

Maersk Insurance A/S
Esplanaden 50
DK-1098 Copenhagen K
Registration no. 33 51 03 65

Annual Report 2024

Approved at the Annual General Meeting 11 April 2025 | 11:23 CEST

Presiding Signed by:
Jon Hvidtfeldt
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Company Details

Company

Maersk Insurance A/S
Esplanaden 50
DK-1098 Copenhagen K
Central Business Registration No.: 33 51 03 65

Telephone: +45 33 63 33 63

Board of Directors

Niclas Erlandson (Chairman)
Fatiha Benali
Casper Munch
Murali Rajamani
Leonardo Sonzio

Executive Management

Lars Henneberg

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Management Statement on the Annual Report

The Board of Directors and Executive Management have today considered and adopted the Annual Report of Maersk Insurance A/S for 2024.

The Annual Report of Maersk Insurance A/S has been prepared in accordance with the Danish Insurance Business Act.

The Annual Report gives a true and fair view of the Company's assets, liabilities, financial position and result.

The Management Review includes a fair description of the development in the Company's activities and financial position as well as a description of significant risks and uncertainties which may affect the Company.

It is recommended that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 18 March 2025

Executive Management

Signed by:

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Lars Henneberg

Board of Directors

Signed by:

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Niclas Erlandson
(Chairman)

Signed by:

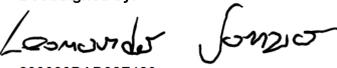
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Fatima Benali

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Casper Munch

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Murali Rajamani

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Leonardo Sonzio

Independent Auditor's Report

To the Shareholder of Maersk Insurance A/S

Our Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January to 31 December 2024 in accordance with the Danish Insurance Business Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

Maersk Insurance A/S's financial statements for the financial year 1 January to 31 December 2024 comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity and notes, including summary of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

We were first appointed auditors of Maersk Insurance A/S on 16 September 2011 for the financial year ending 31 December 2011. We have been re-elected annually by shareholder resolution for a total

period of uninterrupted engagement of fourteen years including the financial year 2024. We were re-appointed following a tender procedure at the general assembly on 30 March 2021.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p>Measurement of claims provisions</p> <p>The Company's claims provisions amount to a total of USD 146 million, which represents 27% of the total balance.</p> <p>Claims provisions are calculated as the present value of the payments, which the Company is expected to be liable to pay in connection with insurance events that have taken place on or before the balance sheet date exceeding amounts already paid in connection with these events. In addition, direct and indirect costs in connection with the settlement of claims are included in claims provisions.</p> <p>Claims provisions are based on accounting estimates and actuarial methods including complex models and assumptions regarding future events.</p> <p>The most significant assumptions relate to the timing and extent of future payments of claims which are based amongst others on historical claims data.</p>	<p>We performed risk assessment procedures with the purpose of achieving an understanding of it-systems, procedures and relevant internal controls relating to claims processing and insurance provisioning. In respect of controls, we assessed whether they were designed and implemented effectively to address the risk of material misstatement.</p> <p>We assessed and challenged the models, methods and assumptions used based on our experience in order to ensure that these are in line with regulatory and accounting requirements. This included an assessment of the continuity in the basis for the calculation of claims provisions.</p> <p>For a sample of claims we tested the calculation and the data used to underlying documentation.</p>

<p>We focused on the measurement of claims provisions because these are significant for the Financial Statements and are based on accounting estimates and actuarial methods that include assumptions about future events.</p>	
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<p>Reference is made to the Financial Statements of "Accounting Estimates" and "Claims Provisions" in Note 1 and "Cost of claims net of reinsurance" in Note 4.</p>	
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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 in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Insurance Business 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 Insurance Business Act. We did not identify any material misstatement in Management's Review.

Management's Responsibility 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 Insurance Business 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 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 in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 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 content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Maersk Insurance A/S

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Copenhagen, 18 March 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 3377 1231

Signed by:

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Lars Vagner Hansen
State Authorised Public Accountant
mne33245

Management's Review

Main activities

Maersk Insurance A/S was founded in 2011 as a captive for the parent company A.P. Møller - Mærsk A/S and affiliated companies. In 2023, the status of the Company was changed from a captive to a full insurance company.

Maersk Insurance A/S has license to conduct direct and reinsurance business for the insurance classes 6 (Fully comprehensive insurance for ships), 8 (Fire and natural forces), 9 (Other damage to property), 12 (Third party liability for ships), 13 (General liability) and 16 (Miscellaneous financial losses). In addition, Maersk Insurance in 2019 was granted permission to conduct direct and reinsurance business for insurance class 1 (medical) and 2 (accident) as well as reinsurance for life class 1c (only death and invalidity caused by bodily injury, including incapacity for work). In 2024 Maersk Insurance was granted permission to conduct direct and reinsurance business for insurance class 7 (goods in transit).

Insurance risk

The Company writes property and casualty risks mainly within the areas Marine, Logistics, and Terminals. The insurance risk for Maersk Insurance A/S is limited to risks within the insurance classes for which the Company holds a license. Claims are limited per incident and for several programmes also on a yearly aggregate. For property and casualty, the maximum net risk per event is USD 25.0m. Specifically for Marine, the maximum net risk per event is limited to USD 18.75m. For the insurance classes medical, disability, accident and life, the maximum net risk is USD 5.0m per event.

Development in activities and finances

The company's result for 2024 amounts to a profit of USD 19,179k (2023: profit of USD 56,651k). The result is somewhat higher than expected and is positively influenced by higher than budgeted investment income.

Gross earned premiums decreased by 6% compared to 2023 whereas reinsurance premiums were almost unchanged. The reductions in gross earned premium were mainly driven by lower Marine premiums partly offset by higher premiums for People lines and Property. Total cost of claims net of reinsurance increased significantly compared to 2023 due to higher claims for Liability, Container Handling Equipment and Marine. Net claims paid were higher in 2024 than in 2023 mainly as a result of higher payments related to Container Handling Equipment and Liability, partly offset by lower net payments related to Marine and Property.

The company has in 2024 had investment activities which, according to the policy of the company, have comprised investment assets with a low risk profile. The company's investment assets have in 2024 primarily been placed in short term deposits and in a loan to the parent company. The result of investment activities increased slightly over 2023 and is considered satisfactory.

The solvency capital requirement as of 31 December 2024 has been calculated to USD 104,891k (2023: USD 91,757k). The capital base amounts to USD 359,478 (2023: USD 336,357k). The solvency capital requirement has been calculated according to the standard method under Solvency II and the capital base has been made up according to the valuation rules under Solvency II.

The development in solvency ratio in the last 5 years is as follows:

2024	2023	2022	2021	2020
343%	367%	317%	277%	315%

The solvency ratio as of 31 December 2024 has decreased compared to 2023 mainly due to higher solvency capital required as a result of including the loan to the parent company as market risk instead of as in prior years counterparty risk.

Expectations for the future

For 2025 a modest profit is expected.

Salary policy

The overall purpose of the company's salary policy is to support that management and significant risk takers work to promote a healthy and effective risk management of the company. The salary may thus not be of a magnitude or composition which entails a risk for conflict of interest or which does not harmonise with the company's wishes for protection of customers and investors.

Apart from this, reference is made to the Remuneration Report published at the Company's homepage.

Risk management

Reference is made to note 15 to the Financial Statements.

Distribution of the profit for the year

The Board proposes that the profit for the year, USD 19,179k is transferred to equity.

Social responsibility

For a description of the A.P. Moller - Maersk Group's work with social responsibility, reference is made to the home page www.maersk.com/about/sustainability.

Data ethics

For a description of the A.P. Moller - Maersk Group's work with data ethics, reference is made to the home page www.maersk.com/sustainability/our-priorities/governance/data-ethics.

Gender Equality

In August 2022 the Board adopted revised targets for the diversity of the company's shareholder-appointed board members 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.

Based on this ambition the Board has defined a target to maintain at least a 40% share of the underrepresented gender on the Board.

As the Board today consist of 5 members, of which one is female, the target is currently not met.

The development in targets and actual representation of the underrepresented gender on the Board of Directors in the last 5 years is as follows:

Year	2024	2023	2022	2021	2020
No. of board members	5	5	5	4	4
No. of underrepresented gender	1	2	2	1	1
Share of underrepresented gender	20%	40%	40%	25%	25%
Target share of underrepresented gender	40%	40%	40%	25%	25%

Currently Maersk Insurance has only one level of management below Board level. This level consists of the CEO and the Appointed Life-Actuary. The Board of Directors has in 2022 set the target for this management level to consist of equal gender representation by end of 2026. From 2022 to 2024 the share of the underrepresented gender has been 0%.

Further information on diversity can be found in the A.P.Moller - Maersk Sustainability Report which can be found on www.maersk.com/sustainability.

Audit committee

The independent member of the audit committee with accounting and audit qualifications is Fatiha Benali. Fatiha Benali is Chief Financial Officer at LB Forsikring and has previously held the position as Senior Vice President, Claims at Tryg and prior to that Business Financial Officer at the same company

Maersk Insurance A/S

and has experience from audit committee and Board in Danmarks Skibskredit A/S. Through these positions, Fatiha Benali has acquired a broad knowledge of finance, accounting and IT.

Board memberships and other assignments for Board members, Executive management and Executive staff

Reference is made to overview on page 28.

Income Statement and statement of comprehensive income

	Note	2024 tUSD	2023 tUSD
Gross premiums	2	156.934	165.367
Insurance premiums ceded		-50.240	-50.746
Change in premium provisions		-1.198	466
Change in reinsurers' share of premium provisions		-214	-214
Total premium income net of reinsurance		105.282	114.873
Technical interest	3	2.182	2.068
Claims paid		-117.230	-88.632
Received from reinsurers		32.180	11.483
Change in claims provisions		-6.937	11.799
Change in risk margin		2.778	-707
Change in reinsurers' share of claims provisions		-9.073	11.671
Total cost of claims net of reinsurance	4	-98.282	-54.386
Administration expenses		-8.458	-8.760
Reinsurance commissions		2.583	3.437
Total operating expenses	5	-5.875	-5.323
TECHNICAL PROFIT		3.307	57.232
Interest income and dividends etc.		25.779	24.026
Value adjustments		104	119
Administration expenses related to investment activity		-7	-7
Total investment income	6	25.876	24.138
Interest on technical provisions		-4.479	-6.009
INVESTMENT RESULT AFTER TECHNICAL INTEREST		21.397	18.129
PROFIT BEFORE TAX		24.704	75.361
Tax	7	-5.525	-18.710
PROFIT FOR THE YEAR		19.179	56.651
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		19.179	56.651

Balance Sheet as at 31 December 2024

ASSETS	Note	2024	2023
		tUSD	tUSD
Deposits with credit institutions		198.000	207.500
Total other financial investment assets		198.000	207.500
TOTAL INVESTMENT ASSETS		198.000	207.500
Reinsurers' share of premium provisions		732	946
Reinsurers' share of claims provisions		35.009	43.010
Total reinsurers' share of insurance provisions		35.741	43.956
Receivables from insurance companies		22.122	21.889
Receivables from affiliated companies	8	257.939	235.736
TOTAL RECEIVABLES		315.802	301.581
Current tax assets	9	0	0
Cash at bank		18.148	7.562
TOTAL OTHER ASSETS		18.148	7.562
Interest receivable		1.533	1.574
Other prepayments and accrued income		1.203	2.967
TOTAL PREPAYMENTS AND ACCRUED INCOME		2.736	4.541
TOTAL ASSETS		534.686	521.184

Balance Sheet as at 31 December 2024

	Note	2024	2023
		tUSD	tUSD
EQUITY AND LIABILITIES			
Share capital		89.987	89.987
Retained earnings		263.365	244.186
TOTAL EQUITY	10	353.352	334.173
Premium provisions		6.057	4.859
Claims provisions		145.631	135.328
Risk Margin		9.665	12.443
TOTAL PROVISIONS FOR INSURANCE AND INVESTMENT CONTRACTS		161.353	152.630
Debt relating to reinsurance		10.982	14.020
Current tax liabilities	9	5.873	18.290
Payables to affiliated companies		473	32
Other liabilities		2.654	2.039
TOTAL LIABILITIES		19.982	34.381
TOTAL EQUITY AND LIABILITIES		534.686	521.184

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Statement of changes in equity as at 31 December 2024

	Share capital	Retained earnings	Total
	tUSD	tUSD	tUSD
2023			
Equity 1 January	89.987	187.535	277.522
Total result/comprehensive income for the year	-	56.651	56.651
Equity 31 December 2023	89.987	244.186	334.173
2024			
Equity 1 January	89.987	244.186	334.173
Total result/comprehensive income for the year	-	19.179	19.179
Equity 31 December 2024	89.987	263.365	353.352

Total eligible own funds to meet the Solvency Capital Requirement (capital base) are as at 31 December 2024 USD 359,478k. The difference to equity as at 31 December 2024 of USD 353,352k is mainly caused by valuation differences in the Solvency II balance sheet.

Notes

1 Accounting policies

The Financial Statements are presented in accordance with the Executive Order no. 937 dated 27 July 2015 and changes in Executive Order no. 688 dated 1 June 2016 and Executive Order no. 1442 dated 3 December 2018. The Financial Statements cover the period 1 January 2024 – 31 December 2024 and are presented in USD which is the Company's functional currency.

The accounting policies remain unchanged from the Financial Statements for last year.

Recognition and measurement

Income is recognized in the income statement as earned. Expenses incurred to achieve the earnings for the year are recognized in the income statement. Value adjustments of financial assets and liabilities which are measured at fair value are also recognized in the income statement, unless otherwise stated below.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably. Investment assets are recognized in the balance sheet using the trading date as date of recognition.

Liabilities are recognized in the balance sheet when, due to an event occurring before or on the balance sheet date, the Company has a legal or constructive obligation, and when it is probable that future economic benefits will flow from the Company and the value of the liability can be measured reliably. On initial recognition, assets and liabilities are measured at cost corresponding to fair value. Subsequent measurements are made as described for each individual item below.

The recognition and measurement of assets and liabilities take into account information received after the balance sheet date but before the presentation of the Financial Statements if such information proves or disproves circumstances prevailing on the balance sheet date.

Accounting estimates

In connection with the compilation of the Financial Statements, management make a number of accounting estimates. The most significant estimates relate to the following:

Claims provisions

Individual claims

Provisions for individual claims are based on information from fronting companies ensuring that the fronting companies and Maersk Insurance use the same claim amount. Of this amount Maersk Insurance will provide for its share of the total claim. Maersk Insurance assesses information from fronting companies against information which has come to the knowledge of management to ensure that claims provisions are based on all information available to the Company.

IBNR and IBNER

Based on principles approved by the Board, the Company will calculate IBNR and IBNER provisions. The principles used are on a yearly basis evaluated by the Actuary Function and the Board to ensure that these provisions are at an appropriate level.

3rd party recovery

Where it is anticipated that recovery is obtainable from a 3rd party, the recovery amount will be estimated based on all available and relevant information, including where possible advice from external lawyers. The estimation of expected recovery amounts will take the inherent process risk associated with such cases into account.

Conversion of foreign currency

On initial recognition, foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of transaction. Exchange differences resulting from translation at the exchange rate prevailing at the date of transaction and the exchange rate prevailing at the date of payment are recognized in the income statement as a financial item.

Receivables, payables and other monetary items in foreign currency, which are not settled at the balance sheet date, are translated at the exchange rate prevailing on the balance sheet date. The difference between the exchange rate prevailing at the balance sheet date and the exchange rate prevailing at the time when such receivables or payables arose or were recognized in the latest annual report is recognized in the income statement as a financial item.

Financial instruments

Financial instruments are initially recognized in the balance sheet at cost and are subsequently valued at fair value. Positive and negative fair values of financial instruments are included in the income statement and are in the balance sheet included under other assets and other liabilities respectively.

Income statement

Premium income

Premium income net of reinsurance includes total charged premium for the accounting period (with deduction of premium ceded to reinsurance companies) adjusted for changes in premium provisions, corresponding to accruals according to the risk period of the insurance policies.

Insurance technical interest

Part of total results of financial operation relates to insurance operations and has been transferred to that part of the income statement. The transfer is a calculated yield of average total premium reserves net of reinsurance for the year. The interest used is based on relevant interest curves.

Claims paid

Claims paid is the amount of money paid for insurance claims. The amount includes expenses for survey and handling of claims and other direct and indirect expenses related to handling of claims.

Received from reinsurers

Received from reinsurers is the amount of money received from reinsurers for their share of insurance claims.

Change in claims provisions

Change in claims provisions is the difference between claims provisions at the start of the year and at the end of the accounting year. This also applies for the reinsurance companies' share of claims.

Change in risk margin

Change in risk margin is the difference between risk margin at the start of the year and at the end of the accounting year.

Administration expenses

Administration expenses are expenses incurred in connection with renewing and handling of the insurance portfolio.

Reinsurance commissions

Reinsurance commissions comprise commissions based on contractual rates and profit shares received from reinsurance companies.

Investment income

Interest income, dividends etc.

Includes interest income from bonds, other securities and loans.

Value Adjustments

Value adjustments comprises all value adjustments including exchange rate adjustments.

Administration expenses related to investment activity

Costs attributable to trading in and management of the Company's investments are recognized as administration expenses related to investment activity.

Tax

Maersk Insurance A/S is covered by the corporate taxation law § 11A (captive rule) which entails that the Company is taxed respectively obtains tax deductions to the extent that group payments of premiums etc. are taxable respectively are tax deductible by other companies in the joint taxation.

The Company is taxed jointly with A.P. Møller Holding A/S and this company's subsidiaries. The parent company pays the combined Danish tax of these companies' taxable income. The jointly taxed companies are included in the on account tax system.

Tax for the year is recognized in the income statement with the amount attributable to profit or loss for the year and is recognized in other comprehensive income with the amount attributable to other comprehensive income.

Balance sheet

Financial investment assets

Bonds are measured at fair value (quoted price at closing) at the balance sheet date. Deposits with credit institutions are measured at face value. The Company does not have any investments assets where fair value measurement is based on non observable input (level 3).

Reinsurers' share of insurance provisions

Amounts receivable from reinsurers are measured at the amounts receivable related to premium and claims provisions in accordance with the reinsurance contracts entered into.

The claims provisions are discounted to the extent that it is expected that settlement will take place over a longer period of time unless the difference between discounted and non-discounted provisions is insignificant. When relevant, claims provisions are discounted using EIOPA's yield curve without volatility adjustment.

Receivables

Receivables are measured at amortized cost which usually equals nominal value less provisions for bad debt.

Prepayments and accrued income

Prepayments and accrued income include receivable interest and expenses paid before the balance sheet date but which relate to following years. Interest receivable also includes positive market value of FX derivatives. Negative market value of FX derivatives is included in other liabilities.

Premium provisions

Provisions for premiums are provided to cover obligations and amounts for unexpired risk periods for insurance contracts in force. The Company makes use of the simplified method for calculating the provisions as described in §72 of the executive order.

Claims provisions

Claims provisions are amounts to cover claims and costs on insurance events occurred in the accounting year or prior to that year.

The claims provisions are calculated as the sum of the amounts which the Company to the best of its knowledge expects to be liable to pay in connection with the insurance events occurred until the balance sheet date exceeding the amounts that have already been paid in connection with these insurance events. The claims provisions also contain amounts which the Company to the best of its knowledge expects to pay for direct and indirect costs in connection with resolving the claims. The Company also applies an IBNR provision to cover incurred but not yet reported claims and an IBNER provision to cover the risk that claims provisions are underestimated.

The claims provisions are discounted to the extent that it is expected that settlement will take place over a longer period of time unless the difference between discounted and non-discounted provisions is insignificant. When relevant, provisions are discounted based on the expected time of settling the claims using EIOPA's yield curve without volatility adjustment.

Risk Margin

Risk margin is provided to cover the amount to be expected to pay another insurance company for assuming the risk of settling insurance obligations in addition to amounts already provided for in premium and claims provisions.

Current tax

Current tax liabilities and assets are recognized in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax paid on account.

Debt

Debt is measured at amortized cost which usually corresponds to nominal value.

Notes

	2024	2023
	tUSD	tUSD
2 Gross premiums		
Gross premium reinsurance	153.940	159.233
Gross premium direct insurance	2.994	6.134
Total gross premium	156.934	165.367
Direct insurance		
Denmark	2.994	6.134
Other EU-countries	-	-
Other countries	-	-
	2.994	6.134
3 Technical interest		
Premium provisions	6.057	4.859
Claims provisions	145.631	135.328
	151.688	140.187
Insurance technical interest has been calculated as 5.01% (2023: 4.71%) of the average net balance of premium provisions of USD 43,533k (2023: USD 43,958k)	2.182	2.068
Total technical interest	2.182	2.068
4 Cost of claims net of reinsurance		
Claims paid	117.230	88.632
Received from reinsurers	-32.180	-11.483
Change in claims provisions	6.937	-11.799
Change in risk margin	-2.778	707
Change in reinsurers' share of claims provisions	9.073	-11.671
Total cost of claims net of reinsurance	98.282	54.386
Allocation of claims incurred and run off result related to previous years		
Claims losses in the year, gross	116.248	85.839
Run off result, gross	5.141	-8.299
Total losses, gross	121.389	77.540
Claims losses in the year, reinsurers' share	-19.675	-6.467
Run off result, reinsurers' share	-3.432	-16.687
Total losses net of reinsurance	98.282	54.386

Run off result

The negative net run off result of USD -1.7m consists of higher claims and claim reserves mainly related to Container Handling Equipment USD -4.5m. These negative results are partly offset by lower claims for Financial Lines USD +1.1m, Property USD +0.7m, Cyber USD +0.6m, Marine USD +0.4m, Value Protect USD +0.3m. The combined result of all other programs is negative USD -0.3m.

Notes

	2024	2023
	tUSD	tUSD
5 Administration expenses		
Other administration expenses	8.435	8.727
Total other administration expenses	8.435	8.727
Fee to auditor elected at the General Assembly		
Statutory audit	23	33
Other services	-	-
Total fee to auditor elected at the General Assembly	23	33
Reinsurance commission		
Reinsurance commission	-2.583	-3.437
Total reinsurance commission	-2.583	-3.437
Total operating expenses	5.875	5.323
Staff costs		
<p>The company has had no employees in the financial year other than part-time employment of Executive Management, Actuary in Chief, key persons for Risk Management, Compliance, non-life Actuarial and Internal Auditor. Executive Management and Internal Auditor receive no remuneration from Maersk Insurance A/S. Remuneration for these services are charged by A.P. Møller - Mærsk A/S as part of the administration agreement, which includes USD 320k (2023: USD 320k) for services provided by Lars Henneberg as Executive Management in Maersk Insurance A/S and USD 26k (2023: USD 10k) for Internal Audit services. Remuneration of USD 2k (2023: USD 3k) has been paid to the Actuary in Chief. A total remuneration of USD 13k has been paid to the key persons for Risk Management, Compliance and non-life Actuary. Remuneration of USD 20k (2023: USD 21k) has been paid to member of the Board and the independent member of the Audit Committee, Fatiha Benali.</p>		
6 Investment income		
Interest on investment assets, receivables from parent company and cash at bank	25.779	24.026
Interest income, dividends etc.	25.779	24.026
Value adjustments related to other financial assets	104	119
Value adjustments	104	119
Administration expenses related to investment activity	-7	-7
Administration expenses	-7	-7
Total investment income	25.876	24.138
7 Tax		
Current tax	5.873	18.290
Adjustment previous years	-347	420
Total tax	5.525	18.710

Notes

	<u>2024</u>	<u>2023</u>
	tUSD	tUSD
Actual tax percentage	26,0%	25,2%
Adjustment previous years	-1,4%	0,5%
Non taxable / deductible part of premiums and claims	-2,2%	-0,9%
Effective tax rate	<u>22,4%</u>	<u>24,8%</u>

8 Receivables from affiliated companies

Loan to A.P. Møller - Mærsk A/S	<u>257.939</u>	<u>235.736</u>
Total receivables from affiliated companies	<u>257.939</u>	<u>235.736</u>

9 Current tax assets / current tax liabilities

Balance 1 January	18.290	14.110
Adjustment previous years	-347	420
Paid tax related to last year	<u>-17.943</u>	<u>-14.530</u>
	0	0
Current tax	5.873	18.290
Paid on account during the year	-	-
Balance 31 December	<u>5.873</u>	<u>18.290</u>

The company is taxed jointly with A.P. Møller Holding A/S and this company's subsidiaries. The company and the other jointly taxed companies are liable for any obligations to withhold taxes at source on interest, royalties, dividends and income taxes etc. in respect of jointly taxed companies.

Notes

10 Share capital

The share capital consists of 5,120,000 shares of DKK 100 each corresponding to USD 89,987k.

The shares are not divided into classes.

11 Contractual obligations and guarantee commitments

The Company has no obligations or guarantee commitments cf. the Danish Insurance Business Act §173.

12 Related parties

Related parties with a controlling interest in Maersk Insurance A/S:

- A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen K

Related parties with whom Maersk Insurance A/S has had transactions in 2024:

- Maersk Insurance A/S has granted a loan of USD 255m to the parent company A.P. Møller - Mærsk A/S according to permission from the Danish Financial Supervisory Authority.
The loan yields interest at arm's length basis.
- An agreement has been established with A.P. Møller - Mærsk A/S related to fees for investment services, underwriting, reinsurance, claims handling, bookkeeping, reporting, IT, legal and tax.
- Transactions with related parties have been conducted on market terms and apart from the above there have been no unusual or significant transactions with related parties in the financial year.

13 Ownership

The following shareholder owns more than 5% of the Company's share capital:

- A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen K

14 Consolidation

Maersk Insurance A/S is consolidated in the Group Annual Accounts for A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen K (smallest group) and in the Group Annual Accounts for A.P. Møller Holding A/S, Esplanaden 50, 1098 Copenhagen K (largest group). The Group Annual Accounts are obtainable from these addresses.

Notes

15 Risk information

In Maersk Insurance A/S risk management is performed when the Board of Directors evaluates and decides on several types of risk according to the Danish Insurance Business Act and the Companies Act. The nature of the risks are both financial and operational. The Company has prepared policies and guidelines for all significant areas in order to manage these risks

At the operational level it is mainly insurance risks that must be evaluated while at the financial level it is the investment risk.

The Company mainly assumes insurance risk within the A.P. Moller - Maersk Group, including subsidiaries, and as required for joint ventures and partner companies. Part of the risk is naturally associated with claims provisions where a technical provision is made. On top of this the Company allocates an IBNR provision to cover incurred but not yet reported claims and an IBNER provision to cover the risk that reserves for claims should be too low.

In the preparation of the financial statements estimates and judgments are exercised that affect the carrying value of assets and liabilities and the result. The most significant estimates are exercised in the measurement of technical provisions. In the measurement of technical provisions a number of assumptions and estimates are made, inter alia in connection with the calculation of expected claims payments and expenses on reported claims. Technical provisions also include an estimate of claims incurred that have not yet come to the Company's knowledge. These estimates are inherently uncertain and rests on a number of assumptions that may be affected by developments in practise and litigation, etc. Accordingly, the Company's actual liability for claims may be subject to material positive and negative deviations relative to the amounts initially estimated in the technical provisions.

For the investment area, the Board of Directors has drawn up an investment policy. The policy defines the types of assets in which the company may invest, how much risk can be taken within each type of asset and against one counterpart, and which counterparties that may be used. As stipulated in the policy, all investments made in other currencies than USD are hedged to protect the company against the exchange rate exposure. The overall objective of the policy is to ensure that the company adheres to the prudent person principle. Adherence to the investment policy is monitored on a current basis by management and the audit committee.

Notes

16 Insurance technical result by insurance class

tUSD	Marine		Fire		General Liability	
	2024	2023	2024	2023	2024	2023
Gross premiums written	45.946	74.372	35.262	28.986	27.402	21.669
Gross premium income	45.946	74.372	35.294	28.986	26.468	21.669
Gross claims incurred	-22.737	-39.915	-14.758	-2.268	-49.154	1.628
Change in risk margin	2.090	208	291	-263	-207	105
Gross operating expenses	-791	-484	-664	-978	-1.461	-1.010
Result of ceded business	-14.914	-6.176	-15.950	-11.699	6.642	-7.669
Technical interest	644	928	495	361	371	270
Technical profit or loss	10.238	28.932	4.709	14.139	-17.342	14.993
Number of claims	82	91	27	21	532	324
Average claims size (t.USD)	277	439	547	108	92	-5
Claims frequency	41	46	9	7	89	65
	Miscellaneous		Income Protection		Medical Expense Insurance	
	Financial Loss					
	2024	2023	2024	2023	2024	2023
Gross premiums written	2.111	1.622	3.465	3.598	37.513	30.233
Gross premium income	1.755	1.780	3.478	3.635	37.451	30.367
Gross claims incurred	1.908	-956	-1.152	-3.719	-35.565	-28.881
Change in risk margin	-369	-89	496	-316	330	-286
Gross operating expenses	-81	-82	-366	-336	-2.362	-2.307
Result of ceded business	-425	-427	-127	-134	-2.378	-1.515
Technical interest	25	22	49	45	525	379
Technical profit or loss	2.812	249	2.378	-825	-1.999	-2.244
Number of claims	1	8	-	-	-	-
Average claims size (t.USD)	-1.908	119	-	-	-	-
Claims frequency	0	2	-	-	-	-
	Life Reinsurance		Total			
	2024	2023	2024	2023		
Gross premiums written	5.235	4.886	156.934	165.367		
Gross premium income	5.343	5.024	155.736	165.833		
Gross claims incurred	-2.708	-2.721	-124.167	-76.833		
Change in risk margin	145	-67	2.778	-707		
Gross operating expenses	-149	-126	-5.875	-5.323		
Result of ceded business	-195	-185	-27.347	-27.806		
Technical interest	75	63	2.182	2.068		
Technical profit or loss	2.512	1.988	3.307	57.232		
Number of claims	-	-	642	444		
Average claims size (t.USD)	-	-	132	93		
Claims frequency	-	-	40	32		

Notes

17 Financial highlights and key figures

Main figures from the last 5 years

Main figures	2024	2023	2022	2021	2020
	tUSD	tUSD	tUSD	tUSD	tUSD
Gross premium income (including change in premium provisions)	155.736	165.833	208.042	141.037	116.380
Gross claims incurred	-121.389	-77.540	-65.259	-79.337	-85.795
Operating insurance expenses	-8.458	-8.760	-7.070	-6.646	-5.242
Profit or loss of reinsurance	-24.764	-24.369	-78.133	-37.038	-29.496
Insurance technical result	3.307	57.232	59.145	18.039	-4.128
Return on investments after insurance technical interest	21.397	18.129	7.908	514	3.715
Result after tax for the year	19.179	56.651	53.485	14.733	-216
Run off results, gross	-5.141	8.299	-6.556	6.743	1.116
Run off results, net	-1.708	24.986	-15.440	8.626	5.411
Total technical provisions	161.353	152.630	159.167	149.666	141.263
Total insurance assets	35.741	43.956	31.420	59.085	54.227
Total equity	353.352	334.173	277.522	224.037	209.304
Total assets	534.686	521.184	478.317	395.013	370.615

Key figures

Gross claims ratio	78	47	31	56	74
Net reinsurance ratio	16	15	38	26	25
Gross expense ratio	5	5	3	5	5
Combined ratio	99	67	72	87	104
Operating ratio	98	66	72	87	104
Relative run off results, gross	-4	6	-5	5	2
Relative run off results, net	-1	18	-11	6	9
Return on equity in per cent	6	19	21	7	0

Gross claims ratio

(Claims paid + change in claims provisions) / (gross premium income - bonus and premium rebates) * 100

Net reinsurance ratio

(Profit or loss of reinsurance) / (gross premium income - bonus and premium rebates) * 100

Gross expense ratio

(Operating insurance expenses) / (gross premium income - bonus and premium rebates) * 100

Combined ratio

(The sum of above three key figures)

Operating ratio

(Combined ratio where premium income is added to the allocated return on investments)

Relative run off results

(Run off result compared to claims provisions as at 1 January current year)

Return on equity in per cent

(Result for the year / the average equity) * 100

18 Contingent liabilities

Maersk Insurance primarily conducts reinsurance business, and in certain cases the company will, as part of normal operations, issue a Letter of Credit to fronting companies.

Board Memberships and other assignments for Board Members

Participation in Boards and Management

Board Members and Management participate as Board Members and Management in the following companies:

Fatiha Benali

CEO Ejendomsselskabet af 11.11.2018 Aps

Member of Board of representatives Lån & Spar Bank

Board member DFIM (Danish Motor Insurer's Bureau)

Casper Munch

Board member Maersk Oil Trading and Investments A/S

Board member A/S Maersk Aviation Holding

CEO and board member Maersk Eastern Europe ApS

Board member Maersk Logistics & Services International A/S

Chairman of the board Maersk FPSOS A/S

CEO and board member Rederiaktieselskabet Kuling

CEO and Board member Maersk Middle East A/S

CEO and member of the board Maersk GSC Holding A/S

CEO and Board member Maersk Line Agency Holding A/S

CEO and Board member Maersk Trade Finance A/S

Member of the board Maersk Air Cargo A/S

Chairman of the board Maersk South America A/S

Board member Britannia P&I

Murali Rajamani

Member of the board Maersk Air Cargo A/S

Leonardo Sonzio

Chairman of the board AP Moller Singapore Pte. Ltd.

Chairman of the board Maersk Shipping Hong Kong Ltd.

Chairman of the board Maersk Fleet Management & Technology India Pte. Ltd.