

Maersk Oil Trading Lubricants A/S

Esplanaden 50, 1098 Copenhagen K

CVR-No. 32345786

Annual Report for 01 January - 31 December 2016

As adopted by the Company in annual general

29 May 2017

A handwritten signature in blue ink, appearing to read 'Anne Pindborg', is written over a horizontal dashed line.

Anne Pindborg

Chairman of the Meeting

Content	Page
Management's Statement	1
Independent Auditors' Report on the Financial Statements	2
Company Information	4
Management's Review	5
Annual Report 1 January - 31 December	
Accounting policies	6
Income statement	8
Balance sheet	9
Notes	10

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Maersk Oil Trading Lubricants A/S for the financial year 01 January 2016 - 31 December 2016.

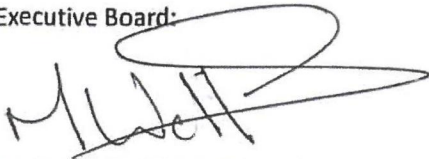
The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company's operations for 2016.

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

Copenhagen, 29 May 2017

Executive Board:



Mark Stephen Wells
(Managing Director)

Board of Directors:



Niels Henrik Lindegaard
(Chairman)



Michael Villi Møller



Tommy Thomassen

Independent Auditor's Report on the Financial Statements

To the Shareholders of Maersk Oil Trading Lubricants 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 2016, and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Maersk Oil Trading Lubricants A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's 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.

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 skepticism 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.
- 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.

Hellerup, 29 May 2017

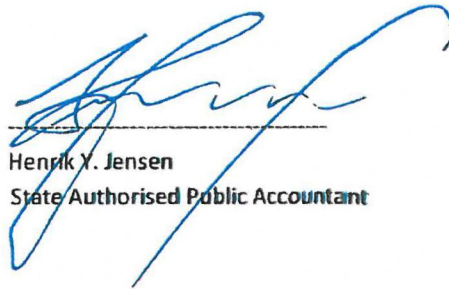
PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no.: 33771231



Martin Lunden
State Authorised Public Accountant



Henrik X. Jensen
State Authorised Public Accountant

Company Information

The Company

Maersk Oil Trading Lubricants A/S
Esplanaden 50
1098 Copenhagen K

Telephone: +45 3363 3363
Email: motlube@maersk.com

CVR no.: 32345786
Financial period: 01 January 2016 - 31 December 2016

Municipality of reg. office: Copenhagen

Board of Directors

Niels Henrik Lindegaard (Chairman)
Michael Villi Møller
Tommy Thomassen

Executive Board

Mark Stephen Wells (Managing Director)

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

The Company's main activities

Maersk Oil Trading Lubricants main activity is sourcing of marine lubrication oil for the fleet of A.P. Moller - Maersk Group companies. The main part of the transactions are done through an agency setup, minimizing the risk in which Maersk Oil Trading Lubricants A/S is involved.

Development in operations and financial position

The result of the year ended with a profit of 713 thousand USD. This is a increase of 284 thousand USD compared to last year. This is mainly due to a reduction in other operating and staff cost.

There have not been any sale of goods and cost of goods sold in FY2016 as no re-selling activities have been performed during the year.

The income effect in other external costs is caused by the reversal of an accrual of expenses estimated too high in FY15. This overestimation has been higher than the actual other external costs.

Subsequent events

No significant changes arisen since December 31st, 2016, which could have any material effect on the assessment of the annual report.

Financial statements 1 January - 31 December

Accounting policies

The annual report for Maersk Oil Lubricants A/S for 2016 is presented in accordance with the regulations of the Danish Financial Statements Act concerning class B entities.

The accounting policies applied remain unchanged from last year.

The entity's functional currency is USD. All amounts in this report are in thousand USD.

General matters related to recognition and measurement

Assets are recognised in the balance sheet when it is probable that future financial benefits will move into 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 financial benefits will leave the company and the value of the liability can be measured reliably. Initially assets and liabilities are recognised at cost price, thereafter assets and liabilities are recognised as stated below for each item. Income is recognised in the income statement concurrently. Furthermore, expenses incurred to achieve the income for the year are recognised.

Foreign currency translation

Transactions in currencies other than the functional currency are translated at the exchange rate on the date of transaction. Monetary items in foreign currency not settled by the balance sheet date are translated at the exchange rate on the balance sheet date. Exchange rate gains and losses are recognised in the income statement under financial income and expenses.

Income statement

Revenue

Revenue is recognised in the income statement upon delivery and transfer of risk to buyer and if the income can be recognised reliably and payment is expected. Revenue is measured at fair value of the agreed price excluding VAT and duties collected on behalf of third parties. Discounts granted are recognised under revenue.

Change in inventories of finished goods

Cost of goods sold includes cost of marine lubrication oil sold to external companies.

Financial statements 1 January - 31 December

Accounting policies

Other external costs

Other external costs include other external expenses, management fees, other operating costs and expenses.

Staff costs

Staff costs include salaries, pension contribution and other staff costs.

Financial income and expenses

Financial income and expenses include interests, realised and unrealised gains and losses on securities, payables and transactions in foreign currency and amortisation of financial assets and liabilities.

Tax and deferred tax

The Company is part of A.P. Møller - Mærsk A/S joint taxation. The actual Danish company tax is allocated at settlement between the companies being part of the joint taxation in accordance with their taxable income. Tax, comprising actual company tax (joint taxation) and changes in deferred tax is recognised in the income statement for items related to the income statement and directly in equity for items posted directly to equity. Deferred tax is calculated on differences between the carrying amount and tax base of assets and liabilities. Deferred tax assets are recognised to the extent that it is probable that they can be utilised within a foreseeable future.

Balance sheet

Receivables

Receivables are generally recognised at nominal value, which corresponds to amortised cost. Write-downs are made for anticipated losses.

Liabilities

Financial liabilities, comprising payables to credit institutions, trade payables and payables to affiliated companies, are initially recognised at cost cost price less transaction costs. In subsequent periods they are measured at amortised cost. Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Accrued expenses

Accrued expenses are provisions, which are recognized when in consequence of an event occurred on or before the balance sheet date - the Company has a legal or constructive obligation it is

probable that economic benefits must be given up to settle the obligation.

Financial Statements 1 January - 31 December

Income Statement

Note	2016 USD 1,000	2015 USD 1,000
1 Revenue	1,575	2,447
Change in inventories of finished goods	–	(537)
2 Other external costs	48	(284)
Gross profit	1,623	1,626
3 Staff costs	(718)	(1,118)
Result before financial items	905	508
4 Financial income	8	8
5 Financial expenses	(7)	(3)
Result before tax	906	513
6 Tax on profit for the year	(193)	(84)
Net result for the year	713	429
Proposed distribution of profit/loss		
Retained earnings	713	429

Financial Statements 1 January - 31 December

Balance sheet

Note	Assets	2016	2015
		USD 1,000	USD 1,000
	Current assets		
	Trade receivables	2	195
	Accrued income	–	107
7	Receivables from group companies	3,805	3,122
	TOTAL ASSETS	3,807	3,424

Note	Equity and liabilities	2016	2015
		USD 1,000	USD 1,000
8	Equity		
	Share capital	100	100
	Retained earnings	2,764	2,051
	Total equity	2,864	2,151
	Current liabilities		
	Trade payables	13	373
	Accrued expenses	85	94
9	Payables to group companies	496	487
	Current tax payables	199	122
	Deferred income	150	150
	Other payables	–	47
	Total liabilities	943	1,273
	TOTAL EQUITY AND LIABILITIES	3,807	3,424

10 Ownership

11 Contingent Liabilities

Financial Statements 1 January - 31 December

Notes

USD 1,000

1 Revenue

	<u>2016</u>	<u>2015</u>
	USD 1,000	USD 1,000
Sale of goods, external	–	593
Sale of services, external	507	719
Sale of services, internal	1,068	1,135
Revenue	1,575	2,447

2 Other operating costs

	<u>2016</u>	<u>2015</u>
	USD 1,000	USD 1,000
Other expenses, external	271	(32)
Management fee expenses	–	(20)
Other external costs and expenses, internal	(223)	(232)
Other operating costs	48	(284)

3 Staff costs

	<u>2016</u>	<u>2015</u>
	USD 1,000	USD 1,000
Salaries	(650)	(1,045)
Pension contribution	(68)	(70)
Other staff costs	–	(3)
Staff costs	(718)	(1,118)

4 Financial income

	<u>2016</u>	<u>2015</u>
	USD 1,000	USD 1,000
Exchange rate adjustments, income	8	8
Net financial items	8	8

5 Financial expenses

	<u>2016</u>	<u>2015</u>
	USD 1,000	USD 1,000
Interest expense	(7)	(3)
Net financial items	(7)	(3)

6 Tax

	<u>2016</u>	<u>2015</u>
	<u>USD 1,000</u>	<u>USD 1,000</u>
Tax attributes to profit is made up of		
Adjustment to previous year	6	38
Tax on profit for the year	(199)	(122)
	<u>(193)</u>	<u>(84)</u>

7 Receivables from group companies

	<u>2016</u>	<u>2015</u>
	<u>USD 1,000</u>	<u>USD 1,000</u>
Trade receivables	2	85
Accrued income	40	25
Internal cash pooling with ultimate holding corporation	3,763	3,012
Receivables	<u>3,805</u>	<u>3,122</u>

8 Equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance January 1st, 2016	100	2,051	2,151
Net profit/loss for the year	-	713	713
Balance December 31st, 2016	<u>100</u>	<u>2,764</u>	<u>2,864</u>

The share capital has developed as follows:

	<u>2012</u>
Share capital January 1st 2012	92
Capital increase	-
Capital decrease	-
Share capital at 31 December 2012	<u>92</u>

The share capital has developed as follows:

	<u>2013</u>
Share capital January 1st 2013	92
Capital increase	-
Capital decrease	-
Share capital at 31 December 2013	<u>92</u>

The share capital has developed as follows:

	<u>2014</u>
Share capital January 1st 2014	92
Capital increase	8
Capital decrease	–
Share capital at 31 December 2014	<u>100</u>

The share capital has developed as follows:

	<u>2015</u>
Share capital January 1st 2015	100
Capital increase	–
Capital decrease	–
Share capital at 31 December 2015	<u>100</u>

The share capital has developed as follows:

	<u>2016</u>
Share capital January 1st 2016	100
Capital increase	–
Capital decrease	–
Share capital at 31 December 2016	<u>100</u>

The share capital at 31 December 2016 comprises 543 shares of total nominal value of 1,000 DKK. No shares hold special rights. The exchange rate applied on the share capital is 5.42 DKK/USD that corresponds to the rate applied when the share capital injection took place in 2013.

9 Payables to group enterprises

	<u>2016</u>	<u>2015</u>
	<u>USD 1,000</u>	<u>USD 1,000</u>
Trade payables, group companies	311	88
Accrued expenses, group companies	185	399
Payables, group companies	<u>496</u>	<u>487</u>

10 Ownership

Maersk A/S, Company reg. No.: 22757016, 50 Esplanaden DK-1098 Copenhagen K holds 100% of the share capital and voting rights. The Company is included in the consolidated financial statements for A.P. Møller - Mærsk A/S. The consolidated statement for A.P. Møller - Maersk A/S is available at the group website: <http://investor.maersk.com/financials.cfm>

11 Contingent Liabilities

The Company is part of A.P. Møller - Mærsk A/S joint taxation and the Companies herein are jointly and severally liable for the taxes that concern the joint taxation. The actual Danish company tax is allocated at settlement between the companies being part of the joint taxation in accordance with their taxable income.