



A.P. Møller - Mærsk A/S FY & Q4 2023 Investor Presentation



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

Full year and Q4 2023 Highlights

Highlights

A solid year delivering on the guidance in a difficult environment

- 2023 revenue of USD 51.1bn, with financial guidance achieved:
 - Underlying EBITDA of USD 9.8bn (19.1% margin)
 - Underlying EBIT of USD 4.0bn (7.8% margin)
- Net profit after tax of USD 3.9bn in 2023 (ROIC 7.4%)
- Decisive cost management in response to deteriorating market environment – APMM well positioned for 2024
- 2023 share buyback and dividend pay-out were the largest in the Company's history
- Ongoing Red Sea / Gulf of Aden conflict
 - Minimal financial impact on the fourth quarter
 - Expected 2024 impact and uncertainty reflected in our guidance range



Highlights

Dividend and share buyback update, Svitzer spin-off

- Given the uncertainties ahead and in line with the implementation of its Integrator strategy, APMM will exercise a prudent capital allocation
- As a consequence, the Board has decided to
 - Propose a dividend of DKK 515 per share for 2023
 - Immediately suspend the share buyback programme, with a re-initiation to be reviewed once market conditions in Ocean have settled
 - Initiate a demerger and spin-off of APMM's towage activities in Svitzer as standalone listed company with shares distributed pro-rata to APMM shareholders (tax-exempt for Danish tax purposes) – to be approved at EGM in April 2024¹

1) See separate stock exchange announcement

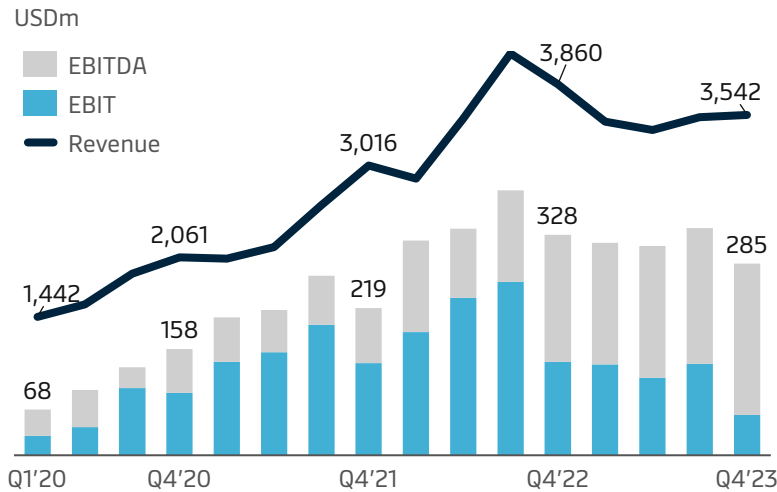


Highlights

Performing while transforming

Logistics & Services

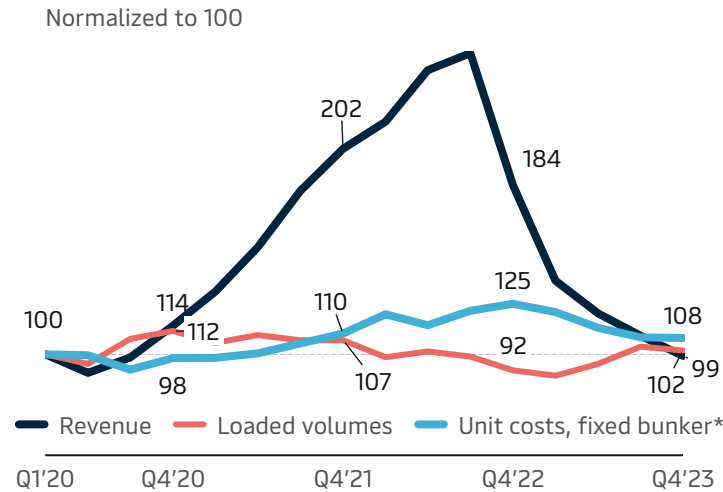
Building for profitable growth



- Transitional year with normalisation affecting price and volumes following Covid-fuelled boom of 2021-2022
- Integration of recent acquisitions expanded capabilities and coverage
- New customer wins demonstrating solid underlying demand for products

Ocean

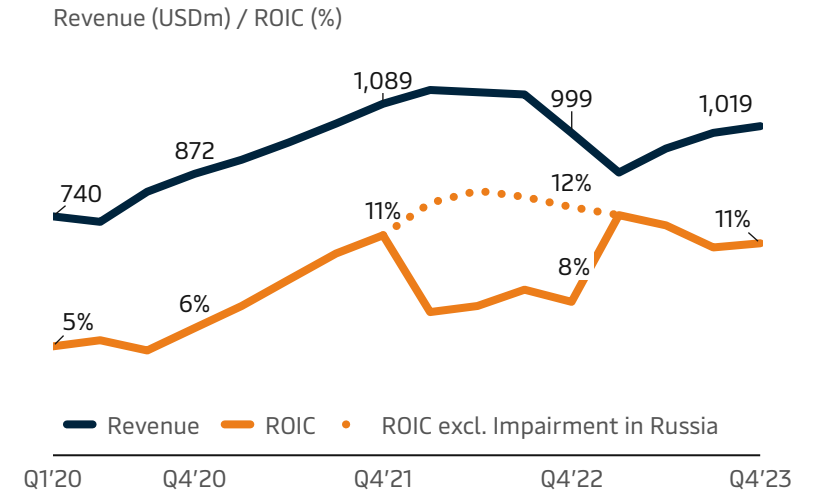
Effective cost management



- Continued efforts on bringing costs down to 2019 levels eased headwinds from rapidly increasing supply
- Excellent asset utilisation with strong schedule reliability
- Minimal Q4 impact from Red Sea disruption

Terminals

Resilient returns



- Very strong performance despite normalisation of storage revenue
- Excellent cost containment, tariff increases and high utilization resulted in ROIC (10.5%) ahead of mid-term targets
- Application of automation and lean methods with potential for further uplift

2021–2025

Reinforcing our commitment to the strategic transformation

Segment	KPI	Targets ¹	LTM
APMM	Return on invested capital (ROIC) – (LTM)	Every year >7.5% (Average 2021-25 >12.0%)	7.4% (37.7% ²)
Ocean	EBIT margin – under normalised conditions	Above 6%	6.6%
	Execute with the existing fleet size	4.1-4.3m TEU	4.2m
Logistics & Services	Organic revenue growth	Above 10%	-15%
	EBIT margin	Above 6%	3.2%
Terminals	Return on invested capital (ROIC) – (LTM)	Above 9%	10.5%

1) 2021-2025 mid-term targets were introduced at the CMD in May 2021
 2) 2021-2023 average



Clear strategic priorities for 2024



Logistics &
Services

Renew with growth and raise margins

- Build on baseline from 2023 and carry momentum with new customers
- Right-size fixed cost base and grow margins
- Further leverage capabilities of acquired companies to accelerate growth



Ocean

Deliver best-in-class performance and prepare for the network of the future

- Defend best-in-class position, with focus on asset utilisation and cost management
- Maintain stable and reliable operations through Red Sea disruption
- Gear up for new ocean network with industry-leading quality launching in 2025



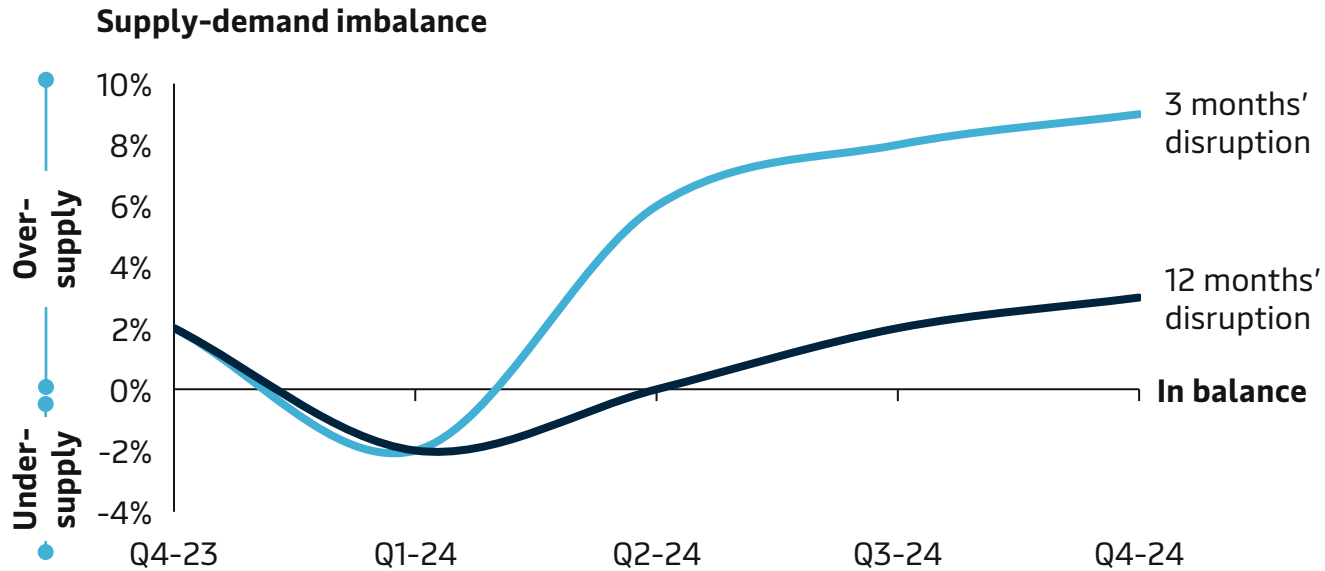
Terminals

Sustain momentum on operational excellence and focus on growth

- Continue on new normal with strong performance
- Take advantage of new opportunities together with Logistics & Services
- Expand and extend existing terminals portfolio

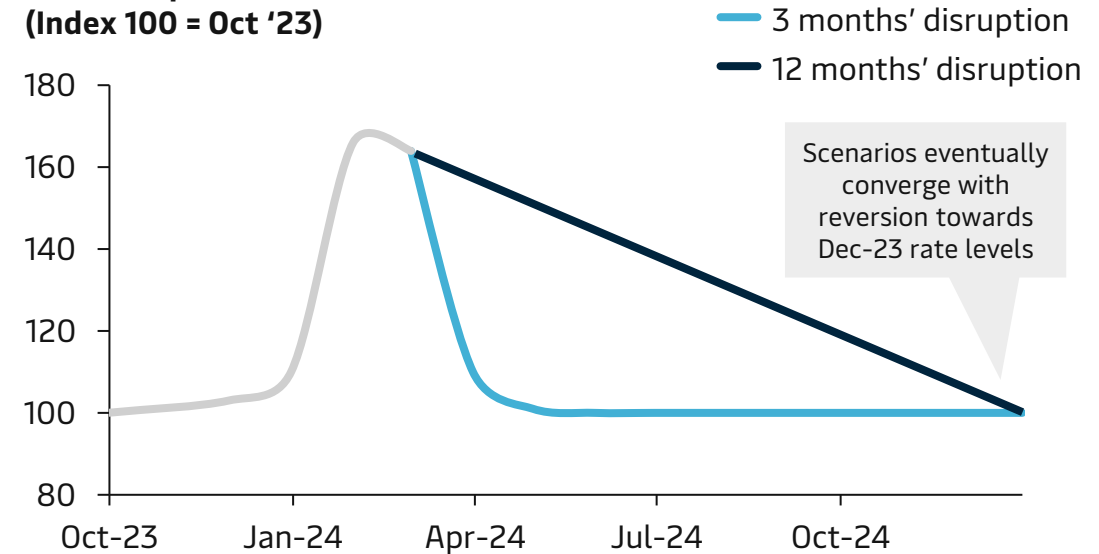
Highlights

Red Sea disruption affects only ~1/3 of Maersk Ocean volumes and structural overcapacity challenges will prevail as the year progresses



- Initial idle capacity available at ~2% of global fleet
- Extra capacity requirement due to re-routings at ~6-7% of global fleet
- Effect of new builds at ~2-3% net growth per quarter

Asia-Europe headhaul rate | USD / FFE (Index 100 = Oct '23)



Network costs



- More capacity
- Longer distance
- Higher speed

Other costs



- Longer dwell time
- More equipment
- Increased carbon tax

- **Red Sea disruption will help alleviate Ocean losses in Q1**
- **But overall effect will depend on duration and how quickly additional capacity comes into service, leading to wide range of scenarios for the year**

2024 financial guidance

- APMM expects global container volume growth to be 2.5-4.5% and to grow in line with the market
- APMM provides its 2024 financial outlook against the backdrop of:
 - **Significant oversupply challenge** (as previously communicated in Nov '23) to materialise fully over the course of the year
 - **High uncertainty around duration and degree of Red Sea disruption** – duration from one quarter to full year reflected in guidance range
- Considering these factors APMM expects for the full-year 2024, with a front-loading towards the start of the year:
 - **Underlying EBITDA of USD 1.0bn to 6.0bn**
 - **Underlying EBIT of USD -5.0bn to 0bn**
 - **Free cash flow (FCF) of USD -5.0bn or higher**
 - Unchanged 2023-2024 CAPEX guidance of USD 8.0-9.0bn and 2024-2025 expected at USD 9.0-10.0bn

EBITDA underlying	EBIT underlying	Free cash flow
1.0 to 6.0	-5.0 to 0	≥-5.0
USDbn	USDbn	USDbn
CAPEX guidance 2023-2024		CAPEX guidance 2024-2025
8.0 to 9.0		9.0 to 10.0
USDbn		USDbn

Q4 2023

Financial review

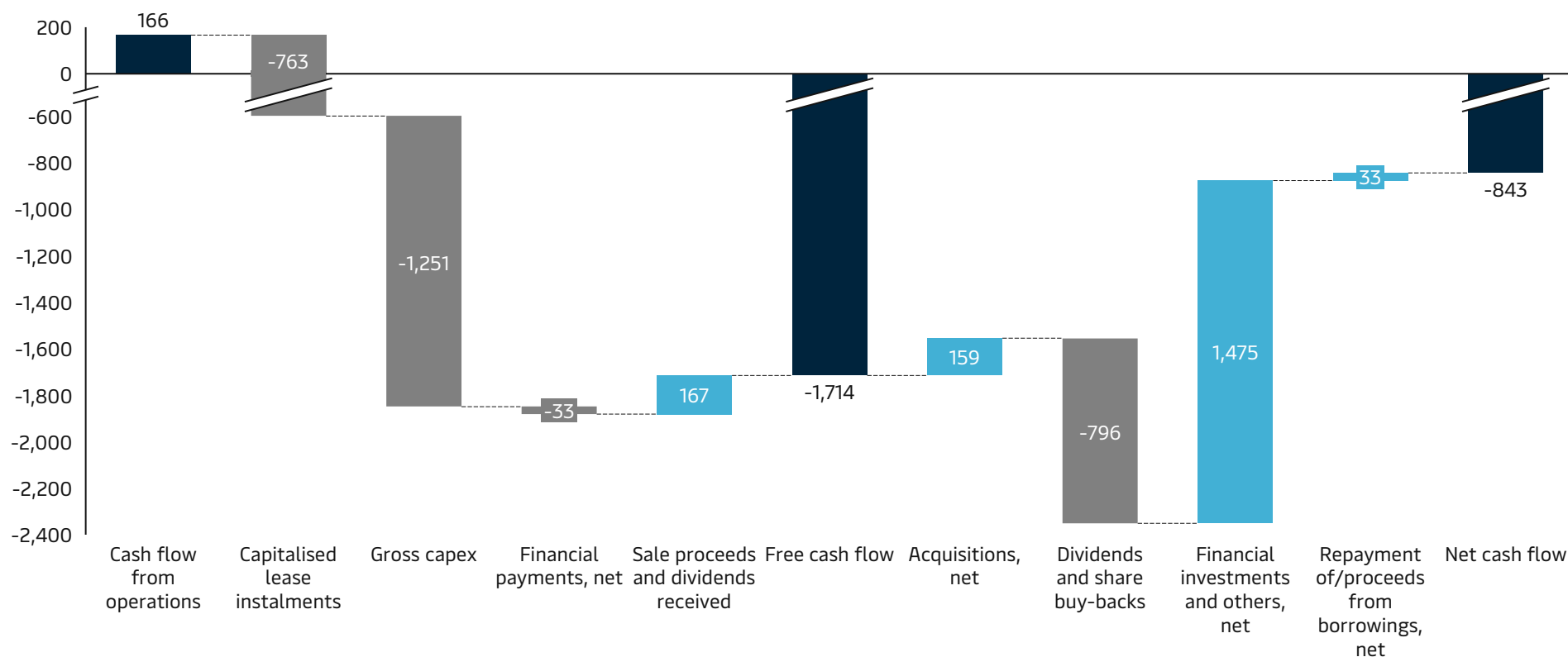
A solid year in a difficult environment

- Delivered financial results in line with guidance
- Q4 EBITDA decreased to USD 0.8bn, generating a margin of 7.1%, while EBIT decreased to USD -0.5bn reflecting a margin of -4.6%
- Net profit after tax for the fourth quarter of 2023 was USD -0.5bn resulting in USD 3.9bn for the year
- Free cash flow decreased to USD -1.7bn in Q4, resulting in USD 4.0bn for the whole year
- A record USD 14.1bn cash returned to shareholders in 2023 through dividends and share buy-back
- Total cash & deposits of USD 19.5bn with a net cash position of USD 4.7bn at the end of Q4

Q4 2023, USD		FY 2023, USD	
Revenue 11.7bn (-34.1%)	EBITDA 0.8bn (-87.2%)	Revenue 51.1bn (-37.4%)	EBITDA 9.6bn (-73.9%)
EBIT -0.5bn (-110.5%)	Free cash flow -1.7bn (-126.5%)	EBIT 3.9bn (-87.3%)	Free cash flow 4.0bn (-85.4%)
ROIC, LTM 7.4% (-53ppts)	NIBD -4.7bn (+8.0bn)	Net profit after tax 3.9bn (-86.7%)	

Negative FCF of USD 1.7bn mainly due to lower operational cash flow – capex for the full year in line with guidance

Cash flow bridge for Q4 2023, USDm



Operational cash flow of USD 166m (USD 8.2bn) impacted by lower EBITDA of USD 839m (USD 6.5bn) and negative net working capital of USD -513m (USD +1.7bn). Gross CAPEX of USD 1.3bn (USD 895m), mainly driven by Ocean and Terminals investments

Free cash flow was USD -1.7bn (USD 6.5bn) with a cash conversion of 20%

Sale of Höegh Autoliners shares completed in Q4 23, amounting to USD 168m

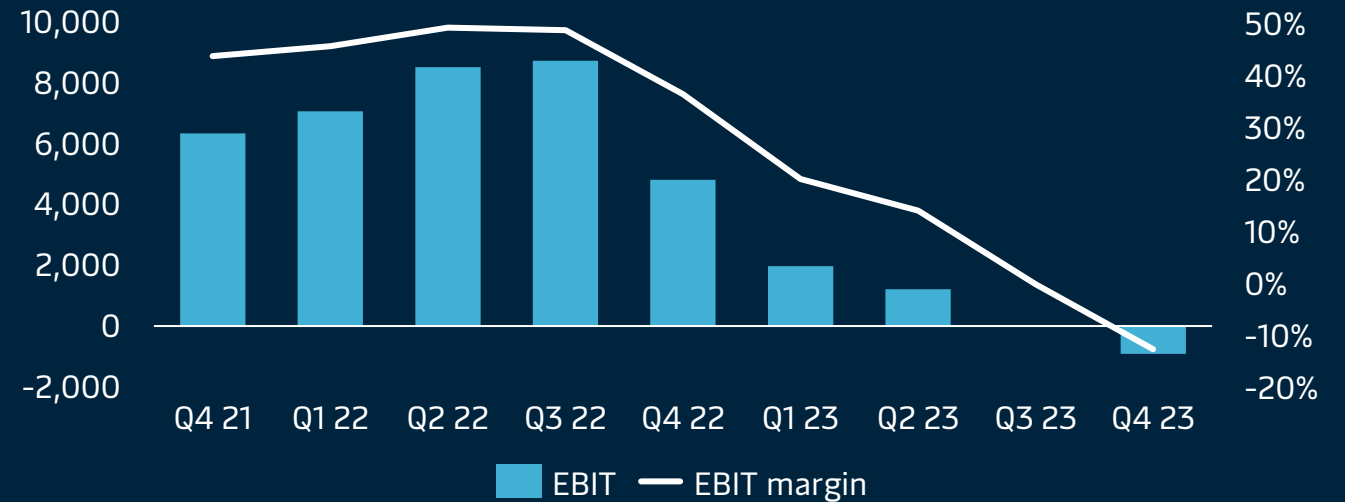
Share buyback of USD 771m in Q4 23 offset by 1.5bn (USD 4.0bn) received from financial investment, translating into a net cash flow of USD -843m (USD 1.8bn)

Fourth quarter 2023

Ocean

- Revenue decreased by 46% to USD 7.2bn, mainly due to 50% lower freight rates partially offset by a volume increase of 11%. Sequentially, freight rates declined 8.1%
- EBIT decreased by USD 5.7bn to negative USD 920m 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
- Q4 financial impact from Red Sea disruption minimal

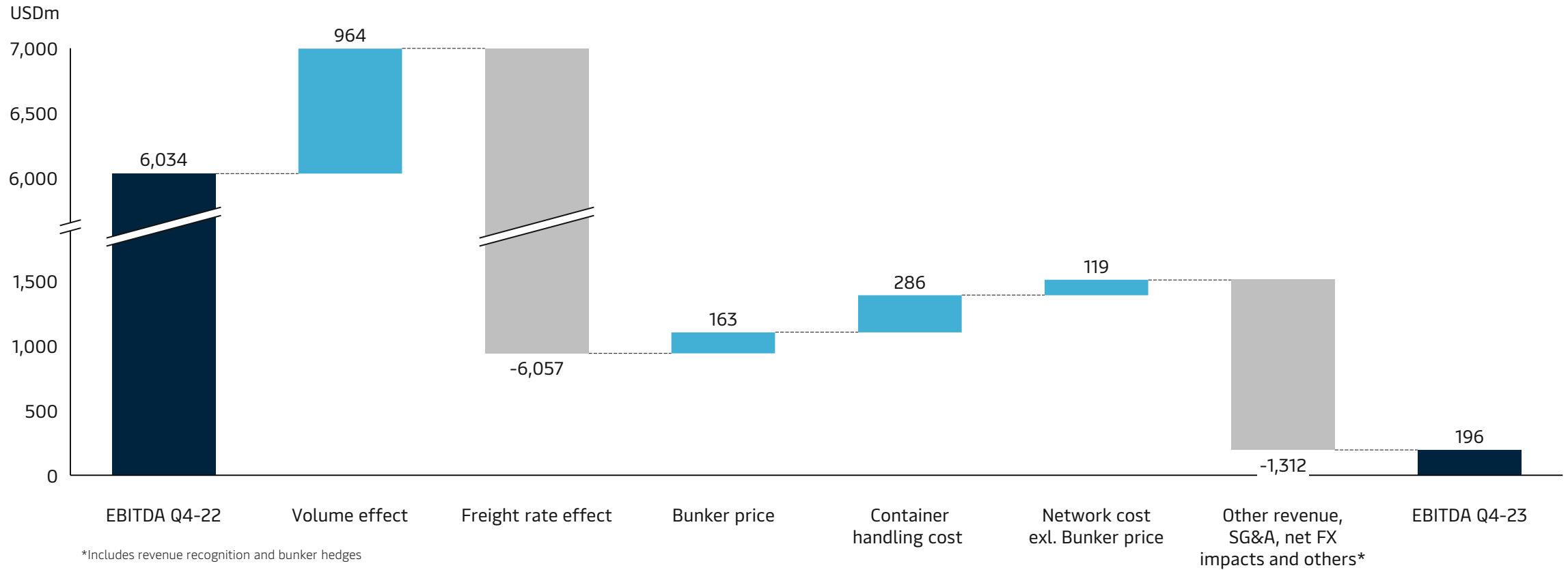
Development in EBIT (USDm) and EBIT margin (%)



	Q4 2023 (USDm)	Q4 2022 (USDm)	FY 2023 (USDm)	FY 2022 (USDm)
Revenue	7,180	13,299	33,653	64,299
EBITDA	196	6,034	6,940	33,770
EBITDA margin	2.7%	45.4%	20.6%	52.5%
EBIT	-920	4,817	2,227	29,149
EBIT margin	-12.8%	36.2%	6.6%	45.3%
Gross capital expenditures	692	427	1,987	2,620

EBITDA decrease mainly due to lower freight rates

EBITDA bridge for Ocean for Q4 2023, USDm



Volumes increased but freight rates continue to decline at pace

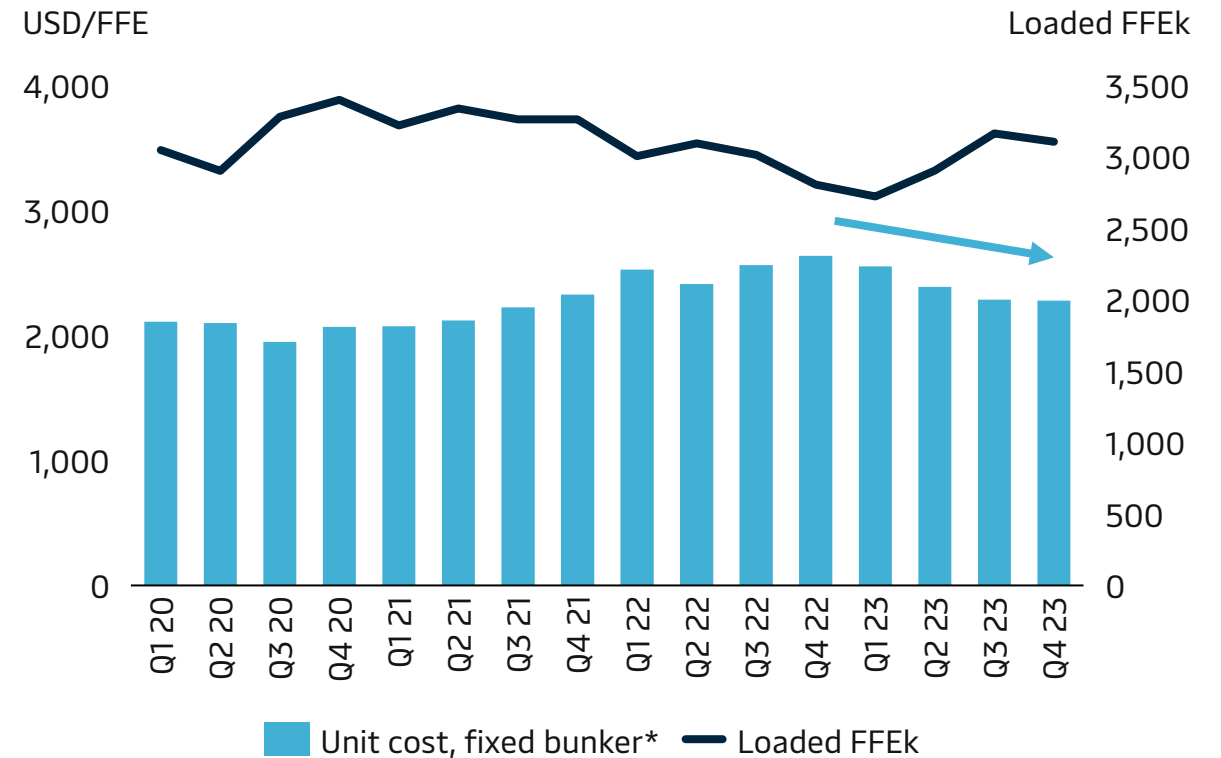
- Average freight rates decreased by 50%, with both contract rates and shipment rates declining. Sequentially, rates declined by 8.1%
- Loaded volumes were up 11% to 3,108k FFE
- Average operated fleet capacity was 3.3% lower than in Q4 2022 resulting in high capacity utilisation
- Our share of Ocean contract volumes for the full year is 68% (in line with 2022)

Ocean KPIs	Q4 2023	Q3 2023	Q/Q change	Q4 2022	Y/Y change
Average freight rate (USD/FFE)	1,925	2,095	-8.1%	3,869	-50%
Operated capacity ('000 TEU)	4,131	4,166	-0.8%	4,270	-3.3%
Loaded volumes ('000 FFE)	3,108	3,166	-1.8%	2,807	11%

Contract share definition	2020	2021	2022	2023	2024e	
Total volume split	Contracts	60%	65%	68%	68%	70%
	Shipments	40%	35%	32%	32%	30%

Unit costs (USD per FFE) decreased throughout 2023

- Operating costs decreased by 3.2% driven by lower bunker prices, lower container handling costs and lower slot charter costs
- Total bunker costs decreased by 10% to USD 1.6bn, driven by a 9.0% decrease in average bunker price to USD 655 per tonne and a 1.3% decrease in bunker consumption
- Operating costs excluding bunker decreased by 0.9% (year over year), which combined with 11% higher volumes, led to a unit cost at fixed bunker of USD 2,280, equivalent to a decrease of 13.6%. Sequentially, unit cost at fixed bunker decreased by 0.3%

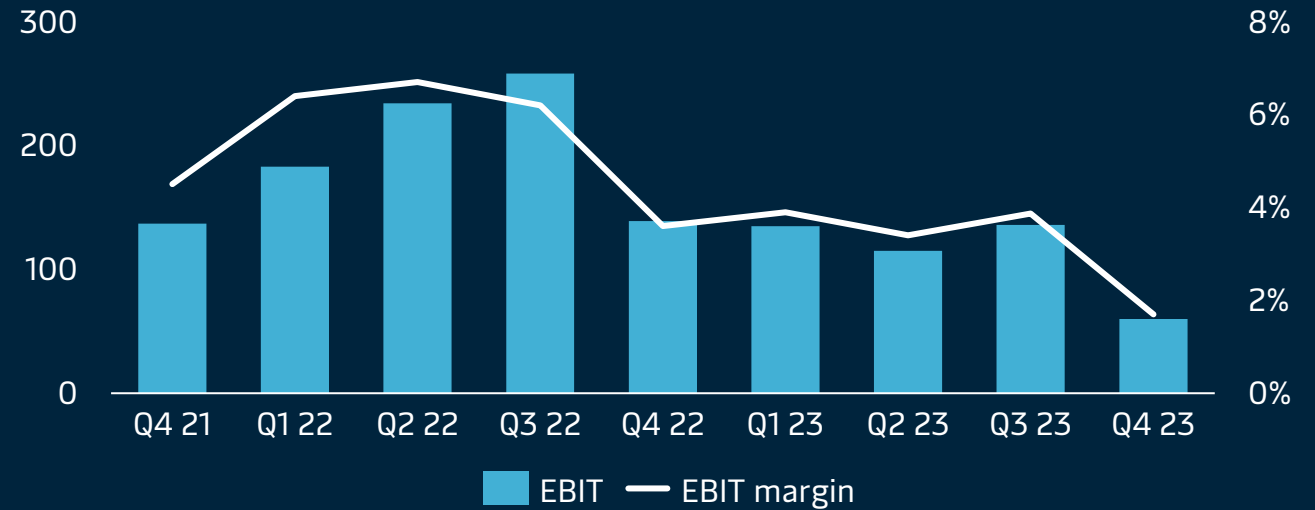


Fourth quarter 2023

Logistics & Services

- Revenue decreased by 8.2% to USD 3.5bn (USD 3.9bn) with organic revenue declining 10%. Retail and Lifestyle sectors continued to be challenged, especially in North America
- Impact from lower rates in Air, Warehouse and Distribution and Inland transportation services
- EBIT was USD 60m incl. restructuring charges of USD 33m, generating an EBIT margin of 1.7%, down 1.9pts vs Q4 22
- Profitability decreased compared to Q4 22, as a result of lower rates and partly offset by higher volumes

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



	Q4 2023 (USDm)	Q4 2022 (USDm)	FY 2023 (USDm)	FY 2022 (USDm)
Revenue	3,542	3,860	13,916	14,423
Gross Profit	1,050	1,029	4,222	3,706
EBITDA	285	328	1,251	1,378
EBITDA margin	8.0%	8.5%	9.0%	9.6%
EBIT	60	139	446	814
EBIT margin	1.7%	3.6%	3.2%	5.6%
Gross capital expenditures	224	174	771	657

Lower rate effect continues

- **Managed by Maersk** revenue decreased by USD 130m to USD 479m (USD 609m), affected by lower rates in Lead Logistics and Customs, while EBITA margin increased to 16.9% (14.0%)
- **Fulfilled by Maersk** revenue decreased by USD 119m to USD 1.5bn (USD 1.6bn), driven by lower volumes and rates in Warehouse and Distribution (WnD), primarily in transportation and middle mile in North America, offset by strong WnD performance in Asia. EBITA margin was –4.0% (-1.1%)
- **Transported by Maersk** revenue decreased by USD 69m to USD 1.6bn (USD 1.7bn), mainly due to lower rates in Air. EBITA margin was 4.9% (5.6%)

Revenue, USDm	Q4 2023	Q4 2022	FY 2023	FY 2022
Managed by Maersk	479	609	2,168	2,491
- growth %	-21%		-13%	
Fulfilled by Maersk	1,450	1,569	5,452	4,916
- growth %	-7.6%		11%	
Transported by Maersk	1,613	1,682	6,296	7,016
- growth %	-4.1%		-10%	
Total	3,542	3,860	13,916	14,423
- growth %	-8.2%		-3.5%	

USDm	Q4 2022	M&A impact	Organic impact	Q4 2023
Revenue	3,860	59	-377	3,542
Growth %		2%	-10%	
EBITA	183	7	-86	104

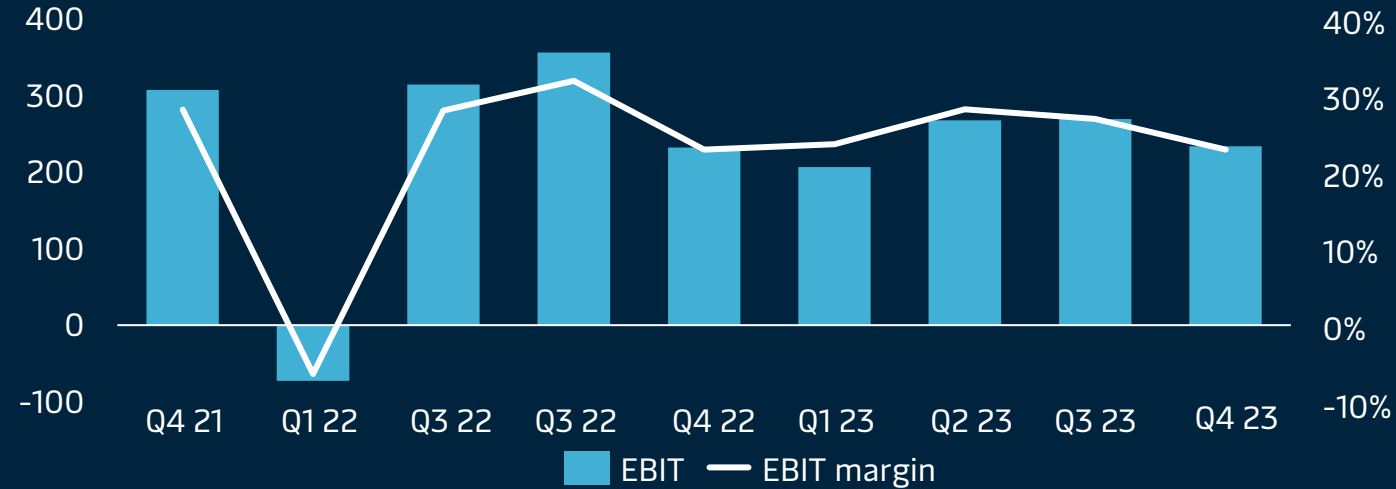
USDm	FY 2022	M&A impact	Organic impact	FY 2023
Revenue	14,423	1,713	-2,220	13,916
Growth %		12%	-15%	
EBITA	944	55	-380	619

Fourth quarter 2023

Terminals

- Revenue increased by 2.0% to USD 1.0bn due to 3.2% higher volume (6.8% like-for-like) driven by the Americas and Africa
- EBIT on par at USD 234m, with decreasing storage revenue being offset by higher volume, tariff increases and inflation offsetting cost initiatives
- ROIC (LTM) increased to 10.5%, well above pre-congestions levels
- CAPEX increased to USD 220m (USD 132m) due to progress made on ongoing modernisation projects in Los Angeles and Port Elizabeth, USA and Barcelona, Spain

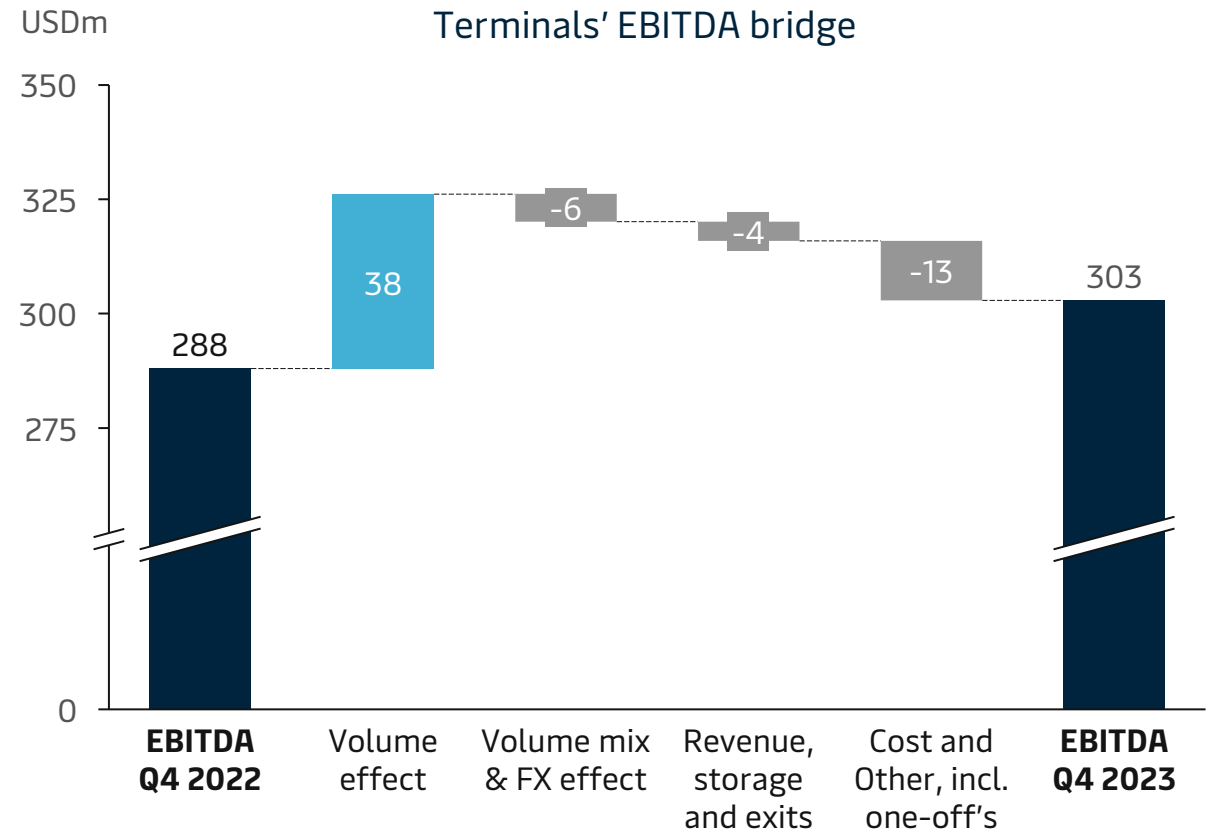
Development in EBIT (USDm) and EBIT margin (%)



	Q4 2023 (USDm)	Q4 2022 (USDm)	FY 2023 (USDm)	FY 2022 (USDm)
Revenue	1,019	999	3,844	4,371
EBITDA	303	288	1,278	1,535
EBITDA margin	29.7%	28.8%	33.2%	35.1%
EBIT	234	232	980	832
EBIT margin	23.0%	23.2%	25.5%	19.0%
Gross capital expenditures	220	132	541	516

Growing top-line and robust margins

- Terminals' volume increased by 3.2% (6.8% like-for-like excluding exits) driven by the Americas, impacting EBITDA positively by USD 38m
- Revenue per move decreased by 1.8% with decreasing storage due to global supply chain decongestion being offset by increasing tariffs
- Cost per move decreased by 2.4% due to exits and inflation offsetting cost initiatives
- Utilization increased to 77% (74%) with the positive volume impact, being partially offset by increases in capacity from ongoing modernization programs



Fourth quarter 2023

Towage & Maritime Services

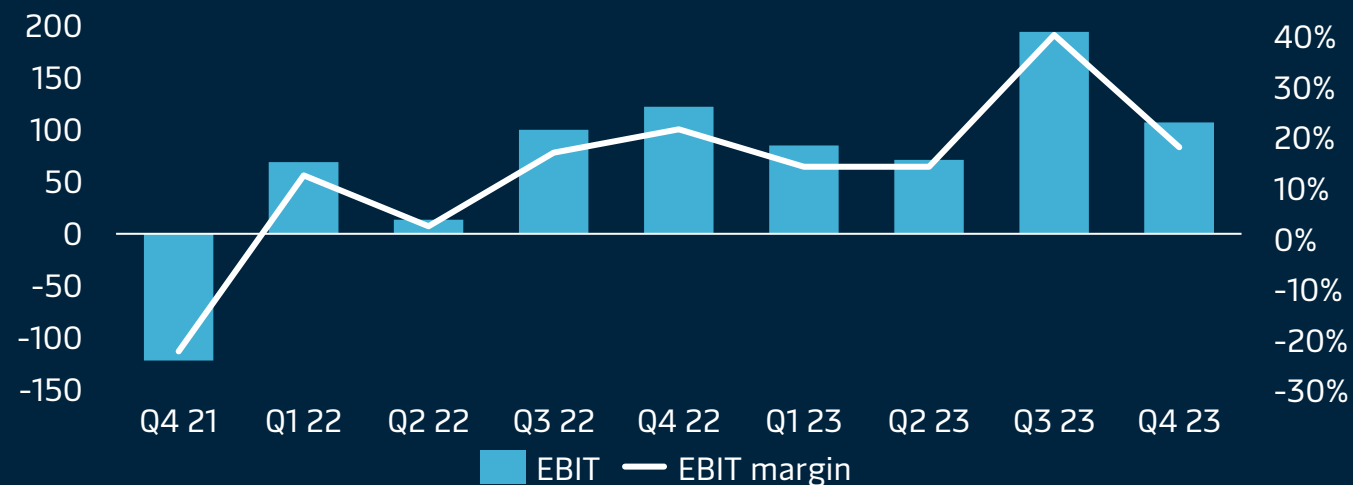
- Revenue increased to USD 571m (USD 568m) mainly due to higher market demand in Maersk Container Industry, increased activity in Svitzer partly offset by divestment of Maersk Supply Services
- EBIT decreased to USD 107m (USD 122m) driven primarily by EBIT contribution of Höegh Autoliners AS
- Full divestiture of Höegh Autoliners AS completed in Q4 2023 with a net gain on sale before taxes of USD 39m
- Board to initiate a demerger and spin-off of APMM's towage activities in Svitzer¹

Svitzer key figures (USDm)

	FY 2023	FY 2022
Revenue	839	774
EBITDA	246	229
EBITDA margin	29%	30%

1) See separate stock exchange announcement

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



	Q4 2023 (USDm)	Q4 2022 (USDm)	FY 2023 (USDm)	FY 2022 (USDm)
Revenue	571	568	2,160	2,293
EBITDA	88	82	320	369
EBITDA margin	15.4%	14.4%	14.8%	16.1%
EBIT	107	122	457	307
EBIT margin	18.7%	21.5%	21.2%	13.4%
Gross capital expenditures	95	118	318	350

Questions and answers

To ask a question, please press 1

 Reminder: **ONE** question per turn



Final remarks

- Concluded a transitional year with solid results in line with guidance
- Proposed dividend of DKK 515 per share, Svitzer spin-off to shareholders, share buyback programme suspended
- Guidance for 2024 reflecting high uncertainty around Red Sea disruption and significant oversupply challenges
- Focus on achieving best-in-class operations and cost control
- Well-positioned for 2024 and the uncertainties that lie ahead

Appendix

Spearheading sustainable change within our industry

Maersk first in shipping to have climate targets validated by SBTi



Climate targets for 2030 and 2040 validated by the Science Based Targets initiative (SBTi)

Continued investments in end-to-end logistics decarbonization solutions with **more than 100 electric heavy-duty trucks in operation**



World's first methanol-enabled container vessel delivered and **18 large methanol-enabled container vessels** to be delivered between 2024 and 2025



Financial highlights FY 2023

USD million	Revenue			EBITDA			EBIT			CAPEX		
	FY 2023	FY 2022	%Δ	FY 2023	FY 2022	%Δ	FY 2023	FY 2022	%Δ	FY 2023	FY 2022	%Δ
Ocean	33,653	64,299	-48%	6,940	33,770	-79%	2,227	29,149	-92%	1,987	2,620	-24%
Logistics & Services	13,916	14,423	-3.5%	1,251	1,378	-9.2%	446	814	-45%	771	657	17%
Terminals	3,844	4,371	-12%	1,278	1,535	-17%	980	832	18%	541	516	4.8%
Towage & Maritime Services	2,160	2,293	-5.8%	320	369	-13%	457	307	49%	318	350	-9.1%
Unallocated activities and eliminations, etc.	-2,508	-3,857	-35%	-198	-239	-17%	-176	-242	-27%	29	20	45%
A. P. Moller - Maersk consolidated	51,065	81,529	-37%	9,591	36,813	-74%	3,934	30,860	-87%	3,646	4,163	-12%

Financial highlights Q4 2023

USD million	Revenue			EBITDA			EBIT			CAPEX		
	Q4 2023	Q4 2022	%Δ	Q4 2023	Q4 2022	%Δ	Q4 2023	Q4 2022	%Δ	Q4 2023	Q4 2022	%Δ
Ocean	7,180	13,299	-46%	196	6,034	-97%	-920	4,817	-119%	692	427	-62%
Logistics & Services	3,542	3,860	-8.2%	285	328	-13%	60	139	-57%	224	174	29%
Terminals	1,019	999	2.0%	303	288	5.2%	234	232	0.9%	220	132	67%
Towage & Maritime Services	571	568	0.5%	88	82	7.3%	107	122	-12%	95	118	-19%
Unallocated activities and eliminations, etc.	-571	-906	-37%	-33	-192	-83%	-18	-188	-90%	20	44	-55%
A. P. Moller - Maersk consolidated	11,741	17,820	-34%	839	6,540	-87%	-537	5,122	-110%	1,251	895	40%

Consolidated financial information

Income statement (USDm)	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	11,741	17,820	51,065	81,529
EBITDA	839	6,540	9,591	36,813
EBITDA margin	7.1%	36.7%	18.8%	45.2%
Depreciation, impairments etc.	1,580	1,612	6,615	6,186
Gain on sale of non-current assets, etc., net	84	33	523	101
Share of profit in joint ventures and associates	120	161	435	132
EBIT	-537	5,122	3,934	30,860
EBIT margin	-4.6%	28.7%	7.7%	37.9%
Financial items, net	101	171	428	-629
Profit/loss before tax	-436	5,293	4,362	30,231
Tax	20	312	454	910
Profit/loss for the period	-456	4,981	3,908	29,321

Key figures and financials (USDm)	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit/loss for the period	-456	4,981	3,908	29,321
Gain/loss on sale of non-current assets etc., net	-84	-33	-523	-101
Impairment losses, net.	29	-64	371	455
Transaction and integration cost	71	-18	180	31
Tax on adjustments	-2	-3	18	-3
Underlying profit/loss	-442	4,863	3,954	29,703
Earnings per share (USD)	-27	278	227	1,600
Lease liabilities (IFRS 16)	10,448	11,614	10,448	11,614
Net interest-bearing debt	-4,658	-12,632	-4,658	-12,632
Invested capital	50,430	52,410	50,430	52,410
Total Equity (APMM total)	55,090	65,032	55,090	65,032
Total market capitalisation	28,541	39,135	28,541	39,135

Financial highlights

Consolidated financial information

Cash flow statement (USDm)	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit/loss before financial items	-537	5,122	3,394	30,860
Non-cash items, etc.	1,370	1,643	5,973	6,225
Change in working capital	-513	1,678	417	-1,808
Taxes paid	-154	-243	-681	-801
Cash flow from operating activities (CFFO)	166	8,200	9,643	34,476
CAPEX	-1,251	-895	-3,646	-4,163
Repayments of lease liabilities	-763	-861	-3,226	-3,080
Financial expenses paid on lease liabilities	-141	-141	-563	-518
Financial payments, net	108	29	853	-238
Sale proceeds and dividends received	167	130	906	630
Free cash flow (FCF)	-1,714	6,462	3,967	27,107
Acquisitions, net (incl. sales)	159	-82	1,151	-4,599
Dividends and share buy-backs	-796	-708	-14,088	-9,663
Repayments of/proceeds from borrowings, net	33	35	185	-717

Balance sheet and capital allocation

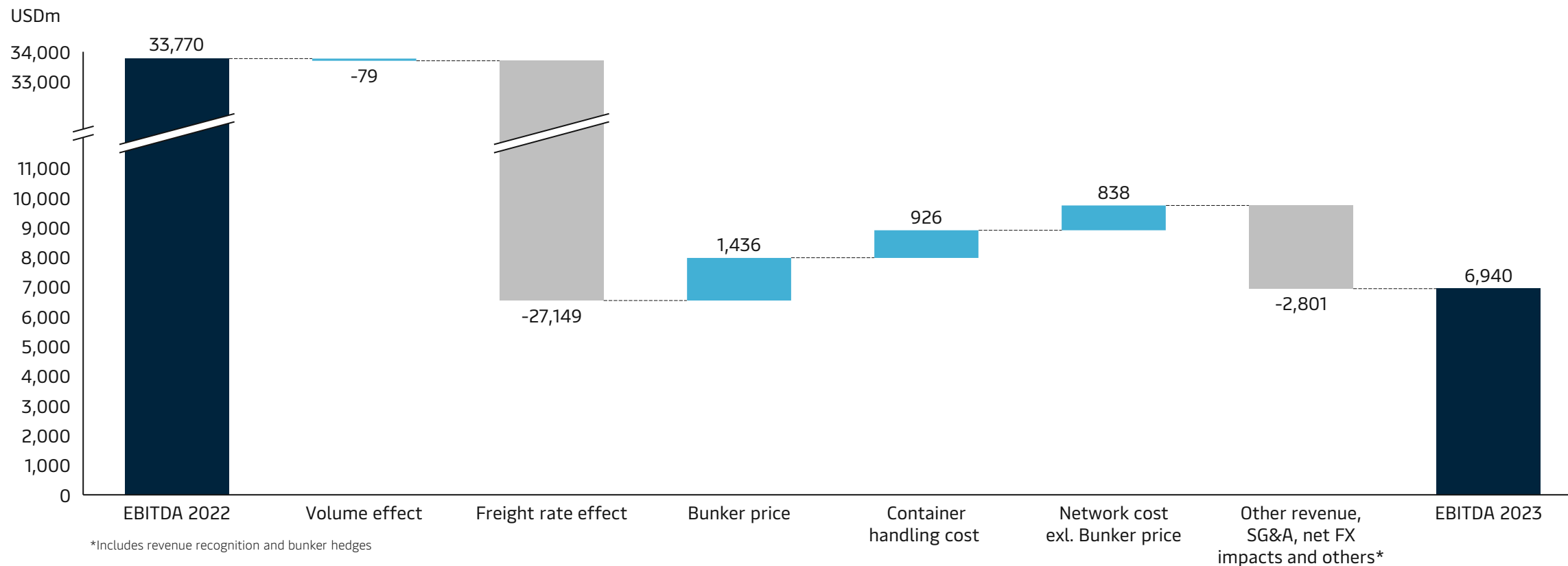
Debt & cash position

	Q4 2023	Q3 2023	Q4 2022
Borrowings	4,366	4,221	4,029
Lease liabilities	10,448	10,632	11,614
Other	63	243	365
Total gross debt	14,877	15,096	16,008
Cash and bank balances	6,701	7,630	10,057
Short term deposits	12,834	14,310	17,641
Securities	-	-	942
Total cash and deposits	19,535	21,940	28,640
Net interest-bearing debt	-4,658	-6,844	-12,632

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

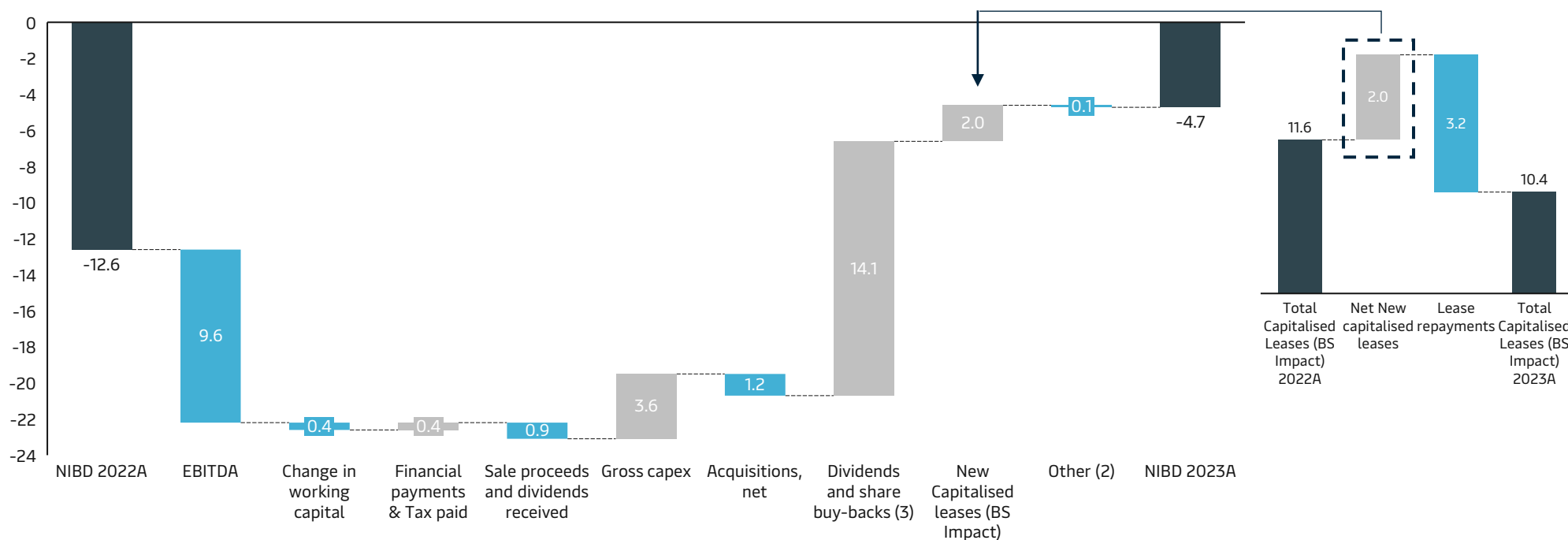
EBITDA decrease mainly due to lower freight rates

EBITDA bridge for Ocean for FY 2023, USDm



Net interest-bearing debt bridge – FY 2022 to FY 2023

Development in net interest-bearing debt (NIBD) FY 2023, USD bn



Liquidity reserve¹ decreased to USD 24.4bn by end Q4 2023.

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

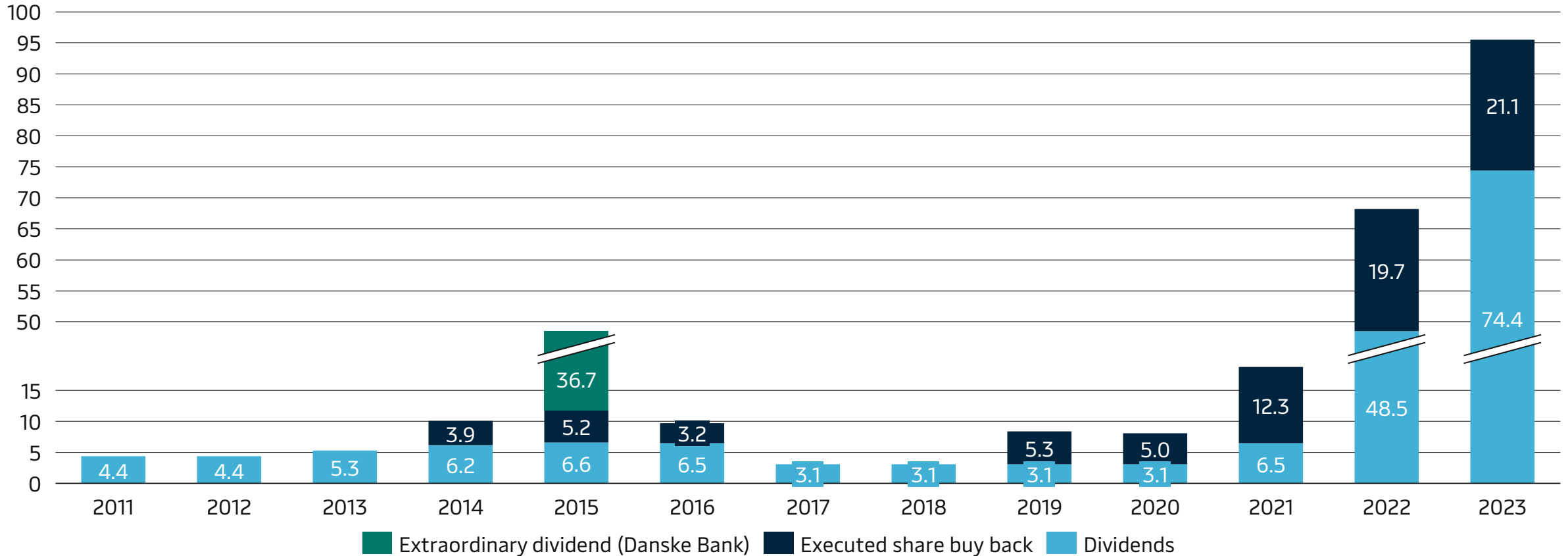
Net interest-bearing debt decreased to a net cash position of USD 4.7bn (USD 12.6bn at year-end 2022), of which USD 10.4bn is capitalised leases.

Net cash position end of 2023 was USD 15.1bn (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

DKK bn



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

IR Contact Information & Financial Calendar

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Financial Calendar

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

