

PRESS RELEASE

Maersk Q1 results in line with expectations amid ongoing Red Sea disruptions

Copenhagen, Denmark – A.P. Moller - Maersk (Maersk) delivered a first quarter in line with expectations showing a strong recovery in earnings compared to the fourth quarter of 2023. Results were driven by a good performance in Terminals and the combination of higher demand and a prolonged Red Sea crisis. As these conditions are expected to continue well into the second half of the year, Maersk lifts the lower end of its guidance range and now expects underlying EBIT at USD -2.0 to 0.0bn

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“We had a positive start to the year with a first quarter developing precisely as we expected. Demand is trending towards the higher end of our market growth guidance and conditions in the Red Sea remain entrenched. This not only supported a recovery in the first quarter compared to the previous quarter, but also provide an improved outlook for the coming quarters, as we now expect these conditions to stay with us for most of the year. However, we still anticipate the high number of new vessels being delivered during this and next year to eventually offset these factors and put the ocean markets under renewed pressure. We therefore relentlessly continue to pursue our cost agenda with the aim of rolling back the disruption linked cost in Ocean and restoring margins in Logistics & Services. This work on cost, helped by our strong value proposition, is crucial in supporting our customers through the ongoing volatility and build a more resilient business,” says Vincent Clerc, CEO of Maersk.

Ocean results were impacted by the situation in the Red Sea with increased market rates and costs due to the supply chain disruptions. Strong volumes, high capacity utilisation and continued cost discipline ensured improved results compared to the previous quarter.

Logistics & Services saw significant growth in volumes, while margin was at an unsatisfactory level on the back of too low utilization in some of our warehouses and short-term challenges implementing new customer contracts in the ground freight business in North America.

Terminals started the year with strong results supported by good volumes growth. Strong cost management and high productivity helped improve margins.

Maersk continued to streamline its portfolio to focus on end-to-end logistics with the spin-off of Svitser. The demerger was approved by an Extraordinary General

Meeting on April 26th and completed on April 30th, with Svitzer Group A/S now listed on the Nasdaq Copenhagen.

Financial guidance for 2024

The lower end of the original financial guidance is raised based on a strong market demand with container volume growth towards the upper end of the 2.5-4.5% range and A.P. Moller - Maersk growing in line with the market. Further, the ongoing Red Sea / Gulf of Aden situation is expected to continue into the second half of the year. Over-supply remains a challenge and will eventually prevail, but the impact is delayed.

For the full-year 2024, A.P. Moller - Maersk raises its financial guidance as seen in the table below.

USDbn			
EBITDA Underlying (Previously: 1.0-6.0)	EBIT Underlying (Previously: -5.0-0.0)	Free cash flow (Previously -5.0 or higher (FCF) or higher	-2.0
4.0-6.0	-2.0-0.0		
CAPEX guidance, unchanged 2023-2024	8.0-9.0	CAPEX guidance, unchanged 2024-2025	9.0-10.0

Sensitivity guidance

Financial performance for A.P Moller - Maersk for 2024 depends on several factors subject to uncertainties related to the given uncertain macroeconomic conditions, bunker fuel prices and freight rates. All else being equal, the sensitivities for 2024 for four key assumptions are listed below:

Factors	Change	Effect on EBIT (Rest of 2024)
Container freight rate	+/- 100 USD/FFE	+/- USD 1.0bn
Container freight volume	+/- 100,000 FFE	+/- USD 0.1bn
Bunker price (net of expected BAF coverage)	+/- 100 USD/tonne	+/- USD 0.3bn
Foreign exchange rate (net of hedges)	+/- 10% change in USD	+/- USD 0.2bn

Cash distribution to shareholders

A total distribution of cash to shareholders of USD 1.5bn took place during Q1 2024 through dividends paid of USD 1.0bn and share buy-backs of USD 443m.

Highlights Q1

USD million

	Revenue		EBITDA		EBIT		CAPEX	
	2024	2023	2024	2023	2024	2023	2024	2023
Ocean	8,009	9,873	956	3,352	-161	1,969	325	538
Logistics & Services	3,504	3,471	266	316	54	135	201	128
Terminals	999	876	348	291	300	207	127	111
Towage & Maritime Services	484	602	80	83	48	85	31	64
Unallocated activities, eliminations, etc.	-641	-615	-60	-73	-64	-70	22	-3
A.P. Moller - Maersk consolidated	12,355	14,207	1,590	3,969	177	2,326	706	838

About Maersk

A.P. Moller - Maersk is an integrated logistics company working to connect and simplify its customers' supply chains. As a global leader in logistics services, the company operates in more than 130 countries and employs about 100,000 people world-wide. Maersk is aiming to reach net zero emissions by 2040 across the entire business with new technologies, new vessels, and green fuels.

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