

# ESVAGT

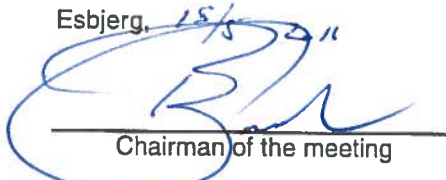
**ESVAGT A/S**

**Annual report 2015**

CVR no: 60 69 88 13

The Annual Report was presented and  
adopted at the Annual General Meeting

Esbjerg, 15/5 2016



Chairman of the meeting

ESVAGT A/S  
Dokvej 4  
6700 Esbjerg

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## MANAGEMENT'S STATEMENT

The Executive Board and Board of Directors have today considered and adopted the Annual Report of ESVAGT A/S for the financial year 1 January – 31 December 2015.

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

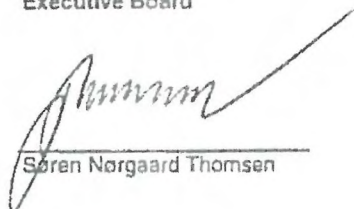
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Group and the Company and of the results of the Group and Company's operations and cash flows for the financial year 1 January - 31 December 2015.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Company, of the results for the year and of the financial position of the Group and the Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Company.

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

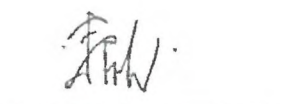
Esbjerg, 14th April 2016

### Executive Board

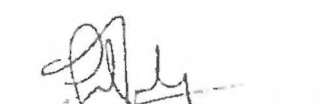


Søren Nørgaard Thomsen

### Board of Directors



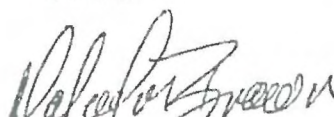
Jasper T. Lok  
Chairman



Scott B. M. Moseley



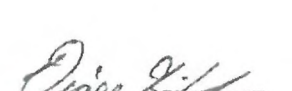
Simon R. C. Ellis



Malcolm Brown



Ben R. Loomes



Viggo Hvidberg



Anders Kjeldgaard

# INDEPENDENT AUDITOR'S REPORT

To the shareholder of ESVAGT A/S

## **Report on Consolidated Financial Statements and Parent Company Financial Statements**

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of ESVAGT A/S for the financial year 1 January to 31 December 2015, which comprise accounting policies, income statement, balance sheet, cash flow statement and statement of changes in equity and notes for both the Group and the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements**

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements in accordance with Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

### **Opinion**

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2015 and of the results of the Group and Parent Company's operations as well as the cash flows for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

### Statement on the Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Copenhagen, 14th April 2016

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR number 33771231



Thomas Wraae Holm  
State Authorised Public Accountant



Martin Lunden  
State Authorised Public Accountant

## COMPANY INFORMATION

<b>Company</b>	ESVAGT A/S Dokvej 4 DK-6700 Esbjerg
	Phone + 45 78 730 730
	E-mail: mail@esvagt.com
	Webpage www.esvagt.com
	Company no. 60 69 88 13
	Established 14th May 1981
	Head office Esbjerg
	Accounting period 1 January to 31 December

<b>Board of Directors</b>	Jesper T. Lok, Chairman Scott B. M. Moseley Simon R. C. Ellis Malcolm Brown Ben R. Loomes Viggo Hvidberg Anders Kjeldgaard
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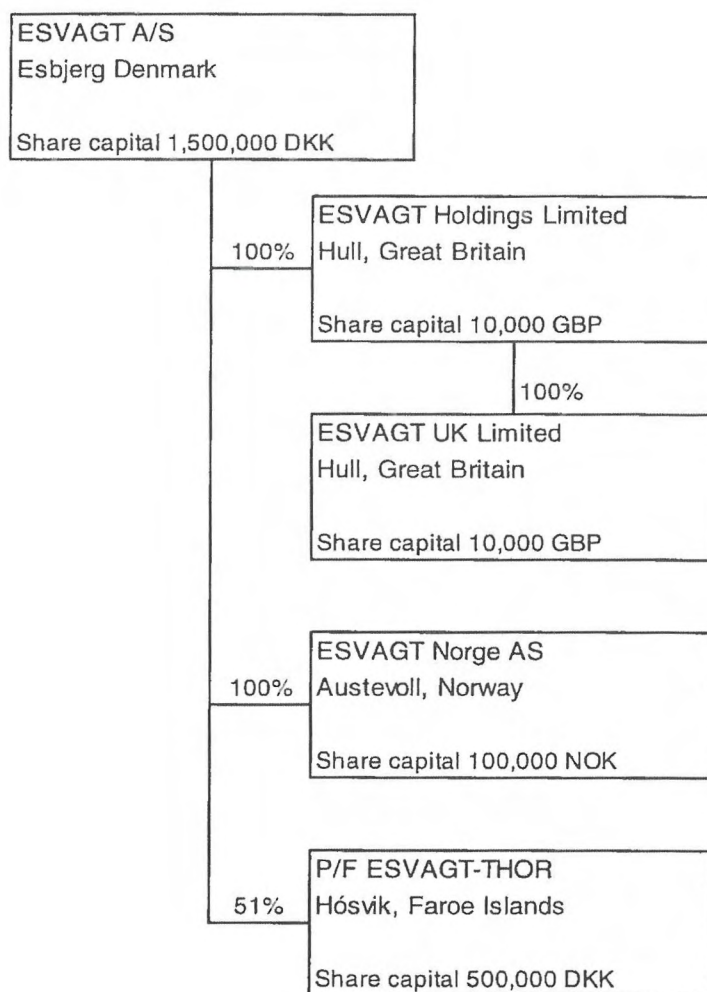
<b>Management</b>	Søren Nørgaard Thomsen
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<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
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## GROUP STRUCTURE

Consolidated companies



## FINANCIAL HIGHLIGHTS

For the consolidated ESVAGT Group

Amounts in DKK'000	2015	2014	2013	2012	2011
Revenue	1.001.811	946.486	885.685	740.579	633.605
Profit before financial items	247.456	281.793	269.269	211.943	162.313
Financial items, net	-64.604	-22.270	-21.678	-35.587	-35.972
Profit for the year	192.073	252.282	250.467	184.062	135.480
Total assets	3.342.751	2.621.249	2.474.120	2.264.937	1.932.015
Investments in intangible and tangible assets	752.818	331.990	323.966	414.948	278.404
Equity	1.188.546	1.294.750	1.054.739	800.329	618.429
Profit margin	24,7	29,8	30,4	28,6	25,6
Equity ratio	35,6	49,4	42,6	35,3	32,0
Return on equity	15,5	21,5	27,0	25,9	24,4

The key figures are calculated in accordance with recommendations and guidelines from the Danish Financial Analyst Society. Reference is made to definitions in the paragraph concerning Accounting Policies.

The keyfigures are calculated as follows:

$$\text{Profit margin} = \frac{\text{Result before financial items} \times 100}{\text{Net turnover}}$$

$$\text{Equity ratio} = \frac{\text{Equity} \times 100}{\text{Total assets}}$$

$$\text{Return on equity} = \frac{\text{Profit for the year} \times 100}{\text{Average equity}}$$



## MANAGEMENT'S REVIEW

### Activities

ESVAGT's primary activity is to deliver safety and support at sea. ESVAGT provides emergency response and rescue (ERR) services for operators of off shore oil and gas installations and service vessel activities for off shore wind farms.

### Change in ownership

On 17 September 2015 the ownership of ESVAGT was transferred from the A.P. Moller-Maersk Group and ESE Holding to ERRV ApS jointly owned by 3i Infrastructure plc and AMP Capital.

### Activity 2015

#### *Result for the year*

Revenue for the ESVAGT Group in 2015 was DKK 1,001.8m against DKK 946.5m in 2014.

The profit for the year is DKK 192.1m compared to DKK 252.3m in 2014, and is affected by one-off financial expenses of DKK 45.4m from settlement of loans upon change in ownership of the ESVAGT Group.

The management considers the profit for the year as satisfactory given the change in market conditions during 2015.

#### *Market and activities*

ESVAGT's primary market within the oil and gas industry is the North Sea. In 2015 ESVAGT increased its presence within service vessel activities for the off shore wind industry.

During 2015 ESVAGT established a sales office in Aberdeen, UK, to intensify the market presence in the UK sector.

#### *Investments*

During 2015 ESVAGT took delivery of four vessels, ESVAGT FROUDE and ESVAGT FARADAY for the offshore wind industry and ESVAGT CANTANA and ESVAGT CHASTINE for the the oil and gas industry.

ESVAGT's new building programme comprises three vessels, of which two service operating vessels (SOV) will be delivered in Q3 2016 and Q3 2017 respectively. Both SOVs are contracted for long term contracts. Further, ESVAGT has invested in a new crew change vessel (CCV) to replace its current CCVs, with delivery scheduled for Q2 2017.

During 2015 ESVAGT relocated its warehouse and workshop facilities to location next to the office head quarter, uniting all on shore activities in one location. ESVAGT's old warehouse and workshop was sold during 2015.

#### *Equity*

On 31 December 2015 the ESVAGT's equity is DKK 1,188.5m with an equity ratio of 35.6% compared to DKK 1,294.8m and a ratio of 49.4% in 2014.

### Expectations for 2016

For 2016 the Company expects an activity level lower than 2015, mainly due to lower activity in the oil and gas industry caused by lower oil prices. Consequently this will have a negative impact on the expected net profit for 2016.

### Subsequent events

No events have occurred after 31 December 2015 which may significantly affect the financial year 2015.

## MANAGEMENT'S REVIEW

### Risks

The ESVAGT Group is, in the opinion of the Management, not exposed to commercial, operational or financial risks beyond what is common and natural for its business and the industry in which it operates.

In accordance with its strategy ESVAGT constantly strives towards a reasonable balance between long term and short term contracts for its fleet.

### Development activities

During 2015 ESVAGT held expenses of DKK 1.3m related to development of our Fast Rescue Boats and Safe Transfer Boats.

### Knowledge and employees

It is essential for ESVAGT to employ people who contribute to delivering services of highest quality and highest level of safety standard. Further, it is important to be an attractive employer and workplace for current and future employees.

To achieve this, ESVAGT employees undergo continuous training and education and the company has constant focus on the safety and health of the employees. For this purpose, the company has its own HSEQ-function (Health Safety Environment Quality).

In accordance with the objective of the company to provide performance of highest quality, ESVAGT is certified according to ISO 9001-standard on quality assurance.

As part of regular business procedures ESVAGT is continuously audited by its customers by means of quality assurance system.

### Statutory report on gender diversity

ESVAGT will promote diversity and create equal opportunities for everyone in order to ensure equal distribution of men and women, although ESVAGT operates within an area that historically employs more men than women and always will aim for employing the most qualified candidate for any position.

The board of directors in ESVAGT currently consists of men. The target for the underrepresented gender is at least one woman in the board of directors by 2020.

Our future focus will be to achieve diversity by prioritizing women in the event of equally qualified candidates for any position. Therefore, for future recruitments for management positions, ESVAGT will aim for having representatives from both genders represented in the selection process.

In 2015, there has been no changes at management level and hence no additional initiatives have been carried out.

### Statutory report on social responsibility

Corporate social responsibility has always been an integral part of the way ESVAGT operates and is reflected in ESVAGT's core values.

ESVAGT does not have a formalized overall CSR policy, however, has a number of policies providing guidance on what we stand for as a company. They govern how we act and engage with our customers, colleagues, suppliers and the community. These policies are applicable to all employees and described in our ESVAGT management system manual.

ESVAGT is committed in working with all our partners to ensure that they acknowledge our values and share our commitment to conduct business in an ethical, legal and socially responsible manner. We strive to continually improve within the areas of human rights, labour standards, the environment and to work against any form of corruption.

## MANAGEMENT'S REVIEW

We strongly believe that implementing a 'Code of Conduct' towards our partners and in our supply chain has created value for all parties and this is a step to establish a long-term sustainable relationship. Our Code of Conduct complies with the UN Global Compact and our respect for universally recognized normative standards such as the United Nations Universal Declaration of Human Rights and the core labour conventions of the International Labour Organization.

During 2015 ESVAGT continued our routinely screening and audits of suppliers in respect of our Code of Conduct. The audits did not result in any material findings other than opportunities for improvement.

Environmental improvements and being environmentally conscious are continuous focus areas for ESVAGT. Both in terms of our services towards customers, where oil spill recovery and response is an integrated part of ESVAGT's primary services, but also in terms of our operation where continuous environmental improvements are an integral part of our HSEQ programme.

ESVAGT is certified according to ISO 14001 on environmental management.

During 2015 ESVAGT, among other initiatives, performed specific activities to reduce fuel consumption and smoke gas emissions on our vessels and also contracted a new crew change vessel that upon delivery in 2017 will significantly reduce our fuel consumption.

It is our belief that the initiatives that have been implemented in 2015 have made a positive impact on the environment and the surrounding societies in which ESVAGT operates.



## **ACCOUNTING POLICIES**

The financial statements for the consolidated ESVAGT Group and for the parent company have been prepared in accordance with the provisions of the Danish Financial Statements Act applicable to class C (large) companies.

Following the change in ownership during 2015 ESVAGT has chosen to prepare these Financial Statements for both the Consolidated ESVAGT Group and for the Parent Company.

The accounting policies for the 2015 consolidated financial statements for the Group and for the parent company are consistent with those applied for the financial statements for 2014.

### **Consolidation**

The consolidated financial statements comprise ESVAGT A/S (parent company) and subsidiaries controlled by the parent company.

Consolidation is performed by summarising the financial statements of the parent company and its subsidiaries, which have been prepared in accordance with the Group's accounting policies. Intra-group income and expenses, shareholdings, dividends, intra-group balances and gains on intra-group transactions are eliminated. Unrealised losses are eliminated in the same way, unless they indicate impairment.

### **Foreign Currency Translation**

Transactions in other currencies are translated to the exchange rate on the date of transaction. Monetary items in foreign currency not settled by the balance sheet date are translated to the exchange rate on the balance sheet date. Foreign exchange gains and losses are included in the income statement as financial income and expenses.

### **Derivatives**

Derivative financial instruments are recognised on the trading date and measured at fair value using generally acknowledged valuation techniques based on relevant observable curves and exchange rates.

The effective portion of changes in the value of derivative financial instruments designated to hedge future transactions is recognised under equity until the hedged transactions are realised. At that time, the cumulated gains/losses are transferred to the items under which the hedged transactions are recognised. The effective portion of changes in the value of derivative financial instruments used to hedge the value of recognised financial assets and liabilities is recognised in the income statement together with changes in the fair value of the hedged assets or liabilities which can be attributed to the hedging relationship. The ineffective portion of hedge transactions which do not qualify for hedge accounting are recognised in the income statement as financial income or expenses for interest and currency based instruments.

## **INCOME STATEMENT**

### **Revenue**

Revenue is recognised on time of delivery of services and goods sold.

### **Other external costs**

External costs comprise repair and maintenance, stores, vessel fuel, training and travel costs, marketing, administration costs, premises, cost to cover losses on trade receivables, operational lease costs etc.

### **Staff expenses**

Staff expenses include wages and salaries and salary related costs.

### **Financial items**

Financial items include interest income and cost and currency gains and losses.

## ACCOUNTING POLICIES

### Tax

Tax includes the amount expected to be paid for the year plus adjustment concerning previous years and deferred tax. The amount includes Danish and foreign taxation.

The Group's vessels activities are included in the tonnage taxation scheme.

### BALANCE SHEET

#### Intangible fixed assets

Development expenses comprise engineer costs related to specific development projects of ESVAGT's Fast Rescue Boats and Safe Transfer Boats. Development expenses are capitalized when development projects imply a technical and/or operational advantage for ESVAGT and where the financial net present value of these projects exceeds the development expenses.

Intangible fixed assets are measured at cost less of accumulated depreciation and impairment losses.

Depreciation to estimated residual value is recognised in the income statement on a straight-line basis over the useful life, which is:

Development expenses	3 years
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#### Tangible fixed assets

Tangible fixed assets are measured at cost less of accumulated depreciation and impairment losses.

Depreciation to estimated residual value is recognised in the income statement on a straight-line basis over the useful life, which is:

Premises on leased land	20-30 years
Vessels	up to 25 years
Docking costs	2½-5 years
Other operating equipment and fixtures etc	3-5 years

New build vessels are depreciated over 25 years. Used vessels are depreciated over a shorter period based on the vessel age upon time of purchase. Charter contract related upgrades and other improvements are depreciated over expected useful life of 3-5 years.

Expenses for docking of vessels are recognised when incurred in the carrying amount of vessels and depreciated over the period until next docking.

Borrowing costs from specific as well as general borrowing directly related to assets with a long production period are attributed to cost during the period of construction.

#### Lease contracts

Lease contracts related to tangible assets where the Group holds all significant risks and benefits to the underlying asset (financial lease) are recognised in the balance sheet at discounted value of the contractual lease payments.

Assets held under finance leases are treated as tangible fixed assets.

All other lease contracts are treated as operational lease. Payments related to operational leases are recognised in the income statement over the contract period.

#### Impairment

Estimate of useful life and residual value is regularly reassessed. Impairment losses are recognised when the carrying amount of an asset exceeds the highest of estimated value in use and fair value less the cost of disposal.

## **ACCOUNTING POLICIES**

### **Investments in subsidiaries**

#### *Income statement*

A pro rate share of the result from subsidiaries is recognised in the income statement. Internal gains and losses are eliminated.

#### *Balance sheet*

Investments in subsidiaries are measured at pro rate share of the subsidiaries' equity in accordance with the accounting policies of the parent company. Adjustments are made for unrealized group internal gains and losses and for remaining value of positive or negative goodwill.

### **Inventories**

Inventories are measured at cost according to the FIFO method. Writedown is made to a possibly lower net realisable value.

### **Receivables**

Receivables are generally recognised at nominal value. Provisions for bad debts are made based on specific assessment.

### **Prepayments**

Prepayments include expenses incurred in respect of subsequent financial years, such prepaid insurance, subscriptions etc.

### **Equity**

Dividend for distribution is recognised as a separate component of equity.

### **Deferred tax**

Deferred tax is calculated on the basis of differences between the carrying amount and the tax base of assets and liabilities.

### **Provisions**

Provisions are recognised when the Group has a current legal or constructive obligation. Provisions are recognised on the basis of specific estimates.

### **Financial liabilities**

Financial liabilities are initially recognised at the proceeds received. Any premium or discount is amortised over the term of the liabilities.

### **Received prepayments**

Received prepayments comprises income related to subsequent periods.

### **Cash flow statement**

Cash flow for the year is divided into cash flow from operating activities, cash flow used for investing activities and cash flow from financing activities. Cash and cash equivalents comprise cash and bank balances.

### **Segmental specifications**

Segmental specifications are given for the Group's revenue on its primary markets.



## INCOME STATEMENT

(DKK'000)	Note	Group		Parent company	
		2015	2014	2015	2014
<b>Revenue</b>	1	<b>1.001.811</b>	<b>946.486</b>	<b>998.302</b>	<b>943.165</b>
Other income		5.578	12.095	5.578	12.095
Other external costs		-215.650	-211.048	-214.300	-209.427
		791.739	747.533	789.580	745.833
Staff expenses	2	-351.648	-318.157	-350.917	-318.157
<b>Profit before depreciations</b>		<b>440.091</b>	<b>429.376</b>	<b>438.663</b>	<b>427.676</b>
Depreciations	4	-192.635	-147.583	-192.635	-147.583
<b>Profit before financial items</b>		<b>247.456</b>	<b>281.793</b>	<b>246.028</b>	<b>280.093</b>
Income from subsidiaries	5	0	0	1.879	1.268
Financial income	3	21.368	5.203	21.368	5.055
Financial expenses	3	-85.972	-27.473	-86.234	-27.432
<b>Profit before tax</b>		<b>182.852</b>	<b>259.523</b>	<b>183.041</b>	<b>258.984</b>
Tax	6	9.257	-7.011	9.032	-6.702
<b>Profit before minority shareholders</b>		<b>192.109</b>	<b>252.512</b>	<b>192.073</b>	<b>252.282</b>
Minority shareholders share of net result		-36	-230	0	0
<b>Profit for the year</b>		<b>192.073</b>	<b>252.282</b>	<b>192.073</b>	<b>252.282</b>

### DISTRIBUTION OF PROFIT FOR THE YEAR

Proposed distribution of profit

Dividend	0	0	0	0
Retained earnings	192.073	252.282	192.073	252.282
<b>TOTAL DISTRIBUTION</b>	<b>192.073</b>	<b>252.282</b>	<b>192.073</b>	<b>252.282</b>

## BALANCE SHEET

(DKK'000)	Note	Group		Parent company	
		2015	2014	2015	2014
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
<b>INTANGIBLE ASSETS</b>					
Development expenses	4	1.071	0	1.071	0
		<u>1.071</u>	<u>0</u>	<u>1.071</u>	<u>0</u>
<b>TANGIBLE FIXED ASSETS</b>					
Vessels	4	2.842.726	2.114.322	2.842.726	2.114.322
Other operating equipment and fixtures etc.		4.313	6.745	4.313	6.746
Buildings on leased land		55.602	39.735	55.602	39.733
Prepayments for tangible assets		137.871	320.996	137.871	320.996
		<u>3.040.512</u>	<u>2.481.798</u>	<u>3.040.512</u>	<u>2.481.797</u>
<b>FIXED ASSET INVESTMENTS</b>					
Investment in subsidiaries	5	0	0	9.538	7.584
Other securities	5	0	500	0	500
Derivatives, non-current	5	0	1.637	0	1.637
		<u>0</u>	<u>2.137</u>	<u>9.538</u>	<u>9.721</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>3.041.583</u></b>	<b><u>2.483.935</u></b>	<b><u>3.051.121</u></b>	<b><u>2.491.518</u></b>
<b>CURRENT ASSETS</b>					
<b>INVENTORIES</b>					
Bunkers and other consumables		7.422	7.258	7.422	7.258
		<u>7.422</u>	<u>7.258</u>	<u>7.422</u>	<u>7.258</u>
<b>RECEIVABLES</b>					
Trade receivables		120.596	111.891	100.231	65.860
Trade receivables from group companies		0	0	17.590	47.089
Corporation tax, receivable	6	5.472	0	5.472	0
Other receivables		11.572	7.918	10.830	7.200
Prepayments		7.146	1.819	7.146	1.818
		<u>144.786</u>	<u>121.628</u>	<u>141.269</u>	<u>121.967</u>
<b>Cash and bank balances</b>		<b>148.960</b>	<b>8.428</b>	<b>148.198</b>	<b>5.554</b>
<b>TOTAL CURRENT ASSETS</b>		<b><u>301.168</u></b>	<b><u>137.314</u></b>	<b><u>296.889</u></b>	<b><u>134.779</u></b>
<b>TOTAL ASSETS</b>		<b><u>3.342.751</u></b>	<b><u>2.621.249</u></b>	<b><u>3.348.010</u></b>	<b><u>2.626.297</u></b>

## BALANCE SHEET

(DKK'000)	Note	Group		Parent company	
		2015	2014	2015	2014
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital		1.500	1.500	1.500	1.500
Retained earnings		1.187.046	1.293.250	1.187.046	1.293.250
		<u>1.188.546</u>	<u>1.294.750</u>	<u>1.188.546</u>	<u>1.294.750</u>
<b>Minority shareholders</b>		635	599	0	0
<b>PROVISIONS</b>					
Deferred tax	6	93	721	20	613
<b>NON-CURRENT LIABILITIES</b>					
Bank and other credit institutions	7	1.982.539	987.189	1.982.539	987.189
Financial lease debt	7	15.238	0	15.238	0
Derivatives, non-current		16.026	8.501	16.026	8.501
		<u>2.013.803</u>	<u>995.690</u>	<u>2.013.803</u>	<u>995.690</u>
<b>CURRENT LIABILITIES</b>					
Short term part of non-current debt	7	4.382	92.681	4.382	92.681
Trade payables		50.259	109.319	49.798	106.644
Received prepayments		13.599	0	13.599	0
Payables to group companies		0	51.062	6.497	59.847
Corporation tax, payable	6	58	730	0	391
Derivatives, current		4.325	17.584	4.325	17.584
Other payables		67.051	58.113	67.040	58.097
		<u>139.674</u>	<u>329.489</u>	<u>145.641</u>	<u>335.244</u>
<b>TOTAL LIABILITIES</b>		<u>2.153.477</u>	<u>1.325.179</u>	<u>2.159.444</u>	<u>1.330.934</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>3.342.751</u>	<u>2.621.249</u>	<u>3.348.010</u>	<u>2.626.297</u>
Other financial commitments	8				
Hedging	9				
Auditor's fees	10				
Related parties	11				

## CASH FLOW STATEMENT

(DKK'000)	Note	Group		Parent company	
		2015	2014	2015	2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Profit before depreciations		440.091	429.376	438.663	427.676
Other income		-5.578	-12.095	-5.578	-12.095
Change in working capital	12	-2.944	22.468	692	21.867
Net financial expenses paid		-60.624	-24.706	-60.875	-24.666
Taxes paid/received		-376	-3.756	-264	-3.678
		<b>370.568</b>	<b>411.287</b>	<b>372.638</b>	<b>409.104</b>
<b>CASH FLOW USED FOR INVESTING ACTIVITIES</b>					
Investments in intangible and tangible fixed assets		-752.818	-331.990	-752.818	-331.990
Investments in financial fixed assets		0	-500	0	-500
Change in payables related to investing activities		-52.980	56.269	-52.980	56.269
Sale of intangible and tangible fixed assets		6.475	14.110	6.475	14.110
		<b>-799.323</b>	<b>-262.111</b>	<b>-799.323</b>	<b>-262.111</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Proceeds from long term borrowings		2.472.797	0	2.472.797	0
Repayment of long term borrowings		-1.550.508	-134.876	-1.550.508	-134.876
Change in loans from group companies		-53.519	-31.140	-53.350	-30.919
Dividend paid during the year		-299.610	0	-299.610	0
		<b>569.160</b>	<b>-166.016</b>	<b>569.329</b>	<b>-165.795</b>
<b>NET CASH FLOW FOR THE YEAR</b>		<b>140.405</b>	<b>-16.840</b>	<b>142.644</b>	<b>-18.802</b>
Cash and cash equivalents 1 January		8.428	25.204	5.554	24.356
Currency translation effect		127	64	0	0
<b>CASH AND CASH EQUIVALENTS 31 DECEMBER</b>		<b>148.960</b>	<b>8.428</b>	<b>148.198</b>	<b>5.554</b>

Information in the cash flow statement can not directly be calculated from the profit & loss, balance sheet and notes.

## STATEMENT OF CHANGES IN EQUITY

(DKK'000)

Group	Share capital	Retained earnings	Dividends	Total equity
<b>2015</b>				
Equity 1 January 2015	1.500	1.293.250	0	1.294.750
Transfer	0	-299.610	299.610	0
Dividend paid during the year	0	0	-299.610	-299.610
Cash flow hedges	0	1.258	0	1.258
Exchange rate adjustments of subsidiaries	0	75	0	75
Profit for the year	0	192.073	0	192.073
<b>Equity 31 December 2015</b>	<b>1.500</b>	<b>1.187.046</b>	<b>0</b>	<b>1.188.546</b>

<b>2014</b>				
Equity 1 January 2014	1.500	1.053.239	0	1.054.739
Cash flow hedges	0	-12.292	0	-12.292
Exchange rate adjustments of subsidiaries	0	21	0	21
Profit for the year	0	252.282	0	252.282
<b>Equity 31 December 2014</b>	<b>1.500</b>	<b>1.293.250</b>	<b>0</b>	<b>1.294.750</b>

Parent company	Share capital	Retained earnings	Dividends	Total equity
<b>2015</b>				
Equity 1 January 2015	1.500	1.293.250	0	1.294.750
Transfer	0	-299.610	299.610	0
Dividend paid during the year	0	0	-299.610	-299.610
Cash flow hedges	0	1.258	0	1.258
Exchange rate adjustments of subsidiaries	0	75	0	75
Profit for the year	0	192.073	0	192.073
<b>Equity 31 December 2015</b>	<b>1.500</b>	<b>1.187.046</b>	<b>0</b>	<b>1.188.546</b>

<b>2014</b>				
Equity 1 January 2014	1.500	1.053.239	0	1.054.739
Cash flow hedges	0	-12.292	0	-12.292
Exchange rate adjustments of subsidiaries	0	21	0	21
Profit for the year	0	252.282	0	252.282
<b>Equity 31 December 2014</b>	<b>1.500</b>	<b>1.293.250</b>	<b>0</b>	<b>1.294.750</b>

	2015	2014
The share capital is divided into:		
100.000 DKK, 12 shares	1.200	1.200
30.000 DKK, 6 shares	180	180
15.000 DKK, 2 shares	30	30
10.000 DKK, 9 shares	90	90
	<b>1.500</b>	<b>1.500</b>

No changes to share capital occurred during the last 4 years.



## NOTES

(DKK'000)

	Group		Parent company	
	2015	2014	2015	2014
<b>1 REVENUE</b>				
Vessel related activities in the North Sea	989.336	870.149	987.181	868.479
Vessel related activities in other areas	4.227	66.934	4.227	66.934
Other activities	8.248	9.403	6.894	7.752
	<u>1.001.811</u>	<u>946.486</u>	<u>998.302</u>	<u>943.165</u>
<b>2 STAFF EXPENSES</b>				
The staff costs are specified as follows:				
Salaries and remunerations	330.290	297.252	329.559	297.252
Pension costs	16.585	15.143	16.585	15.143
Other social security contributions	4.773	5.762	4.773	5.762
	<u>351.648</u>	<u>318.157</u>	<u>350.917</u>	<u>318.157</u>
Salary and remuneration to Management and Board of Directors	4.138	2.884	4.138	2.884
Average number of employees	902	807	901	807
<b>3 FINANCIAL ITEMS</b>				
Financial income:				
Exchange rate gains and currency adjustments	21.368	5.203	21.368	5.055
	<u>21.368</u>	<u>5.203</u>	<u>21.368</u>	<u>5.055</u>
Financial expenses:				
Interest costs to group related companies	-1.521	-2.809	-1.913	-2.809
Interest costs and other financial costs	-38.547	-21.673	-38.566	-21.632
Exchange rate losses and currency adjustments	-551	-2.991	-402	-2.991
Other financial expenses	-45.353	0	-45.353	0
	<u>-85.972</u>	<u>-27.473</u>	<u>-86.234</u>	<u>-27.432</u>

Other financial expenses of DKK 45.353 cover breakage costs from settlement of loans and loss from settlement of hedging contracts occurred upon the change in ownership of ESVAGT.



## NOTES

(DKK'000)

### 4 INTANGIBLE & TANGIBLE FIXED ASSETS

Group	Intangible	Tangible Fixed Assets			
	Fixed Assets		Other operating equipment and fixtures etc	Buildings on leased land	Pre-payments
	Development expenses	Vessels			
Cost as of 1 January 2015	0	3.145.291	22.062	46.465	320.996
Addition during the year	1.331	0	325	32	751.130
Disposal during the year	0	0	0	-3.894	
Transfer	0	915.551	0	18.704	-934.255
Cost as of 31 December 2015	1.331	4.060.842	22.387	61.307	137.871
Depreciation as of 1 January 2015	0	1.030.969	15.316	6.732	0
Disposal during the year	0	0	0	-3.497	0
Depreciation for the year	260	187.147	2.758	2.470	0
Depreciation as of 31 December 2015	260	1.218.116	18.074	5.705	0
Carrying amount as of 31 December 2015	1.071	2.842.726	4.313	55.602	137.871
Of which leased	0	19.298	0	0	0

Carrying amount of amortized borrowing costs included in tangible fixed assets is DKK 33,406t (2014: DKK 25,021t).

Parent company	Intangible	Tangible Fixed Assets			
	Fixed Assets		Other operating equipment and fixtures etc	Buildings on leased land	Pre-payments
	Development expenses	Vessels			
Cost as of 1 January 2015	0	3.040.312	22.062	46.465	320.996
Addition during the year	1.331	0	325	32	751.130
Disposal during the year	0	0	0	-3.894	
Transfer	0	915.551	0	18.704	-934.255
Cost as of 31 December 2015	1.331	3.955.863	22.387	61.307	137.871
Depreciation as of 1 January 2015	0	925.990	15.316	6.732	0
Disposal during the year	0	0	0	-3.497	0
Depreciation for the year	260	187.147	2.758	2.470	0
Depreciation as of 31 December 2015	260	1.113.137	18.074	5.705	0
Carrying amount as of 31 December 2015	1.071	2.842.726	4.313	55.602	137.871
Of which leased	0	19.298	0	0	0

Carrying amount of amortized borrowing costs included in tangible fixed assets is DKK 33,406t (2014: DKK 25,021t).

## NOTES

(DKK'000)

### 5 FIXED ASSET INVESTMENTS

	Group		Parent company	
	Other Securities	Investment in subsidiaries	Other Securities	
Cost as of 1 January 2015	500	186.638	500	
Addition during the year	0	0	0	
Disposal during the year	-500	0	-500	
Cost as of 31 December 2015	0	186.638	0	
Net adjustment as of 1 January 2015	0	-179.054	0	
Share in subsidiaries' net result for the year	0	1.879	0	
Exchange rate adjustments	0	75	0	
Net adjustment as of 31 December 2015	0	-177.100	0	
Carrying amount as of 31 December 2015	0	9.538	0	

Investments in subsidiaries comprise:  
 ESVAGT Holdings Limited, Great Britain (100%)  
 ESVAGT UK Limited, Great Britain (100%)  
 ESVAGT Norge AS, Norway (100%)  
 P/F ESVAGT - THOR, Faroe Islands (51%)

### 6 TAX

Group	Tax in Income Statement	Corporation Tax, receivable	Deferred tax provision	Corporation Tax, payable
1 January 2015		0	-721	-730
Currency adjustments	0	0	6	-27
Tax from previous years paid during the year	0	0	0	376
Adjustment to previous years	464	0	0	464
Adjustment to deferred tax	622	0	622	0
Adjustment to withholding tax previous years	-88	0	0	-88
Tax for 2015, through income statement	8.259	8.312	0	-53
Tax for 2015, through equity, related to hedging contracts	0	-2.840	0	0
31 December 2015	9.257	5.472	-93	-58

Parent company	Tax in Income Statement	Corporation Tax, receivable	Deferred tax provision	Corporation Tax, payable
1 January 2015		0	-613	-391
Tax from previous years paid during the year	0	0	0	264
Adjustment to previous years	215	0	0	215
Adjustment to deferred tax	593	0	593	0
Adjustment to withholding tax previous years	-88	0	0	-88
Tax for 2015, through income statement	8.312	8.312	0	0
Tax for 2015, through equity, related to hedging contracts	0	-2.840	0	0
31 December 2015	9.032	5.472	-20	0

ESVAGT's activities are primarily subject to taxation under the Danish Tonnage Taxation Legislation. Tax may materialize if the Company leaves the tonnage tax regime.

Deferred tax relates to tangible fixed assets not covered by tonnage taxation activities.

The parent company ESVAGT A/S was part of national joint taxation in Denmark with A.P. Møller - Mærsk A/S until 17 September 2015 and is jointly liable with other Danish companies within the A.P. Møller - Mærsk Group for corporate and withholding taxes to Denmark.

For the period after 17 September 2015 ESVAGT A/S is part of national joint taxation in Denmark with ERRV Holding ApS and is jointly liable with other Danish companies owned by ERRV Holding ApS.

## NOTES

(DKK'000)

### 7 BANK AND OTHER CREDIT INSTITUTIONS

	Group		Parent company	
	2015	2014	2015	2014
<b>Bank and other credit institutions</b>				
Due within 1 year	0	92.681	0	92.681
Due within 2-5 years	1.982.539	353.243	1.982.539	353.243
Due after 5 years	0	633.946	0	633.946
	<u>1.982.539</u>	<u>1.079.870</u>	<u>1.982.539</u>	<u>1.079.870</u>
<b>Financial lease debt</b>				
Due within 1 year	4.382	0	4.382	0
Due within 2-5 years	15.238	0	15.238	0
Due after 5 years	0	0	0	0
	<u>19.620</u>	<u>0</u>	<u>19.620</u>	<u>0</u>

### 8 OTHER FINANCIAL COMMITMENTS

	Group		Parent company	
	2015	2014	2015	2014
<b>Bank loans secured in vessels</b>				
Bank and other credit institutions - amount secured	2.000.000	1.527.246	2.000.000	1.527.246
Carrying amount of vessels provided as security	2.712.318	1.585.254	2.712.318	1.585.254
<b>Lease commitments</b>				
Lease of land	239	292	239	292
Operational lease of cars etc	1.301	308	1.301	308

Lease commitments for lease of land has a contractual duration of up to 30 years. ESVAGT can terminate the contracts with a 6 months notice, which is reflected in the above commitment of DKK 239.

### 9 HEDGING

The company enters into exchange rate contracts in order for hedging of revenue and vessels under construction, and into interest rate contracts to cover part of the company's long term financing of tangible assets.

The market value of exchange rate and interest rate contracts for hedging of future cash flows is as follows:

	Group		Parent company	
	2015	2014	2015	2014
Financial fixed asset - gain on contracts above 1 year	0	1.637	0	1.637
Liabilities, non-current - loss on contracts above 1 year	-16.026	-8.501	-16.026	-8.501
Liabilities, current - loss on contracts less than 1 year	-4.325	-17.584	-4.325	-17.584
	<u>-20.351</u>	<u>-24.448</u>	<u>-20.351</u>	<u>-24.448</u>

Hedging contracts cover 90% of ESVAGT's interest risk on loans with bank and other credit institutions on 31 December 2015.

### 10 AUDITOR'S FEES

Fees paid to the auditor appointed by the General Assembly, PriceWaterhouseCoopers

Statutory audit	203	239	203	239
Other assurance services	150	25	150	25
Tax and VAT services	264	245	264	245
Other services	0	0	0	0
	<u>617</u>	<u>509</u>	<u>617</u>	<u>509</u>

## NOTES

### 11 RELATED PARTIES

Shareholders, with more than 5% ownership according to the Danish Companies Act provision 55 :  
ERRV Aps, Østergade 1, 2nd floor, 1100 Copenhagen, Denmark.

The ultimate parent company is ERRV Luxembourg Holdings S.à.r.l., Luxembourg.

The Company is included in the consolidated accounts for :  
ERRV Holding ApS, Østergade 1, 2nd floor, 1100 Copenhagen, Denmark  
ERRV Aps, Østergade 1, 2nd floor, 1100 Copenhagen, Denmark.

ESVAGT was part of the A.P. Moller - Maersk Group until 17 September 2015. ESVAGT has provided emergency response and rescue and other services to companies in A.P. Moller - Maersk Group throughout 2015, and has purchased various services from companies in the A.P. Moller - Maersk Group up until 17 September 2015.

### 12 CASH FLOW STATEMENT - CHANGE IN WORKING CAPITAL

	Group		Parent company	
	2015	2014	2015	2014
Change in inventories	-164	-1.648	-164	-1.648
Change in trade receivables and group trade receivables	-8.754	20.372	-4.872	18.231
Change in other receivables and prepayments	-8.952	-137	-8.958	580
Change in trade payables, excl. payables related to fixed assets	-3.548	6.371	-3.866	7.333
Change in other payables	4.674	-6.369	4.692	-6.360
Change in recieved prepayments	13.599	0	13.600	0
Exchange gains and losses on working capital	260	3.879	260	3.731
	<u>-2.944</u>	<u>22.468</u>	<u>692</u>	<u>21.867</u>