

Maersk Decom Mauritania A/S

Lyngby Hovedgade 85
2800 Kgs. Lyngby
CVR No. 41102993

Annual report 23.01.2020 - 31.12.2020

The Annual General Meeting adopted the
annual report on 29.04.2021



Benjamin Hugh Sutherland Critchley
Chairman of the General Meeting



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Company details

Company

Maersk Decom Mauritania A/S
Lyngby Hovedgade 85
2800 Kgs. Lyngby

CVR No.: 41102993

Date of foundation: 23.01.2020

Registered office: Lyngby-Taarbæk

Financial year: 23.01.2020 - 31.12.2020

Board of Directors

Lars Banke, Chairman
Benjamin Hugh Sutherland Critchley
Jacob Halberg

Executive Board

Jens Klit Thomsen

Auditors

PricewaterhouseCoopers Statautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
CVR No.: 33771231

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Maersk Decom Mauritania A/S for the financial year 23.01.2020 - 31.12.2020.

The annual report is presented 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 31.12.2020 and of the results of its operations for the financial year 23.01.2020 - 31.12.2020.

We believe that Management's Review contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.04.2021

Executive Board

Jens Klit Thomsen

Board of Directors

Lars Banke, Chairman

Benjamin Hugh Sutherland Critchley

Jacob Halberg



Independent auditor's report

To the shareholders of Maersk Decom Mauritania 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 2020, and of the results of the Company's operations for the financial year 23 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Maersk Decom Mauritania A/S for the financial year 23 January 2020 - 31 December 2020, which comprise the income statement, balance sheet, statement of changes in equity 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 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 this auditor's report. We are independent of the Company in accordance with the International Ethics Standards Board of 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, for disclosing, as applicable, matters related to going concern, and for 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 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 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 content of the financial statements, including the disclosures in the notes, 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, 29.04.2021

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

CVR No. 33771231

Martin Lunden

State Authorised Public Accountant

Identification No (MNE) mne32209



Management's Review

Primary activities

Maersk Decom Mauritania A/S is a stand-alone company, owned by Maersk Decom A/S, providing bundled full-scope decommissioning solutions for the offshore oil & gas industry.

Development in activities and finances

The Income Statement of the Company for 2020 shows a loss of USD 152 thousand and at 31 December 2020 the balance sheet of the Company shows a negative equity of USD 93 thousand. The reason for the loss in 2020 is because that the offshore execution of the project currently executed by the Company is delayed due to COVID-19 pandemic. Equity is expected to be re-established through future income.

Covid-19 pandemic

The impact of COVID-19 global pandemic has been evolving since late 2019 with significant impact on the global economy.

Management has considered the consequences of COVID-19 given the information available at 31 December 2020 and determined that they do not create a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern over the next 12 months. A declining demand for services associated with oil and gas field decommissioning due to general economical uncertainty, is offset by increased number of un-economic fields ceasing production to oil price volatility.

Capital Resources

In connection with the Board of Directors and Management's assessment of the assumption of going concern which forms the basis of the preparation of the annual report of Maersk Decom Mauritania A/S for 2020, Maersk Decom A/S, being the parent company, have informed that they will support Maersk Decom Mauritania A/S to the extent necessary to finance the Company's operating activities and to settle its financial obligations as they fall due until the date of publishing of the annual report for 2021.

Based on this, the annual report of Maersk Decom Mauritania A/S is based on the assumption of going concern.

Events after the balance sheet date

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Income statement for 2020

	Notes	2020 USD'000
Gross profit/loss		(5)
Other financial income	2	5
Other financial expenses	3	(5)
Profit/loss before tax		(5)
Tax on profit/loss for the year	4	(147)
Profit/loss for the year		(152)
Proposed distribution of profit and loss		
Retained earnings		(152)
Proposed distribution of profit and loss		(152)

Balance sheet at 31.12.2020

Assets

	Notes	2020 USD'000
Trade receivables		1,179
Income tax receivable		14
Receivables		1,193
Cash		209
Current assets		1,402
Assets		1,402

Equity and liabilities

	Notes	2020 USD'000
Contributed capital		59
Retained earnings		(152)
Equity		(93)
Trade payables		985
Payables to group enterprises		510
Current liabilities		1,495
Liabilities		1,495
Equity and liabilities		1,402
Capital Resources	1	
Contingent liabilities	5	
Related parties with controlling interest	6	

Statement of changes in equity for 2020

	Contributed capital USD'000	Retained earnings USD'000	Total USD'000
Contributed upon formation	59	0	59
Profit/loss for the year	0	(152)	(152)
Equity end of year	59	(152)	(93)

Notes

1 Capital Resources

In connection with the Board of Directors and Management's assessment of the assumption of going concern which forms the basis of the preparation of the annual report of Maersk Decom Mauritania A/S for 2020, Maersk Decom A/S, being the parent company, have informed that they will support Maersk Decom Mauritania A/S to the extent necessary to finance the Company's operating activities and to settle its financial obligations as they fall due until the date of publishing of the annual report for 2021.

2 Other financial income

	2020 USD'000
Exchange rate adjustments	5
	5

3 Other financial expenses

	2020 USD'000
Other interest expenses	1
Exchange rate adjustments	4
	5

4 Tax on profit/loss for the year

	2020 USD'000
Current tax	147
	147

5 Contingent liabilities

The Company participates in a Danish joint taxation arrangement where A.P. Møller Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint arrangement is evident from the administration company's financial statement.

There are no other security or contingent liabilities at 31 December 2020.

6 Related parties with controlling interest

Related parties with controlling interest:

The Company owned by Maersk Decom A/S (100%). The ultimate controlling parent of the company is A.P. Møller Holding A/S, Esplanaden 50, 1263 Copenhagen K, Denmark, at the end of 2020.

Other related parties:

Companies affiliated with A.P. Møller – Mærsk A/S and A.P. Møller Holding A/S.

The Company's related parties include the members of the Board of Directors, Management and the key executives, as well as the related family members of these persons. Related parties also include companies in which the above-mentioned persons have significant interest.

Transactions:

During the financial year, related party transactions have been conducted on an arm's length basis.

Consolidated annual accounts:

The Company is included in the consolidated annual accounts of the immediate parent A.P. Møller – Mærsk A/S, Esplanaden 50, 1263 Copenhagen K and the ultimate controlling parent A.P. Møller Holding A/S, Esplanaden 50, 1263 Copenhagen K.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The Annual Accounts are presented in American dollars (USD). The exchange rate of USD to DKK was 6.092 at 31 December 2020.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

With reference to section 32 of the Danish Financial Statement Act, gross profit/loss is calculated as a summary of revenue, cost of sales and other external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses comprise costs of administration etc.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The company is jointly taxed with group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Verification

Transaction 09222115557446024229

Document

Maersk Decom Mauritania - Annual Report 2020

Main document

16 pages

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Finalised on 2021-04-29 13:15:32 CEST (+0200)

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NEM ID

The name returned by Danish NemID was "Jens Klit Thomsen"

Signed 2021-04-29 12:48:56 CEST (+0200)

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The name returned by Danish NemID was "Lars Banke"

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The name returned by Danish NemID was "Jacob Halberg"

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The name returned by Danish NemID was "Benjamin Hugh Sutherland Critchley"

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PricewaterhouseCoopers Statsautoriseret

Revisionspartnerselskab

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Verification

Transaction 09222115557446024229

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