

# **Rederiet A.P. Møller A/S**

Esplanaden 50, DK-1263 Copenhagen K

Registration No. 37 04 81 19

## **Annual Report 2019**

The annual report has been presented and approved  
at the Annual General Meeting on 26 June 2020

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Jacob Ramsgaard Nielsen (chairman)

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## Company Information

The company	Rederiet A.P. Møller A/S Esplanaden 50 DK-1263 Copenhagen K Denmark	
	Phone:	+45 33 63 33 63
	CVR No.:	37 04 81 19
	Founded:	22 June 1970
	Domicile:	Copenhagen, Denmark
Board of directors	Financial year:	1 January – 31 December
	Ulf Hahnemann (chairman)	
	Thomas Lindegaard Madsen	
	Anne Pindborg	
	Jacob Andersen Sterling	
Management	Lauren Bedard Thomsen	
	Anne Pindborg	
	PricewaterhouseCoopers	
	Statsautoriseret Revisionspartnerselskab	
	Strandvejen 44	
Auditor	DK-2900 Hellerup	
	Denmark	

## Financial Highlights

*Amounts in DKK 1,000*

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Administration fee	400	450	400	654	400
Profit before financial items	213	88	36	361	34
Financial items, net	-22	-84	163	-254	33
Net profit for the year	149	3	155	83	51
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Total assets	620,152	598,383	608,150	1,147,487	1,279,105
Equity	88,029	87,880	87,877	87,722	87,639

## Management's Review

### Main activities

During 2019, the Company employed in average 2,768 employees (2018: 2,763 employees). The employees have been engaged with shipping as well as general administration for A.P. Møller - Maersk companies.

### Development during the financial year

The result for 2019 is in line with expectations and is considered satisfactorily.

### Corporate social responsibility

The annual report does not contain a CSR report. Reference is made to the A.P. Møller - Maersk sustainability report published on the website:

<https://www.maersk.com/business/sustainability/sustainability-reports-and-publications>

### Diversity

#### Target for gender diversity on the Board of Directors

The Board believes that its members should be elected on the basis of their combined qualifications and at the same time recognizes 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 a target to increase the share of the under-represented gender on the Board to account for at least 33% of the shareholder-appointed Board members.

As of 31 December 2019, there is two women on the Board, thus, the ambition to reach the target of 33% female representation on the Board by 31 December 2019 has been reached.

#### Policy to increase gender diversity on other management levels

As part of the Maersk Group, Rederiet A.P. Møller A/S adheres to the group policy which was adopted at the Board Meeting in A.P. Møller - Maersk A/S on 21 February 2013 with the aim to increase the share of the underrepresented gender on the company's management levels.

The Maersk gender diversity and inclusion policy was revised in 2019. The policy provides details of our targets and actions to increase gender diversity and is available on the Maersk website <https://www.maersk.com/careers/maersk-culture/diversity>.

To support our ambitions of increasing the number of women in management levels the following actions have been taken and continued also in 2019:

- To increase the number of women being recruited into Rederiet A.P. Møller A/S there is a target of no less than 40% of one gender to be hired for our job levels up to senior manager level (JL5). During talent reviews which take place for our senior job levels across the company, we measure all data by gender to allow us to assess the diversity of the talent pool.
- To support the retention of our employees and especially women we introduced a global maternity leave policy in 2016 which enables women to return to work on a flexible hours basis, subject to criteria. The purpose of the policy is to increase the retention of women post maternity leave.
- Across the company we have implemented training to help reduce the gender and other stereotype bias in decision making. The training is available to all employees across our company with the aim to reduce any potential gender stereotype bias in decision making such as recruitment, development, promotion etc. Our employees and leaders also take part in the annual diversity and inclusion week across Maersk where we highlight female role models, panel sessions and focused on gender stereotypes and the impact they can have on the future generation.

- We encourage our female junior managers to take part in Strategies for Success, a women's development program that is aimed to support the development and career aspirations of junior to middle managers, therefore helping us increase our pipeline to senior level management.
- Progress for the above actions is measured across APMN Denmark but in the future we plan to measure these by entity within Denmark to allow for more accurate assessment of progress.

### **Expectations**

The Company's outlook for the future will be affected by the COVID-19 outbreak and the measures taken by governments in most of the world to mitigate the impacts of the outbreak, see also subsequent events disclosures in note 9.

Management is currently not able to reliably estimate the effect of COVID-19 on the expected revenue and net profit of the Company. Consequently, Management finds itself unable to reliably disclose its outlook for the future in accordance with section 12 of the Danish Financial Statements Act.

## Statement of the Board of Directors and Management

The board of directors and the management have today discussed and approved the annual report of Rederiet A.P. Møller A/S for the financial year 1 January – 31 December 2019.

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

In our opinion, the financial statements provide a fair view of the company's financial position at 31 December 2019 and the result of the Company's activities for the financial year 1 January – 31 December 2019.

It is our opinion that management's review includes a true and fair account of the matters addressed in the review.

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

Copenhagen, 26 June 2020

Management

Anne Pindborg

Board of directors

Ulf Hahnemann  
(chairman)

Thomas Lindegaard Madsen

Anne Pindborg

Jacob Andersen Sterling

Lauren Bedard Thomsen

## Independent Auditor's Report

To the shareholders of Rederiet A.P. Møller 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 of 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 Rederiet A.P. Møller 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 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.



## 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 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, 26 June 2020

### PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No.: 33 77 12 31

Søren Ørjan Jensen  
State Authorised Public Accountant  
mne33226

Kristian Pedersen  
State Authorised Public Accountant  
mne35412

## Income Statement

Amounts in DKK 1,000

Note

	2019	2018
Administration fee	400	450
2 Salary costs and pension contribution etc.	2,394,790	2,610,509
Reimbursement of administration, staffing etc.	2,394,790	2,610,509
Administration expenses	187	362
<b>Profit before financial items</b>	<b>213</b>	<b>88</b>
3 Financial expenses	22	84
<b>Profit before tax</b>	<b>191</b>	<b>4</b>
4 Tax	42	1
<b>Profit for the year</b>	<b>149</b>	<b>3</b>
<b>Appropriation:</b>		
1 Retained earnings	149	3
	<b>149</b>	<b>3</b>

## Balance Sheet at 31 December

Amounts in DKK 1,000

	2019	2018
<b>Assets</b>		
5 Receivables from affiliated companies	620,152	598,383
<b>Total current assets</b>	<b>620,152</b>	<b>598,383</b>
<b>Total assets</b>	<b>620,152</b>	<b>598,383</b>
<b>Equity and liabilities</b>		
Share capital	10,000	10,000
Retained earnings	78,029	77,880
6 <b>Total equity</b>	<b>88,029</b>	<b>87,880</b>
7 Other payables	54,349	-
<b>Total non-current liabilities</b>	<b>54,349</b>	<b>-</b>
Tax payables	42	45
7 Other payables	464,936	510,458
Other payables to affiliated companies	12,796	-
<b>Total current liabilities</b>	<b>477,774</b>	<b>510,503</b>
<b>Total equity and liabilities</b>	<b>620,152</b>	<b>598,383</b>
8 Related parties		
9 Subsequent events		
10 Contingent liabilities		

## Statement of Changes in Equity

Amounts in DKK 1,000

<b>Equity</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity 1 January 2019	10,000	77,880	<b>87,880</b>
Result for the year	0	149	<b>149</b>
<b>Equity 31 December 2019</b>	<b>10,000</b>	<b>78,029</b>	<b>88,029</b>

## **Notes to the Financial Statements**

### **Accounting policies**

The annual report for Rederiet A.P. Møller A/S has been presented in accordance with the Danish Financial Statements Act regarding large reporting class C. The financial statements are adapted to the Company's activity and are presented in DKK thousands.

In accordance to the Danish financial statements act §86.4, no cash flow statement is prepared.

The accounting policies applied remain unchanged from last year.

### **Recognition and measurement**

Revenue is recognized in the income statement as earned including value adjustments of financial assets and liabilities. All expenses are also recognised in the income statement including depreciation and impairments.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the assets will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that the future economic benefits will flow out of the Company and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described below for each item.

### **Foreign exchange translation**

Transactions in foreign currency is translated at the transaction date's exchange rate. Any foreign exchange differences from such translation, that occurs between the transaction day's exchange rate and the exchange rate on the payment date, are recognised on the income statement as a financial item.

Receivables, payables and other monetary items in foreign currencies that are not settled at the balance sheet date, are translated at the exchange rate at the balance sheet date. The difference between the exchange rate on the balance sheet date and the time of recognition of receivables or payables are included in financial items in the income statement.

### **Income statement**

#### **Administration fee**

Revenue comprises of administration fee and is recognized if delivery and transfer of risk took place before end of year. Revenue is recognized exclusive of VAT.

#### **Salary, pension contribution etc.**

Salaries, pension contributions etc. comprise expenses that have incurred during the year for the employees, including the regulation regarding wage related liabilities.

### **Financial items**

Financial items comprise interests and realised as well as unrealised currency rate gains and losses. Financial income and expenses are recognised at the amounts relating to the financial year.

## **Notes to the Financial Statements**

### **Tax**

Tax for the year comprises the amount expected to be paid for the financial year. The Company is jointly taxed with the other Danish companies within the A.P. Møller Holding Group.

### **Balance sheet**

#### **Receivables**

Receivables are measured at amortised cost which usually corresponds to the nominal value. Write-down is made for anticipated losses to the net realisable value.

#### **Equity**

Dividends expected to be paid during the year, are shown as a separate equity item.

#### **Financial liabilities**

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

## Notes to the Financial Statements

Amounts in DKK 1,000

<b>1 Appropriation</b>	<b>2019</b>	<b>2018</b>
Profit for the year	149	3
<b>Appropriation:</b>		
Retained earnings	<b>149</b>	<b>3</b>
<b>2 Salary, pension contribution etc.</b>	<b>2019</b>	<b>2018</b>
Salary costs	2,177,098	2,379,009
Pension contribution	211,515	224,800
ATP contribution	6,177	6,700
<b>Total</b>	<b>2,394,790</b>	<b>2,610,509</b>
Average number of employees	2,768	2,763
There is no remuneration paid to the management.		
<b>3 Financial income and expenses</b>	<b>2019</b>	<b>2018</b>
Interest expenses to related companies	0	39
Exchange rate loss on working capital	22	45
<b>Total financial income and expenses</b>	<b>22</b>	<b>84</b>
<b>4 Income tax for the year</b>	<b>2019</b>	<b>2018</b>
Income tax for the year	42	1
<b>Total income tax for the year</b>	<b>42</b>	<b>1</b>
<b>5 Receivables from affiliated companies</b>		
Receivables are related mainly to recharges of payroll and holiday pay accruals in addition to a cash deposit held with A.P. Møller - Mærsk A/S.		
<b>6 Equity</b>		
The share capital of DKK 10m is divided into 19 shares of DKK 500,000, 4 shares of DKK 100,000 and 10 shares of DKK 10,000. No shares carry any special rights.		
<b>7 Other payables</b>		
Other payables primarily consist of staff related payables, such as holiday allowance.		

## Notes to the Financial Statements

### 8 Related parties

Controlling interest through shareholdings: A.P. Møller - Mærsk A/S, Esplanaden 50, DK-1098 Copenhagen K. Internal trade with related companies and management consists mainly of administration of wages and remuneration and are subject to arm's length conditions.

Rederiet A.P. Møller A/S is included in the consolidated accounts of A.P. Møller - Mærsk A/S, Esplanaden 50, DK-1098 Copenhagen K.

### 9 Subsequent events

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 calculate the size of the negative COVID-19 impact.

No other events have taken place.

### 10 Contingent liabilities

Through participation in joint taxation scheme with A.P. Møller Holding A/S, the Company is jointly and severally liable for taxes payable, etc. in Denmark.