

# Damco International A/S

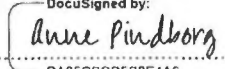
Esplanaden 50, 1263 Copenhagen K

CVR no. 31 47 66 58

## Annual report 2018

Approved at the Company's annual general meeting on 11 June 2019

Chairman:

DocuSigned by:  
  
.....  
Anne Pindborg

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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 2018.

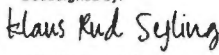
The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018.

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.

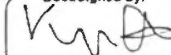
We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 11 June 2019  
Executive Board:

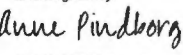
DocuSigned by:  
  
43A293304E1A4F3  
Klaus Rud Sejling  
Director

Board of Directors:

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Vincent Clerc  
Chairman

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Kasper Mahon Andreassen

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Henriette Hallberg  
Thygesen

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Anne Pindborg

## Independent auditor's report

To the shareholder 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 2018, and of the results of the Company's operations for the financial year 1 January - 31 December 2018 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 2018, 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 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, 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 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.

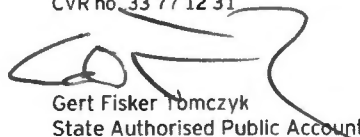
As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

### Independent auditor's report

- 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 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, 11 June 2019  
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	Copenhagen
Financial year	1 January - 31 December
Website	<a href="http://www.damco.com">www.damco.com</a>
Telephone	+45 33 47 66 58
Board of Directors	Vincent Clerc, Chairman Kasper Mahon Andreasen Henriette Hallberg Thygesen Anne Pindborg
Executive Board	Klaus Rud Sejling, Director
Auditors	PricewaterhouseCoopers Statsautoriseret revisionspartnerselskab Strandvejen 44, 2900 Hellerup

## Management's review

## Financial highlights

USD'000	2018	2017	2016	2015	2014
<b>Key figures</b>					
Revenue	36,346	32,807	29,626	46,674	110,287
Gross margin	211	901	5,407	6,886	15,654
Operating profit/loss	-372	155	669	238	1,096
Net financials	-1,433	-13,459	-4,152	-7,385	-8,241
Profit/loss before tax	16,442	-4,360	11,784	11,904	-376,042
<b>Profit/loss for the year</b>	<b>16,768</b>	<b>-4,940</b>	<b>12,381</b>	<b>13,730</b>	<b>-373,831</b>
<b>Balance sheet</b>					
Fixed assets	992,734	980,806	981,455	975,794	546,890
Non-fixed assets	207,100	227,689	127,382	118,229	294,659
<b>Total assets</b>	<b>1,199,834</b>	<b>1,208,495</b>	<b>1,108,837</b>	<b>1,094,023</b>	<b>841,549</b>
Share capital	19,444	19,444	19,444	19,444	19,444
<b>Equity</b>	<b>712,370</b>	<b>695,602</b>	<b>700,542</b>	<b>688,161</b>	<b>262,031</b>
Provisions	736	796	1,005	1,397	713
Current liabilities other than provisions	386,728	412,097	307,290	304,465	478,806
<b>Financial ratios</b>					
Operating margin	-1.0%	0.5%	2.3%	0.5%	1.0%
Current ratio	53.6%	55.3%	41.5%	38.8%	61.5%
Equity ratio	59.4%	57.6%	63.2%	62.9%	31.1%
Return on equity	2.4%	-0.7%	1.8%	2.9%	-185.7%
<b>Average number of employees</b>					
	<b>3</b>	<b>4</b>	<b>13</b>	<b>39</b>	<b>89</b>

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

*\*Financial figures for 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 2018, the Company's revenue amounted to USD 36,346 thousand against USD 32,807 thousand last year. The income statement for 2018 shows a profit of USD 16,768 thousand against a loss of USD 4,940 thousand last year, and the balance sheet at 31 December 2018 shows equity of USD 712,370 thousand. In the annual report for 2017, Management expected a net result, adjusted for impairment adjustment, at the same level in 2018 as for 2017. 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 made a separate 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 underrepresented gender.

The Board believes that its members should be elected based on 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 underrepresented gender in the Board to account for at least 40% of the Board members appointed at the general meeting within the year 2022 and the board has achieved 40% during the year 2018.

Due to a recent addition to the number of Board members, the target gender diversity is met as per the Financial Statements Act.

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: <https://www.maersk.com/en/about/sustainability/responsible-business-practices/diversity-and-inclusion>). 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.

### Outlook

Management expects that the net result in 2019, will come out at the same level as for 2018.



**Financial statements 1 January - 31 December****Income statement**

Note	USD'000	2018	2017
3	Revenue	36,346	32,807
	Other external expenses	-36,135	-31,906
	<b>Gross margin</b>	211	901
4	Staff costs	-582	-746
	<b>Profit/loss before net financials</b>	-371	155
	Income from investments in group enterprises	18,246	8,944
5	Financial income	13,678	15,058
6	Financial expenses	-15,111	-28,517
	<b>Profit/loss before tax</b>	16,442	-4,360
7	Tax for the year	654	33
	Other taxes	-328	-613
	<b>Profit/loss for the year</b>	16,768	-4,940

## Financial statements 1 January - 31 December

## Balance sheet

Note	USD'000	2018	2017
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
8	<b>Investments</b>		
	Investments in subsidiaries	992,476	980,548
	Other investments	258	258
		<u>992,734</u>	<u>980,806</u>
	<b>Total fixed assets</b>	<u>992,734</u>	<u>980,806</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Receivables from group enterprises	206,030	225,516
9	Deferred tax assets	150	150
	Corporation tax receivable	818	857
	Joint taxation contribution receivable	102	1,166
		<u>207,100</u>	<u>227,689</u>
	<b>Total non-fixed assets</b>	<u>207,100</u>	<u>227,689</u>
	<b>TOTAL ASSETS</b>	<u>1,199,834</u>	<u>1,208,495</u>

## Financial statements 1 January - 31 December

## Balance sheet

Note	USD'000	2018	2017
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
10	Share capital	19,444	19,444
	Retained earnings	692,926	676,158
	<b>Total equity</b>	<b>712,370</b>	<b>695,602</b>
	<b>Provisions</b>		
11	Other provisions	736	796
	<b>Total provisions</b>	<b>736</b>	<b>796</b>
	<b>Liabilities other than provisions</b>		
	<b>Non-current liabilities other than provisions</b>		
	Payables to group enterprises	100,000	100,000
		<b>100,000</b>	<b>100,000</b>
	<b>Current liabilities other than provisions</b>		
	Trade payables	20	1,113
	Payables to group enterprises	386,144	410,849
	Other payables	564	135
		<b>386,728</b>	<b>412,097</b>
	<b>Total liabilities other than provisions</b>	<b>486,728</b>	<b>512,097</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,199,834</b>	<b>1,208,495</b>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 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**

Note	USD'000	Share capital	Retained earnings	Total
	Equity at 1 January 2017	19,444	681,098	700,542
15	Transfer, see "Appropriation of profit/loss"	0	-4,940	-4,940
	<b>Equity at 1 January 2018</b>	<b>19,444</b>	<b>676,158</b>	<b>695,602</b>
15	Transfer, see "Appropriation of profit/loss"	0	16,768	16,768
	<b>Equity at 31 December 2018</b>	<b>19,444</b>	<b>692,926</b>	<b>712,370</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Damco International A/S for 2018 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 2018, the exchange rate was 631,63 DKK/USD (2017: 620.77 DKK/USD). The average exchange rate in 2018 was 652,13 DKK/USD (2017: 659.53 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

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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)

##### Profit 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 entity is jointly taxed with other group entities. 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

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.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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.

##### 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**

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

Operating margin	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Revenue}}$
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 Events after the balance sheet date

Subsequent to 31 December there have been no further events with any significant effect on the financial statements beyond what has been recognized and disclosed in the annual report.

## 3 Segment information

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

USD'000	2018	2017
<b>4 Staff costs</b>		
Wages/salaries	476	675
Pensions	106	57
Other social security costs	0	14
	<u>582</u>	<u>746</u>
Average number of full-time employees	<u>3</u>	<u>4</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.

## 5 Financial income

Interest receivable, group entities	11,348	12,509
Exchange gain	2,330	2,549
	<u>13,678</u>	<u>15,058</u>

## 6 Financial expenses

Interest expenses, group entities	15,022	15,524
Other interest expenses	10	604
Exchange losses	0	12,330
Other financial expenses	79	59
	<u>15,111</u>	<u>28,517</u>

## 7 Tax for the year

Estimated tax charge for the year	-102	-2,342
Tax adjustments, prior years	-552	2,309
	<u>-654</u>	<u>-33</u>

## Financial statements 1 January - 31 December

## Notes to the financial statements

## 8 Investments

USD'000	Investments in subsidiaries	Other investments	Total
Cost at 1 January 2018	1,018,887	258	1,019,145
Additions	16	0	16
Disposals	-3,829	0	-3,829
Cost at 31 December 2018	1,015,074	258	1,015,332
Value adjustments at 1 January 2018	-38,339	0	-38,339
Revaluations for the year	15,741	0	15,741
Value adjustments at 31 December 2018	-22,598	0	-22,598
Carrying amount at 31 December 2018	992,476	258	992,734

Portion of which is goodwill at 31 December 2018 USD'000 56,441 (2017: 56,441).

All subsidiaries has been acquired from other entities controlled by the ultimate parent company, A.P. Møller Holding A/S.

Name	Domicile	Interest	Equity USD'000	Profit/loss USD'000
<b>Subsidiaries</b>				
Damco Denmark A/S	Denmark	100.00%	4,001	43
Damco A/S	Denmark	100.00%	4,723	-2
Damco (Chile) Holding A/S	Denmark	100.00%	4,273	-2
Damco (Brazil) Holding A/S	Denmark	100.00%	4,511	-2
Damco Spain S.L.	Spain	100.00%	3,751	198
Maersk Logistics Dominicana S.A.	Dominica	100.00%	-2,191	2,408
Damco France S.A.S	France	100.00%	6,778	-83
Damco UK Ltd.	United Kingdom	100.00%	16,758	2,531
Damco Logistics Hellas SA	Greece	100.00%	-685	25
Damco Hong Kong Ltd.	Hong Kong	100.00%	58,315	-101
Damco Argentina S.A.	Argentina	95.00%	109	11
Damco Australia Pty. Ltd.	Australia	100.00%	25,088	1,562
Damco (UAE) FZE	UAE	100.00%	5,364	173
Damco Switzerland GmbH	Switzerland	100.00%	959	88
Damco Colombia	Colombia	100.00%	168	8
Damco Czech Republic S.R.O.	Czech Republic	100.00%	7,473	303
Damco Germany GmbH	Germany	100.00%	5,145	228
Damco D.O.O.	Croatia	100.00%	521	11
Damco Logistics Malaysia Sdn. Bhd.	Malaysia	100.00%	4,314	-45
Damco Logistics Services Sdn. Bhd.	Malaysia	100.00%	485	-2
Damco Netherlands BV	Netherlands	100.00%	14,216	467
Damco New Zealand Ltd.	New Zealand	100.00%	1,090	28
Damco Panama S.A.	Panama	100.00%	-478	75
Damco Philippines, Inc.	Phillippines	100.00%	1,460	110
Damco Pakistan (Pvt) Ltd	Pakistan	100.00%	1,150	230
Damco Poland SP.Z.O.O	Poland	100.00%	8,013	275
Damco Romania S.r.L.	Romania	100.00%	-205	-2
Damco Russia LCC.	Russia	99.00%	1,735	82
Damco Sweden AB	Sweden	100.00%	2,816	295
Damco Hungary KFT	Hungary	100.00%	140	9
Damco Logistics Ireland Ltd	Ireland	100.00%	3,393	85
Damco Italy S.R.L.	Italy	100.00%	-715	-289
Damco Egypt Ltd.	Egypt	99.00%	1,409	34

## Financial statements 1 January - 31 December

## Notes to the financial statements

## 8 Investments (continued)

Name	Domicile	Interest	Equity USD'000	Profit/loss USD'000
P.T. Maersk Indonesia	Indonesia	99.00%	3,841	62
Damco Logistics (Mauritius) Ltd.	Mauritius	100.00%	7,027	80
Damco Logistics Mexico S.A. de C.V.	Mexico	100.00%	2,425	1,280
DL Multiservicios SA de CV	Mexico	98.00%	472	233
Damco Logistics Singapore Pte Ltd	Singapore	100.00%	2,390	336
Damco Logistika D.O.O.	Slovenia	100.00%	505	21
Damco Slovakia S.R.O.	Slovakia	99.50%	78	9
APM Global Logistics Bangladesh Ltd.	Bangladesh	95.00%	-1,114	2,462
Damco Uluslararası tasimacilik ve Lojistik A.S.	Turkey	99.00%	472	178
Damco Taiwan Co., LTD.	Taiwan	100.00%	2,034	252
Damco Ukraine Ltd.	Ukraine	100.00%	-15	2
Damco Logistics Uganda Ltd.	Uganda	100.00%	-1,212	203
APM Global Logistics Uruguay S.A.	Uruguay	100.00%	27	3
Damco Eastern Europe A/S	Denmark	100.00%	175	-12
Damco China Limited	China	100.00%	58,965	2,408
Damco (Angola) Transitarios E agente De Navegação, Lda	Angola	90.00%	-2,309	2
Damco Belarus	Belarus	99.01%	371	18
Damco Logistics Israel Ltd.	Israel	100.00%	481	92
Damco International A/S Jordan LLC	Jordan	100.00%	-503	-2
Damco Logistics Kenya Limited	Kenya	100.00%	2,405	215
Damco Logistics Korea Limited	Korea	100.00%	1,527	7
UAB Damco Lithuania	Lithuania	100.00%	45	2
SIA Damco Latvia	Latvia	100.00%	0	-2
Damco Logistics Mali S.A.	Mali	100.00%	455	-50
Damco Logistics Myanmar Limited	Myanmar	100.00%	265	297
Maersk Logistics Nicaragua, S.A.	Nicaragua	100.00%	356	61
Damco International B.V.	Netherlands	100.00%	71,728	-46,072
Damco Latin America Sem, S.A.	Panama	100.00%	-72	173
Damco Peru S.A.	Peru	99.90%	1,000	207
Damco Logistics Portugal, Lda.	Portugal	100.00%	4,498	-110
Damco Logistics (Thailand) CO. Ltd.	Thailand	100.00%	2,877	467
Damco Transport CO., Ltd.	Thailand	100.00%	60	-7
Damco Tanzania Limited	Tanzania	99.00%	-914	-1,468
Damco USA Inc.	USA	100.00%	75,214	3,086
Damco Zambia Limited	Zambia	99.00%	-516	-55

## Financial statements 1 January - 31 December

## Notes to the financial statements

## 8 Investments (continued)

Name	Domicile	Interest	Equity USD'000	Profit/loss USD'000
<b>Subsidiaries, continued</b>				
Network Cargo International Pty Limited	Australia	100.00%	6,016	-79
Damco Burkino Faso S.A	Burkina faso	75.00%	367	49
APM Global Logistics Benin S.A	Benin	75.00%	116	8
Maersk Logistics Algeria S.P.A	Algeria	75.76%	-162	0
Damco Ecuador S.A.	Ecuador	100.00%	290	1
Damco Logistics mali S.A	Mali	100.00%	472	-49
Damco Niger S.A	Niger	74.80%	177	2
Damco Togo S.A	Togo	100.00%	546	-197
P.T.Damco Indonesia	Indonesia	99.50%	4,221	-673
PT Damco Warehousing Indonesia	Indonesia	99.99%	1,832	-379
PT Damco Trucking Indonesia	Indonesia	100.00%	17	-218
Damco Logistics LLC	UAE	100.00%	2,725	904
Damco Belgium NV	Belgium	100.00%	17,637	180
Damco Logistics Ghana Limited	Ghana	100.00%	1,183	108
Damco India Private Limited	India	100.00%	10,606	850
Damco Distributions Services Inc	USA	100.00%	28,726	-2,821
Damco Customs Services Inc	USA	100.00%	6,498	259
Damco Logistics (PTY) Limited	South Africa	100.00%	5,867	320

USD'000	<u>2018</u>	<u>2017</u>
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## 9 Deferred tax assets

Deferred tax at 1 January	-150	-150
<b>Deferred tax at 31 December</b>	<u>-150</u>	<u>-150</u>

Deferred tax relates to:

Provisions	-150	-150
	<u>-150</u>	<u>-150</u>

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

DKK'000	<u>2018</u>	<u>2017</u>
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## 10 Share capital

Analysis of the share capital:

103,000 shares of DKK 1,000.00 nominal value each	103,000	103,000
	<u>103,000</u>	<u>103,000</u>

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

USD'000	2018	2017
<b>11 Other provisions</b>		
Opening balance at 1 January	796	1,005
Provisions utilised in the year	-60	-209
<b>Other provisions at 31 December</b>	<b>736</b>	<b>796</b>
The provisions are expected to be payable in:		
> 1 year	736	796
	736	796

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.

**13 Related parties****Information about consolidated financial statements**

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
A.P. Møller Holding A/S	Esplanaden 50, 1263 København K	www.maersk.com
A.P. Møller - Mærsk A/S	Esplanaden 50, 1263 København K	www.maersk.com

**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

**Financial statements 1 January - 31 December****Notes to the financial statements****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	<u>2018</u>	<u>2017</u>
<b>15 Appropriation of profit/loss</b>		
Recommended appropriation of profit/loss	16,768	-4,940
Retained earnings/accumulated loss	<u>16,768</u>	<u>-4,940</u>