

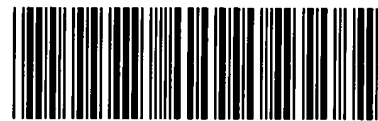
Company Registration No. 07517072

**PERENCO OVERSEAS HOLDINGS LIMITED**

**Annual Report and Financial Statements**

**for the year ended 31 December 2021**

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# **PERENCO OVERSEAS HOLDINGS LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 OFFICERS AND PROFESSIONAL ADVISERS**

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#### **Directors**

J B Parr  
T M Sandford

#### **Company Secretary**

T M Sandford

#### **Registered Office**

8 Hanover Square  
London  
W1S 1HQ

#### **Bankers**

The Royal Bank of Scotland  
5-10 Great Tower Street  
London  
EC3R 5DJ

#### **Solicitors**

Herbert Smith  
Exchange House  
Primrose Street  
London  
EC2A 2H

#### **Independent Auditor**

Deloitte LLP  
London  
United Kingdom

# PERENCO OVERSEAS HOLDINGS LIMITED

## STRATEGIC REPORT

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### Principal activity

Perenco Overseas Holdings Limited (the "Company") is an investment holding company with three subsidiary companies (together "the Group"). The Company is incorporated under the Companies Act 2006, in England and Wales in the United Kingdom and is a private Company limited by shares. The Group's activities are the production, exploration and evaluation of petroleum and natural gas. The Company acts as a holding company for the Perenco group's oil and gas assets in Vietnam and Brazil.

### Business review

Revenue for the year of \$427.9 million (2020: \$266.1 million) was derived from production from the Rang Dong field, the Cuu Long fields including Su Tu Den, Su Tu Vang, Su Tu Nau and tariff fees on a pipeline in Vietnam and oil sales from Pargo cluster fields in Brazil. The increase compared to the prior year is mostly driven by the increase in oil price.

The profit after tax for the year ended 31 December 2021 amounted to \$124.4 million (2020: \$33.0 million profit). The gross profit margin has increased to 32% (2020: 11%) for the reason given above.

The Group's overall equity at the end of the year has increased from \$401.1 million at 31 December 2020 to \$525.4 million at 31 December 2021.

On 28 February 2021, the Group entered into a sale agreement to dispose of Perenco Rang Dong Limited, which had a participation interest of 30.5% in relation to the production sharing contract in the Rang Dong field in Vietnam. The sale was completed on 20 August 2021, on which date the control of this company was transferred to the acquirer.

### Section 172 statement

The directors have a duty to promote success of the Company (Group) for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers and the environment.

Section 172 requires directors to have regard to the following in the performing their duties, and as part of the process are required to consider, where relevant:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

To support directors in the discharge of their duties and whilst making a decision on behalf of the Company, the directors have access to regular performance reports, which include financial operational updates to identify matters which may have an impact on the proposed decision including, where relevant, section 172 factors as outlined above.

The directors with the management team review the progress against strategic priorities. This collaborative approach helps to promote the long-term success of the Company. The directors assess different areas of the business so that the Company is well prepared for the future challenges. Ultimately the directors decisions are taken based on what it considers to be in the best interest of the long-term financial success of the Company's stakeholders, including shareholders, employees, the community and environment, our suppliers and customers. The directors focus on engagement with all stakeholders and consider stakeholders views when making decisions. The directors aim to balance the needs of various stakeholders when setting and delivering the company's strategy, having regard to long term value creation, including maximising long term shareholder value.

The Company works to attract, develop and retain the world's best talent, equipped with the right skills for the future. Our people have a crucial role in delivering our strategy and creating value. We trust people we hire and let them express their talent in a wide range of domains.

The Company aims to help local communities to grow their domestic energy supplies and boost energy security. This in turn helps create jobs and generates revenues for governments. The Company aim to maintain dialogue with governments and engage in policy debates that are of concern to us and the communities in which we operate. The Group paid income tax and production tax (royalty) of \$137.8 million in the year (2020: 93.0 million).

The Company depends on the capability and performance of our suppliers, contractors and other partners, such as small businesses, industry peers, to help deliver the products and services we need for our operations.

## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

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The Company consults with local people to gain valuable perspectives on the ways in which our activities could impact the local community or environment. We typically engage well before any physical work begins on a project and continue the conversation throughout a project's lifespan.

The directors with management team regularly review and monitors safety, reliability and environmental performance, with the aim of continually making the Company safer for our entire workforce and minimising our environmental impact. It also focuses on maintaining financial discipline and delivering positive results, cash flow and returns to shareholders.

Safety will always be one of our core values. This is important to our workforce, local communities and the environment, while securing strong operational availability and reliability is crucial to our partners, suppliers and customers.

Our workforce help us maintain our strong reputation for high standards of business conduct which is fundamental in delivering our purposes.

The directors will continue to assess and monitor culture and will look to obtain useful insight through effective dialogue with our key stakeholders and taking feedback into account in the board's decision-making process.

#### **Key performance indicators**

The key performance indicators for the Group are revenue, gross profit margin and profit after tax. Directors use these measures to evaluate operating performance and make financial and strategic decisions to ensure return of value to shareholders. The KPIs achieved during the 2021 are included in the business review section above.

#### **Principal risks and uncertainties**

The Company's operations expose it to a variety of financial risks that include price risk, credit risk, foreign currency risks and liquidity risk. The Company is not exposed to material interest rate risk.

##### **Credit risk**

The Company's principal financial assets are cash and cash equivalents and intercompany receivables. The Company's counterparty risks in relation to its cash and cash equivalents are considered to be limited because the counterparties are financial institutions with high credit ratings assigned by international credit-rating agencies. The credit risk on intercompany receivables is monitored by the Company's parent and balances as at 31 December 2021 are considered to be recoverable. There are not considered to be any expected credit losses for intercompany receivables in 2021.

##### **Foreign currency risk**

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company considers that movements in foreign exchange are a regular part of its business environment. The Company accepts this foreign exchange risk and does not use foreign currency derivative instruments.

##### **Liquidity risk**

The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial debts and liabilities.

##### **Price risk**

The Group is exposed to commodity price risk in respect to the recoverability of development and production ("D&P") assets and investments in subsidiaries.

#### **Future developments**

The Group will continue to provide services to, and hold interests in, joint ventures involved in oil and gas exploration, development and production in the countries where it operates.

#### **GHG emissions and energy usage**

The Group applied a non-UK subsidiary exclusion and a small consumption exclusion exemption to report on carbon emission and energy usage required under "The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008" as amended.

**PERENCO OVERSEAS HOLDINGS LIMITED**  
**STRATEGIC REPORT (CONTINUED)**

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**Other principal risks**

The Group is exposed to a range of technical, geological, operational, political, environmental, health and safety risks in the conducting of its business. The Group seeks to manage and mitigate these risks by having insurances in place, by ensuring optimal levels of spare parts are available to avoid unnecessary delays in maintenance, by applying policies and procedures appropriate to an international oil and gas company, by complying with the terms of its licences and by recruiting and retaining skilled personnel throughout its business.

Approved by the Board of Directors and signed on behalf of the Board:



J B Parr  
Director  
Perenco Overseas Holdings Limited  
Company Registration No. 07517072  
13 September 2022

## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

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The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

#### **Results and dividends**

The results for the year end are set out on page 11. No dividend was paid or proposed in the year (paid in 2020: \$61.7 million).

#### **Financial risks**

Information regarding financial risks and uncertainties is included in the strategic report which forms part of the directors' report by way of cross-reference.

#### **Subsequent events**

There have been no significant subsequent events that have occurred since 31 December 2021.

#### **Going concern**

The Group's business activities, key financial, foreign currency and credit risks, performance and position are set out in the strategic report. The financial position of The Group is set out in the financial statements and related notes.

The directors have at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

In addition, the Group has received confirmation from their ultimate parent company, Perenco International Limited (Lyford Manor, Lyford Cay, West Bay Street Po Box N10 051 Nassau, Bahamas) that, if need be, Perenco International Limited will provide financial support, for a period of at least 12 months from the date of these financial statements.

In making their assessment of going concern, the directors have considered the letter of support from Perenco International Limited. The directors, having assessed the responses of the Directors of Perenco International Limited to their enquiries, have no reason to believe that Perenco International Limited will not be able to continue as a going concern or honour its commitments in accordance with the letter of support. On the basis of their assessment of the Group's financial position and the support from Perenco International Limited, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

#### **Directors**

The directors who held office during the year and up to the date of signing were:

J B Parr  
T M Sandford

#### **Directors indemnities**

The Company has made qualifying third-party indemnity provisions for the benefit of its directors during the year and remain in force at the reporting date.

#### **Information to the auditor**

Each of the directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**PERENCO OVERSEAS HOLDINGS LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**

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**Auditor**

Deloitte LLP was appointed as auditor of the Company on 4 February 2011 and have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



J B Parr  
Director  
13 September 2022



## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards, in conformity with the requirement of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# PERENCO OVERSEAS HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PERENCO OVERSEAS HOLDINGS LIMITED

#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements of Perenco Overseas Holdings limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards, in conformity with the requirement of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated and parent company statements of cash flow;
- the statement of accounting policies and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and, as regards to the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, 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.

##### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# PERENCO OVERSEAS HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PERENCO OVERSEAS HOLDINGS LIMITED

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### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions, tax and environmental legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included health and safety regulations.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, and oil and gas reserves specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified a significant audit risk that revenue could be materially misstated, due to potential fraud, in the event that the transactions were recorded in the incorrect period or were not complete. In order to

## PERENCO OVERSEAS HOLDINGS LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PERENCO OVERSEAS HOLDINGS LIMITED

address the risk, we obtained an understanding of the revenue process, assessed the design and implementation of management's key internal controls over revenue recognition, and performed substantive audit procedures to test 100% of oil and gas revenue transactions and a sample of other revenue transactions recorded. The substantive procedures performed included agreeing recorded sales transactions to supporting documents i.e. pricing contracts, proof of delivery, and bank statements and tracing proof of delivery to sales invoices and recorded journals.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

#### Report on other legal and regulatory requirements

##### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### Matters on which we are required to report by exception


Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



13 September 2022

Dean Cook, MA FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom

# PERENCO OVERSEAS HOLDINGS LIMITED

## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2021

	Notes	2021 \$'000	2020 \$'000
Revenue	5	427,914	266,126
Cost of sales			
Production and operating costs		(104,738)	(103,251)
Royalties	6	(35,984)	(20,597)
Depreciation, depletion and amortisation	14	(119,749)	(106,284)
Depletion of decommissioning assets	14	(28,553)	(7,356)
Gross profit		138,890	28,638
Administrative expenses		(6,996)	(7,445)
Other operating expense / income:			
Reversal of impairment of property, plant and equipment	14	120,627	-
Loss on disposal of subsidiary	13	(16,260)	-
Operating profit / (loss)		236,261	21,193
Investment income	9	639	1,488
Finance costs	10	(6,485)	(5,022)
Other financial losses	11	(2,550)	(1,068)
Profit before taxation		227,865	16,591
Taxation	12	(103,501)	16,414
Profit for the financial year		124,364	33,005

All results are derived from continuing operations.

The accompanying notes form an integral part of this consolidated income statement.

**PERENCO OVERSEAS HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 31 December 2021

	2021 \$'000	2020 \$'000
Profit for the financial year	124,364	33,005
Items that may be reclassified subsequently to income statement:		
Exchange differences on translation of foreign operations	33	20
<b>Total comprehensive income for the year</b>	<b>124,397</b>	<b>33,025</b>

All comprehensive income is attributable to the owner of the Group.

The accompanying notes form an integral part of this consolidated statement of comprehensive income.

# PERENCO OVERSEAS HOLDINGS LIMITED

## CONSOLIDATED BALANCE SHEET

As at 31 December 2021

	Notes	2021 \$'000	2020 \$'000
<b>Non-current assets</b>			
Property, plant and equipment	14	1,058,768	1,118,852
Long-term receivables	16	51,417	103,664
Deferred tax asset	21	65,065	92,461
		<u>1,175,250</u>	<u>1,314,977</u>
<b>Current assets</b>			
Inventories	17	20,066	20,802
Trade and other receivables	18	395,606	224,422
Cash and cash equivalents		54,934	6,830
		<u>470,606</u>	<u>252,054</u>
<b>Total assets</b>		<u>1,645,856</u>	<u>1,567,031</u>
<b>Current liabilities</b>			
Current tax liabilities		(1,026)	(1,207)
Trade and other payables	19	(61,908)	(31,194)
		<u>(62,934)</u>	<u>(32,401)</u>
<b>Non-current liabilities</b>			
Other long-term liabilities		(6,442)	(5,040)
Deferred tax liabilities	21	(98,137)	(123,851)
Decommissioning provision	22	(451,189)	(565,983)
Long-term borrowings	20	(501,771)	(438,770)
		<u>(1,057,539)</u>	<u>(1,133,644)</u>
<b>Total liabilities</b>		<u>(1,120,473)</u>	<u>(1,166,045)</u>
<b>Net assets</b>		<u>525,383</u>	<u>400,986</u>
<b>Equity</b>			
Called up share capital	24	16	16
Share premium	25	539,100	539,100
Retained earnings		(100,554)	(224,918)
Other reserves	25	86,821	86,788
<b>Total equity</b>		<u>525,383</u>	<u>400,986</u>

The consolidated financial statements of Perenco Overseas Holdings Limited (Company registered number 07517072) were approved by the Board of Directors and authorised for issue on 13 September 2022.

Signed on behalf of the Board

  
Jonathan Parr

J B Parr  
Director

# PERENCO OVERSEAS HOLDINGS LIMITED

## COMPANY BALANCE SHEET

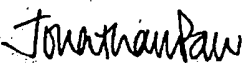
As at 31 December 2021

	Notes	2021 \$'000	2020 \$'000
<b>Non-current assets</b>			
Investments	29	617,461	631,580
<b>Current assets</b>			
Trade and other receivables	18	54,265	55,012
Cash and cash equivalents		37,128	699
<b>Total assets</b>		<b>708,854</b>	<b>687,291</b>
<b>Current liabilities</b>			
Trade and other payables	19	(36)	(32)
<b>Total liabilities</b>		<b>(36)</b>	<b>(32)</b>
<b>Net assets</b>		<b>708,818</b>	<b>687,259</b>
<b>Equity</b>			
Called up share capital	24	16	16
Share premium	25	539,100	539,100
Retained earnings		169,702	148,143
<b>Total equity</b>		<b>708,818</b>	<b>687,259</b>

In accordance with section 408 of the Companies Act 2006, the Company does not present a separate income statement. The profit for the year within the financial statements of the Company was \$21.6 million (2020: \$60.0 million).

The financial statements of Perenco Overseas Holdings Limited (Company registered number 07517072) were approved by the Board of Directors and authorised for issue on 13 September 2022.

Signed on behalf of the Board

  
J B Parr  
Director



# PERENCO OVERSEAS HOLDINGS LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2021

	Notes	Share capital \$'000	Share premium \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2020	24, 25	16	539,100	86,768	(196,233)	429,651
Profit for the year		-	-	-	33,005	33,005
Exchange differences on translation of foreign operations		-	-	20	-	20
Total comprehensive expense/income		-	-	20	33,005	33,025
Dividend paid		-	-	-	(61,690)	(61,690)
At 31 December 2020	24, 25	16	539,100	86,788	(224,918)	400,986
Profit for the year		-	-	-	124,364	124,364
Exchange differences on translation of foreign operations		-	-	33	-	33
Total comprehensive income		-	-	33	124,364	124,397
At 31 December 2021	24, 25	16	539,100	86,821	(100,554)	525,383

The accompanying notes form an integral part of this consolidated statement of changes in equity.

### Company statement of changes in equity For the year ended 31 December 2021

	Notes	Share capital \$'000	Share premium \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2020	24, 25	16	539,100	149,884	689,000
Profit for the year		-	-	59,949	59,949
Total comprehensive income		-	-	59,949	59,949
Dividend paid		-	-	(61,690)	(61,690)
At 31 December 2020	24, 25	16	539,100	148,143	687,259
Profit for the year		-	-	21,559	21,559
Total comprehensive income		-	-	21,559	21,559
At 31 December 2021	24, 25	16	539,100	169,702	708,818

**PERENCO OVERSEAS HOLDINGS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT**

**For the year ended 31 December 2021**

	Notes	2021 \$'000	2020 \$'000
<b>Cash from operating activities</b>	26	307,752	124,979
<b>Income tax paid</b>		(101,819)	(72,416)
<b>Net cash from operating activities</b>		<u>205,933</u>	<u>52,563</u>
<b>Investing activities</b>			
Interest (paid) / received		(1,911)	1,488
Purchases of property, plant and equipment		(92,541)	(28,410)
Disposal of subsidiary	13	14,785	-
Contribution to decommissioning funds		(8,947)	(32,247)
<b>Net cash used in investing activities</b>		<u>(88,614)</u>	<u>(59,169)</u>
<b>Financing activities</b>			
Finance costs		(15)	(16)
Loans from related companies		63,001	72,000
Net increase in cash pool with group companies		(132,235)	(7,238)
Dividend paid		-	(61,690)
<b>Net cash used in financing activities</b>		<u>(69,249)</u>	<u>3,056</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		48,070	(3,550)
<b>Cash and cash equivalents at 1 January</b>		6,830	10,360
<b>Effect of foreign exchange rate changes</b>		34	20
<b>Cash and cash equivalents at 31 December</b>		<u><u>54,934</u></u>	<u><u>6,830</u></u>

The accompanying notes form an integral part of this consolidated cash flow statement.

**PERENCO OVERSEAS HOLDINGS LIMITED**

**COMPANY CASH FLOW STATEMENT**

**For the year ended 31 December 2021**

	Note	2021 \$'000	2020 \$'000
Net cash from / (used in) operating activities	26	7,523	(339)
Income tax refund		-	239
		<u>7,523</u>	<u>(100)</u>
Investing activities			
Dividend received		-	61,690
Disposal of subsidiary	13	14,785	-
Decrease in investments		14,119	-
Interest received		2	-
		<u>28,906</u>	<u>61,690</u>
Net cash from investing activities			
Financing activities			
Dividend paid to parent company		-	(61,690)
		<u>-</u>	<u>(61,690)</u>
Net cash used in financing activities			
Net decrease in cash and cash equivalents		36,429	(100)
Cash and cash equivalents at 1 January		699	799
		<u>37,128</u>	<u>699</u>
Cash and cash equivalents at 31 December			

The accompanying notes form an integral part of this Company cash flow statement.

## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

#### 1. General information

Perenco Overseas Holdings Limited (the "Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address and registered office are given on page 1. The nature of the Group's operations and its principal activities are given on page 2.

#### 2. Adoption of new and revised standards and changes in accounting policies

In the current year, the Company has applied a number of new IFRS, amendments to IFRS standards and interpretations issued by the IASB, as listed below, that are effective for an annual period that begins on or after 1 January 2021. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendment to IFRS 4	Extension of the Temporary Exemption from Applying IFRS 9
Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform - Phase 2
Amendment to IFRS 16	COVID-19 Related Rent Concessions beyond 30 June 2021

#### Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective and therefore not adopted:

IFRS 17 (including the June 2020 amendments to IFRS 17)	Insurance contracts
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment-Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts-Cost of Fulfilling a Contract
Annual Improvements to IFRS Standards 2018-2020 Cycle	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The directors do not expect that the adoption of the Standards listed above will have material impact on the financial statements of the Company in future periods.

#### 3. Accounting policies

##### a) Accounting convention

The group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards, in conformity with the requirement of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments and oil stock that are measured at fair (or market) value at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the

## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

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characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2.

The principal accounting policies adopted are set out below.

#### b) Going concern

The Group's business activities, key financial, foreign currency and credit risks, performance and position are set out in the strategic report. The financial position of The Group is set out in the financial statements and related notes.

The Group has received confirmation from their ultimate parent company, Perenco International Limited (Lyford Manor, Lyford Cay, West Bay Street Po Box N10 051 Nassau, Bahamas) that, if need be, Perenco International Limited will provide financial support, for a period of at least 12 months from the date of these financial statements.

In making their assessment of going concern, the directors have considered the letter of support from Perenco International Limited. The directors, having assessed the responses of the Directors of Perenco International Limited to their enquiries, have no reason to believe that Perenco International Limited will not be able to continue as a going concern or honour its commitments in accordance with the letter of support. On the basis of their assessment of the Group's financial position and the support from Perenco International Limited, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

#### c) Basis of consolidation

The Group financial statements consolidate the results of the Company and its subsidiaries (as listed in note 28) to 31 December each year.

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. All intra-group balances and transactions, including unrealised profits arising from intra-group transactions, are eliminated on consolidation.

The results of all the subsidiaries acquired or sold have been consolidated for the periods from or to the date on which control passed. Acquisitions that meet the definition of a business combination are accounted for under the acquisition method, with identifiable assets and liabilities being ascribed fair values, and the balance of the fair value of the consideration given being allocated as the fair value attributable to the oil and gas properties and related hydrocarbon reserves. In accordance with normal oil exploration and production industry practice, therefore, goodwill does not normally arise on acquisitions. Acquisition-related costs are recognised in profit and loss as incurred. As permitted by IFRS 3 'Business Combinations', fair values are determined on a preliminary basis and are subsequently reviewed in accordance with the provisions of the same IFRS.

#### d) Revenue recognition

Revenue from contracts with customers is recognised when or as the Company satisfies a performance obligation by transferring control of a promised good or service to a customer, natural gas, natural gas liquids and other items usually coincides with title passing to the customer and the customer taking physical possession i.e. when the oil has been lifted and/or delivered through pipelines or the gas or other items has been delivered. Typically, at this point in time, the performance obligations of the Company are fully satisfied.

When, or as, a performance obligation is satisfied, the Company recognises as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services, exclusive of related sales' taxes. Revenue from the sales of services and the rental of certain assets owned by the Company are recognised in the period during which the services are rendered and the performance obligations are fully satisfied. Interest income is recognised as the interest accrues using the effective interest method (applying the rate that exactly discounts estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset). Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

#### e) Oil and gas assets

The Group uses the full cost method of accounting for exploration, evaluation, development and production expenditure in relation to oil and gas assets, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. These costs are capitalised in separate geographical costs pools ("full cost pools") having regard to the operational structure of the Group.

##### *Oil and gas assets: exploration and evaluation*

Exploration and evaluation ("E&E") costs are initially capitalised as 'intangible assets', in accordance with IFRS 6. Such E&E costs may include costs of licence acquisition, technical services and studies, seismic acquisitions and exploration drilling and testing.

Intangible E&E assets are not depreciated and are carried forward until the existence (or otherwise) of proved reserves has been determined. If proved reserves have been discovered, the relevant E&E assets are then reclassified as development and production assets within property, plant and equipment and depreciated using the method described below. Intangible E&E assets that are determined not to have resulted in the discovery of proved reserves and cannot be associated with an established full cost pool are written off at the date of determination, whereas those that are associated with an established pool are carried forward and amortised over the total reserves of the pool, subject to there being no impairment of the pool as a whole.

The Group considers each field to be a cost pool for purposes of determining whether impairment of E&E has occurred.

##### *Oil and gas assets: development and production*

Development and production assets are accumulated under the principle of full cost accounting on a field-by-field basis and represent the cost of developing proved reserves discovered and bringing them into production, together with the exploration and evaluation expenditures incurred in finding proved reserves.

The net book values of producing assets are depreciated on a field-by-field basis using the unit of production method by reference to the ratio of production in the period to the related proved reserves of the field.

Vessels included in development and production costs are depleted using the unit of production basis.

##### *Impairment of oil and gas assets (ceiling test)*

A ceiling test is carried out if there is a significant reason for the directors to believe that impairment could have occurred. This test is to assess whether the carrying amount of each field or full cost pool (as applicable) exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell, and its value in use as defined by IAS 36 'Impairment of assets'. The fair value less cost to sell is determined by discounting the anticipated post-tax net cash flows at a risk adjusted discount rate using proved and probable reserves. Where a fair value less cost to sell method is used, the carrying amount includes any deferred tax asset or liability associated with the capitalised costs in the cost pool. Any deficiency arising under this comparison is recognised in the income statement.

An impairment test for an exploration and evaluation asset is conducted on a full cost pool basis, by country. An impairment test of a development or production asset is undertaken for the particular cash generating unit which is generally the field.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. The reversal is recorded in the income statement.

##### *Decommissioning*

Estimated decommissioning costs are provided on a field-by-field basis and are discounted to present value with the unwinding of the discount being charged to the income statement within finance costs. The discounted present value is also capitalised as part of property, plant and equipment as decommissioning asset and depreciated on a unit of production basis. Changes in estimate are recognised prospectively with corresponding adjustments to the provision and associated asset.

When the Group is required to hold cash in restricted bank accounts in order to cover decommissioning expenditure, this is disclosed as restricted cash within cash and cash equivalents. When the Group is required to maintain decommissioning funds in order to cover decommissioning expenditure, these are separately disclosed within long-term receivables.

#### f) Joint arrangements accounting policy

The Group is engaged in oil and gas exploration, development and production through joint arrangements. The Group accounts for its share of the result and net assets of these joint arrangements as jointly controlled operations.

#### g) Other property, plant and equipment

## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2021**

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Property, plant and equipment is carried at cost less accumulated depreciation and any provision for impairment. Depreciation of non-oil and gas assets is charged so as to write off the cost, less estimated residual value, of assets on a straight-line method over their estimated useful lives as follows:

Computer, office and other equipment      3-10 years.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

#### **h) Foreign currency**

The financial statements have been presented in United States dollars ('US dollars'), which is the functional currency of the parent company. Transactions denominated in foreign currency are translated into the functional currency at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the rate of exchange ruling on the balance sheet date, with exchange differences being reflected in the income statement.

The assets and liabilities of subsidiaries with functional currencies other than the US dollar are translated into US dollars at the rate of exchange ruling at the balance sheet date. The results of subsidiaries are translated into US dollars at the average rate of exchange for the year. Differences on exchange arising from the translation of the net investment in foreign subsidiaries at the balance sheet date are taken directly to reserves.

#### **i) Taxation**

The tax expense represents the sum of the charges and credits for current and deferred tax.

Current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are non-taxable or deductible. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Other taxes, which include value added tax and sales tax, represent the amount receivable or payable to local authorities in the countries where the Group operates and are charged to the income statement.

#### **j) Inventories**

Crude oil inventory is carried at market value in accordance with specific exclusions applicable to mineral products under IAS 2 'Inventory'.

Materials and supplies are stated at the lower of weighted average cost and net realisable value. The Group reviews annually the stock of material for obsolescence and a provision on obsolete stock is made accordingly.

#### **k) Oil and gas overlift and underlift**

Underlifts of entitlement to crude oil production are recorded within other receivables and overlifts within other payables, both measured at market value, consistent with the crude oil inventory valuation policy.

## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

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#### l) Royalties

Royalties are calculated in accordance with the Oil and Gas contract. Royalties payables are charged to cost of sales.

#### m) Investments

The Company holds investments in common stock in privately held companies.

In the Company's financial statements investments in subsidiaries are stated at cost less, where appropriate, provision for impairment.

The Company periodically reviews whether there are indicators that investments are impaired. If indicators of impairment exist, the Company reviews its investments for which recoverable value is less than the carrying value to determine if the decline in value is other than temporary. If the decline in value is considered to be other than temporary, an impairment loss is recognised to reduce the carrying value of the investment to its recoverable value.

#### n) Financial assets

Financial assets are recognised initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification, as set out below.

The Group classifies its financial asset instruments as measured at amortised cost or fair value through profit or loss. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### *Financial assets measured at amortised cost*

Financial assets are classified as measured at amortised cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired and when interest is recognised using the effective interest method. This category of financial assets includes trade and other receivables. Material long term receivables are discounted to present value using projected cash inflows and an appropriate discount rate.

##### *Financial assets measured at fair value through profit or loss*

Financial assets are classified as measured at fair value through profit or loss when the asset does not meet the criteria to be measured at amortised cost. Such assets are carried on the balance sheet at fair value with gains or losses recognised in the income statement. Marketable securities, investments and investment funds are included in this category.

##### *Liquid investments*

Liquid investments represent highly liquid current asset investments that do not meet the IAS 7 'Statement of cash flows' definition of cash and cash equivalents, normally because even if readily accessible, the underlying investments have an average maturity of greater than 90 days. The carrying amount of liquid investments approximates to their fair values.

##### *Impairment of financial assets measured at amortised cost*

Trade receivables are stated at their nominal value as reduced by appropriate allowances for lifetime expected credit losses (ECL). The Group estimate lifetime ECL on trade receivables by reference to the past default experience of the debtor and an analysis of the debtors current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as forecast direction of conditions at the reporting date.

##### *Derecognition of financial assets*

The Group derecognises financial assets when the contractual rights to the cash flows expire or the rights to receive cash flows have been transferred to a third party along with either substantially all of the risks and rewards or control of the asset. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

#### o) Financial liabilities

The measurement of financial liabilities depends on their classification.

Financial liabilities measured at amortised cost



## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

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Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

This category of financial liabilities includes trade and other payables.

#### p) Cash and cash equivalents

Cash and cash equivalents (which are presented as a single class of assets on the face of the consolidated balance sheet) comprise cash at bank and other short-term liquid investments with a maturity of three months or less.

#### q) Provisions

A provision is recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

#### 4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's and the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

##### Critical judgements

There are no critical judgements made by the directors in applying the Group's accounting policies.

##### Key accounting estimates

###### a) Reserves

Development and production assets within property, plant and equipment are depreciated on a unit of production basis at a rate calculated by reference to prove developed producing reserves estimated using the standards required by the US Securities Exchange Commission ("SEC"). Proved reserves estimates are based on a number of underlying assumptions, including oil and gas prices, future costs, oil and gas in place and reservoir performance, which are inherently uncertain. Proved reserves estimates are supported by reserves reports for the Group which are reviewed by independent petroleum reservoir engineers.

The level of estimated commercial reserves is also a key determinant in assessing whether the carrying value of any of the Group's development and production assets has been impaired.

The carrying amount of development and production assets at 31 December 2021 is shown in note 14.

###### b) Decommissioning

The provision for decommissioning obligations depends on the cost and timing of decommissioning works, legal requirements and the discount rate to be applied to such costs. The directors have conducted an internal review of these factors, based on information currently available, in the calculation of this provision.

The carrying amount of the decommissioning provision at 31 December 2021 are shown in note 22.

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### c) Impairment of assets

Under the full cost method of accounting for production and development costs, such costs are capitalised by reference to appropriate cost pools, and are assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable value. This assessment involves judgement as to (i) the likely life of the field, (ii) future revenues and operating costs with which the asset in question is associated, (iii) the discount rate to be applied to such revenues and costs for the purpose of deriving a recoverable value, (iv) the oil price assumption. Note 14 discloses the carrying amount of the Group's production and development assets. An impairment reversal of \$120.6 million have been recognised during the period (2020: \$nil). Refer to note 14 for further details, including assumptions used for the impairment tests.

### 5. Revenue

	Group	
	2021 \$'000	2020 \$'000
Oil sales	381,668	219,647
Gas sales	7,681	5,529
Pipeline tariffs	38,565	40,950
<b>Total operating revenue</b>	<b>427,914</b>	<b>266,126</b>

	Vietnam \$'000	Brazil \$'000	Total \$'000
Oil sales	270,634	111,034	381,668
Gas sales	7,681	-	7,681
Pipeline tariffs	38,565	-	38,565
<b>Total operating revenue</b>	<b>316,880</b>	<b>111,034</b>	<b>427,914</b>

### 6. Royalties

	Vietnam \$'000	Brazil \$'000	Total \$'000
Royalty on oil production	23,187	12,797	35,984
<b>Total operating revenue</b>	<b>23,187</b>	<b>12,797</b>	<b>35,984</b>

The Group is subject to royalty payments in the countries where it operates. Royalty payments are made monthly and consist of a contractual percentage (10% for Brazil and from 8% to 25% depending on production level for Vietnam) of production valued at the average sale price.

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### 7. Operating profit

Operating profit is stated after:

	Group	
	2021 \$'000	2020 \$'000
Fees payable to the Company's auditor and their associates for the audit of the Company's annual financial statements	35	32
Fees payable to the Company's auditor and their associates for the audit of the Company's subsidiaries	22	45
Total audit fees	<u>57</u>	<u>77</u>

There has been no non-audit fees in 2021 (2020: \$nil).

### 8. Staff costs

	Group	
	2021 \$'000	2020 \$'000
Wages and salaries	17,723	19,532
Social security costs	2,168	1,812
	<u>19,891</u>	<u>21,344</u>

During the year, the average monthly number of staff (excluding directors) employed by the Group was:

	2021	2020
Operations	132	95
Administration	41	38
	<u>173</u>	<u>133</u>

None of the employees were employed by the Parent Company (2020: Nil).

Directors' remuneration is borne by another company within the Perenco group. It is not practicable to allocate their remuneration between their services for the Company during the period and their services for other Perenco group companies.

In 2021, aggregate remuneration for senior management personnel amounted to \$6.5 million (2020: \$8.6 million). Staff costs disclosed above include aggregate remuneration to senior management personnel.

### 9. Investment income

	Group	
	2021 \$'000	2020 \$'000
Interest receivable on cash deposits	268	20
Other interest receivable	371	1,468
	<u>639</u>	<u>1,488</u>

Investment income earned from loans and receivables (including cash and bank balances) in 2021 was \$0.6 million (2020: \$1.5 million).

**PERENCO OVERSEAS HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2021**

**10. Finance costs**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Intercompany interest payable	15	16
Unwinding of discount on decommissioning provision (note 22)	6,470	5,006
	<u>6,485</u>	<u>5,022</u>

**11. Other financial losses**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Foreign exchange losses	2,550	1,068
	<u>2,550</u>	<u>1,068</u>

**12. Taxation**

	<b>Group</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Corporate income taxes:</b>		
Prior year adjustment	6,035	1,512
Current taxation	95,784	70,904
	<u>101,819</u>	<u>72,416</u>
<b>Deferred taxation:</b>		
Origination and reversals of temporary differences, principally related to fixed assets and movements in liabilities (note 21)	1,682	(88,830)
<b>Group taxation charge/(credit) for the year</b>	<u>103,501</u>	<u>(16,414)</u>

The charge for the year can be reconciled to the profit per the income statement as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before tax	<u>228,796</u>	<u>16,591</u>
Profit on ordinary activities at weighted average statutory tax rate 42.61% (2020: 57.52%)	97,490	9,543
<i>Effects of:</i>		
Tax rates of operations in other jurisdictions	3,439	(33,916)
Prior year adjustment	2,572	7,959
<b>Total tax charge for the year</b>	<u>103,501</u>	<u>(16,414)</u>
<b>Effective tax rate</b>	<u>45%</u>	<u>(99%)</u>

The weighted average statutory tax rates was 42.61% (2020: 57.52%). The weighted average tax rate is calculated on the basis of the statutory tax rate in proportion to the profit before tax in the jurisdictions in which the Group operates.

**PERENCO OVERSEAS HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Local losses carried forward	136,087	143,259
	<u>136,087</u>	<u>143,259</u>

**13. Disposal of subsidiary**

On 28 February 2021, the Group entered into a sale agreement to dispose of Perenco Rang Dong Limited, which has a participation interest of 30.5% in relation to the production sharing contract in the Rang Dong field in Vietnam. The sale was completed on 20 August 2021, on which date the control of this company was transferred to the acquirer. The net assets of the disposal group at the date of disposal were as follows:

<b>Net asset disposed of</b>	<b>\$'000</b>
Development and production assets (note 14)	24,832
Decommissioning funds	61,194
Receivables	5,366
Other receivables	3,672
Inventories	4,140
Current tax liabilities	(13)
Trade and other payables	(7,052)
Decommissioning provision (note 22)	(61,094)
Cash and cash equivalents	294
<b>Net asset disposed of</b>	<b>31,339</b>
<b>Total consideration</b>	<b>15,079</b>
<b>Loss on disposal</b>	<b>16,260</b>
<b>Satisfied by:</b>	
Cash and cash equivalents	15,079
<b>Net cash inflow arising on disposal:</b>	<b>\$'000</b>
Consideration received in cash and cash equivalents	15,079
Less: cash and cash equivalents disposed of	(294)
	<u>14,785</u>

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### 14. Property, plant and equipment

#### Group

	Decommissioning assets \$'000	Development and production assets \$'000	Other \$'000	Total \$'000
<b>Cost</b>				
At 1 January 2020	516,096	2,785,010	14,173	3,315,279
Additions	-	28,108	306	28,414
Change in estimate (note 22)	28,404	-	-	28,404
At 1 January 2021	544,500	2,813,118	14,479	3,372,097
Additions	-	51,960	633	52,593
Disposal of subsidiary	(52,265)	(399,745)	-	(452,010)
Change in estimate (note 22)	(60,170)	-	-	(60,170)
At 31 December 2021	432,065	2,465,333	15,113	2,912,510
<b>Accumulated depreciation</b>				
At 1 January 2020	232,282	1,899,862	7,461	2,139,605
Charge for the year	7,356	105,092	1,192	113,640
At 1 January 2021	239,638	2,004,954	8,653	2,253,245
Charge for the year	28,553	118,480	1,269	148,302
Eliminated on disposal	(52,265)	(374,913)	-	(427,178)
Impairment reversal	(120,627)	-	-	(120,627)
At 31 December 2021	95,299	1,748,521	9,922	1,853,742
<b>Net book value</b>				
At 31 December 2021	336,765	716,812	5,191	1,058,768
At 31 December 2020	304,862	808,164	5,826	1,118,852

#### Impairment of assets

During the year, the Group has carried out a review of the recoverable amount of the developing and producing assets in Brazil where indicators of impairment reversal were noted, such as an increase in oil price, improvement in production and first booking of Proved Developed Producing Reserves since the acquisition of Pargo cluster from Petrobras in 2018.

The impairment assessment was performed by comparing the recoverable amount, which was calculated based on a value in use basis, against the carrying value of the asset. The future cash flows were estimated using an oil price of \$57/bbl (2020: \$57/bbl). This price reflect management's best estimate of future oil prices as at 31 December 2021. A discount rate of post-tax real 10% (2020: 10%) was used in the calculation of the recoverable amount. Assumptions involved in impairment measurement include estimates of commercial reserves and production volumes, future oil price and the level and timing of expenditures, all of which are inherently uncertain. These are defined as level 3 assumptions under IFRS 13.

As a result of the review, an impairment reversal of \$120.6 million was recognised to P&L during the year.

In 2020 the impairment review carried out did not lead to an impairment recognition, nor an impairment reversal.

### 15. Financial instruments

The Group has entered into a variety of financial instruments to operate the business. A financial instrument is defined in IAS 32 'Financial instruments – presentation' as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## PERENCO OVERSEAS HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

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The Company has no material financial assets that are past due. No financial assets are impaired at the balance sheet date. All financial assets and liabilities are measured at amortised cost.

#### Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of cash and cash equivalents, loans from intermediate parent company and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

#### Foreign exchange

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The Group considers that movements in foreign exchange are a regular part of its business environment and therefore accepts this foreign exchange risk and does not use foreign currency derivative instruments.

#### Interest rate risk

The Group has cash and cash equivalent balances, on which it earns deposit interest income. Other than placing sums on deposit at fixed rates for varying maturity periods, no financial instruments are used to manage the risk of interest rate volatility. Interest rate risk is not considered to be significant risk in the context of the Group given the immaterial amounts involved.

The Group has closely monitored the market and the output from the various industry working groups managing the transition to new benchmark interest rates. This includes announcements made by IBOR regulators (including the Financial Conduct Authority (FCA) and the US Commodity Futures Trading Commission) regarding the transition from IBOR (including GBP LIBOR, USD LIBOR and EUR LIBOR) to the Sterling Overnight Index Average rate (SONIA), the Secured Overnight Financing Rate (SOFR), and the Euro Overnight Index Average rate (EONIA) respectively. The FCA has confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be representative:

- Immediately after 31 December 2021, in the case of all sterling, euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings;
- Immediately after 30 June 2023, in the case of the remaining US dollar setting.

The Group has successfully completed the interest rate benchmark transition program started last year in response to the announcements. All loan contracts with outstanding balances at the end of 2021 have been amended and are linked to the alternative benchmark rates.

#### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. There are no financial assets which are past due nor impaired.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk without taking account of any collateral obtained.

The Group's counterparty risks in relation to its cash and cash equivalents are considered to be limited because counterparties are financial institutions with high credit ratings assigned by international credit-rating agencies.

The credit risk on other receivables is dependent on the Group's partners in business. In Vietnam, the partners are major groups considered able to repay if required. The Group reviews the other receivable amounts for expected credit loss to ensure that balances are not overstated. There is no expected credit loss of other receivables in the year.

#### Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining loan facilities from its intermediate parent company and by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial debts and liabilities.

Maturity analysis for financial liabilities is shown in the next page.

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### Fair values of financial assets and liabilities

The carrying amounts of cash, cash equivalents and short-term deposits, other receivables (note 18) and trade and other payables (note 19) approximated their fair values due to the short-term maturities of these assets and liabilities.

### Categories of financial instruments

The Group's financial instruments, grouped according to the categories defined in IAS 39 'Financial instruments: Recognition and Measurement', were as follows:

Group	2021 \$'000	2020 \$'000
<b>Financial assets</b>		
Loans and receivables (including cash and cash equivalents)	450,540	231,256
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(563,679)	(471,340)
	<u>(113,139)</u>	<u>(240,084)</u>
<b>Company</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Financial assets</b>		
Loans and receivables (including cash and cash equivalents)	91,393	55,711
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(36)	(32)
	<u>91,357</u>	<u>55,679</u>

There were no financial instruments measured subsequent to initial recognition at fair value and accordingly no analysis of the level of the degree to which the fair value is observable has been provided.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Group	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	2021 \$'000	2020 \$'000
31 December 2021						
Non-interest bearing	61,908	-	-	501,771	564,679	471,340
<b>Company</b>	<b>Less than 1 month \$'000</b>	<b>1-3 months \$'000</b>	<b>3 months to 1 year \$'000</b>	<b>1 to 5 years \$'000</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
31 December 2021						
Non-interest bearing	36	-	-	-	36	32



# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### 16. Long-term receivables

	Group	
	2021 \$'000	2020 \$'000
Decommissioning fund	51,417	103,664
	<u>51,417</u>	<u>103,664</u>

The Group is required to maintain decommissioning funds in order to cover decommissioning expenditure at the end of its operations in Vietnam. The Group cannot withdraw money from the fund without the approval of the Vietnamese authorities. The decrease of \$52.2 million is due to the disposal of Rang Dong.

### 17. Inventories

	Group	
	2021 \$'000	2020 \$'000
Crude oil	7,574	9,650
Materials and supplies	12,492	11,152
	<u>20,066</u>	<u>20,802</u>

The values of the materials and supplies above are net of provisions as the Group maintains a provision for obsolete materials and supplies of \$11.4 million out of a gross value of (2020: \$14.5 million) based on specific potential obsolescence identified or of the age of the items, to account for items that may not be used in the future. The movement in the year of \$3.1 million (2020: \$0.8 million) has been recognised directly through the income statement.

### 18. Trade and other receivables

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Trade receivables	92,431	32,856	-	-
Receivables from JV partner	10,876	1,701	-	-
Receivables from related parties	257,291	131,865	54,265	48,193
Tax recoverable	4,624	10,347	-	-
Prepayments and accrued income	30,384	47,653	-	-
Other receivables	-	-	-	6,819
	<u>395,606</u>	<u>224,422</u>	<u>54,265</u>	<u>55,012</u>

Receivables from related parties are made up of cash paid under a cash pooling treasury agreement.

Amounts in the cash pooling treasury agreement are paid in US dollars and interest is calculated on a weekly basis using the Secured Overnight Financing Rate (SOFR).

Trade receivables are mostly composed of oil sales (\$50.1 million) for which payment were not received before year end, and advances paid to the vendor Dixstone Holding Ltd (\$38.7 million) in relation to the purchase of the FSO by Perenco Petróleo e Gas do Brasil Ltda.

**PERENCO OVERSEAS HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2021**

**19. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade payables	5,234	12,691	36	32
Accruals	46,132	12,751	-	-
Taxation (other than corporate)	9,900	5,351	-	-
Other payables	642	401	-	-
	<u>61,908</u>	<u>31,194</u>	<u>36</u>	<u>32</u>

There is no interest accruing on these balances.

**20. Borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Long-term	501,771	438,770	-	-
	<u>501,771</u>	<u>438,770</u>	<u>-</u>	<u>-</u>

Loans from the intermediate parent (Perenco Petroleum Limited) are non-interest bearing, totalling \$501,771,000 (2020: \$438,770,000).

**21. Deferred tax**

**Deferred tax assets**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at the beginning of the year	92,461	46,716
Charge to the income statement (note 12)	(27,396)	45,745
	<u>65,065</u>	<u>92,461</u>

**Deferred tax liabilities**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at the beginning of the year	123,851	166,936
Credit to the income statement (note 12)	(25,714)	(43,085)
	<u>98,137</u>	<u>123,851</u>

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### Deferred tax analysis

The deferred taxation balances are analysed as follows according to the nature of the temporary differences.

	2021 \$'000	2020 \$'000
Property, plant and equipment and decommissioning asset	201,173	220,353
Provisions	(119,641)	(138,541)
Tax losses	(46,270)	(48,708)
Other	(2,190)	(1,714)
Net deferred tax liability provided	33,072	31,390

### 22. Decommissioning provision

The decommissioning costs related to the decommissioning provision provided for are expected to be incurred for the fields Su Tu (15-1) in Vietnam and Pargo cluster in Brazil.

The provision is the discounted value of the directors' estimates using existing technology, at current prices. Decommissioning cost estimates have been inflated to the date of decommissioning at 2% (2020: 2%) and discounted back to the year end at 0.86% (2020: 0.54%) and 1.98% (2020: 0.353%) respectively for Vietnam (Cuu Long) and Brazil (Pargo cluster). Any change in estimate in the decommissioning provision is reflected in the decommissioning asset within PP&E (see note 14).

After a full review of decommissioning provision was undertaken during the year, a total decrease in estimate of \$60.2 million was calculated (2020: \$28.4 million increase). This decrease was attributed mainly to the increase of the discount rates. The change in estimate of the decommissioning provision of \$60.2 million is wholly reflected in the decommissioning asset within Property, plant and equipment (note 14). On 28 February 2021 the Group sold its 30.5% interests in the Rang Dong field in Vietnam. This disposal has led to the derecognition of the decommissioning provision associated with Rang Dong operations (\$61.1 million).

	2021 \$'000	2020 \$'000
Balance at 1 January	565,983	532,573
Disposal of subsidiary	(61,094)	-
Change in provision (note 14)	(60,170)	28,404
Unwinding of discount (note 10)	6,470	5,006
Balance at 31 December	451,189	565,983

### 23. Contingent liabilities

Under the terms of the concession agreements signed with the Agencia Nacional de Petroleo ("ANP"), the Group is required to use an agreed percentage of local Brazilian's goods and services during the exploration phase. The Group has not met these percentages to the date of this report and has booked a provision of \$4 million (2020: \$4 million) in the financial statements.

### 24. Called up share capital

	Group and Company	
	2021 \$'000	2020 \$'000
Authorised allotted, called-up and fully paid 10,002 ordinary shares of £1 each	16	16

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

### 25. Share premium and other reserves

#### Share premium

	Group and Company	
	2021	2020
	\$'000	\$'000
Balance at 1 January	539,100	539,100
Balance at 31 December	539,100	539,100

No dividend was paid during the year (2020: \$61.7 million). The Dividend per ordinary share was \$6,168 in 2020.

### 26. Notes to the cash flow statements

Reconciliation of operating loss to net cash inflow from operating activities is set out below:

Group	2021 \$'000	2020 \$'000
Operating profit	236,261	21,193
Depreciation charge	148,302	113,640
Impairment reversal	(120,627)	-
Loss on disposal of subsidiary	16,260	-
Other non-monetary items	-	(1,068)
Increase in provisions	62,495	-
<b>Operating cash flow prior to working capital changes</b>	<b>342,691</b>	<b>133,764</b>
(Increase) in inventories	(3,404)	(6,931)
(Increase) / decrease in receivables	(69,133)	6,825
Increase / (decrease) in payables	37,598	(8,683)
<b>Net cash from operating activities</b>	<b>307,752</b>	<b>124,979</b>
<b>Company</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Operating profit / (loss)	21,559	(1,979)
Gain on disposal of subsidiary	(22,091)	-
Other non-monetary items	(1)	(1)
<b>Operating cash flow prior to working capital changes</b>	<b>(533)</b>	<b>(1,980)</b>
Decrease in receivables	8,052	1,641
Increase in payables	4	-
<b>Net cash from operating activities</b>	<b>7,523</b>	<b>(339)</b>

Cash and cash equivalents (which are presented as a single class of assets on the face of the consolidated balance sheet) comprise cash at bank and other petty cash balances.

### 27. Related parties

During the year, the Company and its subsidiary undertaking were recharged salaries, other related employment costs, and third-party costs borne on its behalf as below by affiliated companies and its parent company.

# PERENCO OVERSEAS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

Group	Charges (from) / to 2021 \$'000	Charges (from) / to 2020 \$'000	(Payable) / Receivable 2021 \$'000	(Payable) / Receivable 2020 \$'000
<i>Affiliated companies</i>				
Perenco S.A.	(914)	(1,473)	135	(18,968)
Perenco Petroleum Limited	79	-	(244,615)	(294,746)
Perenco UK Limited	-	(20)	-	-
Perenco Holdings	(1,044)	(1,994)	(59)	(71)
Perenco France	(4,432)	(4,076)	(1,102)	522
<b>Total</b>	<b>(6,311)</b>	<b>(7,563)</b>	<b>(245,641)</b>	<b>(306,454)</b>

Details of transactions with key management personnel are disclosed in note 8.

Company	Charged to/(from) for 2021 \$'000	Charged to/(from) for 2020 \$'000	(Payable) / Receivable 2021 \$'000	Receivable Receivable 2020 \$'000
<i>Affiliated companies</i>				
Perenco Holdings	(265)	(615)	(21)	(27)
Perenco France	(524)	-	(410)	6,809
<b>Total</b>	<b>(789)</b>	<b>(615)</b>	<b>(431)</b>	<b>6,782</b>

### 28. Subsidiary companies

The Company has investments in the following principal entities, all of which have been consolidated:

Principal subsidiary undertakings	Proportion held and class of share	Country of incorporation	Registered address	Business	Country of operation
Perenco Cuu Long Limited	100% ordinary shares	UK	8 Hanover Square, London, England, W1S 1HQ	Exploration for and production of oil and gas	Vietnam
Perenco Vietnam AS	100% ordinary shares	Norway	Munkedamsveien 45, 0201 Oslo, Norway	Exploration for and production of oil and gas	Vietnam
Perenco Petroleo e Gas do Brasil Ltda	100% ordinary shares	Brazil	Praia de Botafogo, 501 Bloco A, 1 Andar, Botafogo 22250-040, Rio de Janeiro, Brazil	Exploration for and production of oil and gas	Brazil

<b>Company</b>	
Investments	<b>\$'000</b>
At 1 January 2021	631,580
At 31 December 2021	617,461

The decrease of \$14.1 million is due to the disposal of Rang Dong's investments.

## **PERENCO OVERSEAS HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2021**

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#### **29. Immediate and ultimate parent company and controlling party**

The immediate parent, and the parent undertaking of the smallest group which includes the Company and for which group accounts are prepared, is Perenco S.A., a company registered in the Bahamas (Lyfor Manor, Lyfor Cay, West Bay Street, PO Box N10 051 Nassau). Perenco International Limited, a company incorporated in the Bahamas, is the parent undertaking of the largest group which includes the Company and for which group financial statements are prepared. The financial statements of Perenco S.A. and Perenco International Limited are not available to the public. The ultimately controlling party is the Perrodo family and trusts for their benefit.