

Odense Lindø

Odense Staalskibsværft A/S

CVR-nr. 45739910

50 Esplanaden, 1098 Copenhagen K, Denmark

A.P. Møller - Mærsk Gruppen

Annual Report 2016

The Annual Report was presented and adopted at the
Company's Annual General Meeting *1/5*-2017.

The Company's Annual General Meeting decided that the
Annual Reports should not be audited, cf. the Management Review.



Chairman of Meeting

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DKK 1,000	2016	2015	2014	2013	2012
Income statement:					
Revenue	0	0	0	0	1,265,750
Profit/loss of ordinary operations	2,861	923	-2,405	-2,556	18,728
Financial items, net	352	1,456	951	-829	-162
Profit/loss after tax excluding affiliated companies	2,572	1,044	-1,217	-3,028	16,088
Gain/loss on sale of affiliated companies	0	0	-1,389	-4,404	0
Profit/loss for the year	2,572	1,044	-2,606	-5,040	712
Balance sheet:					
Total assets	180,523	303,770	352,412	364,260	412,565
Equity	164,929	282,357	281,313	283,919	288,958
Average number of employees					
	0	0	0	1	41

Shipbuilding activities terminated at the end of 2011 with delivery of the last vessel in the beginning of 2012.

The subsidiary Lindø Industripark A/S was sold 3rd January 2014.

An agreement fully concluding the Company's guarantee obligations on vessels delivered in 2011 and 2012 was accomplished with the buyer of the vessels in 2016. The settlement amount was covered by guarantee provisions made in previous years.

Furthermore, an agreement with a supplier regarding partially recovery of cost connected to guarantee work of defective spare parts was reached, and as the Company throughout the years recognised these costs in the income statement, the refund had positive income impact this year.

After termination of the guarantee obligations and work related thereto, the Company has no activity, however, certain liabilities in connection with the closing of activities and sale of subsidiary are still pending. The liabilities are recognised in the financial statements.

The profit for 2016 was satisfactorily and above expectations. For 2017 a result close to zero is expected.

No subsequent events significantly influencing the financial year 2016 have taken place.

Diversity and inclusion

Reference is made to the parent company A.P. Møller - Mærsk A/S's policy for diversity at <http://mrsk.co/174tNiF>.

Corporate social responsibility

Reference is made to the parent company A.P. Møller - Mærsk A/S' sustainability report published at www.maersk.com.

The Board of Directors and Management have today discussed and approved the Annual Report for 2016 for Odense Staalskibsværft A/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act. The Annual Report is not audited as conditions for audit exemption are met.

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

Furthermore, in our opinion, the Directors' report includes a fair review of the development in the Company's operations and financial conditions, the results for the year and financial position.

The Board of Directors and Management still consider that the conditions for audit exemption are fulfilled.

We recommend the Annual Report for adoption at the Annual General Meeting.

Copenhagen, 24 April 2017

Management

Peter Jann Nielsen
Managing director



Board of Directors



Lars-Erik Brenøe
Chairman



Peter Jann Nielsen



Anne Pindborg

The Annual Report 2016 of Odense Staalskibsværft A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applicable for class B companies with selected provisions applicable to class C (large) companies.

The accounting policies are unchanged compared to last year.

Odense Staalskibsværft A/S has in accordance with the Danish Financial Statement Act § 86, 4 omitted cash flow statement, as the financial statements of Odense Staalskibsværft A/S are included in the consolidated accounts of the parent company A.P. Møller - Mærsk A/S, 50 Esplanaden, 1098 Copenhagen K.

Recognition and measurement in general

Assets are recognised in the balance sheet when it is probable that future financial benefits will arrive at the Company and the value of the assets can be reliably measured. 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 reliably measured. Income is recognised in the income statement when earned. Furthermore, costs necessary for obtaining the income are recognised.

Foreign currency translation

Receivables, payables and other monetary items in foreign currency are translated to the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the time of recognition of receivables or payables are included in financial items in the income statement.

Income statement

Tax consists of actual company tax for the year, adjustment to previous years' tax and adjustment to deferred tax.

The Company is jointly taxed with A.P. Møller Holding A/S' Danish subsidiaries. The actual company tax is allocated between the participating companies based on their taxable income.

Deferred tax is recognised based on temporary differences between carrying value and tax value of assets and liabilities. Deferred tax assets are recognised at expected realisation value.

Balance sheet

Receivables, payables and other monetary items in foreign currency are translated to the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the time of recognition of receivables or payables are included in financial items in the income statement.

Receivables are recognised at cost price corresponding to nominal value. Provisions for bad debt are made based on individual assessment.

Securities are recognised at fair value.

Note		2016 DKK 1,000	2015 DKK 1,000
1	External costs	2,861	923
	Gross Margin	2,861	923
2	Other financial income	363	1,545
	Other financial expenses	-11	-89
	Profit before tax	3,213	2,379
3	Tax	-641	-1,335
	Profit for the year	2,572	1,044
	Appropriation:		
	Dividend for the year	0	120,000
	Transfer to retained earnings	2,572	-118,956
		2,572	1,044

ASSETS			
Note		2016 DKK 1,000	2015 DKK 1,000
	CURRENT ASSETS		
	Receivables from affiliated companies	179,606	301,825
	Other receivables	37	178
4	Deferred tax	460	1,347
	Total receivables	180,103	303,350
	Securities	420	420
	TOTAL CURRENT ASSETS	180,523	303,770
	TOTAL ASSETS	180,523	303,770
EQUITY AND LIABILITIES			
Note		2016 DKK 1,000	2015 DKK 1,000
	EQUITY		
	Share capital	153,000	153,000
	Proposed dividend	0	120,000
	Retained earnings	11,929	9,357
5	TOTAL EQUITY	164,929	282,357
	PROVISIONS		
6	Guarantee obligations	0	5,062
	TOTAL PROVISIONS	0	5,062
	LIABILITIES		
	Trade payables	9	16
	Payables to affiliated companies	65	189
3	Tax payables	520	1,146
7	Other payables	15,000	15,000
	Total non-current liabilities	15,594	16,351
	TOTAL LIABILITIES	15,594	16,351
	TOTAL EQUITY AND LIABILITIES	180,523	303,770
8	Contingent liabilities and pledges		
9	Related parties		

Amounts in DKK 1,000

1 External costs

The Company has no employees. No remuneration was paid to the Board of Directors or Management neither for 2016 nor 2015.

2 Other financial income

Included in other financial income is financial income from affiliated companies DKK 363 (2015: DKK 1,545).

	<u>2016</u>	<u>2015</u>
3 Tax		
Tax on profit	-520	-1,146
Adjustment to prior years	766	-189
Change in deferred tax	<u>-887</u>	<u>0</u>
	<u><u>-641</u></u>	<u><u>-1,335</u></u>

4 Deferred tax

Deferred tax asset is related to fixed assets and carried forward losses. The deferred tax asset is recognised, as it is expected to be utilised through the joint taxation scheme in the A.P. Møller Holding Group.

	<u>2016</u>	<u>2015</u>
Deferred tax 1 January	1,347	1,347
Change for the year in deferred tax	<u>-887</u>	<u>0</u>
Deferred tax 31 December	<u><u>460</u></u>	<u><u>1,347</u></u>

5 Equity

	Share capital	Proposed dividend	Retained earnings	Total equity
1 January 2016	153,000	120,000	9,357	282,357
Dividend settled	0	-120,000	0	-120,000
Profit for the year	<u>0</u>	<u>0</u>	<u>2,572</u>	<u>2,572</u>
Equity 31 December 2015	<u><u>153,000</u></u>	<u><u>0</u></u>	<u><u>11,929</u></u>	<u><u>164,929</u></u>

Amounts in DKK 1,000

5 Equity (continued)

	2016	2015	2014	2014	2013
Share capital 1 January	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>
Share capital 31 December	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>	<u>153,000</u>

The share capital is divided into:

	<u>DKK 1,000</u>	<u>DKK 1,000</u>
80 shares of	1,000	80,000
7 shares of	500	3,500
1,180 shares of	50	59,000
325 shares of	20	6,500
400 shares of	5	2,000
500 shares of	4	<u>2,000</u>
Share capital		<u>153,000</u>

6 Guarantee obligations

	<u>2016</u>	<u>2015</u>
1 January	5,062	4,328
Provisions made	0	2,500
Amount reversed	-862	0
Amount used	<u>-4,200</u>	<u>-1,766</u>
Guarantee obligations 31 December	<u>0</u>	<u>5,062</u>

7 Other payables

	<u>2016</u>	<u>2015</u>
Payables related to closing down of activities and sale of company	<u>15,000</u>	<u>15,000</u>
Other payables 31 December	<u>15,000</u>	<u>15,000</u>

8 Contingent liabilities and pledges

The Company is jointly taxed with other Danish companies in the A.P. Møller Holding A/S Group. The Company is together with the other companies in the joint taxation scheme jointly and severally liable for taxes payable, etc. in Denmark.

The Company has no other contingent liabilities or pledges.

9 Related parties

A.P. Møller - Mærsk A/S, Copenhagen owns 100% of the shares in the Company.

Odense Staalskibsværft A/S is included in the consolidated accounts of A.P. Møller - Mærsk A/S, 50 Esplanaden, 1098 Copenhagen K.