

OS AA01

Statement of details of parent law and other information for an overseas company



Companies House

100042/20

What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

What this form is for
You cannot use this form
for an alteration of material
with accounting records

THURSDAY



A16

A4NG6SBM

31/12/2015

#261

COMPANIES HOUSE

Please
ov uk

Part 1 Corporate company name

Corporate name of
overseas company ①

PERENCO VIETNAM AS ✓

UK establishment
number

B | R | 0 | 1 | 6 | 8 | 4 | 7 | ✓

→ **Filling in this form**

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

NORWEGIAN ACCOUNTING ACT 1998

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

No Go to **Section A3**

Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

NORWEGIAN GAAP

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box

No Go to **Section A5**

Yes Go to **Section A4**

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box <input type="checkbox"/> No Go to Part 3 'Signature' <input checked="" type="checkbox"/> Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	Please insert the name of the appropriate accounting organisation or body
Name of organisation or body	NORWEGIAN GAAP	

A5 Unaudited accounts

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	
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Part 3 Signature

I am signing this form on behalf of the overseas company		
Signature	Signature X <i>A Eger</i> X	
This form may be signed by Director, Secretary, Permanent representative		

OS AA01

Statement of details of parent law and other information for an overseas company

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Aveni Eager**

Company name **Perenco Holdings**

Address **Anchor House**

15-19 Britten Street

Post town **London**

County/Region

Postcode

S	W	3	3	T	Y
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Country **United Kingdom**

DX

Telephone **02 73689201**

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- The company name and, if appropriate, the registered number, match the information held on the public Register
- You have completed all sections of the form, if appropriate
- You have signed the form

Important information

Please note that all this information will appear on the public record

Where to send

You may return this form to any Companies House address:

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland.

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

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Perenco Vietnam AS

Financial Statements

31 December 2014

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	COMPANIES HOUSE	

Perenco Vietnam AS

Profit and loss account Year ended 31 December 2014

Nature of the business and how it is operated

The company owns, through a branch in Vietnam, 16.33 percent of the shares in the pipeline company Nam Con Son Pipeline

Perenco Vietnam AS is a wholly owned subsidiary of Perenco Overseas Holdings Limited, a company incorporated in England and Wales and whose registered address is Anchor House, 15-19 Britton Street, London SW3 3TY

Analysis of the financial statements

Operating result

The company carried its revenue from transportation and processing of gas and condensate in Vietnam

The operating revenue in 2014 was USD 39,154k, an increase of USD 3,114k from 2013. The increase is mainly due to a higher flow rate of gas and condensate.

The company carried its revenue and costs in USD, because of this it has been decided that the accounts should be prepared in USD going forwards. The average NOK/USD exchange rate in 2013 was 5.88.

The operating costs amounted to USD 7,688k in 2014, compared to USD 6,359k (NOK 16,259k) in 2013. The operating result for 2014 showed a profit of USD 31,466k, compared to a profit of USD 29,681k (NOK 174,524k) in 2013.

Net income for 2014 was USD 27,814k compared to USD 32,800k (NOK 192,865k) in 2013. Net income reduced partly due to foreign exchange losses rather than gains in the year.

Cash flow and balance

Net cash flow in 2014 from operating activities was USD 36,130k compared to USD 29,671k (NOK 174,463k) in 2013. The increase in net cash is due to the increase in profit in the year.

The company had at the end of 2014 no long-term debt. The company's equity was USD 48,472k.

The company's prospects

The company is expected to continue to be profitable for the foreseeable future.

Financial risks

Market Risk

The company's financial risk is mainly related to market risk. The company is influenced by production volumes from the connected fields, the ability to obtain new tariff contracts to replace declining volumes from existing fields, the price development for gas transportation, the potential for operating costs to inflate, and the general economic environment in Vietnam.

Credit risk

The company is not considered to have significant risk related to credit.

Liquidity risk

There are no significant capital commitments and it is expected that the company will finance its future cash needs through regular operations.

Perenco Vietnam AS

Profit and loss account Year ended 31 December 2014 ✓

Continued operation

The Board and the general manager are of the opinion that the presentation of the financial statements shall be based on an assumption of continued operation. The company has performed well and has good equity. The company thus has a good basis for continuing its positive development.

Working environment, equal opportunity and external environment

The company is a co-owner in the Nam Con Son pipeline operated by PetroVietnam and has no independent operational obligation. Reporting of emissions to air and sea is performed by the operator.

Through monitoring of the license, the Company is helping to ensure that the operator complies with its obligations in accordance with health, safety and environmental requirements and expectations. The Company does not have activities that influence the external environment.

The company has no employees. Management and administrative functions are performed in London with assistance from employees of affiliate companies in Vietnam. The board consists of 4 men.

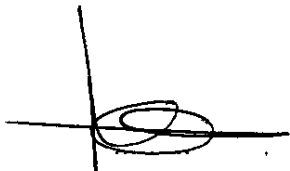
Research and development

The company had no research and development costs in 2014.

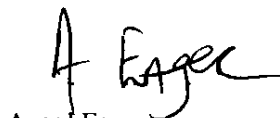
Proposed allocation of earnings

Net income for 2014 showed a profit of USD 27,814k. The Board of Directors have proposed that this profit is distributed within the \$87,339k dividend distribution.

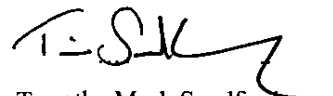
14 October 2015




Nicholas James Fallows
Chairman of the Board



Averil Eager
Board member



Timothy Mark Sandford
Board member



Jonathan Brian Parr
General Manager

Perenco Vietnam AS

Profit and loss account Year ended 31 December 2014

All numbers are presented in thousands

OPERATING REVENUE AND OPERATING EXPENSES	Notes	2014 USD'000	2013 NOK'000
Tariff income	1	39,154	211,916
Total operating income		39,154	211,916
Other operating expenses	2, 5	(3,993)	(16,259)
Depreciation of fixed assets	4	(3,556)	(19,229)
Decommissioning cost	8	(139)	(1,904)
Total operating expenses		(7,688)	(37,392)
Operating profit/(loss)		31,466	174,524
FINANCIAL INCOME AND FINANCIAL EXPENSES			
Interest income		23	-
Other financial expenses		(67)	(762)
Foreign exchange gain/(loss)		(589)	23,094
Net financial items		(633)	22,332
Profit before taxation		30,833	196,856
Income tax	3	(3,019)	(3,991)
Profit for the financial year		27,814	192,865
ALLOCATION OF NET PROFIT AND EQUITY TRANSFERS			
Transferred to other equity		-	192,865
Transferred from other equity		(59,525)	-
Proposed dividend		87,339	-
Total allocations and equity transfers		27,814	192,865

Perenco Vietnam AS

Balance sheet Year ended 31 December 2014

All numbers are presented in thousands

	Notes	2014 USD'000	2013 NOK'000
Non-current assets			
Tangible fixed assets			
Pipeline	4	57,823	372,652
		<u>57,823</u>	<u>372,652</u>
Current assets			
Inventories		<u>1,154</u>	<u>6,433</u>
Receivables			
Other receivables		167	1,363
Intercompany receivables	5	30,402	275
Tax clearing account	3	-	33,028
Shareholder loan	7	57,339	354,110
		<u>87,908</u>	<u>388,776</u>
Cash and cash equivalents		<u>1,687</u>	<u>30,982</u>
Total current assets		<u>90,749</u>	<u>419,758</u>
TOTAL ASSETS		<u>148,572</u>	<u>798,843</u>

Perenco Vietnam AS

Balance sheet Year ended 31 December 2014

All numbers are presented in thousands

SHAREHOLDERS EQUITY AND LIABILITIES	Notes	2014 USD'000	2013 NOK'000
Shareholders equity			
Paid-in capital			
Share capital (30,000 shares at NOK 1,000)	6	4,941	30,000
Other paid-in capital		3,437	20,865
		8,378	50,865
Retained earnings			
Other equity		40,094	610,604
		40,094	610,604
Total shareholders equity	7	48,472	661,469
Liabilities			
Provisions for liabilities and charges			
Loan from related company		-	58,585
Deferred tax	3	4,831	30,454
Decommissioning cost	8	2,462	14,100
		7,293	103,139
Current liabilities			
Accounts payable		1,499	9,802
Current income taxes payable	3	1,625	20,274
Other taxes and withholdings		358	1,649
Dividend		87,339	-
Intercompany payables	5	1,986	2,510
		92,807	34,235
Total liabilities		100,100	137,374
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		148,572	798,843

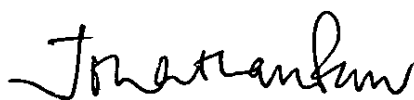
London, 14 October 2015



Nicholas James Fallows
Chairman of the board



Averil Eager
Board member



Jonathan Brian Parr
General Manager/ Board member



Timothy Mark Sandford
Board member

Perenco Vietnam AS

Cash flow statement Year ended 31 December 2014

All numbers are presented in thousands

	2014 USD'000	2013 NOK'000
CASH FLOW FROM OPERATIONS:		
Profit/(loss) before taxation	30,833	196,855
Taxes paid for the period	(3,813)	(53,756)
Tax refund received in the period	4,901	-
Depreciation and amortisation	3,556	19,229
Change in inventory	(60)	(42)
Change in receivables	5,272	(28,799)
Change in trade payables	528	3,244
Changes in provision for decommissioning	139	1,904
Changes in other current assets and other liabilities	(5,226)	35,828
Net cash flow from operations	36,130	174,463
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend paid	-	-
Shareholder loan paid	-	(354,110)
Loan to related company	(30,402)	-
Loan from related company	(9,144)	58,585
Net cash flow from financing activities	(39,546)	(295,525)
Net change in bank deposits, cash and equivalents	(3,416)	(121,062)
Bank deposits, cash and equivalents at 1 January	5,103	152,044
Bank deposits, cash and equivalents at 31 December	1,687	30,982

Perenco Vietnam AS

Notes to the financial statements Year ended 31 December 2014

Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway

Foreign currency

Transactions in foreign currency are booked at monthly average exchange rates. Significant one off transactions are recorded at the exchange rate at the transaction date. Cash, receivables and debt denominated in foreign currencies are translated into USD at the exchange rate prevailing at the balance sheet date.

The functional currency of the company has changed from NOK to USD with effect from 1 January 2014.

Shares in subsidiaries and associates

The company has an ownership of 16.33% in the Nam Con Son pipeline in Vietnam. Shares in the Nam Con Son pipeline are included in the income statement and in the balance sheets respective assets and debt by gross method.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

Revenue

Revenue is recognised according to carried volume in the pipeline. Possible paid, but not carried volumes are treated as deferred income in the period the user can utilise the carrying capacity.

Use of estimates

The preparation of the financial statements in accordance with the Norwegian Accounting Act assume that the company use estimates and conditions that affect the income statement and valuation of assets, debt and liabilities at the balance sheet date. Actual results may deviate from the estimates.

Maintenance

Cost of ordinary maintenance are expensed continuously. Improvements to increase the capacity of carrying volumes or the lifetime of the plant, will be capitalised.

Depreciations

Fixed assets are depreciated over estimated financial lifetime on a linear basis.

Devaluation of fixed assets

Fixed assets are written down to fair value if this is lower than carrying amount and the decline is expected to be permanent.

Possible write downs are considered for independent groups of assets with independent cash flows. A consideration of value in use is performed based on the managements anticipation about future economic and operation conditions. Value in use as calculated as present value of future cash flows.

If the consideration concludes that the value of the asset is lower than booked value, the asset will be written down to the highest of recoverable amount and value in use.

Inventories

The inventory consist of spare parts and is recognised at the lower of average original cost and fair value.

Perenco Vietnam AS

Notes to the financial statements Year ended 31 December 2014

Accounting policies (continued)

Income taxes

Tax expenses are matched with operating income before tax. Tax expense consists of current income tax expense and change in net deferred tax.

Deferred tax liabilities and deferred tax assets are presented net in the balance sheet. Deferred tax is calculated at debt method. At this method the deferred tax is calculated on basis of temporary differences between financial statement values and tax statement values.

Provisions for decommissioning cost

The present value of calculated decommissioning cost are provisioned for over the financial life of the asset on a linear basis. In addition a yearly financial cost is expensed based on the present value of the liability.

The cost of capital used for calculating the present value of the decommissioning cost is risk free interest rate added the company loan margin with the same due date as the decommissioning cost.

1. Operating revenue

The operating revenue in 2014 was USD 39,154k. The operating revenue consists of the company's share of income from the Nam Con Son pipeline in Vietnam.

2. Payroll costs, number of employees, benefits etc.

The company has no employees and therefore no payroll cost. There are no paid remuneration or loans to managing directors or members of the board. Also, there are no other financial obligations towards managing directors or members of the board. Remuneration to managing directors are paid by Perenco Holdings.

Expensed remuneration for audit services was USD 39 0k (NOK 245 0k) in 2014.

Perenco Vietnam AS

Notes to the financial statements Year ended 31 December 2014

3. Income tax expense

Specification of income tax expense	2014 USD'000	2013 NOK'000
Profit before taxation	27,814	196,856
Tax payable	3,204	14,030
Changes in deferred tax	(185)	(10,039)
Tax expense	<u>3,019</u>	<u>3,991</u>

Specification of current income tax payable:	2014 USD'000	2013 NOK'000
This years payable income tax expense UK	-	31,907
This years payable income tax expense Vietnam	3,204	17,475
Tax credit in UK for Vietnam tax payable	-	(19,319)
Prepaid tax in Vietnam	(2,671)	(13,683)
Reduction in prior year's payable Norway income tax expense	-	(3,798)
Transfer to receivables	-	3,798
Excessive refund of prior year Norway tax	1,092	-
Group relief taken on prior year's UK income tax expense	(1,952)	-
Prior year's income tax expense UK	1,952	14,432
Reduction in prior year's payable income tax expense UK	-	(10,538)
Current income tax payable in the balance sheet	<u>1,625</u>	<u>20,274</u>

Specification of the tax effect of temporary differences and losses carried forward:

	2014 USD'000		2013 NOK'000	
	Benefit	Liability	Benefit	Liability
Fixed assets		5,323	-	33,279
Decommissioning	492		2,825	-
Sum	<u>492</u>	<u>5,323</u>	<u>2,825</u>	<u>33,279</u>
Off-balance sheet deferred tax benefits	-	-	-	-
Net deferred liability in the balance sheet	<u>-</u>	<u>4,831</u>	<u>-</u>	<u>30,454</u>

The Company ceased to be tax resident in Norway on 8 March 2012. From 9 March 2012 the Company is tax domiciled in the UK and from 1 January 2014 the Company benefits from the UK overseas branch profits tax exemption. Consequently, the company's income taxes in 2014 are mainly linked to Vietnam tax. In Vietnam the Company benefits from an investment tax incentive with the result that the income tax rate is currently 10%. In 2018 the incentive expires and the income tax rate increases to the standard rate of 20%.

No provision for exit tax in Norway has been accounted for. Further reference is made in note 9.

Perenco Vietnam AS

Notes to the financial statements Year ended 31 December 2014

4 Property, plant and equipment

	Pipeline USD'000
Cost	
Balance at 1 January 2014	106,694
Additions	-
Disposals	-
Balance at 31 December 2014	<u>106,694</u>
Depreciation	
Balance at 1 January 2014	45,315
Charge in the year	3,556
Balance as at 31 December 2014	<u>48,871</u>
Net book value	
Balance at 31 December 2014	<u>57,823</u>
Balance at 31 December 2013	<u>61,379</u>
Current year impairment charge	-
Economic life	30 years
Amortisation method	Straight-line

5. Transactions with associated companies

Transactions with associated companies have been expensed as operating costs in 2014. The Company has been charged general management and administrative services of USD 12k from Perenco Holdings.

6. Share capital and shareholder information

The share capital in the Company at 31 December 2014 consists of the following shares

	Number	Nominal amount	Carrying value
Shares	<u>30,000</u>	1,000	<u>30,000,000</u>
Total	<u>30,000</u>		<u>30,000,000</u>

Ownership structure

Shareholders as of 31 December 2014

	Total shares	Ownership share	Voting share
<i>Perenco Overseas Holdings Ltd</i>	<u>30,000</u>	<u>100%</u>	<u>100%</u>

Perenco Vietnam AS is a 100% subsidiary of Perenco Overseas Holdings Ltd which is incorporated in the United Kingdom. Perenco Overseas Holdings Ltd, a company incorporated in the United Kingdom and registered in England and Wales, is the immediate parent company and the smallest group of undertakings, of which Perenco

Perenco Vietnam AS

Notes to the financial statements Year ended 31 December 2014

Vietnam AS is a member, for which group financial statements are prepared. These group financial statements are available by request from Companies House, Crown Way, Cardiff, CF14 3UZ.

Perenco International Limited, a Company incorporated in The Bahamas, is the ultimate controlling party and the largest group of undertakings for which group financial statements are prepared and is owned and controlled by the Perrodo family and trusts for their behalf. The financial statements of Perenco International Limited are not available to the public.

7. Equity

Paid in equity (USD'000)	Share capital	Additional paid in equity	Total paid in equity
Equity at 1 January 2014	4,941	3,437	8,378
Equity at 31 December 2014	4,941	3,437	8,378
			Total earned equity
Earned equity (USD'000)	Other equity		
Equity at 1 January 2014	99,619		99,619
<i>This years change in equity</i>			
Proposed dividends	(87,339)		(87,339)
Profit for the year	27,814		27,814
Equity at 31 December 2014	40,094		40,094

The shareholder loan, paid in 2013, will be settled with the proposed distribution of dividend.

8. Provision for decommissioning cost

	2014 USD'000	2013 NOK'000
Provision at 1 January 2014	2,322	12,196
This years provision	139	1,904
Provision at 31 December 2014	2,461	14,100

This years provision is included under decommissioning cost in the income statement.

9. Contingent liabilities

The shares of the company were acquired by Perenco Overseas Holdings Limited at 8 March 2012 and at the same time the Company transferred its place of effective management from Norway to the UK. The Company is therefore from this date, considered to have ceased the tax residence in Norway and entered UK tax residence. Such tax migration will result in a taxable gain on assets transferred out of Norwegian tax residence ("exit tax"). The Company's application for deferral of the exit tax according to the working of the Taxation Act § 9-14 (9) at the time of the migration was confirmed by the Norwegian tax authorities on 12 September 2014.

There are no further plans to sell the assets before 9 March 2017 and the Company is therefore of the opinion that the exit tax liability will eventually be cancelled. The exit tax of approximately 88m NOK is accordingly not accounted for.