

Damco International A/S
Annual Report 2019

Damco International A/S

Esplanaden 50, 1263 Copenhagen K

CVR no. 31 47 66 58

Annual report 2019

Approved at the Company's annual general meeting on 10 August 2020

Chairman:

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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 2019

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 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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, 10 August 2020

Executive Board:

Aymeric Pierre Marie Chandavoine
Director

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Aymeric Chandavoine
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Board of Directors:

Vincent Clerc
Chairman

Jakob Wegge-Larsen

Henriette Hallberg Thygesen

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Vincent Clerc
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Jakob Wegge
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Henriette Hallberg Thygesen
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Anne Pindborg

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Anne Pindborg
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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 2019, and the results of the Company's operations for the financial year 1 January - 31 December 2019 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 2019, 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 of 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 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 responsibilities are 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 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 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 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 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 at 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.

Copenhagen, 10 August 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31



Søren Ørjan Jensen

State Authorised Public Accountant

mne33226



Henrik Trangeled Kristensen

State Authorised Public Accountant

mne23333

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	www.damco.com
Telephone	+45 33 47 66 58
Board of Directors	Vincent Clerc, Chairman Henriette Hallberg Thygesen Anne Pindborg Jakob Wegge-Larsen
Executive Board	Aymeric Pierre Marie Chandovoine
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup

Management's review**Financial Highlights**

USD'000	2019	2018	2017	2016	2015
Key figures					
Revenue	38,096	36,346	32,807	29,626	46,674
Gross margin	630	211	901	5,407	6,886
Operating profit/loss	-4	-372	155	669	238
Net financials	56,937	16,813	-4,515	11,115	110,510
Profit/loss before tax	-56,941	16,442	-4,360	11,784	11,904
Profit/loss for the year	-58,715	16,768	-4,940	12,381	13,730
Balance sheet					
Fixed assets	1,061,819	992,734	980,806	981,455	975,794
Non-fixed assets	213,764	207,100	227,689	127,382	118,229
Total assets	1,275,583	1,199,834	1,208,495	1,108,837	1,094,023
Share capital	19,444	19,444	19,444	19,444	19,444
Equity	753,655	712,370	695,602	700,542	688,161
Provisions	736	736	796	1,005	1,397
Current liabilities other than provisions	517,824	386,728	412,097	307,290	304,465
Financial ratios					
Operating margin	0.0%	-1.0%	0.5%	2.3%	0.5%
Current ratio	41.3%	53.6%	55.3%	41.5%	38.8%
Equity ratio	59.5%	59.4%	57.6%	63.2%	62.9%
Return on equity	-8.0%	2.4%	-0.7%	1.8%	2.9%
Average number of employees					
	2	3	4	13	39

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

Management's review

Business review

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

Financial review

In 2019, the Company's revenue amounted to USD 38,096 thousand against USD 36,346 thousand last year. The income statement for 2019 shows a loss of 58,715 thousand against profit of 16,768 thousand last year, and the balance sheet at 31 December 2019 shows equity of USD 753,655 thousand. In the annual report for 2018, Management expected a net result. adjusted for impairment adjustment at the same level in 2019 as for 2018. 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 and investment impairment which the company considers unforeseeable. Management has done the impairment testing and review for 2019 assuming a nominal growth rate in future years however there are uncertainties due to the current economic situation impacted by COVID – 19. WACC of 8% was considered for the impairment test which resulted in an impairment loss of USD 75,674 thousand for the year.

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 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 had achieved 40% during the year 2018.

The gender composition remains unchanged in 2019. Hence the 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.

As there are less than 50 employees in Damco International A/S no policy to increase the number of under-represented gender in Other management levels have been implemented

Outlook

Management expects that the net result in 2020 will come out at the same level as for 2019 adjusted for impairment adjustment loss and potential negative COVID-19 impact.

Tax Free Contribution

In 2019, the company received a tax-free contribution of USD 100,000,000 in kind from its parent company A.P. Møller - Mærsk A/S. The contributed note receivable originates from the loan of USD 100,000,000.00 issued by the parent company to Damco International A/S on 15 December 2009, as amended from time to time. As a consequence of the contribution the loan principal shall not be repaid to A.P. Møller - Mærsk A/S.

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

Note	USD '000	2019	2018
3	Revenue	38,096	36,346
	Other External expenses	-37,466	-36,135
	Gross margin	630	211
4	Staff Cost	-634	-582
	Profit/loss before net financials	-4	-371
	Income from Investment from Group Enterprises	-64,926	18,246
5	Financial Income	14,090	13,678
6	Financial expenses	-6,101	-15,111
	Profit/loss before tax	-56,941	16,442
7	Tax for the year	-819	654
	Other Taxes	-955	-328
	Profit/loss for the year	-58,715	16,768

Financial statements 1 January - 31 December

Balance sheet			
Note	USD '000	2019	2018
	ASSETS		
	Fixed assets		
8	Investments in subsidiaries	1,058,676	992,476
	Other investments	258	258
		<u>1,058,934</u>	<u>992,734</u>
	Total Fixed assets	<u>1,058,934</u>	<u>992,734</u>
	Non-Fixed Assets		
	Receivables		
	Receivables from group enterprises	214,219	206,030
9	Deferred Tax Assets	150	150
	Corporation Tax Receivable	799	818
	Joint Taxation Contribution Receivable	0	102
		<u>215,169</u>	<u>207,100</u>
	Total Non-Fixed Assets	<u>215,169</u>	<u>207,100</u>
	TOTAL ASSETS	<u><u>1,274,103</u></u>	<u><u>1,199,834</u></u>

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

Note	USD '000	2019	2018
	EQUITY AND LIABILITIES		
	Equity		
10	Share capital	19,444	19,444
	Retained earnings	734,211	692,926
	Total equity	753,655	712,370
	Provisions		
11	Other Provisions	736	736
	Total Provisions	736	736
	Liabilities Other than Provisions		
	Non-current liabilities other than Provisions		
	Payables to Group Enterprises	0	100,000
		0	100,000
	Current liabilities other than provisions		
	Trade Payables	33	20
	Payables to Group Enterprises	518,249	386,144
	Other payables	25	564
	Join Tax Contribution Payable	1,405	0
		519,712	386,728
	Total liabilities other than provisions	519,712	486,728
	TOTAL EQUITY AND LIABILITIES	1,274,103	1,199,834

- 1 Accounting policies
- 2 Events After Balance Sheet date
- 12 Contractual obligations and contingencies, etc.
- 13 Related parties
- 14 Fee to the auditors appointed by the Company in the 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 2018	19,444	676,158	695,602
15	Transfer through appropriation of profit/loss	0	16,768	16,768
	Equity at 1 January 2019	19,444	692,926	712,370
	Tax free contribution	0	100,000	100,000
	Transfer through appropriation of profit/loss	0	-58,715	-58,715
	Equity at 31 December 2019	19,444	734,211	753,655

Financial statements 1 January - 31 December

Notes to the financial statements

1. Accounting policies

The annual report of Damco International A/S for 2019 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 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 2019, the exchange rate was 667.60 DKK/USD (2018: 631.63 DKK/USD). The average rate in 2019 was 666.93 DKK/USD (2018: 652.13 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 of 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 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 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

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 Moller 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 impairments 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 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 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 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.

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**

The implications of COVID-19 with many governments across the world deciding to close “down their countries” will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

At this time, it is not possible to estimate the size of the negative COVID-19 impact.

3 Segment Information

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

	USD'000	<u>2019</u>	<u>2018</u>
4 Staff costs			
Wages/salaries		547	476
Pensions		87	106
Other social security costs			0
		<u>634</u>	<u>582</u>
Average number of full-time employees		<u>2</u>	<u>3</u>
5 Financial income			
Interest receivable, group entities		12,246	11,348
Exchange gain		1,844	2,330
		<u>14,090</u>	<u>13,678</u>
6 Financial expenses			
Interest expenses, group entities		5,980	15,022
Other interest expenses		48	10
Other financial expenses		73	79
		<u>6,101</u>	<u>15,111</u>
7 Tax for the year			
Estimated tax charge for the year		1,405	-102
Tax adjustments, prior years		-586	-552
		<u>819</u>	<u>-654</u>

Financial Statements 1 January -31 December**Notes to the Financial Statements**

8 Investments USD'000	Investment in subsidiaries	Other Investments	Total
Cost at 1 January 2019	1,015,074	258	1,015,332
Additions	141,874	0	141,874
Cost at 31 December 2019	1,156,948	258	1,157,206
Value adjustments at 1 January 2019	-22,598	0	-22,598
Revaluations for the year	-75,674	0	-75,674
Value adjustments at 31 January 2019	-98,272	0	-98,272
Carrying amount at 31 December 2019	1,058,676	258	1,058,934

All subsidiaries have been acquired from other entities controlled by the ultimate parent company.
A.P. Moller Holding A/S.

Name	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Subsidiaries				
Damco China Limited	China	100%	48,050	1,722
Damco (UAE) FZE	UAE	100%	5,718	354
Damco (Angola) Transitarios E agente De Navegação, Lda	Angola	90%	-2,078	0
Damco Argentina S.A.	Argentina	95%	61	13
Damco Australia Pty. Ltd.	Australia	100%	25,425	589
APM Global Logistics Bangladesh Ltd.	Bangladesh	95%	-865	186
Damco Belarus	Belarus	99%	394	17
Damco Switzerland GMBH	Switzerland	100%	1,871	-92
Damco Colombia Ltda.	Colombia	100%	79	-88
Damco Czech Republic, S.R.O.	Czech	100%	7,695	302

Financial Statements 1 January - 31 December

Notes to the Financial Statements

8 Investments (Continued)

Name	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Subsidiaries				
Damco Germany GmbH	Germany	100%	5,118	117
Damco Denmark A/S	Denmark	100%	3,932	23
Damco A/S	Denmark	100%	4,608	-2
Damco (Chile) Holding A/S	Denmark	100%	4,172	-2
Damco (Brazil) Holding A/S	Denmark	100%	4,405	-2
Maersk Logistics Dominicana S.A.	Dominica	100%	-2,231	-150
Damco Egypt Ltd.	Egypt	99%	1,602	-20
Damco Spain, S.L.	Spain	100%	3,871	206
Damco France S.A.S.	France	100%	7,584	489
Damco UK Limited	UK	100%	21,171	3,708
Damco Logistics Hellas SA	Greece	100%	-16	-41
DAMCO HONG KONG LIMITED	Hong Kong	100%	58,460	-185
Maersk Logistics Honduras, S.A.	Honduras	100%	-364	-8
Damco D.O.O.	Croatia	100%	537	30
Damco Hungary KFT	Hungary	100%	141	8
P.T. Maersk Indonesia	Indonesia	99%	3,860	-110
Damco Logistics Ireland Limited	Ireland	100%	3,401	85
Damco Logistics Israel Ltd.	Israel	100%	541	25
Damco Italy S.R.L	Italy	100%	-1,046	-347
Damco International A/S Jordan LLC	Jordan	100%	-505	5
Damco Logistics Kenya Limited	Kenya	100%	1,265	-1,146
Damco Logistics Korea Limited	Korea	100%	1,644	170
UAB Damco Lithuania	Lithuania	100%	47	7

Financial Statements 1 January - 31 December

Notes to the Financial Statements

8 Investments (Continued)

Name	Domicile	Interest	Equity USD '000	Profit/Loss USD '000
Subsidiaries				
Damco Logistics Mali S.A.	Mali	100%	107	-600
Damco Logistics Myanmar Limited	Myanmar	100%	416	134
Damco Logistics (Mauritius) Limited	Mauritius	100%	6,603	-36
Damco Logistics Mexico S.A. de C.V.	Mexico	100%	2,444	-71
DL Multiservicios SA de CV	Mexico	98%	499	18
Damco Logistics Services Sdn. Bhd.	Malaysia	100%	479	-12
Damco Logistics Malaysia Sdn. Bhd.	Malaysia	100%	4,634	270
Maersk Logistics Nicaragua, S.A.	Nicaragua	100%	361	16
Damco Netherlands B.V.	Netherlands	100%	14,457	566
Damco International B.V.	Netherlands	100%	77,202	-134,527
Damco New Zealand Limited	New Zealand	100%	1,118	26
Damco Panama S.A.	Panama	100%	-439	40
Damco Latin America Sem, S.A.	Panama	100%	143	216
Damco Peru S.A.	Peru	100%	1,106	87
Damco Philippines, Inc.	Philippines	100%	696	-591
Damco Pakistan (Private) Limited	Pakistan	100%	827	851
Damco Poland Sp. z o.o.	Poland	100%	7,885	-29
Damco Logistics Portugal, Lda.	Portugal	100%	4,424	28
Damco Romania S.r.L.	Romania	100%	-179	16
Damco Russia LLC	Russia	99%	1,990	60
Damco Sweden AB	Sweden	100%	2,865	154
Damco Logistics Singapore Pte. Ltd.	Singapore	100%	2,674	250
Damco Logistika D.O.O.	Slovenia	100%	523	30
Damco Slovakia, S.R.O.	Slovakia	100%	101	25
Damco Logistics (Thailand) CO. Ltd.	Thailand	100%	3,345	308
Damco Transport CO., Ltd.	Thailand	100%	96	30
Damco Uluslararası Tasimacilik ve Lojistik A.S.	Turkey	99%	517	109
Damco Taiwan Co., Ltd.	Taiwan	100%	2,075	154
Damco Tanzania Limited	Tanzania	99%	-1,336	-433
DAMCO Eastern Europe ApS	Denmark	100%	132	-42
Damco Ukraine Ltd.	Ukraine	100%	-27	-9
Damco Logistics Uganda Ltd.	Uganda	100%	-1,232	-6
Damco USA Inc.	USA	100%	74,866	1,790
APM Global Logistics Uruguay S.A.	Uruguay	100%	27	4
Damco Zambia Limited	Zambia	99%	-601	-186

Financial statements 1 January - 31 December

Notes to the financial statements

USD'000	2019	2018
9 Deferred tax assets		
Deferred tax at 1 January	-150	-150
Deferred tax at 31 December	-150	-150
Deferred tax relates to:		
Provisions	-150	-150
	-150	-150

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

DKK'000	2019	2018
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

Financial Statements 1 January – 31 December

Notes to the Financial Statements

USD '000	<u>2019</u>	<u>2018</u>
11 Other Provisions		
Opening Balance 1 January	736	796
Provisions utilized in the year		-60
Other Provisions at 31 December	<u>736</u>	<u>736</u>
The provisions are expected to be payable in:		
> 1 year	<u>736</u>	<u>736</u>
	<u>736</u>	<u>736</u>

Other provisions comprise provision 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

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the Parent Company's consolidated financial statements</u>
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

<u>Name</u>	<u>Domicile</u>
A.P Møller Mærsk A/S	Esplanaden 50, 1263 Copenhagen 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 A.P. Møller Holding A/S.

	USD '000	2019	2018
15	Appropriation of Profit/Loss	<u> </u>	<u> </u>
	Recommended appropriation of Profit/Loss		
	Retained earnings/accumulated Loss	-58,715	16,768
		<u> </u>	<u> </u>
		-58,715	16,768
		<u> </u>	<u> </u>