

Mærsk Gallant Norge A/S under frivillig likvidation (in liquidation)

Lyngby Hovedgade 85
DK-2800 Kgs. Lyngby

CVR no. 27 17 90 45


Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

21 June 2022

Klaus Greven Kristensen
chairman

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Contents

Statement by the liquidator	2
Independent Auditor's Report	3
Liquidator's review	5
Company details	5
Operating review	6
Closing liquidation financial statements 1 January 2021 – 31 December 2021	7
Income statement	7
Balance sheet	8
Liquidation account 31 December 2021	9
Notes	10

Statement by the liquidator

The liquidator has today discussed and approved the closing liquidation financial statements of Mærsk Gallant Norge A/S under frivillig likvidation (in liquidation) for the period 1 January 2021 - 31 December 2021.

The closing liquidation financial statements have been prepared in accordance with the Danish Financial Statements Act with the modifications required since the Company has entered into liquidation proceedings.

In my opinion, the closing liquidation financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's activities for the period 1 January 2021 - 31 December 2021.

Further, in my opinion, the Liquidator's review gives a fair review of the matters discussed and included.

I recommend that the closing liquidation financial statements be approved at the annual general meeting.

Lyngby, 21 June 2022

Liquidator:

DocuSigned by:

Lotte Bay Gabelgaard

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Lotte Bay Gabelgaard

Independent Auditor's Report

To the shareholders of Mærsk Gallant Norge A/S under frivillig likvidation.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Mærsk Gallant Norge A/S under frivillig likvidation for the financial year 1 January to 31 December 2021, which comprise income statement, balance sheet, liquidation account and notes, including a summary of significant accounting policies ("Financial Statements").

Basis for 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We refer to note 3 to the Financial Statements/the information in the accounting policies section, from which it appears that the Financial Statements are not prepared on a going concern basis, and that recognition, measurement and presentation are made with due consideration to this. Our opinion has not been modified in respect of this matter.

Statement on Liquidator's Review

Our opinion on the Financial Statements does not cover Liquidator'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 Liquidator's Review and, in doing so, consider whether Liquidator's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Liquidator's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Liquidator'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 Liquidator's Review.

Liquidator's responsibilities for the Financial Statements

The Liquidator 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 the Liquidator 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, the Liquidator is responsible for assessing the Company's ability to continue as a going concern taking into account the liquidation in progress, disclosing, as applicable, matters related to going concern and using appropriate accounting policies taking into account the liquidation in progress.

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 judgement 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 by the Liquidator and the reasonableness of accounting estimates and related disclosures made by the Liquidator.
- Conclude on the appropriateness of the Liquidator's use of the significant accounting policies 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 taking into account the liquidation in progress. 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.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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, 21 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

DocuSigned by:

Thomas Wraae Holm

Thomas Wraae Holm

State Authorised Public Accountant
mne30141

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Kim Danstrup

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Kim Danstrup

State Authorised Public Accountant
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Liquidator's review

Company details

Mærsk Gallant Norge A/S under frivillig likvidation (in liquidation)
Lyngby Hovedgade 85
DK-2800 Kgs. Lyngby

CVR no.: 27 17 90 45
Established: 23 May 2003
Registered office: Lyngby
Financial year: 1 January 2021 - 31 December 2021

Liquidator

Lotte Bay Gabelgaard

Auditor

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
CVR no. 33 77 12 31

Liquidator's review

Operating review

Principal activities

Mærsk Gallant Norge A/S under frivillig likvidation (in liquidation)'s ("the Company") principal activity has previously been offshore drilling utilising the leased rig Mærsk Gallant. The Company entered into voluntary liquidation on 11 October 2018 and has been dormant since then.

Development in activities and financial position

The Company's income statement for 2021 shows a loss of USD 28 thousand as against a profit of USD 3 thousand in 2020. Equity in the Company's balance sheet at 31 December 2021 is USD 414 thousand as against USD 442 thousand at 31 December 2020. The result for the year is in line with expectations

Liquidation

At 31 December 2021, the Company's equity/liquidation account amounts to USD 414 thousand, which will be evenly distributed among the Company's shareholders. Distribution will take place subsequent to the approval of the closing liquidation financial statements at the annual general meeting.

Closing liquidation financial statements 1 January 2021 – 31 December 2021

Income statement

USD'000	Note	2021	2020
Gross profit/loss		-17	-17
Financial expenses	2	-16	0
Profit/loss before tax		-33	-17
Tax on profit/loss for the year		5	20
Profit/loss for the year		<u>-28</u>	<u>3</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		<u>-28</u>	<u>3</u>
		<u>-28</u>	<u>3</u>

Closing liquidation financial statements 1 January 2021 – 31 December 2021

Balance sheet

USD'000	Note	2021	2020
ASSETS			
Current assets			
Receivables			
Receivables from group entities		424	456
Corporation tax		6	4
		<u>430</u>	<u>460</u>
Total current assets		<u>430</u>	<u>460</u>
TOTAL ASSETS		<u>430</u>	<u>460</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital		170	170
Retained earnings		244	272
		<u>414</u>	<u>442</u>
Total equity/liquidation account		<u>414</u>	<u>442</u>
Liabilities			
Current liabilities			
Other payables		16	18
		<u>16</u>	<u>18</u>
Total liabilities		<u>16</u>	<u>18</u>
TOTAL EQUITY AND LIABILITIES		<u>430</u>	<u>460</u>

Closing liquidation financial statements 1 January 2021 – 31 December 2021

Liquidation account 31 December 2021

	USD'000
Contributed capital	170
Retained earnings 1 January 2021	272
Profit/loss for the period	-28
Liquidation account 31 December 2021	414

Financial statements 1 January 2021 – 31 December 2021

Notes

1 Accounting policies

The closing liquidation financial statements of Mærsk Gallant Norge A/S under frivillig likvidation (in liquidation) for the period 1 January 2021 - 31 December 2021 have been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

As a consequence of the decision to enter into liquidation proceedings in 2018, the going concern basis of accounting has not been used in preparing the financial statements. The accounting policies used in the preparation of the closing liquidation financial statements are consistent with those of last year.

The Company's equity is measured at realisable value and transferred to the liquidation account. The liquidator proposes distribution of the liquidation account to the shareholders.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are measured at the exchange rates at the transaction date. USD is used as functional currency and as presentation currency because the majority of transactions are in USD. At 31 December 2021, the exchange rate DKK/USD was 654,88 (2020: 605,76).

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity. The Company is part of A.P. Møller Holding A/S' joint taxation. Current Danish income tax is allocated among the jointly taxed companies in proportion to their taxable income (full allocation with refund for tax losses).

Financial statements 1 January 2021 – 31 December 2021

Notes

1 Accounting policies (continued)

Balance sheet

Receivables

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

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Financial liabilities are measured at amortised cost, which essentially corresponds to nominal value.

Financial statements 1 January 2021 – 31 December 2021

Notes

2 Financial expenses

USD'000	2021	2020
Interest expense to group entities	-16	0
	-16	0

3 Going concern

As a consequence of the decision to enter into liquidation proceedings in 2018, the going concern basis of accounting has not been used in preparing the financial statements.

4 Contractual contingencies, 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 corporation tax, withholding taxes on dividends, interest and royalties within the jointly taxed companies.

5 Related party disclosures

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

Other related parties with controlling interest:

- A.P. Møller Holding A/S, Esplanaden 50, DK-1263 Copenhagen K (ultimate parent company preparing consolidated financial statements)
- APMH Invest A/S, Esplanaden 50, DK-1263 Copenhagen K
- The Drilling Company of 1972 A/S, Lyngby Hovedgade 85, DK-2800 Kgs. Lyngby (initial parent company preparing consolidated financial statements)
- Maersk Drilling A/S, Lyngby Hovedgade 85, DK-2800 Kgs. Lyngby (immediate parent company).

Other related parties

The Board of Directors and the Executive Management of the entities listed above having controlling interest in the Company including their close relatives and undertakings under their significant influence are also considered related parties. This includes subsidiaries and affiliates of A.P. Møller Holding A/S, including A.P. Møller - Mærsk A/S and its subsidiaries and affiliates and Danske Bank A/S.

Consolidated financial statements

The consolidated financial statements of The Drilling Company of 1972 A/S, Lyngby Hovedgade 85, 2800 Kgs. Lyngby can be obtained by contacting this company or <https://investor.maerskdrilling.com/financial-reports-presentations/>. The consolidated financial statements of A.P. Møller Holding A/S can be obtained by contacting this company or at its website www.apmoller.com.