

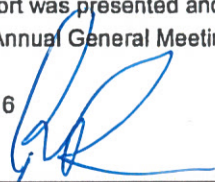


MAERSK H2S SAFETY SERVICES A/S
Ravnevej 12, 6705 Esbjerg Ø

Annual Report
2015

The Annual Report was presented and adopted at
the Company's Annual General Meeting

21/4 2016


Chairman Rasmus Hdm

CVR no. (Business Registration number) 29 19 34 87

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Company Information

The Company	MAERSK H2S SAFETY SERVICES A/S Ravnevej 12 6705 Esbjerg Ø Telephone: 7613 8000 Website: www.maerskh2s.com E-mail: finance@maerskh2s.com CVR no. (Business Registration number): 29 19 34 87 Municipality of reg. office: Esbjerg
Board of Directors	Claus Bihl (Chairman) Thommas Ludvig Jan Matthiesen
Executive Board	Peter Skjærbæk
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle
Annual General Meeting	The Annual General Meeting is scheduled to be held in March 2016.

Financial highlights

	<u>2015</u> MDKK	<u>2014</u> MDKK	<u>2013</u> MDKK	<u>2012</u> MDKK	<u>2011</u> MDKK
Income Statement:					
Revenue	62,8	53,1	54,7	53,0	51,6
Profit before financial income and expenses	6,6	4,3	5,9	2,4	0,2
Financial income and expenses	0,5	0,9	0,6	8,7	2,2
Ordinary profit for the year	7,1	2,8	5,0	10,4	2,3
Profit for the year	7,1	2,8	5,0	10,4	2,3
Balance Sheet:					
Total Assets	61,6	66,1	52,2	46,0	35,6
Investment in Property, plant and equipment	4,6	27,6	6,6	3,8	6,7
Equity	53,7	46,6	43,8	38,9	28,5
Staff:					
Average number of employees	59	52	47	43	34
Key figures:					
EBIT-margin	10.5%	8.1%	10.8%	4.5%	0.4%
EBT-margin	13.3%	9.8%	11.8%	20.9%	4.5%
Return on Invested Capital	11.5%	10.9%	20.5%	7.9%	0.5%
Assets/Equity	1.1	1.4	1.2	1.2	1.3
Return on Equity	14.1%	6.2%	12.0%	30.8%	8.5%

Review

The main activities of MAERSK H2S SAFETY SERVICES A/S are to provide services to the oil and gas industry, in particular the supply of H2S contingency, supervision, instruction and servicing of safety equipment.

Revenue for the year was DKK 62.8 million against DKK 53.1 million last year. Profit for the year was DKK 7.1 million against DKK 2.8 million last year.

The primary activities of MAERSK H2S SAFETY SERVICES A/S have been in line with expectations. Profit before financial income and expenses has also been as expected and is considered satisfactory.

The Company's activities include the operation of a branch in Norway and in Brunei, which provides services to the oil and gas industry, including, in particular, H2S response and servicing of safety equipment in the offshore market. The Company has subsidiaries in Italy, Australia and Brazil which also provides services to oil and gas industry.

Investments for the year were at a normal level and included, in particular, investment in and replacement of safety equipment.

The Company has adopted and participated in joint efforts within the Group to document and live up to the ideal of good corporate social responsibility. The report is available at

<http://www.maersk.com/en/the-maersk-group/sustainability/reports>

The activity in 2016 is expected to be at the same level as 2015, but with profit at a lower level, mainly due to the decrease in oil prices.

The Company's activities in relation to the oil and gas industry is sensitive to changes in the oil companies' offshore activity.

There are no events after the reporting period which could materially affect the Company's financial position as at 31 December 2015.

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Maersk H2S Safety Services A/S for the financial year 1 January – 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report is adopted at the Annual General Meeting.

Esbjerg, 15 March 2016

Executive Board



Peter Skjærbaek

Board of Directors



Claus Bihl
Chairman



Thommas Ludvig



Jan Matthiesen

Independent Auditor's Report

To the Shareholders of Maersk H2S Safety Services A/S.

Report on the Financial Statements

We have audited the Financial Statements of Maersk H2S Safety Services A/S for the financial year 1 January – 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

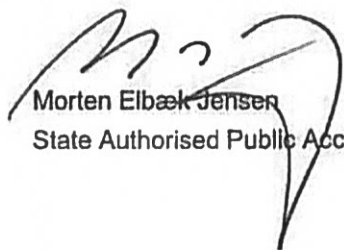
Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Trekantområdet, 15 March 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31



Morten Elbæk Jensen
State Authorised Public Accountant



Lene Vinum Andersen
State Authorised Public Accountant

Accounting Policies

The Annual Report of MAERSK H2S SAFETY SERVICES A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting Class C.

Consolidated financial statements are not prepared in accordance with the provisions set out in Section 112 of the Danish Financial Statements Act. MAERSK H2S SAFETY SERVICES A/S and its subsidiaries are included in the consolidated financial statements for A.P. Moller - Maersk A/S - CVR no. (Business Registration Number) 22 75 62 14 based in Copenhagen.

In accordance with the Danish Financial Statements Act, the cash flow statement has not been included.

The Annual Report are prepared using the same accounting policies as last year and is presented in DKK.

Recognition and measurement

The income statement recognises income as earned. This includes recognition of value adjustments for financial assets and liabilities. The income statement also recognises all costs including depreciation and impairment losses.

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 reliably measured.

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 reliably measured.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, including a constant effective interest rate over the term. Amortised cost is calculated as original cost less any repayments and plus / less the accumulated amortisation of the difference between cost and nominal amount.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or disprove affairs and conditions existing at the balance sheet date.

Translation policies

Foreign currency transactions are translated at the exchange rates at the dates of transaction.

Receivables, payables and other monetary items in foreign currencies that have not been settled on the balance sheet date are translated at the exchange rates at the balance sheet date.

Exchange differences are recognised in financial income and expenses in the income statement.

Income Statement

Revenue

Revenue of services is recognised in the income statement when delivery and transfer of risk has been made before year end.

Other external expenses

Other external expenses include costs for sales, distribution, administration and purchasing services for resale.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses

Other operating income and expenses

Other operating income and expenses include accounting items of a secondary nature in terms of the Company's principal activities, including gains and losses on the sale of tangible fixed assets.

Amortisation and depreciation

Amortisation and depreciation comprise amortisation and depreciation of property, plant and equipment.

Financial income and expenses

Financial items include amortised interest rates etc., on financial receivables, other interest rates, gains and losses on foreign currency items.

Tax on profit for the year

MAERSK H2S SAFETY SERVICES A/S is part of a group taxed jointly with a number of Danish companies. Danish corporation tax is allocated between the jointly taxed companies (full allocation). The jointly taxed companies are part of the joint tax scheme.

Deferred tax is recognised from temporary differences between accounting and tax values of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the value at which they are expected to be used. Tax assets are recognised in the balance sheet under current assets.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation.

Depreciation is calculated on a linear basis over the expected useful lives of the assets, taking into account estimated residual values. The expected useful lives are:

Plant, equipment and machinery	3-10 years
Leasehold improvements	5 years

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost or recoverable value, whichever is lower.

Inventories

Inventories are measured at cost. In cases where the net realisable value is lower than the cost, a write-down is made to this lower value.

Receivables

Receivables are measured at nominal value. A write-down is made for anticipated losses.

Prepayments

Prepayments recognised as assets include costs incurred relating to subsequent financial years.

Equity

Dividend

Proposed dividends are recognised as a liability at the time of adoption at the General Meeting. The expected dividend payment for the year is shown as a separate equity item.

Liabilities

Financial liabilities are recognised on the date on which the loan is borrowed for the proceeds received net of transaction costs. In subsequent periods, loans are measured at amortised cost, so that the difference between the proceeds and the nominal value is recognised in the income statement as interest expense over the loan period.

Other liabilities are measured at amortised cost, which usually corresponds to nominal value.

Key ratios

Definition of key ratios.

EBIT-margin = $\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$

EBT-margin = $\frac{\text{Profit before tax} \times 100}{\text{Revenue}}$

Return on invested capital (ROIC) = $\frac{\text{Profit before financials} \times 100}{\text{Average operating assets}}$

Assets/Equity = $\frac{\text{Total assets at year end}}{\text{Equity at year end}}$

Return on equity = (ROE) $\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

Income Statement 1 January – 31 December

TDKK	Note	2015	2014
Revenue	1	62.754	53.128
Expenses for raw materials and consumables		-2.645	-2.434
Other external expenses		<u>-16.376</u>	<u>-16.263</u>
Gross profit		43.733	34.431
Staff expenses	2	-26.671	-23.542
Depreciation and amortisation of plant and equipment	6	<u>-10.453</u>	<u>-6.593</u>
Profit before financial income and expenses		6.609	4.296
Income from investments in subsidiaries	7	760	456
Financial income	3	145	584
Financial expenses	4	<u>-430</u>	<u>-153</u>
Profit before tax		7.084	5.183
Tax on profit for the year	5	<u>3</u>	<u>-2.393</u>
Profit for the year		<u>7.087</u>	<u>2.790</u>
Proposed distribution of profit			
Proposed dividend for the year		0	0
Retained earnings		<u>7.087</u>	<u>2.790</u>
		<u>7.087</u>	<u>2.790</u>

Balance Sheet as at 31 December

TDKK	Note	<u>2015</u>	<u>2014</u>
ASSETS			
Property, plant and equipment	6		
Plant, equipment and machinery		28.391	36.306
Leasehold improvements		<u>2.040</u>	<u>0</u>
		<u>30.431</u>	<u>36.306</u>
Fixed asset investments			
Investments in subsidiaries	7	<u>5.672</u>	<u>5.924</u>
		<u>5.672</u>	<u>5.924</u>
Fixed assets		<u>36.103</u>	<u>42.230</u>
Current assets			
Inventories			
Finished goods and goods for resale		<u>241</u>	<u>234</u>
		<u>241</u>	<u>234</u>
Receivables			
Trade receivables		9.136	8.647
Receivables from group enterprises		15.884	14.149
Other receivables		185	135
Deferred tax asset	9	0	0
Corporation tax		0	672
Prepayments		<u>60</u>	<u>0</u>
		<u>25.265</u>	<u>23.603</u>
Cash at bank and in hand		<u>11</u>	<u>0</u>
Current assets		<u>25.517</u>	<u>23.837</u>
ASSETS		<u>61.620</u>	<u>66.067</u>

Balance Sheet as at 31 December

TDKK	Note	<u>2015</u>	<u>2014</u>
LIABILITIES AND EQUITY			
Equity	8		
Share Capital		6.000	6.000
Retained earnings		47.718	40.631
Proposed dividend for the year		<u>0</u>	<u>0</u>
Equity		<u>53.718</u>	<u>46.631</u>
Provisions			
Provision for deferred tax	9	<u>1.446</u>	<u>2.690</u>
Provisions		<u>1.446</u>	<u>2.690</u>
Short-term debt			
Trade payables		2.095	3.212
Payables to group enterprises		27	10.860
Corporation tax		1.822	0
Other payables		<u>2.512</u>	<u>2.674</u>
Short-term debt		<u>6.456</u>	<u>16.746</u>
LIABILITIES AND EQUITY		<u>61.620</u>	<u>66.067</u>
Contingent assets, liabilities and other financial obligations			
	10		
Related parties and ownership	11		

Notes

TDKK

1 – Segment information

Information on the breakdown of revenue by segment is omitted in the annual accounts. The Company takes the view that the information could cause serious damage to the Company's competitiveness.

	<u>2015</u>	<u>2014</u>
2 - Staff expenses		
Salaries and wages	24,761	21,975
Pensions	1,828	1,487
Other social security expenses	<u>82</u>	<u>80</u>
	<u>26,671</u>	<u>23,542</u>
Of which remunerations to management	<u>-</u>	<u>1,037</u>
Average number of employees	<u>59</u>	<u>52</u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98b paragraph 3 of the Danish Financial Statements Act.

3 - Financial income

Interest received from group enterprises	140	288
Foreign exchange gains	0	290
Other interest income	<u>5</u>	<u>9</u>
	<u>145</u>	<u>584</u>

4 - Financial expenses

Foreign exchange losses, net	66	0
Interest paid to group enterprises	363	151
Other interest expenses	<u>1</u>	<u>2</u>
	<u>430</u>	<u>153</u>

5 - Tax on profit for the year

Current tax for the year	1,822	-672
Deferred tax for the year	-1,244	2,927
Adjustment of tax concerning previous years	-657	1
Other taxes	<u>76</u>	<u>137</u>
	<u>-3</u>	<u>2,393</u>

Notes

TDKK

	Plant, equip- ment and machinery	Leasehold improvement	Total
6 – Property, plant and equipment			
Cost at 1 January 2015	68.412	0	68.412
Additions for the year	2.451	2.128	4.579
Disposals for the year	<u>0</u>	<u>0</u>	<u>0</u>
Cost at 31 December 2015	<u>70.863</u>	<u>2.128</u>	<u>72.991</u>
Depreciation at 1 January 2015	32.107	0	32.107
Depreciation for the year	10.365	88	10.453
Depreciation of sold assets for the year	<u>0</u>	<u>0</u>	<u>0</u>
Depreciation at 31 December 2015	<u>42.472</u>	<u>88</u>	<u>42.560</u>
Carrying amount at 31 December 2015	<u>28.391</u>	<u>2.040</u>	<u>30.431</u>

7 - Investments in subsidiaries

Cost at 1 January 2015	5,924
Additions for the year	0
Disposals for the year	<u>-252</u>
Cost at 31 December 2015	<u>5,672</u>
Value adjustments at 1 January 2015	0
Value adjustment for the year	<u>0</u>
Value adjustments at 31 December 2015	<u>0</u>
Carrying amount at 31 December 2015	<u>5,672</u>

Investments in subsidiaries are specified as follows:

	<u>Place of registered office</u>	<u>Ownership</u>	<u>Net profit/ loss for the year</u>	<u>Equity</u>
Maersk H2S Safety Services Australia Pty Ltd.	Australia	100%	-187	3,052
Maersk H2S Safety Services Italia Srl.	Italy	100%	-2,096	-3,157
Maersk H2S Safety Services Brasil Ltda.	Brazil	99%	1,662	3,833

Notes

TDKK

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
8 - Equity				
Equity at 1 January 2015	6,000	40,631	0	46,631
Net Profit for the year	<u>0</u>	<u>7,087</u>	<u>0</u>	<u>7,087</u>
Equity at 31 December 2015	<u><u>6,000</u></u>	<u><u>47,718</u></u>	<u><u>0</u></u>	<u><u>53,718</u></u>

The share capital consists of 3 shares with nominal values of DKK 500,000, DKK 1,000,000 and DKK 4,500,000. No shares carry any special rights.
There have been no changes in the share capital during the last 5 years.

9 - Deferred tax

Deferred tax relates to intangible assets, property, plant and equipment, prepayments and tax loss carryforward.

Deferred tax has been provided at 22% corresponding to the expected current tax rate.

10 – Contingent asset, liabilities and other financial obligations

Contingent liabilities

Rental agreements and leases:

Lease obligations, period of non-terminability, 17 years MDKK 12.1

Maersk H2S Safety Services A/S is a Danish joint taxation company and is therefore jointly and severally liable for tax on taxed income, etc.

11 - Related parties and ownership

The parent company Maersk Training A/S Svendborg and A.P. Moller - Maersk A/S, Copenhagen both have a controlling interest.

The Company is included in the consolidated financial statements for A.P. Moller - Maersk A/S.

Transactions with related parties take place on market terms.

Maersk Training A/S, Svendborg, holds more than 5% of the share capital.