

Maersk Logistics & Services International A/S
Esplanaden 50, 1263 Copenhagen K
CVR no. 31 47 66 58

Annual Report 2023

Approved at the Company's annual general meeting on 27 June 2024

Chairman of the meeting:

DocuSigned by:



Jacob Ramsgaard Nielsen

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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 Maersk Logistics & Services International A/S for the financial year 1 January - 31 December 2023

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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, 27 June 2024

Executive Board:

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Caroline Pontoppidan
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Caroline Pontoppidan

Board of Directors:

DocuSigned by:
Vincent Clerc
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Vincent Clerc
Chairman

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Jacob Ramsgaard Nielsen
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Jacob Ramsgaard Nielsen

DocuSigned by:
Caroline Pontoppidan
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Anne Pindborg
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Anne Pindborg

DocuSigned by:
Casper Munch
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Casper Munch

Independent auditor's report

To the Shareholder of Maersk Logistics & Services 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 2023, and the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Maersk Logistics & Services International A/S for the financial year 1 January - 31 December 2023, 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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.

Independent auditor's report

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned stage and timing of the audit and significant audit findings, including any significant deficiencies in internal control we identify during our audit.

Hellerup, 27 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31

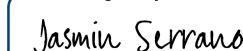
DocuSigned by:



Søren Ørjan Jensen

State Authorised Public Accountant
mne33226

DocuSigned by:



Jasmin Serrano

State Authorised Public Accountant
mne47222

Management's review

Company Details

Name	Maersk Logistics & Services 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	www.maersk.com
Telephone	+45 33 47 66 58
Board of Directors	Vincent Clerc, Chairman Caroline Pontoppidan Anne Pindborg Jacob Ramsgaard Nielsen Casper Munch
Executive Board	Caroline Pontoppidan
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup

Management's review**Financial Highlights**

USD'000	2023	2022	2021	2020	2019
Key figures					
Revenue	462,815	618,052	486,374	54,048	38,096
Gross margin	-536,813	60,363	83,989	10,102	630
Operating profit/loss	-574,927	26,088	69,793	9,833	-4
Net financials	-266,821	15,783	-695,103	13,612	-56,937
Profit/loss before tax	-841,748	41,871	-625,310	23,445	-56,941
Profit/loss for the year	-752,920	22,477	-664,376	27,733	-58,715
Balance sheet					
Fixed assets	7,567,537	7,075,430	1,357,928	1,246,026	1,061,819
Non-fixed assets	1,043,335	1,195,716	950,332	209,020	213,764
Total assets	8,610,872	8,271,146	2,308,260	1,455,046	1,275,583
Share capital	19,444	19,444	19,444	19,444	19,444
Equity	6,200,521	6,568,408	1,005,691	976,883	753,655
Provisions	6,811	1,000	0	81	736
Current liabilities other than provisions	2,403,540	1,701,738	1,302,569	478,082	517,824
Financial ratios					
Operating margin	-124.2%	4.2%	14.3%	18.2%	0.0%
Current ratio	43.4%	70.3%	73.0%	43.7%	41.3%
Equity ratio	72.0%	79.4%	43.6%	67.1%	59.5%
Return on equity	-11.8%	0.6%	-67.0%	3.2%	-8.0%
Average number of employees					
	0	0	0	2	2

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

Management's review

Business review

The Company serves as the parent legal entity of the global logistics activities.

Financial review

In 2023, the Company's revenue amounted to USD 462,815 thousand against USD 618,052 thousand last year due to decrease in Network income as a result of L&S performance and also due to reduction in Management fee Income. The income statement for 2023 shows a loss of USD 752,920 thousand against profit of USD 22,477 thousand last year, the major reason for current year loss is due to impairment of subsidiaries and also increase in external expenses. The balance sheet at 31 December 2023 shows equity of USD 6,200,521 thousand. The Management considers the Company's financial performance in the year satisfactory though not fully meeting the expectation due to decreasing volumes and rates for the L&S business.

The Company in its capacity of Head Quarters, acts as the principal and is the entrepreneur of the global network, which conducts the logistics business on the international as well as the national market. The Company has entered Network Fee Agreements with each of the foreign companies that are part of the L&S Global Network. The ultimate entrepreneurial risk of the Global Network lies with the principal.

For the year 2023, the impairment in MLSI A/S is USD 298,698 thousand and impairment reversal is USD 39,692 thousand, resulting in net impairment of USD 259,006 thousand. Dividends received from subsidiaries was USD 25,178 thousand and hence the net loss from investment from Group enterprises in profit & loss account is USD 233,827 thousand. Impairment for 2023 is majorly contributed by Maersk Logistics & Services USA with USD 118,259 thousand and Maersk Contract Logistics Holdings (Bermuda) Limited with USD 56,415 thousand.

During the year 2023, the Company made investments in Martin Bencher (Scandinavia) A/S for USD 12,259 thousand through Acquisitions, as A.P. Møller - Mærsk A/S considers the key driver to Logistics & Services growth is the expansion of product and people capabilities through M&As in addition to organic growth.

Statutory CSR report

An independently assured Sustainability Report for 2023 is published which provides detailed information on the A.P. Møller – Maersk Group's sustainability performance and sustainability strategy. The report serves as the Group's Communication on Progress as required by the UN Global Compact and ensures compliance with the requirements of Section 99a of the Danish Financial Statements Act (Årsregnskabsloven) on corporate social responsibility. Please refer to Sustainability report of A.P. Møller - Mærsk A/S registered with CVR 22756214 here:

https://www.maersk.com/~media_sc9/maersk/corporate/sustainability/files/resources/2024/2023-maersk-sustainability-report.pdf

Account of the gender composition of Management

The Board of Directors consists of three men and two women; thus the gender split is considered to be balanced and is expected to be maintained in the future. As per Section 99b of the Danish Financial Statements Act, as the Company has two or fewer other management members and fewer than 50 employees, the Company is exempt from setting targets for the representation of underrepresented genders in the remaining leadership and from establishing policies related to this.

Management's review**Account of the gender composition of Management (Continued)**

Management level	Number of members	Share of females.
Board of Directors	5 (of which 3 males and 2 females)	40%
Other management levels	1 (1 female)	100%

Data Ethics

The responsible use of data is a critical enabler for the group business model. In line with regulatory requirements of Section 99d of the Danish Financial Statements Act (Årsregnskabsloven), A.P. Møller - Maersk A/S established a Data Ethics policy in 2021, with accompanying governance measures. Please refer to Annual report of A.P. Møller - Mærsk A/S registered with CVR 22756214 for statement of data ethics:

<https://investor.maersk.com/static-files/3676346f-38c4-430d-8c28-054919aec478>

Foreign exchange risks

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the company's financial performance. The company uses derivative financial instruments to hedge certain risk exposures.

Outlook

By expanding in capacity and capabilities while becoming more digitalised, Logistics & Services continues to improve its end-to-end logistics solutions providing greater flexibility for the customers at every stage of their supply chain.

Logistics & Services is a core growth element of A.P. Møller - Maersk's integrator strategy. Managed by Maersk offers customs brokerage services, supply chain management and 4PL services, cold chain logistics and Maersk Project Logistics. Fulfilled by Maersk offers consolidation, deconsolidation and fulfilment warehousing, cold storage as well as distribution services, inland transportation, depot operations and e-commerce logistics. Transported by Maersk offers landside transportation, air freight, less than container loads and cargo risk management products.

Logistics & Services remains dedicated to strong cost management by

- Enhancing operational efficiencies and restoring profitable growth
- Increasing asset utilisation in contract utilisation
- Overcoming the implementation issues in Ground Freight in North America.

Although these initiatives will bring positive impact to the Company PnL, due to continued volatile market condition, it is expected that MLSI AS continues to report negative results, in line with the loss of the Year 2023*.

**Such outlook is subject to risks and uncertainties as several factors, many of which are beyond MLSI AS control, may cause the actual development and results to differ materially from expectations contained in the Financial Statements.*

Tax Free Contribution

In 2023, the company received a tax-free contribution of USD 389,592 thousand in kind from its parent company A.P. Møller - Mærsk A/S.

Financial Statements 1 January – 31 December**Income Statement**

Note	USD '000	2023	2022
3	Revenue	462,815	618,052
	Other External expenses	-999,627	-557,689
	Gross margin	-536,812	60,363
	Amortization	-38,115	-34,275
	Profit/loss before net financials	-574,927	26,088
	Income from Investment from Group Enterprises	-233,827	27,256
4	Financial Income	47,223	11,371
5	Financial expenses	-80,217	-22,844
	Profit/loss before tax	-841,748	41,871
6	Tax for the year	88,828	-19,394
16	Profit/loss for the year	-752,920	22,477

Financial statements 1 January - 31 December**Balance Sheet**

Note	USD '000	2023	2022
	ASSETS		
	Software	92,132	114,348
	Acquired trademarks	20,925	29,025
	Development Projects in Progress	40,591	21,469
7	Intangible Assets	153,648	164,842
8	Investments in subsidiaries	7,413,631	6,910,330
	Other investments	258	258
	Fixed Assets Investments	7,413,889	6,910,588
	Fixed Assets	7,567,537	7,075,430
	Receivables from group enterprises	929,501	1,190,595
9	Deferred Tax Assets	64	64
	Joint Tax Contribution Receivable	112,005	0
	Other Receivables	1,765	5,057
	Receivables	1,043,335	1,195,716
	Current Assets	1,043,335	1,195,716
	ASSETS	8,610,872	8,271,146

Financial statements 1 January - 31 December**Balance Sheet**

	USD '000	2023	2022
Note			
10	Share capital	19,444	19,444
	Reserve for Hedging	0	4,559
	Reserve for Development of Project in Progress	40,591	21,469
	Retained earnings	6,140,486	6,522,936
	Equity	6,200,521	6,568,408
11	Other Provisions	2,467	0
	Non-current Provisions	2,467	0
11	Other Provisions	4,344	1,000
	Current Provisions	4,344	1,000
	Payables to Group Enterprises	2,388,151	1,586,877
	Joint Tax Contribution Payable	0	4,166
	Other Payables	15,389	110,695
	Short-term debt	2,403,540	1,701,738
	Debt	2,410,351	1,702,738
	Liabilities and Equity	8,610,872	8,271,146

Financial statements 1 January - 31 December**Statement of changes in equity**

USD '000	Share capital	Reserve for Hedging	Reserve for Development of Project in Progress	Retained earnings	Total
Equity at 1 January 2023	19,444	4,559	21,469	6,522,936	6,568,408
Tax free contribution	0	0	0	389,592	389,592
Fair value adjustment of hedging transactions, end of year	0	-4,559	0	0	-4,559
Capitalised Development Costs	0	0	19,122	-19,122	0
Transfer through appropriation of profit/loss	0	0	0	-752,920	-752,920
Equity at 31 December 2023	19,444	0	40,591	6,140,486	6,200,521

- 1 Accounting policies
- 2 Events After Balance Sheet date
- 12 Contractual obligations and contingencies, etc.
- 13 Derivative Financial Instrument
- 14 Related parties
- 15 Fee to the auditors appointed by the Company in the general meeting
- 16 Appropriation of Profit
- 17 Letter of Support

Financial statements 1 January - 31 December

Notes to the financial statements

1. Accounting policies

The annual report of Maersk Logistics & Services International A/S for 2023 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 is 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 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 presentation currency. The annual report is presented in USD in accordance with section 16(2) of the Danish Financial Statements Act. At 31 December 2023, the exchange rate was 674.38 DKK/USD (2022: 696.72 DKK/USD). The average rate in 2023 was 689.22 DKK/USD (2022: 707.70 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

Revenue is recognised to the extent that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of whether payment is received. Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities.

Income comprises of Network Transportation Income as Maersk Logistics & Services International A/S became the network header for the L&S (Logistics & Services) segment in 2021. Income also comprises of the management fees income charged to Inland Services entities as Maersk Logistics & Services International A/S became the Headquarters of Inland Services in 2020.

Financial statements 1 January - 31 December

Notes to the financial statements

Other external expenses

Expenses are costs that arise in the course of ordinary activities of business as well as losses. When expenditure produces no future economic benefit, it should be recognised immediately as an expense in the income statement.

Other external expenses comprise of Network Transportation Charges as Maersk Logistics & Services became the network header of L&S entities in 2021. It also includes Operational accruals, Insurances, IT and other allocated costs in Maersk Logistics & Services International A/S as part of HQ operations.

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 and FX gains/losses.

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 Danish 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 allowance and jointly taxed entities which have paid too little tax and surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible Assets

Intangible Assets consists of Software, Acquired Trademarks, Development projects in Progress. Cost directly attributable to development of software are considered for capitalisation, except general and administration cost. The entity considers economic life of the IT software as its useful life for amortisation. Intangible assets which are under Development Projects in Progress are capitalised once it is ready for use and amortised over the useful life of the asset. Trademarks are acquired through acquisitions. They are amortized over the economic life as per the useful life. Intangible assets are carried at cost less accumulated amortisation and impairment losses.

Amortization is provided on intangible assets to write off the cost, less any estimated residual value, over their expected useful economic life. The amortization expenses on intangible assets is recognised in the statement of profit or loss in the expense category consistent with the nature of the intangible asset. As per APMM accounting policy, the amortization period for Intangible assets is 5-10 years. Intangible assets regarding Software is amortized over a period of 5-10 years and Acquired trademarks are amortized over a period of 5 years.

Financial statements 1 January - 31 December

Notes to the financial statements

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).

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

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 onerous contracts, restructurings, etc. Provisions 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.

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

Deferred tax is measured according to the 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 recognised at the expected value of their utilisation; either as a set-off against tax on future income or as 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.

The Company has received a commitment of financial support from the parent company A.P. Møller - Mærsk A/S.

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	$\frac{\text{Operating profit (EBIT)} * 100}{\text{Revenue}}$
Current Ratio	$\frac{\text{Current Assets} * 100}{\text{Current liabilities}}$
Equity Ratio	$\frac{\text{Equity Year-end} * 100}{\text{Total equity and liabilities, year-end}}$
Return on Equity	$\frac{\text{Profit/Loss for the year after tax} * 100}{\text{Average equity}}$

Financial statements 1 January - 31 December**Notes to the financial statements****2. Events after the Balance Sheet date**

No events after Balance Sheet date.

3. Segment Information

No difference in segment as all revenues are generated through Transfer Pricing agreements.

Types of Revenue (USD '000)	2023	2022
Network Transportation Income	386,766	574,636
Management Fees	4,405	15,521
Salaries I/C Recharges	13,880	13,391
Agency Rebates	64	8
Other Income	57,700	14,496
	462,815	618,052
Geographical Split		
Regions (USD '000)	2023	2022
IMEA (AFR & WCA)	66,063	70,260
Asia Pacific	278,046	337,768
Europe	86,592	102,459
Latin America	23,119	27,306
North America	8,995	80,259
	462,815	618,052

4. Financial income (USD '000)

Interest receivable, group entities	39,343	11,295
Exchange gain	7,792	0
Other financial income	89	76
	47,224	11,371

5. Financial expenses (USD '000)

Interest expenses, group entities	80,048	17,461
Other interest expenses	81	2
Other financial expenses	88	71
Exchange loss	0	5,310
	80,217	22,844

Financial Statements 1 January - 31 December**Notes to the financial statements****6. Tax for the year (USD '000)**

Current tax charge for the year	-94,240	23,196
Tax adjustments, prior years	6,412	-3,802
Deferred Tax for the year	0	0
	-88,828	19,394

7. Intangible Assets

Group (USD '000)	Software	Acquired trademarks	Development Projects in Progress	Total
Cost at 1 January 2023	151,344	48,010	21,469	220,823
Net Effect from Mergers & Acquisition	0	0	0	0
Additions for the year	7,798	0	19,122	26,920
Disposals for the year	-633	0	0	-633
Cost at 31 December 2023	158,509	48,010	40,591	247,110
Impairment Losses and Amortization at 1 January 2023	-36,996	-18,985	0	-55,981
Impairment losses for the year	0	0	0	0
Amortization for the year	-29,382	-8,100	0	-37,482
Impairment Losses and				
Amortization at 31 December	-66,377	-27,085	0	-93,463
Carrying Amount at 31 December 2023	92,132	20,925	40,591	153,648

Development Projects in Progress majorly relate to The New Supply Chain Platform program that will drive and embed the strategic improvement of Maersk's capabilities for Supply Chain Management (SCM). Additions include Inland TMS program and Rateflow Project etc. The expected Project go-live date for Development projects is in 2024 post which cost will be capitalized and moved from Development Projects in Progress to Software.

8. Fixed Asset Investments

Investments (USD '000)	Investment in subsidiaries	Other Investments	Total
Cost at 1 January 2023	7,825,166	258	7,825,424
Additions	762,332	0	762,332
Disposals	-25	0	-25
Cost at 31 December 2023	8,587,473	258	8,587,731
Value adjustments at 1 January 2023	-914,836	0	-914,836
Impairment	-298,698	0	-298,698
Reversal	39,692	0	39,692
Value adjustments at 31 January 2023	-1,173,842	0	-1,173,842
Carrying amount at 31 December 2023	7,413,631	258	7,413,889

Financial Statements 1 January - 31 December**Notes to the financial statements****8. Fixed Asset Investments (Continued)**

Name Subsidiaries	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Damco Honduras S.A.	Honduras	100%	-309	-4
Damco Zambia Limited	Zambia	99%	-312	74
Damco Ukraine Ltd.	Ukraine	100%	-31	1,086
Maersk Logistics and Services, LDA	Angola	90%	-2,614	-1,459
APM Global Logistics Nicaragua, S.A.	Nicaragua	99%	163	2
APM Global Logistics Uruguay S.A.	Uruguay	100%	-3	-22
Damco Romania S.R.L.	Romania	100%	-173	-0
Damco Tanzania Limited	Tanzania	99%	-1,320	-93
Senator International Argentina SA	Argentina	90%	-1,795	-3,404
Maersk Logistics & Services Myanmar Ltd.	Myanmar	0%	-18	-446
Damco Hungary KFT	Hungary	100%	9	-122
Senator International Peru SAC	Peru	100%	-576	-990
Damco Slovakia, S.R.O.	Slovakia	100%	134	3
Maersk Logistics & Services Colombia Ltda.	Colombia	100%	-94	-852
Damco Pakistan (Private) Limited	Pakistan	100%	-758	-1,002
Damco Logistics Services SDN. Bhd.	Malaysia	49%	466	28
Maersk Logistics & Services Finland Oy	Finland	100%	513	115
Maersk Logistics & Services Mali S.A.	Mali	10%	90	-94
Senator International Logistics do Brazil Ltda.	Brazil	100%	-97	-1,264
Maersk Logistics & Services Panama, S.A.	Panama	100%	-721	-523
Maersk Logistics & Services Argentina S.A.	Argentina	95%	-114	-257
KGH Customs Services Osterreich GmbH	Austria	100%	901	-39
Pacific Container Transport S.A.	Ecuador	100%	887	-157
Maersk Logistics & Services Philippines Inc.	Philippines	40%	1,110	-194
Maersk Logistics & Services International A/S Jordan	Jordan	100%	543	-31
Damco Latin America Sem, S.A.	Panama	100%	446	-46
KGH Customs Services Schweiz AG	Switzerland	100%	1,650	-300
Damco Germany GmbH	Germany	100%	-4,360	1,784
Damco Switzerland GMBH	Switzerland	100%	-512	-2,867
Agencia de Aduanas Maersk S.A.S., Nivel 1.	Colombia	100%	3,051	-191
Damco Poland Sp. z o.o.	Poland	100%	431	-8,367
Maersk Logistics & Services Egypt Ltd.	Egypt	99%	762	-41
APM Global Logistics Bangladesh Ltd.	Bangladesh	95%	3,961	1,028
Maersk Logistics & Services USA Inc.	Usa	100%	3,038,151	-2,501
Maersk Contract Logistics Holdings (Bermuda)	Bermuda	100%	289,226	-34
Damco Logistics Uganda Ltd.	Uganda	100%	-1,262	7
Maersk Lojistik Hizmetleri Anonim Sirketi	Tukey	100%	1,186	1,038
Damco Taiwan Co., Ltd.	Taiwan	100%	5,428	255
P.T. Maersk Indonesia	Indonesia	98%	3,586	-21
LF Logistics (India) Private Limited	India	89%	6,837	-3,413

Financial Statements 1 January - 31 December**Notes to the financial statements****8. Fixed Asset Investments (Continued)**

Name Subsidiaries	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Maersk Logistics and Services FZE	UAE	100%	5,944	43
Damco Denmark A/S	Denmark	100%	2,956	342
Maersk Logistics & Services Australia Pty Ltd	Australia	100%	25,306	-121
Maersk Logistics & Services Brasil Ltda.	Brazil	100%	7,242	-8,886
Maersk Logistics and Services Ireland Limited	Ireland	100%	19,705	589
Damco Spain, S.L.	Spain	100%	15,101	-3
KGH Customs Services AS	Norway	100%	11,467	439
Maersk Logistics & Services (Hong Kong) Limited	Hong Kong	99%	22,482	498
Martin Bencher (Scandinavia) A/S	Denmark	100%	34,876	1,710
Damco China Limited	China	100%	72,580	-6,720
B2C Europe (Netherlands) B. V	Netherlands	100%	84,898	444
Maersk Logistics and Services UK Ltd	UK	100%	106,577	-447
Maersk Logistics & Services International B.V.	Netherlands	100%	92,437	-2,882
Maersk Maroc S.A.	Morocco	100%	2,826	2,518
Maersk Container Industry San Antonio	Chile	99%	4,365	-57
Pilot Air Freight de Mexico	Mexico	100%	2,724	183
Maersk Logistics & Services Chile S.p.A.	Chile	99%	13,217	7,576
Damco Logistics Kenya Limited	Kenya	100%	1,639	579
Maersk Solutions LLC	Russia	100%	3,900	-623
Damco Transport CO., Ltd.	Thailand	100%	482	17
Maersk Logistics & Services Honduras S.A.	Honduras	100%	19	1
Maersk Logistics & Services SI, Storitve, d.o.o.	Serbia	100%	588	15
KGH Customs Services Italy S.R.L	Italy	99%	123	-24
Maersk Logistics & Services Dominicana Sociedad Anónima Simplificada	Dominicana	100%	57	10
Maersk Logistics & Services d.o.o. Beograd	Serbia	100%	92	19
Maersk Logistics & Services El Salvador S.A. De C.V.	El Salvador	100%	64	2
Maersk Logistics and Services Israel Ltd.	Israel	100%	1,002	124
Maersk Logistics & Services Guatemala, S. A.	Guatemala	100%	87	9
Maersk Integrated Logistics (FZC) SPC	Oman	100%	103	0
Damco Lanka Pvt. Ltd.	Sri Lanka	50%	153	34
KGH Customs Software A/S	Denmark	100%	238	17
Maersk Logistics & Services (Mauritius) Ltd	Mauritius	100%	2,960	39
Damco Logistics Pvt. Ltd.	Sri Lanka	100%	769	252
Damco Bel	Belarus	100%	3,004	294
Maersk Logistics & Services d.o.o. za međunarodno otpremništvo	Hungary	100%	765	101
Maersk Logistics & Services Singapore PTE. LTD.	Singapore	100%	4,019	709
Maersk Logistics & Services (Thailand) Co. Ltd.	Thailand	100%	3,947	224
Maersk Logistics & Services Peru S.A.	Peru	100%	20,017	1,798

Financial Statements 1 January - 31 December**Notes to the financial statements****8. Fixed Asset Investments (Continued)**

Name Subsidiaries	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Senator International Inc.	Canada	100%	2,370	721
Damco Sweden AB	Sweden	100%	3,153	53
KGH Customs Services Aps	Denmark	100%	2,936	96
Maersk Logistics & Services France SAS	France	61%	9,460	2,611
Maersk Logistics & Services Malaysia SDN. BHD	Malaysia	100%	3,584	799
Damco A/S	Denmark	100%	4,564	-
Maersk Logistics & Services Ecuador Maersk logistics S.A.	Ecuador	100%	4,289	352
Maersk Logistics & Services Senegal S.A.	Senegal	40%	9,774	54
Damco Logistics Portugal, Sociedade Unipessoal, Lda.	Portugal	100%	6,038	1,267
Senator Logistics SA de CV	Mexico	100%	5,963	-1,532
Damco Czech Republic, S.R.O.	Czech	100%	10,399	703
Blue Dragon Meishan Logistics Co., Ltd	China	50%	12,932	845
Damco Logistics Mexico S.A. de C.V.	Mexico	100%	9,039	-11,068
Damco India Private Limited	India	100%	12,290	1,324
Senator International Holding LLC	USA	45%	30,141	-1,406
Maersk Logistics & Services Korea Limited	Korea	100%	20,699	130
APM Terminals India Private Limited	India	100%	24,687	4,239
Maersk Logistics & Services Netherlands B.V.	Netherlands	100%	43,904	-259
Maersk Logistics & Services New Zealand Limited	New Zealand	100%	83,891	3,447
Senator International Spedition GmbH	Germany	100%	507,735	13,527

Profit/loss for the period and equity are disclosed as per the latest official financial statements in accordance with the requirement in the Danish Financial Statements Act where available and required. For some entities, the numbers are derived from internal reporting.

Financial Statements 1 January - 31 December**Notes to the financial statements****9. Deferred tax assets**

USD'000	2023	2022
Deferred tax at 1 January	64	64
Movement during the year	0	0
Deferred tax at 31 December	64	64
Deferred tax relates to :		
Provisions	64	64
	64	64

The company expects to utilize the tax asset with the next tax years.

10. Share Capital

DKK'000	2023	2022
Analysis of the Share Capital:		
103,000 shares of DKK 1,000 nominal value each	103,000	103,000
	103,000	103,000

The exchange rate was 529.73 DKK/USD.

11. Other Provisions

USD '000	2023	2022
Opening Balance 1 January	1,000	0
Provisions utilized in the year	-1,000	0
Provisions added during the year	6,811	1,000
Other Provisions at 31 December	6,811	1,000

12. Contractual obligations and contingencies, etc.**Contingent Asset**

Contingent Asset represents a Tax receivable of USD 859,148, receivable from India related to the Tax Deducted at Source towards Centre Charges paid by Damco India in FY 2011-12 and FY 2012-13.

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. Derivative Financial Instruments**

Derivative financial instruments contracts in the form of forward exchange contracts. At the Balance Sheet date, the fair value of the derivative financial instrument amount to:

USD'000	2023	2022
Other receivables	0	4,559

The hedging relates to the funding for the acquisition of Martin Bencher in 2022.

14. 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 Copenhagen K	www.maersk.com
A.P. Møller - Mærsk A/S	Esplanaden 50, 1263 Copenhagen 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 Copenhagen K

15. 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 A.P. Møller Holding A/S.

16. Appropriation of Profit

	2023	2022
Recommended appropriation of profit		
Retained earnings	-752,920	22,477
	-752,920	22,477

17. Letter of Support

The Company has received a commitment of financial support from the parent company A.P. Møller - Mærsk A/S