A.P. Møller - Mærsk A/S
Q3 2023 Investor Presentation

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Forward-looking statements

This presentation contains forward-looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond the control of A.P. Møller - Mærsk A/S (APMM), may cause actual developments and results to differ materially from the expectations contained in this presentation

Comparative figures

Unless otherwise stated, all comparisons refer to y/y changes. Unless otherwise stated, all figures in parentheses refer to the corresponding figures for the same period prior year

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Q3 2023
Highlights

Third quarter in line with expectations, market environment worsening

- Group revenue of USD 12.1bn, with EBIT margin of 4.4%
- Despite a volume recovery in Q3, freight rates declined at an accelerated pace with further significant headwinds expected
- Continued volatile environment with worsening market conditions in Ocean from increased supply, highlighting the need to focus on efficiency and costs
- Full-year financial guidance maintained but APMM now expects results towards the lower end of the previously communicated EBIT and EBITDA ranges

Highlights

Comprehensive focus on costs and organizational efficiency intensified

- Restructuring measures expanded
    - Workforce reduced from 110,000 to 103,000 (end of Q3)
    - Further measures announced to reduce below 100,000
    - Expected savings of USD ~600m in 2024
    - Restructuring costs now expected at USD 350m

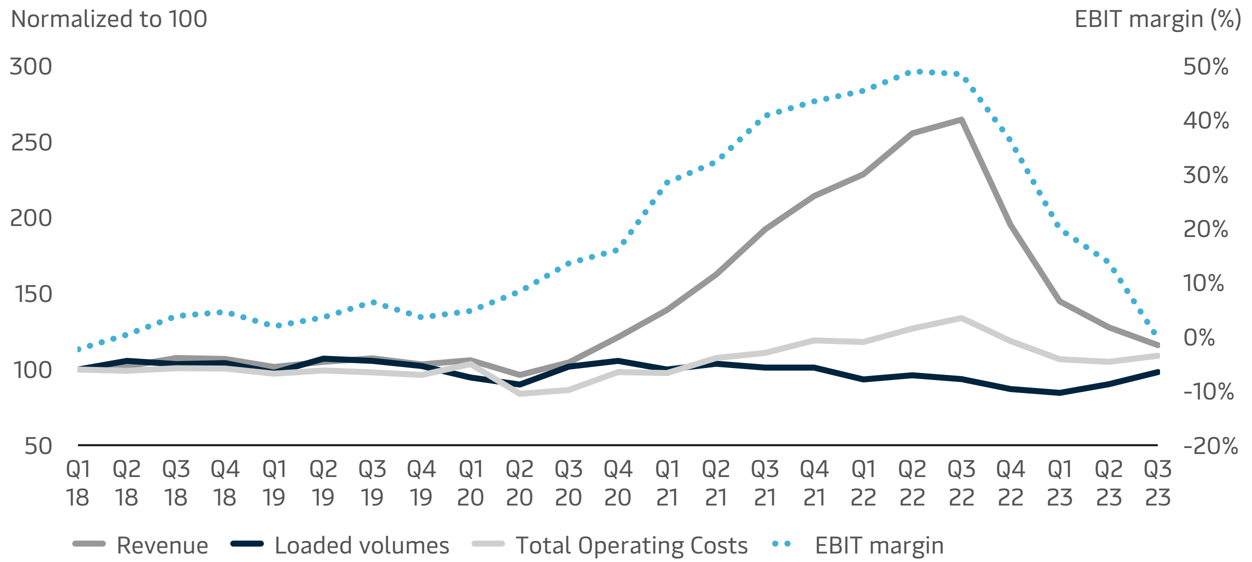
- Continuous focus on cost measures and efficient utilisation of our assets

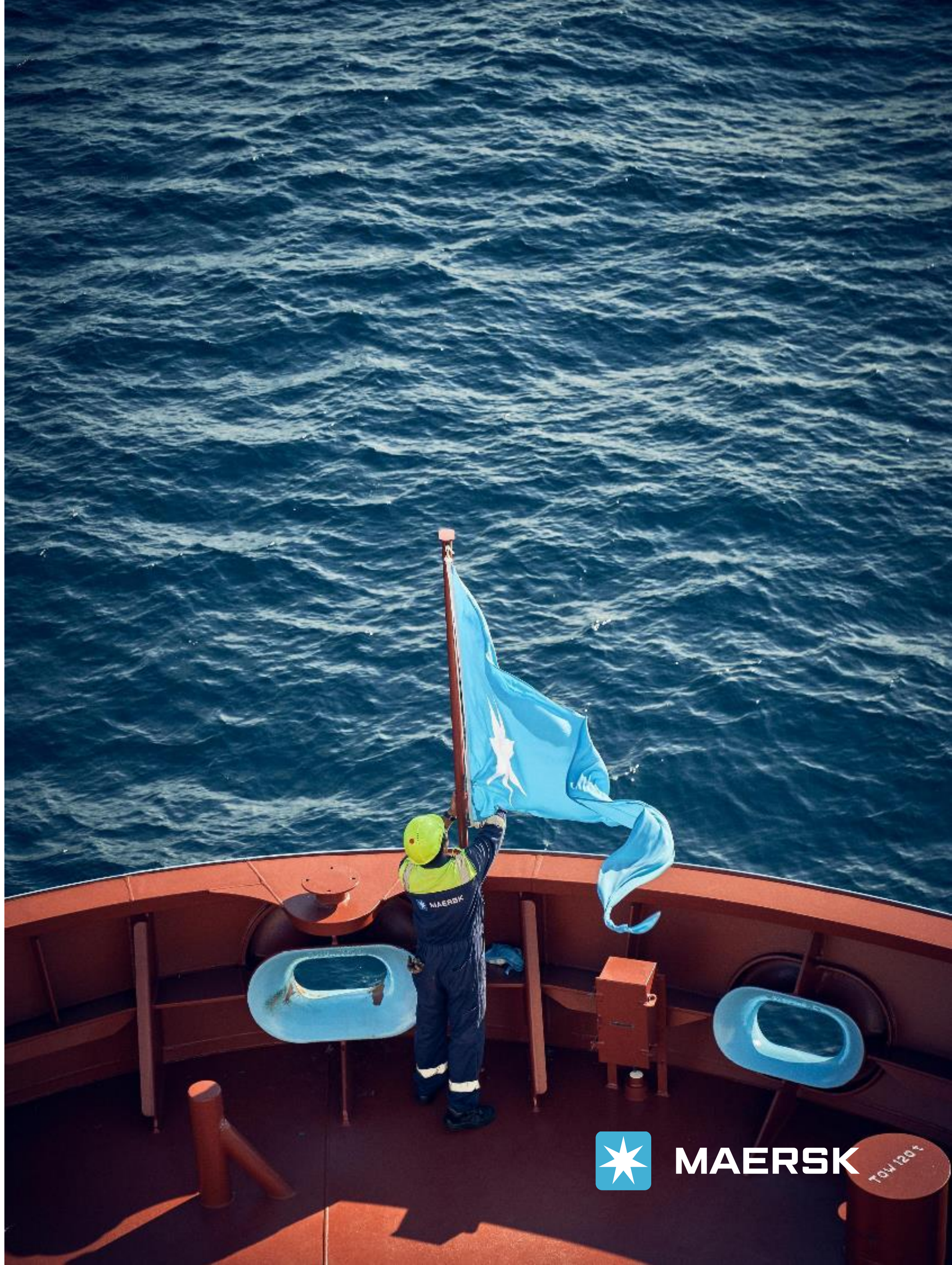
- Given the expected continuation of the difficult market environment, APMM is lowering CAPEX and considering all options to preserve cash including reviewing the continuation of the share buy-back programme in 2024

Third quarter 2023

Ocean

- Increased volumes combined with excellent asset utilisation
- Supply side risk started to materialize, impacting rates with Ocean now at break-even
- High levels of additional supply expected in Q4 and next year with idling and scrapping now expected to remain at low levels

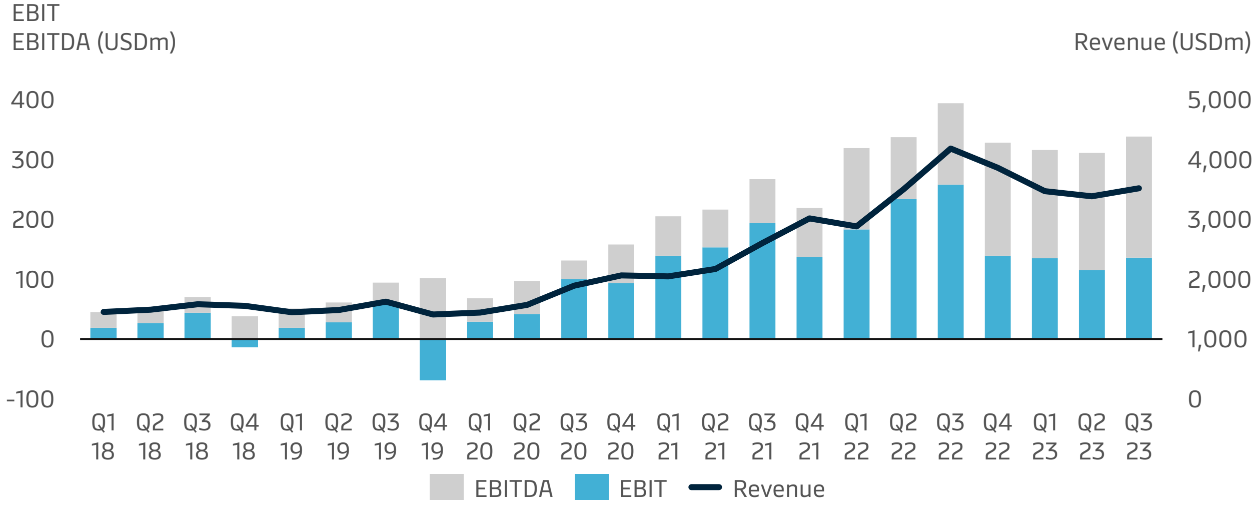


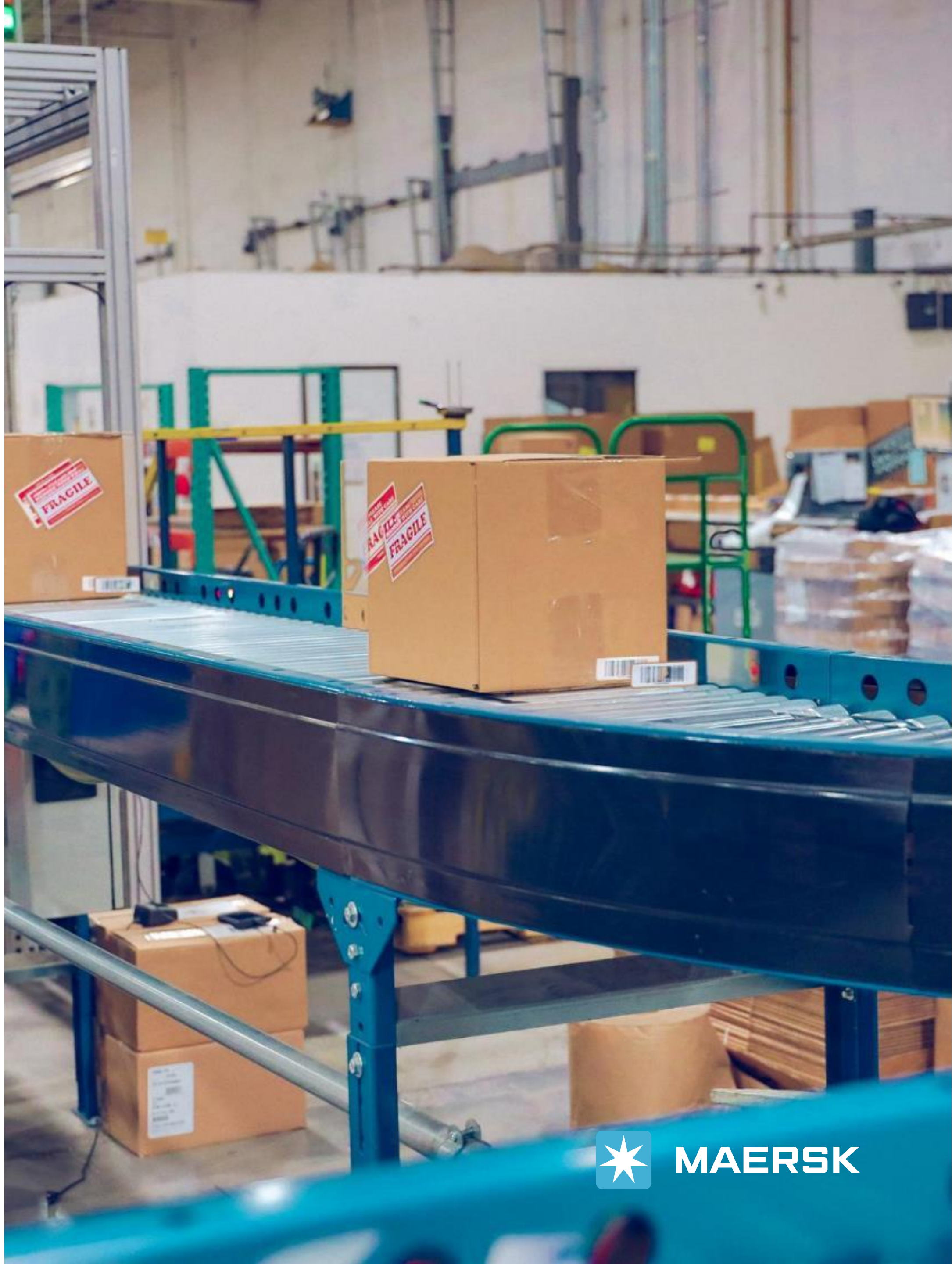


Third quarter 2023

Logistics & Services

- Volumes recovered while we achieved good customer wins
- Lower rates, especially in Air and Landside transportation. E-commerce as well as Retail & Lifestyle verticals remain challenged, particularly in North America
- Increased cost management led to EBIT margin stabilizing
- Progressive margin recovery expected despite weaker rate environment

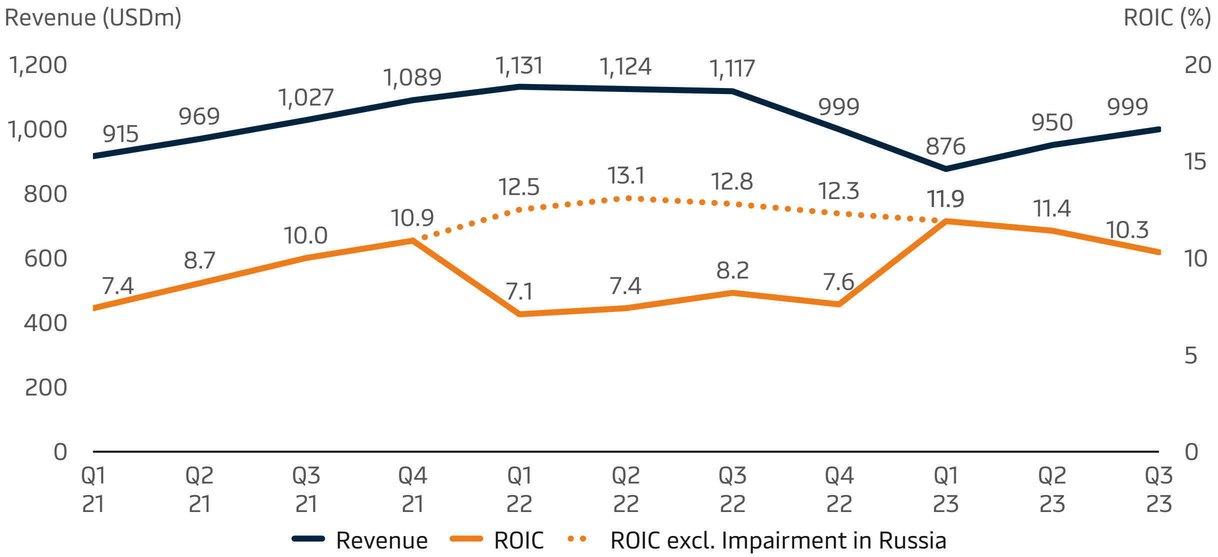


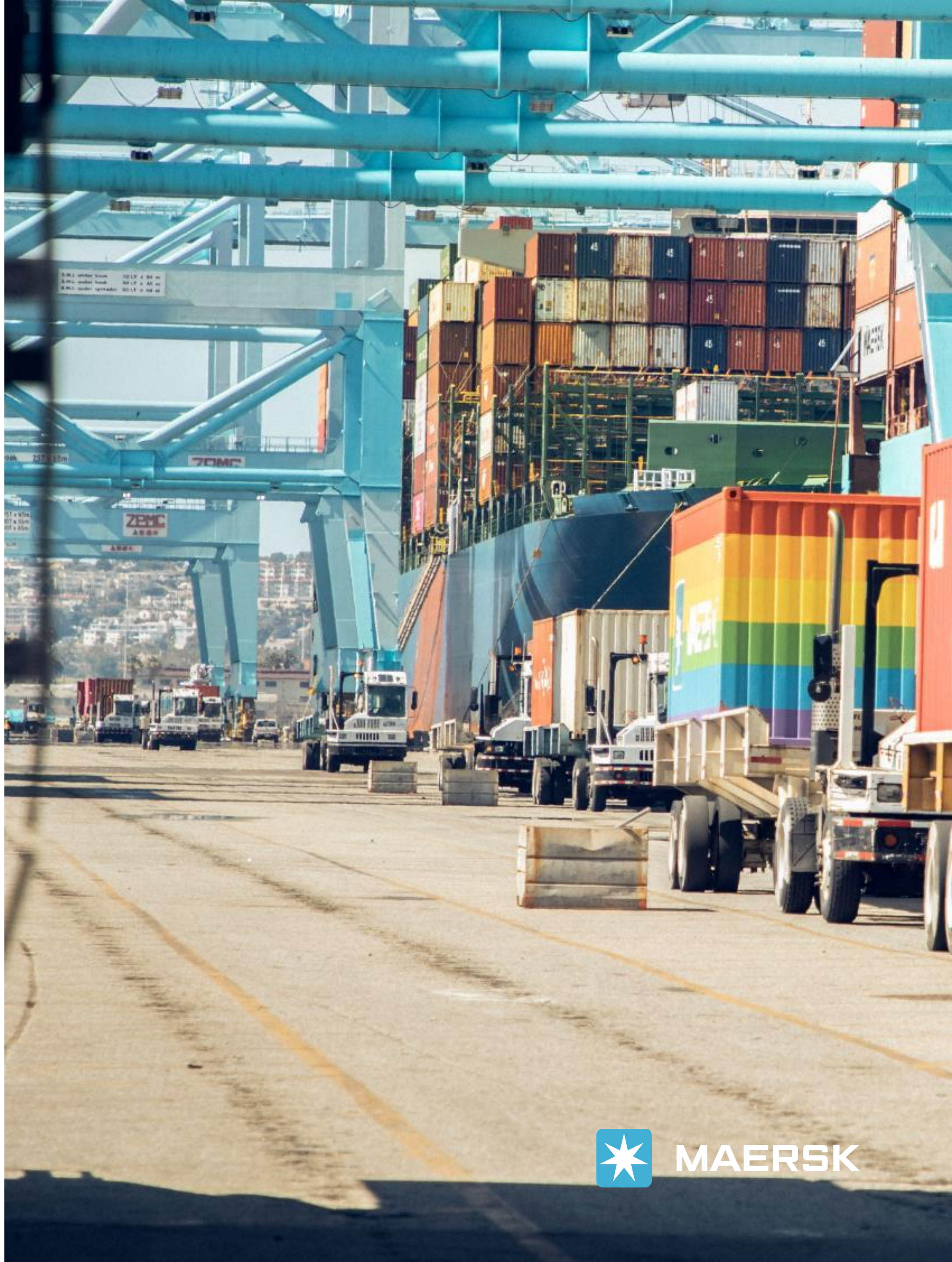


Third quarter 2023

Terminals

- Continued robust, attractive returns with strong EBITDA margin (35%) despite normalisation of storage revenue and inflationary pressure
- Volumes slightly down year-on-year, fully driven by exits and ongoing construction (flat like-for-like)
- ROIC (LTM) above 2021 levels





2021–2025

Expected downturn in Ocean calls for continued focus on transformation of APMM

Intensified cost efforts will accelerate our strategic shift

Segment	KPI	Targets	LTM
APMM	Return on invested capital (ROIC) – (LTM)	Every year >7.5% Average 2021-25 >12.0%	17.7%
Ocean	EBIT margin – under normalised conditions	Above 6%	20.0%
	Execute with the existing fleet size	4.1-4.3m TEU	4.2m
Logistics & Services	Organic revenue growth	Above 10%	-14%
	- hereof from top 200 Ocean customers	Min. 50%	N/A
	EBIT margin	Above 6%	3.7%
Terminals	Return on invested capital (ROIC) – (LTM)	Above 9%	10.3%

2021-2025 mid-term targets were introduced at the CMD in May 2021

Full-year 2023 financial guidance

- APMM now sees global container volume growth in the range of -2% to -0.5% compared to -4% to -1% previously. APMM expects to grow in-line with the market
- Full-year 2023 financial outlook: A.P. Moller-Maersk maintains its outlook ranges but now expects results towards the lower end of the previously communicated ranges of underlying EBITDA of USD 9.5 - 11.0bn and underlying EBIT of USD 3.5 - 5.0bn. Guidance for free cash flow (FCF) of at least USD 3.0bn remains unchanged
- CAPEX is now expected at around USD 8.0bn for 2022-2023 (previously USD 9.0 – 10.0bn) and USD 8.0-9.0bn for 2023-2024 (previously USD 10.0 – 11.0bn)
- Restructuring costs increased to USD 350m (previously USD 150m) of which the majority will be recognized in 2023. Total cost savings in 2024 expected to be around USD 600m

EBITDA underlying	EBIT underlying	Free cash flow
9.5-11.0	3.5-5.0	≥3.0
At lower end of range USDbn	At lower end of range USDbn	USDbn

CAPEX guidance 2022-2023	CAPEX guidance 2023-2024
~8.0	8.0-9.0
USDbn	USDbn

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Q3 2023

Financial review

Financial highlights of Q3 2023

- Solid results in absolute terms with continuing erosion of rates, stronger volumes and cost measures
- Q3 EBITDA decreased to USD 1.9bn, generating a margin of 15.5%, while EBIT decreased to USD 0.5bn reflecting a margin of 4.4%
- Net profit after tax for the third quarter of 2023 was USD 0.6bn compared to Q3 2022 (USD 8.9bn) and Q2 2023 (USD 1.5bn)
- Free cash flow of USD -0.1bn, driven by lower profitability
- Cash returns to shareholders amounted to USD 763m during the quarter through share buy-backs and USD 13.2bn in the first nine months of 2023
- Total cash & deposits of USD 21.9bn with a net cash position of USD 6.8bn at the end of Q3
- Restructuring costs increased to USD 350m[1], expected to lead to total cost savings of around USD 600m in 2024

Q3 2023, USD	
Revenue 12.1bn (-46.7%)	**EBITDA** 1.9bn (-82.4%)
EBIT 0.5bn (-94.3%)	**Free cash flow** -0.1bn (-)
ROIC, LTM 17.7% (-48.9ppts)	**NIBD** -6.8bn (unchanged)

[1)] USD 450 million impairment and restructuring charges (thereof USD 150 million restructuring) announced in February 2023
2,500 positions to leave in 2023, rest to expand in to 2024. The majority of the increase in restructuring cost is expected to impact 2023

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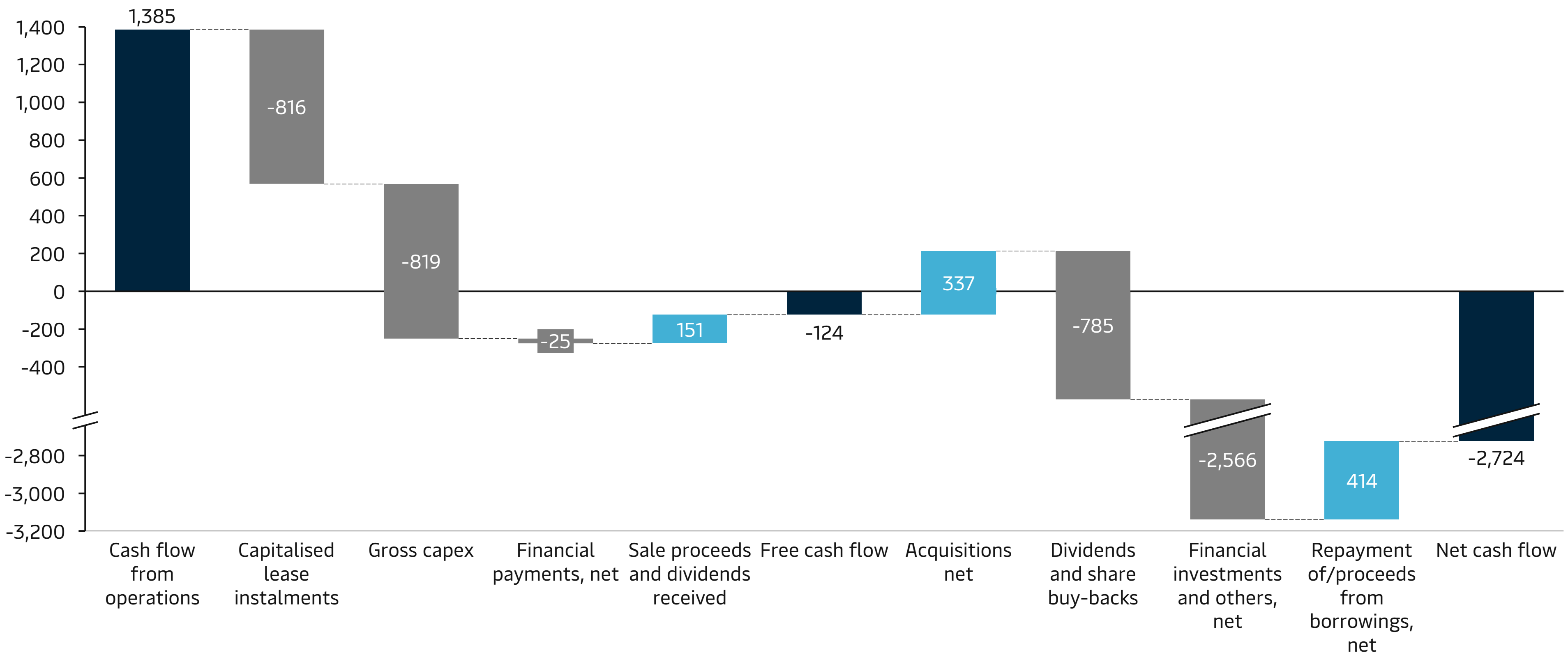
Third quarter 2023

Free cash flow at break-even, mainly impacted by lower cash conversion

Cash flow bridge for Q3 2023, USDm



Operational cash flow of USD 1.4bn (USD 9.4bn) decreased due to lower EBITDA of USD 1.9bn (USD 10.9bn). Gross CAPEX was slightly lower compared to Q3-22 (USD 906m), mainly driven by Terminals and Ocean

Free cash flow was USD -124m (USD 7.8bn) with a cash conversion of 74%

The divestment of U.S. Marine Management Inc. was completed in Q3 2023

Net cash flow of USD -2.7bn reflecting inflows from divestments and bond issuance, outflows from share buybacks and placements of short-term deposits

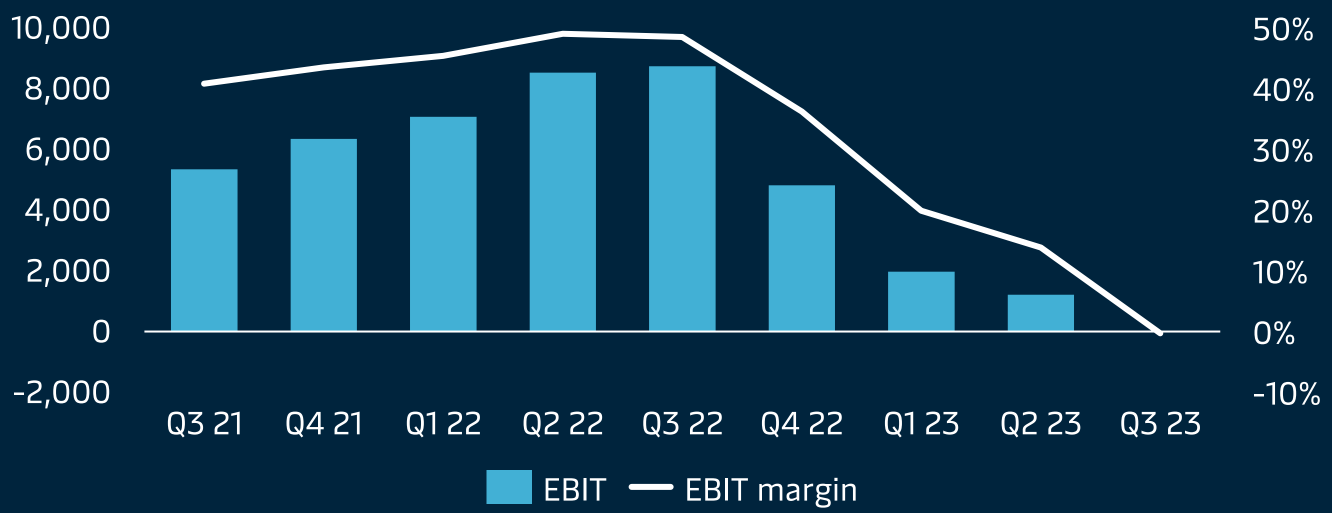
Note: Sum may differ due to rounding

Third quarter 2023

Ocean

- Revenue decreased by 56% to USD 7.9bn, mainly due to 58% lower freight rates partially offset by a volume increase of 5%. Sequentially, freight rates declined 14%
- EBIT decreased by USD 8.8bn to negative USD 27m due to lower freight rates, partly offset by lower operating costs, notably for bunker costs (lower bunker price and consumption), as well as container handling costs and slot charter costs

Development in EBIT (USDm) and EBIT margin (%)



	Q3 2023 (USDm)	Q3 2022 (USDm)
Revenue	7,897	18,018
EBITDA	1,133	9,924
EBITDA margin	14.3%	55.1%
EBIT	-27	8,734
EBIT margin	-0.3%	48.5%
Gross capital expenditures	443	520

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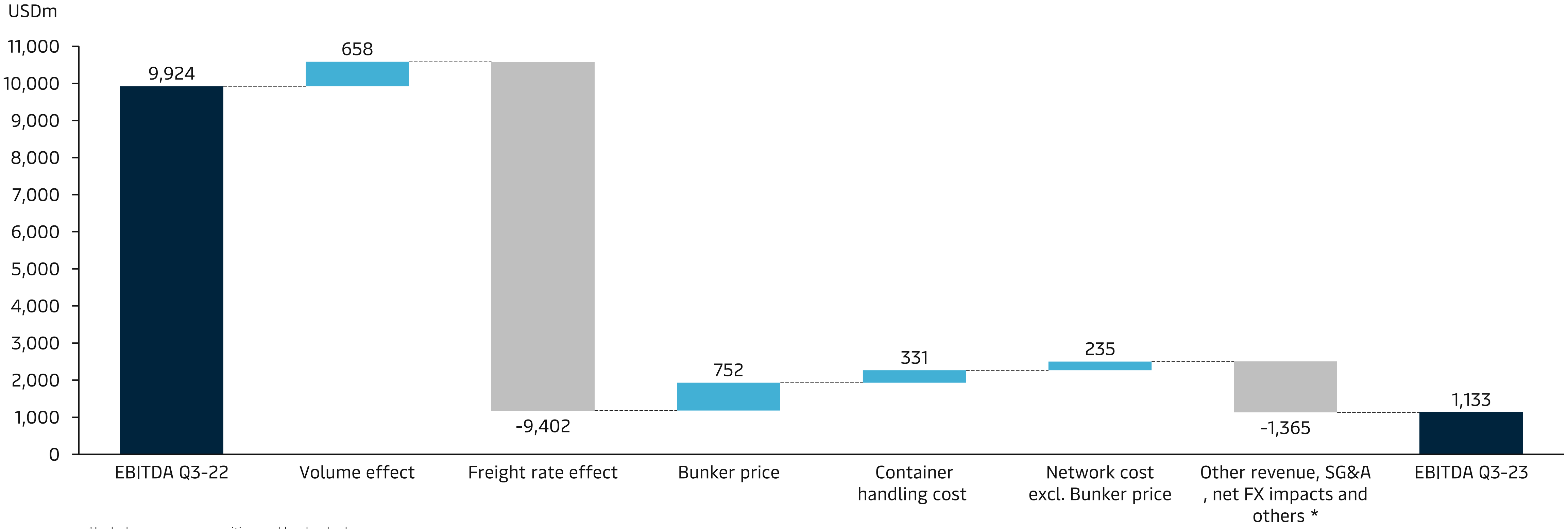
EBITDA decrease mainly due to lower freight rates

EBITDA bridge for Ocean for Q3 2023, USDm



*Includes revenue recognition and bunker hedges

Volumes increase but freight rates continue to decline at pace

- Average freight rates decreased by 58%, with both contract rates and shipment rates declining. Sequentially, rates declined by 14.3%
- Loaded volumes were up 5% to 3,166k FFE
- Average operated fleet capacity was 3.1% lower than in Q3 2022 resulting in high capacity utilisation
- Based on volumes for the first nine months, our share of Ocean contract volumes for the full year is anticipated to be 68% (in line with 2022)
- At the end of Q3 2023, 1.4m FFEs were signed on multi-year contracts

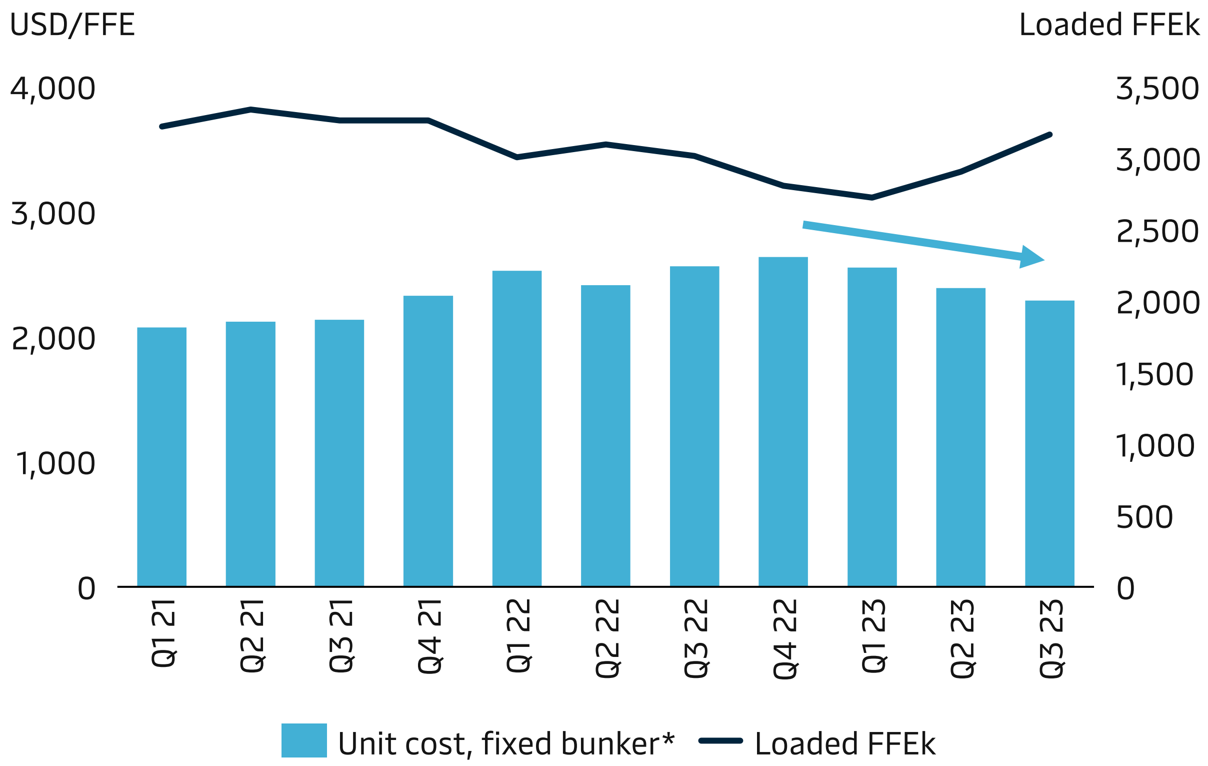
Ocean KPIs	Q3 2023	Q2 2023	Q/Q change	Q3 2022	Y/Y change
Average freight rate (USD/FFE)	2,095	2,444	-14%	5,046	-58%
Operated capacity ('000 TEU)	4,166	4,136	0.7%	4,298	-3.1%
Loaded volumes ('000 FFE)	3,166	2,906	8.9%	3,016	5.0%

Contract share definition		2021	2022	2023e
Total volume split*	Contracts	65%	68%	68%
	Shipments	35%	32%	32%

*) According to new definition since Q1 2023

Third consecutive quarter of unit cost decrease

- Operating costs decreased by 19% driven by lower bunker prices, lower container handling costs and lower slot charter costs
- Total bunker costs decreased 39% to USD 1.5bn, driven by a 34% decrease in average bunker price to USD 593 per tonne and a 7.5% decrease in bunker consumption
- Operating costs excluding bunker decreased by 10% (year over year), which combined with 5% higher volumes, led to a unit cost at fixed bunker of USD 2,287, equivalent to a decrease of 11%. Sequentially, unit cost at fixed bunker decreased by 4.3%



* Fixed bunker price of 550 USD/FFE

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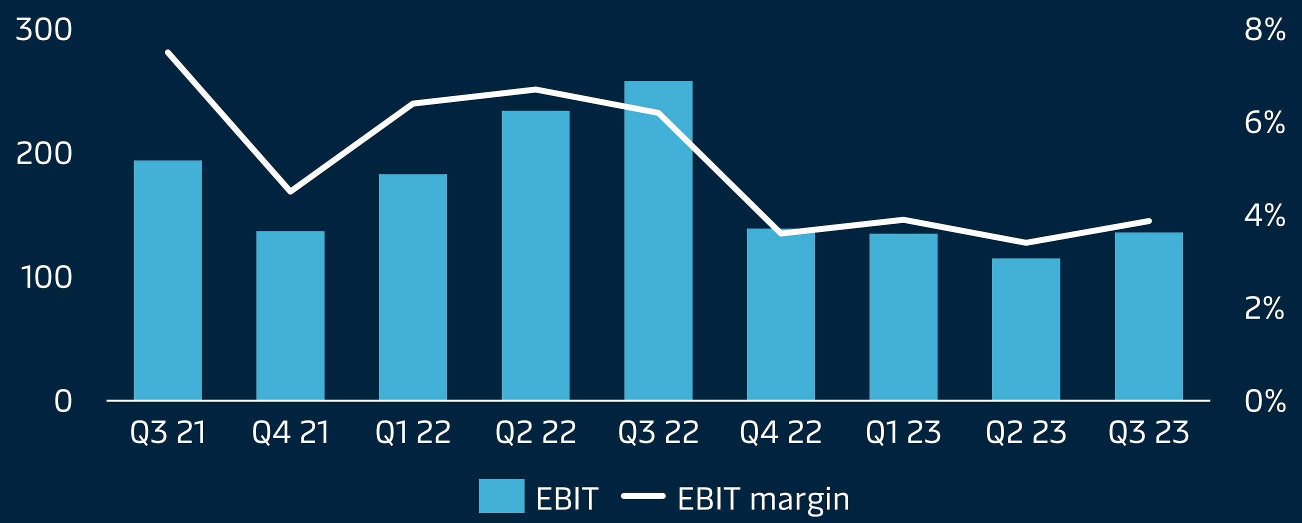
Third quarter 2023

Logistics & Services

- Revenue decreased by 16% to USD 3.5bn (USD 4.2bn) with organic revenue declining 22%. Retail and Lifestyle sectors continued to be challenged, especially in North America
- Additional impact from lower rates in Air and Road transportation
- EBIT was USD 136m, generating an EBIT margin of 3.9%, up 50 bps sequentially
- Profitability decreased compared to Q3 22, as a result of lower rates and partly lower volumes

Development in EBIT (USDm) and EBIT margin (%)



	Q3 2023 (USDm)	Q3 2022 (USDm)
Revenue	3,517	4,182
Gross Profit	1,085	1,020
EBITDA	339	394
EBITDA margin	9.6%	9.4%
EBIT	136	258
EBIT margin	3.9%	6.2%
Gross capital expenditures	196	163

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Lower rate effect continues

- **Managed by Maersk** revenue decreased by USD 142m to USD 586m (USD 728m) with EBITA margin improving to 18% (10%)
- **Fulfilled by Maersk** revenue decreased by USD 66m to USD 1.3bn (USD 1.4bn), driven by lower volumes and rates in Warehouse and Distribution, Middle Mile and E-commerce in North America and partly offset by growth from LF Logistics. EBITA margin was -2% (3%)
- **Transported by Maersk** revenue decreased by USD 457m to USD 1.6bn (USD 2.1bn), due to lower rates in Air, LCL and Inland, particularly in North America and Europe. EBITA margin was 6% (8%)

Revenue, USDm	**Q3 2023**	**Q3 2022**
Managed by Maersk	586	728
- growth %	*(20)%*	
Fulfilled by Maersk	1,327	1,393
- growth %	*(5)%*	
Transported by Maersk	1,604	2,061
- growth %	*(22)%*	
Total	**3,517**	**4,182**
- growth %	***(16)%***	

USDm	**Q3 2022**	**M&A impact**	**Organic impact**	**Q3 2023**
Revenue	4,182	235	-901	3,517
Growth %		6%	-22%	
EBITA	295	9	-125	179

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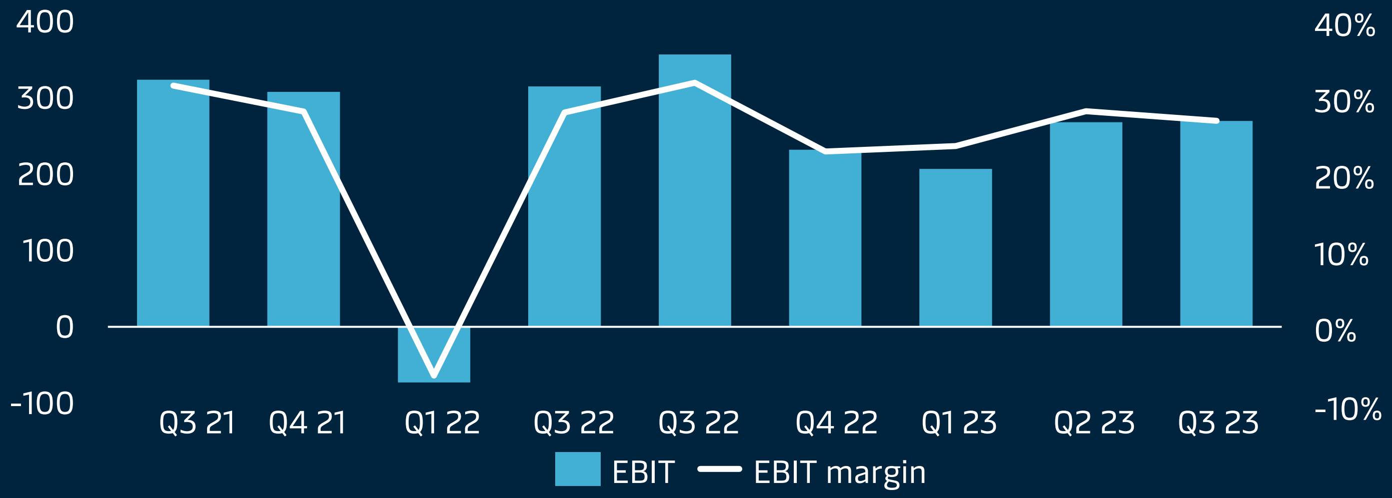
Third quarter 2023

Terminals

- Compared to last year, revenue decreased by 11% to USD 1.0bn due to lower storage and 4.1% lower volume (-0.3% like-for-like) due to exits and ongoing construction in India. Sequentially revenue increased 5%
- EBIT decreased to USD 270m, driven by lower storage revenue and net gain from divestments and impairments reported in Q3 2022. Overall margins remained strong due to effective cost initiatives offsetting inflationary pressures
- ROIC (LTM) increased to 10.3%

Development in EBIT (USDm) and EBIT margin (%)



	Q3 2023 (USDm)	Q3 2022 (USDm)
Revenue	999	1,117
EBITDA	353	391
EBITDA margin	35.3%	35.0%
EBIT	270	357
EBIT margin	27.0%	32.0%
Gross capital expenditures	113	199

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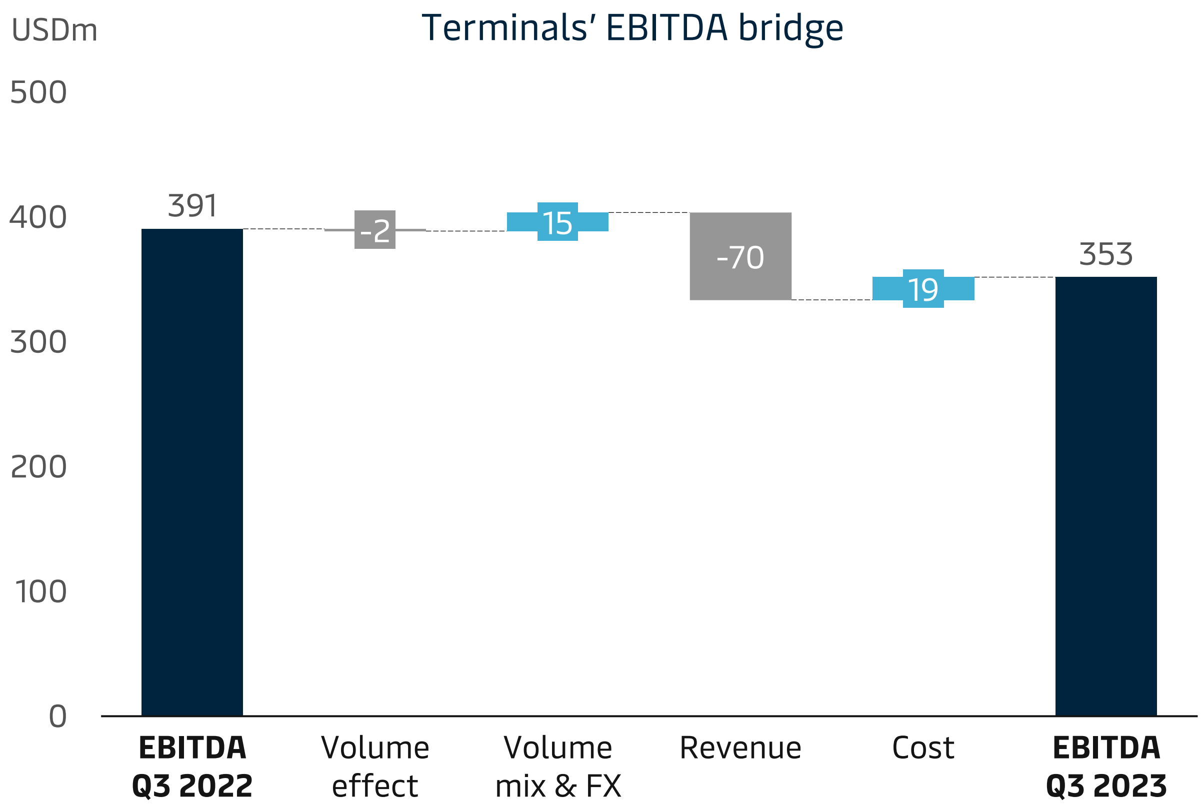
Resilient margins despite significantly lower revenue

- Terminals' volume decreased by 4.1%, due to exits and construction in India, but the net impact on EBITDA is positive due to better location mix
- Utilization dropped to 76% (81%) due to a 5.9% increase in capacity
- Revenue per move decreased by 6.5% (-6.4% like-for-like) to USD 314, impacted by normalisation of storage revenue
- Cost per move decreased by 5.0% (unchanged like-for-like) as cost savings were offset by higher depreciation from ongoing modernization and expansions



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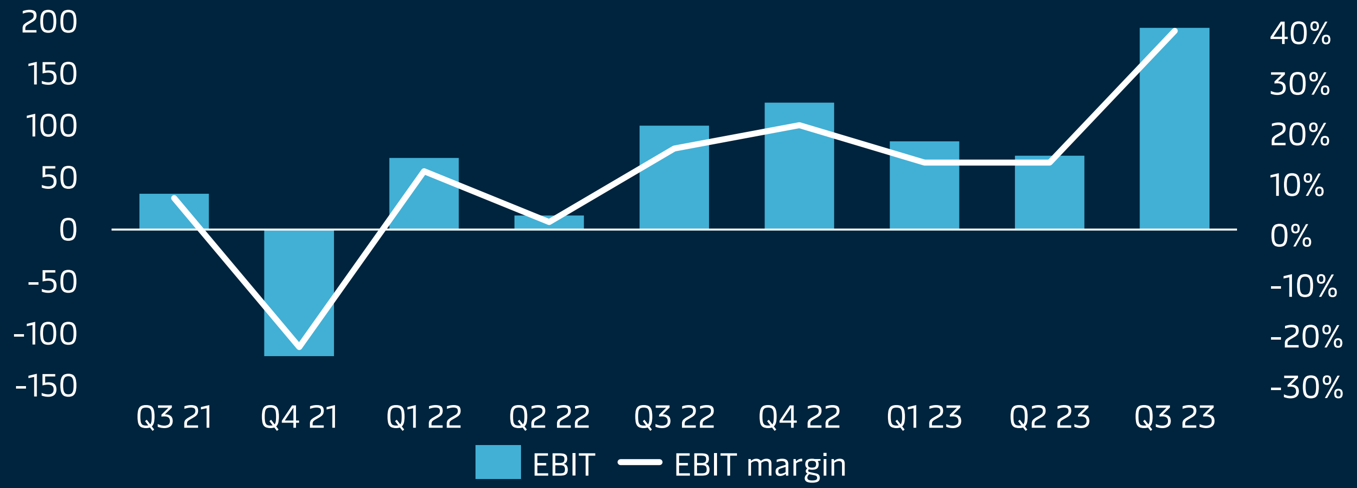
Third quarter 2023

Towage & Maritime Services

- US Marine Management Inc (USMMI) divestiture completed in Q3 2023 with a net gain on sale before taxes of USD 94m
- Revenue decreased to USD 483m (USD 591m) mainly due to the divestment of Maersk Supply Services, contraction in Maersk Container Industries partly offset by increased activity in Svitzer
- EBIT increased to USD 194m (USD 100m) driven primarily by gain on sale of U.S. Marine Management and gain from sale of shares of Höegh Autoliners AS

Development in EBIT (USDm) and EBIT margin (%)



	Q3 2023 (USDm)	Q3 2022 (USDm)
Revenue	483	591
EBITDA	90	127
EBITDA margin	18.6%	21.5%
EBIT	194	100
EBIT margin	40.2%	16.9%
Gross capital expenditures	60	58

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Questions and answers

To ask a question, please press 1

Reminder: ONE question per turn

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Final remarks

- Q3 in line with expectations
- Market conditions worsening
- 2023 guidance maintained – EBIT/EBITDA now expected towards lower end
- Cutting CAPEX and intensifying cost efforts to cushion downturn
- Reviewing further measures including share buy-back continuation
- Reinforcing commitment to integrator strategy

Appendix

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Financial highlights Q3 2023

USD million	Revenue			EBITDA			EBIT			CAPEX		
	Q3 2023	Q3 2022	%Δ	Q3 2023	Q3 2022	%Δ	Q3 2023	Q3 2022	%Δ	Q3 2023	Q3 2022	%Δ
Ocean	7,897	18,018	-56%	1,133	9,924	-89%	-27	8,734	-100%	443	520	-15%
Logistics & Services	3,517	4,182	-16%	339	394	-14%	136	258	-47%	196	163	20%
Terminals	999	1,117	-11%	353	391	-10%	270	357	-24%	113	199	-43%
Towage & Maritime Services	483	591	-18%	90	127	-29%	194	100	94%	60	58	3%
Unallocated activities and eliminations, etc.	-767	-1,141	33%	-37	26	-242%	-35	28	-225%	7	-34	121%
A. P. Moller - Maersk consolidated	**12,129**	**22,767**	**-47%**	**1,878**	**10,862**	**-83%**	**538**	**9,477**	**-94%**	**819**	**906**	**-10%**

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Financial highlights

Consolidated financial information

Income statement (USDm)	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenue	12,129	22,767	39,324	63,709
EBITDA	**1,878**	**10,862**	**8,752**	**30,273**
EBITDA margin	**15.5%**	**47.7%**	**22.3%**	**47.5%**
Depreciation, impairments etc.	1,584	1,649	5,035	4,574
Gain on sale of non-current assets, etc., net	136	4	439	68
Share of profit in joint ventures and associates	108	260	315	-29
EBIT	**538**	**9,477**	**4,471**	**25,738**
EBIT margin	**4.4%**	**41.6%**	**11.4%**	**40.4%**
Financial items, net	153	-303	327	-800
Profit/loss before tax	**691**	**9,174**	**4,798**	**24,938**
Tax	137	263	434	598
Profit/loss for the period	**554**	**8,911**	**4,364**	**24,340**

Key figures and financials (USDm)	Q3 2023	Q3 2022	9M 2023	9M 2022
Profit/loss for the period	554	8,911	4,364	24,340
Gain/loss on sale of non-current assets etc., net	-136	-4	-439	-68
Impairment losses, net.	21	-79	342	519
Transaction and integration cost	30	-10	109	49
Tax on adjustments	20	-	20	-
Underlying profit/loss	**489**	**8,818**	**4,396**	**24,840**
Earnings per share (USD)	31	488	250	1,318
Lease liabilities (IFRS 16)	10,632	11,672	11,632	11,672
Net interest-bearing debt	-6,844	-6,855	-6,844	-6,855
Invested capital	49,080	53,386	49,080	53,386
Total Equity (APMM total)	55,973	60,231	55,973	60,231
Total market capitalisation	29,490	32,099	29,490	32,099

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Financial highlights

Consolidated financial information

Cash flow statement (USDm)	Q3 2023	Q3 2022	9M 2023	9M 2022
Profit/loss before financial items	538	9,477	4,471	25,738
Non-cash items, etc.	1,437	1,354	4,603	4,582
Change in working capital	-435	-1,207	930	-3,486
Taxes paid	-155	-180	-527	-558
Cash flow from operating activities (CFFO)	**1,385**	**9,444**	**9,477**	**26,276**
CAPEX	-819	-906	-2,395	-3,268
Capital lease instalments – repayments of lease liabilities	-816	-811	-2,463	-2,219
Financial expenses paid on lease liabilities	-139	-135	-422	-377
Financial payments, net	114	-56	745	-267
Sale proceeds and dividends received	151	251	739	500
Free cash flow (FCF)	**-124**	**7,787**	**5,681**	**20,645**
Acquisitions, net (incl. sales)	337	-2,982	992	-4,517
Dividends and share buy-backs	-785	-870	-13,292	-8,955
Repayments of/proceeds from borrowings, net	414	-105	152	-752

Financial highlights

Balance sheet and capital allocation

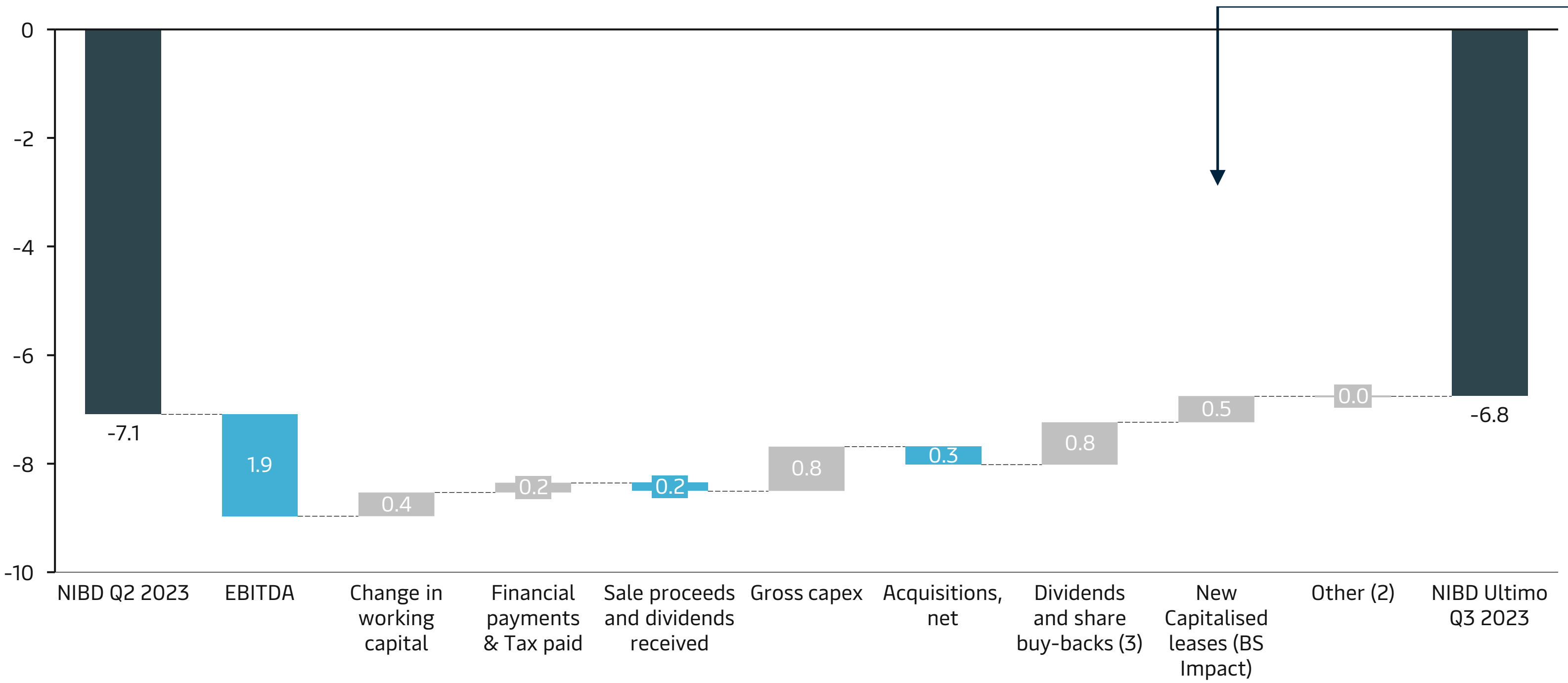
Debt & cash position

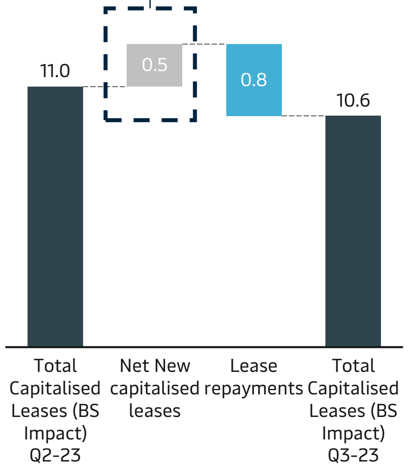
	Q3 2023	Q2 2023	Q3 2022
Borrowings	4,221	3,847	3,852
Lease liabilities	10,632	10,968	11,672
Other	243	244	513
Total gross debt	**15,096**	**15,059**	**16,037**
Cash and bank balances	7,630	10,423	8,334
Short term deposits	14,310	11,478	14,558
Securities	-	248	-
Total cash and deposits	**21,940**	**22,149**	**22,892**
Net interest-bearing debt	**-6,844**	**-7,090**	**-6,855**

- Strong balance sheet maintained
- Commitment to shareholder returns and maintaining investment grade

Positive inflow from operating cash flow and divestments offset by CAPEX and SBB resulted in a slight decrease in NIBD

Development in net interest-bearing debt Q3 2023, USD bn





Liquidity reserve (1) decreased to USD 26.8bn by end Q3 2023.

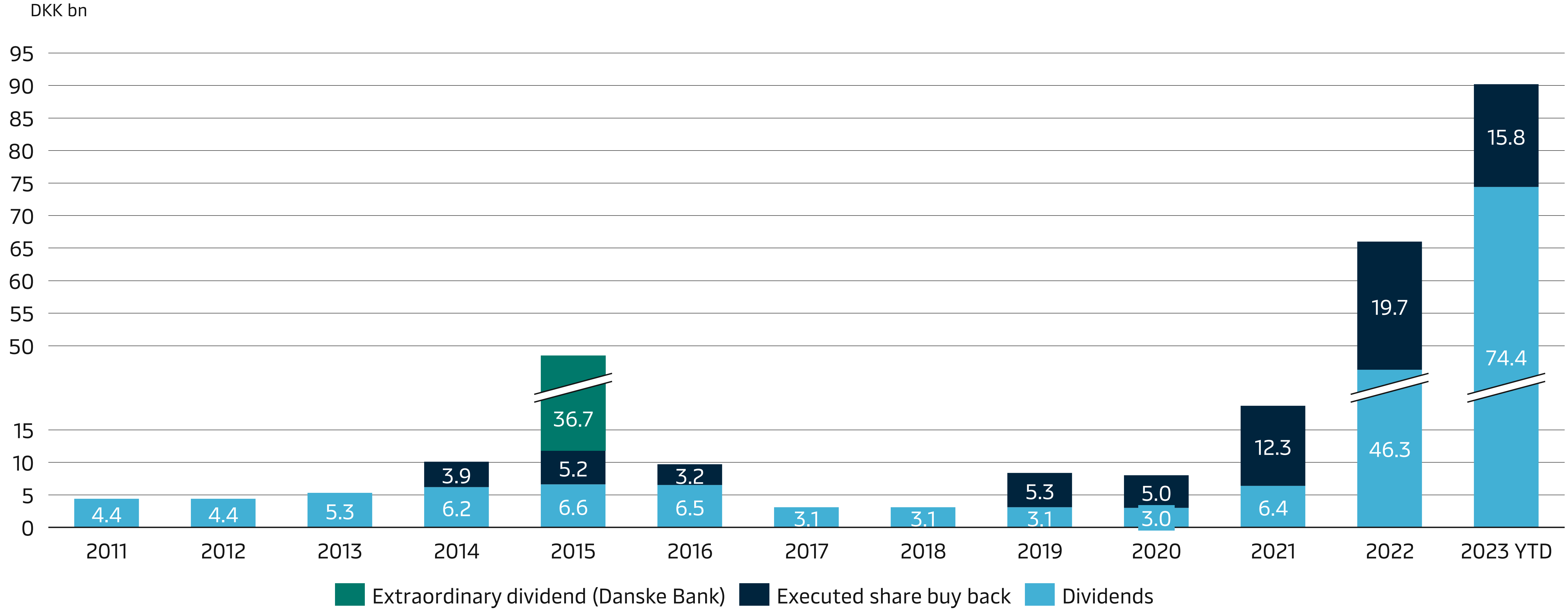
Investment grade credit rating of BBB+ (stable) from S&P and Baa2 (positive) from Moody's.

Net interest-bearing debt decreased to a net cash position of USD 6.8bn (USD 12.6bn at year-end 2022), of which USD 10.6bn is capitalised leases.

Net cash position end of Q3-23 was USD 17.5bn (excl. capitalised leases).

1) Defined as cash and securities, term deposits, and undrawn committed facilities longer than 12 months less restricted cash and securities.
2) Includes but not limited to: Sale/purchase of securities, Currency translation of debt balances, intercompany transactions involving debt as well as hedges on debt.
3) Based on dividends and purchase of treasury shares.

Earnings distribution to shareholders



Note: Dividend and share buy back in the year paid/repurchased
SBB excluding long-term incentive programme shares
Based on dividends and purchase of treasury shares
Adjustments to 2020-2022 dividends compared to earlier presentations due to revised methodology

New versus old definition

Contract share definition

Contract share definition		2021	2022	2023e
New definition (Total volume split)	Contracts	65%	68%	68%
	Shipments	35%	32%	32%
Old definition (Long Haul volume split)	Contracts, Long-Haul	71%	70%	70%
	Shipments, Long-Haul	29%	30%	30%

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Thank You

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Financial Calendar

8 February 2024	Annual Report 2023
14 March 2024	Annual General Meeting
2 May 2024	Q1 2024 Interim Report
7 August 2024	Q2 2024 Interim Report
31 October 2024	Q3 2024 Interim Report

Share Information

Market	Nasdaq Copenhagen
Share classes	A: two votes per share B: no voting rights
Sector	Industrials
Segment	Large