

Damco International A/S

Esplanaden 50, 1263 Copenhagen K

CVR no. 31 47 66 58

Annual report 2017

Approved at the Company's annual general meeting on 23 May 2018

Chairman:

DocuSigned by:



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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Damco International A/S for the financial year 1 January - 31 December 2017.

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 of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 23 May 2018
Executive Board:

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Board of Directors:

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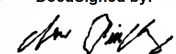
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Klaus Rud Sejling

Independent auditor's report

To the shareholders of Damco International 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 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act

We have audited the Financial Statements of Damco International A/S for the financial year 1 January - 31 December 2017, which comprise 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 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the 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 as to 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 note 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.

Copenhagen, 23 May 2018
PricewaterhouseCoopers
Statsautoriseret revisionspartnerselskab
CVR no. 33 77 12 31



Gert Fisker Tomczyk
State Authorised Public Accountant
mne9777



Rune Kjeldsen
State Authorised Public Accountant
mne34160

Management's review

Company details

Name	Damco International A/S
Address, Postal code, City	Esplanaden 50, 1263 Copenhagen K
CVR no.	31 47 66 58
Established	29 May 2008
Registered office	København K
Financial year	1 January - 31 December
Website	www.damco.com
Telephone	+45 33 47 66 58
Board of Directors	Vincent Clerc, Chairman Pierre Yves Emmanuel Danet Kasper Mahon Andreasen Anne Pindborg Klaus Rud Sejling
Executive Board	Klaus Rud Sejling
Auditors	PricewaterhouseCoopers Statsautoriseret revisionspartnerselskab Strandvejen 44, 2900 Hellerup

Management's review

Financial highlights

USD'000	2017	2016	2015	2014*	2013*
Key figures					
Revenue	32,807	29,626	46,674	110,287	124,193
Gross margin	901	5,407	6,886	15,654	18,385
Operating profit/loss	155	669	238	1,096	-159
Profit/loss before tax	-4,360	11,784	11,904	-376,042	-17,185
Profit/loss for the year	-4,940	12,381	13,730	-373,831	-12,852
Balance sheet					
Fixed assets	980,806	981,455	975,794	546,890	450,558
Non-fixed assets	227,689	127,382	118,229	294,659	221,416
Total assets	1,208,495	1,108,837	1,094,023	841,549	671,974
Share capital	19,444	19,444	19,444	19,444	19,097
Equity	695,602	700,542	688,161	262,031	140,574
Provisions	796	1,005	1,397	713	17,950
Current liabilities other than provisions	412,097	307,290	304,465	478,806	313,450
Financial ratios					
Operating margin	0.5%	2.3%	0.5%	1.0%	-0.1%
Current ratio	55.3%	41.5%	38.8%	61.5%	70.6%
Solvency ratio	57.6%	63.2%	62.9%	31.1%	20.9%
Return on equity	-0.7%	1.8%	2.9%	-185.7%	-8.7%
Other					
Average number of employees	4	13	39	89	104

For terms and definitions of financial ratios, please see the accounting policies.

**Comparative figures for 2013 - 2014 have not been adjusted to the material misstatement corrected in the opening equity 1 January 2015.*

Management's review

Business review

The Company serve as the parent legal entity of the global logistics activities. The Company manages the daily operation of Damco's IT applications.

Financial review

In 2017, the Company's revenue amounted to USD 32,807 thousand against USD 29,626 thousand last year. The income statement for 2017 shows a loss of USD 4,940 thousand against a profit of USD 12,381 thousand last year, and the balance sheet at 31 December 2017 shows equity of USD 695,602 thousand. In the annual report for 2016, Management expected a net result, adjusted for impairment adjustment, at the same level in 2017 as for 2016. Management considers the Company's financial performance in the year satisfactory. EBIT is in line with expectations where net results are negatively impacted by foreign exchange results which the company considers unforeseeable.

Statutory CSR report

The Company has not drawn up any CSR report, as the parent company has done so for the entire Group. The report is rendered in the parent company's annual report and may be downloaded from the site <http://www.maersk.com/en/the-maersk-group/sustainability>.

Account of the gender composition of Management

In April 2013, The board adopted objectives for the diversity of the Company's board members appointed at the general meeting with respect to the under-represented gender.

The Board believes that its members should be elected on the basis of their combined qualifications and at the same time recognises the advantages of a Board comprising a wide range of backgrounds such as global experience, style, culture and gender.

On the basis of this ambition, the board has defined an objective to increase the share of the under-represented gender in the Board to account for at least 40% of the Board members appointed at the general meeting within the year 2022.

At the board meeting at A.P. Møller - Mærsk A/S on 21 February 2013, a group policy was adopted to increase the share of the under-represented gender in the Company's other management levels (Link to policy: <http://www.maersk.com/documents/diversity-and-inclusion-programme.pdf>). In accordance with this policy, Damco international A/S has taken steps to look into how the Company can attract qualified women to relevant management positions. In addition, this is a focus area when identifying candidates to key positions.

During the year the company has launched several awareness training programs that aim to inform and encourage gender equality in the workplace.

Due to a recent addition to the number of Board members, the target gender diversity is no longer met. The company will continue to strive towards the targeted diversity.

Outlook

Management expects that the net result in 2018, will come out at the same level as for 2017.

Financial statements 1 January - 31 December

Income statement

Note	USD'000	2017	2016
2	Revenue	32,807	29,626
	Other external expenses	-31,906	-24,219
	Gross margin	901	5,407
3	Staff costs	-746	-4,738
	Profit before net financials	155	669
	Income from investments in group enterprises	8,944	15,267
4	Financial income	15,058	10,179
5	Financial expenses	-28,517	-14,331
	Profit/loss before tax	-4,360	11,784
6	Tax for the year	33	562
	Other taxes	-613	35
	Profit/loss for the year	-4,940	12,381

Financial statements 1 January - 31 December

Balance sheet

Note	USD'000	<u>2017</u>	<u>2016</u>
	ASSETS		
	Fixed assets		
7	Investments		
	Investments in subsidiaries	980,548	981,197
	Other investments	<u>258</u>	<u>258</u>
		<u>980,806</u>	<u>981,455</u>
	Total fixed assets	<u>980,806</u>	<u>981,455</u>
	Non-fixed assets		
	Receivables		
	Trade receivables	0	4
	Receivables from group enterprises	225,516	125,542
8	Deferred tax assets	150	150
	Corporation tax receivable	857	797
	Joint taxation contribution receivable	1,166	874
9	Prepayments	<u>0</u>	<u>14</u>
		<u>227,689</u>	<u>127,381</u>
	Cash	<u>0</u>	<u>1</u>
	Total non-fixed assets	<u>227,689</u>	<u>127,382</u>
	TOTAL ASSETS	<u><u>1,208,495</u></u>	<u><u>1,108,837</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	USD'000	2017	2016
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	19,444	19,444
	Retained earnings	676,158	681,098
	Total equity	695,602	700,542
	Provisions		
11	Other provisions	796	1,005
	Total provisions	796	1,005
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Payables to group enterprises	100,000	100,000
		100,000	100,000
	Current liabilities other than provisions		
	Trade payables	1,113	1,238
	Payables to group enterprises	410,849	305,768
	Other payables	135	284
		412,097	307,290
	Total liabilities other than provisions	512,097	407,290
	TOTAL EQUITY AND LIABILITIES	1,208,495	1,108,837

- 1 Accounting policies
- 12 Contractual obligations and contingencies, etc.
- 13 Related parties
- 14 Fee to the auditors appointed by the Company in general meeting

Financial statements 1 January - 31 December

Statement of changes in equity

USD'000	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	19,444	681,098	700,542
15 Transfer, see "Appropriation of profit/loss"	0	-4,940	-4,940
Equity at 31 December 2017	<u>19,444</u>	<u>676,158</u>	<u>695,602</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Damco International A/S for 2017 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The consolidated financial statement are reflected for the higher ranking parent company A.P. Møller - Mærsk A/S, CVR-no. 22 75 62 14, Copenhagen.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company A.P. Møller - Mærsk A/S, CVR-no. 22 75 62 14, Copenhagen.

Reporting currency

The income and costs of the Company and its subsidiaries are mainly in USD and based on this Management concludes that USD is the Company's functional and reporting currency. The annual report is presented in USD in accordance with section 16(2) of the Danish Financial Statements Act. At 31 December 2017, the exchange rate was 620.77 DKK/USD (2016: 705.50 DKK/USD). The average exchange rate in 2017 was 659.53 DKK/USD (2016: 672.60 DKK/USD).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income comprises of management fees from management of global IT applications and support functions.

Other external expenses

Other external expenses comprise costs for operations of IT systems and support functions and reservation for bad debts.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Income from investments in subsidiaries

The item includes dividend received from subsidiaries in so far as the dividend does not exceed the accumulated earnings in the subsidiary in the period of ownership.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries and other investments

Investments in subsidiaries and other investments are measured at cost or lower recoverable value (the higher of the estimated value in use and fair value less cost of disposal). For subsidiaries and other investments acquired from other entities controlled by the ultimate parent company, A.P. Møller Holding A/S, the excess between the consideration paid and the fair value is recognised directly in equity.

Impairment of fixed assets

The carrying amount of investments in subsidiaries is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$

Financial statements 1 January - 31 December

Notes to the financial statements

2 Segment information

The Company's activities and markets do not deviate. Therefore, no segment regarding the revenue is disclosed.

USD'000	2017	2016
3 Staff costs		
Wages/salaries	675	4,616
Pensions	57	118
Other social security costs	14	4
	<u>746</u>	<u>4,738</u>
Average number of full-time employees	<u>4</u>	<u>13</u>

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

The Company has no direct employees, as all the employees working with the Company's activities are employed by Rederiet A.P. Møller A/S or other group entities.

For comparability to other entities, it has been decided to disclose staff related costs and the number of employees working with the Company's activities.

4 Financial income		
Interest receivable, group entities	12,509	3,841
Exchange gain	2,549	6,338
	<u>15,058</u>	<u>10,179</u>
5 Financial expenses		
Interest expenses, group entities	15,524	10,425
Other interest expenses	604	995
Exchange losses	12,330	2,874
Other financial expenses	59	37
	<u>28,517</u>	<u>14,331</u>
6 Tax for the year		
Estimated tax charge for the year	-2,342	-920
Deferred tax adjustments in the year	0	-150
Tax adjustments, prior years	2,309	508
	<u>-33</u>	<u>-562</u>

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments

USD'000	Investments in Subsidiaries	Other investments	Total
Cost at 1 January 2017	1,018,887	258	1,019,145
Cost at 31 December 2017	1,018,887	258	1,019,145
Value adjustments at 1 January 2017	-37,690	0	-37,690
Value adjustments for the year	-649	0	-649
Value adjustments at 31 December 2017	-38,339	0	-38,339
Carrying amount at 31 December 2017	980,548	258	980,806

Portion of which is goodwill at 31 December 2017 DKK 56,441 (2016: 56,441).

Name	Domicile	Interest	Equity USD'000	Profit/loss USD'000
Subsidiaries				
Damco Denmark A/S	Denmark	100.00%	3,752	12
Damco A/S	Denmark	100.00%	4,973	4
Damco (Chile) Holding A/S	Denmark	100.00%	4,491	-1
Damco (Brazil) Holding A/S	Denmark	100.00%	4,742	-1
Damco (Saudi) Holding A/S	Denmark	100.00%	67	-1
Damco (Canada) Holding A/S	Denmark	100.00%	67	-1
Damco Spain S.L.	Spain	100.00%	3,736	176
Damco Finland OY	Finland	100.00%	2,152	-5
Damco France S.A.S	France	100.00%	7,186	218
Damco UK Ltd.	United Kingdom	100.00%	14,831	1,093
Damco logistics Hellas SA	Greece	100.00%	-752	-111
Damco Hong Kong Ltd.	Hong Kong	100.00%	58,539	-961
Damco Argentina S.A.	Argentina	95.00%	193	29
Damco Australia Pty. Ltd.	Australia	100.00%	26,050	343
Damco Logistics Bulgaria EOOD	Bulgaria	100.00%	785	-16
Damco (UAE) FZE	UAE	100.00%	5,189	220
Damco Switzerland GmbH	Switzerland	100.00%	2,065	67
Damco Colombia	Colombia	100.00%	176	22
Damco Czech Republic S.R.O.	Czech Republic	100.00%	7,565	290
Damco Germany GmbH	Germany	100.00%	5,149	227
Damco D.O.O.	Croatia	100.00%	533	15
Damco logistics Malaysia Sdn. Bhd.	Malaysia	100.00%	4,472	344
Damco Logistics Services Sdn. Bhd.	Malaysia	100.00%	499	28
Damco netherlands BV	Netherlands	100.00%	14,395	401
Damco New Zealand Ltd.	New Zealand	100.00%	1,126	33
Damco Panama S.A.	Panama	100.00%	-553	24
Damco Philippines, Inc.	Phillippines	100.00%	1,281	176
Damco Pakistan (Pvt) Ltd	Pakistan	100.00%	1,150	570
Damco Poland SP.Z.O.O	Poland	100.00%	8,349	232

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments (continued)

Damco Romania S.r.L.	Romania	100.00%	-213	0
Damco Russia LCC.	Russia	99.00%	1,989	92
Damco Sweden AB	Sweden	100.00%	2,747	273
Damco Hungary KFT	Hungary	100.00%	142	-8
Damco Logistics Ireland Ltd	Ireland	100.00%	3,464	13
Damco Italy S.R.L.	Italy	100.00%	-442	-99
maersk Maroc SA	Morocco	99.50%	0	0
Damco Logistics Madagascar S.A.	Madagascar	100.00%	0	-1
Damco Logistics (Mauritius) Ltd.	Mauritius	100.00%	7,088	58
Damco Logistics Mexico S.A. de C.V.	Mexico	100.00%	1,822	-301
DL Multiservicios SA de CV	Mexico	98.00%	248	191
Damco D.O.O.	Slovenia	100.00%	509	15
Damco Slovakia S.R.O.	Slovakia	99.50%	73	15
APM Global Logistics Bangladesh Ltd.	Bangladesh	95.00%	-3,660	-255
Damco Uluslararası tasimacilik ve Lojistik A.S.	Turkey	99.00%	384	207
Damco taiwan Co., LTD.	Taiwan	100.00%	2,097	280
Damco Ukraine Ltd.	Ukraine	100.00%	-17	2
Damco Logistics Uganda Ltd.	Uganda	100.00%	72,128	574
APM Global Logistics Uruguay S.A.	Uruguay	100.00%	27	0
Damco Eastern Europe A/S	Denmark	100.00%	186	-139
Damco Logistics (Thailand) CO. Ltd.	Thailand	100.00 %	2,408	453
Damco Transport CO., Ltd.	Thailand	100.00%	67	1
Damco USA Inc.	USA	100.00%	72,128	574
Damco Egypt Ltd.	Egypt	99.00%	1,378	22
P.T. Maersk Indonesia	Indonesia	99.00%	4,043	70
Damco Tanzania Limited	Tanzania	99.00%	-200	-94
Damco Logistics Korea Limited	Korea	100.00%	1,583	121
Damco Bel	Belarus	99,01%	387	18
Damco Logistics Mali S.A.	Mali	100.00%	533	194
Damco International B.V.	Netherlands	100.00%	117,802	-46,982
Damco International A/S Jordan LLC	Jordan	100.00%	-500	74
Damco Peru S.A.	Peru	99.90%	966	128
Damco Latin America Sem, S.A.	Panama	100.00%	-246	264
Damco (Angola) Transitarios E agente De Navegação, Lda	Angola	90.00%	-2,310	-2,017
Damco Zambia Limited	Zambia	99.00%	-548	40
Damco China Limited	China	100.00%	59,688	4,426
Damco Logistics Israel Ltd.	Isreal	100.00%	391	73
Damco Logistics Kenya Limited	Kenya	100.00%	2,161	-39
UAB Damco Lithuania	Lithuania	100.00%	46	3
SIA Damco Latvia	Latvia	100.00%	99	-51
Damco Logistics Portugal, Lda.	Portugal	100.00%	4,837	27
Damco Logistics Singapore Pte. Ltd.	Singapore	100.00%	2,104	394

Financial statements 1 January - 31 December

Notes to the financial statements

7 Investments (continued)

Sub-subsidiaries

Network Cargo International				
Pty. Ltd.	Australia	100.00%	6,642	-126
Damco Burkina Faso S.A.	Burkina Faso	75.00%	324	65
APM Global Logistics Benin S.A.	Benin	75.00%	112	108
Maersk Logistics Algeria S.p.A.	Algeria	75.76%	-162	0
Damco Ecuador S.A.	Ecuador	100.00%	288	-23
Damco Logistics Mali S.A.	Mali	100.00%	533	194
Damco Niger S.A.	Niger	74.80%	181	6
Damco Togo S.A.	Togo	100.00%	763	134
Maersk Logistics Warehousing				
China Company Ltd	China	100.00%	70,701	-253
P.T. Damco Indonesia	Indonesia	99.50%	4,043	70
PT Damco warehousing				
indonesia	Indonesia	99.99%	2,129	-16
PT Damco Trucking Indonesia	Indonesia	100.00%	192	4
Damco Logistics L. L. C.	UAE	100.00%	1,841	706
Damco Belgium N.V.	Belgium	100.00%	18,520	146
Damco Logistics Ghana Limited	Ghana	100.00%	1,230	27
Damco India Private Limited	India	100.00%	10,628	-1,184
Damco Distribution Services Inc.	USA	100.00%	31,548	-3,036
Damco Customs Services Inc.	USA	100.00%	6,239	100
Damco Logistics (PTY) LTD.	South Africa	100.00%	6,367	214

Financial statements 1 January - 31 December

Notes to the financial statements

USD'000	<u>2017</u>	<u>2016</u>
8 Deferred tax		
Deferred tax at 1 January	-150	0
Adjustment for the year	<u>0</u>	<u>-150</u>
Deferred tax at 31 December	<u>-150</u>	<u>-150</u>
Deferred tax relates to:		
Provisions	<u>-150</u>	<u>-150</u>
	<u>-150</u>	<u>-150</u>
Analysis of the deferred tax		
Deferred tax assets	<u>-150</u>	<u>-150</u>
	<u>-150</u>	<u>-150</u>

The company expects to utilize the tax asset within the next few years.

Financial statements 1 January - 31 December**Notes to the financial statements****9 Prepayments**

Prepayments include insurance costs paid in advance as well as IT yearly license fees paid in advance.

DKK'000	2017	2016
10 Share capital		
Analysis of the share capital:		
103,000 shares of DKK 1,000.00 nominal value each	103,000	103,000
	103,000	103,000

11 Other provisions

Opening balance at 1 January	1,005	1,397
Provisions utilised in the year	-209	-392
Other provisions at 31 December	796	1,005

The provisions are expected to be payable in:

> 1 year	796	1,005
	796	1,005

Other provisions comprise provisions for claims.

12 Contractual obligations and contingencies, etc.**Other contingent liabilities**

The Company is jointly taxed with all other Danish companies in the A.P. Møller Holding A/S. As a consolidated entity, the Company has unlimited and joint liability together with the other companies under joint taxation for Danish corporation tax and withholding tax on dividends, interest and royalties within the jointly taxed companies.

Financial statements 1 January - 31 December

Notes to the financial statements

13 Related parties

Information about consolidated financial statements

Parent	Domicile
A.P. Møller Holding A/S	Esplanaden 50, 1263 København K
A.P. Møller - Mærsk A/S	Esplanaden 50, 1263 København K

Related party transactions

All transactions with related parties are carried through on normal market terms.

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
A.P. Møller - Mærsk A/S	Esplanaden 50, 1263 København K

14 Fee to the auditors appointed by the Company in general meeting

Audit fees are not disclosed with reference to section 96(3) of the Danish Financial Statements Act. The fee is specified in the consolidated financial statements for A.P. Møller Holding A/S.

USD'000	2017	2016
15 Appropriation of profit/loss		
Recommended appropriation of profit/loss	-4,940	12,381
Retained earnings/accumulated loss	-4,940	12,381