MAERSK

Q3 2022

ALL THE WAY

A.P. Møller - Mærsk A/S | Interim Report | 2 November 2022

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Webcast and dial-in information

A webcast relating to the Q3 2022 Interim Report will be held on 2 November 2022 at 11.00 (CET). Dial-in information on investor.maersk.com.

Presentation material for the webcast will be available on the same page.

The Interim Report for Q3 2022 of A.P. Møller - Mærsk A/S (further referred to as A.P. Moller - Maersk as the consolidated group of companies) has been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board (IASB) and adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The interim consolidated financial statements have not been subject to audit or review.

Comparative figures

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

Forward-looking statements

The interim report contains forward-looking statements. Such statements are subject to risks and uncertainties as numerous factors, many of which are beyond the control of A.P. Moller - Maersk, may cause the actual development and results to differ materially from expectations contained in the interim report.

Financial calendar

8 February 2023
Annual Report 2022

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Improving life for all by integrating the world

At A.P. Moller - Maersk, we aspire to provide truly integrated logistics. Across oceans, ports, on land and in the air, we are combining our supply chain infrastructure with the power of our people and technology to drive end-to-end innovation that accelerates our customers' success.

With a dedicated team of 100,000+ talents, operating in more than 130 countries, we explore new frontiers and embrace new technologies because we see change as an opportunity. No matter the challenge, we stay optimistic and resilient because our values are constant. By living our values, we inspire trust in our efforts to integrate the world and improve life for all.

Management review

A.P. Moller - Maersk continued to deliver record results in Q3 2022 as revenue increased by 37%, and both EBITDA and EBIT increased around 60% compared to Q3 2021. Profit was USD 8.9bn (USD 5.4bn) for Q3 and USD 24.2bn (USD 11.9bn) for the first nine months.

Profitability was driven by the substantially higher freight rates, however, as expected, freight rates began to decline in the second part of the quarter, due to weakening customer demand, coupled with markets beginning to normalise with fewer supply chain disruptions and progressive unwinding of congestion. The acquisition of LF Logistics was completed and the intended acquisition of Martin Bencher Group was announced. While the divestment of Maersk Container Industry was discontinued following regulatory challenges, the divestment of Terminal's participation in Global Ports Investments (GPI), Russia, was completed.

Highlights Q3 2022

Revenue for Q3 increased by USD 6.2bn to USD 22.8bn (USD 16.6bn), mainly due to an increase in Ocean of USD 4.9bn, while revenue increased by USD 1.6bn in Logistics & Services and by USD 90m in Terminals. **EBITDA** increased by USD 4.0bn to USD 10.9bn (USD 6.9bn), and **EBIT** increased by USD 3.6bn to USD 9.5bn (USD 5.9bn) with an increase in:

- Ocean by USD 3.4bn to USD 8.7bn (USD 5.3bn), mainly driven by significantly higher freight rates on contract and shipment on routes from Asia to Europe and to North America, partly offset by a decrease in volumes and by higher costs related to bunker, container handling and network.

- Logistics & Services to USD 258m (USD 194m), mainly due to added revenue from acquisitions and higher volumes, in particular from top 200 customers, however at lower margins especially in Managed by Maersk and in Fulfilled by Maersk, which was impacted by some softness in the current market.

- Terminals to USD 357m (USD 325m), mainly due to higher results from higher volumes and prices and by the disposal of GPI, partially offset by impairments. EBIT excluding divestments and impairments was USD 325m.

Free cash flow increased to USD 7.8bn (USD 5.3bn), due to strong cash flows from operating activities of USD 9.4bn (USD 6.6bn), partly offset by CAPEX of USD 906m (USD 610m) and higher capitalised lease instalments of USD 811m (USD 611m), driven by higher investments across all segments. Total cash and bank balances including term deposits increased to USD 22.9bn (USD 11.9bn).

Total distribution of cash to shareholders through share buy-backs was USD 858m in Q3 2022.

On the **ESG strategy**, A.P. Moller - Maersk made further progress during Q3 on its decarbonisation journey to net zero, announcing new investments, partnerships and logistics facilities that will enable A.P. Moller - Maersk to deliver low carbon solutions for its customers.

Highlights Q3

USD million

	Revenue		EBITDA		EBIT		CAPEX	
	2022	2021	2022	2021	2022	2021	2022	2021
Ocean	18,018	13,093	9,924	6,251	8,734	5,337	520	454
Logistics & Services	4,182	2,601	394	267	258	194	163	57
Terminals	1,117	1,027	391	378	357	325	199	59
Towage & Maritime Services	591	486	127	81	100	35	58	42
Unallocated activities, eliminations, etc.	-1,141	-595	26	-34	28	-32	-34	-2
A.P. Moller - Maersk consolidated	**22,767**	**16,612**	**10,862**	**6,943**	**9,477**	**5,859**	**906**	**610**

Summary financial information

Income statement	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Revenue	22,767	16,612	63,709	43,281	61,787
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	10,862	6,943	30,273	16,046	24,036
Depreciation, amortisation and impairment losses, net	1,649	1,206	4,574	3,318	4,944
Gain on sale of non-current assets, etc., net	4	27	68	46	96
Share of profit/loss in joint ventures and associated companies	260	95	-29	266	486
Profit before financial items (EBIT)	9,477	5,859	25,738	13,040	19,674
Financial items, net	-303	-185	-800	-601	-944
Profit before tax	9,174	5,674	24,938	12,439	18,730
Tax	263	213	598	515	697
Profit for the period	8,911	5,461	24,340	11,924	18,033
A.P. Møller - Mærsk A/S' share	8,879	5,438	24,248	11,848	17,942
Underlying profit[1]	8,818	5,448	24,840	11,892	18,170
Balance sheet					
Total assets	89,058	65,394	89,058	65,394	72,271
Total equity	60,231	39,771	60,231	39,771	45,588
Invested capital	53,386	42,876	53,386	42,876	44,043
Net interest-bearing debt	-6,855	3,123	-6,855	3,123	-1,530
Cash flow statement					
Cash flow from operating activities	9,444	6,572	26,276	14,142	22,022
Capital lease instalments – repayments of lease liabilities	811	611	2,219	1,693	2,279
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	906	610	3,268	1,391	2,976
Cash flow from financing activities	-1,968	-1,853	-12,534	-6,530	-7,900
Free cash flow	7,787	5,298	20,645	10,900	16,537
Financial ratios					
Revenue growth	37.1%	67.5%	47.2%	51.9%	55.5%
EBITDA margin	47.7%	41.8%	47.5%	37.1%	38.9%
EBIT margin	41.6%	35.3%	40.4%	30.1%	31.8%
Cash conversion	87%	95%	87%	88%	92%
Return on invested capital after tax (ROIC) (last twelve months)	66.6%	34.5%	66.6%	34.5%	45.3%
Equity ratio	67.6%	60.8%	67.6%	60.8%	63.1%
Underlying ROIC[1] (last twelve months)	68.1%	34.5%	68.1%	34.5%	45.7%
Underlying EBITDA[1]	10,851	6,943	30,326	16,046	24,036
Underlying EBITDA margin[1]	47.7%	41.8%	47.6%	37.1%	38.9%
Underlying EBIT[1]	9,381	5,842	26,242	13,004	19,808
Underlying EBIT margin[1]	41.2%	35.2%	41.2%	30.0%	32.1%
Stock market ratios					
Earnings per share, USD	488	287	1,318	620	941
Diluted earnings per share, USD	487	287	1,313	619	938
Cash flow from operating activities per share, USD	519	348	1,428	741	1,155
Share price (B share), end of period, DKK	13,865	17,385	13,865	17,385	23,450
Share price (B share), end of period, USD	1,817	2,707	1,817	2,707	3,576
Total market capitalisation, end of period, USD	32,099	49,637	32,099	49,637	64,259

1 Underlying is computed as the relevant performance measure adjusted for the net gains/losses from the sale of non-current assets, etc. and net impairment losses as well as transaction, restructuring and integration costs related to major transactions. The adjustments include A.P. Moller - Maersk's share of mentioned items in joint ventures and associated companies and, when applicable, the adjustments are net of tax.

AMOUNTS IN USD MILLION A.P. MOLLER - MAERSK INTERIM REPORT Q3 | 2 NOVEMBER 2022 4

Review Q3 2022

Delivering strong financial results while markets start to normalise

A.P. Moller - Maersk's strong financial results continued in Q3 2022, with higher earnings in the three main businesses compared to the same quarter last year.

In particular, the earnings in Ocean increased significantly through higher freight rates on both contract and shipments, however, rates started to decline as expected during the latter part of Q3 due to weakening customer demand, as markets began to normalise with fewer supply chain disruptions and a gradual relieve of congestion.

In Logistics & Services, the increase in earnings came from both inorganic growth from recent acquisitions and organic growth. The increase in Terminals was driven by higher volume in Europe and Asia, CPI-related tariff increases, and higher global storage income offset by cost increases.

The businesses experienced pressure on the cost base due to inflation, which is expected to continue for a longer period.

Winding down in Russia

As previously announced, A.P. Moller - Maersk is winding down its operations in Russia, which will ultimately result in a complete exit from the country. All services to and from Russia have been discontinued since Q1, and in Q3, sale of the minority stake of 30.75% of Global Ports Investments (GPI) was completed. The process of divesting the remaining assets is ongoing.

The original impact on EBIT in Q1 from the Russia/Ukraine situation was less negative due to the reversal in Q2 of USD 94m and in Q3 with the reversal of container impairments and the disposal of GPI, net of translation reserves totalling USD 92m, leaving a net EBIT impact of negative USD 532m for 9M 2022.

Russia/Ukraine EBIT impact

USD million

	Q1 2022	Q2 2022	Q3 2022	9M 2022
Ocean	-162	93	14	-55
Logistics & Services	-53	1	-4	-56
Terminals	-485	-	82	-403
Towage & Maritime Services	-18	-	-	-18
Total	**-718**	**94**	**92**	**-532**

Status on acquisitions

The acquisition of LF Logistics was completed in August 2022 and LF Logistics was included in the financials for Logistics & Services for the first time in September.

Status on other intended acquisitions
The creation of a joint venture with Grindrod Intermodal Group in which A.P. Moller - Maersk would own 51% of the group was announced in November 2021 and is expected to close in Q1 2023. In August 2022, the intended acquisition of Martin Bencher, a 25-year-old Danish-based project logistics business with premium capabilities in designing end-to-end project solutions for its customers, was announced. The intended acquisition is expected to close in Q1 2023. Both transactions are subject to regulatory approvals.

ESG update

In Q3, A.P. Moller - Maersk made further progress on its decarbonisation journey to net zero, announcing new investments, partnerships and logistics facilities that will enable the company to deliver low carbon solutions for its customers.

For a full overview of A.P. Moller - Maersk's ESG strategy and roadmap, please see WWW.MAERSK.COM/SUSTAINABILITY

Green transformation of shipping continues with six additional large container vessels
In addition to the orders announced in 2021 and 2022 of one feeder vessel and 12 large ocean-going container vessels, on 5 October 2022, A.P. Moller - Maersk announced an additional order of six large ocean-going vessels that can sail on green methanol. The six vessels will be built by Hyundai Heavy Industries (HHI) and have a nominal capacity of approx. 17,000 containers (Twenty Foot Equivalent – TEU). They will be delivered from 2025 and will replace existing capacity in the fleet. With the order, A.P. Moller - Maersk has now ordered a total of 19 vessels with dual-fuel engines able to operate on green methanol.

A.P. Moller - Maersk engages in green bio-methanol partnership with Debo
A.P. Moller - Maersk adds another methanol partnership with Chinese bioenergy enterprise Debo on the quest to boost global production capacity for the green methanol needed to power the company's vessels.

The parties have signed a Letter of Intent covering Debo's plans to develop a green bio-methanol project for A.P. Moller - Maersk in China with a capacity of 200,000 tonnes per year, aiming to start commercial operation by autumn 2024.

Market demand for Maersk ECO Delivery shipping product continues to increase

Q3 saw continued growth in demand for Maersk ECO Delivery, with volumes four times higher than in Q3 2021. Maersk ECO Delivery customers pay a green premium for a low-carbon shipping product, which provides certified carbon emissions savings.

New warehouses in Latin America and Europe support low-carbon offerings

As part of A.P. Moller - Maersk's 2030 commitment to provide industry-leading green customer offerings across the supply chain, the company is expanding its warehouse footprint with more facilities with green features as exemplified below.

In Q3, A.P. Moller - Maersk opened or announced the construction of three new facilities combining multiple green features such as on-site photovoltaic panels or special construction elements. These facilities are located in Cajamar, in the state of Sao Paolo, Brazil, in Duisburg, Germany, and in Taulov, Denmark. All three warehouses aim to achieve high grades from sustainability accreditation for new buildings.

A.P. Moller - Maersk joins the zero emission road transport leadership initiative EV100+ as founding partner

A.P. Moller - Maersk's net zero target and efforts extend to all transport modes and services in its global operation. Earlier this year, the company announced an investment in 400+ new electric trucks in the USA. A.P. Moller - Maersk has now joined the Climate Group initiative EV100+ for electrification of road vehicles as a founding member together with IKEA, JSW Steel, Unilever and DPD group. This initiative aims to phase out the heaviest and most polluting vehicles on today's roads. Representing just 4% of all vehicles on the road globally, medium and heavy-duty vehicles (MHDV's) account for 40% of all road transport emissions and a third of total transport fuel use.

Delivering on the roadmap to 2025

The roadmap to 2025 initiated in 2021 is providing specific targets for the transformation towards becoming the integrator of container logistics.

The return on invested capital (ROIC) (LTM) was 66.6%, well above the target of above 7.5% every year under normalised conditions, and above 12% for the period 2021-2025, driven by the increase in profit.

A.P. Moller - Maersk will prioritise the capital allocation to investments in the business, including acquisitions in Logistics & Services, repaying debt, paying ordinary dividends based on a pay-out ratio of 30-50% of underlying net profit and distributing excess cash to shareholders through share buy-backs and special dividends in that order.

A.P. Moller - Maersk's share buy-back programme, originally planned for USD 5.0bn over 2022-2023, has been progressively extended to USD 12.0bn over 2022-2025 or USD 3.0bn annually. Of the share buy-back programme over 2022-2023, USD 2.5bn has been completed of the USD 6.0bn commitment.

Ocean delivered an EBIT margin of 46.8% over the last twelve months, well above the target of 6% under normalised conditions. Total fleet capacity is within the range of 4.1-4.3m TEU.

For Logistics & Services, organic growth of 33% over the last twelve months was above the target of 10%, and 66% of the organic growth related to top 200 customers was also above the target of 50%. Finally, the EBIT margin was 6.0% versus the target of above 6%, making Logistics & Services the strategic growth driver for the company. In addition to rapid organic growth, the expectation is to continue to make acquisitions, mainly of new capabilities and growth platforms, to expand the logistics business.

The return on invested capital (ROIC) (LTM) was 8.2% for Terminals in Q3 and lower than the expectation of above 9% towards 2025. Excluding the impact from Russia, ROIC (LTM) was 12.8%.

Roadmap to 2025

	Targets	LTM
Consolidated		
Return on invested capital (ROIC):		
Every year - under normalised conditions	> 7.5%	
Average 2021-2025	> 12.0%	66.6%
– CAPEX and leases at depreciation level		
– Stable invested capital over the period		
Dividend policy of underlying net profit	30-50%	
Share buy-back over 2022-2023, USDbn (of which completed)	6.0	2.5
Ocean		
EBIT margin – under normalised conditions	> 6%	46.8%
Execute with the existing fleet size, TEUm	4.1-4.3	4.3
Logistics & Services		
Organic revenue growth per year	>10%	33%
Of which from top 200 customers	50%	66%
EBIT margin	> 6%	6.0%
Terminals		
Return on invested capital (ROIC)	> 9%	8.2%

Financial review Q3 2022

Revenue increased by USD 6.2bn to USD 22.8bn (USD 16.6bn), with increases in Ocean of USD 4.9bn, in Logistics & Services of USD 1.6bn and in Terminals of USD 90m.

The increase in Ocean was driven by higher loaded freight rates, partly offset by lower volumes. However, due to weakening customer demand, coupled with markets beginning to normalise, freight rates started to decline during the quarter. The record-high revenue in Logistics & Services was achieved through both organic and inorganic growth.

EBITDA increased to USD 10.9bn (USD 6.9bn), primarily coming from Ocean with an EBITDA of USD 9.9bn (USD 6.3bn), driven by an increase in revenue, partly offset by higher costs related to bunker, container handling and network. In Logistics & Services, EBITDA increased by USD 127m to USD 394m (USD 267m) due to the higher revenue, and in Terminals, EBITDA increased by USD 13m to USD 391m (USD 378m) because of higher volume and higher storage income partly offset by increases in costs. In addition, USD 85m of the increase was due to the transaction break fee from the discontinued divestment of Maersk Container Industry.

EBIT increased to USD 9.5bn (USD 5.9bn).

Financial items, net, amounted to USD 303m (USD 185m), as increased interest income was more than offset by foreign exchange rate adjustments and derivative losses on hedging from share buy-back.

Tax increased to USD 263m (USD 213m), primarily due to the improved financial performance.

The underlying profit was USD 8.8bn (USD 5.4bn).

Cash flow from operating activities was USD 9.4bn (USD 6.6bn), driven by EBITDA of USD 10.9bn, partly offset by an increase in net working capital of USD 1.2bn, mainly driven by higher receivables translating into a cash conversion of 87% (95%).

Gross capital expenditure (CAPEX) of USD 906m (USD 610m) was driven by higher investments across all segments.

Free cash flow of USD 7.8bn (USD 5.3bn) was positively impacted by higher cash flow from operating activities, slightly offset by increased lease, financial payments and higher capital expenditures.

Contractual capital commitments totalled USD 4.1bn (USD 3.3bn at year-end 2021), of which USD 2.0bn is for Ocean vessels and equipment, including green methanol-enabled vessels, and USD 1.4bn in Terminals mainly related to concessions grantors.

Capital structure and credit rating

Net interest-bearing debt decreased to a net cash position of USD 6.9bn (a net cash position of USD 1.5bn at year-end 2021), as free cash flow of USD 20.6bn for the first nine months was partly used for share buy-backs of USD 2.1bn, dividends of USD 6.9bn and acquisition of companies of USD 4.6bn. Further, lease liabilities increased by USD 1.1bn, and excluding lease liabilities, the Group had a net cash position of USD 18.5bn (USD 12.1bn at year-end 2021).

A.P. Moller - Maersk remains investment grade-rated and holds a Baa2 (positive outlook, updated from stable) from Moody's and a BBB+ (stable) rating from Standard & Poor's.

The liquidity reserve increased to USD 27.2bn (USD 21.5bn at year-end 2021) and was composed of liquid funds and term deposits of USD 21.3bn, excluding restricted cash (USD 15.5bn at year-end 2021) and undrawn revolving credit facilities of USD 6.0bn (USD 6.0bn at year-end 2021).

Share buy-back

During Q3, A.P. Moller - Maersk bought back 78,710 A shares and 314,864 B shares, worth DKK 6.7bn (approximately USD 908m), and no shares were bought for the long-term incentive programme. At 30 September 2022, A.P. Moller - Maersk owns a total of 134,521 A shares and 623,897 B shares as treasury shares, corresponding to 4.05% of the share capital.

The Annual General Meeting has authorised the Board of Directors to allow the Company to acquire own shares to the extent that the nominal value of the Company's total holding of own shares at no time exceeds 15% of the Company's share capital.

Financial review 9M 2022

Revenue increased by USD 20.4bn to USD 63.7bn (USD 43.3bn), with substantial increases in Ocean of USD 17.4bn, in Logistics & Services of USD 3.7bn, and in Terminals of USD 461m.

The increase in Ocean was driven by significantly higher loaded freight rates, given the continuing congestion throughout the year, which started to ease in the latter part of Q3 combined with weakening customer demand and lower volumes. The increase in Logistics & Services was primarily due to significant volume growth both organically and inorganically. The increase in Terminals was mainly driven by storage income in North America and continued higher volume.

EBITDA increased significantly to USD 30.3bn (USD 16.0bn). Ocean contributed with an EBITDA of USD 27.7bn (USD 14.1bn), driven by higher revenue due to higher freight rates, partly offset by lower volumes and higher costs from increased bunker prices, container handling and network. In Logistics & Services, the increased EBITDA of USD 1.1bn (USD 688m) was led by the higher revenue, and in Terminals, EBITDA of USD 1.2bn (USD 1.1bn) was positively impacted by higher storage income, volume increase and increase in tariffs.

EBIT increased by USD 12.7bn to USD 25.7bn (USD 13.0bn), positively impacted by the improved EBITDA with a negative impact from the Russia/Ukraine situation of USD 532m. The EBIT margin increased to 40.4% (30.1%). The majority of the impact from the Russia/Ukraine situation of USD 403m relates to Terminal's sale of the holding in Global Ports Investments as a result of the withdrawal of business in Russia.

Financial items, net, amounted to USD 800m (USD 601m), negatively impacted by foreign exchange rate adjustments and derivative losses.

Tax increased to USD 598m (USD 515m), primarily due to improved financial performance.

The underlying profit after financial items and tax was USD 24.8bn (USD 11.9bn).

Cash flow from operating activities was USD 26.3bn (USD 14.1bn), positively impacted by the increase in EBITDA of USD 30.3bn, offset by a negative change in net working capital of USD 3.5bn, leading to a cash conversion of 87% (88%).

Gross capital expenditure (CAPEX) was USD 3.3bn (USD 1.4bn), driven by higher investments across all segments.

Free cash flow increased to USD 20.6bn (USD 10.9bn), positively impacted by higher cash flow from operating activities, partly offset by higher gross CAPEX and increased lease payments and financial payments.

The ordinary dividend of DKK 2,500 per A.P. Møller - Mærsk A/S share of nominally DKK 1,000 (USD 6.9bn) declared at the Annual General Meeting on 15 March 2022 was paid on 18 March 2022.

Total equity increased to USD 60.2bn (USD 45.6bn on 31 December 2021), mainly driven by higher net profit of USD 24.3bn, partially offset by dividends payments and share repurchase resulting in an equity ratio of 67.6% (63.1% at year-end 2021).

Highlights 9M

USD million

	Revenue		EBITDA		EBIT		CAPEX	
	2022	2021	2022	2021	2022	2021	2022	2021
Ocean	51,000	33,643	27,736	14,095	24,332	11,617	2,193	960
Logistics & Services	10,563	6,814	1,050	688	675	486	483	114
Terminals	3,372	2,911	1,247	1,071	600	866	384	168
Towage & Maritime Services	1,725	1,538	287	265	185	140	232	147
Unallocated activities, eliminations, etc.	-2,951	-1,625	-47	-73	-54	-69	-24	2
A.P. Moller - Maersk consolidated	**63,709**	**43,281**	**30,273**	**16,046**	**25,738**	**13,040**	**3,268**	**1,391**

Guidance for 2022

A.P. Moller - Maersk confirms full year 2022 guidance for underlying EBITDA of around USD 37.0bn, an underlying EBIT of around USD 31.0bn and a free cash flow (FCF) above USD 24.0bn.

Given the unfolding economic slowdown, which is also expected to continue into the coming year, A.P. Moller - Maersk has lowered its outlook for the growth of 2022 global container demand to between -2%/- 4% decline from previously the lower end of the +/- 1% range.

CAPEX guidance for 2022-2023 remains unchanged at USD 9.0-10.0bn.

Guidance 2022 – development

USD billion

	Guidance 2 August	Guidance 26 April	Initial guidance 9 February
Underlying EBITDA - around	37.0	30.0	24.0
Underlying EBIT - around	31.0	24.0	19.0
Free cash flow (FCF) - above	24.0	19.0	15.0

Underlying EBITDA is earnings before interest, taxes, depreciation and amortisation adjusted for restructuring and integration costs.

Underlying EBIT is operating profit before interest and taxes adjusted for restructuring and integration costs, net gains/losses from sale of non-current – assets and net impairment losses.

Sensitivity guidance

Financial performance for A.P. Moller - Maersk for 2022 depends on several factors and is subject to uncertainties related to the situation in Russia and Ukraine, COVID-19, bunker fuel prices and freight rates, given the uncertain macroeconomic conditions.

All else being equal, the sensitivities for 2022 for four key assumptions are listed in the table below:

Factors	Change	Effect on EBIT (midpoint of guidance) Rest of year
Container freight rate	+/- 100 USD/FFE	+/- USD 0.3bn
Container freight volume	+/- 100,000 FFE	+/- USD 0.2bn
Bunker price (net of expected BAF coverage)	+/- 100 USD/tonne	+/- USD 0.1bn
Foreign exchange rate (net of hedges)	+/- 10% change in USD	+/- USD 0.0bn

Market insights

Demand for logistics services moderated across global supply chains in Q3 2022. The war in Ukraine and the ongoing energy crisis added to inflationary pressures and weighed on consumer and business sentiment. Supply-side bottlenecks continued to pose challenges, but there are signs of easing as demand slows and COVID 19-related restrictions in China diminish.

Short-term economic indicators remained negative in Q3. In the Euro Area, inflation moved into double digits, contributing to a deterioration in European business and consumer confidence. While inflationary pressures may be peaking in the United States, the Federal Reserve has signalled its intention to maintain a tighter monetary stance until price inflation returns to target levels. Alongside, US households have seen excess savings fall, further reducing consumer purchasing power. Chinese economic activity improved during Q3, although the country's zero-COVID-19 policy and struggling property sector continue to weigh on growth.

Global container volumes are estimated to have declined 3.0% year-on-year in Q3, while global air cargo volumes, measured in CTKs, dropped by 9% in July/August (IATA). Trade flows into the US remain firmly above 2019 levels but are weakening with North American imports from Far East estimated to have declined 7.5% in Q3 as pandemic-driven momentum in retail and tech sectors unwinds. European container trade also weakened substantially. High inflation and declining business and consumer confidence all contributed to an estimated 6.0% fall in imports from Far East in Q3. Far East imports remained soft, negatively impacted by uncertainty in the Chinese housing market. North/South trades faced higher inflation and a weakening macroeconomic environment, but container volumes grew an estimated 1.5% during Q3.

Supply-side bottlenecks remain prevalent, but there are signs of easing. SeaIntel data shows the share of the global container fleet absorbed by delays decreased from a peak in January 2022 of almost 14% to a still elevated 8% in September. Air freight capacity grew year-on-year in the first two months of Q3 (5.0%), but cargo load factors remained below 50% on a seasonally adjusted basis (IATA). Asia Pacific had the highest level of capacity utilisation at 55% in August, while the North American reading came in lowest at 39%. Warehousing, particularly in the US, continued to experience high levels of demand during Q3. Vacancy rates for industrial warehousing remained close to historical lows as data from the US Census Bureau showed inventory to sales ratios across the economy rising in Q3, indicating an increased need for storage. Retail inventory ratios expanded at the quickest pace, rising to 1.24 in August 2022 from 1.11 a year earlier on a seasonally adjusted basis.

Globally, the nominal container fleet stood at 25.7m TEU at the end of Q3 2022, an increase of 3.9% compared to Q3 2021. The idle fleet increased but remained low at 1.0% of the nominal fleet. Nevertheless, lost sailings remained elevated and fleet deployment continues to be skewed towards longer East-West trades relative to shorter intra-regional trades, weighing on effective supply growth. Despite this, headhaul demand likely contracted by more than effective supply in Q3 compared to Q3 2021, and the supply-demand balance deteriorated.

Freight and charter rates declined in Q3 2022 relative to Q2. Freight rates out of China, as measured by the China Containerized Freight Index (CCFI), were 6.6% lower than in Q2 and 1.4% lower than Q3 2021. The industry orderbook fell to 27.4% of the nominal fleet at the end of Q3 from 28.3% at the end of Q2 as ordering activity slowed sharply.

Global container demand is expected to contract between -2% and -4% in 2022, but uncertainty is high and outcomes in the lower end of the range have become more likely. In 2023, the global container market is expected to be broadly flat to negative, however given the current macroeconomic backdrop risks are skewed to the downside. Demand for air freight looks set to remain muted during the traditional Q4 peak season. From a landside transportation perspective, cooling consumer demand and expectations of a slow peak season indicate high inventory levels are unlikely to translate into strong demand for overland services.

On the supply chain management side, Global Purchasing Managers Index indicate supplier delivery times are shortening, backlogs are falling and finished goods inventories increasing. This suggests normalising upstream conditions for supply chains, but also that conditions further downstream, for example in warehousing, may be tightening as final demand growth slows.

Segments

Ocean

Profitability for Q3 increased substantially compared to the same quarter last year, driven by higher freight rates on both contract and shipments. Nonetheless, the extraordinary earnings have peaked as freight rates started to decline during the quarter due to weakening customer demand, coupled with markets beginning to normalise with less supply chain disruptions and progressive release of congestion. Subsequently, loaded volumes were adversely impacted by both weakening demand, in particular on Asia-Europe and Transpacific markets, and operational challenges resulting in a decrease of 7.6% compared to the same quarter last year.

The average loaded freight rates increased by 42% compared to the same quarter last year, driven by both contract and shipment rates on routes from Asia to Europe and to North America and 1.3% compared to Q2 2022, driven by contract rates. The unit cost at fixed bunker increased by 16%, driven by time charter equivalent cost, transportation and storage cost of containers, net slot charter cost and lower volumes. Utilisation at offered capacity remained strong at 90.4%, and while schedule reliability continued to be impacted by operational challenges in the ports, it improved considerably and remained best in industry.

A.P. Moller - Maersk focuses on managing normalisation and strengthening strategic partnerships with contractual customers through adequate availability of equipment, adapting the networks to the customer needs and improving the quality of Ocean products.

Digitalisation of the product offering continues with increased traction for Maersk Spot and Maersk Twill. Maersk Spot has reached a 68% (39%) conversion across all brands, and Maersk Twill has delivered over 75k FFE (66k FFE) in Q3.

Ocean highlights

USD million

	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Freight revenue	16,008	11,576	44,918	29,566	42,374
Other revenue, including hubs	2,010	1,517	6,082	4,077	5,858
Revenue	**18,018**	**13,093**	**51,000**	**33,643**	**48,232**
Container handling costs	2,570	2,471	7,737	7,298	9,775
Bunker costs	2,400	1,418	6,243	3,806	5,369
Network costs, excluding bunker costs	1,940	1,858	5,745	5,321	7,189
Selling, General & Administration (SG&A)	743	684	2,169	1,998	2,795
Cost of goods sold and other operational costs	574	389	1,402	1,015	1,629
Total operating costs	**8,227**	**6,820**	**23,296**	**19,438**	**26,757**
Other income/costs, net	133	-22	32	-110	-43
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**9,924**	**6,251**	**27,736**	**14,095**	**21,432**
EBITDA margin	55.1%	47.7%	54.4%	41.9%	44.4%
Profit before financial items (EBIT)	**8,734**	**5,337**	**24,332**	**11,617**	**17,963**
EBIT margin	48.5%	40.8%	47.7%	34.5%	37.2%
Invested capital	**34,229**	**29,637**	**34,229**	**29,637**	**30,529**
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	520	454	2,193	960	2,003
Operational and financial metrics					
Loaded volumes (FFE in '000)	3,016	3,263	9,117	9,826	13,089
Loaded freight rate (USD per FFE)	5,046	3,561	4,862	3,088	3,318
Unit cost, fixed bunker (USD per FFE incl. VSA income)	2,474	2,136	2,412	2,055	2,102
Bunker price, average (USD per tonne)	895	504	777	459	484
Bunker consumption (tonne in '000)	2,682	2,816	8,032	8,285	11,090
Average fleet capacity (TEU in '000)	4,298	4,210	4,290	4,143	4,171
Fleet owned (end of period)	318	308	318	308	311
Fleet chartered (end of period)	400	428	400	428	427

Financial and operational performance

Revenue increased to USD 18.0bn (USD 13.1bn), driven by an increase in freight revenue of 38% with loaded freight rates up by 42%, partly offset by a decrease in volumes of 7.6%.

EBITDA increased by USD 3.7bn to USD 9.9bn (USD 6.3bn) due to higher revenue, partly offset by higher bunker cost from increased bunker prices and higher operating cost, driven by negative impact from the high inflationary environment in Q3 2022, which is expected to continue throughout Q4 2022. The EBITDA margin increased by 7.4 percentage points to 55.1% (47.7%). Consequently, **EBIT** increased by USD 3.4bn to USD 8.7bn (USD 5.3bn).

Loaded volumes decreased by 7.6% to 3,016k FFE (3,263k FFE) due to weaker demand, in particular on Asia-Europe and Transpacific markets and operational bottlenecks in North America and Europe. Volumes on East-West decreased mainly from the headhaul trades on Transpacific and Asia-Europe. North-South decreased on headhaul trades on West Coast South America, partly offset by higher backhaul volumes. Intra-regional volumes decreased, driven by Intra-Europe volumes. Loaded volumes decreased by 79k FFE or 2.6% compared to Q2 2022.

The **average loaded freight rate** increased by 42% to 5,046 USD/FFE (3,561 USD/FFE) compared to last year, driven by both contract and shipment rates. Loaded freight rates increased by 63 USD/FFE or 1.3% compared to Q2 2022, with contract rates surpassing shipment rates which started to decrease during Q3 2022 due to weakening demand and normalisation of market conditions.

Total operating costs were 21% higher at USD 8.2bn (USD 6.8bn), mainly driven by higher bunker cost with an increase of 69%. Network costs excluding bunker costs increased by 4.5%, mainly due to slot charter costs. Container-handling costs increased by 4.1%, primarily due to higher storage costs and transportation costs of empty containers. Adjusting for the positive impact of foreign exchange rates, operating costs increased by 24%.

Bunker costs increased by 69% to USD 2.4bn (USD 1.4bn), with an increase in average bunker prices of 78% to 895 USD/tonne (504 USD/tonne), partially offset by a 4.8% decrease in bunker consumption. Bunker efficiency decreased by 5.7% to 43.05 g/TEU*NM (40.75 g/TEU*NM).

Unit cost at fixed bunker increased by 16% to 2,474 USD/FFE (2,136 USD/FFE), driven by higher time-charter equivalent costs, terminal storage costs and transportation costs of empty containers and higher net slot charter costs. Adjusting for the positive impact of foreign exchange rates, unit cost at fixed bunker increased by 19%.

The average operated capacity of 4,298k TEU increased by 2.1%. In the newbuilding programme, there were replacements of twelve vessels and one feeder vessel capable of running on green fuels at the end of Q3, with an addition of six vessels announced on 5 October 2022. The fleet consisted of 318 owned and 400 chartered vessels, of which 189k TEU or 4.4% of the fleet were idle (31 vessels), mainly due to repairs.

Loaded volumes

FFE ('000)

	Q3 2022	Q3 2021	Change	Change %
East-West	1,369	1,524	-155	-10.2
North-South	979	998	-19	-1.9
Intra-regional	668	741	-73	-9.9
Total	**3,016**	**3,263**	**-247**	**-7.6**

Average freight rates

USD/FFE

	Q3 2022	Q3 2021	Change	Change %
East-West	5,654	3,670	1,984	54.1
North-South	5,875	4,419	1,456	32.9
Intra-regional	2,816	2,231	585	26.2
Total	**5,046**	**3,561**	**1,485**	**41.7**

Fleet overview, end Q3 2022

	Q3 2022	Q4 2021
TEU		
Own container vessels	2,392	2,368
Chartered container vessels	1,855	1,937
Total fleet	**4,248**	**4,305**
Number of vessels		
Own container vessels	318	311
Chartered container vessels	400	427
Total fleet	**718**	**738**

Key initiatives in Q3

Ocean continues to partner with key customers, offering contract customers additional flexibility and space to help with volatility in their supply chains. More than 1.9m FFE are currently signed on multi-year deals, and the share of long-haul contract volumes remained flat at 71% (72%).

By the end of Q3, some markets show signs of normalisation. For these markets a number of initiatives have been launched to manage the performance dynamically. Deployed capacity is actively being adjusted to meet available demand, which helps improve service quality in terms of frequency, reduced wait times and predictability.

A.P. Moller - Maersk continues to expand on the product portfolio, offering customers premium products and value-added-services designed to meet their demands and specific requirements, such as eco-deliveries, free time extension and premium quality containers.

Financial review 9M 2022

Revenue increased by 52% to USD 51.0bn (USD 33.6bn), driven by an increase in loaded freight rates of 57%, partly offset by 7.2% lower volumes. The EBITDA margin increased by

12.5 percentage points to 54.4% at USD 27.7bn (USD 14.1bn), and the EBIT margin increased by 13.2 percentage points to 47.7% at USD 24.3bn (USD 11.6bn).

Total operating costs increased by 20% to USD 23.3bn (USD 19.4bn), driven by increase in bunker costs of 64% due to increase in average bunker prices of 69%, partly offset by 3.1% lower consumption. Container handling costs increased by 6.0% and higher network costs excl. bunker by 8.0%. Adjusting for the positive impact of foreign exchange rates, operating costs increased by 22%.

Logistics & Services

Logistics & Services continues to build a strong integrated value proposition and delivered profitable growth in Q3 2022. All Logistics & Services product families achieved positive revenue growth year on year with favourable organic growth compared to target as well as inorganic growth from recent acquisitions. This performance is primarily the result of increased demand for end-to-end solutions as Logistics & Services continues to gain scale and add new capabilities to better serve customers throughout the entire supply chain.

The M&A roadmap continues to progress, and Logistics & Services has successfully completed the acquisition of LF Logistics in Q3.

The intended acquisition of Martin Bencher Group will add further capabilities to the existing portfolio of project logistics solutions.

Financial and operational performance

Revenue increased by 61% to USD 4.2bn (USD 2.6bn), driven by higher volumes and increased rates, especially within Transported by Maersk.

Organic/inorganic

USD million

	Q3-21A	Organic	Inorganic	Q3-22A
Revenue	2,601	675	906	4,182
		26%	35%	
EBITA	209	35	51	295

Organic revenue increased by USD 675m and contributed with 26 percentage points of the 61% increase in revenue to USD 4.2bn. 80% of the organic revenue growth came from top 200 customers highlighting the rationale for the

Logistics & Services highlights

USD million

	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Revenue	**4,182**	**2,601**	**10,563**	**6,814**	**9,830**
Direct costs (third-party costs)	3,162	1,960	7,886	5,099	7,396
Gross profit	**1,020**	**641**	**2,677**	**1,715**	**2,434**
Direct Operating Expenses	392	245	1,047	662	967
Selling, General & Administration (SG&A)	234	129	580	365	560
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**394**	**267**	**1,050**	**688**	**907**
EBITDA margin	9.4%	10.3%	9.9%	10.1%	9.2%
Earnings before interest, taxes, and amortisation (EBITA)	**295**	**209**	**761**	**523**	**678**
EBITA margin	7.1%	8.0%	7.2%	7.7%	6.9%
Profit before financial items (EBIT)	**258**	**194**	**675**	**486**	**623**
EBIT margin	6.2%	7.5%	6.4%	7.1%	6.3%
Invested capital	**9,616**	**2,715**	**9,616**	**2,715**	**3,130**
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	163	57	483	114	460
Operational and financial metrics					
EBIT conversion (EBIT/gross profit - %)	25.3%	30.3%	25.2%	28.3%	25.6%
Managed by Maersk revenue	691	433	1,775	1,098	1,578
Fulfilled by Maersk revenue	1,011	606	2,690	1,543	2,320
Transported by Maersk revenue	2,480	1,562	6,098	4,173	5,932
Supply chain management volumes (kcbm)	29,604	28,729	85,696	70,109	98,394
Intermodal volumes (kFFE)	1,192	1,254	3,557	3,373	4,491
Air freight volumes (tonne)	73,351	45,360[1]	157,983	116,220[1]	163,838[1]

1 2021 Air freight volumes have been restated to exclude pure terminal handling.

integrator strategy. The increase in organic EBITA was USD 35m. Inorganically, B2C Europe, Visible Supply Chain Management, Pilot, Senator International and LF Logistics contributed with a revenue of USD 906m and an EBITA of USD 51m. LF Logistics was reported for the first time as part of the Logistics & Services financials in September.

Managed by Maersk revenue increased by USD 258m to USD 691m (USD 433m), driven by lead logistics where volumes increased by 875kcbm to 29,604kcbm (28,729kcbm) as a result of the effect of new business wins, partially offset by lower organic growth from retail and lifestyle customers as a result of US economic slowdown and high inventories at destination. Further, Customs Services volumes were up by 192k declarations to 1,446k declarations (1,254k declarations).

Fulfilled by Maersk revenue increased by USD 405m to USD 1.0bn (USD 606m), primarily driven by contract logistics with additional organic volume and expanded capacity by 718k sqm (+24%) since Q3 2021 as well as additional 3.1m sqm from LF Logistics. Revenue in Fulfilled by Maersk was also positively impacted by e-commerce, driven by the acquisition of Visible Supply Chain Management and B2C Europe in H2 2021 and Pilot in Q2 2022. The widely expected global recession and change in consumer spending has, however, impacted the performance of e-commerce.

Transported by Maersk revenue was up by USD 918m to USD 2.5bn (USD 1.6bn), driven by improved rates and higher volumes in air, and higher rates in intermodal, positively impacted by the acquisition of Pilot. In air, revenue growth was the result of the consolidation of Senator International in Q2 2022 with volumes up by 62% to 73.4k tonne (45.4k tonne), of which Senator added 43k tonnes.

Gross profit increased by USD 379m to USD 1.0bn (USD 641m), driven by an increase in volumes in lead logistics and in the number of declarations handled in Customs Services under Managed by Maersk, volume growth in contract logistics under fulfilled by Maersk, as well as higher rates in intermodal and increased volumes in air under Transported by Maersk.

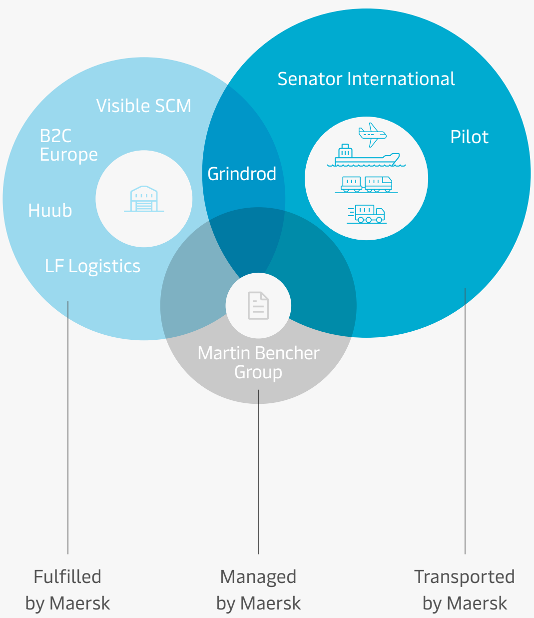
EBITDA increased by USD 127m to USD 394m (USD 267m) due to the higher revenue, and the EBITDA margin was 9.4% (10.3%).

EBIT increased to USD 258m (USD 194m), and the EBIT margin was 6.2% (7.5%). The decrease in EBIT margin was driven by the organic business where products such as lead logistics and contract logistics reported downward pressure on profitability. Lead logistics margin was impacted by volume slowdown as a result of US economic downturn, while contract logistics experienced a decrease in margins.

Merger & Acquisitions

The Merger & Acquisition roadmap for Logistics & Services focuses on facilitator type of acquisitions to expand capabilities. Logistics & Services announced a number of acquisitions in 2021 and most recently communicated the intended acquisition of Martin Bencher Group in Q3.

The acquisitions of Visible Supply Chain Management, B2C Europe and HUUB provide end-to-end e-commerce capabilities that will strengthen the logistics offering within Fulfilled by Maersk. Pilot, consolidated since 2 May, is complementing these earlier acquisitions by providing integrated logistics solutions in North America. The acquisition of Senator International, closed in June, and the acquisition of LF Logistics, closed in August, bring capabilities, reach and platform within Transported by and Fulfilled by Maersk, respectively, while the Grindrod Intermodal Group will complement both offerings once closed.



Key initiatives in Q3

In Fulfilled by Maersk, the global warehousing footprint continued to expand, and 21 new warehouses (net) were opened in Q3, adding 373k sqm, for a total capacity 3.8m sqm across 247 warehouses, 24% higher capacity than in Q3 2021. In addition, LF Logistics was consolidated for the first time as part of the Logistics & Services financials in September and further increased the warehousing footprint by 3.1m sqm. Combining Logistics & Services' reach and product portfolio with LF Logistics' premium capabilities within omnichannel fulfilment services is a key milestone in the ambition to connect and simplify customers' global supply chains.

In Transported by Maersk, the Less than Container Load (LCL) value proposition continues to be strengthened and more than 60 new lanes were added in Q3 2022, building a total LCL network of over 340 own direct consolidation lanes versus less than 170 in Q3 2021. In addition, digital LCL solutions were enabled on Maersk.com from Q3 2022 with over 150 own consolidation lanes available for instant price and booking.

In Managed by Maersk, TradeLens continues to expand its network and now consists of more than 455 network members.

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Revenue of USD 10.6bn (USD 6.8bn) was driven by increasing revenue in Managed by Maersk services to USD 1.8bn (USD 1.1bn), Fulfilled by Maersk services to USD 2.7bn (USD 1.5bn) and Transported by Maersk services to USD 6.1bn (USD 4.2bn). This increase was the result of intermodal volumes being up 5% to 3,557k FFE (3,373k FFE), mainly due to a higher penetration ratio into existing Ocean customers and higher rates and increased volumes in air, up 36% to 158k tonne (116k tonne) as a result of the Senator acquisition. Revenue also increased, driven by an increase of lead logistics volumes of 22% to 85,696 kcbm (70,109 kcbm), driven by strong growth from the existing customer base and strong commercial traction in landing new business, as well as increased warehousing footprint.

EBITDA increased to USD 1.1bn (USD 688m), and EBIT increased to USD 675m (USD 486m). When adjusting for the impact of winding down operations and divesting all assets in Russia of USD 56m in 9M 2022, EBIT amounts to USD 731m.

Organic/inorganic

USD million

	9M-21A	Organic	Inorganic	9M-22A
Revenue	6,814	2,157	1,592	10,563
		32%	23%	
EBITA	523	166	72	761

Inorganic revenue accounted for USD 1,592m (USD 309m) and EBITA was USD 72m (USD 21m).

Terminals

Despite a weakening global market, Terminals' revenue continued to grow based on higher volume and higher global storage income. Volume increased by 1.5% (2.8% like-for-like, adjusted for exits) versus the same period last year, driven by strong growth in Europe and Asia. While rising inflation and high energy prices put pressure on the cost base, results remain healthy as terminal tariffs have been increased accordingly. Investment levels increased significantly as Terminals invests in growth, efficiency and automation.

Terminals highlights

USD million

	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Revenue	**1,117**	**1,027**	**3,372**	**2,911**	**4,000**
Concession fees (excl. capitalised lease expenses)	96	89	283	248	339
Labour costs (blue collar)	322	292	943	856	1,151
Other operational costs	159	146	483	385	559
Selling, General & Administration (SG&A) and other costs, etc.	149	122	416	351	496
Total operating costs	**726**	**649**	**2,125**	**1,840**	**2,545**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**391**	**378**	**1,247**	**1,071**	**1,455**
EBITDA margin	35.0%	36.8%	37.0%	36.8%	36.4%
Profit/loss before financial items (EBIT)	**357**	**325**	**600**	**866**	**1,173**
EBIT margin	32.0%	31.6%	17.8%	29.7%	29.3%
Invested capital	**7,417**	**8,372**	**7,417**	**8,372**	**8,289**
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	199	59	384	168	304
Operational and financial metrics					
Volumes – financially consolidated (moves, m)	3.3	3.2	9.7	9.5	12.8
Ocean segment	1.2	1.2	3.5	3.4	4.5
External customers	2.1	2.0	6.2	6.1	8.3
Revenue per move – financially consolidated (USD)	335	314	346	304	312
Cost per move – financially consolidated (USD)	256	238	260	236	242
Result from joint ventures and associated companies (USDm)	207	78	-106	215	297

Terminals has won the auction for the acquisition of an area in the Port of Suape, Brazil, with plans to develop and operate a container and general cargo terminal. This confirms a strong focus on Brazil as one of the key Latin American markets, where the company has already made significant investments in the past years.

Following the announcement of A.P. Moller - Maersk's commitment to discontinue activities in Russia earlier this year, Terminals has now divested its entire 30.75% shareholding in Global Ports Investments (GPI) to Terminals' long-standing joint venture partner Delo Group that already owned 30.75% of the shares. The transaction includes an ability for Terminals to re-enter the partnership with Delo in the future.

Financial and operational performance

Revenue increased by 8.8% to USD 1.1bn (USD 1.0bn), driven by higher volume, CPI-related tariff increases and higher storage income. Volume increased by 1.5% (2.8% like-for-like) and utilisation increased to 81% (78%), mainly driven by higher volume in Europe and Asia. Volume from the Ocean segment increased by 2.8%, and volume from external customers increased by 0.7%. CPI-related tariff increases, and higher global congestion-related storage revenue resulted in an increase in revenue per move of 7% to USD 335 (USD 314). Cost per move increased by 8% to USD 256 (USD 238), mainly driven by inflationary labour costs, higher selling, general and administration costs and higher energy prices.

At fixed foreign exchange rates, volume mix and portfolio mix, revenue per move increased by 13%, and cost per move increased by 12%.

EBITDA increased to USD 391m (USD 378m) driven by higher volume and higher storage revenue resulting in an EBITDA margin of 35%.

EBIT improved to USD 357m (USD 325m), mainly due to higher results from joint ventures and associated companies driven by the sale of GPI, partially offset by impairments. EBIT excluding the impacts of GPI and impairments was USD 325m.

ROIC (LTM) declined to 8.2% (10.0%) driven by the Global Port Investment exit and impairments offset by significantly better operating performance. ROIC adjusted for the GPI divestment was 12.8%.

CAPEX increased to USD 199m (USD 59m), mainly driven by a terminal modernisation project in Los Angeles, USA.

In **North America**, revenue increased slightly driven by continued strong market conditions with volume growth of 1.0%. Storage income began to decrease toward the end of the quarter but still remains strong with revenue per move increasing by 5.0%. Cost per move increased by 6.2%, driven by higher labour costs and operational costs and higher energy prices.

Regional volume[1]

Million moves

	Q3 2022	Q3 2021	Growth (%)
North America	0.9	0.9	1.0
Latin America	0.6	0.6	-2.7
Europe, Russia and the Baltics	0.7	0.6	6.7
Asia	0.7	0.6	4.4
Africa and Middle East	0.5	0.5	-2.9
Total	**3.3**	**3.3**	**1.5**

1 Financially consolidated.

In **Europe**, revenue increased due to higher storage income and CPI-related tariff increases driving up revenue per move by 3.7%. Additionally, volume increased by 6.7% driven by strong demand in Barcelona, Spain, and Aarhus, Denmark. Cost per move decreased by 3.2%, due to reduced selling general and administration costs which was partially offset by higher energy costs.

In **Asia**, volume increased by 4.4%, mainly driven by higher volume in Pipavav, India, and Yokohama, Japan, resulting in improved revenue despite a drop in revenue per move of 12%, driven by terminal mix. Cost per move improved by 21% driven by the impact from a cyclone in the same period last year.

In **Latin America**, volume decreased by 2.7%, largely due to Itajai, Brazil, where services are gradually being phased out as the concession is ending in 2023 and the divestment of a terminal in Cartagena, Colombia. Overall revenue, however, increased driven by a 18% increase in revenue per move due to high storage income and CPI-related tariff increases. The increase in revenue was partly offset by increase in cost per move by 9.0%, driven by inflation related cost increases and higher variable concession fees.

In **Africa and Middle East**, volume decreased by 2.9%, mainly driven by lower volume in Onne, Nigeria, but overall revenue increased due to a 15% increase in revenue per move on the basis of higher storage income and CPI-related tariff increases. Cost per move increased by 23%, due to higher maintenance and repairs and higher variable concession fees.

Results from joint ventures and associated companies

The share of profits in joint ventures and associated companies was USD 206m (USD 77m), driven by gains from the divestment of GPI.

Key initiatives in Q3

The new terminal in Abidjan, Ivory Coast, is entering the last preparation phase, and the terminal is expected to be ready for its first move by the end of the year.

The Rijeka, Croatia, new terminal project is in the phase of applying for all applicable permits and in Onne, Nigeria, the last phase of the upgrade is being finalised while in GTI, Mumbai, India, work continues to upgrade the berth.

Terminals and Aqaba Development Cooperation have signed a Memorandum of Understanding for a 15-year extension of their partnership in the Aqaba Container Terminal (ACT).

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Revenue improved to USD 3.4bn (USD 2.9bn), driven by higher storage income in North America and a 1.4% increase in volume. Capacity utilisation improved to 79% (76%).

Revenue per move increased to USD 346 (USD 304), driven by high congestion related storage income and CPI-related tariff increases. Cost per move increased to USD 260 (USD 236), driven by high labour inflation, higher energy prices and higher variable concession fees.

EBITDA improved to USD 1.2bn (USD 1.1bn) and EBIT decreased to USD 600m (USD 866m), mainly driven by the divestment of the holding in Global Port Investment in Russia, offset by impairments. EBIT adjusted for GPI and the impairments was USD 1.1bn (USD 866m), driven by higher congestion related income with tariff increases offsetting higher labour cost and energy prices.

Towage & Maritime Services

Revenue was USD 591m (USD 486m) with an EBITDA of USD 127m (USD 81m). EBIT of USD 100m (USD 35m) increased by USD 65m, mainly driven by a reversal of previously recognised impairment in Höegh Autoliner shareholdings, and increased utilisation of the fleet and higher day rates for Maersk Supply Services.

A.P. Moller - Maersk's divestment of Maersk Container Industry was discontinued following regulatory challenges.

Towage

Financial and operational performance

Revenue increased to USD 188m (USD 185m), and adjusted for foreign exchange rate effects, the increase was 10% or USD 19m. Harbour Towage revenue increased by USD 6m, and activity increased by 8.6%. The Harbour Towage revenue increase mainly comes from increased tariffs in Europe and Americas, while the activity increase comes from additional tug jobs in Australia and Europe. Terminal towage revenue decreased by USD 3m, mainly due to lower activity in Australia, partly offset by increased activity in Asia, Middle East & Africa, driven by four additional tugs in Egypt.

EBITDA decreased to USD 53m (USD 54m), due to higher bunker costs, partly offset by increased revenue. EBIT increased to USD 30m (USD 28m), driven by lower depreciation in Americas and Europe, partly offset by decreased EBITDA.

Results from joint ventures and associated companies

The share of profit in joint ventures and associated companies was unchanged from Q3 2021 at USD 5m (USD 5m).

Key initiatives in Q3

Svitzer ordered two newbuilds to meet increasing customer demand in Brazil.

Maritime Services

Maersk Supply Service reported a 36% increase in revenue to USD 113m (USD 83m), reflecting increased project activity and increased utilisation of the time charter fleet and higher day rates. EBITDA increased by USD 16m to USD 23m (USD 7m), mainly driven by the improved time charter and project activity. EBIT increased by USD 23m to USD 19m (negative USD 4m).

Towage & Maritime Services highlights

USD million

	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Revenue	**591**	**486**	**1,725**	**1,538**	**2,082**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**127**	**81**	**287**	**265**	**356**
EBITDA margin	21.5%	16.7%	16.6%	17.2%	17.1%
Profit before financial items (EBIT)	**100**	**35**	**185**	**140**	**17**
EBIT margin	16.9%	7.2%	10.7%	9.1%	0.8%
Invested capital	**2,660**	**2,470**	**2,660**	**2,470**	**2,216**
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	58	42	232	147	203
Operational and financial metrics					
Number of operational tug jobs (harbour towage) ('000)	36	33	108	104	138

For **Maersk Container Industry** revenue increased by USD 9m to USD 143m (USD 134m), mainly driven by higher pricing. EBITDA increased by USD 18m to USD 27m (USD 9m), driven by reversal of transaction related costs related to the unsuccessful sale of the company and increased revenue. EBIT decreased by USD 7m to USD 2m (USD 9m), driven by impairment losses and additional depreciations as a result of the re-classification of Maersk Container Industry from assets held for sale and partly offset by increased EBITDA.

Key initiatives in Q3

Building on the companies' individual positions in the floating wind industry, Maersk Supply Service and Stiesdal Offshore have entered a strategic partnership to offer combined solutions to the fast-growing sector within offshore wind.

Maersk Supply Service was awarded a Preferred Supplier Agreement for installation of wind turbines at the Beacon Wind Park in the USA, expected start in 2028. In addition to the first awarded contract for the Empire Wind project, this is the second contract for its newly ordered Wind Installation Vessel.

Financial review 9M 2022

Revenue, with an increase of USD 187m, was USD 1.7bn (USD 1.5bn), EBITDA was USD 287m (USD 265m) and EBIT was USD 185m (USD 140m).

Revenue in Towage was USD 578m (USD 550m). EBITDA was USD 169m (USD 165m), mainly driven by increased volumes and tariffs in Europe and Asia, Middle East & Africa, partly offset by higher bunker costs and negative currency exchange rate impact. EBIT was USD 80m (USD 93m), mainly due to the withdrawal from operations in Russia in Q1 2022.

Maersk Supply Service reported a revenue of USD 291m (USD 212m) and an EBITDA of USD 17m (USD 7m), mainly driven by increased utilisation of time charter fleet and higher day rates. EBIT was positive USD 14m (negative USD 25m), driven by improved EBITDA and gain of sold assets in 2022.

Maersk Container Industry reported a revenue of USD 418m (USD 512m). Third-party customers accounted for 40% of the revenue. EBITDA was USD 40m (USD 55m) and EBIT was USD 15m (USD 66m).

Statement of the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Interim Report of A.P. Møller - Mærsk A/S for the period 1 January 2022 to 30 September 2022.

The Interim Report has not been audited or reviewed by the company's independent auditors.

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

In our opinion, the interim consolidated financial statements (pages 21-30) give a true and fair view of A.P. Moller - Maersk's consolidated assets, liabilities and financial position at 30 September 2022 and of the results of A.P. Moller - Maersk's consolidated operations and cash flows for the period 1 January 2022 to 30 September 2022.

Furthermore, in our opinion, the Management review (pages 3-19) includes a fair review of the development in A.P. Moller - Maersk's operations and financial conditions, the results for the period, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that A.P. Moller - Maersk faces, relative to the disclosures in the annual report for 2021.

Copenhagen, 2 November 2022

Executive Board

Søren Skou — CEO

Patrick Jany — CFO

Vincent Clerc

Henriette Hallberg Thygesen

Board of Directors

Robert Mærsk Uggla — Chair

Marc Engel — Vice Chair

Bernard L. Bot

Marika Fredriksson

Arne Karlsson

Thomas Lindegaard Madsen

Amparo Moraleda

Julija Voitekute

Financials

Condensed income statement

Note		Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
1	Revenue	22,767	16,612	63,709	43,281	61,787
1	**Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)**	**10,862**	**6,943**	**30,273**	**16,046**	**24,036**
	Depreciation, amortisation and impairment losses, net	1,649	1,206	4,574	3,318	4,944
	Gain on sale of non-current assets, etc., net	4	27	68	46	96
	Share of profit/loss in joint ventures and associated companies	260	95	-29	266	486
1	**Profit before financial items (EBIT)**	**9,477**	**5,859**	**25,738**	**13,040**	**19,674**
	Financial items, net	-303	-185	-800	-601	-944
	Profit before tax	**9,174**	**5,674**	**24,938**	**12,439**	**18,730**
	Tax	263	213	598	515	697
	Profit for the period	**8,911**	**5,461**	**24,340**	**11,924**	**18,033**
	Of which:					
	Non-controlling interests	32	23	92	76	91
	A.P. Møller - Mærsk A/S' share	**8,879**	**5,438**	**24,248**	**11,848**	**17,942**
	Earnings per share, USD	**488**	**287**	**1,318**	**620**	**941**
	Diluted earnings per share, USD	**487**	**287**	**1,313**	**619**	**938**

Condensed statement of comprehensive income

	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Profit for the period	**8,911**	**5,461**	**24,340**	**11,924**	**18,033**
Translation from functional currency to presentation currency	-440	-189	-904	-295	-364
Reclassified to income statement, gain on sale of non-current assets, etc., net	53	-	62	23	23
Cash flow hedges	22	-49	34	-118	-109
Tax on other comprehensive income	-10	2	-19	-5	-7
Share of other comprehensive income of joint ventures and associated companies, net of tax	9	-	8	-9	-5
Total items that have been or may be reclassified subsequently to the income statement	**-366**	**-236**	**-819**	**-404**	**-462**
Other equity investments	7	25	88	27	143
Actuarial gains/losses on defined benefit plans, etc.	-	-	-	-69	-23
Tax on other comprehensive income	-	-	-	13	7
Total items that will not be reclassified to the income statement	**7**	**25**	**88**	**-29**	**127**
Other comprehensive income, net of tax	**-359**	**-211**	**-731**	**-433**	**-335**
Total comprehensive income for the period	**8,552**	**5,250**	**23,609**	**11,491**	**17,698**
Of which:					
Non-controlling interests	16	23	63	73	87
A.P. Møller - Mærsk A/S' share	**8,536**	**5,227**	**23,546**	**11,418**	**17,611**

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Condensed balance sheet at 30 September

		30 September 2022	30 September 2021	31 December 2021
4	**Intangible assets**	**10,683**	**5,709**	**5,769**
	Property, plant and equipment	**27,757**	**26,377**	**27,303**
	Right-of-use assets	**11,088**	**9,681**	**9,906**
	Financial non-current assets, etc.	3,317	2,857	3,135
	Deferred tax	372	265	356
	Total non-current assets	**53,217**	**44,889**	**46,469**
	Inventories	1,902	1,470	1,457
2	Receivables, etc.	25,333	7,275	12,111
	Securities	-	1	3
	Cash and bank balances	8,334	11,306	11,832
	Assets held for sale	272	453	399
	Total current assets	**35,841**	**20,505**	**25,802**
	Total assets	**89,058**	**65,394**	**72,271**

		30 September 2022	30 September 2021	31 December 2021
3	Equity attributable to A.P. Møller - Mærsk A/S	59,160	38,727	44,508
	Non-controlling interests	1,071	1,044	1,080
	Total equity	**60,231**	**39,771**	**45,588**
	Lease liabilities, non-current	8,550	7,945	8,153
	Borrowings, non-current	3,660	4,537	4,315
	Other non-current liabilities	3,024	1,993	2,122
	Total non-current liabilities	**15,234**	**14,475**	**14,590**
	Lease liabilities, current	3,122	2,147	2,398
	Borrowings, current	192	397	469
	Other current liabilities	10,113	8,370	8,982
	Liabilities associated with assets held for sale	166	234	244
	Total current liabilities	**13,593**	**11,148**	**12,093**
	Total liabilities	**28,827**	**25,623**	**26,683**
	Total equity and liabilities	**89,058**	**65,394**	**72,271**

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Condensed cash flow statement

Note		Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
	Profit before financial items	9,477	5,859	25,738	13,040	19,674
	Non-cash items, etc.	1,354	1,208	4,582	3,166	4,540
	Change in working capital	-1,207	-366	-3,486	-1,711	-1,610
	Cash flow from operating activities before tax	9,624	6,701	26,834	14,495	22,604
	Taxes paid	-180	-129	-558	-353	-582
	Cash flow from operating activities	**9,444**	**6,572**	**26,276**	**14,142**	**22,022**
	Purchase of intangible assets and property, plant and equipment (CAPEX)	-906	-610	-3,268	-1,391	-2,976
	Sale of intangible assets and property, plant and equipment	109	21	256	145	205
	Sale of other equity investments	6	1	26	5	8
4	Acquisition of subsidiaries and activities	-3,218	-723	-4,754	-733	-815
	Sale of subsidiaries and activities	1	7	21	-21	3
	Dividends received	142	123	244	218	282
	Financial investments, etc., net	-4,865	-445	-9,311	-498	-5,049
	Cash flow used for investing activities	**-8,731**	**-1,626**	**-16,786**	**-2,275**	**-8,342**
	Repayments of/proceeds from borrowings, net	-105	-288	-752	-1,753	-1,934
	Repayments of lease liabilities	-811	-611	-2,219	-1,693	-2,279
	Financial payments, net	-56	-83	-267	-179	-258
	Financial expenses paid on lease liabilities	-135	-114	-377	-342	-459
	Purchase of own shares	-858	-759	-2,053	-1,540	-1,956
	Dividends distributed	-	-	-6,847	-1,017	-1,017
	Dividends distributed to non-controlling interests	-12	-23	-55	-64	-91
	Other equity transactions	9	25	36	58	94
	Cash flow from financing activities	**-1,968**	**-1,853**	**-12,534**	**-6,530**	**-7,900**
	Net cash flow for the period	**-1,255**	**3,093**	**-3,044**	**5,337**	**5,780**
	Cash and cash equivalents, beginning of period	9,688	8,094	11,565	5,864	5,864
	Currency translation effect on cash and bank balances	-103	-41	-191	-55	-79
	Cash and cash equivalents, end of period	8,330	11,146	8,330	11,146	11,565
	Of which classified as assets held for sale	-18	-29	-18	-29	-28
	Cash and cash equivalents, end of period	**8,312**	**11,117**	**8,312**	**11,117**	**11,537**
	Cash and cash equivalents					
	Cash and bank balances	8,334	11,306	8,334	11,306	11,832
	Overdrafts	22	189	22	189	295
	Cash and cash equivalents, end of period	**8,312**	**11,117**	**8,312**	**11,117**	**11,537**

Cash and bank balances include USD 1.6bn (USD 1.4bn) relating to cash and bank balances in countries with exchange control or other restrictions. These funds are not readily available for general use by the parent company or other subsidiaries.

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Condensed statement of changes in equity

		A.P. Møller - Mærsk A/S							
Note		Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Total	Non-controlling interests	Total equity
	Equity 1 January 2022	3,513	-767	135	-160	41,787	44,508	1,080	45,588
	Other comprehensive income, net of tax	-	-810	88	13	7	-702	-29	-731
	Profit for the period	-	-	-	-	24,248	24,248	92	24,340
	Total comprehensive income for the period	**-**	**-810**	**88**	**13**	**24,255**	**23,546**	**63**	**23,609**
	Dividends to shareholders	-	-	-	-	-6,845	-6,845	-57	-6,902
	Value of share-based payment	-	-	-	-	16	16	-	16
	Sale of subsidiaries	-	-	-	-	-	-	-30	-30
3	Purchase of own shares	-	-	-	-	-2,090	-2,090	-	-2,090
	Sale of own shares	-	-	-	-	25	25	-	25
3	Capital increases and decreases	-121	-	-	-	121	-	15	15
	Transfer of gain/loss on disposal of equity investments to retained earnings		-	-14	-	14	-	-	-
	Total transactions with shareholders	**-121**	**-**	**-14**	**-**	**-8,759**	**-8,894**	**-72**	**-8,966**
	Equity 30 September 2022	**3,392**	**-1,577**	**209**	**-147**	**57,283**	**59,160**	**1,071**	**60,231**
	Equity 1 January 2021	3,632	-432	-6	-42	26,698	29,850	1,004	30,854
	Other comprehensive income, net of tax	-	-268	28	-125	-65	-430	-3	-433
	Profit for the period	-	-	-	-	11,848	11,848	76	11,924
	Total comprehensive income for the period	**-**	**-268**	**28**	**-125**	**11,783**	**11,418**	**73**	**11,491**
	Dividends to shareholders	-	-	-	-	-1,017	-1,017	-75	-1,092
	Value of share-based payment	-	-	-	-	12	12	-	12
	Acquisition of non-controlling interests	-	-	-	-	-17	-17	16	-1
	Sale of non-controlling interests	-	-	-	-	1	1	-	1
3	Purchase of own shares	-	-	-	-	-1,540	-1,540	-	-1,540
	Sale of own shares	-	-	-	-	20	20	-	20
3	Capital increases and decreases	-119	-	-	-	119	-	26	26
	Transfer of gain/loss on disposal of equity investments to retained earnings	-	-	-2	-	2	-	-	-
	Total transactions with shareholders	**-119**	**-**	**-2**	**-**	**-2,420**	**-2,541**	**-33**	**-2,574**
	Equity 30 September 2021	**3,513**	**-700**	**20**	**-167**	**36,061**	**38,727**	**1,044**	**39,771**

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Note 1 Segment information

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallo-cated items	Elimi-nations	Consoli-dated total
Q3 2022							
External revenue	17,112	4,293	838	499	25	-	22,767
Inter-segment revenue	906	-111	279	92	6	-1,172	-
Total revenue	**18,018**	**4,182**	**1,117**	**591**	**31**	**-1,172**	**22,767**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**9,924**	**394**	**391**	**127**	**51**	**-25**	**10,862**
Profit before financial items (EBIT)	**8,734**	**258**	**357**	**100**	**50**	**-22**	**9,477**
Key metrics							
Invested capital	34,229	9,616	7,417	2,660	-479	-57	53,386
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	520	163	199	58	7	-41	906

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallo-cated items	Elimi-nations	Consoli-dated total
Q3 2021							
External revenue	12,820	2,608	726	438	20	-	16,612
Inter-segment revenue	273	-7	301	48	3	-618	-
Total revenue	**13,093**	**2,601**	**1,027**	**486**	**23**	**-618**	**16,612**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**6,251**	**267**	**378**	**81**	**-27**	**-7**	**6,943**
Profit before financial items (EBIT)	**5,337**	**194**	**325**	**35**	**-30**	**-2**	**5,859**
Key metrics							
Invested capital	29,637	2,715	8,372	2,470	-271	-47	42,876
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	454	57	59	42	3	-5	610

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Note 1 Segment information

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallo-cated items	Elimi-nations	Consoli-dated total
9 months 2022							
External revenue	48,869	10,765	2,587	1,412	76	-	63,709
Inter-segment revenue	2,131	-202	785	313	19	-3,046	-
Total revenue	**51,000**	**10,563**	**3,372**	**1,725**	**95**	**-3,046**	**63,709**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**27,736**	**1,050**	**1,247**	**287**	**-19**	**-28**	**30,273**
Profit before financial items (EBIT)	**24,332**	**675**	**600**	**185**	**-40**	**-14**	**25,738**
Key metrics							
Invested capital	34,229	9,616	7,417	2,660	-479	-57	53,386
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	2,193	483	384	232	21	-45	3,268

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallo-cated items	Elimi-nations	Consoli-dated total
9 months 2021							
External revenue	32,978	6,746	2,140	1,358	59	-	43,281
Inter-segment revenue	665	68	771	180	12	-1,696	-
Total revenue	**33,643**	**6,814**	**2,911**	**1,538**	**71**	**-1,696**	**43,281**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**14,095**	**688**	**1,071**	**265**	**-66**	**-7**	**16,046**
Profit before financial items (EBIT)	**11,617**	**486**	**866**	**140**	**-75**	**6**	**13,040**
Key metrics							
Invested capital	29,637	2,715	8,372	2,470	-271	-47	42,876
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	960	114	168	147	8	-6	1,391

USD million	Types of revenue	Q3 2022	Q3 2021	9M 2022	9M 2021	12M 2021
Ocean	Freight revenue	16,008	11,576	44,918	29,566	42,374
	Other revenue, including hubs	2,010	1,517	6,082	4,077	5,858
Logistics & Services	Managed by Maersk	691	433	1,775	1,098	1,578
	Fulfilled by Maersk	1,011	606	2,690	1,543	2,320
	Transported by Maersk	2,480	1,562	6,098	4,173	5,932
Terminals	Terminal services	1,117	1,027	3,372	2,911	4,000
Towage & Maritime Services	Towage services	188	185	578	550	740
	Sale of containers and spare parts	143	134	418	512	690
	Offshore supply services	113	83	291	212	301
	Other shipping activities	77	67	214	202	269
	Other services	70	17	224	62	82
Unallocated activities and eliminations		-1,141	-595	-2,951	-1,625	-2,357
Total revenue		**22,767**	**16,612**	**63,709**	**43,281**	**61,787**

Note 2 Term deposits

Receivables, etc. amount to USD 25.3bn (USD 7.3bn) and consist primarily of term deposits with a maturity of more than three months amounting to USD 14.6bn (USD 500m).

Note 3 Share capital

Development in the number of shares:

	A shares of		B shares of		Nominal value	
	DKK 1,000	DKK 500	DKK 1,000	DKK 500	DKK million	USD million
1 January 2021	10,599,293	216	9,432,463	166	20,032	3,632
Cancellation	131,186	-	524,745		656	119
30 September 2021	**10,468,107**	**216**	**8,907,718**	**166**	**19,376**	**3,513**
1 January 2022	10,468,107	216	8,907,718	166	19,376	3,513
Conversion	1	-2	3	-6	-	-
Cancellation	133,779	-	535,076	-	669	121
30 September 2022	**10,334,329**	**214**	**8,372,645**	**160**	**18,707**	**3,392**

All shares are fully issued and paid up.

One A share of DKK 1,000 holds two votes. B shares have no voting rights.

At the Annual General Meeting of A.P. Møller - Mærsk A/S on 15 March 2022, the shareholders decided on the cancellation of treasury shares, whereby the share capital would be decreased. On 25 May 2022, the Company's share capital was reduced from nominally DKK 19,376,016,000 by nominally DKK 688,855,000 in total, divided into 133,779 A shares and 535,076 B shares of DKK 1,000 to nominally DKK 18,707,161,000.

The reduction in the share capital has been recorded by applying the historical rate of exchange of 551.53 DKK/USD (551.53 DKK/USD).

Development in the holding of treasury shares:

	No. of shares of DKK 1,000		Nominal value DKK million		% of share capital	
Treasury shares	2022	2021	2022	2021	2022	2021
A shares						
1 January	120,494	119,176	121	119	0.62%	0.59%
Additions	147,806	113,957	148	114	0.79%	0.59%
Cancellation	133,779	131,186	134	131	0.69%	0.65%
30 September	**134,521**	**101,947**	**135**	**102**	**0.72%**	**0.53%**
B shares						
1 January	549,587	505,281	549	505	2.84%	2.52%
Additions	636,618	471,266	637	471	3.40%	2.43%
Cancellation	535,076	524,745	535	525	2.76%	2.62%
Disposals	27,232	15,631	27	15	0.14%	0.08%
30 September	**623,897**	**436,171**	**624**	**436**	**3.34%**	**2.25%**

The share buy-back programme is carried out with the purpose to adjust the capital structure of the company. Shares which are not used for hedging purposes for the long-term incentive programmes will be proposed cancelled at the Annual General Meetings.

Disposals of treasury shares are related to the share option plans and the restricted shares plan.

From 1 January 2022 to 30 September 2022, A.P. Moller - Maersk has bought back 76,109 A shares, with a nominal value of DKK 76m, and 231,922 B shares, with a nominal value of DKK 232m, as treasury shares from A.P. Møller Holding A/S, which is considered a related party.

The dividend of DKK 2,500 per share of DKK 1,000 – a total of DKK 46.8bn is equivalent to USD 6.9bn, excluding treasury shares. Of this, USD 6.0bn was paid to shareholders on 18 March 2022, and the withholding tax of USD 882m was paid in Q2 2022. Payment of dividends to shareholders does not trigger taxes for A.P. Moller - Maersk.

Note 4 Acquisitions of subsidiaries

Acquisitions during Q3 2022

LF Logistics Holdings Limited (Logistics & Services)

On 22 December 2021, the Group signed an agreement to acquire 100% of the shares in LF Logistics Holdings Limited, a leading omni-channel fulfilment contract logistics company in Asia Pacific. The acquisition was completed end of August 2022. The acquisition will further strengthen A.P. Moller - Maersk's capabilities as an integrated container logistics company, offering global end-to-end supply chain solutions to its customers. The total purchase price is USD 3.2bn, including a contingent consideration of USD 60m. Of the consideration paid, USD 2.2bn is related to goodwill while USD 842m is related to intangible assets, mainly customer relationships. USD 179m is related to trade receivables and USD 362m is related to RoU assets. Liabilities are mainly related to trade payables and lease liabilities. Goodwill is mainly attributable to commercial and operational future expected synergies, driven by cross-selling and improved productivity.

From the acquisition date to 30 September 2022, LF Logistics contributed with a revenue of USD 88m and an insignificant net profit. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 653m. The net profit impact to the Group would have been USD 55m, before amortisation of intangibles recognised in the acquisition. Acquisition-related costs of USD 12m was recognised as operating costs in the income statement of the Logistics & Services segment, and in operating cash flow in the statement of cash flow in 2021.

The accounting for the business combination is considered provisional as at 30 September 2022, as valuation of intangible assets is not yet finalised.

Pilot Freight Services (Logistics & Services)

On 5 February 2022, the Group signed an agreement to acquire 100% of the shares in Pilot Freight Services, a US-based first, middle and last mile cross-border solutions provider. The acquisition was completed in early May 2022. Pilot has specialised in the big and bulky freight segment in North America. Pilot Freight Services will add specific new services within the fast-growing big and bulky e-commerce segment to the Group, thus increasing cross-selling opportunities. The total purchase price is USD 1.6bn of which USD 597m is related to the settlement of debt. Of the consideration paid, USD 1.1bn is related to goodwill while USD 650m is related to intangible assets, mainly customer relationships. USD 235m is related to trade receivables and USD 174m is related to RoU assets. Liabilities are mainly related to trade payables, lease liabilities and debt settled as part of the transaction. Goodwill is mainly attributable to commercial and operational future expected synergies, driven from cross-selling, network optimisations and improved productivity.

From the acquisition date to 30 September 2022, Pilot Freight Services contributed with a revenue of USD 627m and an insignificant net profit. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 1.1bn. The net profit impact to the Group would have been insignificant. Acquisition-related costs of USD 13m are recognised as operating costs in the income statement of the Logistics & Services segment, and in operating cash flow in the statement of cash flow.

The accounting for the business combination is considered provisional as at 30 September 2022, as valuation of intangible assets is not yet finalised.

Senator International (Logistics & Services)

On 2 November 2021, the Group signed an agreement to acquire 100% of the shares in Senator International, a well renowned German air-based freight carrier company. The acquisition was completed in early June 2022. Senator International will contribute with offerings within air freight out of Europe into the USA and Asia, and thereby add strong capabilities and geographical reach to the integrator vision. The total purchase price is USD 575m. Of the consideration paid, USD 222m is related to goodwill while USD 256m is related to intangible assets, mainly customer relationships. USD 220m is related to trade receivables and the rest is mainly related to other receivables. Liabilities are mainly related to accrued expenses and deferred tax. Goodwill is mainly attributable to commercial and operational future expected synergies, driven from cross-selling, network optimisations and improved productivity.

From the acquisition date to 30 September 2022, Senator International contributed with a revenue of USD 517m and a net profit of USD 33m. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 1.4bn and a net profit of USD 99m, before amortisation of intangibles recognised in the acquisition. Acquisition-related costs of USD 9m was recognised as operating costs in the income statement of the Logistics & Services segment, and in operating cash flow in the statement of cash flow in 2021.

The accounting for the business combination is considered provisional as at 30 September 2022, as valuation of intangible assets is not yet finalised.

Other

Grindrod Intermodal Group (Logistics & Services)

On 15 November 2021, it was announced that the Group will partner with Grindrod Intermodal Group. The Group will have a controlling interest of 51%. The Grindrod Intermodal Group is a well-known and trusted partner in South Africa that offers a range of logistics and services offerings. The estimated enterprise value is USD 13m. The acquisition is expected to close during Q1 2023.

ResQ (Towage & Maritime Services)

On 17 June 2022, it was announced that the Group signed an agreement to acquire 100% of the shares in ResQ, a Norwegian supplier of services and expertise in safety training and emergency preparedness. The acquisition was completed in July 2022. The total purchase price is USD 6m. Goodwill is mainly attributable to commercial and operational future expected synergies. The accounting for the business combination is considered provisional as at 30 September 2022, as valuation of intangible assets is not yet finalised.

Martin Bencher Group (Logistics & Services)

On 5 August 2022, it was announced that the Group intends to acquire 100% of the shares in Martin Bencher Group, a Denmark-based project logistics company, with premium competencies within non-containerised project logistics. The acquisition of Martin Bencher Group will add to the existing project logistics services already available at Maersk, with a specialised service offering the combination of solution design, special cargo transportation, and project management services. It will build on existing infrastructures and know-how across the existing Project Logistics vertical in Sales & Marketing, Ocean, and L&S Special Project Logistics (SPL).

The estimated enterprise value is USD 61m. The acquisition is subject to regulatory approvals and the transaction is expected to close during Q1 2023.

Note 4 Acquisitions of subsidiaries – continued

Acquisitions during the first nine months of 2022:

	LF Logistics	Pilot	Senator International	Other	Total
Fair value at time of acquisition					
Intangible assets	842	650	256	6	1,754
Property, plant and equipment	540	185	39	16	780
Financial assets	122	4	4	-	130
Deferred tax asset	10	-	-	-	10
Current assets	449	294	385	5	1,133
Liabilities	802	1,218	331	25	2,376
Net assets acquired	**1,161**	**-85**	**353**	**2**	**1,431**
A.P. Møller - Mærsk A/S' share					
Goodwill	2,204	1,130	222	7	3,563
Purchase price	**3,365**	**1,045**	**575**	**9**	**4,994**
Contingent consideration assumed	-60	-	-	-	-60
Contingent consideration paid	-	7	-	-	7
Other adjustments	-	6	-	-	6
Cash and bank balances assumed	-128	-20	-42	-3	-193
Cash flow used for acquisition of subsidiaries and activities	**3,177**	**1,038**	**533**	**6**	**4,754**

Note 5 Commitments

The total commitment across segments is USD 4.1bn (USD 3.5bn), mainly related to investments for new methanol container vessels, wind installation vessels, tugs, aircraft and commitments towards terminal concession grantors.

Note 6 Accounting policies, judgements and significant estimates

The interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The accounting policies, judgements and significant estimates are consistent with those applied in the Annual Report 2021.

Change to reportable segments
As part of the refinement of A.P. Moller - Maersk's segment structure, changes to the segment structure were made with effect from 1 January 2022. The changes involve moving the Svitzer activity from Terminals & Towage to Manufacturing & Others. In addition, the Manufacturing & Others segment has been renamed Towage & Maritime Services, while the Terminals & Towage segment has been renamed Terminals. Comparison figures for note 1 have been restated as if the change had been implemented in 2021. The reportable segments are disclosed below.

The allocation of business activities into segments reflects A.P. Moller - Maersk's character as an integrated container logistics business and is in line with the internal management reporting.

The reportable segments are as follows:

Ocean	Global container shipping activities, including strategic transhipment hubs and sale of bunker oil
Logistics & Services	Integrated transportation, fulfilment and management solutions, including landside and air transportation as well as warehousing and supply chain management offerings
Terminals	Gateway terminal activities
Towage & Maritime Services	Towage and related marine activities, production of reefer containers, providing offshore supply service and trading and other businesses

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Note 6 Accounting policies, judgements and significant estimates – continued

Russia/Ukraine impact

Due to the Russian invasion of Ukraine on 24 February 2022, A.P. Moller - Maersk decided to withdraw from doing business in Russia during Q1 2022.

As a result, the recoverable amounts of assets in Russia and Ukraine have been reassessed, impairment losses have been recognised, and provisions have been made to cover costs relating to the withdrawal from operations. This negatively impacted the Q1 2022 income statement by USD 718m.

As a consequence of the ongoing process to minimise the financial impact, the Q2 2022 income statement was positively impacted by USD 94m, and the Q3 2022 income statement was positively impacted by a further USD 92m.

The positive impact subsequent to the write-downs in Q1 is mainly related to the reversal of impairment losses and provisions of USD 85m during Q2 2022 and USD 21m during Q3 2022 which were mainly a result of successfully evacuating more containers than previously anticipated, as well as the divestment of GPI of USD 82m in Q3 2022.

The income statement for the first nine months was therefore negatively impacted by USD 532m, of which USD 440m is impairment losses, USD 39m is operating costs and USD 53m of the recycling of translation reserve loss from the divestment of GPI.

The impact has been classified as non-cash items in the cash flow statement.

The details of the income statement impact are as follows:

Operating segment	Impacted area	Q1 2022	Q2 2022	Q3 2022	9M 2022
Ocean	Net impairments of containers, net write-down of receivables, provisions	-162	93	14	-55
Logistics & Services	Net impairments of warehouses, net write-down of receivables, provisions	-53	1	-4	-56
Terminals	Net impairments of investment in joint venture, including recycling of translation reverse loss	-485	-	82	-403
Towage & Maritime Services	Impairments of tugboats	-18	-	-	-18
Total income statement impact		**-718**	**94**	**92**	**-532**

Note 7 Subsequent events

On 5 October, it was announced that an order of an additional six large ocean-going vessels that can sail on green methanol has been placed. The six vessels will be built by Hyundai Heavy Industries (HHI) and have a nominal capacity of approx. 17,000 containers (Twenty Foot Equivalent – TEU).

They will replace existing capacity in the fleet. With the order, A.P. Moller - Maersk has ordered a total of 19 vessels with dual-fuel engines able to operate on green methanol. Delivery is expected in 2025.

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Additional information

Quarterly summary

	2022			2021			
Income statement	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	22,767	21,650	19,292	18,506	16,612	14,230	12,439
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	10,862	10,327	9,084	7,990	6,943	5,064	4,039
Depreciation, amortisation and impairment losses, net	1,649	1,418	1,507	1,626	1,206	1,087	1,025
Gain on sale of non-current assets, etc., net	4	37	27	50	27	12	7
Share of profit/loss in joint ventures and associated companies	260	42	-331	220	95	95	76
Profit before financial items (EBIT)	9,477	8,988	7,273	6,634	5,859	4,084	3,097
Financial items, net	-303	-203	-294	-343	-185	-186	-230
Profit before tax	9,174	8,785	6,979	6,291	5,674	3,898	2,867
Tax	263	164	171	182	213	152	150
Profit for the period	8,911	8,621	6,808	6,109	5,461	3,746	2,717
A.P. Møller - Mærsk A/S' share	8,879	8,593	6,776	6,094	5,438	3,713	2,697
Underlying profit[1]	8,818	8,553	7,469	6,278	5,448	3,732	2,712
Balance sheet							
Total assets	89,058	80,426	73,031	72,271	65,394	60,040	56,734
Total equity	60,231	52,586	44,940	45,588	39,771	35,282	31,905
Invested capital	53,386	49,195	45,167	44,043	42,876	41,481	39,829
Net interest-bearing debt	-6,855	-3,356	-689	-1,530	3,123	6,216	7,746
Cash flow statement							
Cash flow from operating activities	9,444	8,611	8,221	7,880	6,572	4,137	3,433
Capital lease instalments – repayments of lease liabilities	811	762	646	586	611	453	629
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	906	1,008	1,354	1,585	610	452	329
Cash flow from financing activities	-1,968	-3,046	-7,520	-1,370	-1,853	-2,143	-2,534
Free cash flow	7,787	6,844	6,014	5,637	5,298	3,230	2,372
Financial ratios							
Revenue growth	37.1%	52.1%	55.1%	64.4%	67.5%	58.2%	30.0%
EBITDA margin	47.7%	47.7%	47.1%	43.2%	41.8%	35.6%	32.5%
EBIT margin	41.6%	41.5%	37.7%	35.8%	35.3%	28.7%	24.9%
Cash conversion	87%	83%	90%	99%	95%	82%	85%
Return on invested capital after tax (ROIC) (last twelve months)	66.6%	62.5%	53.6%	45.3%	34.5%	23.7%	15.7%
Equity ratio	67.6%	65.4%	61.5%	63.1%	60.8%	58.8%	56.2%
Underlying ROIC[1] (last twelve months)	68.1%	64.2%	55.4%	45.7%	34.5%	24.0%	15.9%
Underlying EBITDA[1]	10,851	10,289	9,186	7,990	6,943	5,064	4,039
Underlying EBITDA margin[1]	47.7%	47.5%	47.6%	43.2%	41.8%	35.6%	32.5%
Underlying EBIT[1]	9,381	8,924	7,937	6,804	5,842	4,070	3,092
Underlying EBIT margin[1]	41.2%	41.2%	41.1%	36.8%	35.2%	28.6%	24.9%
Stock market ratios							
Earnings per share, USD	488	466	364	324	287	194	139
Diluted earnings per share, USD	487	464	363	323	287	193	139
Cash flow from operating activities per share, USD	519	467	442	414	348	215	178
Share price (B share), end of period, DKK	13,865	16,555	20,370	23,450	17,385	18,025	14,735
Share price (B share), end of period, USD	1,817	2,313	3,040	3,576	2,707	2,883	2,324
Total market capitalisation, end of period, USD	32,099	42,108	55,662	64,259	49,637	54,076	43,243

1 Underlying is computed as the relevant performance measure adjusted for the net gains/losses from the sale of non-current assets, etc. and net impairment losses as well as transaction, restructuring and integration costs related to major transactions. The adjustments include A.P. Moller - Maersk's share of mentioned items in joint ventures and associated companies and, when applicable, the adjustments are net of tax.

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Definition of terms

Technical terms, abbreviations and definitions of key figures and financial ratios.

Backhaul
The direction of the trade route with the lowest volumes, whereas the opposite direction is referred to as headhaul.

CAPEX
Cash payments for intangible assets and property, plant and equipment, excluding acquisitions and divestments.

Cash conversion
Cash flow from operating activities to EBITDA ratio.

Cash flow from operating activities per share
A.P. Moller - Maersk's operating cash flow from continuing operations divided by the number of shares (of DKK 1,000 each), excluding A.P. Moller - Maersk's holding of own shares.

Cost per move
Includes cost (EBITDA less revenue less other income), depreciation and excludes IFRIC12 construction cost.

EBIT
Earnings Before Interest and Taxes.

EBITA
Earnings Before Interest, Tax and Amortisation.

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortisation.

Equity ratio
Calculated as equity divided by total assets.

FFE
Forty Foot container Equivalent unit.

Free cash flow (FCF)
Comprised of cash flow from operating activities, purchase/sale of intangible assets and property, plant and equipment, dividends received, repayments of lease liabilities, financial payments and financial expenses paid on lease liabilities.

Gross profit
The sum of revenue, less variable costs and loss on debtors.

Headhaul
The direction of the trade route with the highest volumes, whereas the return direction is referred to as backhaul.

Invested capital
Segment operating assets less segment operating liabilities, including investments and deferred taxes related to the operation.

kcbm
The freight volume of the shipment for domestic and international freight. Cubic metre (CBM) measurement is calculated by multiplying the width, height and length together of the shipment.

Loaded volumes
Loaded volumes refer to the number of FFEs loaded on a shipment which are loaded on first load at vessel departure time excluding displaced FFEs.

Net interest-bearing debt (NIBD)
Equals interest-bearing debt, including leasing liabilities, fair value of derivatives hedging the underlying debt, less cash and bank balances as well as other interest-bearing assets.

Return on invested capital after tax (ROIC)
Profit/loss before financial items for the year (EBIT) less tax on EBIT divided by the average invested capital, last twelve months.

Revenue per move
Includes terminal revenue, other income, government grants and excludes IFRIC12 construction revenue.

TEU
Twenty-foot container Equivalent Unit.

Time charter
Hire of a vessel for a specified period.

Total market capitalisation
Total number of shares – excluding A.P. Møller - Mærsk A/S' holding of treasury shares – multiplied by the end-of-quarter price quoted by Nasdaq Copenhagen.

Underlying
Underlying is computed as the relevant performance measure adjusted for the net gains/losses from the sale of non-current assets, etc. and net impairment losses as well as transaction, restructuring and integration costs related to major transactions. The adjustments include A.P. Moller - Maersk's share of mentioned items in joint ventures and associated companies and, when applicable, the adjustments are net of tax.

VSA
Vessel Sharing Agreement is usually reached between various partners within a shipping consortium who agree to operate a liner service along a specified route using a specified number of vessels.

Colophon

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