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All Statements contained in this document are subject to the legal disclaimer and risk factors in Appendix 1.

Forward-looking statements in this report reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that are expected to occur in the future.

All numbers in this report are stated in €’000 unless otherwise stated.



SUMMARY AND COMMENTARY

	2020 H1 Unaudited	2019 H1 Unaudited	2018 H1 Unaudited	2019 FY Audited	2018 FY Audited	2017 FY Audited
€'000						
Revenue	-	1	62	1	291	756
EBITDA (excluding share of interest in affiliates) ¹	(164)	(249)	(264)	(424)	(511)	(433)
Operating profit/(loss)	(31)	(249)	(472)	(465)	(831)	(13,773)
Profit/(loss) for the period	2,912	6,509	(1,437)	15,459	(2,174)	(12,233)
Cash flow from operations	2,553	(430)	(268)	(644)	(287)	(28)
Cash flow from investments	-	4	-	4	-	-
Interest-bearing debt ¹	(35,809)	(37,481)	(36,157)	36,611	(36,501)	(35,309)
Cash and cash equivalents	1,010	106	71	52	249	576

Tulip Oil Netherlands B.V. (“the Company” or “TON”) holds a 60% operated interest in the licences of Donkerbroek Main, Donkerbroek West, Akkrum and Marknesse. Additionally the Company holds a 60% operated interest in M10a/M11/TEN and a 30% operated interest in Schagen. TON is in the process of divesting the licences related to Marknesse and Schagen. The Company also has a wholly owned subsidiary, Tulip Oil Netherlands Offshore B.V. (“TONO”).

Revenue. There has been no production in the first half year of 2020. The Company continues to operate the assets for their long term development opportunities and/or short term commercial opportunities.

Profit/(loss) for the period. Profit for the period was lower at €2.9 million (€6.5 million) mainly due to reduced income from TONO. Further to the fiscal union previously implemented between Tulip Oil Holding B.V. (“TOH”), TON and TONO, the TOH Group have now administered a tax compensation agreement during the year. In this respect, TON has received compensation for its shared tax losses.

Interest-bearing debt. Debt decreased to €35.8 million as a result of a net repayment of funding support from its parent company, Tulip Oil Holding B.V.

¹ The Company uses certain measures of performance that are not specifically defined under IFRS or other generally accepted accounting principles. These non-IFRS measures include EBITDA and interest-bearing debt. EBITDA is defined as profit/(loss) for the period before additions/deductions of tax credit/(charge), net finance costs, depreciation and amortisation. Interest-bearing debt is defined as the intercompany loan obligations plus finance lease obligations.

UNAUDITED FINANCIAL STATEMENTS WITH NOTES

INCOME STATEMENT

		Unaudited	Unaudited	Audited
		6 months	6 months	Year
		ended	ended	ended
€'000	Note	30 June	30 June	31 December
		2020	2019	2019
Revenue	2	-	1	1
Total Revenue		-	1	1
Exploration expenses		(54)	(52)	(53)
Production costs		(86)	(103)	(174)
Other operating expenses	4	(24)	(95)	(198)
Depreciation	8-9	-	-	-
Impairments	3,8-9	133	-	(41)
Total operating expenses		(31)	(250)	(466)
Operating profit/(loss)		(31)	(249)	(465)
Interest income		159	291	492
Other financial income		-	-	-
Interest expenses		(1,453)	(1,483)	(2,953)
Other financial expenses		(3)	(10)	(20)
Net finance costs	5	(1,297)	(1,202)	(2,481)
Share of interest in affiliates	7	867	7,281	23,518
Profit/(loss) before taxes		(461)	5,830	20,572
Tax credit/(charge)	6	3,373	679	(5,113)
Profit/(loss) for the period		2,912	6,509	15,459

STATEMENT OF COMPREHENSIVE INCOME

		Unaudited	Unaudited	Audited
		6 months	6 months	Year
		ended	ended	ended
€'000		30 June	30 June	31 December
		2020	2019	2019
Profit/(loss) for the period		2,912	6,509	15,459
Total comprehensive income in period		2,912	6,509	15,459



STATEMENT OF FINANCIAL POSITION

€'000	Note	Unaudited	Unaudited	Audited
		H1	H1	H2
		30 June 2020	30 June 2019	31 December 2019
ASSETS				
Investments				
Investments in subsidiaries	7	34,827	17,723	33,960
Tangible fixed assets				
Property, plant and equipment	8	-	-	-
Financial assets				
Long-term loan to affiliates	10	3,700	6,500	4,200
Deferred tax assets	6	16,293	21,873	16,081
Total non-current assets		54,820	46,096	54,241
Receivables				
Trade receivables		-	1	-
Other short-term receivables	11	563	41	21
Cash and cash equivalents				
Cash and cash equivalents		1,010	106	52
Total current assets		1,573	148	73
TOTAL ASSETS		56,393	46,244	54,314

STATEMENT OF FINANCIAL POSITION

		Unaudited	Unaudited	Audited
		H1	H1	H2
€'000	Note	30 June 2020	30 June 2019	31 December 2019
EQUITY AND LIABILITIES				
Equity				
Share capital		100	100	100
Share premium		28,354	28,354	28,354
Retained earnings		(8,937)	(20,799)	(11,849)
Total equity		19,517	7,655	16,605
Non-current liabilities				
Long-term abandonment provision	12	915	994	1,045
Interest-bearing loans from affiliates	13	35,809	37,481	36,611
Other non-current liabilities		-	-	-
Current liabilities				
Trade payables		7	12	3
Accrued expenses		78	49	30
Liabilities against affiliates		16	53	20
JV payable		51	-	-
Total liabilities		36,876	38,589	37,709
TOTAL EQUITY AND LIABILITIES		56,393	46,244	54,314

STATEMENT OF CHANGES IN EQUITY (Unaudited)

€'000	Share capital	Share premium	Retained earnings	Total equity
Equity as of 31.12.2018	100	28,354	(27,308)	1,146
Share premium injection	-	-	-	-
Profit/(loss) for the period	-	-	6,509	6,509
Equity as of 30.06.2019	100	28,354	(20,799)	7,655
Share premium injection	-	-	-	-
Profit/(loss) for the period	-	-	8,950	8,950
Equity as of 31.12.2019	100	28,354	(11,849)	16,605
Share premium injection	-	-	-	-
Profit/(loss) for the period	-	-	2,912	2,912
Equity as of 30.06.2020	100	28,354	(8,937)	19,517

STATEMENT OF CASH FLOW

		Unaudited	Unaudited	Audited
		6 months	6 months	Year
		ended	ended	ended
		30 June	30 June	31 December
€'000	Note	2020	2019	2019
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) for the period		2,912	6,509	15,459
Tax (credit)/charge		(3,373)	(679)	5,113
Net finance costs	5	1,297	1,202	2,481
Depreciation	8	-	-	-
Impairments	3,8	(133)	-	41
Share of interest in affiliates	7	(867)	(7,281)	(23,518)
Tax received/(paid)		2,599	-	-
Decrease/(increase) in trade and other receivables		69	136	160
Increase/(decrease) in trade, other payables and provisions		50	(317)	(380)
NET CASH FLOW FROM OPERATING ACTIVITIES		2,554	(430)	(644)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Payments to acquire tangible fixed assets		-	-	-
Proceeds on disposal of tangible fixed assets		-	4	4
NET CASH FLOW FROM INVESTMENT ACTIVITIES		-	4	4
CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of loan to parent Company	13	(1,552)	(250)	(2,375)
Loan proceeds from parent Company	13	750	1,230	2,485
Repayments from subsidiary	10	500	500	2,800
Repayment of other loans		-	(5)	(6)
<i>Net interest paid:</i>				
Total interest paid	5	(1,453)	(1,483)	(2,953)
Interest income	5	159	291	492
NET CASH FLOW FROM FINANCING ACTIVITIES		(1,596)	283	443
Net change in cash and cash equivalents		958	(143)	(197)
Cash and cash equivalents at start of period		52	249	249
CASH AND CASH EQUIVALENTS AT END OF PERIOD		1,010	106	52

NOTES TO THE FINANCIAL STATEMENTS (Unaudited)

These unaudited interim financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU ("IFRS") IAS 34 "Interim Financial Reporting". Thus the unaudited interim financial statements do not include all information required by IFRS and should be read in conjunction with the Company's audited annual financial statements as at 31 December 2019. The unaudited interim financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the dates and interim periods presented. Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. These unaudited interim financial statements have not been subject to review or audit by independent auditors.

These unaudited interim financial statements were authorised for issue by the Tulip Oil Holding B.V.'s Board of Directors on 27 August 2020.

Note 1 Accounting principles

The accounting principles used for this unaudited interim report are consistent with the principles used in the Company's (Tulip Oil Netherlands B.V.) audited annual financial statements as at 31 December 2019.

In preparing these unaudited interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements as at 31 December 2019.

Consistent with the audited 2019 year-end financial statements, prior mid-year figures have been reclassified, where necessary.

Note 2 Revenue

	Unaudited 6 months ended 30 June 2020	Unaudited 6 months ended 30 June 2019	Audited Year ended 31 December 2019
€'000			
Recognised income liquids	-	1	1
Recognised income gas	-	-	-
Total revenue	-	1	1
Breakdown of produced volumes (thousand barrels of oil energy equivalent)			
Liquids	-	-	-
Gas	-	-	-
Total produced volumes	-	-	-

Note 3 Impairments

Impairment tests of individual cash-generating units are performed when impairment triggers are identified. No intangible or tangible fixed assets exist at the balance sheet date of 30 June 2020 and hence no impairment testing is required.

Note 4 Other operating expenses

	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Year ended
	30 June	30 June	31 December
€'000	2020	2019	2019
Contractors	16	-	4
Travel and travel related costs	-	-	-
IT and communication	2	2	4
Professional services	90	63	139
Cost recharges	71	80	144
Other (including recovery of cost)	(155)	(50)	(93)
Total other operating expenses	24	95	198

There are no employees of the company in the first half of 2020 (2019: Nil).

The directors of the Company received no compensation for their services. All fees related to the duties of the directors are disclosed in the consolidated financial statements of the parent, Tulip Oil Holding B.V.

Note 5 Net finance costs

	Unaudited	Unaudited	Audited
	6 months ended	6 months ended	Year ended
	30 June	30 June	31 December
€'000	2020	2019	2019
Interest income	(159)	(291)	(492)
Total financial income	(159)	(291)	(492)
Interest on loans from affiliates	1,453	1,483	2,953
Capitalised interest cost, development projects	-	-	-
Total interest expenses	1,453	1,483	2,953
Other financial expenses	-	-	-
Accretion expenses	3	10	20
Total other financial expenses	3	10	20
Net finance costs	1,297	1,202	2,481



Note 6 Taxes

	Unaudited 6 months ended 30 June 2020	Unaudited 6 months ended 30 June 2019	Audited Year ended 31 December 2019
Taxes for the period €'000			
Current tax expense			
Current period	3,161	-	-
Changes in estimates related to prior periods	-	-	-
Deferred tax expense			
Origination and reversal of temporary differences	212	679	(1,750)
Adjustments to deferred tax relating to a change in tax rates	-	-	(356)
Derecognition of deferred tax previously recognised	-	-	(3,007)
Tax credit/(charge)	3,373	679	(5,113)

The income tax credit for the period can be reconciled to the accounting profit as follows:

	Unaudited 6 months ended 30 June 2020	Unaudited 6 months ended 30 June 2019	Audited Year ended 31 December 2019
€'000			
Profit/(loss) before taxes	(441)	5,830	20,572
Add back share of interest in affiliates	(886)	(7,281)	(23,518)
Profit/(loss) before taxes and share of interest in affiliates	(1,327)	(1,451)	(2,946)
Income tax credit/(charge) at 50.0% (2019: 50.0%)	664	725	1,473
Uplift	78	39	118
Other movements	239	(468)	(464)
Shared losses not compensated	-	(140)	(2,044)
Tax compensation prior year	2,600	-	-
Adjustment related to a change in tax rates	-	-	(356)
Adjustments related to prior years	(208)	523	(833)
Derecognition of tax losses previously recognised	-	-	(3,007)
Tax credit/(charge)	3,373	679	(5,113)

	Unaudited			
Deferred taxes for the period €'000	Tax losses	Provisions	Other	Total
At 31 December 2018	20,732	330	132	21,194
<i>(Charged)/credited to:</i>				
Profit and loss account	921	(242)	-	679
At 30 June 2019	21,653	88	132	21,873
<i>(Charged)/credited to:</i>				
Profit and loss account	(5,678)	(114)	-	(5,792)
At 31 December 2019	15,975	(26)	132	16,081
<i>(Charged)/credited to:</i>				
Profit and loss account	192	20	-	212
At 30 June 2020	16,167	(6)	132	16,293



Note 6 Taxes (cont'd)

The tax losses are made up of Corporate Income Tax ("CIT") and State Profit Share ("SPS") losses. 'Provisions' relate to temporary differences on abandonment provisions and 'Other' relates to temporary differences on abandonment fixed assets and other provisions/liabilities.

For the remaining CIT and SPS losses management continues to recognise an asset based on development opportunities and/or commercial deals in M11 and DKK that can be matured thereby allowing utilisation of the related CIT and SPS losses. If for any reason some or all of these plans do not materialise then a write down of (a part of) the currently recognised CIT deferred tax asset will be needed. The remaining post fiscal unity losses in TON can be utilised and recovered through the fiscal unity and the SPS losses can be carried forward indefinitely.

Given the de-recognition of some of the TON CIT pre fiscal losses, the impact of TON's plans not materialising on the TON deferred tax asset balance is reduced. Post fiscal unity CIT losses in TON are being recovered against TONO's current and future revenues.

Note 7 Investments

	Unaudited	Unaudited	Audited
€'000	30 June 2020	30 June 2019	31 December 2019
Balance at the beginning of the period	33,960	10,442	10,442
Share of interest in TONO	867	7,281	23,518
Balance at the end of the period	34,827	17,723	33,960

Note 8 Tangible fixed assets

	Unaudited	Unaudited	Unaudited	Unaudited
€'000	Assets under construction	Production facilities including wells	Fixtures and fittings, office equipment	Total
Acquisition cost 31.12.2018	-	19,549	14	19,563
Additions	-	-	-	-
Other movements	-	-	(13)	(13)
Acquisition cost 30.06.2019	-	19,549	1	19,550
Accumulated depreciation and impairments 31.12.2018	-	(19,549)	(10)	(19,559)
Depreciation	-	-	-	-
Impairment	-	-	-	-
Disposals	-	-	9	9
Accumulated depreciation and impairments 30.06.2019	-	(19,549)	(1)	(19,550)
Book value 30.06.2019	-	-	-	-
Acquisition cost 30.06.2019	-	19,549	1	19,550
Additions	-	41	-	41
Other movements	-	-	9	9
Acquisition cost 31.12.2019	-	19,590	10	19,600
Accumulated depreciation and impairments 30.06.2019	-	(19,549)	(1)	(19,550)
Depreciation	-	-	-	-
Impairment	-	(41)	-	(41)
Disposals	-	-	(9)	(9)
Accumulated depreciation and impairments 31.12.2019	-	(19,590)	(10)	(19,600)
Book value 31.12.2019	-	-	-	-
Acquisition cost 31.12.2019	-	19,590	10	19,600
Additions	-	-	-	-
Other movements	-	(133)	-	(133)
Disposals	-	-	-	-
Acquisition cost 30.06.2020	-	19,457	10	19,467
Accumulated depreciation and impairments 31.12.2019	-	(19,590)	(10)	(19,600)
Depreciation	-	-	-	-
Impairment	-	133	-	133
Disposals	-	-	-	-
Accumulated depreciation and impairments 30.06.2020	-	(19,457)	(10)	(19,467)
Book value 30.06.2020	-	-	-	-

Note 9 Depreciation and amortisation

	Unaudited 6 months ended 30 June 2020	Unaudited 6 months ended 30 June 2019	Audited Year ended 31 December 2019
Depreciation in the Income statement €'000	2020	2019	2019
Depreciation of tangible fixed assets	-	-	-
Total depreciation in the Income statement	-	-	-
Impairment in the Income statement €'000			
Impairment/(reversal) of tangible fixed assets	(133)	-	41
Total impairment in the Income statement	(133)	-	41

Note 10 Long term loans to affiliates

	Unaudited 30 June 2020	Unaudited 30 June 2019	Audited 31 December 2019
€'000			
Balance at the beginning of the period	4,200	7,000	7,000
Additional loans issued	-	-	-
Repayments of loan	(500)	(500)	(2,800)
Balance at the end of the period	3,700	6,500	4,200

The loan from TON to TONO is unsecured and bears an interest rate of 8.40% per annum. The loan agreement expires on 1 January 2025. This loan is covered by a subordinated loan pledge agreement in favour of the Bond trustee for TONO.

Note 11 Other short-term receivables

	Unaudited 30 June 2020	Unaudited 30 June 2019	Audited 31 December 2019
€'000			
JV receivable	-	28	10
Prepayments	-	8	5
Receivables with affiliates	560	-	-
VAT receivable	3	5	6
Total other short-term receivables	563	41	21



Note 12 Provision for abandonment liabilities

	Unaudited	Unaudited	Audited
€'000	30 June 2020	30 June 2019	31 December 2019
Provision as of beginning of the period	1,045	984	984
Accretion expense	3	10	20
Change in estimates and incurred liabilities	(133)	-	41
Total abandonment provision at period end	915	994	1,045
Break down of the abandonment provision to short-term and long-term liabilities			
Short-term	-	-	-
Long-term	915	994	1,045
Total abandonment provision	915	994	1,045

Change in estimates and incurred liabilities arises from a change in the inflation rate assumption, date of abandonment and revision of cost estimates. The calculations assume an inflation rate of 1.0% (2019: 1.5%) and a discount rate of 0.5% (2019: 0.5%) based on publicly available economic forecasts.

Note 13 Interest bearing loans from affiliates

	Unaudited	Unaudited	Audited
€'000	30 June 2020	30 June 2019	31 December 2019
Balance at the beginning of the period	36,611	36,501	36,501
Additions during the period	750	1,230	2,485
Repayments during the period	(1,552)	(250)	(2,375)
Balance at the end of the period	35,809	37,481	36,611

Note 14 Guarantees

On 25 October 2017 TONO has entered into a Senior Secured Callable Bond Issue (hereafter "Bond") agreement for €87,000,000. TONO is the issuer of the Bond and TON is a Guarantor.

TON is a guarantor of the Bond, under which it irrevocably and unconditionally jointly and severally:

- Guarantees to the Bond Trustees punctual performance of TONO;
- Undertakes to make any payment, immediately on demand, of any amounts unpaid by TONO;
- Agrees with the Bond Trustee that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Bond Trustee immediately on demand against any cost, loss or liability it incurs which would have been due under the terms of the Bond.

In addition all the shares of TON have been pledged to the Bond Trustee as security.



Appendix 1 - Risk Factors

The Company's activities expose it to a variety of operational and financial risks, including without limitation, general oil and gas industry risks, specific risks related to the business, credit risk, currency risk, interest risk and liquidity risk. The half year financials do not include all financial risk management information and disclosures as required in the annual financial statements; they should be read in conjunction with the Company's audited annual financial statements as at 31 December 2019. There have been no significant changes in any risk management policies since year end.

