

RAK Petroleum plc

Country-by-Country Report 2020

In line with the Norwegian Accounting Act and Norwegian Securities Trading Act, RAK Petroleum plc and its subsidiary undertakings (“RAK Petroleum”) have prepared a country-by-country report for its activities in the extractive industries, including information on investments, revenue, production, cost and the number of employees in each country of operation by subsidiary. Among other requirements, total payments to governmental bodies during the financial year must be broken down by country and by payment type.

Whilst RAK Petroleum makes no payments directly to any government and holds no direct interest in any extractives sector, DNO ASA, of which RAK Petroleum owns 44.94 percent of the outstanding shares, holds licences in several countries. The figures reported below relate solely to payments made by DNO ASA and its wholly-owned subsidiaries (“DNO Group”) to the governments in countries where they operate.

A complete list of the DNO Group's oil and gas licence portfolio is disclosed in Note 28 of RAK Petroleum's 2020 Annual Report and Accounts. This report is available to download at www.rakpetroleum.uk

(USD million)															
Licence, legal entity level and country/region of operation ¹	Country of incorporation ²	Royalty ³	Net production ⁴	Corporate income tax ⁵	Special tax ⁶	Area fee ⁷	Contractual bonuses ⁸	Investments ⁹	Revenue ¹⁰	Expenditure ¹²	Net inter-company interest ¹³	Profit/loss before tax ¹⁰	Tax income/expense ¹¹	Equity ¹⁰	Number of employees ¹⁴
Tawke		(116.5)	77 749	-	(452.3)	(0.1)	(1.3)	-	-	-	-	-	-	-	-
Erbil		-	-	-	-	-	(0.6)	-	-	-	-	-	-	-	-
Baeshiq		-	-	-	-	-	(0.4)	-	-	-	-	-	-	-	-
DNO Iraq AS	Norway	-	-	-	-	-	-	93.5	369.1	(337.5)	-	15.7	-	1 004.2	-
Total Kurdistan region of Iraq		(116.5)	77 749	-	(452.3)	(0.1)	(2.3)	93.5	369.1	(337.5)	-	15.7	-	1 004.2	997
DNO North Sea (Norge) AS	Norway	-	-	16.2	41.2	-	-	-	-	(0.0)	4.4	5.2	(0.6)	6.9	-
DNO Norge AS	Norway	-	16 465	45.7	123.3	(4.3)	-	153.8	234.6	(276.0)	(19.5)	(124.9)	80.1	50.5	-
Total Norway (NCS)		-	16 465	61.9	164.6	(4.3)	-	153.8	234.6	(276.0)	(15.1)	(119.7)	79.6	57.4	114
DNO North Sea (U.K.) Limited	UK	-	764	-	-	(0.1)	-	(4.3)	10.8	(13.0)	-	(18.2)	(7.7)	(193.4)	-
DNO North Sea (ROGB) Limited	UK	-	123	6.1	3.7	-	-	(2.1)	1.8	(1.4)	-	0.5	1.9	(72.6)	-
DNO Exploration UK Limited	UK	-	-	-	-	-	-	-	-	0.6	-	0.6	-	(1.5)	-
Total United Kingdom (UKCS)		-	887	6.1	3.7	(0.1)	-	(6.4)	12.6	(13.8)	-	(17.1)	(6.9)	(267.5)	-
Block 47		-	-	-	-	-	-	-	-	-	-	-	-	-	-
DNO Yemen AS	Norway	-	-	-	-	-	-	-	-	(4.2)	-	(4.2)	0.5	(48.4)	-
Total Yemen		-	-	-	-	-	-	-	-	(4.2)	-	(4.2)	0.5	(48.4)	3
DNO Mena AS	Norway	-	-	-	-	-	-	-	-	-	-	-	-	3.9	-
DNO ASA	Norway	-	-	-	-	-	-	1.1	22.9	(25.2)	0.2	(319.4)	-	139.6	57
DNO Technical Services AS	Norway	-	-	-	-	-	-	1.9	18.2	(18.2)	-	-	-	5.3	67
DNO North Sea plc	UK	-	-	-	-	-	-	0.9	-	(1.3)	13.7	356.0	-	713.3	19
Other		-	-	-	-	-	-	-	-	(1.3)	1.2	0.1	-	(1.6)	-
Other*		-	-	-	-	-	-	4.0	41.1	(46.0)	15.1	36.8	-	860.6	143
Eliminations/Intercompany									(42.6)	24.2	0.0	(337.1)	65.7	(760.7)	
GRAND TOTAL		(116.5)	95 101	68.0	(284.0)	(4.4)	(2.3)	244.9	614.9	(653.5)	0.0	(425.7)	139.8	845.6	1 257

* Other includes subsidiaries of DNO ASA that did not hold oil and gas licences during the year.

- Country/region of operation is the country where the DNO Group company carries out its main activity.
- Country of incorporation is the jurisdiction in which the legal entity is registered.
- Royalty is a fee payable to the Kurdistan Regional Government before distribution of cost oil and profit oil.
- Company working interest production in barrels of oil equivalent per day (boepd).
- Corporate tax received/-paid during the year. In Norway, corporate income tax relates to a tax refund of exploration costs and tax losses. In the UK, corporate income tax received relates to carry back of decommissioning loss.
- Special tax received/-paid during the year. In Kurdistan, special tax represents the DNO Group's share of government take. In Norway, the special tax relates to a tax refund of exploration costs and tax losses. In the UK, special tax relates to carry back of decommissioning loss.
- Area fee in Kurdistan and Norway.
- Contractual bonuses include environment funds, training funds and rental fees.
- Investments as presented in the consolidated financial statements and include estimate changes in asset retirement obligations.
- Revenues, expenditure, profit/loss before tax and equity at entity level in accordance with the accounting principles in the consolidated financial statements and include intercompany transactions. Audit of statutory financial statements has not been completed at the time of issuing this report.
- Tax income/-expense for the year.
- Expenditure as presented in accordance with the accounting principles in the consolidated financial statements and includes cost of goods sold, administrative expenses, other operating expenses and exploration costs expended including intercompany transactions.
- Net intercompany interest expense/-income to/from DNO Group companies incorporated in another jurisdiction.
- Number of employees at yearend.