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# ***Svitzer Tugs A/S***

Pakhus 48, Sundkaj 9, DK-2150 Nordhavn

## **Annual Report for 23 June - 31 December 2015**

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CVR No 36 93 51 38

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/05 2016

Malin Mattson  
Chairman



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Svitzer Tugs A/S for the financial year 23 June - 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 financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

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

København, 31 May 2016

## Executive Board

Kristian Braüner  
Executive Officer

## Board of Directors

Knud Winkler  
Chairman

Kristian Braüner

Malin Mattson

Kasper Friis Nilaus

# **Independent Auditor's Report on the Financial Statements**

To the Shareholder of Svitzer Tugs A/S

We have audited the Financial Statements of Svitzer Tugs A/S for the financial year 23 June - 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, 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.

Our audit has not resulted in any qualification.

# Independent Auditor's Report on the Financial Statements

## 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 23 June - 31 December 2015 in accordance with the Danish Financial Statements Act.

Hellerup, 31 May 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Søren Ørjan Jensen

State Authorised Public Accountant

Henrik Mikkelsen

State Authorised Public Accountant

## **Company Information**

### **The Company**

Svitzer Tugs A/S  
Pakhus 48  
Sundkaj 9  
DK-2150 Nordhavn

CVR No: 36 93 51 38  
Financial period: 23 June - 31 December  
Municipality of reg. office: København

### **Board of Directors**

Knud Winkler, Chairman  
Kristian Braüner  
Malin Mattson  
Kasper Friis Nilaus

### **Executive Board**

Kristian Braüner

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Income Statement 23 June - 31 December

	<u>Note</u>	<u>2015</u> USD('000)
<b>Gross profit/loss</b>		<b>-4</b>
<b>Profit/loss before tax</b>		<b>-4</b>
Tax on profit/loss for the year		0
<b>Net profit/loss for the year</b>		<b>-4</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year		0
Retained earnings		-4
		<b>-4</b>

# Balance Sheet 31 December

## Assets

	<u>Note</u>	<u>2015</u> USD('000)
Property, plant and equipment in progress		<u>5.355</u>
<b>Property, plant and equipment</b>	<b>1</b>	<b><u>5.355</u></b>
<b>Fixed assets</b>		<b><u>5.355</u></b>
<b>Cash at bank</b>		<b><u>75</u></b>
<b>Currents assets</b>		<b><u>75</u></b>
<b>Assets</b>		<b><u>5.430</u></b>



# Balance Sheet 31 December

## Liabilities and equity

	<u>Note</u>	<u>2015</u> USD('000)
Share capital		79
Retained earnings		-4
<b>Equity</b>	<b>2</b>	<b><u>75</u></b>
Payables to group enterprises		<u>5.355</u>
<b>Short-term debt</b>		<b><u>5.355</u></b>
<b>Debt</b>		<b><u>5.355</u></b>
<b>Liabilities and equity</b>		<b><u>5.430</u></b>
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## Statement of Changes in Equity

	Share capital USD('000)	Retained earnings USD('000)	Total USD('000)
Equity at 23 June	79	0	79
Net profit/loss for the year	0	-4	-4
<b>Equity at 31 December</b>	<b>79</b>	<b>-4</b>	<b>75</b>

# Notes to the Financial Statements

## 1 Property, plant and equipment

	Property, plant and equipment in progress <u>USD('000)</u>
Opening balance	0
Additions for the year	<u>5.355</u>
Opening balance at 31 December	<u>5.355</u>
Revaluations at 23 June	<u>0</u>
Revaluations at 31 December	<u>0</u>
Opening balance	<u>0</u>
Opening balance at 31 December	<u>0</u>
<b>Carrying amount at 31 December</b>	<b><u>5.355</u></b>

## 2 Equity

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights.

There have been no changes in the share capital since inception.

## 3 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax.

At December 2015, capital commitments relating to new vessels on order in the amount of USD 46.5m. The tugs are expected to be deployed in the Wheatstone operation.

# Notes to the Financial Statements

## 4 Related parties and ownership

	<b>Basis</b>
<b>Controlling interest</b>	
Svitzer A/S	100%

### Other related parties

All Svitzer Group companies, A.P. Moller - Maersk Group companies and the ultimate parent company, A.P. Møller Holding A/S, are considered related parties.

### *Consolidated Financial Statements*

The financial statement of the company are included in both the consolidated financial statements of A.P. Møller-Mærsk A/S and A.P. Møller Holding A/S, which are available at the companies' registered office adress, Esplanaden 50, DK-1098 Copenhagen K. Futher, the consolidated financial statements of A.P. Møller-Mærsk A/S can be downloaded from the website [www.maersk.com](http://www.maersk.com) .

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Svitzer Tugs A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

Financial Statements for 2015 are presented in USD('000).

### **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 cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been 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.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

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

## **Accounting Policies**

### **Income Statement**

#### **Gross profit/loss**

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

#### **Tax on profit/loss 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 profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

### **Balance Sheet**

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

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Ships	20-25 years
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#### **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.

#### **Equity**

##### ***Dividend***

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

## **Accounting Policies**

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

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.