
Maersk Agency Denmark A/S

Hedeager 5, DK-8200 Aarhus N

Annual Report for 1 January - 31 December 2017

CVR No 84 09 71 28

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
15 May 2018

Frith Brennan
Chairman



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Maersk Agency Denmark 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 operations for 2017.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Aarhus, 15 May 2018

Executive Board

Martin Meldgaard Pedersen
CEO

Board of Directors



Eva Maria Persson
Chairman



Lasse Dan Sørensen



Martin Meldgaard Pedersen

Independent Auditor's Report

To the Shareholder of Maersk Agency Denmark 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 Maersk Agency Denmark 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.

Hellerup, 15 May 2017
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob Brinch
State Authorized Public Accountant
MNE35447

Company Information

The Company

Maersk Agency Denmark A/S
Hedeager 5
DK-8200 Aarhus N

CVR No: 84 09 71 28

Financial period: 1 January - 31 December

Incorporated: 28 June 1978

Municipality of reg. office: Aarhus

Board of Directors

Eva Maria Persson, Chairman
Lasse Dan Sørensen
Martin Meldgaard Pedersen

Executive Board

Martin Meldgaard Pedersen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Maersk Agency Denmark A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules in class C.

The Annual Report has been prepared under the same accounting policies as last year.

Main activity

The Company has as a general agent in Denmark managed liner agency activities for Maersk Line/Safmarine and Seago Line.

Development in the year

The income statement of the Company for 2017 shows a profit of TDKK 406, and at 31 December 2017 the balance sheet of the Company shows equity of TDKK 5.906.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
Gross profit/loss		30.710	31.938
Staff expenses	1	-30.005	-31.293
Depreciation of property, plant and equipment		<u>-136</u>	<u>-120</u>
Profit/loss before financial income and expenses		568	525
Financial income	2	4	26
Financial expenses	3	<u>-17</u>	<u>-45</u>
Profit/loss before tax		555	506
Tax on profit/loss for the year	4	<u>149</u>	<u>-331</u>
Net profit/loss for the year		<u>406</u>	<u>175</u>

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	<u>406</u>	<u>175</u>
	<u>406</u>	<u>175</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
Other fixtures and fittings, tools and equipment		<u>265</u>	<u>220</u>
Property, plant and equipment	5	<u>265</u>	<u>220</u>
Deposits		<u>771</u>	<u>756</u>
Fixed asset investments	6	<u>771</u>	<u>756</u>
Fixed assets		<u>1.036</u>	<u>976</u>
Receivables from group enterprises		11.892	13.055
Deferred tax asset		844	973
Prepayments		<u>645</u>	<u>456</u>
Receivables		<u>13.381</u>	<u>14.484</u>
Currents assets		<u>13.381</u>	<u>14.484</u>
Assets		<u>14.417</u>	<u>15.460</u>

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
Share capital		5.500	5.500
Proposed dividend for the year		<u>406</u>	<u>175</u>
Equity	7	<u>5.906</u>	<u>5.675</u>
Other provisions		<u>0</u>	<u>3.390</u>
Provisions		<u>0</u>	<u>3.390</u>
Trade payables		1.308	703
Payables to group enterprises		8	16
Corporation tax		0	80
Other payables		<u>7.195</u>	<u>5.596</u>
Short-term debt		<u>8.511</u>	<u>6.395</u>
Debt		<u>8.511</u>	<u>6.395</u>
Liabilities and equity		<u>14.417</u>	<u>15.460</u>
Contingent assets, liabilities and other financial obligations	8		
Related parties and ownership	9		

Notes to the Financial Statements

	<u>2017</u> TDKK	<u>2016</u> TDKK
1 Staff expenses		
Wages and salaries	27.359	28.985
Pensions	2.567	2.679
Other social security expenses	60	-371
Other staff expenses	<u>21</u>	<u>2</u>
	<u>30.005</u>	<u>31.293</u>
Average number of employees	<u>50</u>	<u>52</u>
Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.		
2 Financial income		
Interest received from group enterprises	1	9
Other financial income	<u>3</u>	<u>17</u>
	<u>4</u>	<u>26</u>
3 Financial expenses		
Interest paid to group enterprises	-4	-13
Other financial expenses	<u>-13</u>	<u>-32</u>
	<u>-17</u>	<u>-45</u>
4 Tax on profit/loss for the year		
Current tax for the year	0	80
Deferred tax for the year	327	136
Adjustment to prior year deferred tax	-199	0
Adjustment to prior year tax	<u>21</u>	<u>115</u>
	<u>149</u>	<u>331</u>

Notes to the Financial Statements

5 Property, Plant and Equipment

	<u>Other Fixtures and fittings, Tools and equipment</u> TDKK
Cost at 1 January	1.013
Disposals for the year	-283
Additions for the year	<u>181</u>
Cost at 31 December	<u>911</u>
Impairment losses and depreciation at 1 January	793
Adjustment prior year	-283
Depreciation for the year	<u>136</u>
Impairment losses and Depreciation at 31 December	<u>646</u>
Carrying amount at 31 December	<u>265</u>

6 Fixed Asset Investment

	<u>Deposits</u> TDKK
Cost at 1 January	756
Additions for the year	15
Cost at 31 December	<u>771</u>
Carrying Amount at 31 December	<u>771</u>

7 Equity	<u>Share Capital</u>	<u>Proposed dividend for the year</u>	<u>Total</u>
	TDKK	TDKK	TDKK
Equity at 1 January	5.500	175	5.675
Ordinary dividend paid	0	-175	-175
Net Profit /Loss for the year	<u>0</u>	<u>406</u>	<u>406</u>
Equity at 31 December	<u>5.500</u>	<u>406</u>	<u>5.906</u>

Notes to the Financial Statements

The share capital is broken down as follow:

	<u>Number</u>	<u>Nominal value</u> DKK
A-shares	46	4.600.000
A-shares	50	500.000
A-shares	83	83.000
B-shares	20	200.000
B-shares	15	75.000
B-shares	42	<u>42.000</u>
		<u>5.500.000</u>

There have been no changes in the share capital during the last 5 years.

8 Contingent assets, liabilities and other financial obligations

Rental agreements and leases

Lease obligations under operating leases. Total future lease payments:

	<u>2017</u> TDKK	<u>2016</u> TDKK
Within 1 year	1.995	3.538
Between 1 and 5 years	<u>2.025</u>	<u>389</u>
	<u>4.020</u>	<u>3.927</u>

In the event of vacation before expiry of the lease, costs for re-establishment, etc. may occur. No provision has been made in this connection.

Contingent liabilities

The Company is jointly taxed with A.P. Møller Holding A/S and its Danish subsidiaries. As a wholly owned subsidiary, the Company is unlimited and severally liable with the other companies in the joint taxation regarding Danish corporation taxes and Danish withholding taxes on dividends, interests, and royalties in the joint taxation.

Notes to the Financial Statements

9 Related parties and ownership

Basis

Controlling interest

Maersk Line Agency Holding A/S

Owns 100% of the Company's share capital.

Other related parties

Group enterprises and associates of A.P. Møller Holding A/S.

Related parties exercising significant influence furthermore comprise the Company's executive board and board of directors, executive employees and the family members.

Further, related parties comprise companies in which the above persons have substantial interests.

Consolidated Financial Statements

The company is included in the consolidated report of the parent company A.P. Møller Holding A/S.

The Group Annual Report of may be obtained at the following address:

Esplanaden 50
1098 Copenhagen K
Denmark

Accounting Policies

Basis of Preparation

The Annual Report of Maersk Agency Denmark A/S for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules in class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2017 are presented in DKK.

Recognition and measurement

Revenues are recognized in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortized cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognized in the income statement, including depreciation, amortization and provisions for liabilities and also reversals due to change in nature of accounting estimates, which has previously been recorded in the income statement..

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

Liabilities are recognized in the balance sheet when it is probable that 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 for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognized in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognized in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue comprises commission income and is recognized in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise.

Financial income and expenses

Financial income and expenses comprise interest, and gains and losses on transactions denominated in foreign currencies.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognized in the income statement, whereas the tax attributable to equity transactions is recognized directly in equity. The tax recognized in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively.

Any changes in deferred tax due to changes to tax rates are recognized in the income statement.

Accounting Policies

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 3-5 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortization and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are recognized in the balance sheet at amortized cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning subsequent financial years.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognized when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Accounting Policies

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallize as current tax. Any changes in deferred tax due to changes to tax rates are recognized in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognized in the income statement in financial income and expenses.

Financial debts

Financial liabilities, comprising trade payables, payables to group enterprises as well as other payables, are measured at amortized cost, substantially corresponding to nominal value.