

**NOBEL OIL E&P MANAGEMENT (UK) LIMITED
ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



Nobel Oil E&P Management (UK) Limited
Financial Statements
For The Year Ended 31 December 2021

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Nobel Oil E&P Management (UK) Limited
Abridged Balance Sheet
As at 31 December 2021

Registered number: 08891699

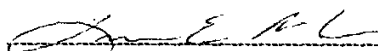
		2021		2020	
	Notes	\$'000s	\$'000s	\$'000s	\$'000s
FIXED ASSETS					
Tangible Assets	3		36		50
Investments	4		75		75
			<u>111</u>		<u>125</u>
CURRENT ASSETS					
Debtors	5	41,678		42,296	
Cash at bank and in hand		3,733		1,366	
		<u>45,411</u>		<u>43,662</u>	
Creditors: Amounts Falling Due Within One Year		<u>(11,583)</u>		<u>(12,064)</u>	
NET CURRENT ASSETS (LIABILITIES)			<u>33,828</u>		<u>31,598</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>33,939</u>		<u>31,723</u>
Creditors: Amounts Falling Due After More Than One Year			<u>(61)</u>		<u>(66)</u>
NET ASSETS			<u><u>33,878</u></u>		<u><u>31,658</u></u>
CAPITAL AND RESERVES					
Called up share capital	6		36,160		36,160
Profit and Loss Account			(2,282)		(4,503)
SHAREHOLDERS' FUNDS			<u><u>33,878</u></u>		<u><u>31,657</u></u>

Nobel Oil E&P Management (UK) Limited
Abridged Balance Sheet (continued)
As at 31 December 2021

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.
- All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet for the year end 31 December 2021 in accordance with section 444(2A) of the Companies Act 2006.

On behalf of the board



Mr Lawrence Bates
Director
2 December 2022

The notes on pages 3 to 7 form part of these financial statements.

Nobel Oil E&P Management (UK) Limited
Notes to the Abridged Financial Statements
For The Year Ended 31 December 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in US dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Nobel Oil E&P (UK) Limited. These consolidated financial statements are available from its registered office, 48 Dover Street, London W1S 4FF, United Kingdom.

1.2. Going Concern Disclosure

The directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

The Company will meet its ongoing obligations at least over the next 12 months from its available cash balance and cash flows generated from operations. Any additional funding (as approved by the directors) will be provided by the Company's parent company Nobel Oil E&P (UK) Limited. As such, the directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Nobel Oil E&P Management (UK) Limited
Notes to the Abridged Financial Statements (continued)
For The Year Ended 31 December 2021

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	3 to 5 years straight line
Fixtures & Fittings	3 to 5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Nobel Oil E&P Management (UK) Limited
Notes to the Abridged Financial Statements (continued)
For The Year Ended 31 December 2021

1.5. Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6. Foreign Currencies

Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing 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. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Nobel Oil E&P Management (UK) Limited
Notes to the Abridged Financial Statements (continued)
For The Year Ended 31 December 2021

1.8. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.9. Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 10 (2020: 10)

3. Tangible Assets

	Total \$'000s
Cost	
As at 1 January 2021	240
Additions	3
As at 31 December 2021	<u>243</u>
Depreciation	
As at 1 January 2021	190
Provided during the period	17
As at 31 December 2021	<u>207</u>
Net Book Value	
As at 31 December 2021	<u>36</u>
As at 1 January 2021	<u>50</u>

4. Investments

	Total \$'000s
Cost	
As at 1 January 2021	75
As at 31 December 2021	<u>75</u>
Provision	
As at 1 January 2021	-
As at 31 December 2021	<u>-</u>
Net Book Value	
As at 31 December 2021	<u>75</u>
As at 1 January 2021	<u>75</u>

The investment represents the Company's 100% interest in Nobel Upstream Management Plc which is a company registered in England on 3 June 2019 with company number 12029317.

Nobel Oil E&P Management (UK) Limited
Notes to the Abridged Financial Statements (continued)
For The Year Ended 31 December 2021

5. Debtors

	2021 \$'000s	2020 \$'000s
Due after more than one year		
Other debtors	548	580
Deferred tax current asset	571	-
Amounts owed by group undertakings	28,000	28,000
	29,119	28,580

Included within debtors of \$41,678,000 (2020: \$42,296,000) are debtors due over one year as represented above.

6. Share Capital

	2021 \$'000s	2020 \$'000s
Allotted, Called up and fully paid	36,160	36,160

Share capital represents 36,160,000 ordinary shares at \$1 each.

7. Ultimate Parent Undertaking and Controlling Party

The Company's immediate parent undertaking and the smallest and largest group to consolidate these financial statements is Nobel Oil E&P (UK) Limited. Copies of the Nobel Oil E&P (UK) Limited consolidated financial statements can be obtained from the Company Secretary at 48 Dover Street, London W1S 4FF, United Kingdom.

The Company's ultimate controlling party up to 27 June 2022 was Mr Nasib Jabbar oglu Hasanov by virtue of his 100% ownership of the share capital of the immediate parent company Nobel Oil E&P (UK) Limited. On 27 June 2022, Mr Nasib Jabbar oglu Hasanov sold his entire holding in Nobel Oil E&P (UK) Limited to his solely owned company, Inviglob Capital B.V. (thereafter renamed to Neqsol Holding B.V.). Neqsol Holding B.V. is the ultimate parent company effective 27 June 2022 and controls 100% of the shares of Nobel Oil E&P (UK) Limited from that date. Mr Nasib Jabbar oglu Hasanov remains the ultimate controlling party by virtue of his 100% ownership of the shares of Neqsol Holding B.V.

8. General Information

Nobel Oil E&P Management (UK) Limited is a private company, limited by shares, incorporated in England & Wales, registered number 08891699. The registered office is 48 Dover Street, London, W1S 4FF.