

APMH INVEST A/S ANNUAL · REPORT 2017



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Date 30 April 2018
Chairman Lars-Erik Brenøe

A handwritten signature in black ink, reading "Lars-Erik Brenøe".

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2016 comparable numbers in brackets



MANAGEMENT REVIEW FOR 2017

FINANCIAL HIGHLIGHTS

Amounts in DKKm	2017	2016	5 Feb to 31 Dec 2015
Share of profit in subsidiaries	-283.9	0.0	0.0
Share of profit in associate	4,196.1	3,609.8	1,502.1
Profit from ordinary operating activities	4,834.4	3,609.7	1,502.0
Net financials	17.6	-143.1	-202.8
Profit before tax	4,852.0	3,466.6	1,299.2
Tax	-8.2	16.9	47.4
Net profit for the year	4,843.8	3,483.5	1,346.6
Balance sheet total	37,043.6	30,970.9	30,180.3
Equity	31,962.2	27,773.9	21,202.5
Return on equity after tax	16.2%	14.2%	7.0%
Equity interest	86.3%	89.7%	70.3%

The objective of APMH Invest A/S is to act as holding company for A.P. Møller Holding A/S' investments by investing in Danish and foreign assets including holding of shares in Danske Bank A/S. The Company's liquid funds may be invested in shares, bonds and other financial assets.

DANSKE BANK

Danske Bank is a Nordic universal bank with four core Nordic markets (Denmark, Norway, Sweden and Finland) and four business segments (personal, business, corporate and institutions and wealth). The universal banking model provides a strong diversified platform delivering synergies across core markets.

A.P. Moller has been involved in Danske Bank since 1928 and in 2015, APMH Invest acquired a 20% direct ownership stake in Danske Bank.

During 2017, Moody's upgraded Danske Bank's credit baseline to a3 from baa1. S&P and Fitch maintained their rating.

MAERSK TANKERS

During 2017 we acquired Maersk Tankers from A.P. Moller - Maersk.

Maersk Tankers is a leading company in the product tanker industry, transporting refined oil products globally. The company operates one of the largest fleets in the industry, comprising of 164 vessels, of which 82 vessels are owned, and employs 2,300 people worldwide. The transaction closed on 10 October 2017.

After the competition authority clearance in March 2018, Maersk Tankers A/S and Maersk Product Tankers A/S were separated and Mitsui & Co. Ltd. acquired 30% of the shares in Maersk Product Tankers A/S. The transaction closed on 6 April 2018.

A.P. MOLLER CAPITAL

A.P. Moller Capital was established in 2017 with A.P. Moller Holding as the largest shareholder with the purpose of managing stand-alone capital funds focusing on infrastructure investments in growth markets. A.P. Moller Capital is headquartered in Denmark and is regulated by the Danish Financial Supervisory Authority (FSA).

In August 2017, A.P. Moller Capital launched its first fund, The Africa Infrastructure Fund 1 (AIF1). The fund aims to build and operate infrastructure projects in Africa, targeting projects within transportation and energy such as rail, roads, ports and warehousing to power plants, transmission, pipelines and distribution.

PROFIT FOR THE YEAR

Profit for the year after tax amounted to DKK 4,844m (DKK 3,484m) which is better than expected. The profit is mainly ascribed to the share of profit and sale of shares in Danske Bank.

The profit for the year is proposed distributed with DKK 3,912m to net revaluation under the equity method and DKK 932m to retained earnings. No dividend is proposed for 2017.

OUTLOOK FOR 2018

APMH Invest's portfolio is generally exposed to the global economic markets, hence the outlook for our financial performance in 2018 is subject to significant uncertainties. Subject to macroeconomic factors our performance mainly depends on the development of the commercial activities in Danske Bank, Maersk Tankers A/S and Maersk Product Tankers A/S.

According to the Annual Report 2017 for Danske Bank, Danske Bank expects a net profit in the range of DKK 18–20bn.

In respect of Maersk Tankers A/S and Maersk Product Tankers, freight marked are expected to gradually recover in 2018 and the underlying result is expected to somewhat above the result in 2017.

Furthermore, our financial performance will be impacted by the development in A.P. Møller Capital P/S as well as the returns from our financial investments (and potential new investments during the year). We do not expect the impact on APMH Invest's results from these companies to be material.

This statement is based on the current expectations for the financial markets and are by nature subject to a number of uncertainties that could cause actual results and performance to differ materially from the expectations.

RISKS RELATED TO OUR HOLDINGS

APMH Invest's investments consist of Large Investments, Fund Manager and Financial Investments.

Risks regarding Our Large Investments and Our Fund Manager include business and financial risks associated with the operation and performance of our holdings. Such risks are most effectively managed de-centrally. Consequently, the management of the individual holdings in affiliates defines their own risk management policies and procedures.

As owner and a member of the Board of Directors of each affiliate, we monitor business performance in the affiliates closely, and reports on business and risk-related issues are appropriately provided to our Board of Directors.

The ambition of our owner, A.P. Moller Holding is to hold a diversified and financially robust portfolio to sustain black swans and unforeseen negative events. Hence, risks are consolidated and monitored centrally in A.P. Moller Holding.

Risk reporting is an integrated part of our business processes allowing us to respond appropriately to changing environments. Portfolio performance reports are prepared for the Board of Directors.

APMH Invest also has a portfolio of fixed income and equities, managed by its own investment team. The overall objective of the portfolio is to create economic value in line with our values and ensure that a part of our portfolio remains ultra-liquid.

The Board of Directors defines the investment policy. We manage the market, credit and currency risks related to our portfolio investments by limiting maximum exposure to individual asset classes and underlying assets. Derivative financial instruments such as currency and interest swaps are used for risk management purposes. The guidelines are reviewed regularly to ensure it reflects the market situation, and our financial situation at any given time.

STATUTORY REPORT CF. SECTION 99A OF THE DANISH FINANCIAL STATEMENTS ACT

As an international investment company with a broad range of investment activities, APMH Invest has a significant influence on society. We acknowledge the responsibilities that this entails and make an effort to ensure that we are recognised as a trustworthy group of companies.

The Board of Directors of each of our Large Investments, Danske Bank A/S and Maersk Tankers A/S and our Fund Manager, A.P. Møller Capital P/S define their own specific CSR policies and codes of conduct. We are represented on each Board, and these representatives ensure that CSR policies, including human rights, climate change and environmental impact, are enforced.

Policies are adapted to meet the circumstances in which each of the affiliates operates.

APMH Invest is part of A.P. Moller Holding's statutory statement on CSR and the report is available on <http://www.apmoller.com/CSR-REPORT>

Danske Bank has published an independent, verified sustainability report for 2017, which provides detailed information on Danske Bank's results within sustainability and sustainability strategy. The report constitutes Danske Bank's progress report according to the UN Global Compact and complies with the requirement of the Danish Financial Statements Act concerning the preparation of a statutory statement of corporate social responsibility and reporting on gender representation in Management.

The report is available (in English) on <http://danskebank.com/da/ansvarlighed>

Maersk Tankers has published an independent sustainability report for 2017, which provides a sustainability update. The report is available on <https://www.maersktankers.com/-/media/about-us/documents/sustainability-update-2017.ashx>

As a fund manager, A.P. Moller Capital pledges to be an ethical partner while delivering competitive return for investors. A.P. Moller Capital believes that working towards high Environmental, Social, and Governance (ESG) standards in the investments is the best way to mitigate risks and an opportunity to create value. Therefore A.P. Moller Capital expects to sign up to the UN Principles for Responsible Investment during 2018.

STATUTORY REPORT CF. SECTION 99B OF THE DANISH FINANCIAL STATEMENTS ACT

The Board of Directors counts three men and the present representation is considered appropriate. The Board has defined a target to maintain a share of the under-represented gender on the Board to account for equal distribution of the shareholder-appointed Board members. The expectation is to fulfil the requirement by the end of 2021.



FINANCIAL STATEMENTS

Income statement | Balance sheet | Statement of changes in equity |
Notes to the financial statements

INCOME STATEMENT FOR 1 JANUARY TO 31 DECEMBER

Note	Amounts in DKKm	2017	2016
1	Share of profit in subsidiaries	-283.9	0.0
2	Share of profit in associate	4,196.1	3,609.8
3	Other external expenses	-2.3	-0.1
4	Other income	924.5	0.0
	Profit before financial items	4,834.4	3,609.7
5	Other financial income	159.5	6.3
6	Other financial expenses	-141.9	-149.4
	Profit before tax	4,852.0	3,466.6
7	Tax on profit for the year	-8.2	16.9
8	Net profit for the year	4,843.8	3,483.5

BALANCE SHEET AT 31 DECEMBER

Assets

Note	Amounts in DKKm	2017	2016
	Fixed assets		
1	Investments in subsidiaries	3,433.1	0.0
1	Receivables from subsidiaries	2,209.7	0.0
2	Investments in associate	30,987.8	30,767.3
	Total fixed assets	36,630.6	30,767.3
	Current assets		
9	Deferred tax asset	1.3	2.3
10	Tax receivables	0.5	23.1
	Other receivables	3.4	0.0
	Prepayments	35.5	0.0
	Total receivables	40.7	25.4
	Securities	100.5	98.2
	Cash and bank balances	271.8	80.0
	Total current assets	413.0	203.6
	Total assets	37,043.6	30,970.9

Equity and Liabilities

Note	Amounts in DKKm	2017	2016
	Equity		
11	Share capital	1,000.0	1,000.0
	Reserve for net revaluation under the equity method	4,118.8	2,836.1
	Retained earnings	26,843.4	23,937.8
	Proposed dividend	0.0	0.0
	Total equity	31,962.2	27,773.9
	Provisions		
12	Other provisions	65.2	0.0
	Total provisions	65.2	0.0
	Short-term debt		
	Debt to banks	4,957.3	3,184.4
	Payables to affiliates	34.9	0.0
	Trade payables	16.5	0.9
	Other payables	7.5	11.7
	Total short-term debt	5,016.2	3,197.0
	Total liabilities	5,016.2	3,197.0
	Total equity and liabilities	37,043.6	30,970.9

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- 18 Accounting policies

STATEMENT OF CHANGES IN EQUITY

Amounts in DKKm	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend	Total
Equity at 1 January 2016	1,000.0	1,279.5	18,923.0	0.0	21,202.5
Total group contribution	0.0	0.0	3,325.0	0.0	3,325.0
Net profit for the year	0.0	3,609.8	1,487.5	0.0	5,097.3
Dividend from associate	0.0	-1,613.8	1,613.8	0.0	0.0
Other adjustments etc	0.0	-439.4	-1,411.5	0.0	-1,850.9
Equity at 31 December 2016	1,000.0	2,836.1	23,937.8	0.0	27,773.9
Net profit for the year	0.0	3,912.2	931.6	0.0	4,843.8
Impact of predecessor accounting	0.0	-48.3	108.6	0.0	60.3
Dividend from associate	0.0	-1,770.7	1,770.7	0.0	0.0
Other adjustments etc	0.0	-810.5	94.7	0.0	-715.8
Equity at 31 December 2017	1,000.0	4,118.8	26,843.4	0.0	31,962.2



NOTES TO THE FINANCIAL STATEMENTS

Note 1: Investments in and receivables from subsidiaries

Investments in subsidiaries

Amounts in DKKm	2017	2016
Cost at 1 January	0.0	0.0
Additions	3,702.3	0.0
Disposals	- 0.2	0.0
Cost at 31 December	3,702.1	0.0
Adjustment to carrying amount at 1 January	0.0	0.0
Share of profit for the year	- 283.9	0.0
Dividend	0.0	0.0
Purchase price in excess of carrying amount	- 48.3	0.0
Other adjustments	63.2	0.0
Adjustment to carrying amount at 31 December	- 269.0	0.0
Carrying amount at 31 December	3,433.1	0.0

Company overview as at 31 December 2017

Subsidiaries	Country of incorporation	Ownership share
Maersk Tankers A/S	Denmark	100%
A.P. Møller Capital P/S	Denmark	51%
Africa Infrastructure Fund I GP ApS	Denmark	100%
AIF I Sponsor Invest K/S	Denmark	100%
A.P. Møller Capital GP ApS	Denmark	100%
APMH Invest III ApS	Denmark	100%
APMH Invest IV ApS	Denmark	100%
APMH Invest V ApS	Denmark	100%

Subsidiaries of Maersk Tankers	Country of incorporation	Ownership share
Maersk Tankers LR2 General Partner A/S	Denmark	100%
Maersk Tankers MR General Partner A/S	Denmark	100%
Handytankers General Partner A/S	Denmark	100%
Brostrom General Partner A/S	Denmark	100%
Maersk Tankers Afra General Partner A/S	Denmark	100%
Maersk Tankers LR2 K/S	Denmark	100%
Maersk Tankers MR K/S	Denmark	100%
Handytankers K/S	Denmark	100%
Brostrom K/S	Denmark	100%
Maersk Tankers Afra K/S	Denmark	100%
OPSA Operadora Portuaria	Venezuela	100%
Maersk Tankers Holland BV	Holland	100%
Brostrom AB	Sweden	100%
Maersk Tankers US Inc.	USA	100%
Maersk Tankers US Personnel Inc.	USA	100%
Maersk Tankers India Pvt. Ltd.	India	100%
Maersk Tankers Romania SRL	Romania	100%
Maersk Product Tankers A/S	Denmark	100%
Maersk Tankers Singapore Pte Ltd	Singapore	100%
Maersk Tankers UK Ltd.	UK	100%

Joint ventures of Maersk Tankers	Country of incorporation	Ownership share
Long Range 2 A/S	Denmark	50%
LR 2 Management K/S	Denmark	50%

Note 1: Investments in and receivables from subsidiaries - continued

Receivables from subsidiaries

Amounts in DKKm	2017	2016
Receivables at 1 January	0.0	0.0
Additions	5,047.1	0.0
Disposals	-2,789.1	0.0
Receivables at 31 December	2,258.0	0.0
Adjustment to carrying amount at 1 January	0.0	0.0
Exchange rate adjustment	-48.3	0.0
Adjustment to carrying amount at 31 December	-48.3	0.0
Carrying amount at 31 December	2,209.7	0.0

Note 2: Investments in associate

Amounts in DKKm	2017	2016
Acquisition cost at 1 January	27,931.2	28,638.4
Additions	0.0	0.0
Disposals	-1,331.2	-707.2
Cost at 31 December	26,600.0	27,931.2
Adjustment to carrying amount at 1 January	2,836.1	1,279.5
Share of profit for the year	4,196.1	3,609.8
Dividend	-1,770.7	-1,613.8
Other adjustments	-873.7	-439.4
Adjustment to carrying amount at 31 December	4,387.8	2,836.1
Carrying amount at 31 December	30,987.8	30,767.3

Associate	Registered office	Ownership share ¹	Voting share
Danske Bank A/S	Copenhagen	20%	20%

¹ Percentage of total number of issued shares

Note 3: Other external expenses

Apart from the Executive Board, APMH Invest A/S has not had any employees in 2017 and 2016. No remuneration has been paid to the Board of Directors and the Executive Board.

Note 4: Other income

Amounts in DKKm	2017	2016
Gain on sale of fixed asset investments	924.4	0.0
Other income	0.1	0.0
Total	924.5	0.0

Note 5: Other financial income

Amounts in DKKm	2017	2016
Interest income	1.1	0.5
Interest income and loan fees, affiliates	40.7	0.0
Dividends	2.5	4.4
Gain on securities	2.2	0.9
Exchange adjustments, financial instruments	6.0	0.0
Exchange rate adjustments	106.5	0.0
Other financial income	0.5	0.5
Total	159.5	6.3

Note 6: Other financial expenses

Amounts in DKKm	2017	2016
Interest expenses	-67.0	-96.6
Amortised borrowing costs, etc.	-26.6	-38.6
Exchange rate adjustments	-48.3	-14.2
Total	-141.9	-149.4

Note 7: Tax on profit for the year

Amounts in DKKm	2017	2016
Tax on profit for the year	0.0	19.1
Adjustment of tax concerning previous years	-7.2	-0.2
Adjustment of deferred tax	-1.0	-2.0
Total	-8.2	16.9

Note 8: Distribution of net profit for the year

Amounts in DKKm	2017	2016
Proposed dividend	0.0	0.0
To net revaluation under the equity method	3,912.2	1,996.0
Retained earnings	931.6	1,487.5
Net profit for the year	4,843.8	3,483.5

Note 9: Deferred tax asset

Amounts in DKKm	2017	2016
Deferred tax asset at 1 January	2.3	4.3
Adjustment of deferred tax for the year	-1.0	-2.0
Deferred tax asset at 31 December	1.3	2.3

Deferred tax is calculated based on the difference between the carrying amount and the tax base of assets and liabilities. Management expects the deferred tax asset to be utilised by APMH Invest A/S itself or by the group of jointly taxed companies within a few years.

Note 10: Tax receivables

Amounts in DKKm	2017	2016
Tax receivables at 1 January	23.1	43.1
Adjustment of tax concerning previous years	-7.2	-0.2
Tax on profit for the year	0.0	19.1
Tax received for the year	-15.4	-38.9
Tax receivables at 31 December	0.5	23.1

Note 11: Share capital

Amounts in DKKm	
Changes in share capital in the past 5 years	
On formation, 5 February 2015	1.0
Cash capital increase, 7 April 2015	999.0
Share capital at 31 December 2017	1,000.0

The share capital consists of 1,000 shares with a nominal value of DKK 1m.

Note 12: Other provisions

Other provisions relate to contingent consideration regarding purchase of subsidiaries.

Note 13: Derivative financial instruments

For the purpose of hedging the interest risk on floating interest rate loans, DKK 0.0bn at 31 December 2017 (2016: DKK 3.2bn), APMH Invest A/S has entered into an interest rate swap which pegs the interest expense on the floating rate loan up to 31 May 2017.

Note 14: Related parties

A.P. Møller Holding A/S holds 100% of the Company's share capital.

Related parties exercising controlling interest on the Company:

- A.P. Møller Holding A/S, Esplanaden 50, Copenhagen, Denmark
- A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til Almene Formål (A.P. Møller Fonden), Esplanaden 50, Copenhagen, Denmark.

The Company has not entered into any transactions with related parties that were not on an arm's length basis.

Consolidated financial statements

APMH Invest A/S is included in the consolidated financial statements for A.P. Møller Holding A/S, Copenhagen, Denmark, Business Registration No 25 67 92 88. The consolidated financial statement of A.P. Møller Holding A/S can be required at www.cvr.dk.

Note 15: Contingent liabilities

The Company is included in national joint taxation with Danish companies in the A.P. Møller Holding group. The Company is jointly and severally liable for the payment of taxes and withholding tax.

Note 16: Guarantees and pledges

APMH Invest A/S has undertaken an irrevocable parent company guarantee for certain obligations of its subsidiary Maersk Tankers A/S. The parent company guarantee is given in favor of Maersk Product Tankers A/S, a subsidiary of Maersk Tankers A/S. With the guarantee, APMH Invest A/S has undertaken to be jointly and severally liable, as co-principal debtor, to Maersk Product Tankers A/S, for the obligations of Maersk Tankers A/S in relation to certain assets and liabilities contributed by Maersk Tankers A/S to Maersk Product Tankers A/S.

Fixed asset investments with a carrying amount of DKK 15.5bn (DKK 30.8bn) have been placed as pledge for the Company's debt to banks, DKK 5.0bn (DKK 3.2bn).

Note 17: Events after the balance sheet date

In April 2018, 30% of the shares in Maersk Product Tankers A/S was sold to Mitsui & Co., Ltd. The sale price equals the cost of shares in Maersk Tankers.

No other events of importance to the Annual Report have occurred during the period from the balance sheet date until the presentation of the financial statements.

Note 18: Accounting policies

The Financial Statement for 2017 for APMH Invest A/S has been prepared on a going concern basis and in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

A few adjustments have been made to the presentation form and designations in view of the nature of the Company. The adjustments have no effect on either profit or equity.

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the Company.

With reference to section 112 of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

The Financial Statements are presented in DKK million.

Income statement

Share of profit/loss in subsidiaries and associated companies

Share of profit/loss in subsidiaries and associated companies is recognised net of tax and corrected for the share of unrealised intra-group gains and losses. The line item also includes amortisation and impairment of goodwill recognised as part of the equity investment.

Expenses

Other external expenses comprise expenses for administration, office supplies, etc.

Other income

Other income comprises gain on sale of fixed asset investments, etc.

Note 18: Accounting policies - continued

Other financial items

Other financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Fair value adjustments on securities are recognised in the income statement under financial items.

Tax

Tax comprises an estimate of current and deferred income tax as well as adjustments to previous years of those.

Tax is recognised in the income statement to the extent it arises from items recognised in the income statement.

Balance sheet

Investment in subsidiaries and associates

Investment in subsidiaries and associates are accounted for under the equity method. The investments are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses of the investee, and the company's share of movements in equity of the investee. Dividends received or receivable from subsidiaries and associates are recognised as a reduction in the carrying amount of the investment.

When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the company and its subsidiaries are eliminated in full. Unrealised gains on transactions between the company and its associates are eliminated to the extent of the group's interest in these entities.

Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

Securities

All other equity instruments where APMH Invest A/S does not have either control, joint control or significant influence is measured at fair value and the fair value adjustment is recognised in the income statement under financial items.

Fair value of shares, bonds, etc, are recognised on the trade date at fair value and are subsequently measured at market price as regards listed securities and at an estimated fair value as regards other equity investments.

Receivables

Receivables are generally recognised at nominal value, substantially corresponding to amortised cost.

Prepayments

Prepayments comprise commitment fees.

Deferred tax

Deferred tax is provided for based on the difference between the carrying amount and the tax base of assets and liabilities. Deferred tax is not recognised in respect of goodwill which cannot be deducted or amortised for tax purposes, or in respect of temporary differences which at the date of transaction do not affect either profit for the year or taxable income. Moreover, no provision is made for deferred tax on differences relating to investments in subsidiaries and associates to the extent that taxable distribution is not likely in the near future. Deferred tax assets are recognised solely to the extent that the tax asset is likely to be utilised within the near future.

Liabilities

Financial debts are recognised initially at fair value net of transaction expenses. Subsequently, financial debts are measured at amortised cost, substantially corresponding to nominal value.

Note 18: Accounting policies - continued

Other areas

Derivatives

Derivative financial instruments are recognised on the trade date and are measured at fair value calculated according to generally accepted valuation methods and based on relevant observable swap curves and exchange rates. Derivative financial instruments with a positive fair value are recognised in other receivables, whereas derivative financial instruments with a negative fair value are recognised in other payables.

Business combinations under common control

Business combinations under common control are accounted for at carrying values using predecessor accounting i.e. pooling of interest when the entity acquired has been under control of another member of the same group company before the acquisition. A difference between the carrying value and the consideration paid are recognised directly in equity. Comparative information is restated as if the acquired entity has always been owned by the company.

Definitions of financial ratios

Return on equity after tax is calculated as profit for the year after tax in proportion to average equity for the year.

Equity interest is calculated as equity end of year in proportion to balance sheet total end of year.



REPORTS

MANAGEMENT'S STATEMENT

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

Copenhagen, 24 April 2018

Executive Board



Martin Nørkjær Larsen

Board of Directors



Robert Mærsk Uggle
Chairman



Lars-Erik Brenøe



Martin Nørkjær Larsen

The Executive Board and the Board of Directors have today considered and adopted the Annual Report of APMH Invest A/S for the financial year 1 January - 31 December 2017.

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

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company's operations for 2017.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company.

INDEPENDENT AUDITOR'S REPORT

To the shareholder of APMH Invest A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of APMH Invest A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (the "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 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:

- 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, 24 April 2018

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