

# **Maersk Drilling Deepwater A/S**

**Lyngby Hovedgade 85  
2800 Kgs. Lyngby**

**Company Reg. No. 24212114**

**Annual Report 2018**

**01 January 2018 - 31 December 2018**  
(Financial year No. 42 )

As adopted by the Company at the Annual General Meeting

06 June 2019



Klaus Greven Kristensen

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## Statement of the Board of Directors and Management

The Board of Directors and the Management have today discussed and approved the annual report for Maersk Drilling Deepwater A/S for the period 01 January 2018 to 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements provide a true and fair view of the Company's assets, liabilities, and financial position at 31 December 2018 and of the results of the Company operations for the period of 01 January 2018 to 31 December 2018.

It is also our opinion that the Management review includes a true and fair view of the development in the Company's operations and financial conditions, the results for the year and financial position.

We recommend that the annual report be approved at the Annual General Meeting.

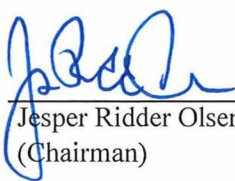
Lyngby, 06 June 2019

Management:



Angela Durkin

Board of Directors:



Jesper Ridder Olsen  
(Chairman)



Klaus Greven Kristensen



Morten Kelstrup

## **Independent Auditors' Report**

To the shareholders of Maersk Drilling Deepwater A/S.

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial period 01 January 2018 - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Maersk Drilling Deepwater A/S for the financial period 01 January 2018 - 31 December 2018 which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional rules and requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Statement of Management Review**

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

## **Independent Auditors' Report (Continued)**

### **Management's Responsibilities for the financial statements**

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines 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, Management is 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has 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 and the additional requirements applicable in Denmark 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditors' Report (Continued)

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures in the notes, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 06 June 2019  
PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR No 33771231



Thomas Wraae Holm  
State Authorised Public Accountant  
mne30141



Kim Danstrup  
State Authorised Public Accountant  
mne32201

## **Management's Review**

### **Company details**

Maersk Drilling Deepwater A/S  
Lyngby Hovedgade 85  
2800 Kgs. Lyngby

Company Reg. No.: 24212114  
Date of incorporation: 15 March 1977  
Registered office: Lyngby  
Financial period: 01 January 2018 - 31 December 2018

### **Board of Directors**

Jesper Ridder Olsen (Chairman)  
Klaus Greven Kristensen  
Morten Kelstrup

### **Management**

Angela Durkin

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

### **Annual General Meeting**

General Meeting will be held 06 June 2019.

## Management's Review (Continued)

### Financial Highlights and Key Figures

\$'000	2018	2017	2016	2015	2014
<b>Financial Highlights</b>					
Revenue	32,779	11,621	1,750	97,115	99,925
Gross result	(14,252)	(29,261)	(24,718)	92,393	88,713
Result before financial items	18,845	(242,818)	(54,218)	(75,718)	46,741
Financial items, net	(7,958)	(9,217)	(9,172)	(9,090)	(7,228)
Result before tax	10,888	(252,035)	(63,390)	(84,808)	39,513
<b>Result for the year</b>	<b>10,355</b>	<b>(201,417)</b>	<b>(52,880)</b>	<b>(65,393)</b>	<b>30,878</b>
<b>Key Figures</b>					
Total assets	159,157	123,371	346,290	422,162	503,104
Investing activities	10,245	4,904	3,963	4,226	83,498
<b>Total equity</b> (incl. proposed dividend)	<b>121,402</b>	<b>(133,953)</b>	<b>67,464</b>	<b>136,344</b>	<b>216,737</b>
Operating margin	58%	(2,090)%	(3,098)%	(78)%	47%
Return on invested capital	17%	(224)%	(13)%	(16)%	10%
Liquidity ratio	98%	17%	1,571%	915%	211%
Equity ratio	76%	(109)%	20%	32%	43%
Return on equity	—	—	(52)%	(37)%	15%



## **Management's Review (Continued)**

### **The Company's main activities**

The Company's main activity is lease of the drilling rig Maersk Developer. In the beginning of 2018 the Company has leased out the semisubmersible drilling rig for operation in Trinidad.

### **Development in activities and finances**

In Q1 2018 the Company's deep water semi-submersible rig Maersk Developer went on contract in Trinidad. Management has based on expected uptick in the offshore industry updated impairment calculations with forecasts around day rates and utilization which has resulted in a reversal of prior impairments taken with USD 63m in 2018. Including the reversal of impairment losses, the result for the year amount to USD 10,355k (2017: USD (201,417k)), which is as expected. For 2019 management expects a lower result.

### **Capital resources**

In 2018 the parent Maersk Drilling A/S made a capital injection of USD 245m into the company and at year end the equity amounted to USD 121,402k. The proceeds from the injection was used to repay a loan from Maersk Group of USD 245m.

### **Particular risks**

#### **Market risks**

The main risks to the Group's performance and strategy execution relate to future employment of rigs and operational performance. While the global offshore rig markets continued to suffer from overcapacity, utilisation levels have risen as a result of positive rig demand- and supply side factors. Leading indicators continued to provide support for future drilling activity, as increased tendering activity translated into more awarded contracts throughout the year. Contracting activity also exhibited an element of direct awards, where operators, either through alliances or directly with selected drilling contractors, bypassed the tendering process.

The fair value estimates used in impairment testing are highly uncertain due to the character of the assets and few transactions. The value in use calculations for the individual cash generating units are sensitive to the day rates expected to apply when contracts expire and to the risks of idle periods in the forecasts. In addition, the discount rate, growth rate and EBITDA margin in the terminal period are critical variables. The day rates in the short to medium term are lower than the rates at which the Group has prior contracted. In line with analysts in the market, management expects a gradual move towards more economically sustainable rates in the long-term.

#### **Financial exposure**

The Company's revenue is mainly denominated in USD, while costs are in USD and other currencies. The currency exposure is not considered to be significant. The Company has a small concentration of customers, but is not considered to have any credit risks.

## **Management's Review (Continued)**

### **Safety**

It is our belief that fundamentally, safety is an active decision and the result of a serious commitment from all employees in Maersk Drilling, and we have an ambition of reaching zero incidents by 2018. Our people and the environment will only be safe with the right systems, procedures, technology, and a strong safety culture

### **Local content**

Training and developing the talent of local employees, assigning our third party code of conduct to local suppliers and transferring knowledge to local communities all continue to be a priority for Maersk Drilling. We want to move beyond compliance with local content requirements and to increase shared value by proactively engaging with stakeholders.

### **Environment & climate**

Discharges, air emissions, and how we manage chemicals and waste are our primary focus areas when it comes to minimizing the environmental impact of our operations. We work with our customers, local communities and internationally recognized bodies to ensure that environmental factors are integrated into our business principles and into operational practices.

## **Accounting Policies**

The Financial Statements of Maersk Drilling Deepwater A/S for 2018 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium enterprises of reporting class C.

In accordance with Sections 86(4) of the Danish Financial Statements Act, cash flow statement is omitted as this information is included in the consolidated Financial Statements for Maersk Drilling Holding A/S.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, write-downs and provisions and reversals as a result of changes in accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Income statement**

#### **Revenue**

Revenue from drilling activities, which are typically carried out under long-term agreements with fixed day rates, revenue is recognised for the operating time related to the financial year.

#### **Other external cost**

Other external costs comprise expenses incurred during the year for bare boat hire of the rigs (operating lease), repair and maintenance, catering, hired crew and administrative costs.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

#### **Tax on result for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the result for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. The Company is part of A.P. Møller Holding A/S' joint taxation. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with refund concerning tax losses).

## **Accounting Policies (Continued)**

### **Balance sheet**

#### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The depreciation base is the cost prices less estimated residual value at the end of useful life, which for rigs (newbuildings) typically constitute 25 years and other equipment, fixtures, etc. typically constitute 5-10 years.

Estimates of useful lives and residual values are reassessed periodically. Impairment losses are recognized when carrying amount of an asset exceeds the highest of the capital value (value in use) and net selling price.

Cost of yard stays for rigs are recognized when incurred in the value of the rigs, etc. and depreciated over the period until the next yard stay.

#### **Impairment of non-current assets**

The carrying amount of property, plant and equipment is reviewed when triggering events have occurred, to determine whether there is any indication of impairment or reversals other than that expressed by amortisation and depreciation. If so, the asset is written down or up to its lower or higher recoverable amount.

#### **Inventory**

Inventories mainly consist of bunker and other consumables. Inventories are measured at cost, primarily according to the FIFO method, less any write-downs.

#### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

#### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

#### **Dividend**

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

## **Accounting Policies (Continued)**

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity or within joint taxation.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

### **Current tax receivables and liabilities**

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income adjusted for tax on prior years' taxable income and paid on account taxes.

### **Financial debt**

Other debts are recognised at amortised cost, which, essentially corresponds to the nominal value.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the date of the transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

USD is used as functional currency and as presentation currency because the majority of transactions are in U.S. dollars. At 31 December 2018 the exchange rate DKK/USD was 652.13 (2017: 620.77).

### **Segment information**

Segmental disclosures are provided on the geographical markets. Segment information is based on the Company's internal financial management.

## Accounting Policies (Continued)

### Financial highlights

The financial highlights have been defined as follows:

Operating margin	$\frac{\text{Profit/loss before financial items} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Profit/loss before financial items} \times 100}{\text{Average invested capital}^1}$
Liquidity ratio	$\frac{\text{Total current assets} \times 100}{\text{Short-term liabilities}}$
Equity ratio	$\frac{\text{End year equity} \times 100}{\text{End year total assets}}$
Return on equity	$\frac{\text{Ordinary profit/loss after tax} \times 100}{\text{Average equity}}$

<sup>1</sup> Average invested capital is calculated excluding cash and cash equivalents, shares and non-interest bearing debt.

## Income Statement

Financial Statements 01 January 2018 - 31 December 2018

Note		2018 \$'000	2017 \$'000
1	Revenue	32,779	11,621
	Other external costs	(47,031)	(40,882)
	<b>Gross result</b>	<b>(14,252)</b>	<b>(29,261)</b>
2	Depreciation, amortisation and impairments	33,098	(213,557)
	<b>Result before financial items</b>	<b>18,846</b>	<b>(242,818)</b>
3	Financial income	667	395
4	Financial expenses	(8,625)	(9,612)
	<b>Result before tax</b>	<b>10,888</b>	<b>(252,035)</b>
5	Tax on result for the year	(533)	50,618
6	<b>Result for the year</b>	<b>10,355</b>	<b>(201,417)</b>

## Balance Sheet

Financial Statements 01 January 2018 - 31 December 2018

Note	Assets	2018 \$'000	2017 \$'000
	<b>Non-current assets</b>		
2	<b>Property, plant and equipment</b>		
	Rigs	122,104	72,411
	Assets under construction	163	6,513
		<b>122,267</b>	<b>78,924</b>
	<b>Total non-current assets</b>	<b>122,267</b>	<b>78,924</b>
	<b>Current assets</b>		
	Inventories	146	684
		<b>146</b>	<b>684</b>
	<b>Receivables</b>		
	Trade receivables	751	423
	Current tax receivables	17,647	5,122
	Receivables from group enterprises	12,083	16,376
7	Prepayments	780	412
8	Deferred tax asset	—	9,983
		<b>31,261</b>	<b>32,316</b>
	<b>Cash and bank balance</b>	<b>5,483</b>	<b>11,446</b>
	<b>Total current assets</b>	<b>36,890</b>	<b>44,446</b>
	<b>TOTAL ASSETS</b>	<b>159,157</b>	<b>123,371</b>



## Balance Sheet (Continued)

Note	Equity and Liabilities	2018 \$'000	2017 \$'000
	<b>Equity</b>		
	Share capital	1,657	1,657
	Retained earnings	119,745	(135,610)
	<b>Total equity</b>	<b>121,402</b>	<b>(133,953)</b>
	<b>Non-current liabilities</b>		
	<b>Current liabilities</b>		
	Loan from group enterprises	20,000	245,000
	Trade payables	8,730	12,324
	Payables to group enterprises	6,931	—
8	Deferred tax liability	2,094	—
	<b>Total short-term liabilities other than provisions</b>	<b>37,755</b>	<b>257,324</b>
	<b>Total liabilities and equity</b>	<b>159,157</b>	<b>123,371</b>
9	<b>Commitments and contingent liabilities, etc.</b>		
10	<b>Pledges and guarantees</b>		
11	<b>Employee remuneration</b>		
12	<b>Related parties</b>		
13	<b>Shareholders</b>		
14	<b>Consolidation</b>		
15	<b>Events after the balance sheet date</b>		

## Equity Statement

Financial Statements 01 January 2018 - 31 December 2018

\$'000	Share- capital	Retained earnings	Proposed dividend	Total
Equity 01 January 2017	1,657	65,807	–	67,464
Result for the year	–	(201,417)	–	(201,417)
<b>Equity 01 January 2018</b>	<b>1,657</b>	<b>(135,610)</b>	<b>–</b>	<b>(133,953)</b>
Capital increase	–	245,000	–	245,000
Result of the year	–	10,355	–	10,355
<b>Equity, 31 December 2018</b>	<b>1,657</b>	<b>119,745</b>	<b>–</b>	<b>121,402</b>

The share capital comprises 8.096,5 shares of DKK 1,000. No shares hold special rights. There has been no changes to the share capital during the past five financial years.

## Notes

### 1. Revenue

	2018 \$'000	2017 \$'000
Revenue Trinidad	32,779	–
Revenue Columbia	–	11,621
	<b>32,779</b>	<b>11,621</b>

### 2. Property, plant and equipment

<b>Tangible assets</b>	Rigs	Assets under construction	Total
Cost price 01 January 2018	623,733	6,513	630,246
Additions	50	10,195	10,245
Transfer	16,545	(16,545)	–
Disposals	(32,269)	–	(32,269)
<b>Cost price 31 December 2018</b>	<b>608,059</b>	<b>163</b>	<b>608,222</b>
Depreciation and impairments			
01 January 2018	(551,322)	–	(551,322)
Depreciation	(29,657)	–	(29,657)
Impairment reversals	62,755	–	62,755
Disposals	32,269	–	32,269
Depreciation and impairments			
31 December 2018	<b>(485,955)</b>	<b>–</b>	<b>(485,955)</b>
<b>Carrying amount 31 December 2018</b>	<b>122,104</b>	<b>163</b>	<b>122,267</b>

Following the improved market outlook for offshore drilling with increased activity and improved long-term projections, USD 63m of the prior year impairment losses were reversed in 2018.

### 3. Financial income

	2018 \$'000	2017 \$'000
Interest income from group enterprises	667	395
	<b>667</b>	<b>395</b>

### 4. Financial expenses

Interest expenses to group enterprises	(8,380)	(9,457)
Exchange loss from group enterprises	(180)	(76)
Interest expenses external	(65)	(79)
	<b>(8,625)</b>	<b>(9,612)</b>

## Notes

### 5. Tax on the result of the year

	2018 \$'000	2017 \$'000
Tax for the year	6,208	5,122
Change in deferred tax	(15,337)	46,983
Adjustments to prior years tax for the year	5,336	5,425
Adjustments to prior years change in deferred tax	3,260	(6,912)
	<u>(533)</u>	<u>50,618</u>

### 6. Appropriation

Retained earnings	10,355	(201,417)
	<u>10,355</u>	<u>(201,417)</u>

### 7. Prepayments

Current assets, prepayments USD 780k (2017: USD 412k) mainly include advance payments for next year for insurance and third party manning.

### 8. Deferred tax

Deferred tax relates to deferred tax on property, plant and equipment.

\$'000	Asset	Liabilities
Deferred tax 01 January 2018	9,983	—
Change in deferred tax	(9,983)	2,094
<b>Deferred tax 31 December 2018</b>	<u>—</u>	<u>2,094</u>

### 9. Commitments and contingent liabilities, etc.

#### Contingent liabilities

The Company is jointly taxed with all other Danish companies in the A.P. Møller Holding Group. As a fully owned subsidiary, the Company has unlimited and joint liability together with the other companies under joint taxation for Danish company tax, withholding taxes on dividends, interest and royalties within the jointly taxed companies.

## Notes

### 10. Pledges and guarantees

Jointly with other group entities, the Company has guaranteed a total of USD 350m related to a Term Loan Facility Agreement held by another Maersk Drilling Group entity.

Property, plant and equipment with carrying amount of USD 122,267k (the collateral rigs) has been pledged as security for these borrowings. In addition to the collateral rigs, insurance coverage and certain bank accounts related to the collateral rigs are pledged as security. In certain circumstances, earnings in respect of drilling contracts for the collateral rigs may be assigned in favour of the lenders under the loan agreement.

### 11. Employee remuneration

Maersk Drilling Deepwater A/S has not had employees in 2017 and 2018. Personnel are hired from affiliates in the Maersk Drilling Holding Group. The Board of Directors has not been remunerated.

### 12. Related parties

The following related parties have a controlling interest in Maersk Drilling Deepwater A/S;

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til Almene Formaal, Copenhagen, Denmark is the ultimate owner.

Other related parties with a controlling interest:

- A.P. Møller Holding A/S, Esplanaden 50, 1263 Copenhagen K (ultimate parent company that prepares consolidated financial statements)
- A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen K.
- Maersk Drilling Holding A/S, Lyngby Hovedgade 85, 2800 Kgs. Lyngby (first parent company that prepares consolidated financial statements)
- Maersk Drilling A/S, Lyngby Hovedgade 85, 2800 Kgs. Lyngby (immediate parent company)

#### Other related parties

The Board of Directors and the Executive Management of the entities listed above having a controlling interest in Maersk Drilling Deepwater A/S including their close relatives and undertakings under their significant influence are also considered related parties. This includes subsidiaries of and affiliates to A.P. Møller Holding A/S and subsidiaries of and affiliates to A.P. Møller – Mærsk A/S.

#### Transactions with related parties

Transactions with related parties are carried out on an arm's length basis and are therefore not separately disclosed pursuant to section 98 C (7) of the Danish Financial Statements Act.

## Notes

### 13. Shareholders

The Company has registered the following shareholder holding minimum 5% of the voting share capital or minimum 5% of the nominal share capital:

Maersk Drilling A/S  
Lyngby Hovedgade 85  
2800 Kgs. Lyngby

### 14. Consolidation

The consolidated financial statements of Maersk Drilling Holding A/S, Lyngby Hovedgade 85, 2800 Kgs. Lyngby can be obtained by contacting this company or at its website <https://www.maerskdrilling.com/financials>. The consolidated financial statements of A.P. Møller - Holding A/S can be obtained by contacting this company.

### 15. Events after the balance sheet

In April 2019, the Maersk Drilling Holding A/S and its subsidiaries were separated from the A.P. Møller - Maersk Group via a demerger of A.P. Møller – Mærsk A/S and a separate listing on Nasdaq Copenhagen. As a consequence, A.P. Møller - Mærsk A/S is no longer having a controlling interest but is still considered a related party as under the common control of A.P. Møller Holding A/S. No other events have occurred after the balance sheet date to this date which would influence the evaluation of this report.