A.P. Møller - Mærsk A/S
Q1 2024 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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Q1 2024

Highlights

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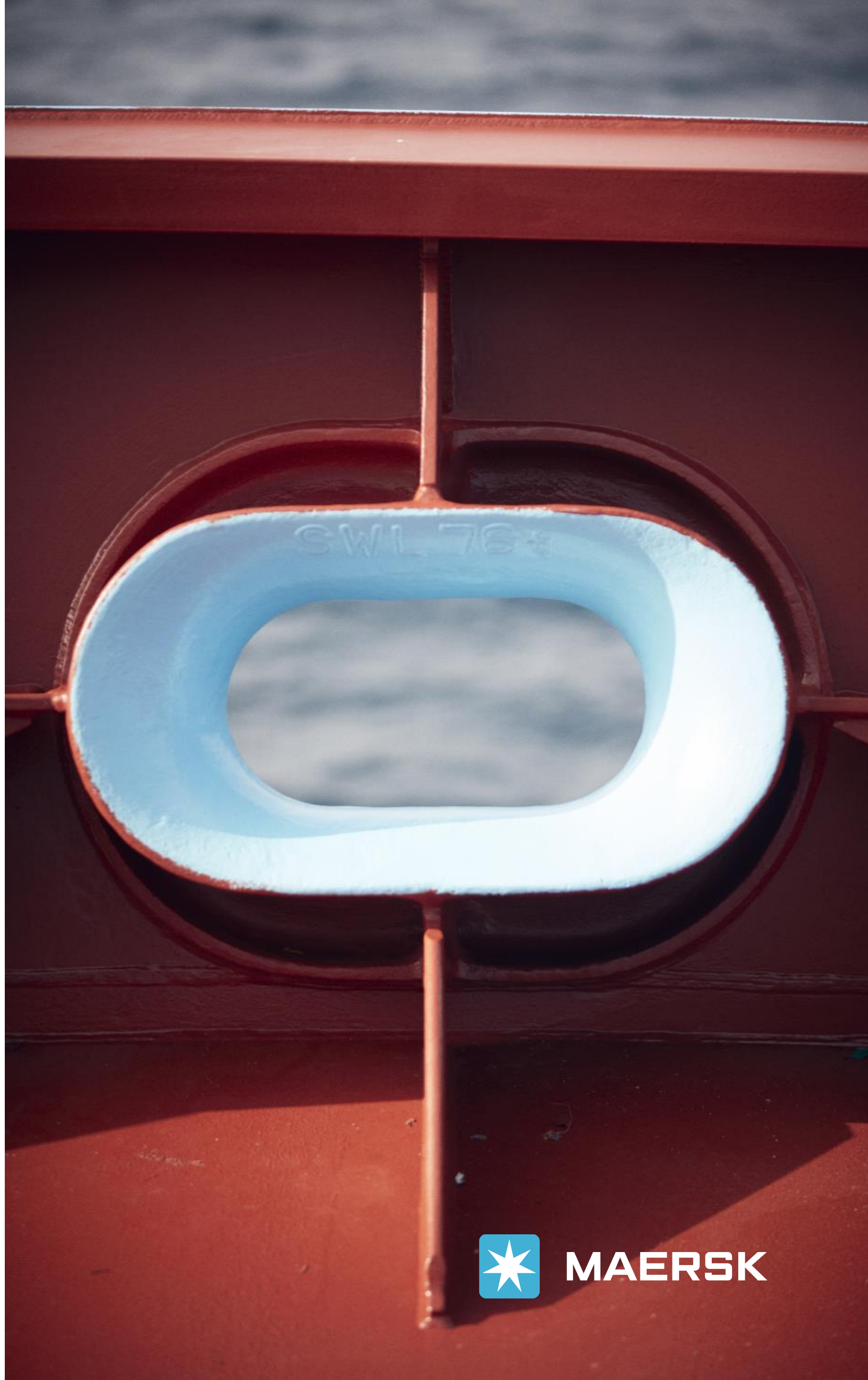
Highlights

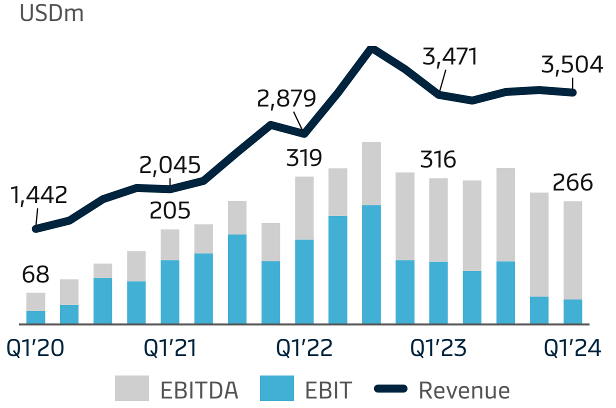
Positive start to the year – First quarter in line with expectations

- YoY volume growth across all business segments
- Strong recovery in earnings sequentially with **EBIT of USD 177m** (1.4% margin)
- **Ocean:** Strong market demand and longer Red Sea disruption leading to higher rates, network re-configured to tackle disruption, continued strong cost management
- **Logistics & Services:** Volume growth in all product families, focus on restoring profitability, margins challenged by implementing Ground Freight contract wins in North America and Warehousing whitespace
- **Terminals:** Continued strong performance and investments in growth
- **Lower end of guidance range raised** – supported by strong container market and Red Sea disruption likely to remain into H2 '24



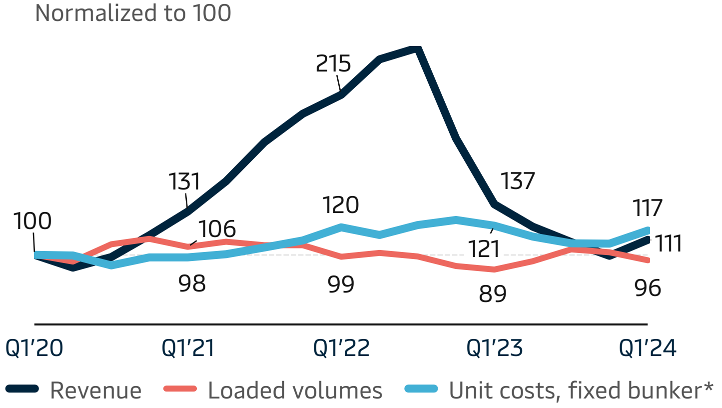
Continued focus on profitable growth and strong cost discipline

Logistics & Services
Restoring profitability



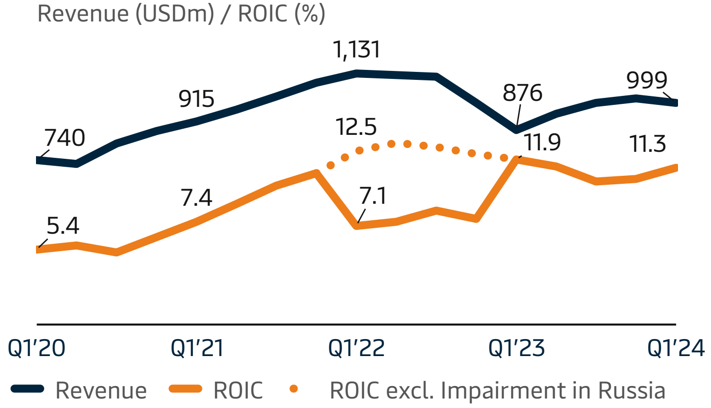
- Strong volumes across products, with Managed by Maersk and Transported by Maersk contributing as expected
- Short-term challenges implementing new customer contracts in Maersk Ground Freight in North America
- Continued efforts on bringing down costs and managing Warehousing footprint

Ocean
Strong delivery



- Strong market demand leading to higher volumes and rates, as well as utilisation
- Significant impact from Red Sea disruption implying network reorganisation, higher costs and challenged reliability
- Continued cost discipline to bring down unit cost despite ongoing disruption

Terminals
Continued robustness



- Strong volume growth particularly in North America
- Profitability improved through higher revenue per move due to better pricing and stable costs
- Investment increased with focus on expansion and automation

*Fixed bunker price of USD 550 / FFE

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2021–2025

Our strategic transformation continues – Focus on profitable growth and strong cost discipline

Segment	KPI	Targets[1]	LTM
APMM	Return on invested capital (ROIC) – (LTM)	Every year >7.5%	3.2%
	Return on invested capital (ROIC) – (Average)	Average 2021-25 >12.0%	34.8%[2]
Ocean	EBIT margin – under normalised conditions	Above 6%	0.3%
	Execute with the existing fleet size	4.1-4.3m TEU	4.2m
Logistics & Services	Organic revenue growth	Above 10%	-13%
	EBIT margin	Above 6%	2.6%
Terminals	Return on invested capital (ROIC) – (LTM)	Above 9%	11.3%

1) 2021-2025 mid-term targets were introduced at the CMD in May 2021
2) Average return on invested capital for the period Q1 2021 to Q1 2024

Our key priorities for 2024 remain unchanged

Logistics & Services

Renew with growth and raise margins

- Lift profit margin by addressing Ground Freight customer implementation in North America and warehousing white space
- Continue progress in recalibrating fixed cost base and improve productivity
- Continue to win new customer contracts and grow

Ocean

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

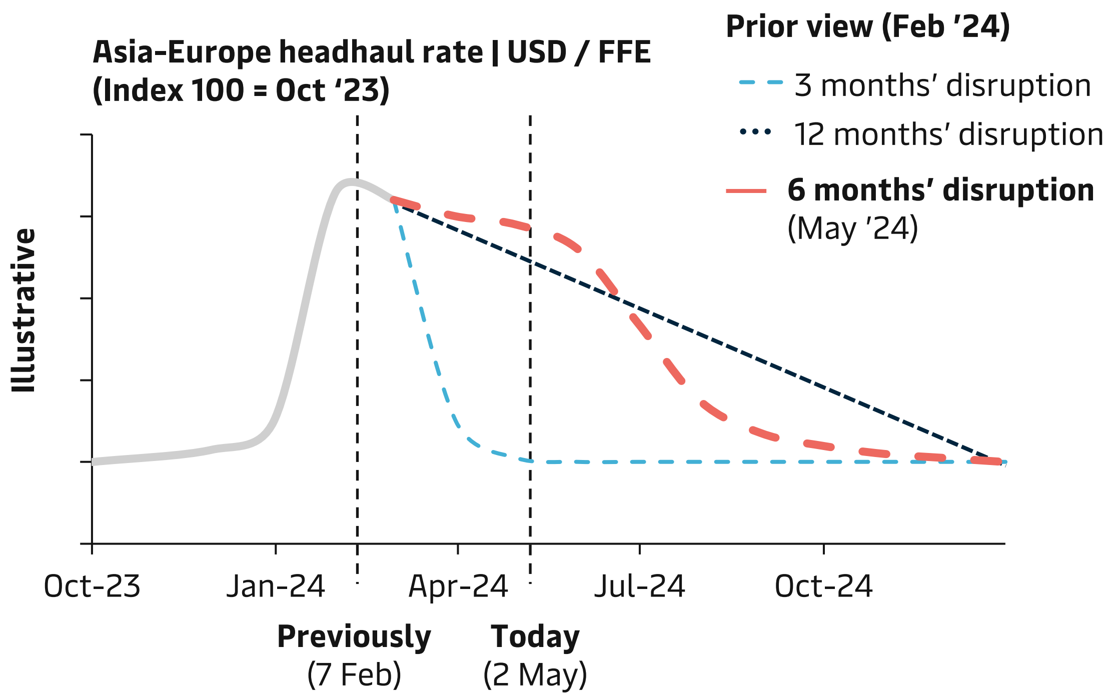
- Selectively inject capacity to cater to ongoing Red Sea disruption and strong container market growth
- Continue to manage yields and bring down Ocean unit cost despite Red Sea disruption
- Minimise Red Sea supply chain disruptions for customers and prepare for Gemini

Terminals

Sustain momentum on operational excellence and focus on growth

- Continue margin optimization via LEAN implementation throughout gateways portfolio
- Progress on growth investments in Suape (Brazil) and Rijeka (Croatia)
- Invest in upgrading and preparing hubs for Gemini

Impact from Red Sea disruption taking shape within our initial expectations – Structural overcapacity challenges will eventually prevail



Main Ocean cost buckets impacted by Red Sea disruption

Network costs (excl. bunker)	• More capacity (80k+ extra TEU capacity)
Bunker costs	• Increased consumption due to longer distance and speed (15%+)
Container handling costs	• Increased dwell time (+0.2 days due to port bottlenecks)

- Current situation will be with us well into the second half – stronger demand also supports rates on other trades
- New capacity continues to grow at ~2-3% net per quarter – with expected impact on rates from Q3 onwards
- Meanwhile, higher costs (e.g. time-charters) introduced into Ocean cost base with overhang expected for a while after potential resolution

Note: Chart illustrative only

Lower end of 2024 financial guidance range raised

- APMM expects global container volume growth to be towards the **upper end** of the **2.5-4.5%** range and to grow in line with the market
- APMM raises the lower end of the financial guidance range considering:
  - **Strong container market demand** causing rates and volumes to increase
  - **Ongoing Red Sea situation** expected to continue into the second half
  - **Over-supply remains a challenge** – impact delayed by strong market demand and longer disruption but will eventually prevail
- Considering these factors APMM expects for the full-year 2024:

USDbn	**Previous** (as at Feb '24)	**Revised** (as at May '24)
Underlying EBITDA	1.0 to 6.0	**4.0 to 6.0**
Underlying EBIT	-5.0 to 0	**-2.0 to 0**
FCF	≥ -5.0	**≥ -2.0**
Capex (cumulative)		
2023-2024	8.0 to 9.0	**8.0 to 9.0** (unchanged)
2024-2025	9.0 to 10.0	**9.0 to 10.0** (unchanged)

Q1 2024
Financial review

Financial review

Q1 '24 developed as expected | Red Sea situation, stronger container market and excellent Terminals performance contributed to sequential improvement

USD (YoY % change)	Revenue	EBITDA	EBIT	Profit	FCF	NIBD	ROIC (LTM)
Q1 '24	12.4bn (-13%)	1.6bn (-60%)	177m (-92%)	208m (-91%)	-151m (NA)	-3.1bn (+3.9bn)	3.2% (-46pp)

- Q1 EBITDA decreased to USD 1.6bn (**margin: 13%**), while EBIT decreased to USD 177m (**margin: 1.4%**). Net profit after tax of USD 208m
- Sequentially, EBITDA increased by 90% together with EBIT, demonstrating significant recovery in earnings
- Similarly, free cash flow increased to USD -151m in Q1
- Total cash & deposits of USD 19.0bn (incl. term deposits) with a net cash position of USD 3.1bn at the end of Q1
- Distributed USD 1.0bn in dividends complemented by the spin-off of Svitzer
- Q1 '24 marks last complete quarter with Svitzer towage activities as part of Towage and Maritime Services (TMS) segment – remaining TMS business activities will be presented with Unallocated

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Financial review

Demerger and separate listing of Svitzer approved by APMM shareholders at EGM in April

Focusing our business portfolio

Demerger / listing marks another milestone to simplify our business and strategic focus on end-to-end logistics

APMM shareholder return

Svitzer is a leading maritime infrastructure business with a track record of proven and stable returns – equity valuation of USD ~1.1bn[1] adds significant shareholder value to APMM shareholders

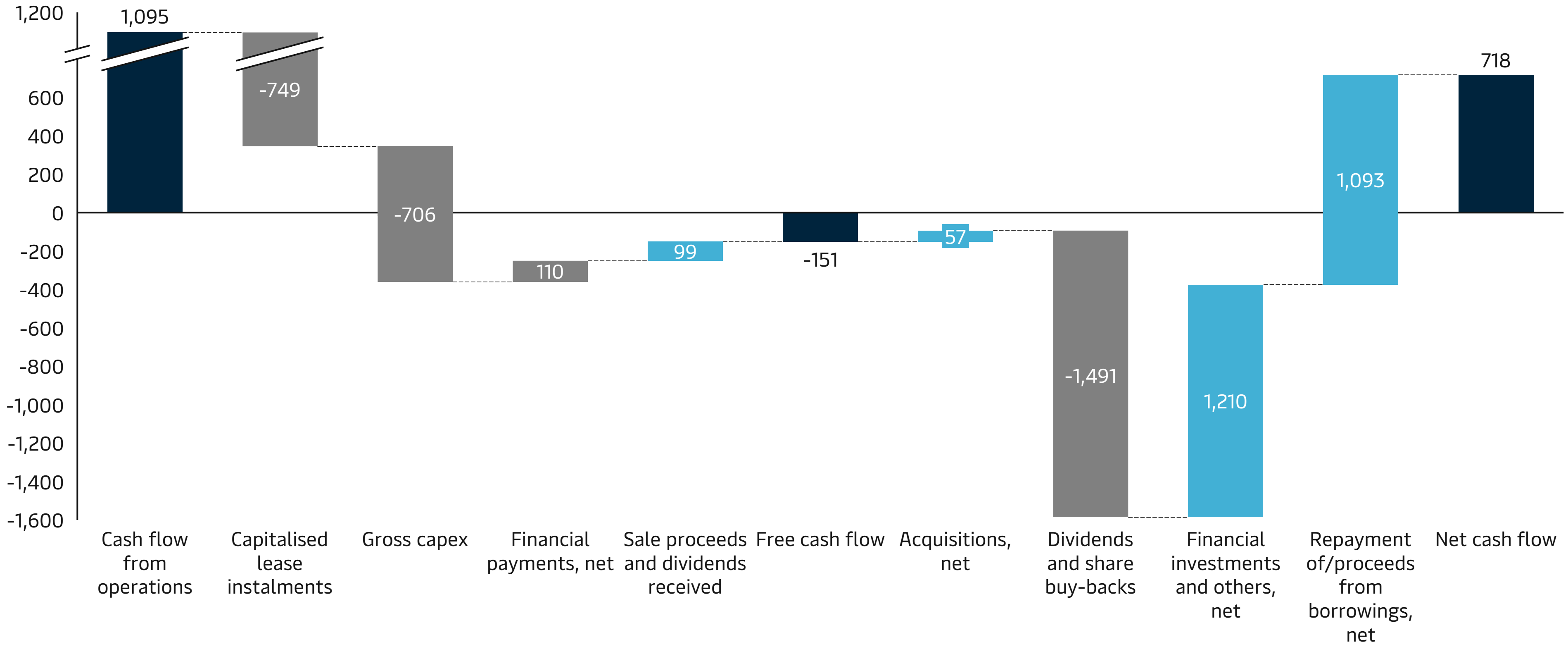
Svitzer dividend policy

For fiscal year 2024 onwards, Svitzer expects to pay 40-60% of annual net profit available for distribution as dividend

1) Calculated as at 1 May closing price

Negative FCF of USD -151m mainly due to lower operational cash flow

Cash flow bridge for Q1 '24, USDm



Operational cash flow of USD 1,095m (USD 5.3bn) impacted by lower EBITDA of USD 1,590m (USD 4.0bn) and increase of net working capital of USD 474m (decrease of USD 1.2bn). Cash conversion rate of 69% for the quarter

Free cash flow was USD -151m (USD 4.2bn) driven by Gross CAPEX of USD 706m (USD 838m), primarily from Ocean and Logistics investments

Further cash movements driven by 2023 dividends and share buy-back programme (until Feb '24) of USD 1.0bn and 443m, respectively

Financial investments of USD 1.2bn is mainly driven by movements of cash term deposits

Issuance of dual-tranche green bonds of EUR 500m per tranche

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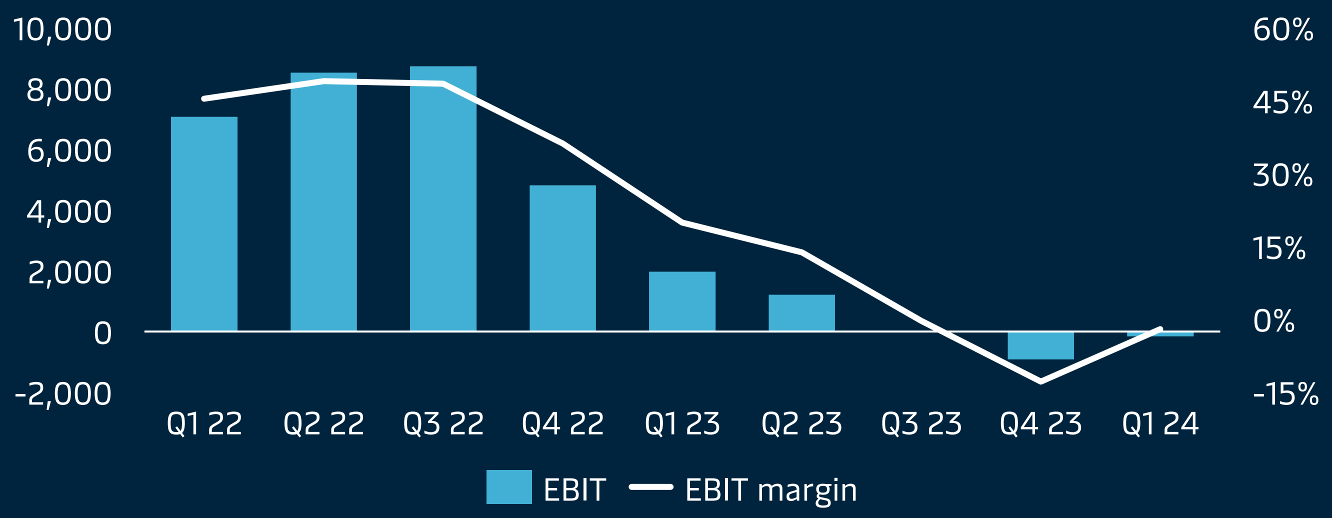
First quarter 2024

Ocean

- Strong delivery on the back of tackling the Red Sea disruption and robust container volume growth
- Volumes down QoQ in line with normal seasonality but up YoY, confirming macroeconomic outlook
- Rates were significantly up QoQ given the additional capacity requirement of the Red Sea disruption – situation stabilized throughout the quarter as rates started flattening out
- Network now stabilized running with higher cost and high capacity utilization given re-routing, with implications on reliability
- As expected, EBIT showed progressive recovery through the quarter as network stabilised

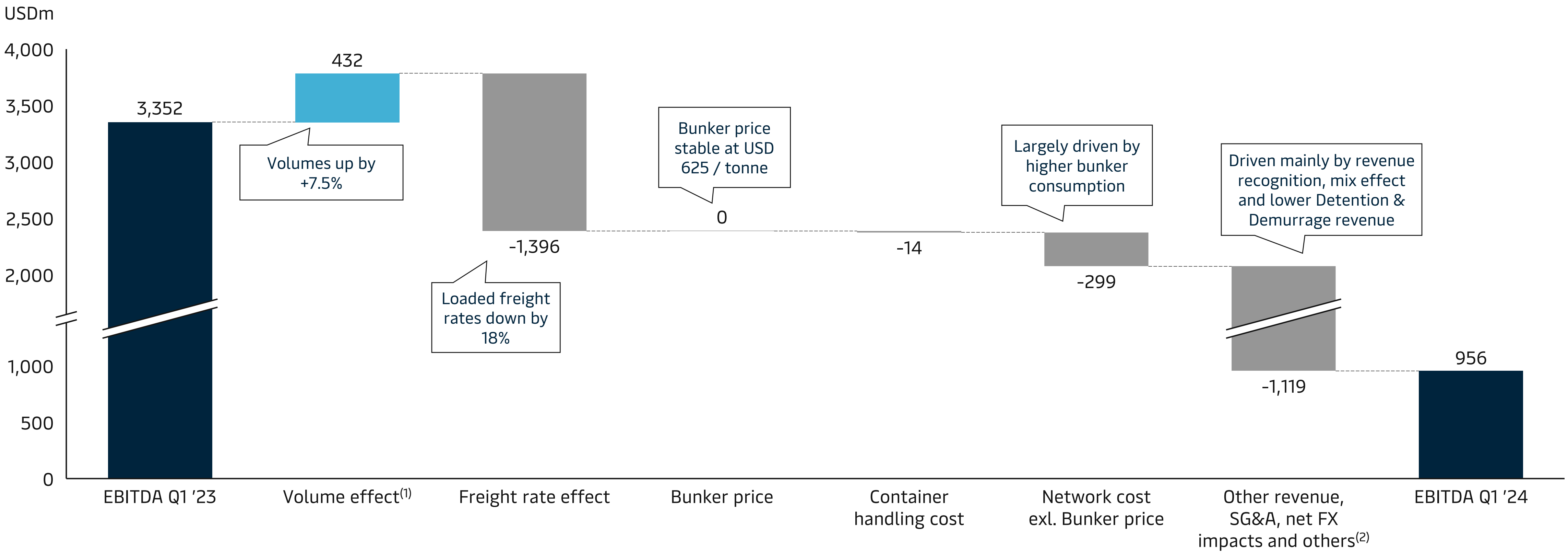
Development in EBIT (USDm) and EBIT margin (%)



USDm	Q1 '24	Q1 '23	YoY %	QoQ %
Revenue	8,009	9,873	-19%	12%
EBITDA	**956**	**3,352**	**-72%**	**388%**
EBITDA margin	11.9%	34.0%	-22pp	9pp
EBIT	**-161**	**1,969**	**NA**	**NA**
EBIT margin	-2.0%	19.9%	-22pp	11pp
Gross capex	**325**	**538**	**-40%**	**-53%**

First quarter 2024

Ocean | Q1 ’24 EBITDA decreased mainly due to lower freight rates throughout the course of 2023



1) Shows volume revenue impact net of volume-driven costs
2) Includes revenue recognition and bunker hedges

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Volumes increased but freight rates declined

- Average freight rates decreased by 18%; sequentially, rates increased by 23%
- Operating costs excluding bunker increased by 3.5% from higher container handling costs and network costs. Combined with 7.5% higher volumes this led to a unit cost at fixed bunker of USD 2,478, down 2.9% YoY. Compared to Q4 2023, cost per unit was up 8.7% given lower volumes and higher disruption led costs
- Average operated fleet capacity was 1.4% higher than in Q4 2023. Capacity utilisation remains high at 95% for the quarter
- Loaded volumes were up 7.5% to 2,928k FFE
- Our expected share of Ocean contract volumes for the full year is 70% (largely in line with 2023)

Ocean KPIs	Q1 2024	Q4 2023	QoQ %	Q1 2023	YoY %
Average freight rate (USD/FFE)	2,368	1,925	23%	2,871	-18%
Unit cost, fixed bunker (USD/FFE)	2,478	2,280	8.7%	2,552	-2.9%
Average operated capacity ('000 TEU)	4,187	4,131	1.4%	4,217	-0.7%
Loaded volumes ('000 FFE)	2,928	3,108	-5.8%	2,724	7.5%

Contract share	Q1 '24	Q4 '23	Q1 '23	2024E	2023
Contracts	75%	70%	67%	70%	68%
Shipments	25%	30%	33%	30%	32%

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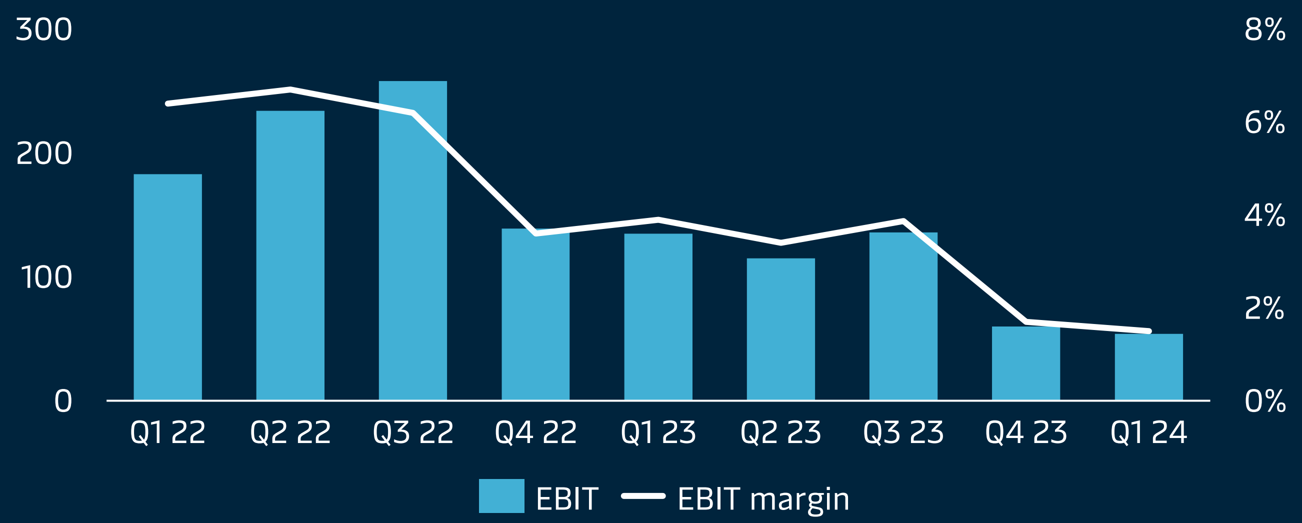
First quarter 2024

Logistics & Services

- Revenue stabilized with a return to growth compared to previous year, primarily driven by higher volumes in all product families
- Profitability was down with some pressure on rates mainly in First Mile and Air, accentuated by weakness in contract logistics and Ground Freight
- Focus on productivity and solving specific cost issues will lead to sequential improvement in profitability in the coming quarters

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



USDm	Q1 '24	Q1 '23	YoY %	QoQ %
Revenue	3,504	3,471	1.0%	-1.1%
Gross Profit	1,007	1,042	-3.4%	-4.1%
EBITDA	**266**	**316**	**-16%**	**-6.7%**
EBITDA margin	7.6%	9.1%	-1.5pp	-0.4.pp
EBIT	**54**	**135**	**-60%**	**-10%**
EBIT margin	1.5%	3.9%	-2.4pp	-0.2pp
Gross capex	201	128	57%	-10%

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First quarter 2024

Managed by Maersk and Transported by Maersk with solid performance, while addressing weakness in Fulfilled by Maersk

- **Managed by Maersk** revenue decreased by USD 103m to USD 468m, mainly driven by lower rates in Lead Logistics and Customs, partly offset by improved mix and higher volumes. Consequently, EBITA margin was 17.3% (11.2%)
- **Fulfilled by Maersk** revenue increased by USD 108m to USD 1.4bn, with higher volumes, primarily in ground freight and last mile. Profitability was lower given continuing warehousing whitespace in Europe and North America while Ground Freight faced significant difficulties in implementing new contract wins. EBITA margin was -6.2% (0.1%)
- **Transported by Maersk** Revenue increased by USD 28m to USD 1.6bn (USD 1.6bn), mainly due to higher volumes, partly offset by lower rates in Air and First Mile. EBITA margin was 6.5% (7.0%)

Revenue | USDm	Key products	Q1 '24	Q1 '23	YoY change %
Managed by Maersk	• Lead Logistics • Maersk Project Logistics • Custom House Brokerage	**468**	571	**-18%**
Fulfilled by Maersk	• Warehousing • Maersk Ground Freight • Last Mile • E-Fulfilment • Depot	**1,423**	1,315	**8.2%**
Transported by Maersk	• Landside Transportation (First Mile, Cross-Border Transportation) • Air • LCL	**1,613**	1,585	**1.8%**
Total Logistics & Services		**3,504**	3,471	**1.0%**

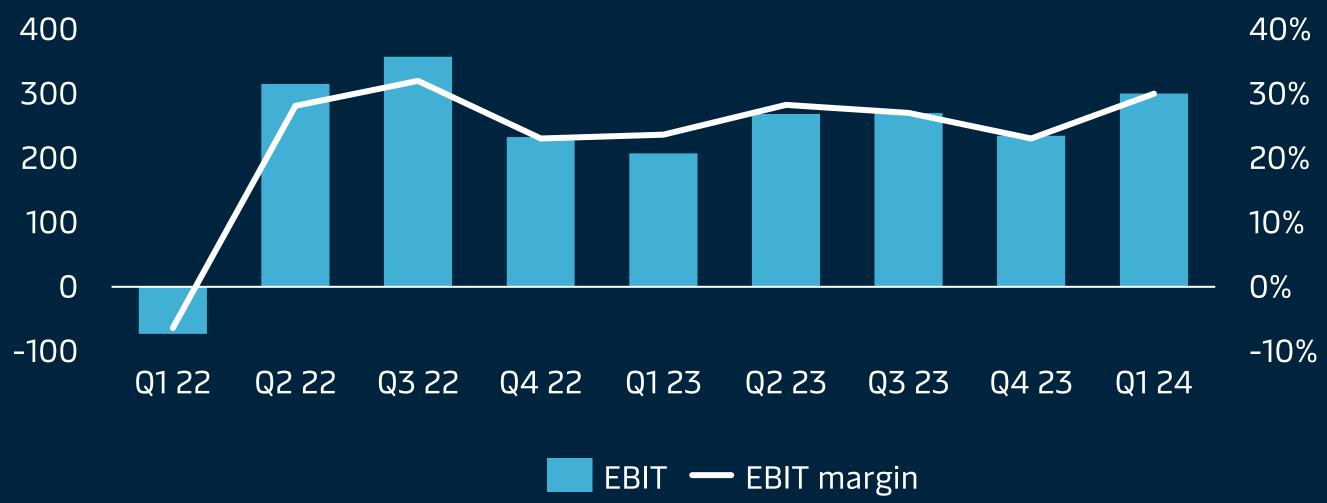
Note: 2023 'by Maersk' revenue figures have been restated in order to reflect changes within the Logistics & Services model definition.

First quarter 2024

Terminals

- Revenue increased by 14% YoY to USD 999m (USD 876m), driven by higher volumes and improved tariffs from a low base
- Volumes grew by 9.0%, driven by strong growth of 29% in North America and 6.7% in Latin America
- EBIT increased by 45% due to significant volume growth, higher tariffs and strong results from joint ventures and associated companies
- ROIC (LTM Average) decreased marginally to 11.3% (11.9%) due to the normalisation of storage revenue observed throughout 2023
- CAPEX increased to USD 127m (USD 111m) driven by the ongoing terminal modernisation programme in North America

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



USDm	Q1 '24	Q1 '23	YoY %	QoQ %
Revenue	999	876	14%	-2.0%
EBITDA	**348**	**291**	**20%**	**15%**
EBITDA margin	34.8%	33.2%	1.6pp	5.1pp
EBIT	**300**	**207**	**45%**	**28%**
EBIT margin	30.0%	23.6%	6.4pp	7.0pp
Gross capex	**127**	**111**	**14%**	**-42%**

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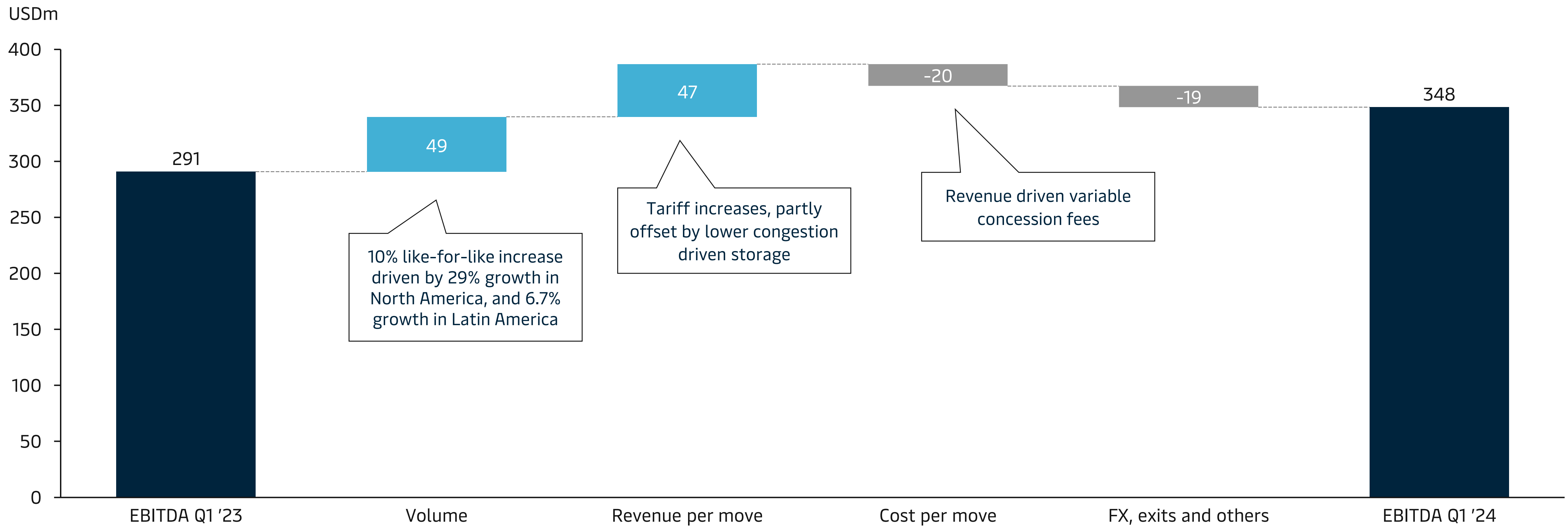
First quarter 2024

Terminals | Strong performance driven by significant top-line growth



Questions and answers

To ask a question, please press 1

Reminder: **ONE** question per turn

Final remarks

- Positive start into the year – first quarter in line with expectations
- Strong delivery in Ocean, good volume growth in Logistics & Services despite challenges in Ground Freight in North America and warehousing white space, while Terminals showed excellent performance
- Strengthened short-term outlook from longer Red Sea disruption and stronger container market demand
- Lower end of FY 2024 guidance raised

Appendix

Financial highlights Q1 2024

	Revenue			EBITDA			EBIT			CAPEX		
USD million	**Q1 ’24**	**Q1 ’23**	**YoY %**	**Q1 ’24**	**Q1 ’23**	**YoY %**	**Q1 ’24**	**Q1 ’23**	**YoY %**	**Q1 ’24**	**Q1 ’23**	**YoY %**
Ocean	8,009	9,873	-19%	956	3,352	-71%	-161	1,969	NA	325	538	-40%
Logistics & Services	3,504	3,471	1.0%	266	316	-16%	54	135	-60%	201	128	57%
Terminals	999	876	14%	348	291	20%	300	207	45%	127	111	14%
Towage & Maritime Services	484	602	-20%	80	83	-3.6%	48	85	-44%	31	64	-52%
Unallocated activities and eliminations, etc.	-641	-615	NA	-60	-73	NA	-64	-70	NA	22	-3	NA
A. P. Moller - Maersk consolidated	**12,355**	**14,207**	**-13%**	**1,590**	**3,969**	**-60%**	**177**	**2,326**	**-92%**	**706**	**838**	**-16%**

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Consolidated financial information

Income statement (USDm)	Q1 '24	Q1 '23	FY23
Revenue	12,355	14,207	51,065
EBITDA	**1,590**	**3,969**	**9,591**
EBITDA margin	**13%**	**28%**	**19%**
Depreciation, impairments etc.	1,518	1,880	6,615
Gain on sale of non-current assets, etc., net	7	140	523
Share of profit in joint ventures and associates	98	97	435
EBIT	**177**	**2,326**	**3,934**
EBIT margin	**1.4%**	**16%**	**7.7%**
Financial items, net	151	190	428
Profit/loss before tax	**328**	**2,516**	**4,362**
Tax	120	193	454
Profit/loss for the period	**208**	**2,323**	**3,908**

Key figures and financials (USDm)	Q1 '24	Q1 '23	FY23
Profit/loss for the period	208	2,323	3,908
Gain/loss on sale of non-current assets etc., net	-7	-140	-523
Impairment losses, net.	-3	301	371
Transaction and integration cost	7	76	180
Tax on adjustments	5	1	18
Underlying profit/loss	**210**	**2,561**	**3,954**
Earnings per share (USD)	11	131	227
Lease liabilities (IFRS 16)	10,345	11,137	10,448
Net interest-bearing debt	-3,092	-7,002	-4,658
Invested capital	50,430	50,322	50,430
Total Equity (APMM total)	53,373	55,833	55,090
Total market capitalisation	20,349	30,957	28,541

Consolidated financial information

Cash flow statement (USDm)	Q1 '24	Q1 '23	FY23
Profit/loss before financial items	177	2,326	3,934
Non-cash items, etc.	1,506	1,926	5,973
Change in working capital	-474	1,220	417
Taxes paid	-114	-138	-681
Cash flow from operating activities (CFFO)	**1,095**	**5,334**	**9,643**
CAPEX	-706	-838	-3,646
Repayments of lease liabilities	-749	-825	-3,226
Financial expenses paid on lease liabilities	-139	-139	-563
Financial payments, net	249	451	853
Sale proceeds and dividends received	99	241	906
Free cash flow (FCF)	**-151**	**4,224**	**3,967**
Acquisitions, net (incl. sales)	57	-106	1,151
Dividends and share buy-backs	-1,491	-10,115	-14,088
Repayments of/proceeds from borrowings, net	1,093	-100	185

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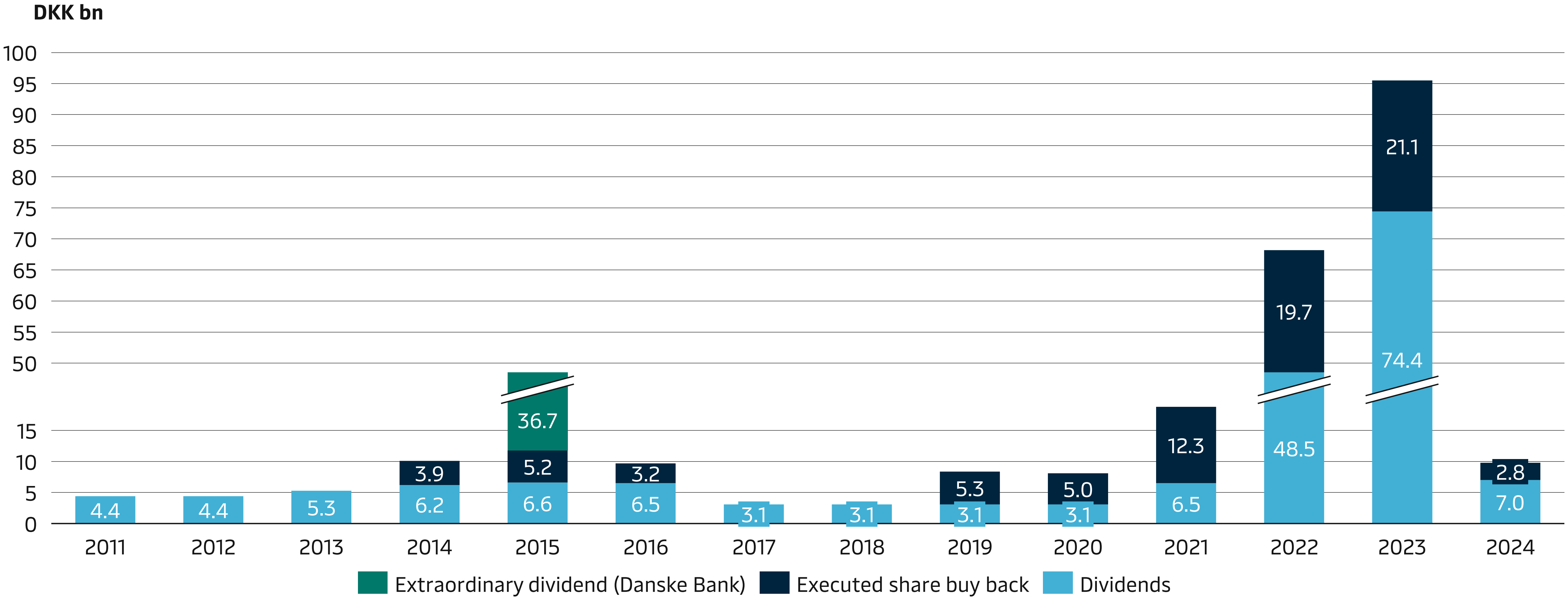
Balance sheet and capital allocation

Debt & cash position (USDm)	Q1 '24	Q4 '23	Q1 '23
Borrowings	5,418	4,366	3,995
Lease liabilities	10,345	10,448	11,137
Other	114	63	152
Total gross debt	**15,877**	**14,877**	**15,284**
Cash and bank balances	7,365	6,701	11,652
Short term deposits[(1)]	11,604	12,834	10,389
Securities	-	-	245
Total cash and deposits	**18,969**	**19,535**	**22,286**
Net interest-bearing debt	**-3,092**	**-4,658**	**-7,002**

- Strong balance sheet maintained
- Issuance of dual-tranche green bonds of EUR 500m per tranche
- Commitment to shareholder returns and maintaining investment grade

1) Under "Receivables, etc." on balance sheet (see note 2 "Term deposits" in quarterly report)

Earnings distribution to shareholders



Note: Based on net dividend paid and share buyback executed in the period. SBB includes long-term incentive programme shares bought back for 2023 and 2024

IR Contact Information & Financial Calendar

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Financial Calendar

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