which are expected to be settled within a year from the balance sheet date are classified as short-term liabilities. Other provisions are classified as provision for liabilities under long-term debt.

#### Property, plant and equipment

Property, plant and equipment, are valued at cost less accumulated depreciation and write-downs. The cost of property, plant and equipment comprises the purchase price, including direct acquisition costs linked to bringing the asset to the proper location and making it fit for use.

Depreciation is calculated applying the straight-line method over the asset's expected economic life. Major additions and improvements are capitalised and depreciated along with the asset. Additions include expenses that have a positive effect on the asset's remaining cash flows in comparison to what was originally assumed at the time of acquisition. Other expenses are classified as maintenance and expensed as they incur.

Gains on disposals of fixed assets are classified as other operating income and losses are classified as other operating expenses.

Write-down of fixed assets and intangible assets is assessed when there are indications of impairment. A calculation is then made of discounted future cash flows for assets that will remain in use by the company and estimated sales price less sales costs for assets for sale. If the calculation shows a lower value than the carrying amount, the asset is written down to fair value or to sales price less sales cost for assets which are for sale.

#### Accounts receivables and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less confirmed losses and provisions for doubtful accounts. Provisions for doubtful accounts are based on specific assessments of individual accounts, as well as an assessment of the group of accounts as a whole.



## LS Petroleum 3 AS

# Notes to the accounts

### Note 1 – Accounting principles, continued

#### Cash and cash equivalents

Cash and cash equivalents consist of cash and bank deposits. The Company is cash pool owner in the Group's cash pool system, and all of the bank accounts which are part of the system are presented as intercompany receivables/payables in the balance sheet.

#### Use of estimates

When there is uncertainty regarding the measurement of an item in the accounts, the best estimate is applied. Changes in estimates are accounted for in the period that the change is made. Estimates are subject to uncertainty and may deviate from the final outcome.

#### Income Tax

The tax expense in the financial statements consists of tax payable and changes in deferred tax. Deferred tax/tax asset is calculated using the relevant tax rate and on all temporary differences that exist between the tax bases of assets and liabilities and their carrying amounts in the financial statements, as well as any tax losses carried forward at year-end.

Tax increasing and tax reducing temporary differences that are reversed, or can be reversed in the same period are recorded net. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized.

#### Cash flow statement

The cash flow statement presents the accumulated cash flow for operational, investment and financial activities. The statement outlines each activity's effect on cash and cash equivalents. The cash flow statement has been prepared using the indirect method.



## LS Petroleum 3 AS

## Notes to the accounts

## Note 2 – Tax

Income tax expenses:

	2019	2018
Tax payable	-	-
Changes in deferred tax	-	-
Adjustment in respect of income tax of previous years	-	-
<b>Total income tax expense</b>	-	-

Tax base calculation:

Profit before income tax	-40 034 243	-406 417 659
Temporary differences	-92 730	-131 418
Permanent differences*	94 065 936	380 614 103
Disallowed interest expenses under the interest deduction limitation rule	-	25 934 789
Utilization of tax loss carried forward	-53 938 963	-
<b>Tax base</b>	-	<b>-185</b>

\* Non deductible expenses. Mainly write-down of shares in subsidiaries and group loans.

Temporary differences	31.12.2019	31.12.2018	Change
Fixed assets	-226 200	-318 930	-92 730
Temporary difference loan to subsidiary, correction prev	-58 584 089	-58 584 089	-
Disallowed interest expenses under the interest deduction lim	-25 934 789	-25 934 789	-
Loss carried forward	-21 737 697	-75 676 660	-53 938 963
<b>Basis for deferred tax/deferred tax asset</b>	<b>-106 482 775</b>	<b>-160 514 468</b>	<b>-54 031 693</b>

Differences not included in the calculation of deferred tax in the balance sheet	106 482 775	160 514 468	
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<b>Total basis for deferred tax/deferred tax asset</b>	-	-	
<b>Deferred tax/deferred tax asset</b>	-	-	-

Deferred tax/deferred tax asset is calculated using the tax rate for 2020 (22 %).

All temporary differences can be netted and this has been done when calculating the deferred tax/tax advantage. It is optional to recognize the deferred tax asset and the company has chosen *not* to recognize the net deferred tax asset at 31.12.2018 and 31.12.2019



## LS Petroleum 3 AS

### Notes to the accounts

#### Note 3 - Share Capital and Shareholder information

At 31 December 2018 the company had a share capital of NOK 8 390 163 distributed in 4 307 065 shares, each with a nominal value of NOK 1.948. Following a capital increase in 2019 the company has a share capital of NOK 8 394 470 distributed in 4 307 065 shares at 31 December 2019, each with a nominal value of NOK 1.949. The company has one share class, and all shares have equal voting and dividend rights.

#### Shareholders 31.12.19

	Equity interest	Number of shares	Nominal value	Share capital
LS Petroleum 2 AS	100 %	4 307 065	1.949	8 394 470
<b>Total</b>	<b>100 %</b>	<b>4 307 065</b>		<b>8 394 470</b>

The company does not have any treasury shares

#### Note 4 - Changes in equity

	Share capital	Other paid-in capital	Other equity	Total equity
Opening balance 01.01.2019	8 390 163	37 349 207	-812 726 677	-766 987 307
Capital increase	4 307	787 684 192	-	787 688 499
Dividend from subsidiary			27 471 369	27 471 369
Exchange related to asset deal transactions			11 963	11 963
Net profit			-40 034 243	-40 034 243
<b>Equity 31.12.2019</b>	<b>8 394 470</b>	<b>825 033 399</b>	<b>-825 277 587</b>	<b>8 150 282</b>

#### Note 5 - Group entities

Subsidiaries are accounted for using the cost method of accounting. The company has the following ownership interests:

Company	Head office	Voting share	Equity 31.12.2019	Net profit/ (loss) 2019	Book value 31.12.2019
LS Petroleum 2 Ltd	Aberdeen, UK	100 %	-39 329 186	-3 253 470	-
LS Petroleum 3 Ltd	Aberdeen, UK	100 %	-5 023 840	-3 203 903	-
LS Petroleum 4 Ltd	Aberdeen, UK	100 %	-322 137	3 670 984	-
AGR Petroleum (ME) Ltd	Dubai, UAE	100 %	-3 897 204	-4 172 196	-
LS Petroleum 4 AS	Oslo, Norway	100 %	76 014 622	9 009 691	76 014 622
LS Petroleum 1, Inc	Houston, USA	100 %	1 351 135	-4 261 546	-
<b>Total</b>					<b>76 014 622</b>

#### Note 6 - Geographical segment information

	2019	2018
Norway	4 345 780	1 496 795
United Arab Emirates	-	3 259 316
<b>Total revenue</b>	<b>4 345 780</b>	<b>4 756 111</b>

#### Note 7 - Operating revenues

	2019	2018
Sale of services	-	3 259 316
Other operating revenue	4 345 780	1 496 795
<b>Total revenue</b>	<b>4 345 780</b>	<b>4 756 111</b>



## LS Petroleum 3 AS

### Notes to the accounts

#### Note 8 - Wages, fees, number of employees etc.

	2019	2018
Wages	1 057 782	6 781 070
Employers' social security contributions	156 209	991 165
Pension costs	25 119	185 995
Other remunerations/payroll expenses	7 502	18 679
<b>Total</b>	<b>1 246 612</b>	<b>7 976 909</b>
Average number of man-labour years	0	2

The two employees in the company as at 31 December 2018 were transferred to the Company's former parent company, AGR AS, as part of the restructuring of the AGR Group in 2019

Key management compensation	Wages	Pension	Other remuneration	Total
Daglig leder/Managing director	598 509	17 326	13 517	629 352
Board of directors	-	-	-	-
	<b>598 509</b>	<b>17 326</b>	<b>13 517</b>	<b>629 352</b>

Other remuneration includes per diem, car allowance and telephone.

Auditor's fee - EY	2019	2018
Fees for audit of annual accounts, excl. VAT	187 431	78 208
Fees for tax-related services, excl. VAT	-	-500 000
<b>Total</b>	<b>187 431</b>	<b>-421 792</b>

Fees for tax-related services in 2018 consists of a credit invoice received in 2018 regarding tax assistance in 2017

#### Note 9 - Pension

The company was obliged to have a pension scheme and it had a pension scheme which followed the requirements in the Act on Mandatory company pensions in 2018, and in 2019 until the employees were transferred to AGR AS.

#### Note 10 - Other current liabilities

	2019	2018
Holiday pay and wages due	-	2 204 188
Other accruals	-	582 810
Other short term liabilities	2 428 395	7 650 327
<b>Total current liabilities</b>	<b>2 428 395</b>	<b>10 437 325</b>

Other short term liabilities in 2018 consists of provision for loss of the cash pool receivable towards its former subsidiary AGR Facilities Solutions AS, which was discontinued in Q1 2019. The liabilities in 2019 are interim accounts related to the asset deals and restructuring in 2019.



## LS Petroleum 3 AS

### Notes to the accounts

#### Note 11 - Group receivables and payables

Current receivables	2019	2018
LS Petroleum 1 AS	-	8 036 681
LS Petroleum 2 AS	1 885 979	440 115
LS Petroleum 1 Ltd	-	1 190 868
LS Petroleum 5 AS	53 460 349	11 957 557
AGR Consultancy Services AS	-	1 845 349
AGR Facilities Solutions AS*	-	7 167 202
LS Petroleum 1 Pty Ltd	158 045	-
LS Petroleum 2 Ltd	319 983	163 829 594
LS Petroleum 3 Ltd	1 878 992	-
LS Petroleum 4 Ltd	401 412	-
AGR Holdings AS - Abu Dhabi branch	996 994	21 333
LS Petroleum 2, Inc.	-	11 480 540
AGR Solution Systems Ltd*	-	2 086
AGR Petroleum (ME) Ltd	3 065 712	1 748 469
AGR Mexico Well Management	-	309 253
<b>Total current receivables</b>	<b>62 167 466</b>	<b>208 029 046</b>

Current payables	2019	2018
AGR AS	-	259 523 113
AGR Holdings AS - Abu Dhabi branch	-	21 333
LS Petroleum 4 AS	71 452 814	83 447 468
LS Petroleum 5 AS	58 057 008	6 830 227
AGR Consultancy Services AS	-	6 622 384
LS Petroleum 1 Pty Ltd	-	12 655 917
LS Petroleum 3 Ltd	-	14 791 655
LS Petroleum 4 Ltd	-	125 749 678
AGR Petroleum (ME) Ltd	3 125 346	3 090 550
Tracs International Ltd**	-	1 454 431
LS Petroleum 1, Inc.	470 414	4 335 257
LS Petroleum 2, Inc.	735 856	-
AGR Petroleum Services Inc.	-	1 073 108
<b>Total current payables</b>	<b>133 841 439</b>	<b>519 595 120</b>

\* AGR Solution Systems Ltd was dissolved in 2019

\*\* Tracs International Ltd was sold in 2019

The short-term loan to LS Petroleum 2 Ltd was written-down in its entirety at 31 December 2019 and as such is presented net of this write-down. The balance presented in the table above represents the company's cash pool deposit.

Most of the other balances presented in the table above represents cash pool deposits and drawings of the company's subsidiaries. The 2018 column shows companies that are no longer group companies following the restructuring in April 2019.



## LS Petroleum 3 AS

# Notes to the accounts

### Note 11 - Group receivables and payables, continued

	2019	2018
Long term payables		
AGR AS	-	683 100 318
<b>Total long term payables</b>	<b>0</b>	<b>683 100 318</b>

Interest is calculated using 6 months LIBOR + a margin of 4.85%

### Note 12 - Cash and cash equivalents

	2019	2018
Bank deposits	6 081 918	62 075 970
<b>Bank deposits 31.12.</b>	<b>6 081 918</b>	<b>62 075 970</b>

The majority of the Norwegian companies are participants in the group's cash pool system where LS Petroleum 3 AS is cash pool owner. The participating companies have a joint liability for the provisions within the system and their deposits/overdrafts are presented as group payables/group receivables in LS Petroleum 3 AS, cf. note 11 Group receivables and payables

The company had a NOK 350 000 bank guarantee for tax deductions which served as a security of paying tax deducted from the employees' salaries, but this was terminated when the employees were transferred to AGR AS.

### Note 13 - Fixed assets

	Machinery and operating equipment	Total
Historical cost 01.01.	2 281 945	2 281 945
Additions	-	-
Disposals (transferred to AGR AS in the asset deal)	62 683	62 683
Accumulated depreciation and impairment 31.12.	2 219 262	2 219 262
<b>Net book value 31.12.19</b>	<b>-</b>	<b>-</b>
Amortization of the year	-	-
Depreciation rates	3-5 years	3-5 years
Depreciation method	Linear	Linear



## LS Petroleum 3 AS

### Notes to the accounts

#### Note 14 - Financial income and expenses

	2019	2018
Interest income group loans	3 229 014	7 947 945
Interest income cash pool	1 850 977	6 265 518
Group contribution	46 027 717	13 802 906
Agio gain	5 896 500	734 912
Other financial income	9 290 170	292
<b>Total financial income</b>	<b>66 294 378</b>	<b>28 751 573</b>
Interest expenses group loan	2 845 960	40 192 696
Interest expenses cash pool	-	-
Interest expenses external	10 968 660	-
Write-down receivables subsidiaries	20 902 179	25 598 118
Write-down of shares in subsidiary	69 598 987	347 414 701
Agio loss	4 303 912	5 921 729
Other financial expenses	403	7 610 819
<b>Total financial expenses</b>	<b>108 620 101</b>	<b>426 738 062</b>
<b>Net financial items</b>	<b>-42 325 723</b>	<b>-397 986 489</b>

Other financial income in 2019 consists primarily of the waived cash position of its subsidiary in Australia.

Interest expenses on the group loan from former parent company AGR AS are shown as external interest expenses in 2019 due to the companies not being group companies anymore

#### Note 15 - Subsequent events

At the time of presentation of the 2019 financial statements, there is a general uncertainty related to the impact of the COVID-19 virus outbreak. However, the parent entity LS Petroleum 2 AS intends to liquidate the company in 2020, and as such COVID-19 is not expected to negatively impact the company. A formal decision has been made to liquidate the subsidiaries LS Petroleum 4 AS, LS Petroleum 5 AS, LS Petroleum 3 Ltd, LS Petroleum 4 Ltd, LS Petroleum 1, Inc, LS Petroleum 2, Inc and AGR Group Mexico, Inc. All expected to be liquidated on a solvent basis and dissolved during 2020. LS Petroleum 2 Ltd is currently undergoing an insolvent liquidation, as the company was not able to service its debt to its creditors.

No other circumstances have arisen after the end of the accounting period beyond what has been described above that may have consequences for 2020.