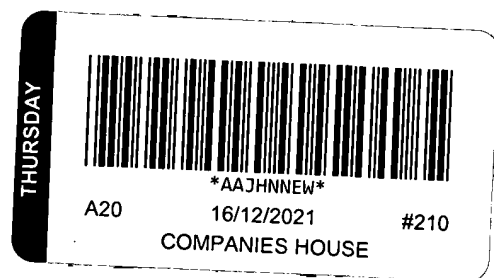


Schlumberger UK Holdings Limited

(Registered Number: 01686572)

**Annual report and financial statements
For the year ended 31 December 2020**



Schlumberger UK Holdings Limited

Directors' report for the year ended 31 December 2020

The directors present their report together with the audited financial statements of Schlumberger UK Holdings Limited (the "Company") for the year ended 31 December 2020.

Principal activities and future developments

The principal activity of the Company is to act as an intermediate holding company and is expected to continue in this form for the foreseeable future.

Review of the business

The Company continued to operate according to its principal activity as a holding company throughout the year ended 31 December 2020.

Effective 1 January 2019, using the legislation of Cross Border Merger Regulations (2007), the assets and liabilities of 31 entities were merged into the Company. The loss for the year before taxation amounted to nil (2019: £10,507,000 arose from write off of investments due to cross border merger).

The Company's net assets have increased to £96,582,000 (2019: £95,773,000). This is as a result of the transfer of the remaining reserves relating to the cross border merger.

Principal risks and uncertainties

The Company operates as an intermediate holding company and as such the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Schlumberger Limited worldwide group and are not managed separately. For an analysis of the principal risk factors affecting the Schlumberger Limited group, see item 1A, Risk Factors, in the 2020 Annual Report of Schlumberger Limited, copies of which can be obtained from www.slb.com.

Covid-19

As detailed in note 3, Accounting policies - Going concern, the effects of the Covid-19 (coronavirus) pandemic, resulted in an insignificant impact in the company's economic activity.

Key performance indicators

Given the nature and status of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Directors

The following were directors of the Company during the financial year and up to the date of signing these financial statements, unless otherwise stated:

G Park (appointed 29 May 2020)
G Vam (appointed 18 January 2021)
C Beddall (appointed 12 June 2021)

M Higgins (resigned 30 July 2021)
S Smoker (resigned 29 May 2020)

Financial risk management

The Company's operations expose it to a variety of financial risks that include the following:

Credit risk

The Company's principal financial assets are intercompany receivables. An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany finance.

Capital risk

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust

Schlumberger UK Holdings Limited

the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Schlumberger UK Holdings Limited

Directors' report for the year ended 31 December 2020 (continued)

Dividends

The directors did not propose any dividends in 2020 (2019: £nil).

Statement of directors' responsibilities in respect of the financial statements

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

Under company law, 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 company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' Report is approved:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Future outlook

The Company does not trade and the directors anticipate the Company to continue in its current state in the future.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 13 December 2021 and signed on its behalf by:

C Beddall

Director

13 December 2021

DocuSigned by:

Colin Beddall

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Independent auditors' report to the members of Schlumberger UK Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Schlumberger UK Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2020; the profit and loss account and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 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.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Schlumberger UK Holdings Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 members are responsible for assessing the 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 members either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Company operates and holds data (including The General Data Protection Regulation (GDPR)),

tax legislation and employment regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Performing audit procedures to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business; other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Incorporating elements of unpredictability into the audit procedures performed;
- Reviewing minutes of meetings of those charged with governance

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Simon Bailey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 December 2021

Schlumberger UK Holdings Limited

Profit and loss account For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Exceptional item – Investment write off	8	-	(10,507)
Loss before taxation		-	(10,507)
Tax on loss	7	-	-
Loss for the financial year		-	(10,507)

The results for the current and prior year arise from continuing operations.

There were no other gains and loss in the current or prior year other than the loss for the year and, accordingly, no statement of comprehensive income is presented.

The notes on pages 9 to 14 form part of these financial statements.

Schlumberger UK Holdings Limited

Balance sheet As at 31 December 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Investments	8	1	1
Current assets			
Debtors: amounts falling due within one year	9	116,680	122,775
		116,680	122,775
Creditors: amounts falling due within one year	10	(20,099)	(27,003)
Net current assets		96,581	95,772
Total assets less current liabilities		96,582	95,773
Net assets		96,582	95,773
Capital and reserves			
Called up share capital	11	84,641	84,641
Share premium account	11	338	338
Profit and loss account		11,603	10,794
Total shareholders' funds		96,582	95,773

The notes on pages 9 to 14 form part of these financial statements.

The financial statements on pages 6 to 14 were approved by the board of directors on 13 December 2021 and signed on its behalf by:

G Park
Director
13 December 2021
Schlumberger UK Holdings Limited

DocuSigned by:
Gary Park
BA4F00724DF94D5...

Registered Number: 01686572

Schlumberger UK Holdings Limited

Statement of changes in equity For the year ended 31 December 2020

	Note	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance as at 1 January 2019	11	84,641	338	925	85,904
Transfer of merger reserve		-	-	20,376	20,376
Loss for the financial year and total comprehensive expense		-	-	(10,507)	(10,507)
Balance as at 31 December 2019		84,641	338	10,794	95,773
Transfer of merger reserve		-	-	809	809
Balance as at 31 December 2020		84,641	338	11,603	96,582

The notes on pages 9 to 14 form part of these financial statements.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2020

1 General information

Schlumberger UK Holdings Limited principal activities during the year have been as an intermediate holding company.

Schlumberger UK Holdings Limited is privately owned and limited by shares and is incorporated in England and domiciled in United Kingdom. The address of its registered office is Schlumberger House, Buckingham Gate, Gatwick Airport, West Sussex RH6 0NZ.

2 Statement of compliance

The financial statements of Schlumberger UK Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standards 102, "The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and Companies Act 2006.

3 Accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented. These financial statements were prepared in accordance with FRS 102 and the provision of the Companies Act 2006.

Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

All Company results are shown in £'thousands unless stated otherwise.

Exemption for qualified entities under FRS 102

In preparing the financial statements under FRS 102, the Company as a qualifying entity has taken advantage of certain permitted disclosure exemptions available, subject to certain conditions, which have been complied with, being the notification of, and no objection to the use of exemptions by the Company's shareholders

The Company has taken advantage of the following exemptions:

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated financial statements of Schlumberger Limited, includes the Company's cash flow. (FRS 102 paragraph 1.12(b));
- ii) from the financial instrument disclosures, required under FRS 102 as the information is provided in the consolidated financial statement of Schlumberger Limited (paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29). The group has chosen to adopt Section 11 and 12 of FRS 102 in respect of financial instruments;

Schlumberger UK Holdings Limited

Notes to the financial statements

For the year ended 31 December 2020 (continued)

3 Accounting policies (continued)

Exemption for qualified entities under FRS 102 (continued)

- iii) from the related party transaction disclosures, required under FRS 102 as the information is provided in the consolidated financial statement of Schlumberger Limited (paragraph 33.1A); and
- iv) from preparation and delivering of Group financial statements under section 401 Companies Act 2016 (paragraph 9.3(c)), as the Company is a wholly owned subsidiary of Schlumberger Limited, a company incorporated in Curacao (a country within the Kingdom of the Netherlands), and its financial information is included in the publicly available consolidated financial statements of Schlumberger Limited.

Going concern

The directors consider it appropriate to prepare the financial statement on a going concern basis as, despite the uncertainties deriving from the current economic environment, the company is in an overall net current asset position. The directors have a reasonable expectation that the company has adequate resources to enable it to continue meet its liabilities as they fall due for a period of at least 12 months from the date of these financial statements. As a result, the financial statements have been prepared under the going concern basis.

Cash at bank and in hand

Cash balances represent current bank account balances, cash held on overnight deposit or cash in hand.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' equity. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Provisions are made on the basis of amounts.

Financial assets and liabilities

The classification of financial assets and liabilities depends on the purpose for which the financial assets were acquired or the financial liabilities were incurred. Management determines the classification of its financial assets and liabilities at initial recognition. The Company classifies its financial assets in the following categories: loans and receivables and its financial liabilities in the following categories: Other financial liabilities.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

The Company's loans and receivables mainly comprise amounts owed by Schlumberger UK Limited group companies.

Loans and receivables are recognised initially at fair value plus directly attributable transaction costs. Subsequently, loans and receivables are stated at amortised cost using the effective interest method, less provision for impairment.

Schlumberger UK Holdings Limited

Notes to the financial statements For the year ended 31 December 2020 (continued)

3 Accounting policies (continued)

Financial assets and liabilities (continued)

(b) Other financial liabilities

The Company's other financial liabilities mainly comprise amounts owed to Schlumberger Limited group companies.

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs. Subsequently, other financial liabilities are stated at amortised cost using the effective interest method.

(c) Fair value estimation

The fair value of financial instruments is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties. Where available, market values have been used to determine fair values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest rates and by applying appropriate exchange rates.

The carrying values less impairment provision of intercompany receivables and payables approximate their fair values.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

4 Critical accounting judgements and estimation uncertainty policies

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within next financial year are address below.

Recoverability of intercompany balances

The Company has a significant concentration of its receivable balance from a few related parties (fellow group companies). The estimation uncertainty is managed by reviewing the financial positions of the intercompany counter party and ensuring any identified exposures are mitigated by adequately providing in accordance with the company's provisioning policy.

Schlumberger UK Holdings Limited

Notes to the financial statements

For the year ended 31 December 2020 (continued)

4 Profit and loss account

The Company did not trade during the financial year (2019: nil).

Auditors' remuneration of £8,590 (2019: £20,000) for the audit of the financial statements has been borne by Schlumberger Plc, a fellow group company in the current year.

6 Staff and directors' emoluments

Directors' remuneration is to be borne by Schlumberger Plc, a fellow group company in the current and prior year. The Company's directors are of the opinion that no reasonable allocation of this remuneration can be made to the Company.

The Company did not employ any staff during the year and hence no staff costs were incurred (2019: £ nil).

7 Tax on loss

The taxation (credit)/charge based on the loss for the year may be analysed as follows:

	2020 £'000	2019 £'000
Current taxation		
UK corporation tax on loss for the year	-	-
Adjustments in respect of prior years	-	-
Tax on loss	-	-

The taxation charge, based on the loss for the year as adjusted for taxation purposes, may be analysed as follows:

	2020 £'000	2019 £'000
Loss before taxation	-	(10,507)
Tax on loss before taxation multiplied by the tax rate of 19% (2019: 19%)	-	(1,997)
Expenses not deductible for tax purposes	-	1,997
Tax charge/(credit) for the year	-	-

In the Spring Budget 2020, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 11 March 2021. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Schlumberger UK Holdings Limited

Notes to the financial statements

For the year ended 31 December 2020 (continued)

8 Investments

	2020 £'000	2019 £'000
Net carrying amount:		
At 1 January	1	10,508
Investment write off	-	10,507
At 31 December	1	1

In prior year, the company written off its investment in subsidiaries an amount of £10,507,000 due to cross border merger activity.

At 31 December 2020, the Company owned the entire ordinary share capital of the following subsidiary companies:

<u>Company</u>	<u>Country of incorporation and operation</u>	<u>Activity / Status</u>
Schlumberger WCP Limited (*)	U.K.	Dormant

(*) The registered address for all of the above is Schlumberger House, Buckingham Gate, Gatwick, West Sussex, RH6 0NZ.

9 Debtors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed by group undertakings	116,680	122,775

Balances owed by Schlumberger UK Limited group companies are unsecured, interest free and payable on demand.

10 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Amounts owed to group undertakings	20,099	27,003
Corporate taxation	-	-
	20,099	27,003

Balances owed to Schlumberger UK Limited group companies are unsecured, interest free and payable on demand.

Schlumberger UK Holdings Limited

Notes to the financial statements

For the year ended 31 December 2020 (continued)

11 Called up share capital and share premium account

	2020 £'000	2019 £'000
Authorised shares		
100,000,000 (2019: 100,000,000) ordinary shares of £1 each	100,000	100,000
Allotted and fully paid		
84,640,928 (2019: 84,640,928) ordinary shares of £1 each	84,641	84,641

Share premium account

The balance on the share premium account is £338,000 (2019: £338,000), arose from the issue of shares in consideration for the ordinary share capital of Schlumberger Evaluation and Production Services (UK) Limited.

12 Controlling parties

Schlumberger Plc, a company registered in England, is the immediate parent company.

Schlumberger Limited, a company incorporated in Curacao, a country within the Kingdom of the Netherlands, is the ultimate parent company (and ultimate controlling party) and is the parent undertaking of the largest group of undertakings of which Schlumberger UK Holdings Limited is a member and for which group financial statements are drawn up.

Copies of the financial statements of Schlumberger Limited from 5599 San Felipe, Houston, Texas 77056, USA.

13 Events after the end of reporting period

In view of the trading status of the company, the effect of the Covid pandemic is not expected to have in impact on this company.