

Maersk Drilling Americas A/S

Lyngby Hovedgade 85
DK-2800 Kgs. Lyngby

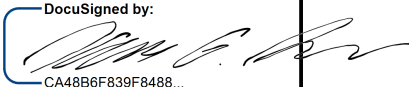
CVR no. 29 32 70 09

Annual report 2021

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

21 June 2022

DocuSigned by:



Klaus Greven Kristensen

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Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Maersk Drilling Americas A/S for the financial year 1 January – 31 December 2021.

The annual report has been 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 assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Lyngby, 21 June 2022
Executive Board:

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Morten Kelstrup

Board of Directors:

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Christine Brennet (Morris)
Chairman

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Klaus Greven Kristensen

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Morten Kelstrup

Independent auditor's report

To the shareholders of Maersk Drilling Americas A/S

Opinion

We have audited the financial statements of Maersk Drilling Americas A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the Danish Financial Statements Act.

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

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 that 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.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.
- 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, 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, 21 June 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31

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Thomas Wraae Holm

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Thomas Wraae Holm

State Authorised
Public Accountant
mne30141

DocuSigned by:

Kim Danstrup

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Kim Danstrup
State Authorised
Public Accountant
mne32201

Maersk Drilling Americas A/S
Annual report 2021
CVR no. 29 32 70 09

Management's review

Company details

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

CVR no.:	29 32 70 09
Established:	6 February 2006
Registered office:	Lyngby
Financial year:	1 January – 31 December

Board of Directors

Christine Brennet (Morris), Chairman
Klaus Greven Kristensen
Morten Kelstrup

Executive Board

Morten Kelstrup

Auditor

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

Management's review

Operating review

Principal activities

The Company's principal activity is to hold shares in companies offering offshore services to the oil and gas industry in South, North and Central America.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of USD 4,268 thousand as against a loss of USD 21 thousand in 2020. Equity in the Company's balance sheet at 31 December 2021 is USD 20,529 thousand against USD 16,261 thousand at 31 December 2020.

Outlook

The Company's activities are expected to continue impacted by the negative interest in the market, hence Management expects the result for 2022 to be a loss in the range of USD 0 - 1 million.

Financial statements 1 January – 31 December

Income statement

USD'000	Note	2021	2020
Gross profit/loss		-14	-12
Reversal of impairment of financial assets		4,296	0
Financial income	2	2	15
Financial expenses	3	-23	-20
Profit/loss before tax		4,261	-17
Tax on profit/loss for the year		7	-4
Profit/loss for the year		4,268	-21
Proposed profit appropriation/distribution of loss			
Proposed dividends for the year		5,000	0
Retained earnings		-732	-21
		4,268	-21

Financial statements 1 January – 31 December

Balance sheet

USD'000	Note	<u>31/12 2021</u>	<u>31/12 2020</u>
ASSETS			
Fixed assets			
Investments			
Investments in group entities		<u>14,456</u>	<u>10,160</u>
Total fixed assets		<u>14,456</u>	<u>10,160</u>
Current assets			
Receivables			
Receivables from group entities		6,079	6,112
Other receivables		6	0
Corporation tax		<u>7</u>	<u>1</u>
		<u>6,092</u>	<u>6,113</u>
Total current assets		<u>6,092</u>	<u>6,113</u>
TOTAL ASSETS		<u><u>20,548</u></u>	<u><u>16,273</u></u>

Financial statements 1 January – 31 December

Balance sheet

USD'000	Note	<u>31/12 2021</u>	<u>31/12 2020</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital		335	335
Retained earnings		15,194	15,926
Proposed dividends for the financial year		<u>5,000</u>	<u>0</u>
Total equity		<u>20,529</u>	<u>16,261</u>
Liabilities			
Current liabilities			
Other payables		<u>19</u>	<u>12</u>
Total liabilities		<u>19</u>	<u>12</u>
TOTAL EQUITY AND LIABILITIES		<u><u>20,548</u></u>	<u><u>16,273</u></u>

Financial statements 1 January – 31 December

Statement of changes in equity

USD'000	Contributed capital	Retained earnings	Proposed dividends	Total
Equity at 1 January 2020	335	15,947	0	16,282
Transferred over the distribution of loss	0	-21	0	-21
Equity at 1 January 2021	335	15,926	0	16,261
Transferred over the distribution of profit	0	-732	5,000	4,268
Equity at 31 December 2021	335	15,194	5,000	20,529

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Maersk Drilling Americas A/S for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Maersk Drilling A/S and group entities are included in the consolidated financial statements of The Drilling Company of 1972 A/S, CVR no. 40 40 47 16.

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/loss

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

Other external costs

Other external costs comprise costs incurred during the year for administrative expenses.

Financial income and expenses

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

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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).

Balance sheet

Investments

Equity investments in group entities and associates are measured at cost. In case of indication of impairment, an impairment test is conducted. When the cost exceeds the recoverable amount, write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

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.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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 other than provisions

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

USD'000	<u>2021</u>	<u>2020</u>
2 Financial income		
Interest income from group entities	0	15
Other financial income	1	0
Exchange gains	<u>1</u>	<u>0</u>
	<u>2</u>	<u>15</u>
3 Financial expenses		
Interest expense to group entities	23	15
Exchange losses	<u>0</u>	<u>5</u>
	<u>23</u>	<u>20</u>

4 Contractual obligations, 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).

Financial statements 1 January – 31 December

Notes

Other related parties

The Board of Directors and the Executive Management of the entities listed above having controlling interest in Maersk Drilling Americas A/S 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 at 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.

6 Disclosure of events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report