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Årsredovisning

för

Maersk Logistics & Services Sweden AB

556096-7431

Räkenskapsåret

2023

Fastställelseintyg

Undertecknad styrelseledamot i Maersk Logistics & Services Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 28 juni 2024. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Strömstad 28 juni 2024

Rose-Marie Jensson

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Årsredovisning

för

Maersk Logistics & Services Sweden AB

556096-7431

Räkenskapsåret

2023

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Styrelsen och verkställande direktören för Maersk Logistics & Services Sweden AB avger följande årsredovisning för räkenskapsåret 2023.

Förvaltningsberättelse

Verksamhetens art och inriktning

Maersk Logistics & Services Sweden AB ("Maersk L&S Sweden AB") bedriver speditionsverksamhet, upprättande av tulldeklarationshandlingar och rådgivning i samband med tullfrågor, direkt och genom sina dotterbolag och produktionskontor i Göteborg, Strömstad, Svinesund, Hån, Eda, Östersund, Haparanda, Storlien, Håby och Stockholm.

Bolaget har även en verksamhet som erbjuder konsulttjänster och utbildningstjänster över hela världen till såväl privata bolag som offentliga myndigheter och organisationer.

Bolaget har dessutom verksamhet inom utveckling av mjukvara inom tullområdet för både externa och interna kunder samt är leverantör av interna IT tjänster.

Maersk L&S Sweden AB strävar efter att vara kunskapsledande inom tulldeklarationsbranschen och strävar efter att ge kunderna en så bra och kompetensmässigt hög servicegrad som möjligt. Bolaget har en kompetenssäkrande enhet, Risk and Compliance, vilken säkerställer att den leverans som sker uppfyller alla de krav som såväl myndigheter och kunder ställer på bolaget

Bolaget innehar såväl AEOC-certifiering som AEOS-certifiering.

Bolaget arbetar med fortsatt vidareutveckling av befintliga och nya tjänster till existerande och nya kunder.

Viktiga förhållanden

Bolaget är ett helägt dotterbolag till Maersk A/S, org.nr. 323 45 794. Bolaget ingår i Maersk-koncernen som ytterst ägs av A.P Möller Maersk AS med säte i Danmark.

Bolagets verksamhet är påverkat av tullagstiftningen. Bolaget är därmed känsligt för politiska beslut som påverkar dokumentationskravet vid överföring av varor mellan framför allt Sverige och Norge.

Bolaget har genom sina internationella kunder och leverantörer såväl försäljning som fordringar och skulder i utländsk valuta, vilket innebär en viss valutaexponering som påverkar bolagets resultat.

Bolaget har sitt säte i Göteborg.

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Väsentliga händelser under räkenskapsåret

Under räkenskapsåret 2023 har bolaget bytt namn från KGH Customs Services AB till Maersk Logistics & Services Sweden AB som ett ytterligare steg i integrationen till Maersk koncernen.

Under året har alla svenska bolag från den fd "KGH-koncernen" fusionerats in i bolaget, förutom Maersk Accountancy & VAT Sweden AB som genom fusionen numera är dotterbolag. Ny ägare till bolaget efter fusionen är Maersk A/S. Fusionen innebär att bolaget fått ett utökat tjänsteutbud. Bolaget har i samband med fusionen även tagit över den cashpool som tidigare fanns i KGH Group AB.

Utvecklingen och implementeringen av nästa generations tulldeklarationssystem är genomförd. Systemet tillför hög teknologisk innovation som kommer bolagets kunder till nytta.

Hållbarhetsupplysningar

Hållbarhetsrapport har angivits av koncernmoder A.P Möller Maersk AS.

Väsentliga risker och osäkerhetsfaktorer

Koncernen har genom sina internationella kunder och dotterbolag såväl försäljning som fordringar och skulder i utländsk valuta vilket innebär en viss valutaexponering. Bolaget är numera även cashpool ägare vilket innebär att bolaget hanterar bankkonton i flera valutor.

Maersk L&S Sweden AB utför för kunders räkning tulldeklarationer och andra konsultationer inom tulldeklarationsområdet. I vissa fall betalar bolaget tull och mervärdesskatt för kunders räkning till de nationella tullmyndigheterna. I särskilda fall, vilka är ett fåtal, kan bolaget bli inblandad om det uppkommit en tvist mellan kunden och tullmydigheten som berott på felaktig hantering. Koncernens kompetenssäkrande funktion "Compliance", följer kontinuerligt existerande och potentiella riskområden för att kunna vidta aktiviteter som minskar risken för förluster i samband med eventuella tvister.

Väsentliga händelser efter räkenskapsårets slut

Integrationen till Maersk-koncernen fortsätter och som ett led i detta pågår förändringar, exempelvis inom stödfunktionerna.

Förväntad framtida utveckling

Det nuvarande marknadsläget i de marknader som Maersk L&S Sweden AB finns etablerad i är stabilt, dock påverkas både bolaget och bolagets kunder av den rådande lågkonjunkturen. Utifrån rådande läge är det troligt att bolagets finansiella plan för det kommande räkenskapsåret kommer att påverkas av ovanstående men ledningen följer utvecklingen noggrant. Bolaget har fortsatt en stark position i marknaden och ett efterfrågat tjänsteutbud som i och med Maersk intregrationen är tillgänglig för en större kundgrupp. Liksom tidigare år kommer fokus på tillväxt att fortsätta under det nya räkenskapsåret med riktade aktiviteter mot olika kundgrupper och kanaler.

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Användning av finansiella instrument

Valutarisker

Bolaget har intäkter i framför allt SEK, men också i NOK, EUR m fl och kostnader i motsvarande valutor. Historiskt har intäkter och kostnader i motsvarande valutor matchat varandra väl varför ingen valutasäkring har bedömts nödvändig.

Kreditrisker

Bolagets kreditrisker är knutna till kundfordringar. Vid teckning av avtal med nya kunder sker alltid en utvärdering av kundens ekonomiska ställning. Bolaget har rutiner för att kräva in förfallna kundfordringar och vid behov görs ytterligare utvärdering om kundens ekonomiska ställning för att minimera riskerna.

Likviditetsrisker

Bolagets likvida medel placeras endast på bankkonto. Inga placeringar får göras i aktier, aktiefonder, optioner eller dylikt.

Icke-finansiella upplysningar

Bolaget arbetar med återkommande enkäter om arbetsmiljön. Bolaget har kollektivavtal.
Bolaget har en uppförande kod, Code of Conduct, och arbetar aktivt med ESG (Environmental, Social and corporate Government).

Flerårsöversikt (tkr)	**2023**	**2022**	**2021**	**2020**	**2019**
Nettoomsättning	456 118	347 425	332 737	238 475	253 939
Resultat efter finansiella poster	444 180	180 050	78 835	53 025	71 912
Soliditet (%)	57	51	30	40	32
Antal anställda	413	336	315	268	252
Balansomslutning	1 738 691	527 966	327 037	244 455	169 590

Förändringar i eget kapital

	Aktie-kapital	**Reserv-fond**	**Balanserat resultat**	**Årets resultat**	**Totalt**
Belopp vid årets ingång	51 000 000	2 320 000	43 875 582	172 787 905	**269 983 487**
Disposition enligt beslut av årets årsstämma:			172 787 905	-172 787 905	**0**
Erhållna villkorade kapitaltillskott (fg år)			-43 308 800		**-43 308 800**
Fusionsresultat				327 525 920	**327 525 920**
Årets resultat				429 713 476	**429 713 476**
Belopp vid årets utgång	**51 000 000**	**2 320 000**	**173 354 687**	**757 239 396**	**983 914 083**

Villkorade kapitaltillskott, återförd pga fusion.

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	173 354 686
fusionsresultat	327 525 920
årets vinst	429 713 476
	930 594 082
disponeras så att	
i ny räkning överföres	930 594 082

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Resultaträkning

	Not	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
Nettoomsättning	1	456 117 709	347 425 297
Övriga rörelseintäkter	2	19 292 430	15 131 434
		475 410 139	**362 556 731**
Rörelsens kostnader			
Externa kostnader	3, 4	-155 174 992	-156 418 576
Personalkostnader	5	-301 523 508	-202 048 126
Avskrivningar av materiella och immateriella anläggningstillgångar		-1 503 039	-1 037 184
		-458 201 539	**-359 503 886**
Rörelseresultat	6	**17 208 600**	**3 052 845**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	7	364 269 600	174 374 734
Ränteintäkter koncernföretag		1 628 720	131 580
Övriga ränteintäkter		69 685 543	451 014
Räntekostnader koncernföretag		-19 368 477	0
Övriga räntekostnader och resultatposter		-3 780 524	2 040 130
		412 434 862	**176 997 458**
Resultat efter finansiella poster		**429 643 462**	**180 050 303**
Lämnat koncernbidrag		0	-7 559 213
Resultat före skatt		**429 643 462**	**172 491 090**
Aktuell skatt	8	0	54 895
Uppskjuten skatt		70 014	241 920
Årets resultat		**429 713 476**	**172 787 905**

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Balansräkning

	Not	2023-12-31	2022-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Licenser	9	0	0
Balanserade utvecklingskostnader	10	0	0
		0	**0**
Materiella anläggningstillgångar			
Byggnader och mark	11	7 007 880	6 401 386
Nedlagda utgifter på annans fastighet	12	744 650	992 972
Inventarier och datautrustning	13	2 193 741	2 410 969
		9 946 271	**9 805 327**
Finansiella anläggningstillgångar			
Andelar i dotterföretag	14. 15	1 200 015	70 998 363
Uppskjuten skattefordran	16	407 827	337 813
Långfristiga fordringar		2 893 426	0
		4 501 268	**71 336 176**
Summa anläggningstillgångar		**14 447 539**	**81 141 504**
Omsättningstillgångar			
Kortfristiga fordringar			
Kundfordringar		143 175 512	193 547 048
Fordringar hos koncernföretag	17	1 559 162 738	224 853 598
Aktuella skattefordringar		3 424 643	6 079 268
Övriga fordringar		8 192 177	2 595 487
Förutbetalda kostnader och upplupna intäkter	18	8 492 189	3 718 031
Upparbetad ej fakturerad intäkt (netto)		9 325 657	0
		1 731 772 916	**430 793 432**
Kassa och bank		0	16 031 314
Summa omsättningstillgångar		**1 731 772 916**	**446 824 746**
SUMMA TILLGÅNGAR		**1 746 220 455**	**527 966 250**

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Balansräkning

	Not	2023-12-31	2022-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	19, 20		
Bundet eget kapital			
Aktiekapital		51 000 000	51 000 000
Reservfond		2 320 000	2 320 000
		53 320 000	**53 320 000**
Fritt eget kapital			
Balanserad vinst		173 354 686	43 875 581
Fusionsresultat	21	327 525 920	0
Årets resultat		429 713 476	172 787 905
		930 594 082	**216 663 486**
Summa eget kapital		**983 914 082**	**269 983 486**
Avsättningar			
Övriga avsättningar för pensioner		2 144 163	0
Avsättningar för skatter		520 174	0
Summa avsättningar		**2 664 337**	**0**
Kortfristiga skulder			
Kortfristiga skulder		0	17 790 670
Förskott från kunder		1 859 597	1 714 597
Leverantörsskulder		54 378 039	65 788 634
Skulder till koncernföretag	22	554 075 617	69 159 314
Skulder till koncernföretag (kassa och bank)		7 529 158	0
Övriga skulder	23	73 494 062	58 497 434
Upplupna kostnader och förutbetalda intäkter	24	68 305 561	45 032 114
Summa kortfristiga skulder		**759 642 035**	**257 982 763**
SUMMA EGET KAPITAL OCH SKULDER		***1 746 220 455***	***527 966 250***

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Kassaflödesanalys

	Not	2023-01-01 -2023-12-31	2022-01-01 -2022-12-31
	25		
Den löpande verksamheten			
Resultat efter finansiella poster		381 478 200	180 050 303
Resultat avyttring inventarier		0	60 478
Realisationsresultat		-362 942 968	0
Förändringar i avsättningar		-377 337	0
Kursvinster/förluster		-1 326 632	-140 719
Erhållen ränta		71 314 263	0
Erlagd ränta		-23 149 001	0
Omräkningsdifferenser utländsk valuta kundfordr		0	-4 231 391
Avskrivningar		1 503 039	1 037 184
Betald skatt		520 174	-3 361 311
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**65 516 699**	**173 414 544**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av kortfristiga fordringar		-16 677 769	-181 673 130
Förändring av långfristiga fordringar		0	3 326 720
Förändring av kortfristiga skulder		-768 163 495	20 582 193
Kassaflöde från den löpande verksamheten		**-719 324 565**	**15 650 327**
Investeringsverksamheten			
Infusionerade medel från dotterbolag		29 914 040	0
Avyttring dotterbolag		666 315 823	0
Investeringar i materiella anläggningstillgångar		-465 770	-1 333 744
Förvärv av dotterbolag		0	-7 072 965
Kassaflöde från investeringsverksamheten		**695 764 093**	**-8 406 709**
Årets kassaflöde		-23 560 472	7 243 618
Likvida medel vid årets början		**16 031 314**	**8 787 696**
Likvida medel vid årets slut		**-7 529 158**	**16 031 314**

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Noter

Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Koncernförhållanden
Företaget är moderföretag men hänvisar till undantagsreglerna i årsredovisningslagen 7 kap. 2 § och därför upprättas ingen egen koncernredovisning. Maersk Logistics & Services Sweden AB är ett helägt dotterbolag till Maersk A/S, org.nr. 32 34 57 94. Det överordnande moderföretaget A.P.Möller Maersk AS, org.nr 22 75 62 14, med sitt säte i Köpenhamn upprättar koncernredovisningen.

Fusion
Fusioner redovisas med tillämpning av BFNAR 2021:5 Redovisning av fusion.
Anskaffningsvärdet för andelarna fördelas på de identifierbara tillgångar och skulder som fanns i det överlåtande företaget, och på eventuell goodwill som uppkom vid förvärvet av andelarna. Värdena justeras med utgångspunkt i förhållandena på fusionsdagen. Det innebär t.ex. att avskrivningar som belöper på identifierade övervärden och goodwill från anskaffningstillfället beaktas. Tillgångar och skulder som tillkommit efter förvärvet av andelarna värderas till bokförda värden.

Intäktsredovisning
Företaget vinstavräknar utförda tjänsteuppdrag på löpande räkning i den takt arbetet utförs, i enlighet med huvudregeln i BFNAR 2003:3. Pågående, ej fakturerade tjänsteuppdrag, tas i balansräkningen upp till det beräknade faktureringsvärdet av utfört arbete och redovisas i posten övriga fordringar.

Företagets Consulting del har både tjänsteuppdrag till fast pris och uppdrag på löpande räkning, merparten är dock till fast pris.
Bolaget vinstavräknar dessa, enligt K3, utförda tjänsteuppdrag med fast pris i takt med att arbetet utförs, s.k succesiv vinstavräkning.

Leasing
Samtliga leasingavgifter kostnadsförs linjärt över leasingperioden. Tillhörande kostnader, såsom underhåll och försäkring, kostnadsförs när de uppkommer.

Redovisning av pågående entreprenadarbeten
Redovisningen av intäkter från entreprenaduppdrag bedöms utifrån nedlagd tid och beräknade utgifter för att färdigställa arbetet. Uppskattningar och antaganden ses över regelbundet. Trots detta kan det verkliga utfallet avvika från dessa uppskattningar och bedömningar pga händelser som ligger utanför vår makt och även pga längden på projekten.

Inga väsentliga källor till osäkerhet i uppskattningar och antaganden på balansdagen bedöms kunna innebära en betydande risk för en väsentlig justering av redovisade värden för tillgångar och skulder under nästa räkenskapsår.

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Intäkter från entreprenadavtal
Redovisade intäktbelopp och tillhörande fordringar för entreprenadavtal återspeglar den bästa uppskattningen av utfallet och färdigställandegraden för varje avtal. Detta inkluderar en bedömning av vinsten i pågående entreprenadsuppdrag och eftersläpande orders. När det gäller enstaka uppdrag finns viss osäkerhet vid bedömning av kostnaderna för färdigställande och lönsamhet pga komptens- eller kapacitetsbrist inom den egna personalen. I sådana fall måste man anlita externa konsulter, oftast till en högre kostnad, vilket då genererar lägre lönsamhet.

Aktieägartillskott
Företaget redovisar lämnade aktieägartillskott som en ökning respektive minskning av värdet på andelarna i dotterföretaget. Återbetalning av aktieägartillskott minskar det redovisade värdet på andelarna i dotterföretaget. Erhållna aktieägartillskott redovisas som en ökning av eget kapital. Återbetalningar av erhållna aktieägartillskott minskar eget kapital.

Immateriella anläggningstillgångar
Immateriella anläggningstillgångar värderas till anskaffningsvärde minskat med ackumulerade av- och nedskrivningar.

Programvara
Aktiverade utgifter för förvärvad programvara utgörs av utgifter för inköp och installation av den specifika programvaran.
Avskrivning av programvara görs av tillgångens avskrivningsbara belopp över dess nyttjandeperiod och påbörjas när tillgången tas i bruk. Avskrivning görs linjärt över 3 år

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas initialt till anskaffningsvärde inklusive utgifter för att få tillgången på plats och i skick för att kunna användas enligt intentionerna med investeringen. I anskaffningsvärdet ingår inköpspriset och andra direkt hänförliga utgifter såsom utgifter för leverans, hantering, installation, montering, lagfarter och konsulttjänster. Vi tillämpar inte komponentavskrivning eftersom vi anser att det inte skulle medföra en väsentlig avvikelse på avskrivningarna att redovisa på detta sätt.
Materiella anläggningstillgångar värderas till anskaffningsvärdet minskat med ackumulerade av- och nedskrivningar. Mark värderas till anskaffningsvärde med avdrag för eventuell nedskrivning.
Avskrivning av materiella anläggningstillgångar görs av tillgångens avskrivningsbara belopp över dess nyttjandeperiod och påbörjas när tillgången tas i bruk. Avskrivning görs linjärt. Följande nyttjandeperioder tillämpas:

*Byggnader :33-50år
*Inventarier: 5år
*Förbättringsutgifter på annans fastighet: 20år

Borttagande från balansräkningen
Materiella anläggningstillgångar tas bort från balansräkningen vid utrangering eller avyttring eller när inte framtida ekonomiska fördelar väntas från användning. När materiella anläggningstillgångar avyttras bestäms realisationsresultatet som skillnaden mellan försäljningspriset och tillgångens redovisade värde och redovisas i resultaträkningen i någon av posterna *Övriga rörelseintäkter* eller *Övriga rörelsekostnader.*

Prövning av nedskrivningsbehov av immateriella och materiella anläggningstillgångar
Per varje balansdag görs en bedömning av om det föreligger någon indikation på att en tillgångs värde är lägre än dess redovisade värde. Finns det en sådan indikation beräknas tillgångens återvinningsvärde. Om återvinningsvärdet understiger redovisat värde görs en nedskrivning som kostnadsförs.

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Andelar i dotterföretag
Andelar i dotterföretag värderas till anskaffningsvärde eventuellt minskat med nedskrivningar. Per varje balansdag bedömer bolaget om det finns indikationer på nedskrivningsbehov. Bedömningen görs individuellt post för post.

Aktieägartillskott
Bolaget redovisar lämnade aktieägartillskott som en ökning av värdet på andelarna i dotterföretag.

Fordringar och skulder
Monetära poster i utländsk valuta räknas om till balansdagens kurs och de valutakursdifferenser som uppkommer redovisas i resultaträkningen. Valutakursvinster och förluster avseende rörelserelaterade fordringar och skulder i utländsk valuta redovisas i posterna *Övriga rörelseintäkter* och *Övriga rörelsekostnader*.

Kundfordringar värderas till anskaffningsvärde med avdrag för befarade förluster. Leverantörsskulder värderas till nominellt belopp.

Inkomstskatter
Inkomstskatt utgörs av aktuell skatt och uppskjuten skatt. Inkomstskatt redovisas i resultaträkningen utom då en underliggande transaktion redovisas i eget kapital varvid även tillhörande skatteeffekt redovisas i eget kapital.
Aktuella skattefordringar och skatteskulder respektive uppskjutna skattefordringar och skatteskulder kvittas i de fall det finns en legal kvittningsrätt.
Aktuell skatt
Aktuell skatt är skattekostnaden för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen och nuvärdesberäknas inte.
Uppskjuten skatt
Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.
Uppskjuten skatt beräknas med hjälp av balansräkningsmetoden på samtliga temporära skillnader, dvs. skillnader mellan de redovisade värdena för tillgångar och skulder och deras skattemässiga värden samt skattemässiga underskott. Förändring av uppskjuten skatt redovisas i resultaträkningen.
Uppskjutna skattefordringar redovisas för alla avdragsgilla temporära skillnader och för möjligheten att i framtiden använda outnyttjade förlustavdrag.
Uppskjutna skattefordringar och skatteskulder värderas baserat på hur bolaget förväntar sig att återvinna/reglera det redovisade värdet på motsvarande tillgång/skuld. Värdering görs utan diskontering och enligt de skattesatser och skatteregler som är beslutade på balansdagen. En uppskjuten skattefordran värderas till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande eller framtida skattepliktiga resultat vilket omprövas per varje balansdag.

Likvida medel
Kassa och bank består av kassamedel och disponibla tillgodohavanden hos banken. Bolaget har blivit ägare till cashpool-konton där likvida medel redovisas som fordringar/skulder mellan parterna.

Eget kapital
Eget kapital i företaget består av följande poster:
Aktiekapital som representerar det nominella värdet för emitterade och registrerade aktier.
Balanserad vinst är alla balanserade vinster/förluster och aktierelaterade ersättningar för innevarande och tidigare perioder. I Eget kapital ingår även fusionsresultat från årets fusioner.

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Ersättningar till anställda

Kortfristiga ersättningar
Kortfristiga ersättningar till anställda, exempelvis löner, semesterersättningar och bonus, är ersättningar till anställda som förfaller inom 12 månader från balansdagen det år som den anställde tjänat in ersättningen. Kortfristiga ersättningar värderas till det odiskonterade belopp som bolaget förväntas betala till följd av den outnyttjade rättigheten.

Långfristiga ersättningar till anställda
Avtal teckande med anställda avseende "retention bonus" klassificeras som långfristiga ersättningar till anställda när ersättningar inte förfaller till betalning inom tolv månader efter balansdagen det år som den anställde tjänat in ersättningen. Detta gäller även avtal där bolaget kan välja att reglera ersättningen i form av aktier eller kontakter där antalet aktiter varierar baserat på ett fastställt ersättningsbelopp i samband med avtalstecknandet.

Ersättning efter avslutad anställning
Bolaget tillhandahåller ersattningar efter avslutad anställning i form av pensioner genom olika förmånsbestämda och avgiftsbestämda planer.

Pensionsplaner
I företaget finns avgiftsbestämda pensionsplaner. Som avgiftsbestämda planer klassificeras planer där fastställda avgifter betalas och det inte finns förpliktelser att betala något ytterligare, utöver dessa avgifter. Utgifter för avgiftsbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen. Företaget har även förmånsbestämda pensionsplaner, vilka redovisas som avgiftsbestämda planer då det inte finns tillräcklig information för att redovisa planen som förmånsbestämd.

Eventualförpliktelser
Som eventualförpliktelse redovisas en möjlig förpliktelse till följd av inträffade händelser och vars förekomst endast kommer att bekräftas av att en eller flera osäkra händelser, som inte helt ligger inom bolagets kontroll, inträffar eller uteblir.

Uppskattningar och bedömningar
När finansiella rapporter upprättas måste styrelsen och den verkställande direktören i enlighet med tillämpade redovisnings- och värderingsprinciper göra vissa uppskattningar, bedömningar och antaganden som påverkar redovisning och värdering av tillgångar, avsättningar, skulder, intäkter och kostnader. De områden där sådana uppskattningar och bedömningar kan ha stor betydelse för bolaget, och som därmed kan påverka resultat- och balansräkningarna i framtiden, beskrivs nedan.

Betydande bedömningar
Bedömning av osäkra fordringar
Kundfordringar värderas till det kassaflöde som förväntas inflyta till företaget. Därmed görs en detaljerad och objektiv genomgång av alla utestående belopp på balansdagen. Från och med redovisningsår 2021 redovisar bolaget reservering för befarade kundförluster enligt koncernens principer. Detta innebär att bolaget beräknar befarade kundförluster utifrån en modell med stegvis ökade reserveringar utifrån kundfordringarnas ålder.

Redovisning av uppskjutna skattefordringar
Bedömningen av i vilken omfattning uppskjutna skattefordringar kan redovisas baseras på en bedömning av sannolikheten av bolagets framtida skattepliktiga intäkter mot vilka uppskjutna skattefordringar kan utnyttjas.

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Nyckeltalsdefinitioner

Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Not 1 Nettoomsättningens fördelning per land och verksamhetsgren tkr

	2023	2022
Nettoomsättning per land		
Norge	141 396	166 775
Sverige	122 691	105 923
Storbritannien	27 367	18 128
Schweiz	31 928	21 753
Övriga	132 736	34 846
	456 118	**347 425**

Nettomsättning per verksamhetsgren	
Förtullning	360 514
Consulting	48 052
Digital	47 552
	456 118

Not 2 Övriga rörelseintäkter

	2023	2022
Valutakursvinster	18 876 843	14 655 996
Övriga rörelseintäkter	415 587	475 438
	19 292 430	**15 131 434**

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Not 3 Leasingavtal

Årets leasingkostnader avseende leasingavtal, uppgår till 12 325 798 kronor (fg år 10 568 905 kronor). Samtliga avtal redovisas som operationell leasing.

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2023	**2022**
Inom ett år	10 497 802	10 042 178
Senare än ett år men inom fem år	21 502 007	19 576 751
Senare än fem år	45 655 904	46 450 679
	77 655 713	**76 069 608**

Största hyreskontraktet i bolaget har en icke uppsägningsbar löptid på 13 år.

Not 4 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2023	**2022**
Grant Thornton Sweden AB		
Revisionsuppdrag inkl övr konsultation	1 143 927	266 251
	1 143 927	**266 251**

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Not 5 Anställda och personalkostnader

	2023	2022
Medelantalet anställda		
Kvinnor	238	212
Män	195	124
	433	**336**
Löner och andra ersättningar		
Styrelse och verkställande direktör	17 500	1 197 681
Övriga anställda	199 665 815	138 904 036
	199 683 315	**140 101 717**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	1 500	521 306
Pensionskostnader för övriga anställda	21 335 084	12 549 840
Övriga sociala avgifter enligt lag och avtal	74 853 782	43 654 552
	96 190 366	**56 725 698**
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**295 873 681**	**196 827 415**
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	67 %	33 %
Andel män i styrelsen	33 %	67 %
Andel kvinnor bland övriga ledande befattningshavare	67 %	33 %
Andel män bland övriga ledande befattningshavare	33 %	67 %

Not 6 Inköp och försäljning mellan koncernföretag

	2023	2022
Andel av årets totala inköp som skett från andra företag i koncernen	8,00 %	30,00 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	16,00 %	8,00 %

Not 7 Resultat från andelar i koncernföretag

	2023	2022
Resultat av avyttring av dotterbolag	364 269 600	174 374 734
	364 269 600	**174 374 734**

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Not 8 Skatt på årets resultat

	2023	2022
Redovisat resultat före skatt	429 643 462	172 491 090
Redovisat resultat före skatt	**429 643 462**	**172 491 090**

Avstämning av effektiv skatt

		2023		2022
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		429 643 462		172 491 090
Skatt enligt gällande skattesats	20,60	-88 506 553	20,60	-35 533 165
Skatteeffekt av ej avdragsgilla kostnader		-394 076		-443 474
Skatteeffekt av ej skattepliktig realisationsvinst		75 069 131		35 921 744
Skatteeffekt på utnyttjat underskottsavdrag		13 831 498		0
Skatt hänförlig till tidigare års redovisade resultat		0		54 895
Redovisad skattekostnad	**0,00**	**0**	**0,00**	**54 895**

Not 9 Licenser

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	0	0
Fusion	517 006	0
Utgående ackumulerade anskaffningsvärden	**517 006**	**0**
Ingående avskrivningar	0	0
Fusion	-517 006	0
Årets avskrivningar	0	0
Utgående ackumulerade avskrivningar	**-517 006**	**0**
Utgående redovisat värde	**0**	**0**

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ank=20240703;20240704123111

Not 10 Immateriella tillgångar

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	9 902 792	9 902 792
Inköp	0	0
Försäljningar/utrangeringar	-1 360 538	0
Utgående ackumulerade anskaffningsvärden	**8 542 254**	**9 902 792**
Ingående avskrivningar	-9 902 792	-9 902 792
Försäljningar/utrangeringar	1 360 538	0
Årets avskrivningar	0	0
Utgående ackumulerade avskrivningar	**-8 542 254**	**-9 902 792**
Utgående redovisat värde	**0**	**0**

Not 11 Byggnader och mark

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	8 997 937	8 997 937
Fusion	4 975 034	0
Utgående ackumulerade anskaffningsvärden	**13 972 971**	**8 997 937**
Ingående avskrivningar	-2 596 551	-2 416 592
Fusion	-3 939 831	0
Årets avskrivningar	-428 709	-179 959
Utgående ackumulerade avskrivningar	**-6 965 091**	**-2 596 551**
Utgående redovisat värde	**7 007 880**	**6 401 386**

Not 12 Nedlagda utgifter på annans fastighet

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	2 801 019	2 801 019
Försäljningar/utrangeringar	0	0
Utgående ackumulerade anskaffningsvärden	**2 801 019**	**2 801 019**
Ingående avskrivningar	-1 808 046	-1 559 722
Försäljningar/utrangeringar	0	0
Årets avskrivningar	-248 324	-248 324
Utgående ackumulerade avskrivningar	**-2 056 370**	**-1 808 046**
Utgående redovisat värde	**744 649**	**992 973**

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Not 13 Inventarier och datautrustning

	2023-12-31	2022-12-31
Ingående anskaffningsvärden	8 762 578	9 802 549
Inköp	465 770	1 333 744
Försäljningar/utrangeringar	-1 464 170	-2 373 715
Fusion	5 871 888	0
Utgående ackumulerade anskaffningsvärden	**13 636 066**	**8 762 578**
Ingående avskrivningar	-6 351 609	-8 055 946
Försäljningar/utrangeringar	1 464 170	2 313 238
Fusion	-5 728 880	0
Årets avskrivningar	-826 006	-608 901
Utgående ackumulerade avskrivningar	**-11 442 325**	**-6 351 609**
Utgående redovisat värde	**2 193 741**	**2 410 969**

Not 14 Specifikation andelar i dotterföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Redovisat värde
Maesk Accountancy & VAT Services Sweden AB	100%	100%	1	1 200 000
KGH UK	100%	100%	1	15
				1 200 015

	Org.nr	Säte	Eget kapital	Resultat
Maesk Accountancy & VAT Services Sweden AB	556424-7699	Strömstad	2 778 880	504 764
KGH UK	04292661	Immingham (GB)	0	0

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Not 15 Andelar i dotterföretag

	2023-12-31	2022-12-31
Ingeånde anskaffningsvärde KGH GmbH	0	63 925 398
Utgående anskaffningsvärde	**0**	**63 925 398**
Ingående anskaffningsvärde HNN Spedition Logistic & Consluting AB	0	6 898 054
Utgående anskaffningsvärde	**0**	**6 898 054**
Ingående anskaffningsvärde Tromsö Sped Sverige AB	0	174 911
Utgående anskaffningsvärde	**0**	**174 911**
Anskaffningsvärde (fusion) Maersk Accountancy & VAT Services Sweden AB	1 200 000	0
Utgående anskaffningsvärde	**1 200 000**	**0**
Anskaffningsvärde (fusion) KGH UK	15	0
Utgående anskaffningsvärde	**15**	**0**

Försäljning av aktierna gällande KGH GmbH är gjord under året.
Bolagen HNN Spedition Logistic & Consluting AB och Tromsö Sped Sverige AB har fusionerats in i bolaget under året samt att Maersk A&V AB och KGH UK har förvärvats genom fusion.

Not 16 Uppskjutna skattefordringar

Uppskjutna skatter som uppstår till följd av temporära skillnader i kortfristiga fordringar är 407 827 kr, redovisas som uppskjuten skattefordran.

Not 17 Fordringar hos koncernföretag

	2023-12-31	2022-12-31
Kundfordringar hos koncernföretag	18 766 229	3 682 446
Fordran A.P Möller Maersk	1 520 611 455	0
Likvidavräkning SEB SEK	0	211 744 275
Likvidavräkning SEB EUR	0	2 797 689
Likvidavräkning SEB GBP	0	1 788 755
Likvidavräkning SEB CHF	0	1 234 790
Likvidavräkning SEB NOK	0	3 605 643
Network income, Maersk International	19 785 054	0
	1 559 162 738	**224 853 598**

Cashpool finns numera i bolaget.

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Not 18 Förutbetalda kostnader och upplupna intäkter

	2023-12-31	2022-12-31
Förutbetalda kostnader MCD	61 477	183 184
Förutbetalda kostnader övriga	8 430 712	3 534 847
	8 492 189	**3 718 031**

Not 19 Antal aktier och kvotvärde

Namn	Antal aktier	Kvot-värde
Antal aktier	510 000	100
	510 000	

Not 20 Disposition av vinst eller förlust

	2023-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel:	
balanserad vinst	173 354 686
fusionsresultat	327 525 920
årets vinst	429 713 476
	930 594 082
disponeras så att	
i ny räkning överföres	930 594 082

Not 21 Fusion

Atlantic Continental Holding AB

Under året har Atlantic Continental Holding AB med organisationsnummer 556722-5999 fusionerats med företaget. Resultat- och balansräkningsposterna i Atlantic Continental Holding AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	0
Rörelseresultat	-31 926
Anläggningstillgångar	59 724 546
Omsättningstillgångar	210 818 819
Summa tillgångar	**270 543 365**
Skulder & Eget kapital	224 778 067
Summa skulder	**224 778 067**

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ank=2023-0709;20230709;13713

KGH Customs AB
Under året har KGH Customs AB med organisationsnummer 556870-4612 fusionerats med företaget. Resultat- och balansräkningsposterna i KGH Customs AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	0
Rörelseresultat	-25 219
Anläggningstillgångar	340 000 000
Omsättningstillgångar	0
Summa tillgångar	**340 000 000**
Skulder & Eget kapital	344 809 092
Summa skulder	**344 809 092**

Dovana Holding AB
Under året har Dovana Holding AB med organisationsnummer 556942-1778 fusionerats med företaget. Resultat- och balansräkningsposterna i Dovana Holding AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	0
Rörelseresultat	-35 178
Anläggningstillgångar	95 613 671
Omsättningstillgångar	10 944 894
Summa tillgångar	**106 558 565**
Skulder & Eget kapital	106 593 744
Summa skulder	**106 593 744**

KGH Group AB
Under året har KGH Group AB med organisationsnummer 556942-1588 fusionerats med företaget. Resultat- och balansräkningsposterna i KGH Group AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	-503 531
Rörelseresultat	-4 068 799
Anläggningstillgångar	708 377 271
Omsättningstillgångar	1 616 985 939
Summa tillgångar	**2 325 363 210**
Skulder & Eget kapital	2 060 279 807
Summa skulder	**2 060 279 807**

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HNN Spediton Logistics & Consulting AB
Under året har HNN Spediton Logistics & Consulting AB med organisationsnummer 556570-0688 fusionerats med företaget. Resultat- och balansräkningsposterna i HNN Spediton Logistics & Consulting AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	-1 463
Rörelseresultat	-16 336
Anläggningstillgångar	0
Omsättningstillgångar	4 271 206
Summa tillgångar	**4 271 206**
Skulder & Eget kapital	4 287 442
Summa skulder	**4 287 442**

Tromsö Sped Sverige AB
Under året har Tromsö Sped Sverige AB med organisationsnummer 556879-1189 fusionerats med företaget.Resultat- och balansräkningsposterna i Tromsö Sped Sverige AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	0
Rörelseresultat	9
Anläggningstillgångar	0
Omsättningstillgångar	162 247
Summa tillgångar	**162 247**
Skulder & Eget kapital	162 198
Summa skulder	**162 198**

KGH Digital AB
Under året har KGH Digital AB med organisationsnummer 556726-9658 fusionerats med företaget.Resultat- och balansräkningsposterna i KGH Digital AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	5 936 894
Rörelseresultat	-26 709 201
Anläggningstillgångar	191 307 221
Omsättningstillgångar	95 993 522
Summa tillgångar	**287 300 743**
Skulder & Eget kapital	314 053 808
Summa skulder	**314 053 808**

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KGH Global Cosulting AB
Under året har KGH Global Cosulting AB med organisationsnummer 556653-3591 fusionerats med företaget.Resultat- och balansräkningsposterna i KGH Global Cosulting AB per fusionsdagen 2023-06-07 framgår nedan.

	Belopp per 2023-06-07
Nettoomsättning	19 524 068
Rörelseresultat	10 057 282
Anläggningstillgångar	0
Omsättningstillgångar	21 756 877
Summa tillgångar	**21 756 877**
Skulder & Eget kapital	11 359 655
Summa skulder	**11 359 655**

Not 22 Skulder till koncernföretag

	2023-12-31	**2022-12-31**
Levskuld KCS AS	3 530	9 447
Levskuld koncerninterna bolag	4 843 838	3 449 249
Skuld koncernföretag	4 478 722	65 700 618
Likvidavräkning SEK	35 192 342	0
Likvidavräkning NOK	138 253 022	0
Likvidavräkning EUR	363 769 148	0
Likvidavräkning CHF	3 206 971	0
Likvidavräkning USD	2 653	0
Likvidavräkning DKK	4 325 391	0
	554 075 617	**69 159 314**

Likvidavräkning avser cashpool balanser till koncernföretag.

Not 23 Garantier
För att kunna erhålla tullkredit och därigenom kunna hantera tullavgifter och ta ansvar för transitprocedurer måste bolaget presentera garantier gentemot Tullmyndigheten. Dessa garaniter utfärdas av ett godkänt finansinstitut. Bolaget har per balansdagen en garantiram på 120MSEK (fg år 90MSEK) hos godkända försäkringsbolag.

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Not 24 Upplupna kostnader och förutbetalda intäkter

	2023-12-31	2022-12-31
Upplupna semesterlöner	29 036 573	18 589 596
Upplupna sociala avgifter	14 384 711	12 527 844
Upplupna löner	15 630 332	13 333 127
Övriga interimsskulder	2 933 481	581 546
Förutbetalda intäkter	5 876 124	0
Upplupna kostnader, interna	137 679	0
Förutbetalda kostnader Consutling	306 662	0
	68 305 562	**45 032 113**

Not 25 Likvida medel

	2023-12-31	2022-12-31
Likvida medel		
Kassa och bank	-7 259 158	16 031 314
	-7 259 158	**16 031 314**

Till likvida medel hänförs bolagets kassa och bankkonto. Likvida medel på koncernkonton redovisas som fordringar/skulder hos koncernföretag.

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Not 26 Väsentliga händelser efter räkenskapsårets slut

Integrationen till Maersk-koncernen fortsätter och som ett led i detta pågår förändringar, exempelvis inom stödfunktionerna. Stora process- och organisatoriska förändringar har redan skett inom IT och HR, liknande förändringar pågår även inom ekonmifunktionen där vissa delar kommer att centraliseras.

Göteborg

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VD

Mathias Ehrenström

Rose-Marie Jensson

Vår revisionsberättelse har lämnats

Grant Thornton Sweden AB

Zlatan Mitrovic
Auktoriserad revisor

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Sara Rutgersson • 25.06.2024 16:37

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Årsredovisning 2023 Maersk L&S Sweden AB.pdf
25 pages

Activity log

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Revisionsberättelse

Till bolagsstämman i Maersk Logistics & Services Sweden AB

Org.nr. 556096 - 7431

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Maersk Logistics & Services Sweden AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Maersk Logistics & Services Sweden ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Maersk Logistics & Services Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.

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• utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Maersk Logistics & Services Sweden AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Maersk Logistics & Services Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

• företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
• på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet.

Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Göteborg, enligt datum som framgår av elektronisk signering.
Grant Thornton Sweden AB

Zlatan Mitrovic
Auktoriserad revisor

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Purpose

Improving life for all by integrating the world.

Strategy

Transforming A.P. Moller - Maersk from a diversified conglomerate to be the global integrator of container logistics, connecting and simplifying customers' supply chains.

Ambitions

An integrated container logistics company.

A.P. Moller - Maersk strives to go all the way, every day, to deliver a more connected, flexible and sustainable world of global logistics.

Sustainability

An integral part of, and prerequisite for, the success of A.P. Moller - Maersk's global integrator strategy.

Our core ESG commitments are:

Environment: We will take leadership in the decarbonisation of logistics.

Social: We will ensure that our people thrive at work by providing a safe and inspiring workplace.

Governance: We operate based on responsible business practices.

South China Sea, China

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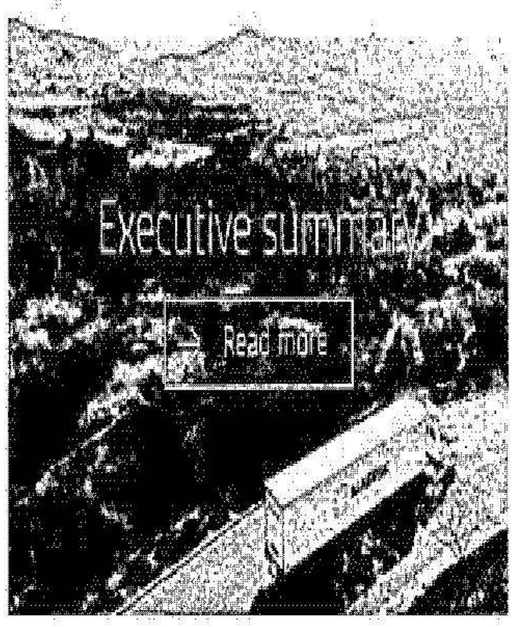

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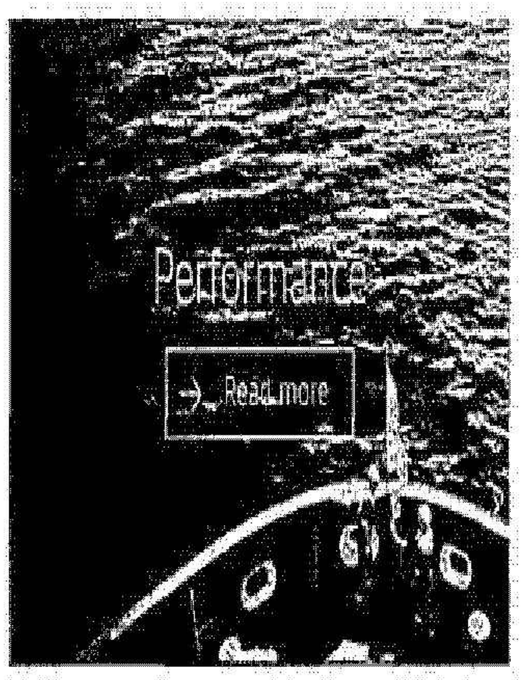

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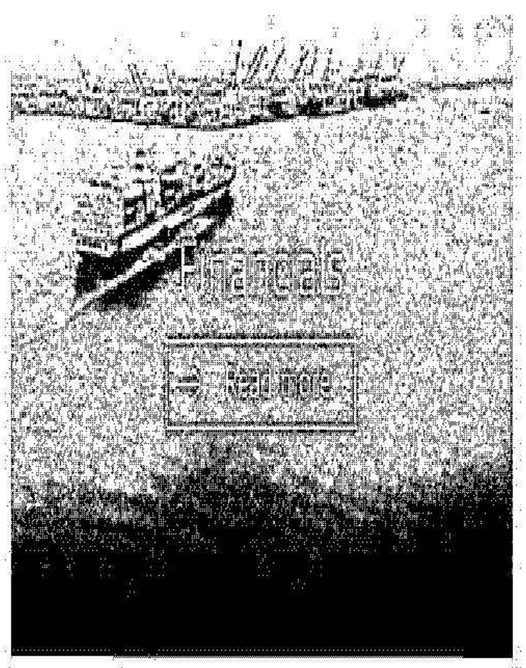

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Reporting universe

To provide a comprehensive and transparent information to all stakeholders, A.P. Moller - Maersk publishes a suite of additional reports and supplementary information.

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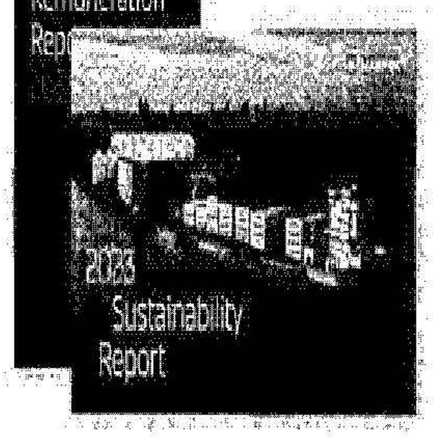


Executive summary

Executive Summary

→ Highlights 2023

→ Letter from the Chair and the CEO

→ Financials in brief

→ ESG in brief

→ Five-year summary

Santa Fe Springs, California, United States

Highlights 2023

Executive summary

13 September

Ground-breaking of Rijeka Gateway

The USD 380m Rijeka Gateway will be a state-of-the-art remote-controlled container terminal, and once it starts operations in 2025 it will significantly reduce transit time to the Adriatic and Central European markets. The terminal will mainly utilise electrical equipment and help minimise the carbon emissions footprint.

22 September

A.P. Moller - Maersk signs landmark green methanol offtake agreement

Green fuel scarcity remains one of the key issues to solve to complete the green transition in shipping. The offtake agreement between A.P. Moller - Maersk and Chinese developer Goldwind, a global leader in clean energy, reaches into the next decade and marks the first large scale green methanol offtake agreement for the global shipping industry.

22 [illegible]

First container vessel conversion to methanol dual-fuel engine

A.P. Moller - Maersk to pioneer first container vessel conversion to methanol dual-fuel engine. As the first in the shipping industry, A.P. Moller - Maersk will retrofit an existing vessel to a dual-fuel methanol powered vessel and thereby able to sail on green methanol. The first engine retrofit in the industry is scheduled to be conducted mid-2024.

January February March April May June July August September October November December

28 March

Europe-China air freight

A.P. Moller - Maersk launches Europe-China air freight service to add further agility to customer supply chains.

24 May

Laura Mærsk

Following a name-giving event in Copenhagen, Denmark, the world's first methanol-enabled container vessel, Laura Mærsk, enters service.

STARLINK

22 October

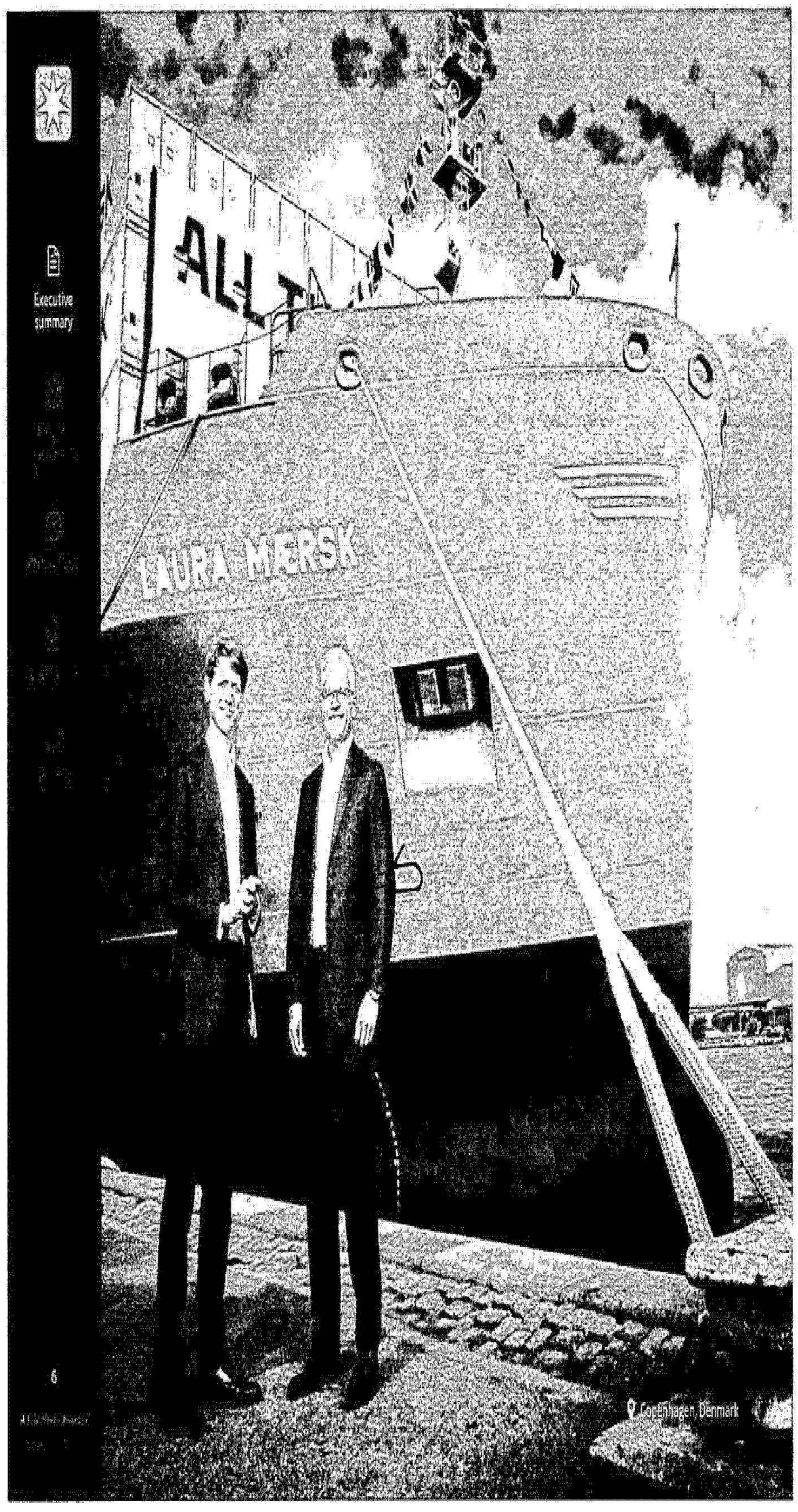
A.P. Moller - Maersk signs deal with Starlink for its Ocean fleet

A.P. Moller - Maersk's more than 330 own operated container vessels will have Starlink installed, enabling high-speed internet with speeds over 200 Mbps. The service is a leap forward in terms of internet speed and latency which will bring significant benefits in terms of both crew welfare and business impact.

4 December

A.P. Moller - Maersk to invest more than USD 500m in integrated supply chain capabilities in Southeast Asia

A.P. Moller - Maersk announced the plan to invest USD 500m in expanding its supply chain infrastructure to support Southeast Asia's emergence as a global production hub and a consumption powerhouse. Investments, which will spread over the coming three years, will mainly target Logistics & Services arm and reflects the commitment to being the global logistics integrator.



Dedicated to fulfilling our customers' supply chain needs

In 2024, our purpose of improving the world was prominently reflected in our role as leaders in the decarbonisation of the maritime industry and our consistent investments in advanced and robust logistics solutions, aimed at equipping our customers for various type of disruptions and ensuring the resilience of global supply chains.

Together with our customers, we navigated a year of profound change in the global logistics industry, marked by a rapidly evolving market environment. We are pleased to report that A.P. Møller - Mærsk delivered financial performance in line with our guidance for the year, demonstrating resilience and adaptation throughout these highly dynamic and complex times.

Markets normalised after the years of lockdowns and subsequent boom in consumer demand. The market correction began in the fourth quarter of 2022 as supply chain bottlenecks gradually eased. In the first six months of the year, we saw a trend of destocking, leading to a decrease in overall demand. The second half revealed a new industry standard, marked by robust volumes but constrained by pricing pressures due to oversupply in shipping, with unprecedented signs of more ships being idled or recycled.

Measures for a changed reality

During the year, we actively responded to the shifting environment. Early cost containment initiatives included deployed capacity management and efficient management of fixed and variable costs. Our net operating expenses, which SG&A cost, Logistics & Services, and safeguarding our financial performance. Our workforce was realigned with our evolving book of business, reducing our global staff from 110,000 to around 100,000. Moreover, we accelerated our capital expenditure plans for 2024 and 2025.

Post-pandemic resilient supply chains

Despite the absence of significant congestions, the vulnerabilities that triggered disruptions during the pandemic years still linger in global supply chains, and new challenges keep emerging. Supply chains have become increasingly complex and fragmented, and customers are dealing with uncertainty from geopolitical tensions and changing consumer behaviour causing fluctuating demand. Consequently, steps are taken to diversify sourcing and nearshore production to enhance resilience and flexibility in logistics.

Throughout the year, we have further deepened our understanding of our customers' diverse supply chain needs to help them develop resilient solutions. We remain committed to manage any complexities our customers may experience by continuously improving and innovating our services and offerings.

Additionally, Terminals is further enhancing supply chain efficiency by expanding current terminals and establishing new ones. Key projects include the USD 1 billion expansion in Rotterdam, the Netherlands, advancements in automation at Pier400 in Los Angeles, USA and plans for new terminal developments, like the announced strategic partnership in Hai Phong, Vietnam. Terminals consistently demonstrates robust business performance, maintaining a strong focus on cost management, safety and operational excellence.

Digitising to deliver on customer needs

We have advanced further on enhancing the operational reliability of our digital infrastructure, enabling very stable execution of business and significantly improved system availability. Furthermore, we have hit some fundamental milestones in our efforts to develop modern platforms across the supply chain. Aiming to unlock truly integrated logistics for our customers, we have moved from basic visibility to multi-carrier, multi-modal visibility.

Beyond this, we have made progress on standardising and rolling out our inland platform and our warehousing solution across regions. Focus is now on unlocking productivity gains through further platform integration and work-flow automation.

Decarbonising logistics

In 2023, we marked a noteworthy achievement in our efforts to decarbonise the logistics industry by introducing the world's first green fuel-enabled vessel – Laura Mærsk. As a pioneering force in decarbonising the industry, we are acutely aware that we heavily rely on the partnership and support from the industry, from regulations and, fundamentally, from our customers.

To transition away from fossil fuels, collaboration across sectors is crucial. By 2030, A.P. Moller - Maersk alone will need up to 5 million tonnes of green fuels to deliver on our green pledges, while current global production of green methanol is under 100,000 tonnes. The need for green fuels in shipping is immense and the challenge to provide it is too big a task for any one company or investor to manage alone.

Our industry's progress depends on robust regulatory frameworks. At UN's annual COP meeting in November 2023, we stood united with leading players in our industry calling for lawmakers to introduce measures that – if implemented – will accelerate the decarbonisation of global maritime transport. Together with CEOs from four of the largest container carriers, we proposed in a joint declaration a carbon tax scheme to help close the price gap between fossil and green fuels recognising that not all customers are ready to pay the higher prices currently associated with sustainable transport.

Reconfirming our transformational journey

While we continue to streamline our organisation and operations, we remain dedicated to our strategy of fulfilling our customers' diversified supply chain needs while pursuing growth opportunities across our Terminals and Logistics & Services businesses. We are pleased to note great commercial wins, which reflect the value our customers place on our integrated logistics solutions and close partnerships.

In our Ocean business, focus is steadfast on maintaining best-in-class margins and building an even more efficient and reliable future Ocean network. In Logistics & Services, we are looking to expand our offering while optimising performance and driving growth. Meanwhile, in Terminals focus is on continued optimisation and ongoing growth initiatives.

The market dynamics of 2023 underscored the critical importance of diversifying our revenue streams beyond the Ocean business and forging stronger, more collaborative relationships with our customers. These efforts are key to our ongoing success and adaptation in a rapidly evolving market and to our strategy of being the global integrator of logistics.

Thank you for your support

2023 ended with multiple distressing attacks on cargo ships in the Red Sea and the Gulf of Aden, including two A.P. Moller - Maersk vessels. We are horrified by the escalation of this unfortunate conflict. Ensuring the safety of our people and customers' supply chains is our priority. We are encouraged by the strong international support to restore this essential shipping lane. Our sincere wish is for rapid control of the situation, to allow for the resumption of safe transportation in 2024.

In closing, we would like to express our sincere gratitude to all A.P. Moller - Maersk colleagues around the world for their relentless efforts and unwavering dedication. We would also like to express our appreciation to the Executive Leadership Team and the Board of Directors. In particular, we welcome Kasper Rorsted, who joined the Board in 2023.

Last but not least, we are extending a profound thanks to our customers. The support and partnership from our customers are the driving force behind our commitment to delivering excellence in global logistics.

Robert Mærsk Uggla
Chair of A.P. Moller - Mærsk A/S

Vincent Clerc
CEO of A.P. Moller - Mærsk A/S

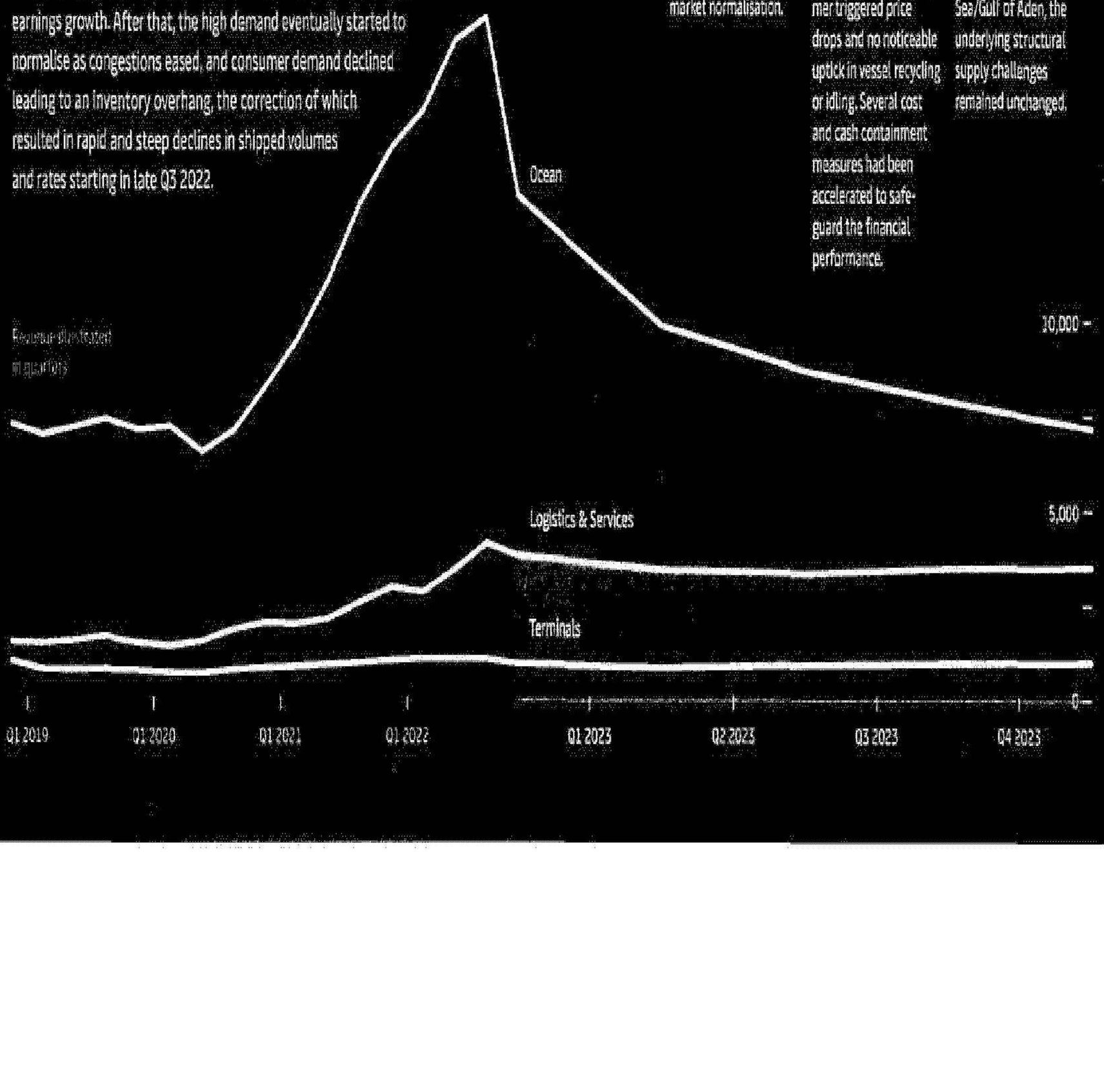
A year of normalisation

Executive summary

In 2023, the logistics markets experienced a normalisation from the disruptions of the logistics industry in 2020-2022, due to COVID-19, accelerating already existing issues in the global supply chains and with a significant impact on world trade.

In previous years, the demand for logistics services significantly increased, and, in turn, freight rates saw all-time highs due to capacity shortages, where container availability and air capacity remained tight, and wait times for vessels outside of ports remained lengthy given the bottlenecks in landside transportation and warehousing.

In this exceptional market, freight rates peaked in Q3 2022, which for A.P. Moller - Maersk was the 16th quarter in a row with year-on-year earnings growth. After that, the high demand eventually started to normalise as congestions eased, and consumer demand declined leading to an inventory overhang, the correction of which resulted in rapid and steep declines in shipped volumes and rates starting in late Q3 2022.



Revenue

USDbn

51.1bn

(USD 81.5bn)

Q1

Solid results in line with expectations, while continued destocking in Europe and especially North America together with easing of congestions implied lower volumes across all segments, while a maintained focus on proactively managing costs was key in adjusting to a radically changed business environment.

Q2

A strong first half of the year, with A.P. Moller - Maersk responding to ongoing market normalisation prompted by destocking and a subdued growth environment, following the pandemic-fuelled years, leading to lower volumes and lower rates. Decisive actions on cost containment together with the contract portfolio cushioned some of the effects of this market normalisation.

Q3

Deterioration of rates regained momentum now as a result of increased supply in Ocean with rates well off their 2022 peak and continued lower volumes. The business was facing a new normal with subdued demand, prices back in line with historical levels and inflationary pressure on the cost base. Overcapacity across most regions had since summer triggered price drops and no noticeable uptick in vessel recycling or idling. Several cost and cash containment measures had been accelerated to safeguard the financial performance.

Q4

Volumes were up but rates continued to erode. Market conditions remained volatile, and the impact of high levels of additional supply increased with subdued idling and ship recycling initiatives across the business. Despite a temporary change in market conditions towards the end of the quarter amid the concerning disruptions in the Red Sea/Gulf of Aden, the underlying structural supply challenges remained unchanged.

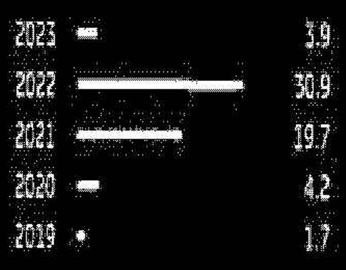
EBIT

USDbn

3.9bn

(USD 30.9bn)

EBIT decreased by USD 26.9bn, negatively impacted by the declining freight rates and with an impact from Ocean of USD 26.9bn.



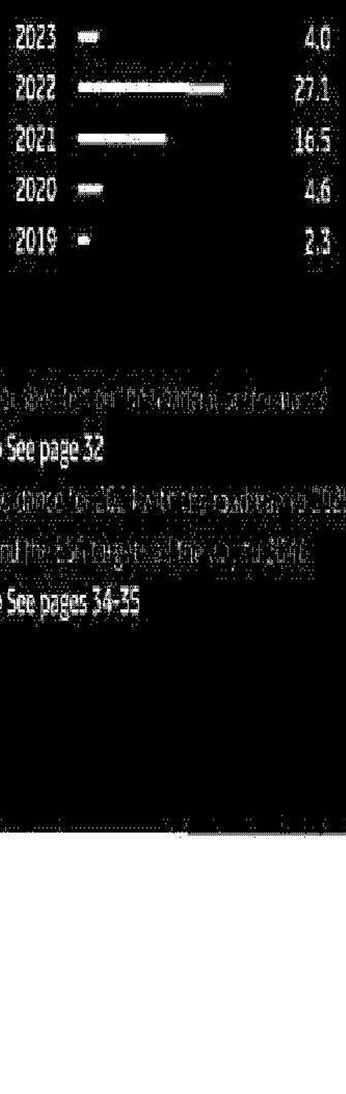
Free cash flow

USDbn

4.0bn

(USD 27.1bn)

The decrease in free cash flow was negatively impacted by lower cash flow from operating activities, partly offset by lower CAPEX and higher financial income and sales proceeds.



→ See page 32
→ See pages 34-35

Progress on ESG commitments

In 2023, A.P. Moller - Maersk continued maturing the roadmaps and processes identified in previous years to fully integrate ESG into the company's business, delivering many examples of its environmental and social commitments. This included a milestone for A.P. Moller - Maersk and the entire industry – the arrival of the world's first vessel capable of running on green methanol.

Validated science-based targets

1.5°C aligned

A.P. Moller - Maersk is the shipping industry's first to secure validation from the Science Based Targets Initiative for 1.5°C-aligned 2030 targets and Net Zero 2040 targets, to be reported on from 2024 replacing previous targets.

Engagement

60th

(67th percentile)

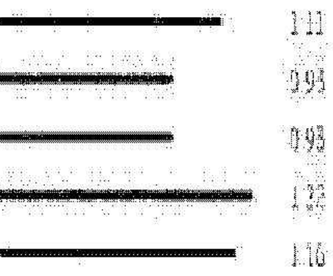
The challenging business climate of 2023, combined with uncertainty from A.P. Moller - Maersk's large structural reorganisation in the beginning of the year and a work-force reduction had a dampening effect on employee engagement, which fell from the 67th percentile in 2022 to 60th percentile in 2023, measured in the biannual engagement survey relative to the global benchmark.

Safety

1.11

(0.93 LTIF)

In 2023, the lost-time injury frequency rate increased from 0.93 to 1.11, partly driven by a focus on improving the reporting culture, which has led to more reported cases.

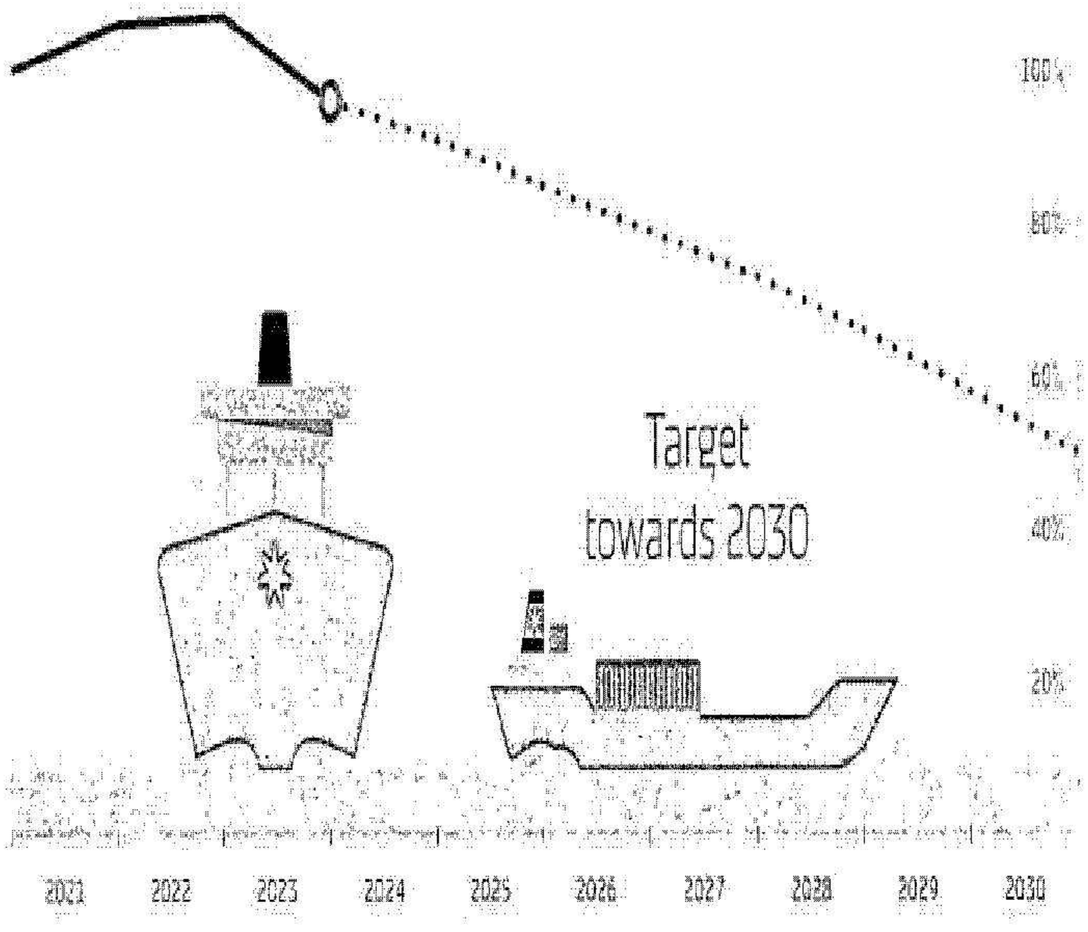


Decarbonising Ocean

96%

(107%)

A.P. Moller - Maersk increased the energy efficiency of its fleet through more energy-efficient operations and new technologies. This lowered Ocean's emissions intensity, EEOI, from 13.0 in 2022 to a record-low of 11.7 in 2023. The graph shows progress relative to the 2020 baseline.



Investing in green solutions

Laura Maersk, the world's first green methanol capable container vessel, completed her first voyage from South Korea to Copenhagen, Denmark, entirely on green methanol. 24 more methanol-capable vessels are on order, as well as a pilot for the world's first methanol vessel retrofit.

In 2023, A.P. Moller - Maersk further continued investing in end-to-end logistics decarbonisation solutions, including electric trucks in Germany, Norway, Sweden, the UK and China. Low emissions dry storage warehouses were opened in the UK, Malaysia and Colombia, as well as a state-of-the-art cold storage space in New Zealand.

In Terminals, the equipment electrification continued, and 30 terminals are now running on 100% renewable energy.

Diversity

27%

(26%)

The share of women in leadership roles, including leaders, senior leaders and executives, increased to 27% (26%), requiring continued attention.

Five-year summary

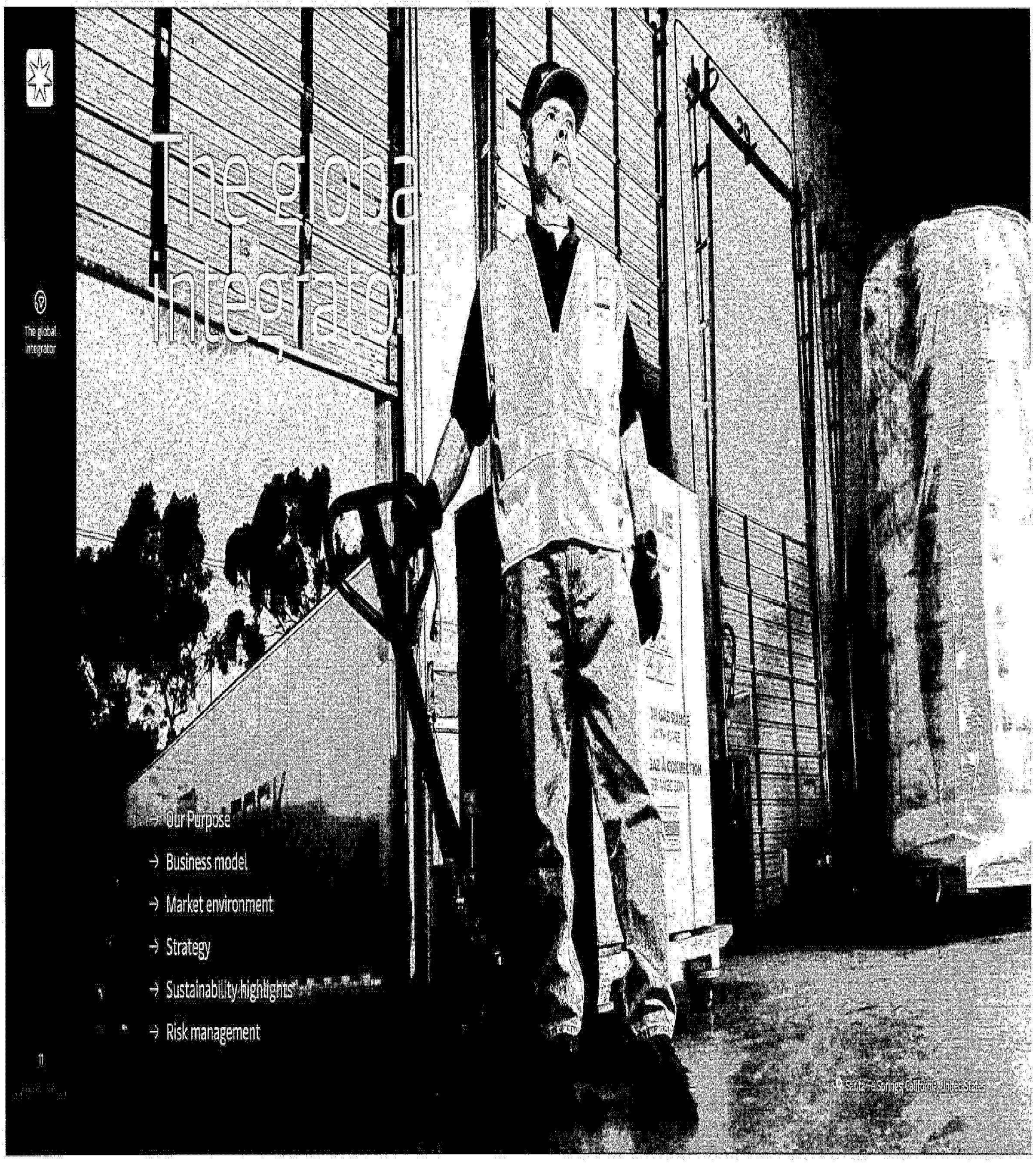
Income statement	2023	2022	2021	2020	2019
Revenue	51,065	81,529	61,787	39,740	38,890
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	9,591	36,813	24,036	8,226	5,712
Depreciation, amortisation and impairment losses, net	6,615	6,186	4,944	4,541	4,287
Gain on sale of non-current assets, etc., net	523	101	96	202	71
Share of profit/loss in joint ventures and associated companies	435	132	486	299	229
Profit before financial items (EBIT)	3,934	30,860	19,674	4,186	1,725
Financial items, net	428	-629	-944	-879	-758
Profit before tax	4,362	30,231	18,730	3,307	967
Tax	454	910	697	407	458
Profit for the year - continuing operations	3,908	29,321	18,033	2,900	509
Profit/loss for the year - discontinued operations[1]	-	-	-	-	-553
Profit/loss for the year	3,908	29,321	18,033	2,900	-44
A.P. Møller - Mærsk A/S' share	3,822	29,198	17,942	2,850	-84
Underlying profit - continuing operations	3,954	29,703	18,170	2,960	546
Balance sheet					
Total assets	82,100	93,680	72,271	56,117	55,399
Total equity	55,090	65,032	45,588	30,854	28,837
Invested capital	50,430	52,410	44,043	40,121	40,555
Net interest-bearing debt	-4,658	-12,632	-1,530	9,232	11,662
Cash flow statement					
Cash flow from operating activities	9,643	34,476	22,022	7,828	5,919
Repayments of lease liabilities	3,226	3,080	2,279	1,710	1,291
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	5,646	4,163	2,976	1,322	2,035
Cash flow from financing activities	16,805	14,135	7,900	5,618	4,800
Free cash flow	5,967	27,107	16,537	4,648	2,340

Financial ratios	2023	2022	2021	2020	2019
Revenue growth	-37.4%	32.0%	55.5%	2.2%	-0.9%
EBITDA margin	18.8%	45.2%	38.9%	20.7%	14.7%
EBIT margin	7.7%	37.9%	31.8%	10.5%	4.4%
Cash conversion	101%	94%	92%	95%	104%
Return on invested capital after tax - continuing operations (ROIC)	7.4%	60.4%	45.3%	9.4%	3.1%
Equity ratio	67.1%	69.4%	63.1%	55.0%	52.1%
Underlying ROIC	7.5%	61.2%	45.7%	9.6%	3.2%
Underlying EBITDA	9,771	36,843	24,036	8,324	5,790
Underlying EBITDA margin	19.1%	45.2%	38.9%	20.9%	14.9%
Underlying EBIT	5,962	31,244	19,808	4,231	1,761
Underlying EBIT margin	7.8%	38.3%	32.1%	10.6%	4.5%
Stock market ratios					
Earnings per share - continuing operations, USD	227	1,600	941	145	23
Diluted earnings per share - continuing operations, USD	227	1,595	938	145	23
Cash flow, operating activities per share, USD	572	1,889	1,155	399	288
Dividend per share, DKK	515	4,300	2,500	330	150
Dividend per share, USD	74	623	381	55	22
Share price (B share), end of year, DKK	12,140	15,620	23,450	13,595	9,608
Share price (B share), end of year, USD	1,800	2,242	3,576	2,246	1,439
Total market capitalisation, end of year, USDm	28,541	39,135	64,259	41,957	28,000
Environmental and social data					
Ocean. Reduction in carbon intensity (EEOI) by 2030 (2020 baseline)	4%	-7%	-6%	0%	-
Fatalities	4	9	4	1	5
Lost-time injury frequency (LTIF)	1.11	0.93[2]	0.93	1.22	1.16
Women in leadership (% based on headcount)	27%	26%	22%	21%	20%

1) Maersk Drilling was demerged in April 2019 and following the classification of the businesses as discontinued operations, it was presented separately on an aggregated level in the income statement, balance sheet and cash flow statement.
2) The 2022 lost-time injury frequency (LTIF) was restated from 0.90 to 0.93.

Definition of terms → See page 125.

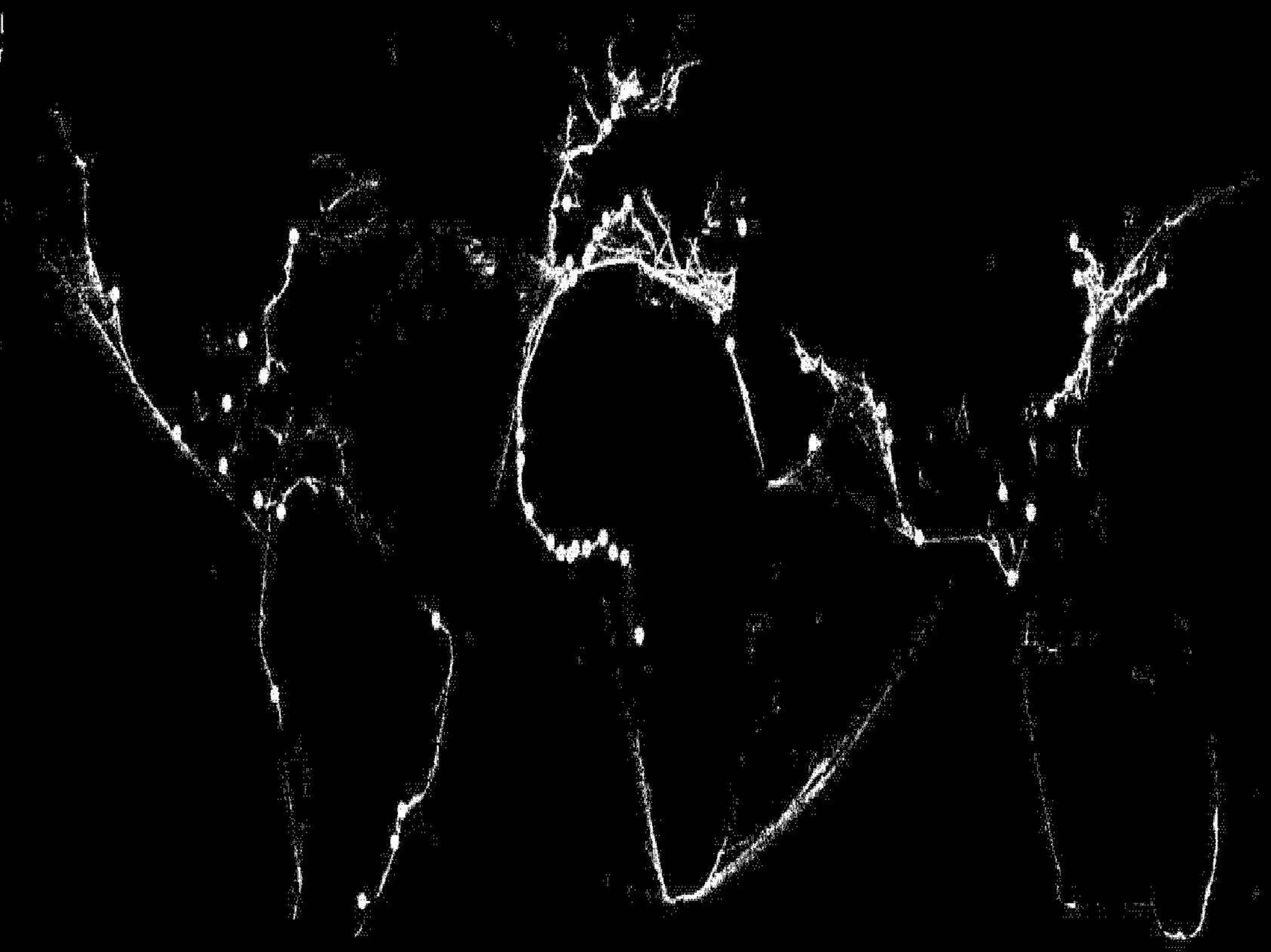
Amounts in USD million


The global integrator
→ Our Purpose
→ Business model
→ Market environment
→ Strategy
→ Sustainability highlights
→ Risk management
Santa Fe Springs, California, United States

OUR PURPOSE

Improving life for all by integrating the world

The global integrator



Ocean

Green methanol-enabled vessels on order **24**

Containers per annum (m FFE), serving over 475 ports worldwide **11.9**

Container vessels deployed **670+**

Logistics & Services

7,800k+ sqm warehousing capacity worldwide across **460+ sites**

Electric vehicles in operation; 200+ more on order **100+**

Intermodal volumes managed (m FFE) **4.0**

Terminals*

Moves in 2023 **21.7m**

Vessel calls **27,000+**

Operating facilities across 35 countries; 3 new port projects **62**

* Gateway terminals and hubs

— The integration illustrated by five years of Automatic Identification System (AIS) transponder data from A.P. Moller - Maersk vessels registered in the company's scheduling system CSIS

● Gateway terminals and hubs

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

Our business and how we create value

The global integrator

What we depend on

Purpose-driven people and our culture
Our talented, diverse team of around 100,000 employees with 181 nationalities.

Our brand
For over a century, we have built partnerships with customers, enabling them to prosper by facilitating global trade.

Natural resources
Our business relies on natural resources such as steel for vessels and oil, biomass and water for conventional and green fuels.

Stakeholder relationships and partnerships
We rely on constructive relationships with customers, suppliers, peers and authorities.

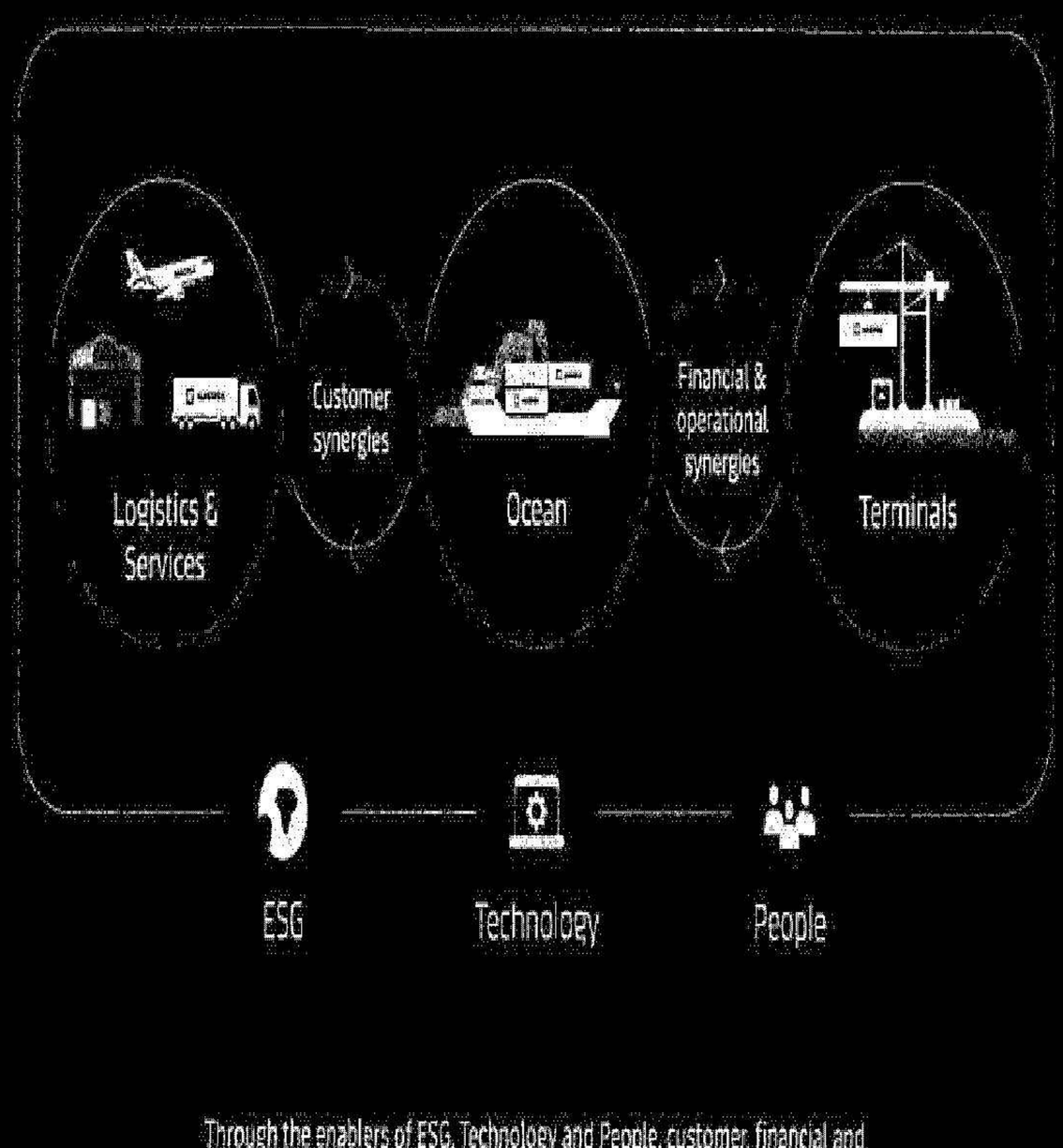
Assets and end-to-end delivery network
Our assets, supplier relationships and logistics expertise ensure resilient supply chains.

Financial capital
We have a strong balance sheet and are committed to remaining investment grade-rated.

Technology and data
Technology and data are key to connecting and simplifying supply chains.

A.P. Moller - Maersk is a purpose-driven company and always has been. Increasing complexity in global supply chains drives the need for integrated logistics. We aim to fulfil that need by sustainably and responsibly delivering better, simpler and more reliable outcomes for our customers.

Our strategy to become the integrator of the world's



Value created for

Our customers
We aspire to provide truly integrated logistics for 100,000+ customers' supply chains, while helping them meet their decarbonisation commitments.

Our people
We keep our people safe and engaged while offering equitable and interesting career paths.

Society
By integrating global logistics, we improve the flow of goods and materials that sustain people, businesses and economies the world over and contribute to improved quality of life and prosperity.

The planet
Our industry is a significant contributor to global greenhouse gas (GHG) emissions, and we are committed to realising net zero emissions by 2040.

Shareholders
In our transformation to become the global integrator of container logistics, we continue to innovate and grow shareholder value.

Through the enablers of ESG, Technology and People, customer, financial and operational synergies are unleashed from the integrated businesses of Ocean, Logistics & Services and Terminals. → See page 18

A resilient global economy

In the first half of 2023, container trade demand growth was in negative territory. In the same period, the contract logistics business continued to remain resilient. The inventories that retailers were trying to reduce had to be stored and processed, making the weakness of one segment the strength of the other. The tide turned in the second half of the year, bringing demand growth back on Ocean, while contract logistics entered a period of realignment.

A more resilient global economy than expected in 2023

The global economy has demonstrated resilience in the face of significant headwinds. Consequently, the growth rate for 2023 stands at 2.7%, according to Oxford Economics, surpassing the initially projected figure. The year's outset saw global GDP growth slowing to its lowest quarterly rate since the pandemic's onset. Throughout 2023, the Manufacturing Purchasing Managers' Index (PMI) consistently registered values below 50. The US labor market remained robust, evidenced by the unemployment rate hovering around 3.4% at the start of the year. However, the impact of high interest rates on economic activity has proven to have lagged market expectations.

Unlike in the US, the European economy has evolved less widely as expected and has not kept pace with the initial bullish outlook. The most pronounced contraction was observed in Germany, where economic activity declined by a negative sequential growth rate of 0.3% in the fourth quarter of 2022. The country actually has remained stagnant throughout the year.

As for sales, there is an overall contraction of 1.2% in 2023. However, it is important to highlight that this decline is primarily driven by lower sales in the durable goods segment. Non-durable goods sales, on the other hand, have experienced growth, albeit at a more moderate pace. With inflation gradually receding to 2.9% in December, and wage growth surpassing inflation, there is an expectation of employment and consumer spending remaining positive over the year. The ongoing normalization of supply chains and the improved availability of goods are also contributing factors to this positive outlook.

We expect the Chinese economy to exhibit a robust growth rate of around 5% in 2024, as the economy recovers from the COVID-19 pandemic.

Meanwhile, the Chinese economy is plagued with persistent structural imbalances, characterized by high household savings, low consumption, continued investment and ongoing deleveraging of the property sector. All in all, the rest of the world is not immune to the ups and downs of the Chinese economy. The short-term outlook has to improve in the second half of the year.

The inventory correction continued its course

The inventory correction has been significant, affecting trade in 2023. The combination of weak imports and strong consumer demand brought US inventories back to pre-pandemic levels. Census Bureau statistics show that in November retailers' inventories-to-sales ratio was 1.34, comparable to pre-pandemic levels in the US. However, despite progress, there are still pockets of inventory risk in the specific retail segments, particularly in categories such as food and beverages, building materials, garden equipment and furniture. In contrast, the inventories-to-sales ratio for cars and parts is very low. Wholesalers' inventories to sales ratio also continued to improve, similar to the US. The inventory picture remains mixed in Europe. At the aggregate level, inventories have increased to an uncomfortably high level in Europe during 2023, partly because of the slowdown in consumer goods spending growth. Even though the European retail sector has largely avoided the inventory overhang problem that has affected the US, there are large differences. The inventory situation looks more challenging in countries such as Germany and France and also less so in Italy, Spain and the Netherlands. In the US, there has been a strong destocking of several durable goods categories such that the inventory-to-demand ratio has declined slightly, despite weaker demand growth, and is currently back close to its historical averages.

Demand for logistics services pivoted from contract logistics to container trade

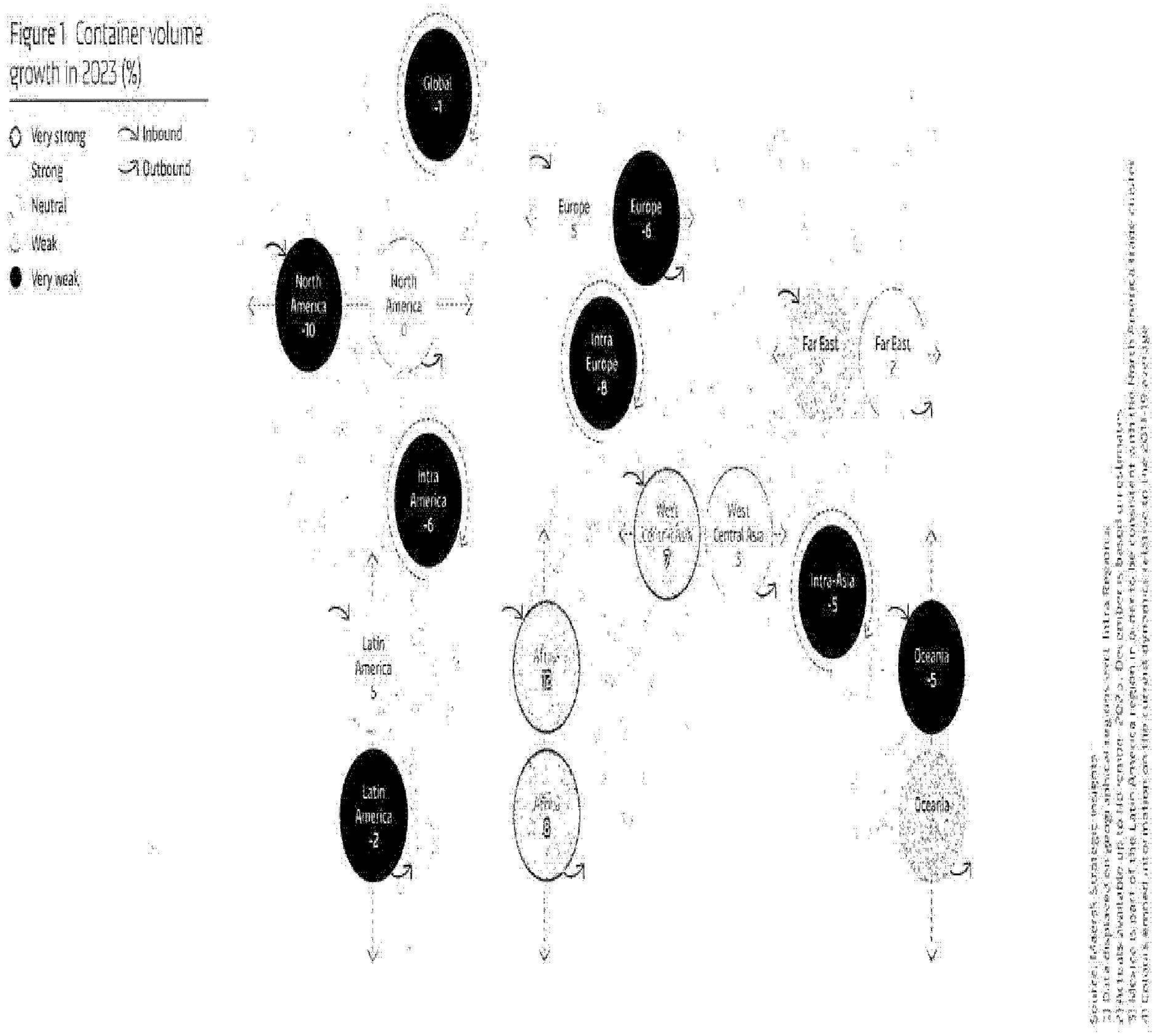
In the first half of 2023, global container trade demand growth was negative territory by 0.4% y/y. In the same quarters, contract logistics demand remained resilient, with 5% growth y/y. The inventories that retailers were trying to reduce had to be stored and processed, making the weakness of one segment the strength of the other.

As the year progressed, the tide turned on Ocean. Demand growth was 2.1% in Q3 and 6% in Q4 driven by technology and automotive. On the other hand, contract logistics started to contract in Q4 as the inventories brought in line with expected sales. Demand for contract logistics started to contract in Q4.

Regionally, the full year container trade import growth in 2023 was negative in North America by 4%, in the Far East by 2%, in the Mediterranean flat, in Central Asia and the Middle East by 12% and in West Central Asia by 7%. Imports to Europe and Latin America were the second quarter in a row of growth at 2% and 5%, respectively.

Demand for air freight forwarding has been even more affected by weak 2023. The trend was amid changing value relations pre-pandemic lowers the contraction in sales, demand and low rates. Consumers in the US, in particular, made a shift away from spending on services, such as travel, to spending on goods. Air freight is typically used for time-sensitive goods, such as fashion and electronics, which are often shipped by air to meet consumer demand. However, as the demand for goods declined, the demand for air freight also declined. Additionally, the rise of e-commerce has led to an increase in the use of air freight for small, high-value shipments. However, this trend has also been affected by the decline in consumer spending.

Figure 1 Container volume growth in 2023 (%)



Source: Danish Supreme Auditors
(1) Data displayed on geographical areas
(2) Trade lanes shaded: US to/from rest of world
(3) Decline in part of the Latin America region is due to the closure of the Panama Canal
(4) Growth is emphasised on the 2018-19 growth

Road freight contracted in 2023 both in the US and in Europe, however, with different magnitude. In the US, it declined by 6% y/y, following the exceptional growth of 2021 and the first half of 2022. Despite negative growth, demand held up in the second half of the year for Less-Than-Load (LTL) services compared to full truckload freight (FTL), as shippers traded down to smaller consignment formats. Demand for road freight has been negative in Europe as well, but the contraction has been more modest. This is consistent with growth during the pandemic recovery, which has been positive but more modest. Among the large Europe markets, Germany has been the weakest due to the importance of manufacturing, while in the UK a reset is in place following Brexit and pandemic shock.

Supply has been a problem for container trade and US road freight

The improvement in container trade demand throughout the year failed to support rates due to the increase in capacity available in the market. Nominal capacity expanded by 8% in 2023. The supply-demand balance deteriorated in the first half of the year, and marginally improved in the second half thanks to stronger demand. The accumulation of overcapacity brought utilisation down throughout the year.

This is in stark contrast with contract logistics. Vacancy rates for warehouses remained on the low end of historical data due to the slow intake of newbuilds. In Europe, the vacancy rate ended in Q3 2023 at 5.2% according to Savills, while the Q4 2023 rate was 5.2% in the US (Cushman & Wakefield).

The US could begin the year with significantly more capacity than it has had in recent years, which could help ease pressure on rates. However, any relief may be limited by the fact that much of this capacity is concentrated in the Pacific Northwest, a region that has historically struggled with labor availability. Without a corresponding increase in drivers, the added capacity may not translate into lower rates.

Carriers may also continue to face pressure from rising costs. Driver wages are expected to increase by 4% to 5% in 2026, while insurance premiums may rise by 6% to 8%. Fuel prices are also likely to remain volatile, with the EIA forecasting Brent crude to average around $58 per barrel in 2026, down from $69 in 2025. These cost increases could further squeeze margins for carriers that are unable to pass them on to customers.

Technology is expected to play a larger role in addressing these challenges. Automation, artificial intelligence and digital freight matching platforms are being adopted to improve efficiency and reduce empty miles. However, the pace of adoption has been slower than many had anticipated, limiting the near-term impact on capacity and rates.

Overall, the US truckload market is entering 2026 in a more balanced position than it has been in several years. While the recovery in capacity may provide some relief for shippers, the sector remains exposed to a number of risks that could disrupt the forecast. Carriers that can manage costs effectively and adapt to changing freight patterns may be best positioned to navigate the year ahead.

Geopolitics is reshaping trade flows

The reorientation of trade flows away from China and toward Mexico has been one of the most significant structural changes in US freight transportation in recent years. Mexico overtook China as the largest trading partner by value in 2023, and by 2025 the share of US imports arriving from Mexico had risen to around 15%, while the share from China had fallen to 13%. Importantly, this shift has been driven by more than just tariffs. Nearshoring, supply chain diversification and changes in production strategies by multinational companies have all contributed to the decline in imports from China. At the same time, Mexico has benefited from its proximity to the US, lower labor costs and the ability to ship goods overland rather than by ocean, which has reduced lead times and transportation costs.

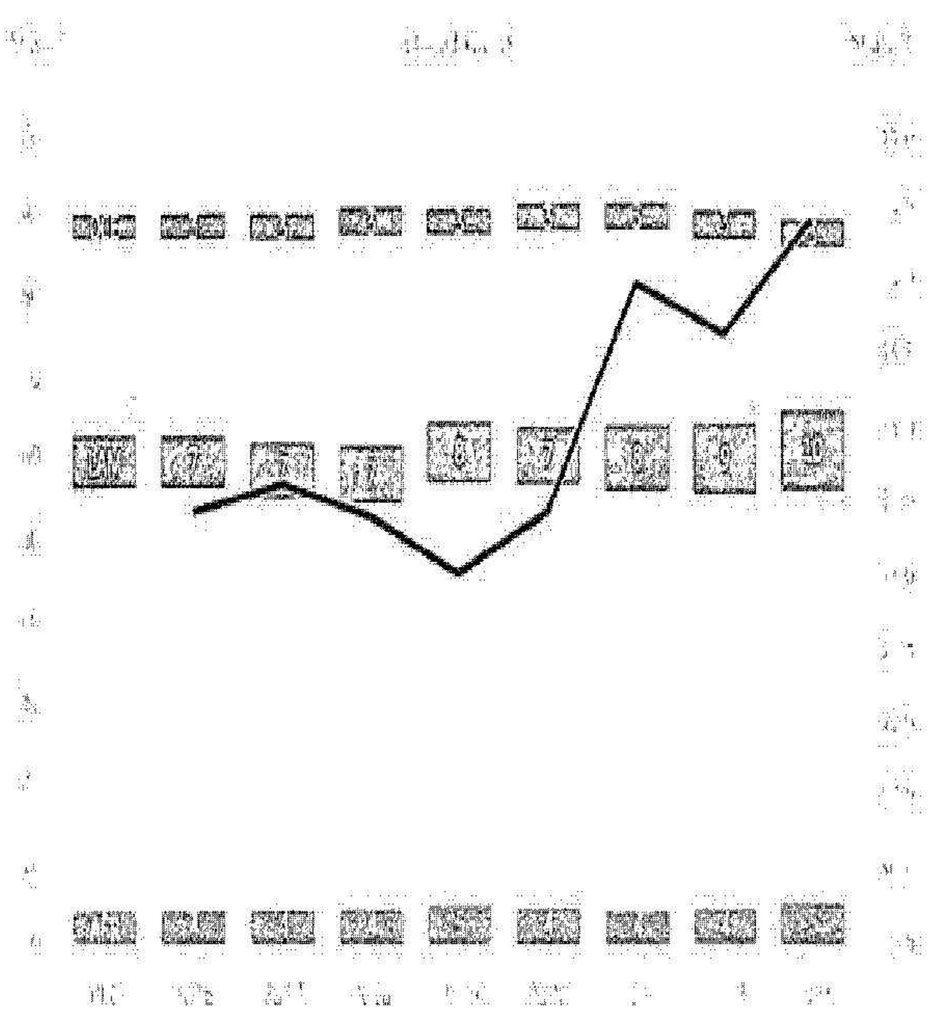


Figure 2

Despite these trends, China remains a significant trading partner for the US, and the relationship could change over the next few years. What factors will determine the success of companies expanding their exports into regions like Latin America, the Middle East, Africa and the Eastern Mediterranean, despite a challenging macroeconomic and market outlook in these areas.

Changes in the US trucking and freight forwarding market have also had an impact. Exports from China to the US have strengthened relative to Mexico and Canada, particularly in categories such as consumer goods, machinery and electronics. Mexican imports from China are smaller compared to the US, but their share has increased recently. Notably, tech products have been the main driver of the decline in US imports from China and the rise of Mexican imports.

The risks map thickened

Looking to the end of 2026, the risk picture for the economy has changed. Slower economic growth is likely, with the IMF forecasting global GDP growth to remain around 3% through 2026. The recession is forecast for global GDP growth to remain around 3% through 2026. Despite a modest boost from fiscal stimulus, US GDP growth is expected to grow positively again in 2026, between 2% and 3%, with consumer trade as well, between 2% and 4%. Unemployment is low in the US, supported by tight labor markets in Europe, and freight and contracting rates are expected to grow modestly over the year. While the US trade landscape remains uncertain, with growth expected to remain negative.

Consumer confidence has been hit over the past few months, and markets look, owing to several key risks:

- Geopolitical tensions present the most visible risk, with the war in and around the Gulf of Hormuz having already had a significant impact on oil prices. The duration of the conflict remains elusive. Geopolitical tensions can impact energy prices and disrupt supply chains, subsequently affecting global growth. Historically, rises in oil prices have led to a significant human toll.
- As climate patterns shift, the frequency of extreme events is increasing. Prolonged disruptions caused by low water levels in the Panama are expected to persist into the first half of 2026, affecting schedule reliability for container trade and logistics.
- Inflation might prove challenging to curb further, potentially prompting central banks to delay interest rate cuts. Prolonged high interest rates could trigger a market event in the coming months.
- The combination of slowing economic growth and elevated interest rates has seen concerns about the sustainability of high valuations for artificial intelligence companies grow. A potential correction in this sector could, according to Goldman Sachs, result in a 15% decline in the global market index over the following

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The global integrator

2023 was another year where A.P. Moller - Maersk's transformation from diversified conglomerate to be the integrator of container logistics made progress, with the objective to connect and simplify customer's supply chains while providing increased transparency, tighter control and drive higher efficiencies.

The vision includes the combination of a broad product and service offering of Logistics & Services with a highly dependable and more differentiated Ocean transportation offering. Significant financial and operational synergies are realised between Terminals and Ocean, including leveraging the company's own Ocean volumes to optimise and de-risk terminal operations.

Despite the highly dynamic market situation observed in 2023, rich in disruptions on the back of the COVID-19-fuelled boom and the supply chain disruptions, A.P. Moller - Maersk's strategy remains 'in season'. Although the business in Logistics & Services did not grow in 2023, significant new wins were registered during the year. This is a strong testament that despite, and partly also because of the changing reality and radically different environment, the company's customers' buy-in to the integrator strategy, across verticals, size and geographies is unwavering. A.P. Moller - Maersk's strategy continues to generate tremendous interest among customers and across the industry, including competitors. They see tangible value and the value proposition is as relevant as ever for them, addressing their main pain points.

Performing while transforming

The strategy is underpinned by innovative technology, the Group's industry leading commitment to ESG, not least the Group's commitment to reach net zero carbon emissions by 2040 across A.P. Moller - Maersk's businesses, and the Group's highly capable people.

The ability to put the customer first, help them navigate disruptions and absorb the inherent complexity of global logistics is a true differentiator which A.P. Moller - Maersk aspires will spearhead the Group's strategy and efforts in making A.P. Moller - Maersk a global integrator.

The key business segments continue to perform while transforming amidst some unprecedented market circumstances experienced in 2023 on the back of the COVID-19 period. As much as the company continues to optimise each business segment's operational and financial performance, the customers value the unmatched full A.P. Moller - Maersk network with its scale, connectivity and accessibility.

The road from a conglomerate to the global integrator

2017

Demerger of entities
Maersk Tankers, Maersk Oil and Maersk Drilling to focus the company towards container logistics

2018

Reorganisation
The reorganisation of Ocean and Logistics & Services completed and the integration of the Safmarine brand, Damco air freight and LCL to improve customer experience and end-to-end service delivery

2019

Project logistics solutions and contract logistics
Acquisitions of Martin Bencher to complement A.P. Moller - Maersk's project logistics solutions portfolio and LF Logistics to complement for contract logistics

2020

Ocean network
A.P. Moller - Maersk has entered a long-term operational collaboration with Hapag-Lloyd from February 2025 named Gemini Corporation

2021

The vision
A.P. Moller - Maersk's vision to become the global integrator of container logistics was introduced and the Hamburg Süd acquisition was closed

2022

Simplified customer experience
The commercial frontlines of Ocean and Logistics & Services were merged to improve customer interaction and accelerate organic growth

Acquisitions to bridge identified capability gaps
Vandergrift, Performance Team and KGH Customs Services

2023

e-commerce and Air capabilities acquired
Acquisitions to bridge capability gaps within the e-commerce and Air space with Pilot, Visible, B2C Europe, HUUB and Senator International

First methanol vessels ordered
First vessels capable of operating on green methanol ordered to enable the company's decarbonisation journey

2024

2M break-up
The 2M alliance termination in 2025 announced with the goal to enable the Integrator strategy and unlock higher value for A.P. Moller - Maersk's customers

Reorganisation
New organisation introduced to pivot on the transformation strategy

First methanol-fuelled vessel in the world
Delivery of Laura Maersk

→ Bringing the global integrator to life

ESG

A.P. Moller - Maersk's ambitious commitments on ESG are core to the purpose of the group, an integral part of its business strategy and a prerequisite for success as the global integrator.

In 2023, A.P. Moller - Maersk became the first in the shipping industry to have its 2030 and 2040 targets validated by the Science Based Targets initiative (SBTi) in alignment with a 1.5°C and net zero pathway, and the company made progress on its roadmap to decarbonise logistics across all business areas.

A hallmark moment was the arrival of Laura Mærsk in 2023, the world's first container vessel capable of sailing on green methanol. In 2024, A.P. Moller - Maersk will see the arrival of more new methanol-capable vessels out of the 24 vessels currently on order. Securing access to green energy solutions at scale remains a key strategic priority.

In 2023, A.P Moller - Maersk signed the first large-scale green methanol offtake agreement with Chinese developer Goldwind.

2023 saw continued demand growth for the company's low emissions ECO Delivery Ocean product. Around 3% of Ocean volumes are now transported with ECO Delivery versus 2% in 2022.

Reflecting the Group's dedication and progress on decarbonisation and the broader ESG agenda, A.P. Moller - Maersk was for the first time awarded the highest scores in its top two prioritised ESG ratings in 2023, receiving a Platinum rating from EcoVadis and an A score in CDP Climate Change. These two ratings are significant because they are valued by the company's customers and the financial sector. The EcoVadis Platinum rating is reserved for top 1% of companies within the industry based on their ESG score, and in 2023, only 346 companies out of over 21,000 across all sectors made the CDP A list. For further details on the A.P. Moller - Maersk ESG priorities and progress, see the Sustainability highlights page 20.

Technology

A.P. Moller - Maersk embarked on a process and tech transformation journey in 2020 to enable growth through scalable platforms, deliver better quality and customer outcomes, and unlock user productivity.

The technology landscape in the broader logistics industry remains heavily fragmented, plagued by a lack of standards and data compatibility. This drives costs, operational friction, poor reliability, and limited visibility and control for A.P. Moller - Maersk's customers.

As part of A.P. Moller - Maersk's strategy, the company is on a journey to transform its process and technology landscape by:

- Stabilising and modernising core applications and infrastructure
- Accelerating the move to standardised processes and automated workflows by leveraging digital platforms
- Integrating modern platforms to automate end-to-end workflows and enable seamless data flow.

Considerable progress has been made over the past year, including:

- System availability and decreasing lost business hours
- Simplifying the technology stack by decommissioning about half of the legacy applications that have been earmarked as redundant
- Progressing the roll-out of modern platforms, including A.P. Moller - Maersk's landside platform (TMS), Warehouse Management System (WMS), and new Supply Chain Platform
- Kick-starting the automation of processes through integrations, with Ocean Delivery now being one of the most integrated processes

The company continues its efforts to digitise customer and operator workflows, including providing comprehensive visibility across supply chains along with greater control.

AI represents a significant opportunity to unlock productivity, enhance employee experience, increase profitability and accelerate the transformation of A.P. Moller - Maersk. To capitalise on this opportunity and turn it into a competitive advantage, A.P. Moller - Maersk continues to invest both in established AI initiatives such as Digital Twin simulations and demand forecasts as well as early-stage pilots with generative AI based tools to automate otherwise manual, repetitive tasks and boost employee productivity.

People

People working at A.P. Moller - Maersk are essential drivers in delivering customer value by addressing customer needs, developing deep content expertise and spearheading the transformation journey into an integrated logistics company.

Delivering on the strategy requires building and rebalancing of skills and capabilities across the organisation, especially within logistics and technology, and of the company's DNA, while embedding a culture of customer centricity among thousands of colleagues, current and new.

Maintaining strong capabilities in the focus areas, attracting and retaining talent as well as talent development are top priorities for A.P. Moller - Maersk. In 2023, the company continued investing in the People Strategy, making progress on initiatives for performance management, leadership capabilities, career building and upskilling its teams while ensuring the talent pipeline needed to bring the business strategy to life. Progress continued despite 2023's sharp market downturn, which necessitated a reduction of the workforce in 2023. In line with its values, A.P. Moller - Maersk worked to reduce the impact to its people as much as possible through natural attrition, local savings and organisational adjustments.

To secure and retain the needed talent, A.P. Moller - Maersk strives to remain an employer of choice, offering employees exciting development opportunities and a company environment that values diversity of thought. The company continued to build on the performance management approach and culture launched in 2022, moving away from traditional ratings to continuous performance conversations, with the goal of improving performance, alignment, and career growth.

A.P. Moller - Maersk's strong commitment to create an engaging environment for all colleagues remains at the centre of the efforts, also covering Diversity, Equity and Inclusion (DE&I) principles as the company aspire to create a safe and inclusive workplace for all where colleagues can develop and have thriving careers. For further details, see the 2023 Sustainability Report.

Progress on ESG strategy

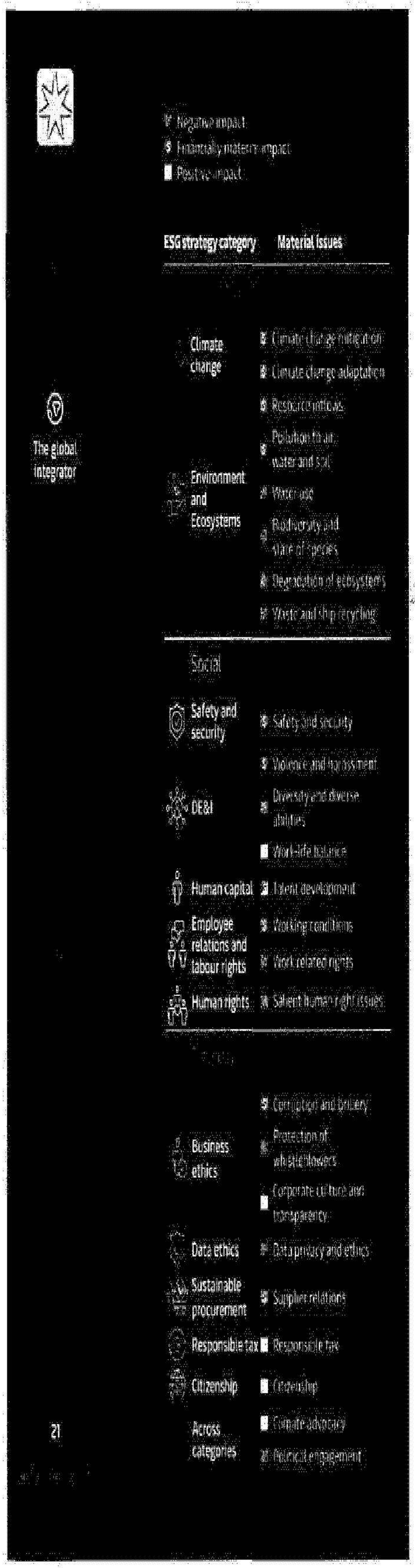
2023 was the hottest year in recorded history, highlighting the urgency of addressing climate change and the imperative for a green transition in global supply chains. A.P. Moller – Maersk took delivery of the world's first container vessel capable of running on green methanol. This is only the beginning of the journey however, and transforming the industry is not something one company can do alone – it is dependent on the right regulatory framework, among others, and the willingness of customers to support decarbonisation.

[illegible] sustainable and responsible supply chains, as a base case assumption that customers, investors, employees, regulators and broader society today. In 2023, A.P. Moller – Maersk [illegible] strategically with all its ESG-related initiatives and efforts, as part of the overall process [illegible] strategy. Maersk follows up on the achievements of its strategy in June 2023. It is given by defining the short- and long-term targets to be achieved through the execution of the strategy and to monitor the progress made in delivering the strategy.

The ESG strategy is embedded in the company's purpose and Core Values. It is also an integral part of the prerequisites for the success of A.P. Moller – Maersk's overall strategy, including [illegible] and science-based targets. [illegible] essential to support the trajectory of A.P. Moller – Maersk's ambitions over all the sustainability-related targets by 2025, the company has set a validation of an updated set of climate targets aligned with the Science Based Targets initiative's 1.5-degree pathway and net-zero standard. These will [illegible] and alignment of some of A.P. Moller – Maersk's current targets under the Decarbonisation Roadmap. Targets set for 2025 – including for safety and diversity – remain unchanged, and the company will carry over to 2024 as annual underlying targets.

Looking ahead, regulatory developments, such as the Corporate Sustainability Reporting Directive (CSRD), will require A.P. Moller – Maersk to report on its sustainability performance in accordance with European Sustainability Reporting Standards (ESRS) as of 2024. In preparation for this, A.P. Moller – Maersk conducted a double materiality assessment in 2023 to identify the most material sustainability topics for the company. The assessment [illegible]

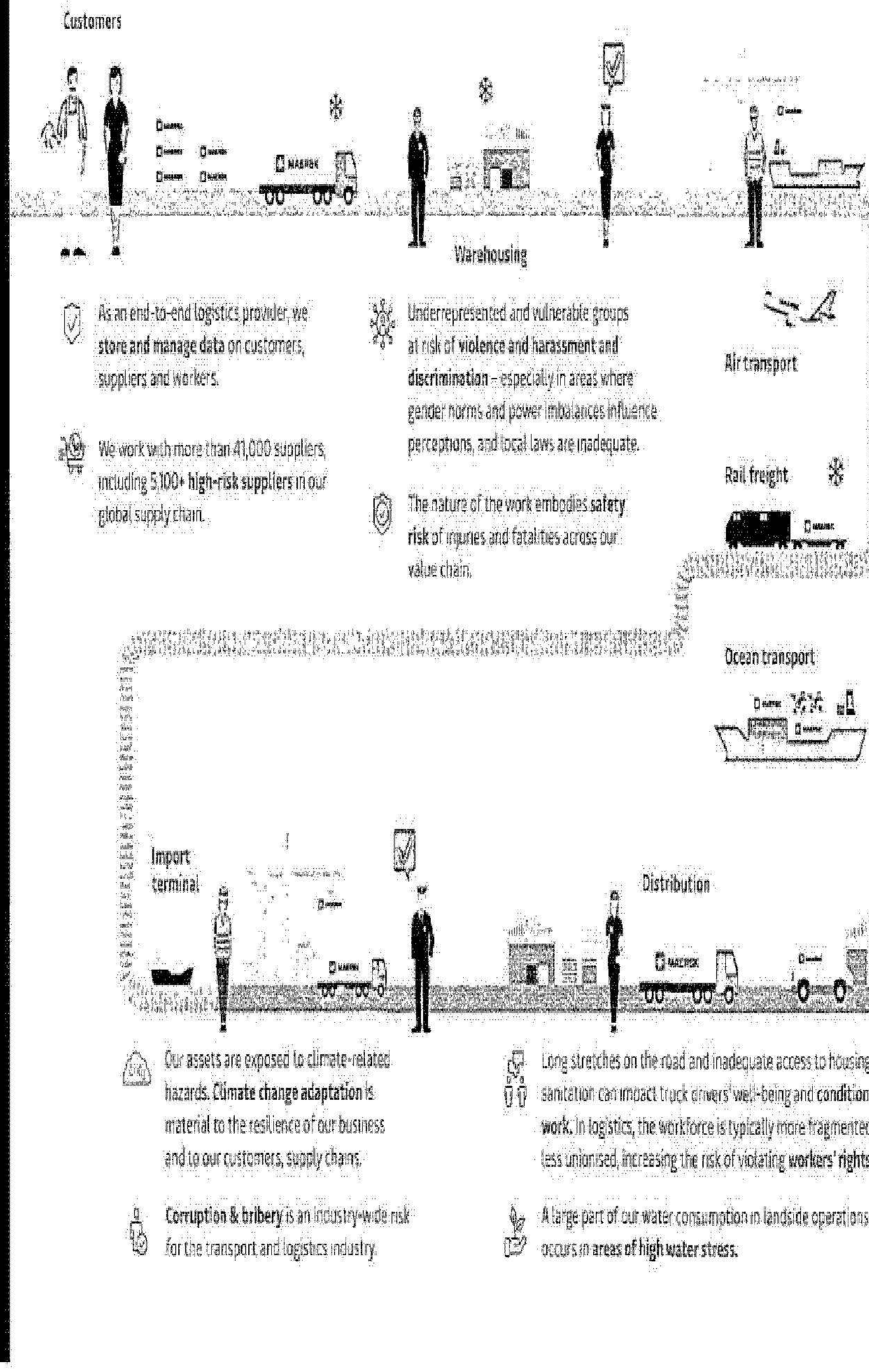
Strategy category	Progress	Updates to targets
Decarbonisation	We will accelerate towards our three ambitious areas of focus:	
	2030: Aligned with the Science Based Targets initiative's 1.5-degree pathway Industry-leading green solutions offering, across the supply chain **2040:** Net zero across the business 100% green solutions for customers	**2030:** 63% absolute reduction in total scope 1 emissions 100% renewable electricity sourcing 42% absolute reduction in total scope 3 emissions **2040:** 90% absolute reduction in total scope 1 and 2 emissions 90% absolute reduction in total scope 3 emissions
Safety	**2023:** 100% of average fleet operated [illegible] Potential Incidents Continue leadership [illegible] 2000 upgrade on A.P. Moller – Maersk safety and security principles	Only the integration training [illegible] continue in 2024
Employee engagement	**2025:** Employee Engagement Survey score in the 80th percentile of global norm	No change to target
Diversity, equity and inclusion	**2025:** 40% women in management and leadership 40% diverse nationality (non-OECD) of executives	No change to target
Circular economy	**2023:** 100% of new ships [illegible] A.P. Moller – Maersk Circular Construct	Target continues for 2024
Circular economy	**2023:** 100% of new ships [illegible]	Target continues for 2024
Circular economy	**2024:** 100% of new ships [illegible]	No change to target



Material ESG impacts and risks

As part of A.P. Moller - Maersk's double materiality assessment, the company has assessed material impacts and risks across its operations and value chain as shown below. These are not exhaustive but highlight the variety of the material impacts and risks from the activities that the company manages as an integrator of global supply chains. For information on how these are managed to minimise harm and mitigate risk, see the relevant ESG category chapters.

For more information on the double materiality assessment → see the 2023 Sustainability Report.



As an end-to-end logistics provider, we **store and manage data** on customers, suppliers and workers.

We work with more than 41,000 suppliers, including 5,100+ **high-risk suppliers** in our global supply chain.

Underrepresented and vulnerable groups at risk of **violence and harassment and discrimination** – especially in areas where gender norms and power imbalances influence perceptions, and local laws are inadequate.

The nature of the work embodies **safety risk** of injuries and fatalities across our value chain.

Pollution to air and water from oil and chemical spills is an industry-wide risk along with release of air pollutants such and SO_x, NO_x and particulate matters to air and to oceans.

Climate change mitigation is critical across all of our operations, but our Ocean segment is the major contributor of our GHG emissions.

Our assets are exposed to climate-related hazards. **Climate change adaptation** is material to the resilience of our business and to our customers, supply chains.

Corruption & bribery is an industry-wide risk for the transport and logistics industry.

Long stretches on the road and inadequate access to housing and sanitation can impact truck drivers' well-being and **conditions of work**. In logistics, the workforce is typically more fragmented and less unionised, increasing the risk of violating **workers' rights**.

A large part of our water consumption in landside operations occurs in **areas of high water stress**.

Climate change: delivering concrete progress towards net zero by 2040

Regulatory impact changing the playing field

across industries. Globally, the International Maritime Organization (IMO) agreed on a framework at the 80th session of the IMO's Marine Environmental Protection Committee (MEPC 80) for member states that sets enhanced ambition levels for reducing GHG emissions over the mid and long-term, and for the uptake of zero or near-zero GHG emission technologies, fuels and/or energy sources.

For A.P. Moller - Maersk, the most important elements in the revised strategy are the IMO's mandate to develop two pivotal and complementary measures by 2025 – a global fuel standard and a maritime GHG emissions pricing mechanism. While the GHG price will address energy efficiency, a global fuel standard of 5-10% green fuels by 2030 will ramp up the use of green fuels in shipping. A variety of GHG pricing mechanisms are currently on the table. A.P. Moller - Maersk, along with other World Shipping Council members, have put forward a proposal for a Green Balance Mechanism that places a relatively modest fee on fossil fuel emissions, which would be used to subsidise the use of green fuels without leading to global inflation.

Ensuring the right fuels for a sustainable green transition

Although there is promising momentum, securing sustainable, green fuels at scale remains a significant challenge for the years ahead. It requires a massive ramp-up of renewable energy to produce low emissions fuels which follow A.P. Moller - Maersk's life cycle assessment approach. This in turn requires supportive policy, for example new permitting processes and safety standards for methanol bunkering in more ports.

To help catalyse this ramp-up, A.P. Møller Holding, together with A.P. Moller - Maersk as a minority owner, created a seed investment in C2X – an independent company aiming to build, own and operate assets to produce green methanol at scale. C2X plans to bring 3 million tonnes of green fuels to market annually starting in 2030, and large projects are underway in Egypt and Spain.

Social

Under the social dimension, the results of the 2023 double materiality assessment confirm that the social topics included in A.P. Moller - Maersk's ESG strategy are also those that come out as most material, including the health and safety of all people within A.P. Moller - Maersk's duty of care, and – from a Diversity, Equity & Inclusion point of view – the risk of violence and harassment. Wider aspects of DE&I, as well as human capital (talent development) and labour practices and human rights, are equally assessed as material topics.

The right safety culture for safe workplaces

In the area of safety and security, A.P. Moller - Maersk's commitment is to ensure that everyone gets home safe by preventing fatal and life-altering incidents. In 2023, the company failed to live up to that commitment and, with deepest regret, four people lost their lives while on active duty for A.P. Moller - Maersk, including two employees and two contractors. A.P. Moller - Maersk's duty of care extends to its entire value chain, and the company is actively working on better understanding the risks associated with partners and how to best ensure they understand and comply with company safety standards.

This also extends to the company's Logistics & Services business, where rapid growth of 460+ warehouses since 2018 has increased the risk profile in new locations with diverse practices and safety cultures. A.P. Moller - Maersk is proactively addressing this challenge with a comprehensive Safety & Security Transformation Programme across its global transportation and fulfilment portfolios. See the 2023 Sustainability Report for more details.

A critical focus in A.P. Moller - Maersk's core safety approach is building a culture of trust, enabling all to contribute to safety reporting, raising concerns, and challenging how things are done to find safer ways of working. The goal is to create a physically and psychologically safe workplace with a strong reporting culture where all colleagues feel safe to speak up. In support, a training and upskilling programme was launched in 2023 to sharpen company risk and incident reporting processes and systems across the regions.

Diversity, Equity & Inclusion

In 2023, A.P. Moller - Maersk updated its Diversity, Equity & Inclusion strategy to put DE&I at the core of its People strategy and drive real, long-term results with enhanced metrics and leader accountability. A fundamental part of this commitment is the protection of underrepresented and vulnerable groups at greater risk of harassment and discrimination. Moreover, diversity of thought is part of improving and developing the business providing access to a larger, more diverse talent pool.

In 2023, A.P. Moller - Maersk strengthened its DE&I performance management and datadriven decision-making with the launch of a new DE&I dashboard to support leaders. The DE&I strategy also changed from emphasising diversity targets to a greater focus on inclusion as a driver of behaviour change. This includes developing leadership inclusion capabilities to create advocates and drive accountability. 2023's roll-out focused on A.P. Moller - Maersk's top 160+ leaders. In 2024, inclusion training will be required for all people leaders.

2023 saw progress on many fronts, including improvement in both representation for gender diversity (women in management and leadership) and diverse nationality even as market conditions significantly toughened. A.P. Moller - Maersk expects 2024 will continue to present market challenges that could impact the company's growth journey and hence the opportunity to attract new and diverse talent. Current metrics indicate that progress towards 2025 targets is impacted. This was in part due to 2023's sharp market slowdown, which necessitated a freeze on external hires and advancement across many parts of the organisation.

Statutory report on gender diversity, cf. section 99b of the Danish Financial Statements Act

This statement reports on gender diversity with respect to the Board of Directors of A.P. Moller - Maersk A/S, the parent company of A.P. Moller - Maersk and the management layers as regulated by Section 99b of the Danish Financial Statements Act.

In accordance with the guidelines from the Danish Business Authority, equal representation of the genders is achieved when the Board of Directors of A.P. Moller - Maersk A/S:

During 2022, A.P. Moller - Maersk A/S has implemented three distinct programmes in Diversity & Inclusion and is on track in accordance with the guidelines from the Danish Business Authority. To build on the progress in the gender diversity in other management levels, it has been implemented:

Management level	Number of members	Share of females
Board of Directors	9 (of which 6 are considered independent)	33%
Other management levels	2,901 (of which 2,900 are considered independent)	17%

For more information on A.P. Moller - Maersk's commitment to Diversity, Equity & Inclusion see the 2023 Sustainability Report and the company's DE&I policy.

For information on gender diversity in the company, other than the Group reporting to the Board of Directors and gender diversity in other management levels, see the Management Review of the Annual Report 2023.

Human capital

A.P. Moller - Maersk's organisation of approximately 100,000 employees is the foundation for delivering on the purpose and ambition of the company. Employees' ability to perform and develop is critical to delivering on the company's Purpose and Core Values. In 2023, the company continued to invest in employee engagement, leadership capabilities, performance culture, and upskilling while ensuring the talent pipeline needed to support business strategy moving forward.

Attracting, developing and retaining the right talent is critical to the success of the company. Due to the workforce diversity and the need for [illegible] the company wants to reflect part of employees' [illegible] and ensure that employees are [illegible]

The [illegible] is committed to [illegible] A.P. Moller - Maersk's [illegible] strategy [illegible]

[illegible] Employee Engagement Survey (ESES) 80,568 colleagues shared their views, with a record half-year ESES participation rate of 85%, exceptionally above the global benchmark average. The results indicate a reversal of the positive trend seen in previous years, with the overall engagement score down by 3 percentage points to 74%. The company is taking several actions to address the decline, including leadership interventions, communication initiatives, and investments in leadership capabilities and team management.

[illegible]

A.P. Moller - Maersk's commitment to operating responsibly and in line with its Purpose and Core Values, the company promotes sustainable, responsible trade and a more equal society. 2023 was a year of heightened risks with ongoing geopolitical tensions and inflationary effects.

Geopolitical instability has made trade more complex, as sanctions and export controls restrict or ban the movement of goods and services or business with certain countries, individuals or companies. As a [illegible] company, and global trade in ocean transport and logistics services, A.P. Moller - Maersk operates with [illegible]

In the 2024 double materiality assessment, 'topics part of A.P. Moller - Maersk's ESG Strategy were considered to be those that [illegible] value creation, while also being business critical' and 'topics considered to be more important for the topics of responsible tax and ownership practices' engagement with [illegible] topics across categories of the ESG strategy [illegible] as a result, [illegible] to the [illegible] and legal requirements.

Business ethics

A.P. Moller - Maersk is committed to operating responsibly and in line with its Purpose and Core Values. The company promotes sustainable, responsible trade and a more equal society by preventing, detecting and correcting behaviour that is not aligned with A.P. Moller - Maersk's core values and Common Rules of Business Conduct. In the 2024 Materiality Report, business ethics [illegible]

In 2023, a new Group Risk Assessment of Business Ethics was rolled out to all [illegible] business units. The risk assessment, which is [illegible] A new A.P. Moller - Maersk Code of Conduct [illegible] was also launched, along with a [illegible] e-learning [illegible] of the employees [illegible] the mandatory [illegible] of the [illegible] employee groups [illegible] participation in [illegible] was [illegible] the company is working to close the gap with a goal of 100% completion [illegible]

Data ethics

The rapid pace of global supply chain digitalisation is raising the importance of data ethics as a strategic imperative for A.P. Moller - Maersk and its customers who entrust the company with their data.

A.P. Moller - Maersk's global integrator strategy revolves around the ability to offer customers digitally enabled products and services. A.P. Moller - Maersk is therefore committed to demonstrating leadership in technical innovation with the highest data ethics standards.

By end of 2023, over 91% of A.P. Moller - Maersk employees have completed the mandatory data ethics e-learning against a target of 100%. While challenges in reaching all employee groups are likely to persist, the company keeps the rigour of a 100% target for 2024, with a particular focus on ensuring all new employees are trained.

The rapid development of Artificial Intelligence (AI) applications is a significant change and requires A.P. Moller - Maersk to balance opportunities and risks as the company creates a new generation of AI-powered solutions. Implementation of AI data management procedures continues to be based on the four cornerstones of the company's data ethics policy; transparency, respect, security and innovation, to ensure the early identification and mitigation of risks in the technology pipeline. This governance is already applied in Generative AI tools supporting sales, software engineering and the people function.

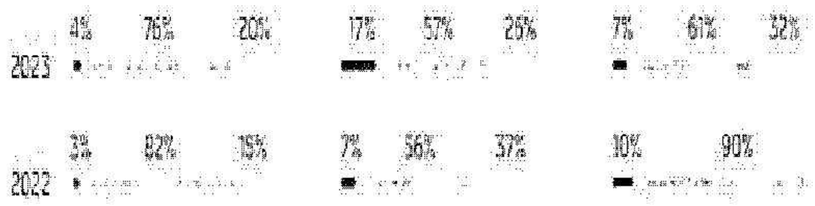
Sustainable procurement

A.P. Moller - Maersk relies on more than 41,000 suppliers, including 5,100+ in high-risk categories in the company's global supply chain. Addressing sustainability risks in the supply chain is critical in strengthening stakeholder trust in the A.P. Moller - Maersk brand and to live up to coming regulations on due diligence in supply chains.

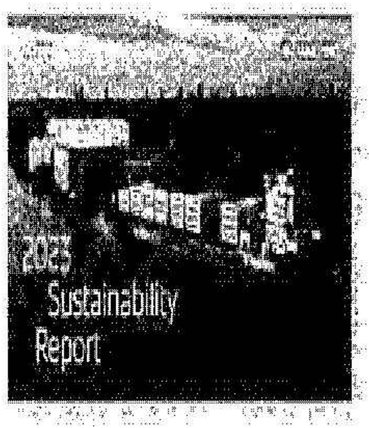
A.P. Moller - Maersk is committed to procuring sustainably, with an ambition to integrate ESG as a strategic topic across supplier life cycle stages and establish end-to-end visibility on supplier performance through collaboration and engagement. In 2023, the company continued building on the sustainable procurement foundation built in 2022, with a focus on driving execution and integrating ESG deeper into A.P. Moller - Maersk's procurement activities. This included scaling up supplier engagement, embedding ESG requirements into source-to-pay processes and preparing for increased regulatory due diligence requirements. In 2023, 95% of suppliers in scope committed to the Supplier Code of Conduct against a 2024 target of 100%.

EU Taxonomy reporting 2023

- Taxonomy-aligned
- Taxonomy-eligible but not aligned
- Non-eligible



In 2023, A.P. Moller - Maersk continued its reporting of the share of its activities that are EU Taxonomy-aligned as well as eligible. Aligned activities are the share of the company's eligible activities that meet both the 'substantial contribution' and 'do no significant harm' criteria outlined in the EU Taxonomy Regulation – a classification system identifying environmentally sustainable economic activities. The results of the 2023 screening confirm that A.P. Moller - Maersk has a significant opportunity to make a substantial contribution towards climate change mitigation, and that it is in its early stages of the journey to decarbonise its end-to-end value chain. In 2023, 4% of revenue, 17% of CAPEX and 7% of OPEX are reported as taxonomy-aligned, and 76% of revenue, 57% of CAPEX and 61% of OPEX are taxonomy-eligible but not aligned. For complete details, see the 2023 Sustainability Report.



For full reporting on ESG strategy and performance, see the 2023 Sustainability Report and 2023 ESG Factbook.

→ Read more

Navigating risks

Risk management at A.P. Moller - Maersk is focused to support the strategic and operational objectives in the medium term and ensure the longevity of the company in the longer term. A.P. Moller - Maersk's Enterprise Risk Management framework enables a consistent approach to identification, assessment, mitigation and monitoring of key risks.

Identifying A.P. Moller - Maersk's key risks

The Enterprise Risk Management (ERM) framework enables A.P. Moller - Maersk to assess and prioritise identify risks that could affect the business objectives and activities. Risk identification is driven by the Executive Leadership Team, which determines the key risks for the company. These risks are then assessed and validated by the Audit Committee and the Board of Directors.

Risks are considered from the consolidated group perspective and not from individual business units' perspectives. After final consolidation, the risk landscape is reviewed by the Executive Leadership Team, which determines the key risks for the company. These risks are then assessed and validated by the Audit Committee and the Board of Directors.

Managing A.P. Moller - Maersk's key risks

The key risks are assigned to an executive owner who is accountable for the management of the risk, including confirming that adequate controls are in place and that the necessary actions are implemented to bring or keep the key risk within the risk appetite. To provide adequate oversight, key risk developments and mitigation progress are monitored and reported on throughout the year based on agreed metrics. Quarterly in-depth reviews of the status of the key risks and their mitigation are conducted by the respective risk owners with support from the Risk & Compliance function. In addition, the Audit Committee and the Board of Directors receive updates on the risk landscape throughout the year, and selected key risks are given particular attention. A.P. Moller - Maersk's ERM governance structure

Figure 1: [illegible]

A.P. Moller - Maersk

Board of Directors / Audit Committee

Executive Leadership Team / Risk & Compliance Committee | ERM Team | Enterprise Risk Owners

A.P. Moller - Maersk business areas and functions

Changes to the key risks

Figure 2 shows the 2024 key risks for A.P. Moller - Maersk's business activities. In 2024, some of the 2023 key risks were merged, slightly narrowed or split into two. This applies to the cyber risk, which has been a key risk for the past four years, as well as the geopolitical risk and the risk of failure to attract and retain talent. The 2023 so-called technology roadmap and process standardisation has been split into two separate risks in 2024, further highlighting the importance of process excellence to create stronger focus on the risks of the ongoing digitalisation.

Given the increasing cyber security challenges and the ransomware attack related to COVID-19 in early 2022, cyber risk, including IT and OT cyber security, has been moved out of the key risks list in 2024.

One new risk has entered the key risks list: Lack of growth, which is aligned to the emphasising further the business ambition with the ongoing transformation.

ERM roadmap

A.P. Moller - Maersk continues to develop and improve the ERM process. The areas in focus include further standardisation of the ERM framework to ensure consistent and robust practices across the key business areas, company enablement of risk management through the ERM system, and [illegible] and monitoring of key risk mitigations.

Figure 2

● Risk continuing from 2023
○ New risk

Key risks to the 2024-2028 business plan

A.P. Moller - Maersk categorises risks into four different areas to provide the appropriate level of governance and oversight to effectively manage these risks.

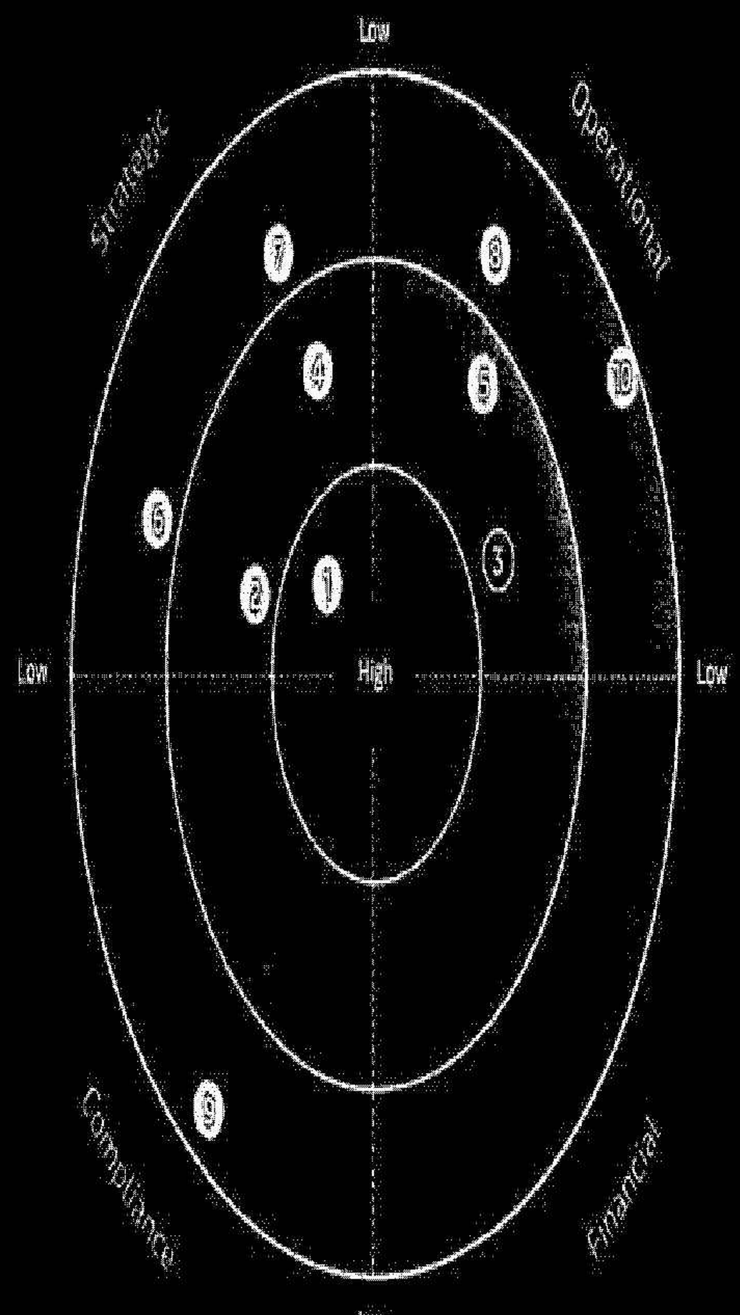
The global integrator

Strategic

Risks associated with current and future business plans and strategies

1. **Ocean price level**
   Financial loss from lower freight rates
2. **Geopolitical tension**
   Escalation of geopolitical tensions and political uncertainty impacting future supply chain
4. **Technology roadmap**
   Failure or serious delay in execution of technology roadmap
6. **Process excellence**
   Failure or serious delay in the standardisation of core end-to-end processes
7. **Decarbonisation**
   Failure to generate business value from decarbonisation

Key risks



Operational

Risks associated with business activities and operations, procedures, people and systems

3. **Lack of growth pace**
   Failure or serious delay in achieving the targeted growth in Logistics
5. **Cyberattack**
   External or internal attack resulting in service unavailability or data breach
8. **Mergers and acquisitions integration**
   Failure to integrate a major acquisition
10. **Organisational capabilities**
    Inability to retain and attract the right workforce for key critical capabilities

Compliance

Risks associated with non-compliance with rules and/or policies

9. **Legal and regulatory compliance**
   Being hit by a large compliance case

Financial

Risks associated with potential financial losses and/or insolvency

	①	②	③	④	⑤
	Ocean price level	Geopolitical tension	Lack of growth pace	Technology roadmap	Cyberattack
What is this risk	Due to a major increase in effective capacity, rates and profitability are expected to drop further in the coming years until they eventually rebound. From the market side, the risk is that industry EBIT margins remain negative for longer than expected	Escalation of geopolitical tension may have a strong and immediate impact on the future supply chain, through disruptions in supply, demand and logistics infrastructure and, eventually, fragmentation of supply chains. This is particularly the case where tension mounts to military conflict and/or trade sanctions being applied.	To fully deliver the objectives of the integrator strategy in a timely manner, including achievement of financial targets and stable results, A.P. Moller - Maersk must secure profitable growth in the logistics business according to plan.	A serious delay or failure to execute the technology roadmap will have a material negative impact on A.P. Moller - Maersk's growth vision as an end-to-end integrator of global container logistics.	As A.P. Moller - Maersk becomes increasingly digitalised, more devices and control systems are connected online resulting in a wider technology surface. This, compounded with ever-increasing external threat capabilities, puts more pressure on systems to be cyber threat resilient. A cyberattack could lead to severe operational disruption and/or data breaches.
How we manage it					
Target tolerance	A.P. Moller - Maersk assumes margins will continue to be under pressure in the short to medium term. In addition, the geopolitical environment and the development in the economic situation in Europe and the US makes the industry very volatile, emphasising the necessity for a strong balance sheet.	A.P. Moller - Maersk aims to have alternative procurement supply options in place and to be able to adjust network and capacity in the ocean, terminals and logistics space to accommodate potential disruptions and changes in customer needs.	A.P. Moller - Maersk targets large and profitable growth in volumes across its warehousing, inland and air segments through acquisitions as well as through organic growth and stable financial performance across the business portfolio.	In 2024, A.P. Moller - Maersk targets significant progress in the implementation of best-in-class technology platforms to support end-to-end supply chain solutions and underpin customer convenience and satisfaction.	A.P. Moller - Maersk aims to avoid a material cyberattack through increased threat intelligence and response capabilities, and builds digital resilience with business segments, third parties and wider supply chains.
Potential scenario					

	⑥ Process excellence	⑦ Decarbonisation	⑧ Mergers and acquisitions integration	⑨ Legal and regulatory compliance	⑩ Organisational capabilities
	[redacted] Chief Strategy Officer [redacted] Stable [redacted] Strategic	[redacted] Chief Operating Officer [redacted] Stable [redacted] Strategic	[redacted] Chief Strategy Officer [redacted] Decreased [redacted] Operational	[redacted] Chief Corporate Affairs Officer [redacted] Stable [redacted] Compliance	[redacted] Chief People Officer [redacted] Stable [redacted] Operational
What is this risk	Serious delay or failure to standardise core end-to-end business processes will severely impact the scalability of A.P. Moller - Maersk's integrated solutions and its growth vision as an end-to-end integrator of global logistics.	Decarbonisation is a business necessity and a mission-critical factor. It is imperative for A.P. Moller - Maersk to decarbonise its end-to-end supply chain at a speed that meets the expectations of customers, investors and society, and in a way that generates business value for A.P. Moller - Maersk and its customers.	A key driver to Logistics & Services growth is the expansion of product and people capabilities through M&As. Some of the acquisitions are substantial, and if A.P. Moller - Maersk fails to integrate those, it may derail the execution of the integrator strategy.	The legal and regulatory landscape in which A.P. Moller - Maersk operates is complex, and the company could be subject to compliance cases in connection with violations of anti-corruption laws, anti-trust regulations, international sanctions and/or data privacy.	A.P. Moller - Maersk's strategy to become a global integrator of container logistics requires the right capabilities. Inability to retain and attract for key critical capabilities could impact the ambition to deliver a logistics-based, digitally transformed business model to support the integrator strategy.
How we manage it	A.P. Moller - Maersk continues to drive standardisation of processes with focus on process design and quality, assessing process maturity levels across the organisation and establishing the visibility of end-to-end process design progress. Process performance metrics are also being rolled out to measure the efficiencies achieved.	A.P. Moller - Maersk continues to progress its strategy by offering eco-delivery products to customers. The supply of green fuel is secured through partnerships with green methanol suppliers as well as the investment in the new methanol company C2X. A.P. Moller - Maersk is also fully supporting the GHG IMO regulation.	A.P. Moller - Maersk has a dedicated post-merger integration office equipped with experienced capabilities to assist the business in effectively managing M&A integrations. A project risk management framework is also being rolled out to ensure risks are identified and managed along the integration.	A.P. Moller - Maersk has global and regional subject-matter experts in each compliance area and a robust compliance programme designed to fulfil the global requirements. The company has implemented many initiatives to improve focus and emphasis on compliance training, awareness, processes and controls.	A.P. Moller - Maersk continues to strengthen global processes and people solutions for talent development, retention and attraction aligned to business and workforce requirements for key critical roles. Mitigation efforts will be focused on enhancing visibility of business and workforce requirements as well as on employee engagement through creation and implementation of specific actions based on biannual survey results.
Target tolerance	A.P. Moller - Maersk is constantly working to document, streamline and automate its core processes in terms of design and consistent implementation across the company.	A.P. Moller - Maersk targets achievement of a value-generating decarbonisation vision by innovating supply chain solutions and accelerating its decarbonisation initiatives to drive credibility towards the customers, investors and society.	A.P. Moller - Maersk aims to have adequate and experienced capabilities and effective processes to warrant that substantial M&As are integrated successfully both during and after the 'hyper care' period to realise the anticipated benefits as planned.	A.P. Moller - Maersk is committed to ensuring compliance with all applicable laws and regulations in all the countries where it operates.	A.P. Moller - Maersk targets to be an employer of choice, able to attract and retain qualified talent who are highly engaged and committed to the company's values, goals and objectives.
Potential scenario	Unsuccessful standardisation of the processes will not bring the required level of quality and conformance, thereby making A.P. Moller - Maersk's product delivery unreliable and difficult to scale and forfeiting associated productivity gains and cost savings.	A.P. Moller - Maersk fails to generate business value from decarbonisation by being too aggressive or linear in its efforts, as customers are unwilling to pay a premium for green products until there is greater cost parity between 'green' and 'black' solutions which is expected over time.	A failure to successfully integrate a major acquisition due to inadequate integration approach, lack of internal processes or capabilities, or cultural differences cause value destruction in the form of unrealised synergies.	A violation of compliance regulation causes severe reputational damage and substantial legal fines, damages and costs.	A.P. Moller - Maersk's strategy execution is hampered by lack of adequate organisational capabilities essential to match business needs and rapid shifts in external business, technology and regulatory environments.

The global integrator

ESG risks

In preparation for the EU Corporate Sustainability Reporting Directive (CSRD) reporting requirements which will be mandatory from 2024, A.P. Moller - Maersk has in 2023 conducted a double materiality assessment. As part of this assessment A.P. Moller - Maersk established the financial impact arising from the CSRD topics. The topics covered by the financial impact assessment for 2023 are climate change, pollution, working conditions, equal treatment, other work-related rights (forced labour, data privacy) and corruption and bribery. The quantified impact of each of the topics is established through a value-based modelling. For the results of the double materiality assessment and specifically on climate related risks, Task Force on Climate-related Financial Disclosures (TCFD) – see Sustainability Report 2023.

Emerging risks

Emerging risks to the company's longer-term value drivers are identified through an externally facilitated workshop considering prevailing megatrends through the four lenses shown in Figure 3.

In 2024, the focus for emerging risks continues to be on understanding the impact of climate change on the business model and assets and on how the rapid advancements made in technology could affect the integrator value proposition.

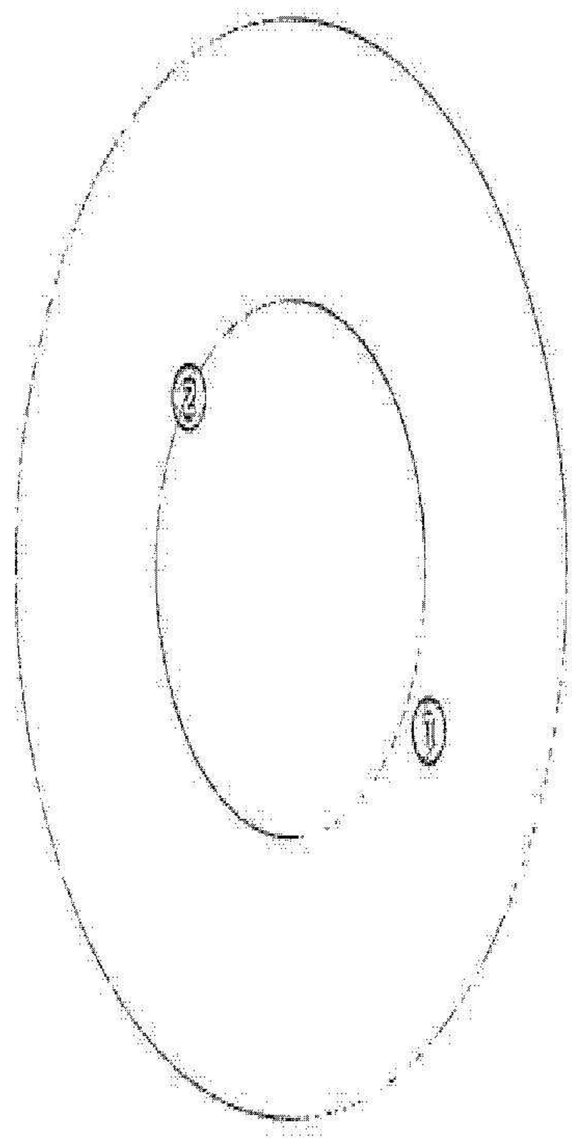
① Changing consumer behaviour

Growing environmental consciousness and regulatory interventions to achieve climate goals could lead to reduced consumption and lower economic activity in developed economies. Also, it could change consumer behaviour and impact the demand for goods in the lifestyle, retail and reefer segments. A.P. Moller - Maersk is exposed to changes in demand for long-haul transportation of consumer goods, especially in the retail and lifestyle segments.

② Digitalisation and technology

Given the rapid rise in engineering interconnectedness of data and technology, and mass AI availability (e.g. ChatGPT), customers may see an opportunity to replace their need for integrated logistics solutions by using readily available technology solutions that replicate through technology the benefits of an integrated offering.

Figure 3



Performance

Performance

- → Financial review
- → Financial guidance and ESG targets
- → Segment overview
- → Ocean
- → Logistics & Services
- → Terminals
- → Towage & Maritime Services
- → Quarterly summary

South China Sea, China

Financial review

A.P. Møller - Mærsk delivered solid financial results for 2023 in line with guidance in a difficult market environment, with a strong performance in Terminals while Ocean and Logistics & Services faced strong headwinds coming off the pandemic peak. While volumes were up across most products and cost reductions improved results, rates continued to erode, in particular in Ocean.

Net profit for 2023 decreased significantly versus 2022, which was a year of all-time high results due to a combination of market situation, which led to unprecedented freight rates. Revenue, EBITDA and EBIT saw substantial declines predominantly due to the higher earnings in Ocean.

Ocean results were solid on a cumulative basis but deteriorated in the second half of the year, following historically low activity in Q3 and entering a negative territory by Q4 as the result of the continuous pressure on rates. The impact of lower rates was partially offset by a strong cost containment focus.

Logistics & Services performance continued to be impacted by lower rates, particularly in the air and customer activities and by lower volumes in land logistics and ocean-to-air. Profit during the year was previously also affected by increased employee costs and provisions for onerous contracts, which were largely reversed in 2023 as the situation eased.

Terminals revenue declined, given the continued normalisation of storage revenue and lower volumes, mostly due to ongoing construction work at a number of terminals. However, cost increases at low double-digit rates were well contained, and the results were also positively impacted by the sale of the Russian terminals.

	Revenue		EBITDA		EBIT		Capex	
	2023	2022	2023	2022	2023	2022	2023	2022
Ocean	53,655	84,896	6,940	30,540	2,272	26,649	1,987	2,683
Logistics & Services	15,816	18,479	1,251	3,498	446	1,914	271	622
Terminals	5,644	4,771	1,826	1,515	980	836	511	536
Manufacturing	2,780	2,744	426	466	197	284	312	590
Unallocated activities, eliminations and unrealised profits/losses	-2,302	-3,364	-103	-249	-246	-212	29	33
A.P. Møller - Mærsk consolidated	**51,065**	**81,529**	**9,591**	**36,813**	**3,934**	**30,860**	**3,646**	**4,163**

Unless otherwise stated, all figures in parentheses refer to the corresponding figures for the previous year.

Revenue decreased by USD 30.5bn to USD 51.1bn (USD 81.5bn). Adjusted decreases across segments, in Ocean by USD 31.2bn, in Logistics & Services by USD 2.7bn and in Terminals by USD 0.2bn.

Revenue in Ocean was affected by the above-mentioned factors with lower rates in Q3 and Q4 and lower volumes in 2023 with lower volumes and significantly lower freight rates in Logistics & Services, total revenue decreased, due to decreased volumes in the USA in lifestyle and retail customers, lower growth in Europe and China as well as lower air freight rates, only partially compensated by increased revenue from the integration of LF Logistics and Martin-Baucher. Revenue decreased in Terminals due to lower volumes and significantly lower storage revenue, particularly in North America.

EBITDA decreased to USD 9.6bn (USD 36.8bn) with a decrease in Ocean of USD 23.6bn due to lower rates and volumes, decreases in Logistics & Services of USD 2.2bn, lower contributions of USD 0.5bn from Terminals and USD 0.3bn from Manufacturing.

Ocean, USDbn		Logistics & Services, USDbn		Terminals, USDbn	
	6.9		1.3		1.3

EBIT decreased by USD 26.9bn to USD 3.9bn (USD 30.9bn) impacted by the decreasing EBITDA. The cost margin decreased to 7.7% (37.5%).

Ocean, USDbn		Logistics & Services, USDm		Terminals, USDm	
	2.2		446		980

Return on invested capital (ROIC) last twelve months decreased to 7.4% (60.4%). Excluding goodwill, ROIC decreased to 8.6% (70.4%).

Financial items, net amounted to a gain of USD 428m (loss of USD 629m). An increase in interest income, the impact of capital securities gains was only partly offset by interest expenses.

Tax expense decreased to USD 454m (USD 9.0bn), primarily due to a lower profit before tax and the impact from utilisation of tax losses carried forward within the joint taxation group.

Net profit was USD 3.9bn (USD 29.5bn), with a significant decline in operating earnings.

The underlying net profit after financial items and tax of USD 4.1bn (USD 29.2bn) was adjusted for net gains of USD 34.5bn, primarily due to divestment and revaluation gains of USD 31.6bn and net gains from the investments in A.P. Moller Holding of USD 1.9bn. Hereof Maersk Drilling of USD 1.0bn and Maersk Supply Service of USD 1.0bn. It was offset by restructuring charges and impairments of tangibles of USD 1.8bn and other net impairment losses.

Cash flow from operating activities of USD 9.6bn (USD 34.5bn) was driven by EBITDA of USD 9.6bn and lower net working capital of USD 417m due to improved trade receivables, translating into a strong cash conversion of 101% (94%).

Gross capital expenditure (CAPEX) was USD 3.6bn (USD 4.2bn), driven by lower investments in Ocean.

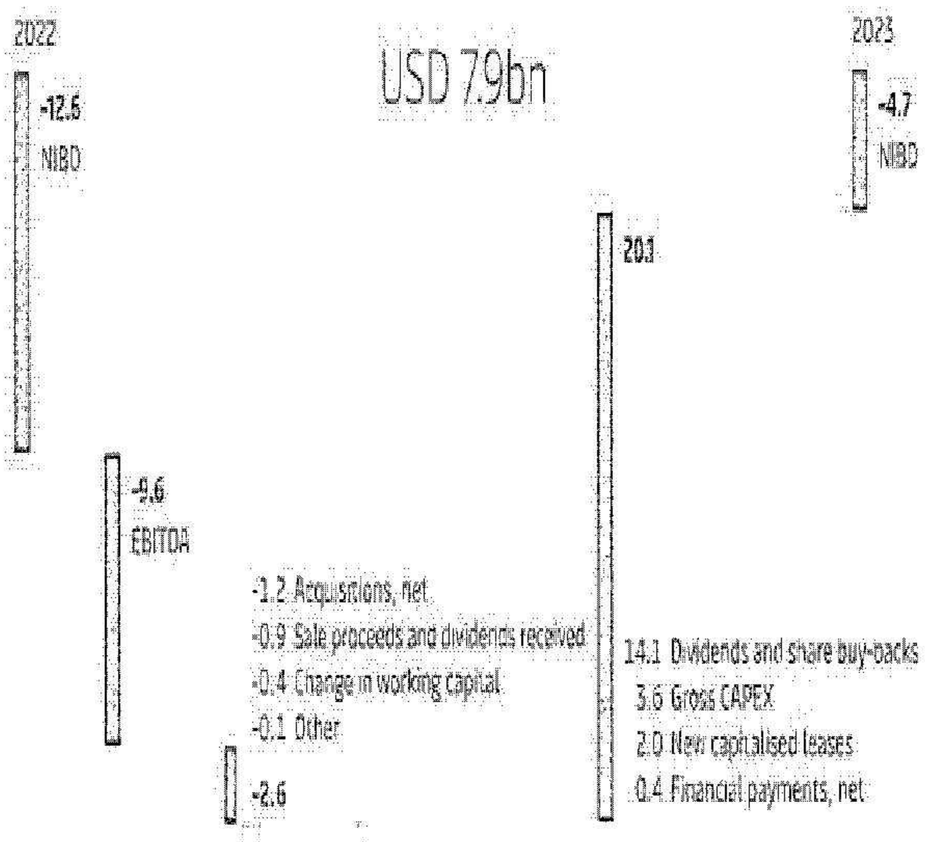
Ocean, USDm (2022: 2,620)	1,987	Logistics & Services, USDm (2022: 659)	771	Terminals, USDm (2022: 516)	541

Free cash flow decreased to USD 4.0bn (USD 27.1bn), negatively impacted by lower cash flow from operating activities, partly offset by lower CAPEX, higher financial income and sales proceeds and dividends received.

Capital structure and credit rating

Net interest-bearing debt decreased to a net cash position of USD 4.7bn (a net cash position of USD 12.6bn at year-end 2022), as cash used for share buy-backs of USD 3.1bn and dividends of USD 11.0bn was partly offset by free cash flow of USD 4.0bn. Further, new net lease liabilities amounted to USD 2.0bn, and excluding lease liabilities, the Group had a net cash position of USD 15.1bn (USD 24.2bn at year-end 2022).

Development in net interest bearing debt (NIBD)



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

Total **equity** decreased to USD 55.1bn (USD 65.0bn at year-end 2022), due to higher dividend payments and share buy-backs partly offset by net profit of USD 3.9bn, resulting in an equity ratio of 67.1% (69.4% at year-end 2022).

The **liquidity reserve** decreased to USD 24.4bn (USD 33.3bn at year-end 2022) and was composed of cash and bank balances (excluding restricted cash), term deposits and securities of USD 18.4bn (USD 27.3bn at year-end 2022) and undrawn revolving credit facilities of USD 6.0bn (USD 6.0bn at year-end 2022).

Dividend

The dividend for 2022 of USD 10.9bn declared at the Annual General Meeting on 28 March 2023 was paid on 31 March 2023. Withholding tax of USD 1.5bn was paid in Q2 2023.

The Board of Directors proposes a dividend to the shareholders for 2023 of DKK 515 per share of DKK 1,000 (DKK 4,300 per share of DKK 1,000) corresponding to 30% (37.5%) of underlying net result as per the company's dividend policy of distributing between 30-50% of the underlying net result to shareholders in dividends.

The proposed dividend payment represents a dividend yield of 4.2% (27.5%), based on the Maersk B share's closing price of DKK 12,140 on 29 December 2023. Payment is expected to take place on 19 March 2024.

Proposed dividend 2024, DKK Per share of DKK 1,000	515	Ordinary dividend 2023, DKK Per share of DKK 1,000	4,300

Share buy-back

During 2023, A.P. Moller - Maersk bought back 332,309 A shares and 1,327,842 B shares, worth DKK 21.1bn (approximately USD 3.1bn), including shares bought back for the long-term incentive plan. At 31 December 2023, A.P. Moller - Maersk owns a total of 306,636 A shares and 1,279,120 B shares as treasury shares, corresponding to 9.03% of the share capital.

Given the heightened uncertainty, the Board of Directors has decided to immediately suspend the share buy-back programme, with a re-initiation to be reviewed once market conditions in Ocean have settled.

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

Financial guidance and ESG targets

[illegible]

Guidance is based on the expectation that global container volume growth in 2024 will be in the range of 2% to 5%, and that A.P. Møller - Mærsk will grow in line with the market. It is [illegible] that the significant disruptions in the Red Sea will continue for the full year. Global supply chains will be fully over the course of 2024. High uncertainty remains around the development and the pace of the Red Sea situation, as the situation continues to evolve. The guidance range is [illegible] loading is expected towards the high end of 2023.

EBITDA	1.0-6.0	EBIT	-5.0-0.0	Free cash flow	-5.0
CAPEX guidance, maintained	8.0-9.0	CAPEX guidance	9.0-10.0		

[illegible]

[illegible]

Factors	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Forward-looking statements

[illegible]

[illegible]

Each of the four ESG commitments is supported by a set of short- and long-term [illegible] targets and 2025, the Executive remuneration is linked to A.P. Møller - Mærsk's ESG performance.

Performance against the 2025 targets is reported in the 2024 Sustainability Report and ESG factsheet. The targets will continue for 2024.

In 2023, A.P. Møller - Mærsk became the first in the shipping industry to have its decarbonisation targets validated under the near-term guidance published by the Science Based Targets initiative (SBTi) in December 2022. The new validated targets include near-term 2030 targets aligned to a 1.5-degree pathway and a 2040 net-zero target, from a combined baseline year of 2022. The number of companies with SBTi commitments has nearly doubled every year over the past eight years, showing the importance and wide adoption of the SBTi framework. The introduction of these new absolute emissions reduction targets covering all greenhouse gas emissions scopes makes it a milestone year where A.P. Møller - Mærsk is not only expanding towards its existing targets, but also committing towards the new SBTi aligned targets which commence from 2024. For more information on the new science based targets, see the 2024 Sustainability Report.

ESG targets for 2024 (actual performance 2023)

100%	100%	100%	100%

Forward-looking statements

[illegible]

20240925013390

Roadmap towards 2025

The mid-term financial targets introduced at the Capital Markets Day in May 2021 relate to the transformation towards becoming the integrator of container logistics.

Consolidated

The return on invested capital (ROIC) (last twelve months) was 7.4%, slightly below the target of above 7.5% every year under normalised conditions due to the declining profits in 2023. The average return on invested capital for 2021-2023 was 37.7%, above the 12% target for the period 2021-2025.

ROIC (LTM) Target: >7.5% **7.4%**

A.P. Moller - Maersk will prioritise the capital allocation to investments in the business, including acquisitions in Logistics & Services, repaying debt, paying 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.

The proposed dividend payment for 2023 of DKK 515 per share represents a dividend yield of 4.2% and 30% of the net underlying profit.

Of the total planned share buy-back programme of USD 12.0bn over 2022-2025 or USD 3.0bn annually, A.P Moller - Maersk has bought back USD 6.3bn as of 31 December 2023.

Given the heightened uncertainty, the Board of Directors has decided to immediately suspend the share buy-back programme, with a re-initiation to be reviewed once market conditions in Ocean have settled.

Ocean

Ocean delivered an EBIT margin of 6.6% over the last twelve months, above the target of 6% under normalised conditions. Total average operated fleet capacity is within the range of 4.1-4.3m TEU.

EBIT margin Target: >6% **6.6%** | Execute with the existing fleet size Target: 4.1-4.3 TEUm **4.2** TEUm

Logistics and Services

For Logistics & Services, organic growth of negative 15% over the last twelve months was below the target of positive 10%. The EBIT margin for the last twelve months was 3.2% versus the target of above 6% due to a combination of lower rates, lower utilisation and costs relating to cost management initiatives, e.g. restructuring charges.

Organic growth Target: >10% **-15%** | EBIT Target: >6% **3.2%**

Terminals

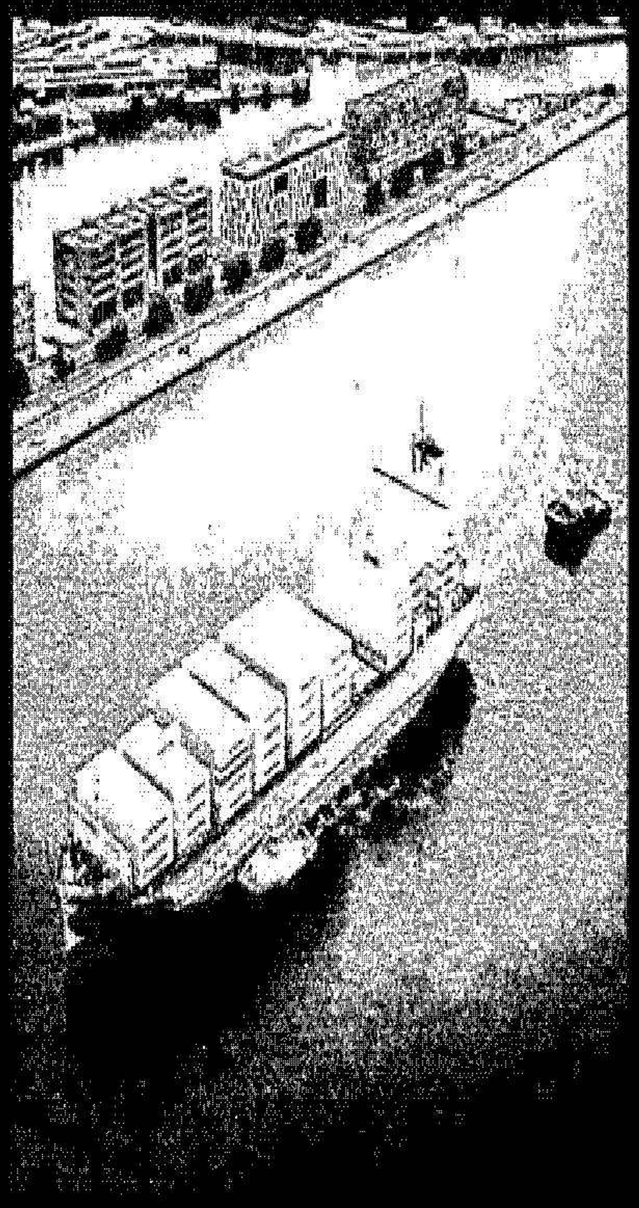
The return on invested capital (ROIC) (LTM) was 10.5% for Terminals, exceeding the expectation of above 9% towards 2025.

ROIC Target: >9% **10.5%**

ESG targets towards 2025 (actual performance 2023) | ESG targets towards 2030 | ESG targets towards 2040

Diversity, Equity & Inclusion	Diversity, Equity & Inclusion	Human capital	Climate change	Climate change	Climate change	Climate change	Climate change
> 40% (55%)	> 30% (28%)	> 75% (60th percentile)	35%	100%	22%	96%	90%
Women in management and leadership	Diverse nationality of executives	Employee Engagement Survey (EES) percentile rank on global norms	Absolute reduction in total scope 1 emissions	Renewable electricity sourcing	Absolute reduction in total scope 3 emissions	Absolute reduction in total scope 1 and 2 emissions	Absolute reduction in total scope 3 emissions

Ocean



Revenue USDm 33,653 EBIT USDm 2,227

Profitability declined significantly for Ocean in 2023 from exceptionally high levels in the prior year, with freight rates decreasing on average by 50% and with volumes on par following the market normalisation. The global congestion decreased considerably, leading to improved schedule reliability and operating conditions.

→ Read more

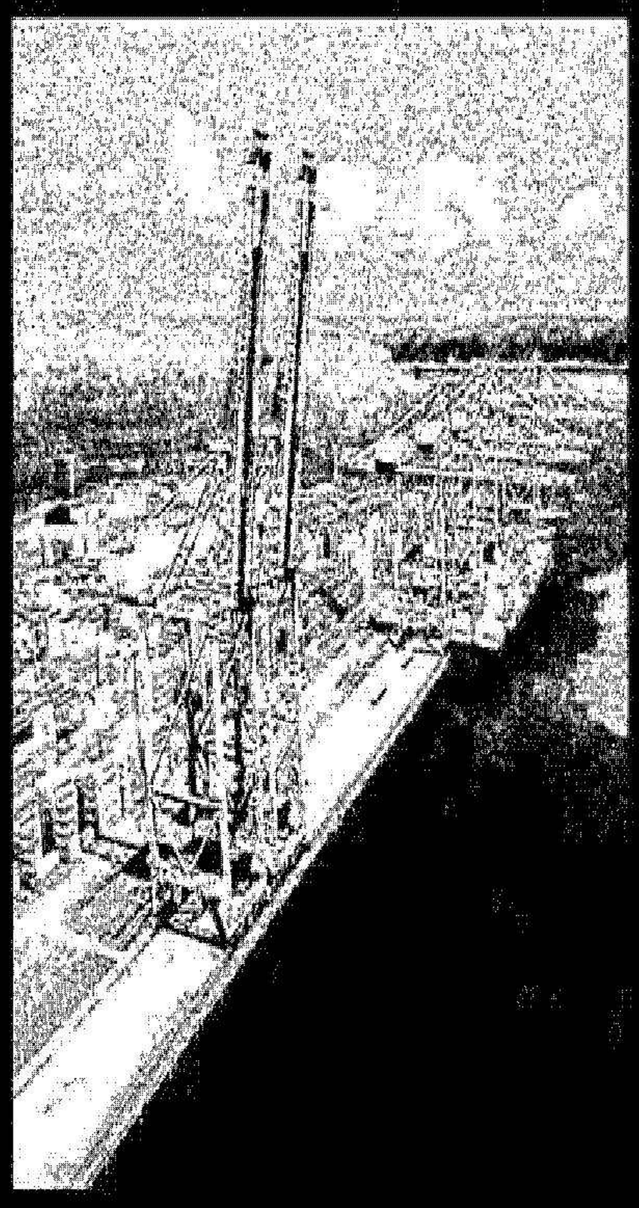
Logistics & Services

Revenue USDm 13,916 EBIT USDm 446

Logistics & Services faced a transition year with rates progressively coming off their pandemic peak across all products, leading to reduced profitability. Active cost management and productivity measures have been put in place.

→ Read more

Terminals



Revenue USDm 3,844 EBIT USDm 980

Terminals delivered a solid ROIC of 10.5% during a year where congestion-related storage revenue declined significantly. A diversified portfolio and a margin protection plan helped shield returns from the sharp drop in US volumes and inflationary pressures, keeping margins significantly above the pre-pandemic levels of 2019.

→ Read more

Ocean

Profitability declined significantly in 2023 from exceptionally high levels in the prior year, driven by a steep decline in freight rates following market normalisation. Additionally, the global congestion decreased considerably, leading to improved schedule reliability and operating conditions, which resulted in a reduction of expenses.

Revenue reflected weak volume demand in the first half of the year and although picking up in the second half, revenue was severely impacted by a continued decline in the freight rates driven by higher supply availability. The freight rates decreased by 50% on average from 2022 levels, with volumes on par with 2022.

Unit cost at fixed bunker decreased due to lower container handling unit costs and lower bunker consumption after the congestion bottlenecks eased.

Utilisation at 91.6% was 2.3 percentage points better than in 2022, due to several structural capacity initiatives.

Ocean highlights

USD million

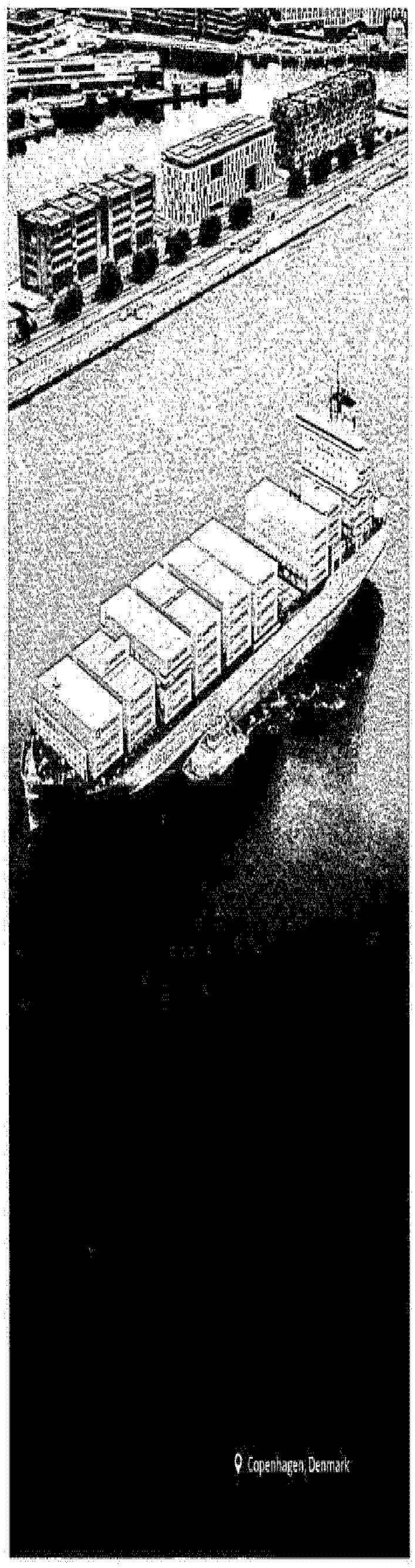
	2023	2022
Freight revenue	28,421	56,499
Other revenue, including hubs	5,232	7,800
Revenue	**33,653**	**64,299**
Container handling costs	9,233	10,214
Bunker costs	6,064	8,077
Network costs, excluding bunker costs	6,917	7,516
Selling, General & Administration (SG&A) costs	2,921	2,947
Cost of goods sold and other operational costs	1,646	1,835
Total operating costs	**26,781**	**30,589**
Other income/costs, net	68	60
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**6,940**	**33,770**
EBITDA margin	20.6%	52.5%
Profit before financial items (EBIT)	**2,227**	**29,149**
EBIT margin	6.6%	45.3%
Invested capital	29,851	32,368
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	1,987	2,620
Operational and financial metrics		
Loaded volumes (FFE in '000)	11,904	11,924
Loaded freight rate (USD per FFE)	2,313	4,628
Unit cost, fixed bunker[1] (USD per FFE incl. VSA income)	2,371	2,533
Bunker price, average (USD per tonne)	616	763
Bunker consumption (tonne in '000)	9,838	10,579
Average operated fleet capacity (TEU in '000)	4,162	4,285
Fleet owned (end of year)	310	318
Fleet chartered (end of year)	362	389

1 Unit cost, fixed bunker has been restated as a result of the fixed bunker price being changed to 550 USD/tonne from 450 USD/tonne.

Line of business

At the heart of the integrator strategy, Ocean ensures that goods keep moving across the world, providing customers with a unique offering combining flexibility and stability to manage and simplify their end-to-end supply chains.

While providing access to a competitive global network, Ocean offers resilient solutions and differentiated value propositions through its global network and digital products to fit the diverging customer needs and enhance long-term partnerships. Operating one of the largest container vessel fleets in the world, Ocean carries close to 12m FFE per annum serving over 475 ports worldwide.



Copenhagen, Denmark

33.7bn

2.2bn

2,313

26.8bn

Performance

11.9k

6.9bn

2,371

Bunker costs

6.1bn

(USD 6.1bn)

Bunker costs decreased by 25% with a decrease in average bunker prices of 19% to 616 USD/tonne (765 USD/tonne) and a 7.0% decrease in bunker consumption. Bunker efficiency increased by 5.7% to 39.5 g/TEU*NM (41.9 g/TEU*NM).

Average operated capacity

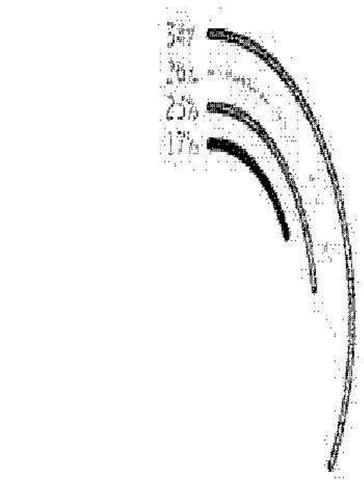
672 vessels (year-end)

4,162k TEU

The average-operated capacity of 4,162k TEU decreased by 2.9%. The newbuilding programme had replacements of 24 vessels capable of running on green fuels at the end of 2025. At the end of the year, the fleet consisted of 310 owned and 362 chartered vessels, of which 149k TEU or 3.6% of the fleet were idle (20 vessels), mainly due to repairs.

Cost split

Operating costs are split across four reporting categories.



Fleet capacity, year-end

	2023 TEU	2022 TEU	2023 Vessels	2022 Vessels
Own container vessels				
0-4,699	476	478	141	144
4,700-7,999	277	289	45	47
8,000-14,999	707	725	74	77
> 15,000	903	903	50	50
Total	2,363	2,393	310	318
Chartered container vessels				
0-4,699	644	719	232	260
4,700-7,999	332	375	55	61
8,000-14,999	654	657	62	63
> 15,000	124	77	13	5
Total	1,754	1,828	362	389

Ocean highlights

The business environment was vastly different from 2022 as global congestion has nearly returned to normal levels and US inventories have rebalanced. Steps were taken to remain agile with deploying the capacity in the most meaningful way, increase the quality of Ocean's products and preparing for a greener future of shipping.

Focus on network optimisation

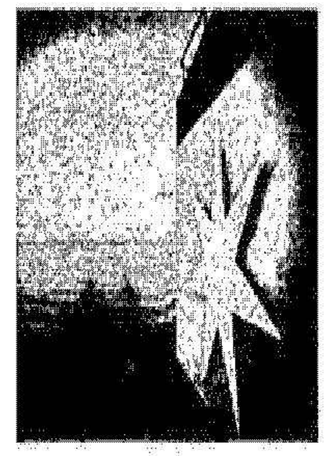
Global congestions have reduced significantly in 2023, which has allowed for an extensive network review with the objective to reduce emissions and improve reliability across services. The 2M alliance with MSC will terminate from January 2025 and a new operational cooperation with Hapag Lloyd will start from February 2025. Ocean will keep the focus on the Integrator strategy to meet the evolving needs of the customers, including reliability, flexibility and sustainability. The ambition is to provide customers with adequate volumes while limiting the deployed capacity and keeping a high utilisation.

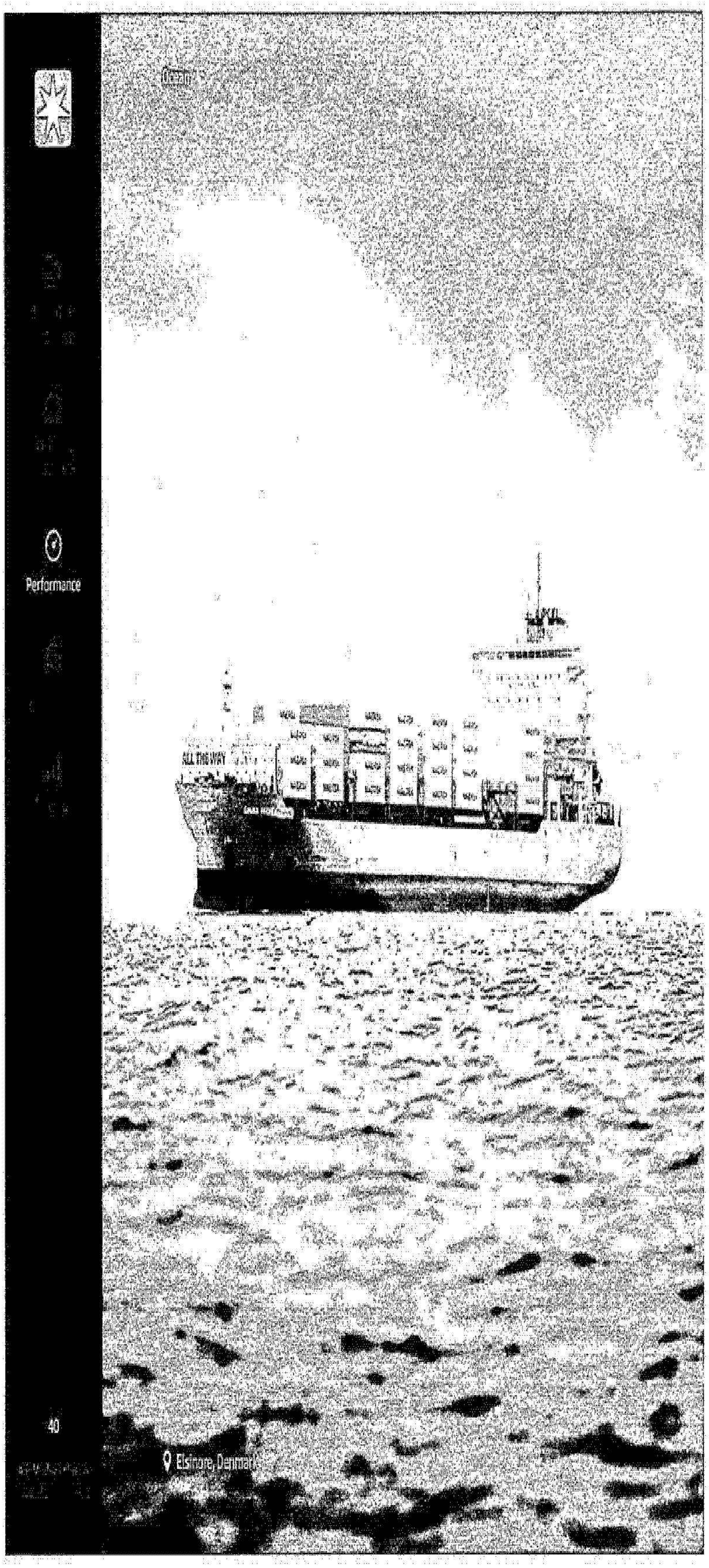
Ongoing focus on cost discipline

Many cost-saving initiatives have been implemented across the organisation to reduce costs, while maintaining focus on the quality and reliability of the Ocean products. In some instances, A.P. Moller - Maersk has been able to reduce its variable costs by partnering with the right suppliers and applying a more robust cost discipline within the company.

Value-adding products to customers

Based on strong collaboration with customers from different industries, the product team is exploring innovative and integrated transport solutions that can meet customers' diverse and evolving needs and requirements, with a focus on reliability and flexibility.





A landmark port call in Ocean decarbonisation

The two key levers to decarbonising the Ocean business are transitioning to green fuels and improving fuel efficiency. The most notable milestone in 2023 was the September arrival of the Laura Mærsk – the world's first container vessel capable of sailing on green methanol. The 2,100 TEU feeder vessel completed her entire 21,500 km first voyage from Hyundai Mipo Dockyard, South Korea to Copenhagen, Denmark, while sailing on green methanol. Laura Mærsk is now in service as a feeder vessel on the Baltic Sea and operating on green fuels.

A.P. Møller - Mærsk further expanded its green methanol shipping capacity in 2023, ordering six additional vessels (2,300 TEU each) to be delivered between 2026 and 2027, and engaging to add conversions to 24 vessels by 2024. The company will start the delivery of the first eight of its large ocean-going vessels (15,000 – 17,000 TEU capacity) as early as the second half of 2024. In November 2023, A.P. Møller - Mærsk also announced an industry first deal with Vitol Energy Solutions to convert an existing 14,000 TEU vessel from a traditional fossil diesel engine to a dual fuel methanol engine. The pilot vessel conversion will take place in 2024, with the intention of replicating the retrofit on additional vessels.

One of the most challenging and accelerating transformations in the history of the A.P. Møller - Mærsk conglomerate is the creation of green energy solutions. A.P. Møller - Mærsk continuously works on green energy solutions with a broad range of global partners, and in 2023 signed a landmark offtake agreement with Orsted for Gigawatt-scale green energy to secure 500 kilotonnes of green methanol annually starting in 2026. This agreement will cover the fuel needs of half of the 24 methanol vessels currently on order. To further scale up the ramp-up of green fuels, A.P. Møller - Holding together with A.P. Møller - Mærsk and Orsted created Svanemøllen Green Fuels, a 50:50 joint venture that will build, own and operate assets to produce green methanol at scale. The JV plans to bring the world's first series of green fuels production plants online by 2027, and large projects [illegible]

The next key lever for decarbonising shipping is improving fuel efficiency through more energy efficient vessels and the use of technologies that can reduce the energy consumed and increase the speed of vessels. A.P. Møller - Mærsk has committed nearly USD 2 billion to [illegible]

Logistics & Services

Despite consistent volume growth across most products year-over-year, revenue decreased in 2023. The challenges were intensified by the aftermath of an abnormal year in 2022, marked by the global impacts of COVID-19. The logistics industry witnessed exceptionally high freight rates in 2022 due to increased consumer demand caused by the pandemic.

As 2023 unfolded, the industry entered a normalised phase causing lower freight rates compared to the abnormal levels of 2022.

During 2023, Logistics & Services proactively implemented a series of strategic measures to address the challenging operational landscape. The company prioritised driving technological advancements, aiming to enhance efficiency and to stay at the forefront of industry innovations. Furthermore, efforts were directed towards securing new customers and acquiring new capabilities to broaden the company's market reach. Operational improvements were a key focus, with initiatives aimed at improving processes and optimising resource allocation. Logistics & Services remains dedicated to strong cost management by enhancing operational efficiencies and optimising asset utilisation, with tangible impacts expected to manifest gradually in 2024.

Truly integrating logistics solutions

Logistics & Services is a core growth element of A.P. Moller - Maersk's integrator strategy. Logistics & Services seeks to fulfil more of the customers' needs at every step of their supply chain through the integrated logistics offerings enabled by digital platforms.

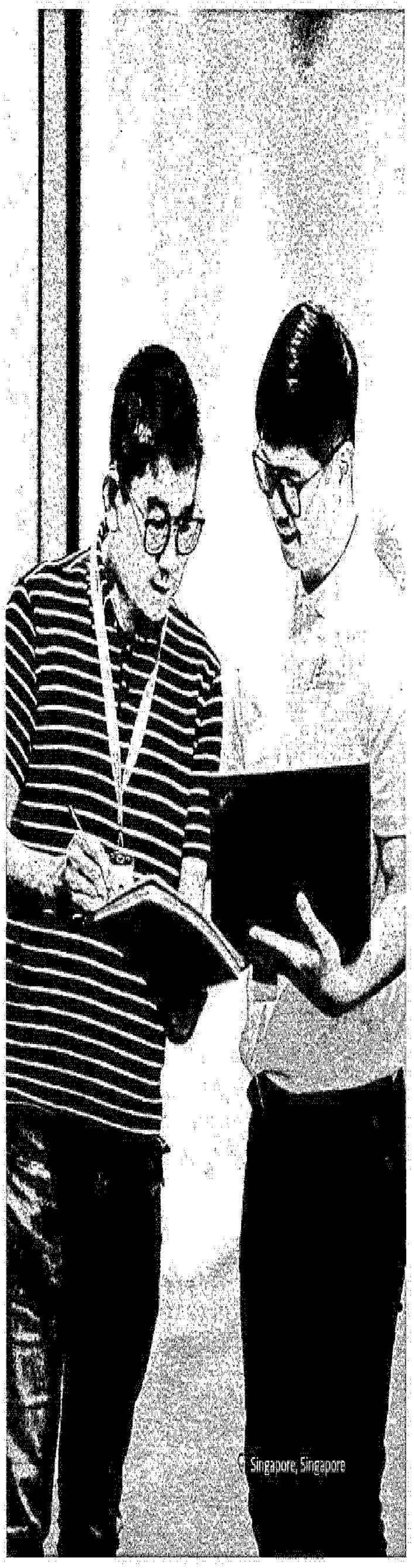
Managed by Maersk offers customs brokerage services, supply chain management and 4PL services, cold chain logistics and Maersk Project Logistics. **Fulfilled by Maersk** offers consolidation, deconsolidation and fulfilment, warehousing, cold storage as well as distribution services, inland transportation, depot operations and e-commerce logistics. **Transported by Maersk** offers landside transportation, air freight, less than container loads and cargo risk management products.

Logistics & Services highlights

USD million

	2023	2022
Revenue	**13,916**	**14,423**
Direct costs (third party cost)	9,694	10,717
Gross profit	**4,222**	**3,706**
Direct operating expenses	1,895	1,482
Selling, General & Administration (SG&A) costs	1,076	846
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**1,251**	**1,378**
EBITDA margin	9.0%	9.6%
Profit after depreciation and impairment losses, before amortisations (EBITA)	**619**	**944**
EBITA margin	4.4%	6.5%
Profit before financial items (EBIT)	**446**	**814**
EBIT margin	3.2%	5.6%
Invested capital	10,779	9,858
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	771	657
Operational and financial metrics		
EBIT conversion (EBIT/gross profit - %)	10.6%	22.0%
Managed by Maersk revenue[1]	2,168	2,491
Fulfilled by Maersk revenue[1]	5,452	4,916
Transported by Maersk revenue[1]	6,296	7,016
Supply chain management volumes (cbm in '000)	102,252	110,264
Intermodal volumes (FFE in '000)	4,031	4,526
Air freight volumes (tonne in '000)	295	211

1. The 2022 by Maersk revenue figures have been restated in order to reflect changes within the Logistics & Services model definition.



Singapore, Singapore

13.9bn

4.2bn

1.3bn

446m

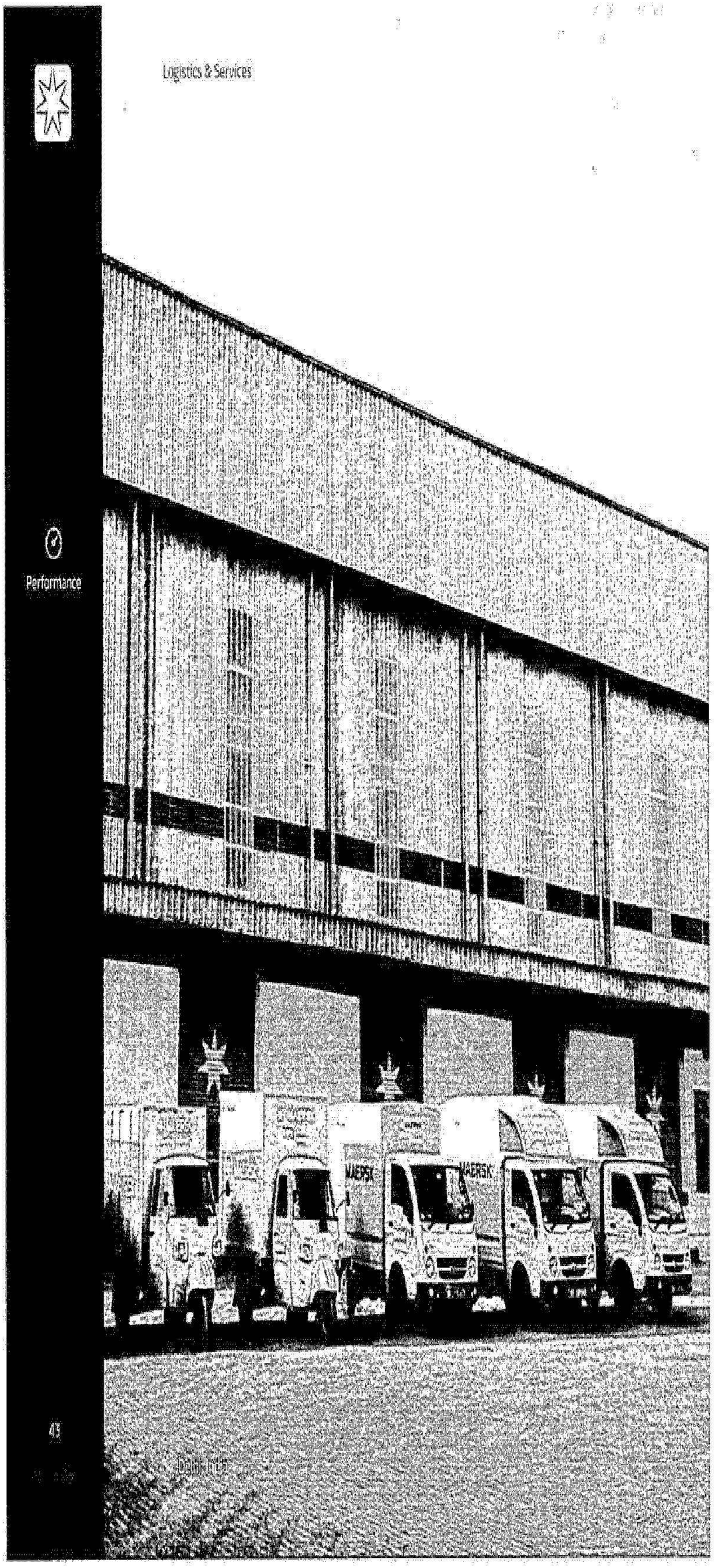
Logistics & Services highlights

By expanding in capacity and capabilities while becoming more digitalised, Logistics & Services continues to improve its end-to-end logistics solutions providing greater flexibility for the customers at every stage of their supply chain.

The Less than Container Load (LCL) value proposition was strengthened by expanding the LCL network, with over 600 own direct consolidation lanes now open versus 400 lanes in 2022 and enhanced digital capability on Maersk.com for public track and trace, instant price and booking journey. This own-controlled and operated consolidation model with fixed sailing schedules and loading priority will help safeguard the highest-level reliability for customers.

With the acquisition of LF Logistics and with organic growth the global warehousing footprint reached 7,629k sqm and 469 sites in 2023 from 7,104k sqm and 452 sites at the end of 2022. Fulfilled by Maersk is rolling out a modernised transport management system globally and are leveraging LF Logistics technology to develop and implement one global warehouse management system. These are key milestones in being able to provide customers with digitally enabled end-to-end logistics solutions.

Maersk Project Logistics (MPL) was launched as a global product family in January 2023. The product is an amalgamation of Maersk SPL and Mainfreight which was acquired to add additional project logistics competences and global coverage with 350 dedicated project logistics professionals. The purpose of MPL is to meet customers needs for end-to-end transportation and mobilisation of special cargo (out of gauge cargo) and integrated project logistics solutions that remove complexity and provide outcome certainty in a safe manner.



DECARBONISATION

Connecting end-to-end logistics decarbonisation solutions

A.P. Moller - Maersk increased delivery of decarbonisation solutions based on its 2022 groundwork on understanding customers' needs and the most promising and commercially viable technologies. For many customers, the GHG emissions from land-based logistics including contract logistics, cold chain and omnichannel fulfilment, are the most carbon-intense parts of their logistics supply chains, and there is significant appetite for end-to-end decarbonisation solutions. At the same time, scaling Logistics & Services decarbonisation offerings relies on regional solutions as well as local policy, capacity and infrastructure, such as sufficient electric vehicle charging.

A.P. Moller - Maersk launched an ECO Delivery Inland product in select US locations using owned/leased electric vehicles in 2023. The company also began deploying heavy duty electric trucks, together with partners, in Germany, Norway, Sweden, the UK and China, with pilots in Brazil. The first ECO Delivery Air pilots were also run for customers requiring air shipments in their supply chains.

Sustainable warehouse and distribution centre facilities are another key lever in decarbonising logistics. In 2023, A.P. Moller - Maersk launched low and very low emissions dry storage warehouses in the United Kingdom, Malaysia and Columbia. 'Low emission' facilities are defined as being fully compliant with a target based on facility size, use of renewable energy and no equipment running on fossil fuels.

Cold store warehouses are further required to use natural refrigerants in the main cooling system to be compliant. In 2023, A.P. Moller - Maersk inaugurated a state-of-the-art cold storage facility in Hamilton, New Zealand, built with a low-carbon construction policy and including advanced energy management, solar energy and rainwater harvesting.

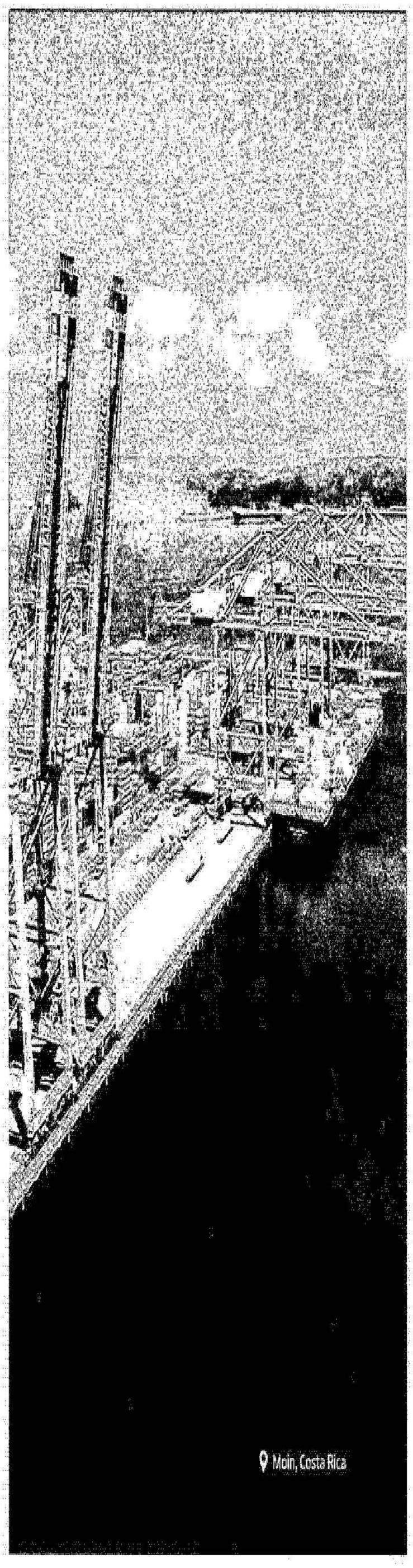
Terminals

Terminals delivered a strong 2023 with an EBIT of USD 980m and a ROIC of 10.5%. In the first half of the year, global demand dropped significantly, decongesting global supply chains and reducing terminal utilisation. Consequently, Terminals revenue decreased significantly with dwell time and hence storage revenue returning close to the pre-pandemic levels of 2019.

Margins were actively protected through cost-saving initiatives and tariff increases resulting in an EBITDA margin of 33.2%, 5.4 percentage points above 2019 levels with only a 1.9 percentage point drop from 2022. Volume, adjusted for exits, decreased by 0.8% in a contracting global market driven by a weak US market and construction closures in India (GTI), partially offset by growth in Pori, Georgia, and Callao, Peru. Revenue per move decreased by 8.2% due to lower storage revenue and exits, which outweighed the achieved tariff increases in many locations. Cost per move decreased by 4.6% on the back of exits and inflation offsetting cost-saving initiatives.

Expansion projects were initiated in Lazaro Cardenas, Mexico, and Pipavav, India, while the terminal modernisation project in Onne, Nigeria, was completed. The significant modernisation projects in Los Angeles, USA, and Mumbai, India, are nearing completion as well.

Terminals highlights		USD million
		2022
Revenue	**3,844**	**4,371**
Concession fees	[illegible]	362
Labour cost (blue collar)	[illegible]	1,270
Other operational costs	[illegible]	668
Selling, General & Administration (SG&A) and other costs, etc.	[illegible]	566
Total operating costs	**2,566**	**2,836**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**1,278**	**1,535**
EBITDA margin	[illegible]	35.1%
Profit before financial items (EBIT)	**980**	**832**
EBIT margin	[illegible]	19.0%
Invested capital	[illegible]	7,543
Gross capital expenditure (excl. acquisitions and divestments & IFRS 16)	[illegible]	1,146
Operational and financial KPIs		
Terminal volumes		
- Financially consolidated moves (mill. TEU)	[illegible]	12.762
Ocean segment	[illegible]	4,556
External customers	[illegible]	8,194
Terminal revenue per move		
- Financially consolidated (USD)	[illegible]	342
Terminal cost per move		
- Financially consolidated (USD)	[illegible]	263
Result from joint ventures and associated companies (USDm)	[illegible]	46



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Terminals

Revenue

3.8bn

(USD 4.4bn)

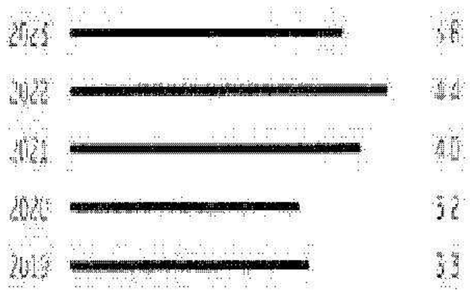
Revenue decreased by USD 523m, driven by a normalisation of storage revenue due to easing global congestion and exits.

Overall volumes were 4.3% below 2022 with a 3.5 percentage point impact from exits (Luanda, Ilyichevsk, Cartagena and Mauritania), and a 1.8-percentage point impact from construction closures in Mumbai, India.

Volumes in the remaining portfolio grew 1.5% with strong volumes in Port Qasim, Callao, Peru, and Pipavav, India, offsetting weak volumes in the USA. Volumes from Ocean decreased by 6.0% (3.3% like-for-like) and volumes from external customers decreased by 2.9% (increased by 1.8% like-for-like). Despite the increase in volumes in the continuing portfolio, utilisation decreased to 73% (78%), mainly driven by a capacity increase from a terminal modernisation programme in North America.

Lower congestion-related storage revenue and exits resulted in an 8.2% reduction in revenue per move, even as underlying tariffs were increased in line with local inflation. Cost per move improved by 4.5% to USD 252 (USD 263), driven by mix impact, exits and an ability to limit the impact of inflation on the cost base.

Adjusted for foreign exchange rates, volume mix and portfolio changes, revenue per move decreased by 4.3% and cost per move increased by 3.7%.

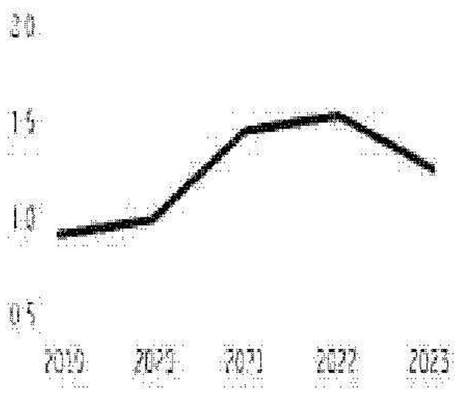


EBITDA

1.3bn

(USD 1.5bn)

EBITDA decreased by USD 257m driven by the normalisation of storage revenue, partly offset by higher tariffs. The EBITDA margin declined to 33.2% (35.1%), but compared to the pre-congestion year in 2019, the EBITDA margin improved by 5.4 percentage points.



EBIT

980m

(USD 832m)

EBIT increased by USD 148m, driven by the impact of divesting GPH in 2022. Adjusted for the divestment EBIT decreased by USD 255m, driven by the normalisation of storage revenue, partly offset by increasing tariffs and cost-saving initiatives keeping increases below inflation. Compared to the pre-congestion year in 2019, EBIT improved by USD 335m.

2023	2022	2021	2020	2019
980	832	1,173	687	645

CAPEX

541m

(USD 516m)

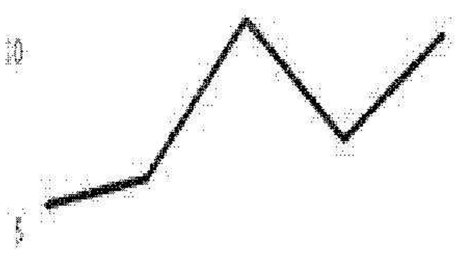
CAPEX increased by USD 25m as investments into the existing portfolio was largely unchanged with key projects being the ongoing modernisation of terminals in Los Angeles, USA, Port Elizabeth, USA, and Barcelona, Spain, and the completion of construction work in Mumbai, India, and Poti, Georgia.

ROIC

10.5%

(12.6%)

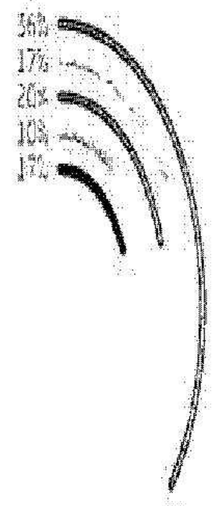
ROIC (LTM) increased by 2.9 percentage points, driven by the impact of the Global Port Investments (GPI) divestment in 2022. Adjusted for the GPI divestment, ROIC decreased by 1.8 percentage points, down from 12.3% in 2022, due to the normalisation of storage revenue.



Cost split

Frontline and office-based people costs make up almost half of Terminals cost base.

- Labour costs (blue collar)
- Selling, general and administration (SG&A) and other costs, etc.
- Other operational costs
- Concession fees
- Depreciation and amortisation



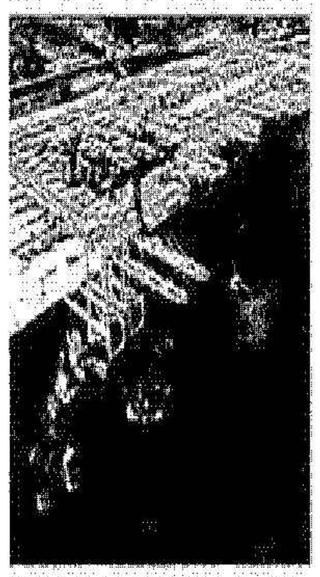
Results from joint ventures and associated companies

282m

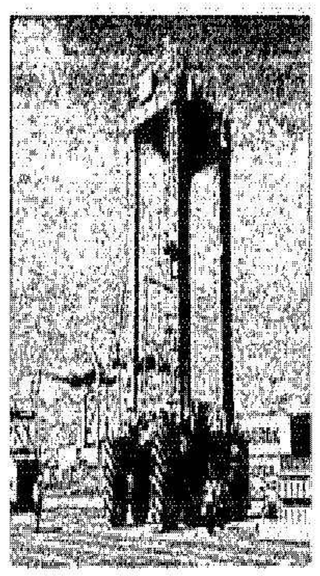
(negative USD 46m)

The share of profit in joint ventures and associated companies improved to positive USD 282m (negative USD 46m), driven by the divestment of GPI and Wilhelmshaven, Germany, in 2022. Adjusted for the divestments results decreased by USD 22m driven by the go-live of a second terminal in Abidjan, Côte d'Ivoire.

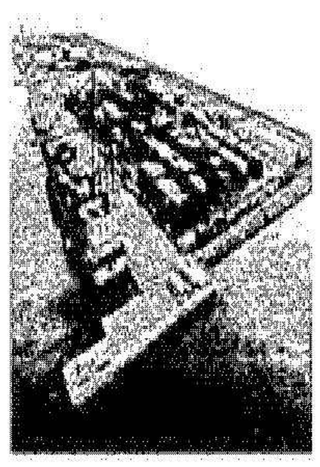
Terminals highlights



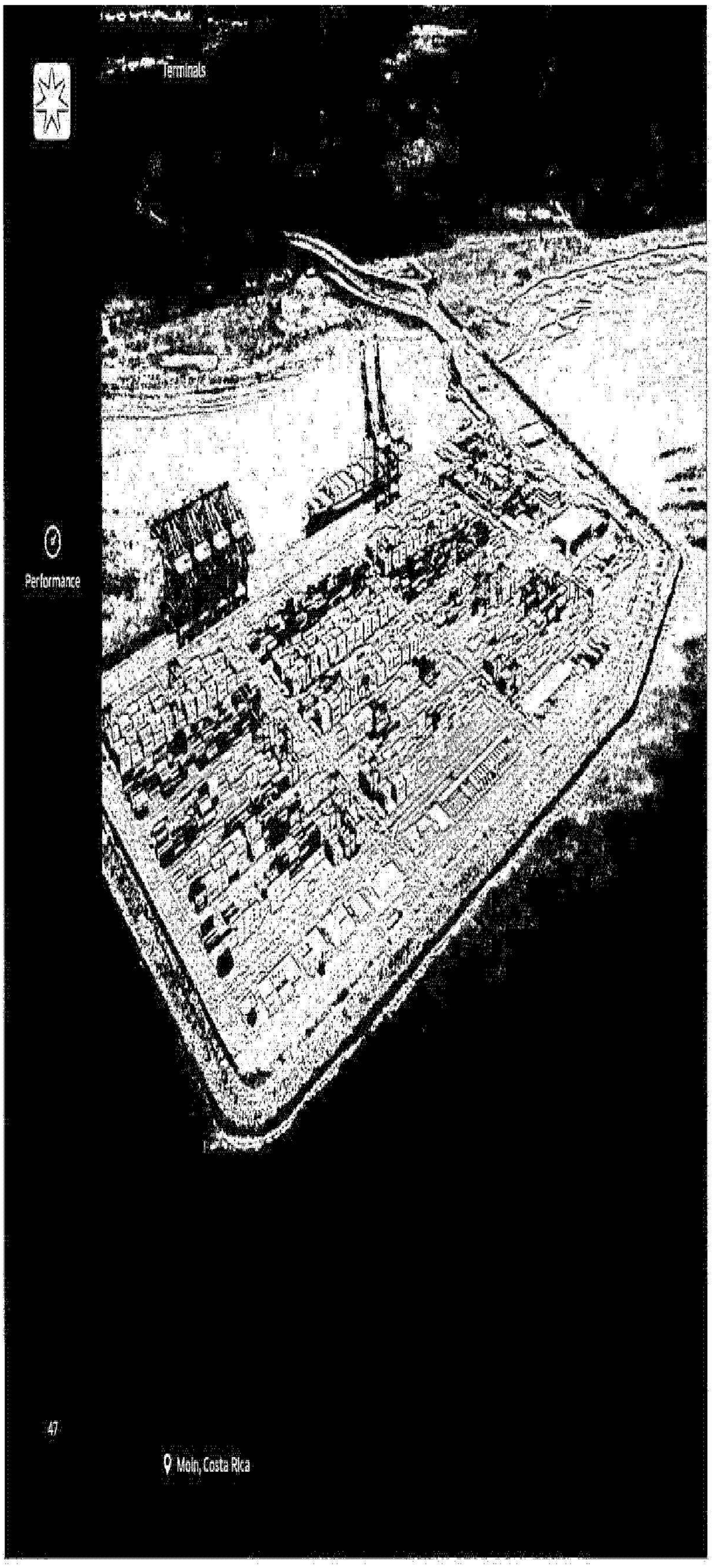
The focus on growing the portfolio continues after Terminals entered into a strategic partnership with Vietnamese HATECO group to develop a new terminal at Haiphong City, Vietnam. Further, the acquisition of a facility in Suape, Brazil, is on track, paving the way for building what will be Brazil's first 100% electrified terminal. In Lazaro Cardenas, Mexico, the Phase II expansion has started which will increase the capacity by one million TEUs and position it as a hub for the Americas region.



The modernisation project in Los Angeles, USA, is concluding with 100% of the volumes now being managed through the new automated yard. In Mumbai, India, both berths are operational again after a planned temporary closure due to a modernisation programme and volumes are returning. In Onne, Nigeria, the terminal modernisation programme has also been completed, positioning the terminal well for future growth.



Terminals divested the terminal facility in Castellon, Spain (APM Terminals Castellon) upon reaching an agreement with Noatum Terminals, which is part of Noatum, an AD Ports Group company. Further APM Terminals Mauritania S.A, operating terminals in Nouakchott and Nouadhibou, has been divested to local container operator Terminal a Conteneurs de Nouakchott (TCN).



DECARBONISATION

Terminals make the case for electrified container handling

A.P. Moller - Maersk's commitment to decarbonisation also applies to Terminals' network of owned and operated terminals that connect ocean and landside operations. The challenge in addressing terminal emissions is the fragmented footprint across almost 4,000 pieces of equipment and nearly 40 different locations with unique infrastructure, regulatory and concession context.

The key levers in decarbonising terminals are switching to renewable electricity, direct electrification, battery electric mobile equipment, energy optimisation and green fuels when needed and possible.

In 2023, Terminals published a white paper with multinational logistics company DP World outlining the case for electrified container handling. The current global fleet of container handling equipment is estimated to account for 10-15 million tonnes of scope 1 and scope 2 annual carbon emissions from ports. The whitepaper offers a roadmap for container terminal electrification by engaging with stakeholders across the value chain, including terminal operators, equipment manufacturers, port authorities, affiliated government entities and shipping line operators.

Following the launch of the whitepaper, Terminals and DP World announced the formation of the Zero Emission Port Alliance (ZEPA) during COP28 in December 2023. ZEPA is an industry-wide strategic coalition with the goal of accelerating the journey to zero emissions for container handling equipment on ports.

In 2023, Terminals completed energy optimisation assessments at 12 terminals to identify solutions that will reduce and optimise fuel and electricity use. The first of five electric equipment pilot projects at the Aqaba Container Terminal in Jordan, was also kicked off as a pilot project including electric reach stackers and empty container handlers as well as 10 electric terminal trucks.

To reduce scope 2 (purchased electricity) emissions, Terminals switched to 100% renewable electricity in Callao, Peru, and 40% renewable electricity in Pipavav, India. For the year, procured renewable electricity accounted for nearly 40% of Terminals' total electricity demand.

GHG emissions from diesel generators from vessels at ports are Terminals' largest scope 3 category emissions. In 2023, a number of alternative maritime power systems, which provide vessels with power from shore to reduce fuel use as well as pollution and noise, were evaluated for future consideration.

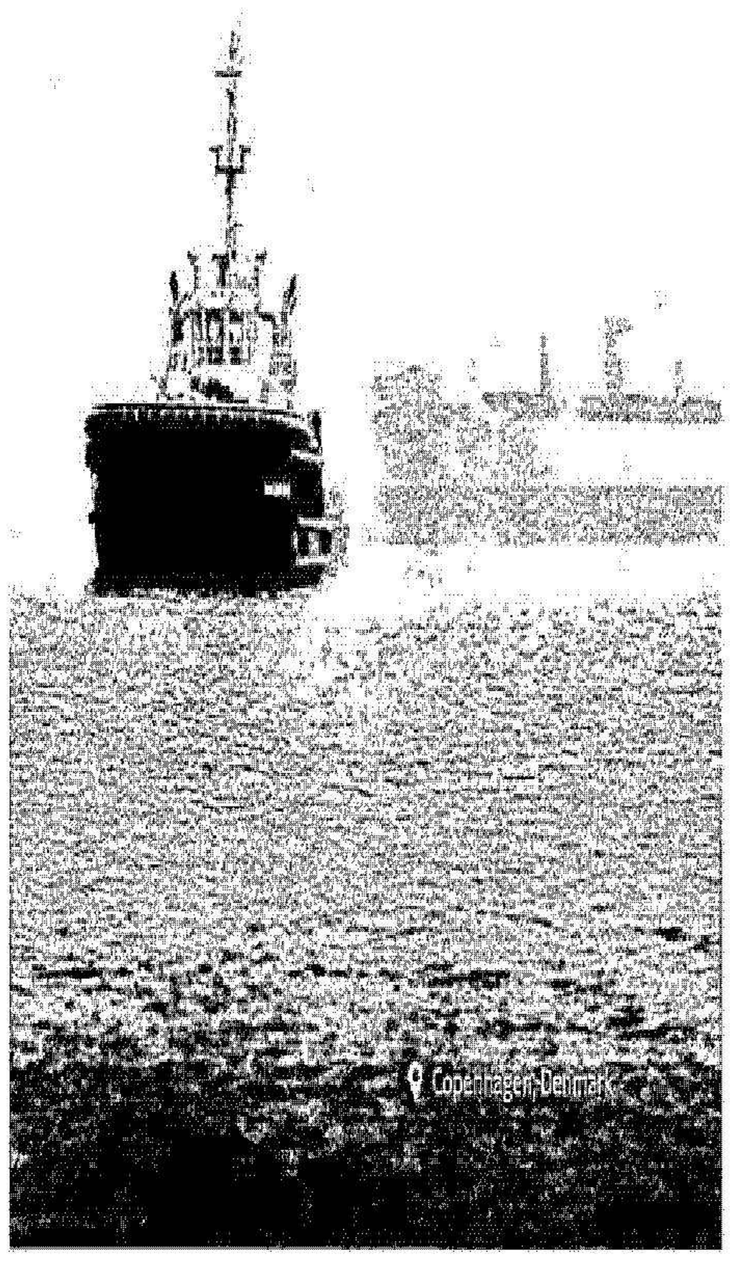
Performance

Towage & Maritime Services

Revenue was USD 2.1bn (USD 2.35m) with an EBITDA of USD 320m (USD 369m)
EBIT increased by USD 150m to USD 457m (USD 307m), mainly due to the gain from the sale of shares in Hoegh Autoliners AS and net gain on sale of U.S. Marine Management

2.1bn

169m



Quarterly summary

Income statement	2023 Q4	Q3	Q2	Q1	2022 Q4	Q3	Q2	Q1
Revenue	11,741	12,129	12,988	14,207	17,620	22,767	21,650	19,292
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	839	1,878	2,905	3,969	6,540	10,862	10,327	9,084
Depreciation, amortisation and impairment losses, net	1,580	1,584	1,571	1,880	1,612	1,649	1,418	1,507
Gain on sale of non-current assets, etc., net	84	136	163	140	33	4	37	27
Share of profit/loss in joint ventures and associated companies	120	108	110	97	161	260	42	-331
Profit/loss before financial items (EBIT)	-537	538	1,607	2,326	5,122	9,477	8,988	7,273
Financial items, net	101	153	-16	190	171	-303	-203	-294
Profit/loss before tax	-436	691	1,591	2,516	5,293	9,174	8,785	6,979
Tax	20	137	104	193	312	263	164	171
Profit/loss for the period	-456	554	1,487	2,323	4,981	8,911	8,621	6,808
A.P. Møller - Mærsk A/S' share	-436	521	1,453	2,284	4,950	8,879	8,593	6,776
Underlying profit/loss[1]	-442	489	1,346	2,561	4,863	8,818	8,553	7,469

Balance sheet

Total assets	82,100	83,459	83,500	85,490	93,680	89,056	80,426	73,031
Total equity	55,090	55,973	56,427	55,833	65,032	60,231	52,586	44,940
Invested capital	50,430	49,080	49,343	50,322	52,410	53,386	49,195	45,167
Net interest-bearing debt	-4,658	-6,844	-7,090	-7,002	-12,632	-6,855	-3,356	-689

Cash flow statement

Cash flow from operating activities	166	1,385	2,758	5,334	8,200	9,444	8,611	8,221
Repayments of lease liabilities	763	816	822	825	861	811	762	646
Gross capital expenditure, excl. acquisitions and divestments (CAPEX)	1,251	819	738	838	895	906	1,008	1,354
Cash flow from financing activities	-1,545	-1,200	-3,334	-10,726	-1,601	-1,968	-3,046	-7,520
Free cash flow	-1,714	-124	1,581	4,224	6,462	7,787	6,844	6,014

Financial ratios	2023 Q4	Q3	Q2	Q1	2022 Q4	Q3	Q2	Q1
Revenue growth	-34.1%	-46.7%	-40.0%	-26.4%	-3.7%	37.1%	52.1%	55.1%
EBITDA margin	7.1%	15.5%	22.4%	27.9%	36.7%	47.7%	47.7%	47.1%
EBIT margin	-4.6%	4.4%	12.4%	16.4%	28.7%	41.6%	41.5%	37.7%
Cash conversion	20%	74%	95%	134%	125%	87%	83%	90%
Return on invested capital after tax (ROIC) (last twelve months)	7.4%	17.7%	34.3%	49.1%	60.4%	66.6%	62.5%	53.6%
Equity ratio	67.1%	67.1%	67.6%	65.3%	69.4%	67.6%	65.4%	61.5%
Underlying ROIC[1] (last twelve months)	7.5%	17.5%	34.1%	49.0%	61.2%	68.1%	64.2%	55.4%
Underlying EBITDA[1]	911	1,907	2,916	4,037	6,517	10,851	10,289	9,186
Underlying EBITDA margin[1]	7.8%	15.7%	22.5%	28.4%	36.6%	47.7%	47.5%	47.6%
Underlying EBIT[1]	-520	450	1,469	2,563	5,002	9,381	8,924	7,937
Underlying EBIT margin[1]	-4.4%	3.7%	11.3%	18.0%	28.1%	41.2%	41.2%	41.1%

Stock market ratios

Earnings per share, USD	-27	31	85	131	278	488	466	364
Diluted earnings per share, USD	-27	31	85	131	277	487	464	363
Cash flow from operating activities per share, USD	16	87	163	306	461	519	467	442
Share price (B share), end of period, DKK	12,140	12,735	11,975	12,445	15,620	13,865	16,555	20,370
Share price (B share), end of period, USD	1,800	1,869	1,745	1,816	2,242	1,817	2,313	3,040
Total market capitalisation, end of period, USD	28,541	29,490	29,273	30,957	39,155	32,099	42,108	55,662

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. Møller - Mærsk's share of mentioned items in joint ventures and associated companies and, when applicable, the adjustments are net of tax.

Amounts in USD million

Governance

- Shareholder information
- Corporate governance
- Remuneration
- Board of Directors
- Executive Board and the Executive Leadership Team

Shareholder information

The share price declined over the course of 2023 as the market outlook for the Ocean business progressively deteriorated in light of the increasingly challenging supply-demand situation in the container shipping industry following the pandemic-fuelled years of 2021 and 2022. The share price development also reflected the DKK 74.4bn (USD 10.9bn) returned to shareholders – the highest dividend ever paid in the history of A.P. Møller - Mærsk. Share price performance was broadly aligned with global peers.

The Mærsk B share closed 2022 at DKK 15,620. Following the return of DKK 74.4bn to shareholders through the full-year dividend paid in March 2023, the share price declined to reflect the post-dividend balance sheet. The share price remained relatively stable over the following seven months, performing in line with the transportation industry peers. In the third quarter results published in November 2023, the company readjusted guidance expectations towards the lower end of the financial guidance ranges previously communicated and highlighted the impact of the rapidly increasing oversupply in container shipping, resulting in a share price decline of 17% on the day. From mid-December, Mærsk shares rallied strongly in response to a spike in freight rates, resulting from the concerning disruptions in the Red Sea/Gulf of Aden. Mærsk B shares closed 2023 at DKK 12,140, representing a decline of 22% on the year. Assuming reinvestment of the dividend paid in March 2023, the total shareholder return over the year was 6%.

The Board of Directors in A.P. Møller - Mærsk A/S proposes a dividend of DKK 515 per share based on a pay-out ratio of 30%, corresponding to a dividend yield of 4.2%.

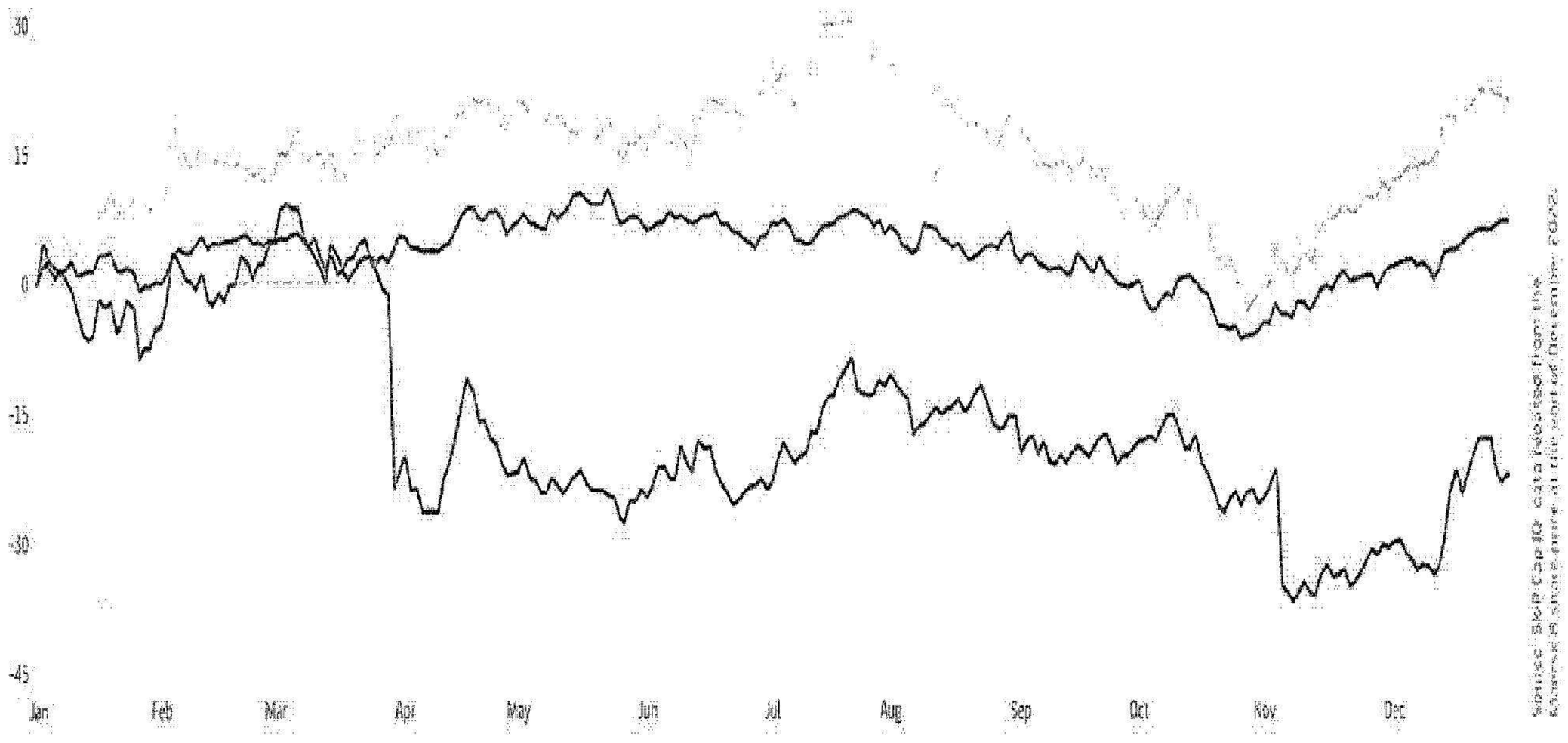
Total shareholder return

2023	2022	2021	2020	2019
6%	-26%	77%	45%	36%

The Mærsk B share price decreased by 22% to DKK 12,140 from its closing price at the end of 2022 of DKK 15,620. By comparison, the benchmark indices MSCI Europe Transportation and OMXC25 decreased by 21% and 7%, respectively. The Mærsk B share price reached its highest price of DKK 17,050 on 2 March 2023, and its lowest price of DKK 9,826 on 7 November 2023. The total market value of A.P. Møller - Mærsk A/S was USD 28.5bn or DKK 192.5bn at the end of 2023.

Share price development

Price change, %



Share capital

A.P. Møller - Mærsk A/S's shares are listed on Nasdaq Copenhagen in the form of 60,000 A shares and 40,000 B shares with voting rights and 1,000,000 B shares without voting rights. Each DKK 1,000 A share gives the holder 1 vote, while each DKK 1,000 B share gives the holder 1 vote.

On 1 July 2019, the Company cancelled 227,940 B shares. The cancelled shares corresponding to 0.18% of the total share capital of A.P. Møller - Mærsk A/S prior to the cancellation of shares.

The A.P. Møller - Mærsk A/S share capital amounts to nominally DKK 1,569.2m divided into 60,000 A shares of nominally DKK 1,000 and 1,469,869 B shares of nominally DKK 1,000.

Ownership

The total number of registered shareholders increased by 3,000 to a total of 107,000 during 2019. Shareholders with investments of share capital of more than 5% of the share capital at the 30 largest registered shareholdings, representing a total of 13.5% of the total share capital and a total of 53% of the total voting rights.

Treasury shares

The A.P. Møller - Mærsk A/S Group's treasury shares amounted to 0.8% at the beginning of the year and 2.0% at the end of the year. The Group's treasury shares amounted to 12,000 B shares.

Dividend

A.P. Møller - Mærsk A/S's dividend policy is to pay out 40-60% of annual profit after adjusted for gains and losses on the disposal of vessels.

The Board of Directors proposes a dividend to the shareholders of DKK 515 per share of DKK 1,000 (DKK 4,300 per share of DKK 1,000).

Distribution to shareholders of excess cash will take place through dividends and the actual payout level and distribution will be decided from an evaluation of the outlook for cash flows, capital expenditures, strategic opportunities, and the target of having an investment grade rating.

The Board of Directors proposes a dividend to the shareholders of DKK 515 per share of DKK 1,000 (DKK 4,300 per share of DKK 1,000). The proposed dividend will be paid to shareholders on [illegible]

The A.P. Møller - Mærsk A/S share

Key figures	Ref.	2019	2018	2017	2016	2015
Year-end share price (DKK, B share)		15,020	23,450	13,595	9,608	9,600
Share price range (DKK, B share)		11,555	22,330	9,081	5,410	9,600
Market capitalisation at year-end (DKKbn, A and B shares)		69.1	64.3	42.0	28.0	39.0
Earnings per share - continuing operations (USD)		1,600	941	185	-4	1,600
Dividend per share (DKK, A and B shares)		4,300	2,500	550	150	1,000
Dividend yield to B share		27.5%	10.7%	2.4%	1.0%	10.4%
Total dividends (USDm)		2,889	1,517	1,092	468	2,000
Share buy-back programme (DKKbn)		14.8	12.3	5.4	5.5	5.5
Share buy-back programme (USDm)		2,385	1,956	806	791	1,000

Shareholders with more than 5% of share capital or votes

Shareholders according to section 55 of the Danish Companies Act	Share capital	Votes
A.P. Møller Holding A/S, Copenhagen, Denmark	41.5%	51.5%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark	14.1%	14.0%
Den A.P. Møller-Mærsk Storebrand, Copenhagen, Denmark	6.4%	6.4%
A.P. Møller - Mærsk A/S (treasury shares)	2.0%	1.5%

Capital allocation

The capital allocation strategy ensures that A.P. Moller - Maersk has sufficient financial flexibility to meet the strategic growth objectives while maximising return to A.P. Moller - Maersk's shareholders.

For 2023-2024, the expectation for the accumulated CAPEX is unchanged at USD 8.0-9.0bn, driven by continued investment in the integrator strategy, with a focus on growth, automation and decarbonisation. A.P. Moller - Maersk is committed to shareholder returns starting with its dividend policy, see above.

Funding strategy

A.P. Moller - Maersk's focus is on long-term debt in order to minimise the ongoing refinancing risk and secure a solid capital structure over the business cycle. A.P. Moller - Maersk aims at having a diversified debt portfolio, based on funding from debt capital markets, commercial bank debt, export credit agencies and from multilateral agencies.

The target is to have an average maturity of the debt portfolio (excluding the impact of leases) between four to five years, and that the total amount of debt maturing (excluding the impact of leases) in a single 12-month rolling period should not exceed USD 3bn within the next three years.

Share buy-back

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 planned share buy-back of around USD 12.0bn for the years 2022-2025, A.P. Moller - Maersk has bought back USD 6.3bn as of 31 December 2023.

The share buy-back is carried out with the purpose to adjust the capital structure of A.P. Moller - Maersk. At the Annual General Meeting in 2024, it will be proposed that shares which are not used for hedging purposes for the long-term incentive programmes are to be cancelled.

No shares may be bought back at a price exceeding the higher of i) share price of latest independent trade and ii) the highest current independent bid at NASDAQ Copenhagen at the time of trading. The maximum number of A and B shares that may be purchased on each trading day may not exceed 25% of the average daily trading volume of A and B shares, respectively, on NASDAQ Copenhagen or other regulated markets, on which the purchase is carried out, over the last 20 trading days prior to the date of purchase. A and B shares will be acquired in a 20/80 split reflecting the current trading volumes of the two share classes.

The company will fulfil its reporting obligations by announcing no later than every seventh trading day the purchases made under the share buy-back programme.

Given the heightened uncertainty, the Board of Directors has decided to immediately suspend the share buy-back programme, with a re-initiation to be reviewed once market conditions in Ocean have settled.

Financial calendar 2024

Thursday, 14 March 2024
Annual General Meeting
Virtual event

Thursday, 2 May 2024
Interim Report
Q1

Wednesday, 7 August 2024
Interim Report
Q2

Thursday, 31 October 2024
Interim Report
Q3

Annual General Meeting

The Annual General Meeting will be held on 14 March 2024 as a virtual event.

Investor Relations

Investor Relations worked to ensure that the global investment community were kept updated on the latest financial performance and corporate developments. Together with the Executive Leadership Team, Investor Relations engaged with institutional investors, financial analysts and individual investors, discussing our strategy and business transformation. In 2023, the Investor Relations team had around 1,000 interactions, including phone calls, video conferences and road shows. Maintaining a global presence, the Executive Board and IR team met with investors in Copenhagen, Stockholm, London, Paris, Frankfurt, New York, Los Angeles, Singapore and more. A dedicated event was hosted for Denmark-based financial analysts upon the arrival of our first methanol-enabled vessel in Copenhagen in September 2023. An important communications channel for IR is the investor website → investor.maersk.com, where investors can find the latest financial reports, investor presentations as well as share and bond information.

Corporate governance

AP Møller – Mærsk A/S must comply with the recommendations from the Recommendations for Corporate Governance implemented by Nasdaq Copenhagen in the Rules for issuers of shares and section 107b of the Danish Financial Statements Act. The Board of Directors has prepared a statement of corporate governance for the financial year 2024, which complies with the recommendations.

Of the 46 recommendations, the Company complies with 32, complies partly with seven and does not comply with the remaining seven recommendations.

Governance structure

The shareholders exercise their rights at the Annual General Meeting where they decide the governance and policy of the company. The Annual General Meeting elects the members of the Board of Directors and the auditors, approves the annual report and decides on matters where the Articles of Association require the approval of the Annual General Meeting.

The company has two governing bodies, a Board of Directors and a Executive Board, and the division of responsibilities between these bodies is set out in the Articles of Association, the Corporate Governance Statement and the Rules of Procedure for the Board, all of which are available at investor.maersk.com.

The Board of Directors appoints the Executive Board to conduct the day-to-day management of the company. As of 1 January 2025, the Executive Board of AP Møller – Mærsk A/S consisted of Vincent Clerc (CEO), Patrick Jany (CFO) and Per Ottosen.

During 2024, the Board of Directors and the Executive Board held a joint strategy workshop with the participation of 12 members of the Executive Leadership Team, which is responsible for the operational management of the business.

The governance structure supports close collaboration between the Board of Directors, the Executive Board and leaders across the organisation. The structure promotes the objectives of:

- Early identification of opportunities, challenges and risks
- Efficient processes for well-informed decision-making
- Continuous learning
- Proactive follow-up and implementation
- Sound control, checks and balances and compliance
- Clear allocation of authorities and responsibilities
- Safe operations, with a focus on the ESG-related matters

Board competences and diversity

The Board elects the Board's several key competences needed to run the Board and fulfil its responsibilities, supporting transport, logistics and digitalisation as core foundation, sustainability, asset investment, risk and crisis management, and board service in global companies.

Currently, the Board is composed of seven members, all of whom are male. Four of the Board members are considered independent of the Board and the management of the company, and all of them have been elected by the Annual General Meeting.

The Rules of Procedure for the Board are available on the company's webpage.

Board evaluation

In 2024, a Board evaluation was carried out to address governance topics such as diversity in the Board, contents of the work of the committees and the ways the Board interacts with the Executive Board, including the company's strategy. The Board's annual evaluation is carried out by the Board itself. The results are discussed at a plenary Board meeting and the implementation of any improvements will be monitored.

The Board evaluation 2024 confirmed the composition of the Board and the Company's Executive and Leadership Teams as well-functioning and effective. The Board members have a strong mix of competences, experience and diversity.

Board Committees

The Rules of Procedure for the Board Committees are available on the company's webpage.

Audit Committee

The Audit Committee consists of four Board members. The majority of the members are independent. In 2024, the Audit Committee has, among others, dealt with the following matters:

- Monitoring the financial and non-financial reporting process, including financial reporting risks, account policy estimates and judgments, accounting policies and reporting process integrity
- Monitoring the ESG reporting
- Review of annual and interim financial reports
- Monitoring the effectiveness of management systems, financial risks and fraud prevention
- Discussion of key audit matters, monitoring the services, audit plans, reports, independence of external auditors and non-cooperating statutory auditor objection
- Monitoring the functioning of the internal audit function, its independence, scope, performance, resources and reporting, and the resolution of audit findings
- Oversee the company's enterprise risk management framework and reviewing key enterprise risks and relation mitigation plans

Nomination Committee

The Nomination Committee consists of three Board members. One member of the Nomination Committee is also a member of the Board's Audit Committee. In 2024, the Nomination Committee has, among others, managed the following matters:

- Annual assessment of the composition, size, competences, diversity of the Board of Directors as a part of the Board's evaluation
- Planning and succession planning of the Board of Directors
- Assessment of independence of the Board members

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Remuneration Committee

The Remuneration Committee consists of three Board members. One member (of the Remuneration Committee) is independent. In 2023, the Remuneration Committee has, among others, managed the following matters:

- Review and definition of benchmarks for executive remuneration.
- Review, monitoring and proposal to the Board of the scorecards and remuneration packages of the Executive Board for 2023 and 2024.
- Review and proposal of a new Remuneration Policy.
- Preparation of the Remuneration Report.
- Preparation for the appointment and remuneration of a new Executive Leadership Team including contract terms.
- Proposal of fees for the members of the Board of Directors.

ESG Committee

The ESG Committee was formed in March 2023 and consists of four Board members. Two of the members are independent. The chair of the ESG Committee is also member of the Audit Committee to ensure alignment between the two committees' roles and responsibilities, especially on ESG reporting.

In 2023, the ESG Committee has, among others, managed the following matters:

- Review of the company's commitments and scope of reporting within ESG, including future legislation and reporting requirements.
- Review of ESG Scorecard for 2023 and 2024 targets.
- Review of the company's DEI policy.
- Review of the cultural transformation programme for the fleet.

ESG governance

The company has adopted policies and strategies for responsible business practices and sustainability to support its business strategy and deliver value for customers, investors and broader society in line with the recommendations of the UN Global Compact. The company publishes an annual Sustainability Report, which can be found on the company's website.

The Board of Directors monitors sustainability and ESG in the company and approves the ESG strategy and annual reporting. In 2023, the Board further decided to establish an ESG Committee with specific focus on ESG-related topics. The Audit Committee monitors the ESG reporting.

Internal control and risk management systems

The company's risk management and internal controls in connection with its financial reporting are planned to reduce the risk of errors and omissions in the financial reporting.

Control environment

The Board of Directors, the Audit Committee and the Executive Board regularly assess material risks and internal controls in connection with the company's financial reporting process. The Audit Committee has a supervisory responsibility and reports to the Board of Directors. The responsibility for the maintenance of an efficient control environment in connection with the financial reporting rests with the Executive Board.

The Board of Directors and the Executive Board prepare and approve policies, procedures and controls in significant areas in connection with the company's financial reporting.

Risk assessment and management

At least once a year, the Board of Directors, the Audit Committee and the Executive Board undertake a general identification and assessment of risks, including the risk of fraud, and consider measures to be implemented to reduce or eliminate such risks, based on an assessment of materiality and probability of errors and omissions.

Control activities

Specific control activities related to financial reporting risks have been defined and implemented for each business segment.

Monitoring

The monitoring of risk management and control systems in connection with financial reporting takes the form of ongoing assessments and control at different levels within the company. Material weaknesses, omissions and violations are reported to the Executive Board. The Board of Directors and Audit Committee receive reports from the Executive Board and from Group Internal Audit on the compliance with the guidelines.

Group Internal Audit

Group Internal Audit provides assurance to the Board of Directors and the Audit Committee and acts independently of the Executive Board. Group Internal Audit's focus is to review the effectiveness of internal controls, procedures and systems to prevent and detect irregularities. The Head of Group Internal Audit reports to the Chair of the Board of Directors and to the Audit Committee.

Overview of committee members and attendance rate for 2023

	Board meeting	Audit Committee	Nomination Committee	Remuneration Committee	ESG Committee[1]	Transformation & Innovation Committee[2]
Robert Mærsk Uggla	9/9 (Chair)		6/6 (Chair)	7/7	4/4	1/1
Marc Engel	8/9		6/6	7/7 (Chair)	4/4	1/1 (Chair)
Arne Karlsson	9/9	8/8 (Chair)				
Bernard L. Bot	9/9	8/8				
Amparo Moraleda[3]	8/9	8/8		3/7	4/4 (Chair)	1/1
Marika Fredriksson[4]	8/9	7/8		5/7		
Kasper Rorsted[5]	7/9[5]		6/6		3/4	
Thomas Lindegaard Madsen	9/9					
Julija Voitiekute	9/9					
Overall attendance rate	96.2%	96.9%	100%	95.2%	93.8%	100%

1 In March 2023, the ESG Committee was established.
2 In March 2023, the Transformation & Innovation Committee was dissolved.
3 Amparo Moraleda stepped down from the Remuneration Committee in March 2023.
4 Marika Fredriksson joined the Remuneration Committee in March 2023.
5 Kasper Rorsted joined the Board in March 2023.

Remuneration

The remuneration of the Executive Board members for the financial year 2023 reflects a year in which A.P. Moller - Maersk was operating in a market environment that was significantly different from the most recent years, impacting key performance criteria and the remuneration outcome for 2023.

In connection with the change of leadership of A.P. Moller - Maersk in July 2023, the composition of the Executive Board changed. Further information regarding the remuneration of former members of the Executive Board is provided in note 2.2 of the consolidated financial statements.

Additionally, the Executive Board in the implementation of the new Executive Share Plan (ESP) has proceeded only to grant performance rights that also fully comply with the 2023 Remuneration Policy.

Remuneration policy at a glance

The policy supports the Business needs by ensuring an appropriate total remuneration package that is aligned with the business strategy and long-term shareholder interests.

The objectives of the Policy are to:

- *Ensure appropriate total remuneration.* The remuneration design and the level are guided by market practice, reflected in the remuneration components offered and the total remuneration level provided.
- *Link to business strategy.* The Policy supports the business plan and the need for executive leaders to focus on delivering short-term progress to achieve the company's strategic goals, reflected in a combination of short- and long-term incentive components. The Policy aims to support the attraction, retention and development of talented executives.

The current policy applies to members of the Executive Board and the Board of Directors and was adopted at the Annual General Meeting in 2023.

Board of Directors

The members of the Board of Directors receive a fixed annual fee, which is differentiated based on the role:

- Chair receives a fixed annual fee
- Deputy Chair receives a fixed annual fee
- Board members receive a fixed annual fee

Board of Directors' members serving on the Board committees or performing additional work beyond the normal responsibilities receive an additional fee. This does not apply to the Chair, who receives a fixed annual fee only.

Executive Board

The remuneration of the Executive Board members consists of a fixed base salary, fixed allowances, short-term incentive as well as long-term incentive components.

The remuneration structure is differentiated to reward for performance and the market value of roles. The individual remuneration level is set and reviewed based on peer-group analyses of similar size and complexity to ensure they remain competitive and in line with the market.

Total remuneration 2023

The table shows the total remuneration awarded to members of the Board of Directors and the Executive Board in aggregate from 2019 to 2023, as set out in note 2.2 of the consolidated financial statements.

Further information regarding the share-based incentives is detailed in note 5.2 of the consolidated financial statements as calculated according to IFRS 2.

Long-term share-based incentives are different in both reporting and methodology in the company's Remuneration Report 2023, which is available at the company's website on

investor.maersk.com/financials/financial-reports

2019–2023 Remuneration

USD million

Remuneration awarded	2023	2022	2021	2020	2019
Board of Directors					
Fixed annual fee	2	2	3	3	3
Total	**2**	**2**	**3**	**3**	**3**
Executive Board					
Fixed pay	4	8	9	8	10
Short-term cash incentive	2	6	8	6	5
Long-term share-based incentives	2	8	3	2	1
Remuneration in connection with redundancy, resignations and release from duty to work	-	8	-	-	3
Total	**6**	**30**	**20**	**16**	**22**

Board of Directors

Robert Mærsk Uggla

Chair, chair of the Nomination Committee, member of the ESG Committee and the Remuneration Committee
CEO A.P Moller Holding A/S

Not considered independent due to the position as CEO of A.P. Moller Holding A/S.

- Swedish nationality
- Male, born 1978
- Joined the Board in 2014
- Current election period: 2022-2024

Other management duties, etc.
- A.P. Moller Capital P/S (Chair)
- Maersk Tankers A/S (Chair)
- Agata ApS (CEO)
- Estanico XII ApS (CEO)
- IMD (Director of the foundation Board)
- International Business Leaders' Advisory Council, IBLAC (member)
- Board positions in a number of controlled subsidiaries of A.P. Moller Holding A/S

Education
- MSc in Business Administration (2003), Stockholm School of Economics, including studies at Universita Commerciale Luigi Bocconi
- Executive education at The Wharton School of the University of Pennsylvania, Stanford Business School, Harvard Business School, and IMD.

Qualifications
Leadership experience within transportation and infrastructure-related activities.

Marc Engel

Vice chair, chair of the Remuneration Committee, and member of the Nomination Committee and the ESG Committee
CEO, Unilabs

Not considered independent due to his position in Unilabs, an A.P. Moller Holding company.

- Dutch nationality
- Male, born 1966
- Joined the Board in 2019
- Current election period: 2023-2025

Other management duties, etc.
- ACT commodities (Supervisory Board Member)

Education
- MSc, Applied Physics, University of Groningen, Groningen, Netherlands

Qualifications
International experience in general management, sustainability, procurement and supply chain. Insight from a customer's perspective in both shipping and broader logistics space.

Bernard L. Bot

Member of the Audit Committee
CFO, Knight Inc. Pvt.

Considered independent.

- Dutch nationality
- Male, born 1966
- Joined the Board in 2019
- Current election period: 2023-2025

Other management duties, etc.
- None

Education
- MSc in Economics, Erasmus University, Rotterdam, the Netherlands
- MBA, University of Chicago Booth School of Business, Chicago, USA

Qualifications
Experience within the transport and logistics sector and listed companies, Technical financial skills, knowledge of global business-to-business technology and customer markets.

Marika Fredriksson

Member of the Audit Committee and the Remuneration Committee

Considered independent.

- Swedish nationality
- Female, born 1963
- Joined the Board in 2022
- Current election period: 2022-2024

Other management duties, etc.
- AB Industrivärden (Board member)
- Sandvik AB (Board member)
- Emagine Consulting (Chair)
- Axcel (Advisory Board member)
- Ecolean AB (Board member)
- Kone Oy (Board member)

Education
- Master's degree from the Swedish School of Economics, Helsinki, Finland

Qualifications
International experience as CFO and member of the Board of directors of listed companies within construction.

Arne Karlsson

Chair of the Audit Committee

Not considered independent due to being member of the Board for minimum 12 years.

- Swedish nationality
- Male, born 1958
- Joined the Board in 2010
- Current election period: 2023-2025

Other management duties, etc.
- Einar Mattsson (Chair)
- FAPMI Fastighets AB (Chair)
- Fastighets AB Stadshus (Chair)
- KANAL Ramundberget AB (Chair)
- Ramsverket AB (Deputy Board member)
- Swedish Securities Council (Board member)
- Advisory Board for The ESS (European Spallation Source) (member)
- Origover AB (Board member)

Education
- Bachelor's degree in Business and Economics, Stockholm School of Economics, 1982

Qualifications
Experience as CEO and Board member of private equity and industrial companies and with managing and developing a diverse portfolio of businesses operating in different markets.

1 Listed company

Board of Directors

Thomas Lindegaard Madsen

Not considered independent due to employment in A.P. Møller - Mærsk

Other management duties, etc.

Education

Qualifications

Amparo Moraleda

Considered independent

Other management duties, etc.

Education

Qualifications

Kasper Rørsted

Considered independent

Other management duties, etc.

Education

Qualifications

Julija Voitiekute

Not considered independent due to employment in A.P. Møller - Mærsk

Other management duties, etc.

Education

Qualifications

Executive Board

Vincent Clerc

Registered as CEO, A.P. Moller - Maersk A/S
Chief Executive Officer (CEO)
since January 2023

- Swiss nationality
- Male, born 1972
- Joined the Executive Leadership Team in 2017
- Joined A.P. Moller - Maersk in 1998

Other management duties, etc.
- European Round Table of Industrialists

Education
- Bachelor in Political Science, Lausanne, Switzerland
- MBA, Columbia Business School, New York, and London Business School

Qualifications
Vincent has held various roles in North America and Copenhagen. In December 2015, Vincent was appointed Chief Commercial Officer in Maersk Line before being appointed as member of the Executive Board as Chief Commercial Officer of A.P. Moller - Maersk in 2017. In December 2019, Vincent Clerc was appointed CEO of Ocean & Logistics at A.P. Moller - Maersk.

Patrick Jany

Registered as CFO, A.P. Moller - Maersk A/S
Chief Financial Officer (CFO)
since May 2020

- German and Swiss nationality
- Male, born 1968
- Joined the Executive Leadership Team in 2020
- Joined A.P. Moller - Maersk in 2020

Other management duties, etc.
- Comet AG, Switzerland (Board member)

Education
- Master in Business Administration, Finance, ESCP (École Supérieure de Commerce de Paris)

Qualifications
Before joining A.P. Moller - Maersk, Patrick was CFO and member of the Executive Committee in Clariant AG, Switzerland. Prior to his role as CFO, Patrick held several leadership positions within finance, general management and corporate development in Clariant in Germany, Mexico, Singapore, Indonesia and Spain.

Executive Leadership Team

A.P. Moller - Maersk's Executive Leadership Team includes leaders with a long tenure within A.P. Moller - Maersk, and leaders with experience from outside the company, bringing increased diversity of thought, age, gender and nationality.

The organisational structure is shaped around 13 roles and areas of responsibility. The Executive Leadership Team jointly owns the execution of A.P. Moller - Maersk's Integrator strategy and is composed to create strong alignment across the enterprise as well as clear ownership and accountability for key aspects of the next phase of A.P. Moller - Maersk's strategy.

The Executive Leadership Team's responsibilities

Vincent Clerc', Chief Executive Officer

Corporate functions

Patrick Jany', Chief Financial Officer

Katharina Poehlmann, Head of Strategy

Susana Elvira, Chief People Officer

Caroline Pontoppidan, Chief Corporate Affairs Officer

Navneet Kapoor, Chief Technology & IS Officer

Running the business

Karsten Kildahl, CCO & LAM & IMEA

Aymeric Chandavoine, President Europe

Charles van der Steene, President North America

Ditlev Bülcher, President Asia Pacific

Johan Sigsgaard, Chief Product Officer - Ocean

Narin Phol, Chief Product Officer - Logistics & Services

Rabab Boulos, Chief Operating Officer

Keith Svendsen, CEO APM Terminals

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Consolidated financial statements

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→ Consolidated statement of comprehensive income
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→ Consolidated cash flow statement
→ Consolidated statement of changes in equity
→ Notes to the consolidated financial statements

Consolidated income statement

Note		2023	2022
2.1	Revenue	51,065	81,529
2.2	Operating costs	41,574	44,682
	Other income	117	319
	Other costs	17	153
2.1	**Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)**	**9,591**	**36,813**
2.3, 3.1, 3.2, 3.3	Depreciation, amortisation and impairment losses, net	6,615	6,186
2.4	Gains on sale of non-current assets, etc., net	523	101
	Share of profit/loss in joint ventures and associated companies	435	132
	Profit/loss before financial items (EBIT)	**3,934**	**30,860**
4.4	Financial income	1,804	1,088
4.4	Financial expenses	1,376	1,717
	Profit before tax	**4,362**	**30,231**
5.1	Tax	454	910
	Profit for the year	**3,908**	**29,321**
	Of which		
	Non-controlling interests	86	123
	A.P. Møller - Mærsk A/S' share	**3,822**	**29,198**
4.1	**Earnings per share, USD**	**227**	**1,600**
4.1	**Diluted earnings per share, USD**	**227**	**1,595**

Consolidated statement of comprehensive income

Note		2023	2022
	Profit for the year	**3,908**	**29,321**
	Translation from functional currency to presentation currency		
	Translation impact arising during the year	-16	-551
	Reclassified to income statement, gain on sale of non-current assets, etc., net	44	53
4.4	Cash flow hedges:		
	Value adjustment of hedges for the year	27	-36
	Reclassified to income statement		
	- revenue	8	7
	- operating costs	-41	127
	- financial expenses	22	17
5.1	Tax on other comprehensive income	-6	-10
	Share of other comprehensive income of joint ventures and associated companies, net of tax	-1	6
	Total items that have been or may be reclassified subsequently to the income statement	**37**	**-387**
4.6	Other equity investments (FVOCI), fair value adjustments for the year	17	54
4.3	Actuarial gains/losses on defined benefit plans, etc.	9	36
5.1	Tax on other comprehensive income	3	30
	Total items that will not be reclassified to the income statement	**29**	**120**
	Other comprehensive income, net of tax	**66**	**-267**
	Total comprehensive income for the year	**3,974**	**29,054**
	Of which		
	Non-controlling interests	71	92
	A.P. Møller - Mærsk A/S' share	**3,903**	**28,962**

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Consolidated balance sheet at 31 December

Amounts in USD million

Note	Assets	2023	2022
3.1	Intangible assets	10,124	10,785
3.2	Property, plant and equipment	27,059	28,194
3.3	Right-of-use assets	9,670	10,967
	Investments in joint ventures	751	772
	Investments in associated companies	999	1,246
4.6	Other equity investments	398	377
4.5	Derivatives	11	10
4.3	Pensions, net assets	120	134
	Loan receivables	112	25
3.5	Other receivables	1,491	708
	Financial non-current assets, etc.	**3,882**	**3,272**
5.1	**Deferred tax**	**343**	**399**
	Total non-current assets	**51,078**	**53,617**
	Inventories	**1,658**	**1,604**
4.5	Trade receivables	4,881	6,971
	Tax receivables	355	231
4.5	Derivatives	137	198
3.5	Loan receivables	12,844	17,652
	Other receivables	1,387	1,094
	Prepayments	1,269	1,245
	Receivables, etc.	**20,873**	**27,391**
	Securities, etc.	**-**	**942**
	Cash and bank balances	**6,701**	**10,057**
3.6	**Assets held for sale or distribution**	**1,790**	**69**
	Total current assets	**31,022**	**40,063**
	Total assets	**82,100**	**93,680**

Note	Equity and liabilities	2023	2022
4.1	Share capital	3,186	3,392
	Reserves	50,844	60,599
	Equity attributable to A.P. Moller - Mærsk A/S	**54,030**	**63,991**
	Non-controlling interests	1,060	1,041
	Total equity	**55,090**	**65,032**
4.2	**Lease liabilities, non-current**	**7,798**	**8,582**
4.2	**Borrowings, non-current**	**4,169**	**3,774**
4.3	Pensions and similar obligations	191	191
3.7	Provisions	897	842
4.5	Derivatives	323	495
5.1	Deferred tax	766	883
	Tax payables	458	410
	Other payables	37	150
	Other non-current liabilities	**2,652**	**2,971**
	Total non-current liabilities	**14,619**	**15,327**
4.2	**Lease liabilities, current**	**2,650**	**3,032**
4.2	**Borrowings, current**	**197**	**255**
3.7	Provisions	812	777
	Trade payables	6,401	6,804
	Tax payables	442	569
4.5	Derivatives	72	77
	Other payables	1,479	1,696
	Deferred income	90	102
	Other current liabilities	**9,296**	**10,025**
3.6	**Liabilities associated with assets held for sale or distribution**	**248**	**9**
	Total current liabilities	**12,391**	**13,321**
	Total liabilities	**27,010**	**28,648**
	Total equity and liabilities	**82,100**	**93,680**

Consolidated cash flow statement

Note		2023	2022
	Profit before financial items	3,934	30,860
2.3, 3.1, 3.2, 3.3	Depreciation, amortisation and impairment losses, net	6,615	6,186
2.4	Gain on sale of non-current assets, etc., net	-523	-101
	Share of profit/loss in joint ventures and associated companies	-435	-132
5.5	Change in working capital	417	-1,808
	Change in provisions and pension obligations, etc.	150	162
	Other non-cash items	166	110
	Cash flow from operating activities before tax	10,324	35,277
	Taxes paid	-681	-801
	Cash flow from operating activities	**9,643**	**34,476**
5.5	Purchase of intangible assets and property, plant and equipment	-3,646	4,165
	Sale of intangible assets and property, plant and equipment	601	303
3.4	Acquisition of subsidiaries and activities	-140	-4,774
	Sale of subsidiaries and activities	953	2
	Acquisition of joint ventures and associated companies	-18	-46
	Sale of joint ventures and associated companies	356	219
	Dividends received	305	327
	Sale of other equity investments	22	51
5.5	Other financial investments, net	4,687	-12,580
	Purchase/sale of securities, trading portfolio	957	-938
	Cash flow from investing activities	**4,077**	**-21,619**
4.2	Repayment of borrowings	-660	-800
4.2	Repayments of lease liabilities	-3,226	-3,080
4.2, 4.4	Proceeds from borrowings	845	83
	Purchase of treasury shares	-5,120	-2,738
	Financial income received	1,086	233
	Financial expenses paid	-233	-471
4.2, 4.4	Financial expenses paid on lease liabilities	-563	-518
	Sale of treasury shares	24	31
	Dividends distributed	-10,876	-6,847
	Dividends distributed to non-controlling interests	-92	-78
	Sale of non-controlling interests	*	1
	Acquisition of non-controlling interest	-16	-
	Other equity transactions	26	49
	Cash flow from financing activities	**-16,805**	**-14,135**
	Net cash flow for the year	**-3,085**	**-1,278**

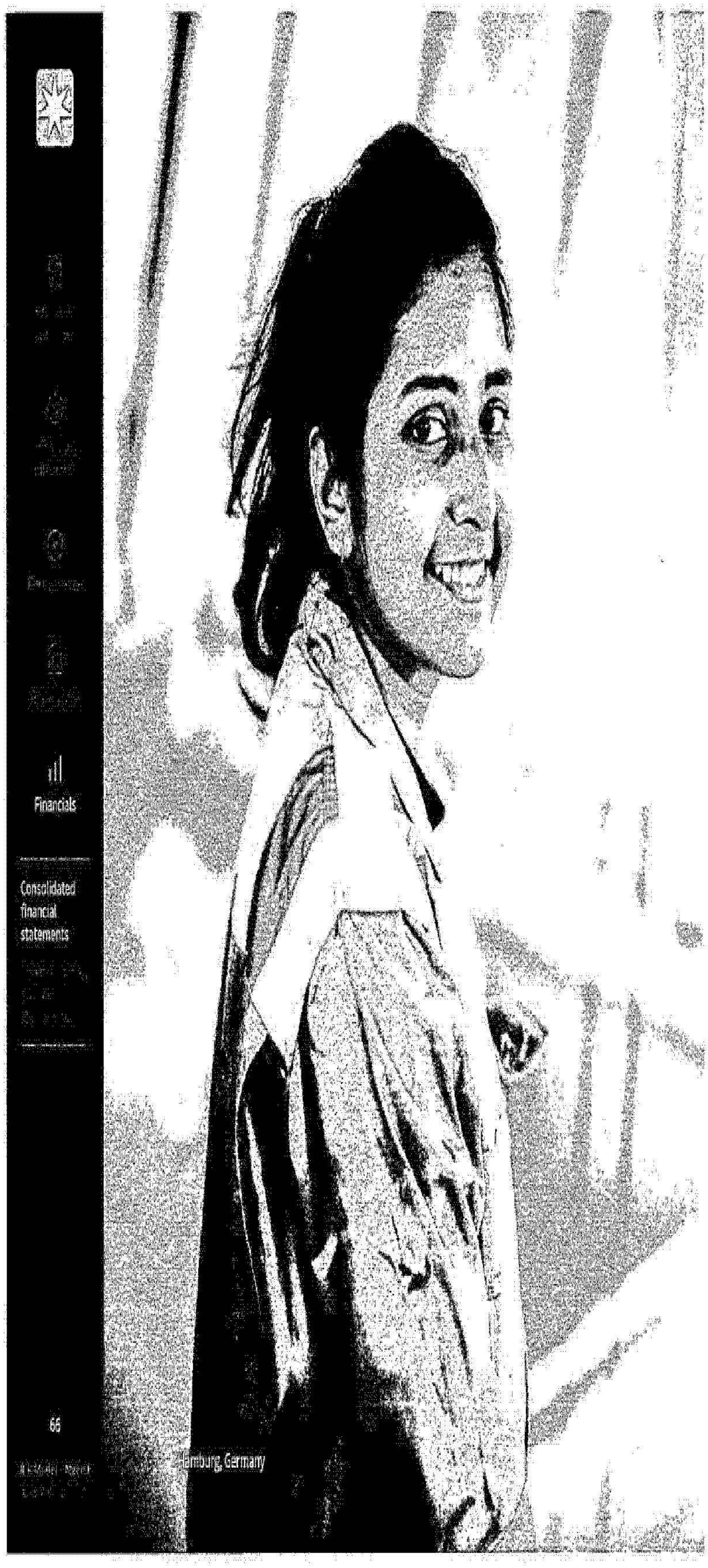
Note		2023	2022
	Cash and cash equivalents 1 January	10,038	11,565
	Currency translation effect on cash and cash equivalents	-223	-249
	Cash and cash equivalents 31 December	6,730	10,058
	Of which classified as assets held for sale	-47	-1
	Cash and cash equivalents 31 December	**6,683**	**10,037**
	Cash and cash equivalents		
	Cash and bank balances	6,701	10,057
	Overdrafts	18	20
	Cash and cash equivalents 31 December	**6,683**	**10,037**

Cash and bank balances include USD 1.0bn (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.

Amounts in USD million

Consolidated statement of changes in equity

Note		A.P. Moller - Mærsk A/S							
		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	-	-465	90	103	36	-236	-31	-267
	Profit for the year	-	-	-	-	29,198	29,198	123	29,321
	Total comprehensive income for the year	**-**	**-465**	**90**	**103**	**29,234**	**28,962**	**92**	**29,054**
	Dividends to shareholders	-	-	-	-	-6,845	-6,845	-80	-6,925
5.2	Value of share-based payments	-	-	-	-	26	26	-	26
	Sale of non-controlling interests	-	-	-	-	1	1	-1	-
	Sale of subsidiaries	-	-	-	-	-	-	-67	-67
4.1	Purchase of treasury shares	-	-	-	-	-2,785	-2,785	-	-2,785
4.1	Sale of treasury shares	-	-	-	-	31	31	-	31
4.1	Capital increases and decreases	-121	-	-	-	121	-	17	17
4.6	Transfer of gain/loss on disposal of equity investments to retained earnings	-	-	-13	-	13	-	-	-
	Transfer of cash flow hedge reserve to non-current assets	-	-	-	30	-	30	-	30
	Other equity movements	-	-	-	-	63	63	-	63
	Total transactions with shareholders	**-121**	**-**	**-13**	**30**	**-9,375**	**-9,479**	**-131**	**-9,610**
	Equity 31 December 2022	3,392	-1,232	212	-27	61,646	63,991	1,041	65,032
	2023								
	Other comprehensive income, net of tax	-	84	-25	12	10	81	-15	66
	Profit for the year	-	-	-	-	3,822	3,822	86	3,908
	Total comprehensive income for the year	**-**	**84**	**-25**	**12**	**3,832**	**3,903**	**71**	**3,974**
	Dividends to shareholders	-	-	-	-	-10,824	-10,824	-94	-10,918
5.2	Value of share-based payments	-	-	-	-	28	28	-	28
	Acquisition of non-controlling interests	-	-	-	-	-16	-16	15	-1
	Sale of non-controlling interests	-	-	-	-	-	-	1	1
4.1	Purchase of treasury shares	-	-	-	-	-3,072	-3,072	-	-3,072
4.1	Sale of treasury shares	-	-	-	-	24	24	-	24
4.1	Capital increases and decreases	-206	-	-	-	206	-	26	26
4.6	Transfer of gain/loss on disposal of equity investments to retained earnings	-	-	2	-	-2	-	-	-
	Transfer of cash flow hedge reserve to non-current assets	-	-	-	-4	-	-4	-	-4
	Total transactions with shareholders	**-206**	**-**	**2**	**-4**	**-13,656**	**-13,864**	**-52**	**-13,916**
	Equity 31 December 2023	3,186	-1,148	189	-19	51,822	54,030	1,060	55,090



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2.3	Depreciation, amortisation and impairment losses, net	74			
2.4	Gain on sale of non-current assets, net	74	5.1	Tax and deferred tax	98
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			5.3	Commitments	102
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1. Basis of preparation

This section sets out general accounting policies for the Group that relate to the financial statements as a whole. Where an accounting policy is generally applicable to a specific note to the financial statements, the policy is described within that note. In addition, this section describes the significant accounting estimates and judgements that Management has identified as having a potentially material impact on the Group's consolidated financial statements. Reference is made to the specific note in the financial statements which is impacted by the significant accounting estimates and judgements.

Further, details are provided on the new accounting pronouncements that the Group will adopt in the coming years and on the Group's current view of the impact such pronouncements will have on the financial reporting.

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Amounts in USD million

Note 1.1 ⑤ General accounting policies

Basis of preparation

The consolidated financial statements for 2023 for A.P. Moller - Maersk have been prepared on a going concern basis and in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies. The consolidated financial statements of A.P. Moller - Maersk are included in the consolidated financial statements of A.P. Moller Holding A/S. The accounting policies are consistent with those applied in the consolidated financial statements for 2022, except for the changes to accounting standards that were effective from 1 January 2023 and were endorsed by the EU. The changes have not had a material impact on the financial statements.

ESEF/XBRL reporting

A.P. Moller - Mærsk A/S is required to prepare and file the annual report in the European Single Electronic Format (ESEF), and the annual report for 2023 is therefore prepared in the XHTML format that can be displayed in a standard browser. The primary statements and the notes to the consolidated financial statements are tagged using inline eXtensible Business Reporting Language (iXBRL). The iXBRL tags comply with the ESEF taxonomy, which is included in the ESEF Regulation and developed based on the IFRS taxonomy published by the IFRS Foundation. Where a financial statement line item or note is not defined in the ESEF taxonomy, an extension to the taxonomy has been created. Extensions are anchored to elements in the ESEF taxonomy, except for extensions which are subtotals. The Annual Report submitted to the Danish Financial Supervisory Authority consists of the XHTML document together with certain technical files, all included in a file named APMM-2023-12-31-en.zip.

Consolidation

The consolidated financial statements comprise the parent company A.P. Moller - Mærsk A/S, its subsidiaries and proportionate shares in joint arrangements classified as joint operations.

Subsidiaries are entities controlled by A.P. Moller - Mærsk A/S. Control is based on the power to direct the relevant activities of an entity and the exposure, or right, to variable returns arising from it. In that connection, relevant activities are those that significantly affect the investee's returns. Control is usually achieved by directly or indirectly owning or in other ways controlling more than 50% of the voting rights or by other rights, such as agreements on management control.

Joint arrangements are entities in which A.P. Moller - Maersk, according to contractual agreements with one or more other parties, has joint control. The arrangements are classified as joint ventures, if the contracting parties' rights are limited to net assets in the separate legal entities, and as joint operations, if the parties have direct and unlimited rights to the assets and obligations for the liabilities of the arrangement.

Entities in which A.P. Moller - Maersk exercises a significant but non-controlling influence are considered associated companies. A significant influence is usually achieved by directly or indirectly owning or controlling 20-50% of the voting rights. Agreements and other circumstances are considered when assessing the degree of influence.

Consolidation is performed by summarising the financial statements of the parent company and its subsidiaries in accordance with A.P. Moller - Maersk's accounting policies. Intra-group income and expenses, shareholdings, dividends, intra-group balances and gains on intra-group transactions are eliminated. Unrealised gains on transactions with associated companies and joint arrangements are eliminated in proportion to A.P. Moller - Maersk's ownership share. Unrealised losses are eliminated in the same way unless they indicate impairment.

Non-controlling interests' share of profit/loss for the year and of equity in subsidiaries is included as part of A.P. Moller - Maersk's profit and equity respectively but shown as separate items.

Foreign currency translation

The consolidated financial statements are presented in USD, the functional currency of the parent company. In the translation to the presentation currency for subsidiaries, associates or joint arrangements with functional currencies other than USD, the total comprehensive income is translated into USD at average exchange rates, and the balance sheet is translated at the exchange rates as at the balance sheet date. Exchange rate differences arising from such translations are recognised

directly in other comprehensive income and in a separate reserve of equity.

The functional currency varies from business area to business area. For A.P. Moller - Maersk's principal shipping activities, the functional currency is typically USD. This means, among other things, that the carrying amounts of property, plant and equipment and intangible assets and, hence, depreciation and amortisation, are maintained in USD from the date of acquisition. For other activities, including container terminal activities and land-based logistics activities, the functional currency is generally the local currency of the country in which such activities are performed, unless circumstances suggest a different currency is appropriate.

Transactions in currencies other than the functional currency are translated at the exchange rate prevailing at the date of the transaction. Monetary items in foreign currencies not settled at the balance sheet date are translated at the exchange rate as at the balance sheet date. Foreign exchange gains and losses are included in the income statement as financial income or expenses.

Share of profit/loss in associated companies and joint ventures is recognised net of tax and corrected for the share of unrealised intra-group gains and losses. The item also comprises any impairment losses for such investments and their reversal.

Statement of comprehensive income

Other comprehensive income consists of gains and losses not recognised in the income statement, including exchange rate adjustments arising from the translation from functional currency to presentation currency, fair value adjustments of other equity investments (at FVOCI), cash flow hedges, forward points and currency basis spread as well as actuarial gains/losses on defined benefit plans, etc. A.P. Moller - Maersk's share of other comprehensive income in associated companies and joint ventures is also included.

On disposal or discontinuation of an entity, A.P. Moller - Maersk's share of the accumulated exchange rate adjustments relating to the relevant entity with a functional currency other than USD, is reclassified to the income statement. Accumulated value adjustments of equity instruments classified as equity instruments at fair value through other comprehensive income will remain in equity upon disposal.

Other comprehensive income includes current and deferred income tax to the extent that the items recognised in other comprehensive income are taxable or deductible.

Balance sheet

Investments in associated companies and joint ventures are recognised as A.P. Moller - Maersk's share of the equity value inclusive of goodwill less any impairment losses. Goodwill is an integral part of the value of associated companies and joint ventures and is therefore subject to an impairment test together with the investment. Impairment losses are reversed to the extent the original value is considered recoverable.

Equity instruments etc., including shares, bonds and similar securities, are recognised on the trading date at fair value, and subsequently measured at the quoted market price for listed securities and at estimated fair value for non-listed securities. Fair value adjustments from equity investments at fair value through other comprehensive income (FVOCI) remain in equity upon disposal. Dividends are recognised in the income statement.

Inventories mainly consist of bunker, spare parts not qualifying for property, plant and equipment, and other consumables. Inventories are measured at the lower of cost and net realisable value, primarily according to the FIFO method. The cost of finished goods and work in progress includes direct and indirect production costs.

Loans and receivables are initially recognised at fair value, plus any direct transaction costs, and subsequently measured at amortised cost using the effective interest method. For loans and other receivables, write-downs are made for expected losses based on specific individual or group assessments. For trade receivables, the loss allowance is measured by the simplified approach according to IFRS 9, applying a provision matrix to calculate the expected lifetime losses. The provision matrix includes an impairment for non-due receivables.

Climate-related risks

When preparing the consolidated financial statements, Management considers climate-related risks, where these could potentially impact reported amounts materially. The areas in which A.P. Moller - Maersk has assessed climate-related risks at the end of 2023 are included in the individual notes outlined below:

Note 3.2 - Property, plant and equipment

New financial reporting requirements

A.P. Moller - Maersk has not yet adopted new or amended accounting standards and requirements that have not yet become effective. The changes to IFRS Accounting Standards are not expected to have any significant impact on recognition and measurement.

Amendments to IAS 12 Income Taxes

In May 2023, the IASB issued amendments to IAS 12 Income Taxes, which provides temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two Model Rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes. The amendments have been adopted by the EU and the company has applied this relief.

Deferred tax related to assets and liabilities arising from a single transaction. The amendments narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments have no material impact on the Group's consolidated financial statements.

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Note 1.2 ① Significant accounting estimates and judgements

The preparation of the consolidated financial statements requires Management to make estimates and judgements on an ongoing basis, and to form assumptions that affect the reported amounts. Management forms its estimates and judgements based on historical experience, independent advice, external data points as well as on in-house specialists and other factors believed to be reasonable under the circumstances.

In its assumption setting, Management deals with various aspects of uncertainty. One aspect of uncertainty is the assessment of control over investments classified as associates, joint ventures and subsidiaries, where the assessment forms the basis for classification. Another aspect is measurement uncertainty, where Management makes assumptions that derive the value of recognised assets and liabilities. These assumptions concern the timing and amount of future cash flows as well as the risks inherent in these.

In certain areas, the outcome of business plans, including ongoing negotiations with external parties to execute those plans or the outcome of negotiations to settle claims that are raised against A.P. Moller - Maersk, is highly uncertain. Therefore, assumptions may change, or the outcome may differ in the coming years, which could require a material upward or downward adjustment to the carrying amounts of assets and liabilities.

The areas – and their related impact – in which A.P. Moller - Maersk is particularly exposed to material uncertainty over the carrying amounts as at the end of 2023 are included in the individual notes as outlined below:

Note	Key accounting estimates and judgements	Estimate / Judgement	Impact
Note 2.2	Vessel sharing agreements (cost-sharing arrangements) estimates	Estimate	○ ○ ○
Note 3.1	Cash-generating unit determination	Judgement	○ ○ ○
Note 3.1	Impairment testing key assumptions	Estimate	○ ○ ○
Note 3.2	Useful life and residual value estimates	Estimate	○ ○ ○
Note 3.7	Provisions for legal disputes assumptions	Estimate	○ ○ ○
Note 5.1	Recognition and measurement of deferred tax assets and uncertain tax positions	Estimate	○ ○ ○
Note 5.5	Operations in countries with limited access to repatriating surplus cash assumptions	Judgement	○ ○ ○

Level of potential impact to the consolidated financial statements:

○ ○ ○ Low
○ ○ ○ Medium
○ ○ ○ High

2. Operating profit

The Group's businesses are managed from the perspective of the operating segments, and selected financial data is presented in this section on this basis. Further, detailed below are the key amounts recognised when arriving at the Group's operating profit.

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2.4 Gain on sale of non-current assets, etc., net 74

Note 21 Segment information

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallocated items	Eliminations	Consolidated total
2023							
External revenue	32,149	14,075	2,859	1,865	117	-	51,065
Inter-segment revenue	1,504	-159	985	295	39	-2,664	-
Total revenue	**33,653**	**13,916**	**3,844**	**2,160**	**156**	**-2,664**	**51,065**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**6,940**	**1,251**	**1,278**	**320**	**-192**	**-6**	**9,591**
Depreciation and amortisation	4,746	817	520	162	10	-17	6,238
Profit before financial items (EBIT)	**2,227**	**446**	**980**	**457**	**-187**	**11**	**3,934**
Key metrics							
Invested capital	29,851	10,779	7,813	2,037	-12	-38	50,430
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	1,987	771	541	318	42	-13	3,646

	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Unallocated items	Eliminations	Consolidated total
2022							
External revenue	61,497	14,710	3,323	1,894	105	-	81,529
Inter-segment revenue	2,802	-287	1,048	399	26	-3,988	-
Total revenue	**64,299**	**14,423**	**4,371**	**2,293**	**131**	**-3,988**	**81,529**
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	**33,770**	**1,378**	**1,535**	**369**	**-207**	**-32**	**36,813**
Depreciation and amortisation	4,762	517	515	179	6	-19	5,960
Profit before financial items (EBIT)	**29,149**	**814**	**832**	**307**	**-229**	**-13**	**30,860**
Key metrics							
Invested capital	32,368	9,858	7,593	2,794	-145	-58	52,410
Gross capital expenditures, excl. acquisitions and divestments (CAPEX)	2,620	657	516	350	35	-15	4,163

Reference is made to the income statement for a reconciliation from EBIT to profit before tax. The segment assets, segment liabilities and the sum of invested capital per segment can be reconciled to the assets and liabilities as per the balance sheet.

	Assets	Liabilities	Invested capital
2023			
Segment invested capital	**62,477**	**11,997**	**50,480**
Unallocated items	1,048	1,060	
Eliminations	-1,307	-1,269	
Consolidated invested capital	**62,218**	**11,788**	**50,430**
Add back			
Cash and bank balances	6,701	-	
Interest-bearing receivables (current and non-current)	13,005	-	
Equity investments, etc.	-	-	
Lease liabilities and borrowings (current and non-current)	-	14,814	
Fair value of derivatives	-	351	
Other	176	57	
Consolidated balance sheet at 31 December	**82,100**	**27,010**	

	Assets	Liabilities	Invested capital
2022			
Segment invested capital	**65,406**	**12,793**	**52,613**
Unallocated items	883	1,028	
Eliminations	-1,408	-1,550	
Consolidated invested capital	**64,881**	**12,471**	**52,410**
Add back			
Cash and bank balances	10,057	-	
Interest-bearing receivables (current and non-current)	17,690	-	
Equity investments, etc.	942	-	
Lease liabilities and borrowings (current and non-current)	-	15,643	
Fair value of derivatives	-	520	
Other	110	14	
Consolidated balance sheet at 31 December	**93,680**	**28,648**	

The segment disclosures provided above reflect the information which the Executive Board receives monthly in its capacity as 'chief operating decision maker' as defined in IFRS 8. The allocation of resources and the segment performance are evaluated based on revenue and profitability measured on earnings before interest and taxes (EBIT).

Note 21 Segment information – continued

A.P. Moller - Maersk has organised segments in 'Ocean', 'Logistics & Services', 'Terminals' and 'Towage & Maritime Services'. The Ocean segment with the activities of Maersk Liner Business includes Maersk Line and Aliança and business from the retired brands Sealand – A Maersk Company and Hamburg Süd as well as strategic transhipment hubs under the APM Terminals brand. Inland activities related to Maersk Liner Business are included in the Logistics & Services segment. The Logistics & Services segment includes the activities from Managed by Maersk, Fulfilled by Maersk and Transported by Maersk. The Terminals segment includes gateway terminals, involving landside activities such as port activities where the customers are mainly the carriers. The Towage & Maritime Services segment includes towage services under the Svitzer brand, Maersk Container Industry and others.

	Types of revenue	2023	2022
Ocean	Freight revenue	28,421	56,499
	Other revenue, including hubs	5,232	7,800
Logistics & Services	Managed by Maersk[1]	2,168	2,491
	Fulfilled by Maersk[1]	5,452	4,916
	Transported by Maersk[1]	6,296	7,016
Terminals	Terminal services	3,844	4,371
Towage & Maritime Services	Towage services	839	774
	Sale of containers and spare parts	496	499
	Offshore supply services[2]	111	390
	Other shipping activities[2]	263	282
	Other services	451	348
Unallocated activities and eliminations		-2,508	-3,857
Total revenue		**51,065**	**81,529**
Of which recognised over time		**47,569**	**78,722**
Of which recognised at a point in time		**6,004**	**6,664**

1 The 2022 by Maersk revenue figures have been restated in order to reflect changes within the Logistics & Services model definition.
2 Revenue from US Marine Management and Maersk Supply Service are included in Other shipping activities and Offshore supply services, respectively, for the period 1 January 2023 until divestment.

	2023	2022
Revenue from contracts with customers	49,997	80,179
Revenue from other sources		
Vessel-sharing and slot charter income	938	1,229
Lease income	16	14
Others	114	107
Total revenue	**51,065**	**81,529**

Set out above is the reconciliation of the revenue from contracts with customers to the amounts disclosed as total revenue.

Contract balances	2023	2022
Trade receivables from revenue from contracts with customers	4,533	6,508
Accrued income – contract asset	192	263
Deferred income – contract liability	47	45

Accrued income included in trade receivables in the balance sheet constitutes contract assets comprising unbilled amounts to customers representing the Group's right to consideration for the services transferred to date. Any amount previously recognised as accrued income is reclassified to trade receivables at the time the service is completed. Deferred income is recognised in the income statement within 12 months.

Under the payment terms generally applicable to the Group's revenue-generating activities, prepayments are received only to a limited extent. Typically, payment is due upon or after completion of the services.

Part of the deferred income presented in the balance sheet constitutes contract liabilities which represent advance payments and billings in excess of revenue recognised.

There were no significant changes in accrued income and deferred income during the reporting period.

Impairment losses disclosed in note 4.5 relate to receivables arising from contracts with customers.

	External revenue		Non-current assets[1]	
Geographical split	2023	2022	2023	2022
Denmark	869	1,002	23,592	22,031
Australia	1,284	1,984	68	400
Brazil	1,431	2,574	207	240
China and Hong Kong	2,796	3,564	1,643	5,429
Costa Rica	364	429	795	832
Germany	1,668	2,607	1,345	618
India	1,397	1,827	629	618
Mexico	1,364	2,301	613	491
Morocco	300	492	1,605	1,439
Netherlands	1,603	2,944	1,165	1,219
Singapore	992	794	3,853	5,070
Spain	1,337	1,981	1,068	1,040
UK	1,823	3,247	320	449
USA	11,457	19,885	6,210	6,254
Other	22,360	35,898	3,740	3,816
Total	**51,065**	**81,529**	**46,853**	**49,946**

1 Comprise intangible assets, property, plant and equipment and right-of-use assets, excluding financial non-current assets relating to continuing operations

Geographical information

Revenue on shipping activities is based on the port of discharge for all vessels operated by the Group, including leased vessels on time charter agreements. Revenue for leasing out the vessels on time charter agreement, where the Group acts as a lessor, is based on the customer location. For non-current assets (e.g. terminals), which cannot be easily moved, geographical location is where the assets are located. For all other assets, geographical location is based on the legal ownership. These assets consist mainly of vessels and containers registered in China, Denmark, Singapore and the USA.

Note 2.1 Segment information - continued

ACCOUNTING POLICIES

Segment information

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
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

Operating segments have not been aggregated. The reportable segments comprise:

Ocean

Ocean activities

Activities under Maersk Line and Alianca and the retired brands Hamburg Sud and Sealand – A Maersk company, with ocean container freight being the main revenue stream. Ocean container freight is defined as the cost-per-weight measure of transporting goods on board a container vessel across the ocean, including demurrage and detention, terminal handling, documentation services, container services as well as container storage.

Hub activities

Activities under the APM Terminals brand generating revenue by providing port services only in major transhipment ports such as Maasvlakte-II, Algeciras, Tangier, Tangier-Med II, Port Said, and joint ventures in Salalah and Tanjung Pelepas. The respective terminals are included under the Ocean segment, as the primary purpose of those ports is to provide transhipment services to A.P. Moller - Maersk's Ocean business, whereas third-party volumes sold in those locations are considered secondary.

Maersk Energy Markets

Sourcing marine fuels for A.P. Moller - Maersk's fleet and third-party customers, in addition to operating a fuel infrastructure in key bunker ports.

Logistics & Services

Managed by Maersk

Service the supply chain with Lead Logistics (Supply Chain Management and 4PL), Cold Chain logistics and Custom Services, enabling customers to control or outsource part of or all their supply chain.

Fulfilled by Maersk

Activities such as Contract Logistics (Warehousing, Distribution and Depot) and e-commerce supporting integrated fulfilment solutions to improve customer consolidation.

Transported by Maersk

Integrated transportation solutions supported by Landside Transportation (Intermodal and Intercontinental Rail), Value Protect, Air & Less Than Container Load (LCL), Full Container Load (FCL) and Maersk Air Cargo, to facilitate supply chain control across A.P. Moller - Maersk.

Terminals

Terminals activities

Activities in ports fully or partially controlled by the APM Terminals brand, with the main revenue stream being port activities not considered a hub activity as described above.

Towage & Maritime Services

Towage activities

Activities under the Svitzer brand, a provider of offshore towage and marine services.

Maersk Container Industry

Manufacturer that produces reefer containers.

Maersk Supply Service

Provides marine services and integrated solutions to the energy sector worldwide with a large fleet of anchor handling tug supply vessels and subsea support vessels. The company was divested in May 2023.

Other businesses

Consists of Maersk Growth, Maersk Training and other services to the maritime industry.

Unallocated items and inter-segment revenue

Most Group-related costs in A.P. Moller - Maersk's corporate functions are not included in the reportable segments. These functions are reported as unallocated items. Revenue between segments is limited, except for the Terminals segment, where a large part of the services is delivered to the Ocean segment as well as the sale of containers from Maersk Container Industry to the Ocean segment.

Income statement

Revenue for all businesses is recognised when the performance obligation has been satisfied, which happens upon transfer of control to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods and services.

Revenue from shipping activities is recognised over time as the performance obligation is satisfied, including a share of revenue from incomplete voyages at the balance sheet date. Invoiced revenue related to an estimated proportion of remaining voyage time and activities at the destination port is deferred. Percentage of completion is calculated as the number of days of a voyage as a percentage of the total number of days a voyage is estimated to last. Detention and demurrage fees are recognised over time up until the time of the customer's late return or pick-up of containers.

Revenue from terminal operations and towing activities is recognised upon completion of the service. In container terminals operated under certain restrictive terms of pricing and service, etc., the value of tangible assets constructed on behalf of the concession grantor is recognised as revenue during the construction.

Revenue from most freight forwarding activities is recognised over time.

Revenue from the sale of goods is recognised upon the transfer of control to the buyer.

No significant element of financing is deemed present as sales are made with a credit term of 20-45 days, which is consistent with market practice. Revenue from sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

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Amounts in USD million

Note 2.2 Operating costs

	2023	2022
Costs of goods sold	1,999	1,849
Bunker costs	6,037	8,041
Terminal costs	6,381	6,968
Intermodal costs	4,094	4,532
Port costs	2,261	2,188
Rent and lease costs	1,380	1,539
Staff costs	7,361	7,087
Other	12,061	12,688
Total operating costs	**41,574**	**44,882**
Remuneration of employees		
Wages and salaries	6,370	6,237
Severance payments	206	97
Pension costs, defined benefit plans	63	35
Pension costs, defined contribution plans	290	256
Other social security costs	587	513
Total remuneration	**7,516**	**7,138**
Of which:		
Recognised in the cost of assets	7	8
Included in restructuring costs	148	43
Expensed as staff costs	**7,361**	**7,087**
Average number of employees	105,909	104,260

Customary agreements have been entered into with employees regarding compensation in connection with resignation with consideration for local legislation and collective agreements.

For information about share-based payments, reference is made to note 5.2.

Fees and remuneration to Executive Board and other key management personnel	2023	2022
Fixed pay	3	8
Short-term cash incentive	2	6
Long-term share-based incentives[1]	2	8
Remuneration in connection with redundancy, resignation and release from duty to work	-1	8
Total remuneration to Executive Board and other key management personnel	**6[2]**	**30**

1. During 2022, it was announced that Morten Engelstoft would leave A.P. Moller - Maersk effective end June 2022 and Soren Skou effective end December 2022. In accordance with the terms and conditions of the restricted share plan and the stock option plan, any remaining expenses related to previous years' plans were accelerated and recognised in 2022 for plans that were kept, and previously recognised expenses were reversed for cancelled plans. This resulted in an increase in long-term share-based incentives remuneration in 2022.
2. In 2023, the Executive Board and other key management personnel was reduced from six to two members.

The contract of employment for the Executive Board contains terms customary in Danish listed companies, including termination notice and non-competition clauses. In connection with a possible takeover offer, neither the Executive Board nor the Board of Directors will receive special remuneration. Fees and remuneration do not include pension. Key management comprises of the Executive Board, Board of Directors, and other key management personnel.

Total fees paid to other key management personnel in 2022 was USD 1.9m, comprising short-term employee benefits of USD 1.8m and long-term share-based incentives of USD 0.1. There were no key management personnel in 2023. The Board of Directors has received fees of USD 2m (USD 2m).

For disclosure of remuneration to the Executive Board of the parent company, refer to note 2.2 of the parent company financial statements.

Fees to the statutory auditors	2023	2022
Statutory audit	16	15
Other assurance services	2	-
Tax, VAT and advisory services	1	1
Other services	1	3
Total fees	**20**	**19**

Fees for other services other than statutory audit of the financial statements provided by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab to A.P. Moller - Maersk mainly consist of transaction advice, accounting and tax-related services.

SIGNIFICANT ACCOUNTING ESTIMATES

Vessel-sharing agreements (cost-sharing arrangements)

Vessel-sharing agreements in shipping require that some vessels are committed towards specific service routes. The committed vessel's capacity is then shared with one or more container shipping providers in proportion to each party's contribution to the joint service. In practice, it is not always possible to provide tonnage precisely as agreed in the sharing arrangements, therefore financial settlement often takes place on the basis of relative capacity over/under-utilised on a monthly basis or other mutually agreed cycle. At A.P. Moller - Maersk, these capacity adjustments are settled as close to actual costs incurred as possible based on market rates applicable at that time.

Note 23 Depreciation, amortisation and impairment losses, net

	2023	2022
Total depreciation	5,856	5,595
Total amortisation	382	365
Total impairment, net	377	226
Depreciation, amortisation and impairment losses, net	**6,615**	**6,186**

Depreciation is related to property, plant and equipment of USD 2.6bn (USD 2.5bn) and to right-of-use assets of USD 3.3bn (USD 3.1bn).

Total net impairments are primarily due to property, plant and equipment of USD 55m (USD 139m) and intangible assets of USD 322m (USD 68m), of which USD 299m is from the impairment of brands. Refer to note 3.1 Intangible assets and note 3.2 Property, plant and equipment.

Note 24 Gains on sale of non-current assets, etc., net

	2023	2022
Gains	565	204
Losses	42	103
Gains on sale of non-current assets, etc., net	**523**	**101**

Gains in 2023 are primarily related to the sale of US Marine Management Inc. of USD 92m, the sale of shares in Hoegh Autoliners AS of USD 57m, the sale of Maersk Supply Service of USD 15m, the sale of containers of USD 12m (USD 12m) and the sale of vessels of USD 187m (USD 56m).

Losses in 2023 are primarily related to the sale of containers of USD 22m (USD 75m). In 2022, losses also consisted of the wind-down of operations in Russia of USD 53m.

3. Invested capital

Invested capital is primarily made up of intangible assets, property, plant and equipment and right-of-use assets. The intangible assets mainly consist of goodwill, terminal and concession rights and customer relationships. Goodwill arises when the Group acquires a business and pays a higher amount than the fair value of its net assets, primarily due to the synergies the Group expects to create. Goodwill is not amortised, but is subject to annual impairment reviews.

For further details refer to 'Significant accounting estimates and judgements' within note 3.1 to the consolidated financial statements.

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3.2 Property, plant and equipment 77
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Amounts in USD million

Note 3.1 Intangible assets

	Goodwill	Terminal and service concession rights	Customer relationships and brands	Other incl. IT software	Total
Cost					
1 January 2023	5,554	2,985	3,043	1,371	12,953
Additions	-	21	-	183	204
Additions from acquired companies[1]	-	-	14	-	14
Disposals	6	-	402	234	642
Transfers, assets held for sale	-332	-	-11	-13	-356
Exchange rate adjustments	14	25	15	16	70
31 December 2023	**5,230**	**3,031**	**2,659**	**1,323**	**12,243**
Amortisation and impairment losses					
1 January 2023	349	824	491	504	2,168
Amortisation	-	103	158	121	382
Impairment losses	-	-	299	23	322
Disposals	-	-	402	79	481
Transfers, assets held for sale	-279	-	-9	-9	-297
Exchange rate adjustments	-1	10	5	11	25
31 December 2023	**69**	**937**	**542**	**571**	**2,119**
Carrying amount:					
31 December 2023	**5,161**	**2,094[2]**	**2,117**	**752[3]**	**10,124**

1 Acquisition of Martin Bencher and Sandfirden

2 Of which USD 49m is under development, USD 34m is related to terminal rights with indefinite useful lives in Port Sea Port Corp. Service concession rights with a carrying amount of USD 70m have restricted title.

3 Of which USD 162m is related to ongoing development of software

	Goodwill	Terminal and service concession rights	Customer relationships and brands	Other incl. IT software	Total
Cost					
1 January 2022	1,928	3,132	1,579	1,205	7,844
Additions	-	25	-	324	349
Additions from acquired companies[1]	3,667	-	1,474	213	5,354
Disposals	-	-	-	352	352
Transfers	-	-4	-	4	-
Transfers, assets held for sale	-	-104	-	1	-103
Exchange rate adjustments	-41	-64	-10	-24	-139
31 December 2022	**5,554**	**2,985**	**3,043**	**1,371**	**12,953**
Amortisation and impairment losses					
1 January 2022	367	794	324	590	2,075
Amortisation	-	110	147	108	365
Impairment losses	-	15	21	32	68
Disposals	-	-	-	221	221
Transfers	-	-3	-	3	-
Transfers, assets held for sale	-	-79	-	1	-78
Exchange rate adjustments	-18	-13	-1	-9	-41
31 December 2022	**349**	**824**	**491**	**504**	**2,168**
Carrying amount:					
31 December 2022	**5,205**	**2,161[2]**	**2,552**	**867[3]**	**10,785**

1 Acquisition of LF Logistics, Pilot, Senator International and RoRO

2 Of which USD 58m is under development, USD 34m is related to terminal rights with indefinite useful lives in Port Sea Port Corp. Service concession rights with a carrying amount of USD 70m have restricted title.

3 Of which USD 141m is related to ongoing development of software

		Goodwill carrying amount	
Operating segment	**Cash-generating unit**	2023	2022
Ocean	Ocean	316	316
Logistics & Services	Logistics & Services	4,599	4,582
Terminals	Multiple terminals	241	248
Towage & Maritime Services	Towage - Port Towage Amsterdam and Others	5	58
Other		-	1
Total		5,161	5,205

Note 3.1 Intangible assets - continued

Operating segment	Cash-generating unit	Impairment losses 2023	2022
Ocean	Ocean	319	28
Logistics & Services	Logistics & Services	2	21
Terminals	Various terminals	-	17
Towage & Maritime Services	Maersk Container Industry	1	2
Total		**322**	**68**

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant accounting judgements

Determination of cash generating units

Judgement is applied in the determination of cash-generating units to which goodwill is allocated for impairment testing and in the selection of methodologies and assumptions applied in impairment tests.

The determination of cash-generating units differs based on the business area. Ocean operates its fleet of container vessels and hub terminals in an integrated network. Consequently, the Ocean activities are tested for impairment as a single cash-generating unit.

Logistics & Services, including intermodal activities, is considered a single cash generating unit. Management views the Logistics & Services products as an integrated network, with the activities tested for impairment as a single cash-generating unit.

In Terminals, each terminal is considered an individual cash-generating unit for impairment tests, except when the capacity is managed as a portfolio.

Towage & Maritime Services includes towage activities made up of two separate cash-generating units as well as several individual businesses, including Maersk Container Industry, which are each considered one cash-generating unit.

Significant accounting estimates

Impairment - assessment inputs

The recoverable amount of each cash-generating unit is determined based on the higher of its value in use and fair value less costs to sell. The estimated value in use is calculated using certain key assumptions for the expected future cash flows and applied discount factor.

Current market values for vessels, etc., are estimated using acknowledged brokers.

The cash flow projections are based on financial budgets and business plans. In nature, these projections are subject to judgement and estimates that are uncertain, though based on experience and external sources where available. Centralised processes and involvement of corporate functions ensure that indices and data sources are selected consistently while observing differences in risks and other circumstances.

The discount rates applied reflect the time value of money as well as the specific risks related to the underlying cash flows, i.e. project and/or country-specific risk premium. Further, any uncertainties reflecting past performance and possible variations in the amount or timing of the projected cash flows are generally reflected in the discount rates.

Impairment - key assumptions applied

The outcome of impairment tests is subject to estimates of the future development of freight rates and volumes, oil prices and the discount rates applied. Management determines these key assumptions by considering past experience as well as market analysis and future expectations based on supply and demand trends.

Further, the value in use calculation is highly sensitive to the terminal growth rate, which is determined based on the future expected economic growth rate, and replacement CAPEX during the terminal period, which is determined based on Management's plans and expectations for the future.

The future development in freight rates is a significant factor impacting the Ocean segment in particular and is influenced by regional and global economic environments, trade patterns, and by industry-specific trends in respect of capacity supply and demand. Freight rates have deteriorated throughout 2023 as a result of the pronounced market normalisation and are expected to face continued pressure for the next 1-2 years.

The future development of oil prices is also uncertain and is a significant factor impacting accounting estimates across A.P. Møller - Mærsk, either directly or indirectly. Ocean is directly impacted by the bunker oil price, where the competitive landscape determines the extent to which the development is reflected in the freight rates charged to the customer. Bunker consumption is expected to continue to decline compared to 2023, driven by fleet outsourcing and efficiency improvements.

Logistics & Services is impacted by rates and volumes across the Logistics & Services product lines, particularly in the air and haulage business. The future growth and productivity of the Fulfilled by Maersk product range is also considered a key assumption as volumes are sensitive to the development of the global economy. Management considers both the future economic outlook in key regions, namely North America and Europe, as well as expected synergies from completed acquisitions when determining the growth and productivity of Fulfilled by Maersk.

Terminals located in oil-producing countries, e.g. Nigeria and Brazil, are indirectly impacted by the development in oil prices and the consequences for the respective countries' economies, which not only affects volumes handled in the terminals, but also foreign exchange rates. Continued economic deterioration and a lack of cash repatriation opportunities in certain oil-producing countries could also put pressure on the carrying amounts of individual terminals. The other key sensitivities impacting Terminals include container moves, revenue and cost per move, and local port rates, all of which are impacted by the local economic outlook and competition, as well as concession right extensions and the discount rate applied.

Inflation is also expected to continue to have a high impact across A.P. Møller - Mærsk in 2024, impacting both the discount rate and terminal growth rates.

Impairment - results of impairment assessments

The Ocean cash flow projection is based on the forecast as per Q3 2023, covering the five-year business plan for 2024-28. Management applied an assumption of growth in volumes based on a calculated terminal value with growth equal to 2.7% (2.5%) p.a. In the annual impairment test carried out in November 2023, a pre-tax discount rate of 9.8% (9.2%) p.a. was applied. The impairment test showed headroom between the value in use and the carrying amount. The major part of the carrying amount is comprised of vessels. Management is of the opinion that the assumptions applied are sustainable.

The Group's most significant goodwill component relates to the Logistics & Services segment. The annual impairment test is based on the estimated value in use from the five-year business plan for 2024-28, where the volume and improved margin growth assumptions, which are region-specific, reflect the current expectations for the relevant period. The applied terminal growth is 2.7% (2.0%). A discount rate of 9.0% (8.4%) p.a. before tax or 8.8% (8.2%) p.a. after tax was applied. The impairment test showed headroom from the value in use to the carrying amount. Management is of the opinion that the assumptions applied are sustainable.

In Terminals, Management assesses indicators of impairment including decreasing volumes and based on these indicators, estimates the recoverable amounts of the individual terminals whereby impairment indicators exist. Management also tests for impairment of the CGUs to which goodwill or indefinite life intangible assets are allocated. The cash flow projections for each terminal cover the concession period and extension options deemed likely to be exercised. The growth rates assumed reflect current market expectations for the relevant period, and the discount rates applied are between

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Note 3.1 Intangible assets – continued

7.4% and 12.1% (7.2% and 13.0%) p.a. after tax. The impairment tests considered fair value less cost of disposal compared to the carrying amount and resulted in impairment losses of USD 134m across multiple terminals in 2023, of which USD 94m relates to a CGU in the Mediterranean, caused by lower-than-expected volumes, and is primarily related to equipment. Impairment losses of an immaterial amount across two terminals was recognised in 2022 as well as USD 350m on Terminals' minority stake in Global Ports Investments (GPI), which was sold in 2022. For more information on fair value determination, refer to Note 4.6 Financial instruments by category.

Impairment - key assumptions sensitivity

Using the discount rate as of 31 December 2023 and keeping all other assumptions constant, the Ocean CGU showed headroom of USD 3.9bn between the value in use and the carrying amount. The following changes in assumptions reflect the related impact on the value in use and thus the headroom for the Ocean CGU. The sensitivities are prepared with all other assumptions kept constant.

Key Ocean CGU assumption	Assumption	Change	Effect on value in use
Growth in terminal period	2.7%	+/- 0.5 ppts	USD 2.9bn
Discount rate p.a. before tax as of 31 December 2023	9.2%	+/- 0.5 ppts	USD 3.4bn

ⓐ ACCOUNTING POLICY

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful life of the assets. For container terminals operated under certain restrictive price and service conditions, etc., concessional rights to collect usage charges are included under intangible assets. The cost includes the present value of minimum payments under concession agreements and the cost of property, plant and equipment constructed on behalf of the grantor of a concession. The rights are amortised from the commencement of operations over the concession period. The concession period ranges from 10 to 34 years, with an average of 17 years.

Goodwill and terminal rights have indefinite useful lives while all other classes have definite lives. Intangible assets regarding acquired customer relationships and technology are amortised over a useful life of 10-24 years and 5-10 years, respectively. Internally developed IT software is amortised over a useful life of 5 years.

Impairment losses are recognised when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs of disposal. Goodwill is attributed to cash-generating units on acquisition and impaired before other assets.

Intangible assets and property, plant and equipment are tested for impairment if there is an indication of impairment. However, annual impairment tests are carried out for goodwill and other intangible assets with indefinite useful lives as well as intangible assets that are not yet in use. Impairment losses are included in depreciation, amortisation and impairment, net, in the income statement.

Amounts in USD million

Note 3.2 Property, plant and equipment

	Vessels, aircraft, containers, etc.	Production facilities and equipment, etc.	Construction work in progress and payments on account	Total
Cost				
1 January 2023	48,699	8,209	2,296	59,204
Additions	698	124	2,834	3,656
Additions from acquired companies	-	15	-	15
Disposals	1,785	162	6	1,953
Disposals from companies sold	3,197	62	164	3,423
Transfers	401	855	-1,256	-
Transfers, assets held for sale	-1,939	-67	-83	-2,089
Reclassification from/to right-of-use assets	35	4	-3	36
Exchange rate adjustments	49	32	13	94
31 December 2023	**42,961**	**8,948**	**3,631**	**55,540**
Depreciation and impairment losses				
1 January 2023	26,966	4,039	5	31,010
Depreciation	2,100	506	-	2,606
Impairment losses	6	134	-	140
Reversal of impairment losses	12	73	-	85
Disposals	1,542	163	4	1,709
Disposals from companies sold	2,650	62	1	2,713
Transfers, assets held for sale	-781	-37	-	-818
Reclassification from/to right-of-use assets	9	2	-	11
Exchange rate adjustments	21	18	-	39
31 December 2023	**24,117**	**4,364**	**-**	**28,481**
Carrying amount:				
31 December 2023	**18,844**	**4,584**	**3,631**	**27,059**

Vessels, buildings etc. with a carrying amount of USD 0.8bn (USD 0.8bn) have been pledged as security for loans of USD 0.4bn (USD 0.5bn).

Note 3.2 Property, plant and equipment - continued

	Vessels, aircraft containers etc	Production facilities and equipment, etc.	Construction work in progress and payments on account	Total
Cost				
1 January 2022	47,804	7,946	1,177	56,927
Additions	1,507	169	1,965	3,641
Additions from acquired companies	1	200	9	210
Disposals	1,075	124	-	1,199
Transfers	551	322	-853	-
Transfers, assets held for sale	-51	-54	16	-89
Reclassification from/to right-of-use assets	84	-8	-3	73
Exchange rate adjustments	-102	-242	-15	-359
31 December 2022	**48,699**	**8,209**	**2,296**	**59,204**
Depreciation and impairment losses				
1 January 2022	25,890	3,734	-	29,624
Depreciation	2,064	453	-	2,517
Impairment losses	17	112	10	139
Disposals	950	102	1	1,053
Transfers, assets held for sale	-33	-63	-1	-97
Reclassification from/to right-of-use assets	35	-7	-	28
Exchange rate adjustments	-57	-88	-3	-148
31 December 2022	**26,966**	**4,039**	**5**	**31,010**
Carrying amount				
31 December 2022	**21,733**	**4,170**	**2,291**	**28,194**

Net impairment losses recognised on property, plant and equipment are specified as follows:

		Impairment losses		Reversal of impairment losses	
Operating segment	**Cash-generating unit**	2023	2022	2023	2022
Ocean	Ocean	-	14	12	-
Logistics & Services	Logistics & Services	6	46	-	-
Terminals	Various terminals	134	58	73	-
Towage & Maritime Services	Towage	-	1	-	-
	Maersk Container Industry	-	17	-	-
	Others	-	3	-	-
Total		140	139	85	-

Impairment analysis

For more information on impairment tests, reference is made to note 3.1 Intangible assets.

SIGNIFICANT ACCOUNTING ESTIMATES

Useful life and residual values

Useful lives are estimated based on experience. When an asset's useful life changes, Management revises the estimates for individual assets or groups of assets with similar characteristics due to factors such as quality of maintenance and repair, technical development, or environmental requirements. Management has also considered the impact of decarbonisation and climate-related risks on the useful lives of existing assets. Such risks include new climate-related legislation restricting the use of certain assets, new technology demanded by climate-related legislation and the increase in restoration costs for terminal sites due to new and/or more comprehensive policies. The useful lives of vessels and related assets that operate on bunker fuel have been considered in conjunction with the net zero by 2040 target.

Residual values of vessels are difficult to estimate given their long useful lives, the uncertainty of future economic conditions, the market for conventional fuel vessels and the uncertainty of future steel prices, which is considered the main determinant of the residual value. Additionally, the acceleration of development of vessels with a lower carbon footprint may generate downward pressure on the market for second-hand conventional fuel vessels. Generally, the residual values of vessels are initially estimated at 10% of the purchase price excluding dry-docking costs.

ACCOUNTING POLICY

Property, plant and equipment are valued at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement on a straight-line basis over the useful life at an estimated residual value. The useful lives of new assets are typically as follows:

Vessels, etc.	20-25 years
Containers, etc.	15 years
Buildings	10-50 years
Terminal infrastructure	10-30 years or concession period, if shorter
Warehouses and related infrastructure	5-25 years, or lease term, if shorter
Aircraft and related components	5-30 years
Plant and machinery, cranes and other terminal equipment	5-25 years
Other operating equipment, fixtures, etc.	3-7 years

Estimated useful lives and residual values are reassessed on a regular basis.

The cost of an asset is divided into separate components, which are depreciated separately if the useful life of the individual component differs. Dry-docking costs are recognised in the carrying amount of vessels when incurred and depreciated over the period until the next dry-docking.

The cost of assets constructed by A.P. Møller - Mærsk includes directly attributable expenses. For assets with a long construction period, borrowing costs during the construction period from specific as well as general borrowings are attributed to cost. In addition, the cost includes the net present value of estimated costs of removal and restoration.

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Note 3.3 Right-of-use assets

	Vessels, containers, etc.	Concession agreements	Real estate and other leases	Total
Right-of-use assets				
1 January 2023	6,344	2,411	2,212	10,967
Additions	1,007	69	1,088	2,164
Additions from acquired companies	-	-	29	29
Disposals	154	1	57	212
Depreciation	2,504	191	555	3,250
Transfers, assets held for sale	-17	-	-36	-53
Transfers, owned assets, etc.	-25	-	-	-25
Exchange rate adjustments	1	29	20	50
31 December 2023	**4,652**	**2,317**	**2,701**	**9,670**
1 January 2022	6,136	2,550	1,220	9,906
Additions	3,093	157	960	4,210
Additions from acquired companies	-	-	570	570
Disposals	307	-	129	436
Depreciation	2,532	184	362	3,078
Transfers, owned assets, etc.	-45	-	-	-45
Exchange rate adjustments	-1	-112	-47	-160
31 December 2022	**6,344**	**2,411**	**2,212**	**10,967**

Amounts recognised in profit and loss	2023	2022
Depreciation on right-of-use assets	3,250	3,078
Interest expenses (included in finance costs)	563	518
Expenses relating to service elements of leases	868	976
Expenses relating to short-term leases	189	248
Expenses relating to variable lease payments	297	292
Expenses relating to leases of low-value assets	26	23
Total recognised in operating costs	**1,380**	**1,539**

As part of the Group's activities, customary leasing agreements are entered, especially regarding the chartering of vessels and leasing of containers and other equipment. In some cases, the leasing agreements comprise purchase options exercisable by the Group and options for extending the lease term. The Group also enters into concession agreements that provide the right-to-use some existing infrastructure or land as required to carry out the terminal business.

To optimise lease costs during the contract period, the Group sometimes provides residual value guarantees in relation to equipment leases. At the end of 2023, the expected residual values were reviewed if these reflect the actual residual values achieved on comparable assets and expectations about future prices. At 31 December 2023, USD 226m (USD 226m) is expected to be payable and is included in the measurement of the lease liabilities.

Leases to which A.P. Møller - Mærsk is committed, but for which the lease term has not yet commenced, have an undiscounted value of USD 2.6bn (USD 1.6bn). They comprise approx. 35 contracts commencing in 2024-2026.

Certain terminal concession agreements contain variable payment terms that are linked to future performance, i.e., number of containers handled. Such payments are recognised in the income statement in the period in which the condition that triggers those payments occurs.

Total cash outflow from leases was USD 5.2bn (USD 5.1bn), of which USD 3.2bn (USD 3.1) relates to repayment of lease liabilities, USD 1.4bn (USD 1.5bn) to other lease expenses and USD 563m (USD 518m) to interest expenses.

Lease liabilities are disclosed in notes 4.2 and 4.5.

ⓐ ACCOUNTING POLICY

Right-of-use assets are mainly leased vessels, containers, concession arrangements and real estate property. Lease contracts for vessels and containers are typically made for fixed periods of about five years, but may have extension options as described together with lease liabilities. Concession arrangements and real estate contracts are negotiated on an individual basis and contain a wide range of terms and conditions.

Leases are recognised as a right-of-use asset with a corresponding lease liability at the date on which the leased asset is available for use. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement.

Note 34 Acquisition/sale of subsidiaries and activities

Acquisitions during 2023

	Martin Bencher	Grindrod	Other[1]	Total 2023
Fair value at time of acquisition				
Intangible assets	21	5	-12	14
Property, plant and equipment	1	43	-	44
Current assets	54	15	10	59
Provisions	1	-	1	2
Liabilities	33	34	-50	17
Net assets acquired	**42**	**29**	**27**	**98**
Non-controlling interests	-	-20	-	-20
A.P. Moller - Mærsk A/S' share	**42**	**9**	**27**	**78**
Goodwill	11	15	-26	-
Purchase price	**53**	**24**	**1**	**78**
Change in payables on purchase price, etc	-	-	28	28
Contingent consideration assumed	-	-	-7	-7
Contingent consideration paid	-	-	67	67
Cash and bank balances assumed	-15	-	-2	-17
Non-cash consideration	-	-9	-	-9
Cash flow used for acquisition of subsidiaries and activities	**38**	**15**	**87**	**140**

Martin Bencher Group (Logistics & Services)

On 2 January 2023, the Group acquired 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 complement the existing project logistics services already available at A.P. Moller - 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 Logistics & Services Special Project Logistics (SPL).

The purchase price is USD 53m and resulted in goodwill of USD 11m. Acquired goodwill is not allowable for tax purposes.

Martin Bencher contributed revenue of USD 160m and an insignificant net profit to the Group equivalent to its entire revenue and net profit in 2023.

Grindrod Intermodal Group (Logistics & Services)

On 2 January 2023, the Group completed the acquisition of Grindrod Logistics. The Group partnered with Grindrod Intermodal Group to merge the logistics activities of Grindrod Intermodal business and the ocean activities of the Ocean Africa Container Lines (OACL) with the current A.P. Moller - Maersk Logistics & Services products in South Africa. The Grindrod Intermodal Group is a well-known and trusted partner in South Africa with a range of logistics and services offerings. The Group has a controlling interest of 51%.

The purchase price and non-controlling interest amounted to USD 44m and resulted in goodwill of USD 15m. Acquired goodwill is not allowable for tax purposes. The non-controlling interest in Grindrod is measured at the non-controlling interest's proportionate share of the acquired net identifiable assets.

Grindrod contributed revenue of USD 42m and an insignificant net profit to the Group equivalent to its entire revenue and net profit in 2023.

In Q4 2023, the purchase price allocations for the 2023 business combinations were finalised.

Acquisitions during 2022

	LF Logistics	Pilot	Senator	Other	Total 2022
Fair value at time of acquisition					
Intangible assets	807	650	225	7	1,687
Property, plant and equipment	533	185	48	14	780
Financial assets	110	4	6	-	120
Deferred tax assets	5	-	-	-	5
Current assets	436	771	398	6	1,111
Provisions	18	4	-	-	22
Liabilities	793	1,207	316	24	2,340
Net assets acquired	**1,080**	**-101**	**359**	**3**	**1,341**
A.P. Moller - Mærsk A/S' share	**1,080**	**-101**	**359**	**3**	**1,341**
Goodwill	2,291	1,145	225	6	3,667
Purchase price	**3,371**	**1,044**	**584**	**9**	**5,008**
Change in payables on purchase price, etc	-24	8	-	-	-16
Contingent consideration assumed	-60	-	-	-	-60
Contingent consideration paid	-	19	-	-	19
Cash and bank balances assumed	-126	9	-40	-2	-177
Cash flow used for acquisition of subsidiaries and activities	**3,161**	**1,062**	**544**	**7**	**4,774**

LF Logistics Holdings Limited (Logistics & Services)

On 31 August 2022, the Group signed an agreement to acquire 100% of the shares in LF Logistics Holdings Limited, a leading omnichannel fulfilment contract logistics company in Asia Pacific. The acquisition further strengthens 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 was USD 3.3bn, which included the fair value of contingent consideration of USD 60m, contingent upon LF Logistics' future financial performance, and has a maximum payment value of USD 160m. As of 31 December 2023, the fair value of contingent consideration was USD 10m. Of the consideration paid, USD 2.3bn was related to goodwill, while USD 806m was related to intangible assets, mainly customer relationships. USD 177m was related to trade receivables, and USD 362m was related to RoU assets. Liabilities were mainly related to trade payables and lease liabilities. Goodwill was mainly attributable to commercial and operational future expected synergies, driven by cross-selling and improved productivity. Acquired goodwill is not allowable for tax purposes.

From the acquisition date to 31 December 2022, LF Logistics contributed revenue of USD 360m and an insignificant net profit. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 1,013m. The net profit impact to the Group would have been USD 42m, including amortisation of intangible assets recognised in the acquisition.

Acquisition-related costs of USD 12m were recognised as operating costs in the income statement of the Logistics & Services segment in 2021, and in operating cash flow in the cash flow statement in 2022.

Note 3.4 Acquisition/sale of subsidiaries and activities - continued

Pilot Freight Services (Logistics & Services)

On 2 May 2022, the Group acquired 100% of the shares in Pilot Freight Services, a US-based first, middle and last mile cross-border solutions provider. 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 was USD 1.6bn, of which USD 597m was related to the settlement of debt. In Q2 2023, the provisional purchase price allocation was finalised, resulting in a reduction of goodwill of USD 30m, primarily related to the valuation of customer relationships and deferred tax liabilities. Of the consideration paid, USD 1.1bn was related to goodwill, while USD 640m was related to intangible assets, mainly customer relationships. USD 226m was related to trade receivables, and USD 174m was related to RoU assets. Liabilities were mainly related to trade payables, lease liabilities and debt settled as part of the transaction. Goodwill was mainly attributable to commercial and operational future expected synergies, driven by cross-selling, network optimisations and improved productivity. Goodwill of USD 96m related to the acquisition is expected to be deductible for tax purposes.

From the acquisition date to 31 December 2022, Pilot Freight Services contributed revenue of USD 957m and an insignificant net profit. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 1.5bn. The net profit impact to the Group would have been insignificant.

Acquisition-related costs of USD 15m were recognised as operating costs in the income statement of the Logistics & Services segment in 2021 and 2022, and in operating cash flow in the cash flow statement in 2022.

Senator International (Logistics & Services)

On 2 June 2022, the Group acquired 100% of the shares in Senator International, a well-renowned German air-based freight carrier company. Senator International contributes with offerings within air freight out of Europe into the USA and Asia, and thereby adds strong capabilities and geographical reach to the integrator vision. The total purchase price was USD 584m. In Q2 2023, the provisional purchase price allocation was finalised, resulting in an increase in goodwill of USD 5m primarily related to the valuation of tax payables. Of the consideration paid, USD 230m was related to goodwill, while USD 223m was related to intangible assets, mainly customer relationships. USD 220m was related to trade receivables, and the rest is mainly related to other receivables. Liabilities were mainly related to accrued expenses and deferred tax. Goodwill was mainly attributable to commercial and operational future expected synergies, driven by cross-selling, network optimisations and improved productivity. Acquired goodwill is not deductible for tax purposes.

From the acquisition date to 31 December 2022, Senator International contributed revenue of USD 787m and a net profit of USD 40m. Had the acquisition occurred on 1 January 2022, the impact on the Group's revenue would have been USD 1.6bn and a net profit of USD 105m, including amortisation of intangibles assets recognised in the acquisition.

Acquisition-related costs of USD 9m were recognised as operating costs in the income statement of the Logistics & Services segment in 2021, and in operating cash flow in the cash flow statement in 2022.

Sales in 2023

US Marine Management

An agreement was reached to divest U.S. Marine Management LLC in Q3 2023. On 20 September 2023, the sale of US Marine Management LLC was completed and resulted in a net gain of USD 92m or USD 74m after tax. The net gain before tax is classified as the gain on sale of non-current assets in the income statement.

Maersk Supply Service

On 15 May 2023, the sale of Maersk Supply Service to A.P Møller Holding was completed for cash proceeds net of cash sold of USD 685m and resulted in a net gain of USD 15m, which includes the reclassification of the translation reserve loss of USD 40m from equity to the income statement. The gain is classified as the gain on sale of non-current assets in the income statement.

The net profit for US Marine Management and Maersk Supply Service until divestment is included in the Towage & Maritime Services segment as per Note 2.1 Segment information.

Höegh Autoliners

The Group completed the sale of the 26.4% shareholding in Höegh Autoliners in three tranches during 2023. The transactions aggregated to a net price of USD 362m and a gain of USD 57m included in Towage & Maritime Services segment.

Sales during the year 2022

In 2022, Terminals completed the sale of the 30.75% minority stake in Global Ports Investments in Russia for USD 135m. The transaction included an option for Terminals to re-enter the partnership in the future.

Note 3.4 Acquisition/sale of subsidiaries and activities - continued

ACCOUNTING POLICY

Acquisition/sale of subsidiaries and activities

Upon acquisition of new entities, the acquired assets, liabilities and contingent liabilities are measured at fair value at the date when control was achieved using the acquisition method. Identifiable intangible assets are recognised if they arise from a contractual right or can otherwise be separately identified. The difference between the fair value of the acquisition cost and the fair value of acquired identifiable net assets is recognised as goodwill. Contingent consideration is measured at fair value and any subsequent changes to contingent consideration are recognised as financial income or financial expense in the income statement. If contingent consideration is settled by issuing a predetermined number of shares, the contingent consideration is classified as equity and is subsequently not remeasured at fair value. Transaction costs are recognised as operating costs as they are incurred.

When A.P. Møller - Mærsk ceases to have control of a subsidiary, the value of any retained investment is remeasured at fair value, and the value adjustment is recognised in the income statement as a gain/loss on the sale of non-current assets. The difference between sales proceeds and the carrying amount of the subsidiary is recognised in the income statement including fair value of contingent consideration at the time of sale. Contingent consideration is remeasured at fair value with changes recognised in the income statement. The effect of the purchase and sale of non-controlling interests without changes in control is included directly in equity.

Note 3.5 Term deposits and Other receivables, non-current

Loan receivables, current, amount to USD 12.8bn (USD 12.7bn) and consist primarily of term deposits with a maturity of more than three months amounting to USD 12.8bn (USD 12.6bn). For details on the assessment of the loss allowance on term deposits, reference is made to note 4.5 Financial instruments and risks.

Other receivables, non-current, primarily consist of prepayments made for operational activities that will be utilised after twelve months amounting to USD 1.3bn (USD 0.5bn).

Note 3.6 Assets held for sale or distribution

	2023	2022
Balance sheet items comprise		
Intangible assets	59	-
Property, plant and equipment and right-of-use assets	1,303	13
Deferred tax assets	52	1
Other assets	167	51
Non-current assets	**1,581**	**65**
Current assets	209	4
Assets held for sale or distribution	**1,790**	**69**
Provisions	12	1
Deferred tax liabilities	27	-
Other liabilities	209	8
Liabilities associated with assets held for sale or distribution	**248**	**9**

Assets held for sale in 2023 relate to one terminal within Terminals (2022: two terminals) and Svitzer (towage) within Towage & Maritime Services due to Management's commitment to its sale or distribution as of the balance sheet date.

Svitzer is classified as held for sale or distribution and presented separately in the balance sheet. Comparative figures have not been restated. No gains or losses resulting from the fair value measurement of Svitzer have been recognised. Svitzer's results continue to be included in the Towage & Maritime Services segment and are included in note 2.1 Segment information as such.

ACCOUNTING POLICY

Assets held for sale are recognised when the carrying amount of an individual non-current asset, or disposal group of assets, is recovered principally through a sales transaction rather than through continued use. Assets are classified as held for sale when activities to carry out a sale have been initiated, when the activities are available for immediate sale in their present condition, and when the activities are expected to be disposed of within 12 months. Liabilities directly associated with assets held for sale are presented separately from other liabilities.

Assets held for sale are measured at the lower of carrying amount immediately before classification as held for sale and fair value less costs to sell. Impairment tests are performed immediately before classification as held for sale. Non-current assets are not depreciated or amortised while classified as held for sale. Measurement of deferred tax and financial assets and liabilities is unchanged.

When an asset or a disposal group has been classified as held for sale or distribution, but the requirements are no longer met, the assets and related liabilities ceases to be classified as held for sale. The cessation of the classification as held for sale will be reflected in the period in which the change of circumstances has occurred. Comparative figures are not restated, and any adjustments to the carrying value of assets and liabilities previously classified as held for sale are recognised in the period in which the circumstances have changed.

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Note 3.7 Provisions

	Restructuring	Legal disputes, etc.	Other	Total
1 January 2023	68	1,182	369	1,619
Provision made	151	488	283	922
Amount used	61	239	144	444
Amount reversed	34	238	57	328
Additions from acquired companies	-	-	2	2
Disposals from companies sold	-	1	28	29
Transfers, assets held for sale	-	-12	-	-12
Exchange rate adjustments	2	-4	-18	-20
31 December 2023	**126**	**1,176**	**407**	**1,709**
Of which:				
Classified as non-current	11	691	195	897
Classified as current	115	485	212	812
Non-current provisions expected to be realised after more than five years	1	36	27	64

Restructuring includes provisions for decided and publicly announced restructurings and includes mainly staff redundancy costs. Legal disputes, etc. include, among other things, indirect tax and duty disputes. Other primarily includes provisions for warranties, and onerous contracts.

Reversals of provisions primarily relate to legal disputes and contractual disagreements, which are recognised in the income statement under operating costs and tax.

① SIGNIFICANT ACCOUNTING ESTIMATES

Provisions for legal disputes

Management's estimate of the provisions for legal disputes, including disputes regarding taxes and duties, is based on the knowledge available on the substance of the cases and a legal assessment of these. The resolution of legal disputes through either negotiations or litigation can take several years to be reached and the outcomes are subject to considerable uncertainty.

② ACCOUNTING POLICY

Provisions are recognised when A.P. Moller - Maersk has a present legal or constructive obligation from past events. The item includes, among other things, legal disputes and provisions for onerous contracts and unfavourable contracts acquired as part of a business combination. Provisions are recognised based on best estimates and are discounted where the time element is significant and where the time of settlement is reasonably determinable.

4. Capital and financing

A.P. Moller - Maersk has continued its commitment to distribute value to its shareholders through both dividends and the buy-back of shares throughout 2023. This section provides details on the movement in the Group's share capital, including the shares bought back and cancelled during the year. The movements within borrowings and lease liabilities provide insights into the development in the Group's net interest bearing debt.

This section also includes details on the treasury management and financial risk management objectives and policies, as well as the exposure and sensitivity of the Group to credit, liquidity, interest and foreign exchange risk, and the policies in place to monitor and manage these risks.

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Note 43 Share capital and earnings per share

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 2022	10,468,107	216	8,907,718	166	19,376	3,513
Conversions	1	-2	3	6	-	-
Cancellations	133,779	-	535,076	-	669	121
31 December 2022	**10,334,329**	**214**	**8,372,645**	**160**	**18,707**	**3,392**
1 January 2023	10,334,329	214	8,372,645	160	18,707	3,392
Conversions	1	-2	1	-2	-	-
Cancellations	227,390	-	910,056	-	1,137	206
31 December 2023	**10,106,940**	**212**	**7,462,590**	**158**	**17,570**	**3,186**

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 28 March 2023, the shareholders decided on the cancellation of treasury shares, whereby the share capital would be decreased. On 7 June 2023, the company's share capital was decreased from nominally DKK 18,707,161,000 to nominally DKK 17,569,715,000.

The reduction in the share capital has been recorded by applying the historical rate of exchange of USD/DKK 5.5153.

Development in the holding of treasury shares	No. of shares of DKK 1,000		Nominal value DKK million		% of share capital	
Treasury shares	2023	2022	2023	2022	2023	2022
A shares						
1 January	201,717	120,494	202	121	1.08%	0.62%
Additions	332,309	215,002	332	215	1.89%	1.15%
Cancellations	227,390	133,779	227	134	1.22%	0.69%
31 December	**306,636**	**201,717**	**307**	**202**	**1.75%**	**1.08%**
B shares						
1 January	887,557	649,587	888	650	4.74%	2.84%
Additions	1,327,842	904,856	1,328	905	7.54%	4.83%
Cancellations	910,056	535,076	910	535	4.86%	2.76%
Disposals	26,223	31,810	27	32	0.14%	0.17%
31 December	**1,279,120**	**887,557**	**1,279**	**888**	**7.28%**	**4.74%**

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

From 1 January 2023 to 31 December 2023, A.P. Møller - Mærsk bought back as treasury shares 171,022 A shares, with a nominal value of DKK 171m, and 514,238 B shares, with a nominal value of DKK 514m, from A.P. Møller Holding A/S and 162,005 B shares, with a nominal value of DKK 162m, from A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, which are considered related parties. The share buy-back was carried out with the purpose to adjust the capital structure of the company. Cancellation of shares which are not used for hedging purposes for the long-term incentive programmes will be proposed at the Annual General Meeting.

Capital management

The capital structure is managed for the Group in accordance with the financial policy, as approved by the Board of Directors.

Capital is managed to meet the objective of a solid capital structure over the business cycle and to maintain a liquidity profile in line with an investment grade credit rating. A.P. Møller - Mærsk remains investment grade-rated and holds a Baa2 (positive outlook) rating from Moody's and a BBB+ (stable) rating from Standard & Poor's. The equity share of total equity and liabilities was 67% (69%) at the end of 2023. Share buy-backs of maximum 15% of the share capital can be decided by the Board of Directors, and dividends paid out are to be between 30-50% of the underlying profit in accordance with the company's dividend policy.

The basis for calculating earnings per share is the following:

A.P. Møller - Mærsk A/S' share of	2023	2022
Profit for the period	**3,822**	**29,198**

	2023	2022
Issued shares 1 January	18,707,161	19,376,016
Average number of treasury shares	1,213,793	720,802
Average number of cancelled shares	648,188	404,978
Average number of shares (basic)	**16,845,180**	**18,250,236**
Dilutive effect of outstanding restricted and performance shares and share options	28,862	57,522
Average number of shares (diluted)	**16,874,042**	**18,307,758**
Basic earnings per share (USD)	**227**	**1,600**
Diluted earnings per share (USD)	**227**	**1,595**

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Note 4.1 Share capital and earnings per share – continued

Dividends

The dividend of DKK 4,300 per share of DKK 1,000 was paid on 31 March 2023 – a total of DKK 74.4bn equivalent to USD 10.9bn, excluding treasury shares (dividend of DKK 2,500 per share of DKK 1,000 paid – total of DKK 46.8bn, equivalent to USD 6.9bn).

The Board of Directors proposes a dividend to the shareholders of DKK 515 per share of DKK 1,000 – a total of DKK 8.1bn, equivalent to USD 1.2bn (DKK 4,300 per share of DKK 1,000 – a total of DKK 74.4bn equivalent to USD 10.9bn). Payment of dividends is expected to take place on 19 March 2024. Payment of dividends to shareholders does not trigger taxes to A.P. Møller - Mærsk.

ACCOUNTING POLICY

Earnings per share is calculated as A.P. Møller - Mærsk A/S' share of the profit for the year divided by the average number of shares outstanding (of DKK 1,000 each), excluding A.P. Møller - Mærsk's holding of treasury shares. Diluted earnings per share are adjusted for the dilutive effect of the average number of restricted shares, performance shares and share options outstanding as issued by the parent company.

Equity includes total comprehensive income for the year comprising the profit for the year and other comprehensive income. Proceeds on the purchase and sale of treasury shares and dividend from such shares are recognised in equity.

The translation reserve is comprised of A.P. Møller - Mærsk's share of accumulated exchange rate differences arising on translation from functional currency into presentation currency. The reserve for other equity investments is comprised of accumulated changes in the fair value of equity investments (at FVOCI), net of tax. Reserves for hedges includes the accumulated fair value change of derivatives qualifying for cash flow hedge accounting, less amounts already reclassified to the income statement or transferred as basis adjustments, net of tax, as well as forward points and currency basis spread.

Note 4.2 Borrowings and lease liability reconciliation

	Net debt 31 December	Cash flows		Non-cash changes					Net debt 31 December
	2022	From financing activities	Other	Additions	Disposals	Transfers, assets held for sale	Foreign exchange movements	Other[1]	2023
Borrowings:									
Bank and other credit institutions	1,053	-88	-3	3	-	-	8	-	973
Issued bonds[2]	2,976	308	-	-	-	-	53	56	3,393
Total borrowings	**4,029**	**220**[3]	**-3**	**3**	**-**	**-**	**61**	**56**	**4,366**
Classified as non-current	3,774								4,169
Classified as current	255								197
Leases:									
Lease liabilities	11,614	-3,226	3	2,268[4]	-241	-56	84	2	10,448
Classified as non-current	8,582								7,798
Classified as current	3,032								2,650
Total borrowings and leases	**15,643**	**-3,006**	**-**	**2,271**	**-241**	**-56**	**145**	**58**	**14,814**
Derivatives hedge of borrowings, net	**532**	**-46**	**-**	**-**	**-**	**-**	**-53**	**-81**	**352**

1 Other includes fair value changes and amortisation of fees.

2 Of the total issued bonds at 31 December 2023, USD 1.3bn are green bonds primarily used to finance the construction of green methanol vessels.

3 Cash flows from financing activities of USD 220m are made up of repayments of borrowings of negative USD 660m, adjusted for cash flows from hedges of USD 35m and proceeds from borrowings of USD 845m.

4 Additions include USD 29m of lease liabilities from businesses acquired during 2023.

The maturity analysis of lease liabilities is disclosed in note 4.5.

Note 4.2 Borrowings and lease liability reconciliation - continued

	Net debt 31 December	Cash flows	Non-cash changes						Net debt 31 December
	2021	From financing activities	Other	Additions	Disposals	Transfers, assets held for sale	Foreign exchange movements	Other	2022
Borrowings									
Bank and other credit institutions	1,443	-717	-282	612	-	-13	10	-	1,053
Issued bonds	3,341	-	-	-	-	-	-177	-188	2,976
Total borrowings	**4,784**	**-717**	**-282**	**612**	**-**	**-13**	**-167**	**-188**	**4,029**
Classified as non-current	4,315								3,774
Classified as current	436								255
Leases									
Lease liabilities	10,551	-3,080	-10	4,776	-433	-13	-173	-4	11,614
Classified as non-current	8,155								8,582
Classified as current	2,398								3,032
Total borrowings and leases	**15,335**	**-3,797**	**-292**	**5,388**	**-433**	**-26**	**-340**	**-192**	**15,643**
Derivatives hedge of borrowings, net	**194**	**14**	**-**	**-**	**-**	**-**	**188**	**136**	**532**

The maturity analysis of lease liabilities is disclosed in note 4.5.

ACCOUNTING POLICY

Financial liabilities are initially recognised at fair value less transaction costs. Subsequently, the financial liabilities are measured at amortised cost using the effective interest method, whereby transaction costs and any premium or discount are recognised as financial expenses over the term of the liabilities. Fixed interest loans subject to fair value hedge accounting are measured at amortised cost with an adjustment for the fair value of the hedged interest component.

Lease liabilities are measured at the present value of the lease payments over the lease term, at the interest rate implicit in the lease, or at A.P. Møller - Mærsk's incremental borrowing rate (IBR). A.P. Møller - Mærsk's IBR reflects the Group's credit risk, leased amount, and contract duration, as well as the nature and quality of the asset's security and economic environment in which the leased assets operate. To determine the IBR, where possible, A.P. Møller - Mærsk uses recent third-party financing received by the individual lessee as a starting point, with adjustments to reflect changes in financing conditions since that financing was received. Where such financing is not available, A.P. Møller - Mærsk uses a build-up approach that starts with a risk-free interest rate adjusted by credit risk and specific risks faced by the lessee such as asset type, geographical risks, etc.

Subsequently, the lease liability is measured at amortised cost with each lease payment allocated between the repayment of the liability and financing cost. The finance cost is charged to the income statement over the lease period, using the IRR that was used to discount the lease payments.

The following lease payments are included in the net present value:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Extension and termination options in lease contracts are included in contracts where it is reasonably certain that A.P. Møller - Mærsk will exercise the options. These terms are used to maximise operational flexibility in terms of managing contracts. In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option or to not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if it is reasonably certain that the lease will be extended or not terminate. Most of the extension and termination options held are exercisable only by A.P. Møller - Mærsk and not by the respective lessor. This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment, and which is within the control of the lessee. Where A.P. Møller - Mærsk will probably exercise specific purchase options, those options are included in the measurement of the lease liability with corresponding right-of-use asset depreciated over the asset's useful life rather than lease term.

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Note 4.3 Pensions and similar obligations

	UK 2023	Other 2023	Total 2023	UK 2022	Other 2022	Total 2022
Specification of net liability						
Present value of funded plans	1,539	170	1,709	1,396	374	1,770
Fair value of plan assets	-1,652	-108	-1,760	-1,583	-301	-1,884
Net liability of funded plans	-113	62	-51	-187	73	-114
Present value of unfunded plans	-	102	102	-	105	105
Impact of minimum funding requirement/asset ceiling	20	-	20	66	-	66
Net liability 31 December	**-93**	**164**	**71**	**-121**	**178**	**57**
Of which:						
Pensions, net assets			120			134
Pensions and similar obligations			191			191

Significant financial assumptions	UK 2023	Total 2023	UK 2022	Total 2022
Discount rate	4.5%	4.5%	4.8%	4.7%
Inflation rate	3.3%	3.3%	3.5%	3.3%

As employer, the Group participates in pension plans according to normal practice in the countries in which the Group operates. Generally, the pension plans within the Group are defined contribution plans, where contributions are recognised in the income statement on an accrual basis. A number of entities have defined benefit plans, in which retirement benefits are based on length of service and salary level. To a limited extent, these defined benefit plans also include payment of medical expenses, etc.

In 2024, the Group expects to pay contributions totalling USD 17m (USD 25m) to funded defined benefit plans.

85% of the Group's defined benefit liabilities are in the UK. All of the plans in the UK are funded. Although all of the UK plans are now closed to new entrants, active members in the two largest plans continue to accrue new benefits. The smaller UK plans are all closed to new accruals, although a salary link remains in some of the plans.

Overall, the plans have an average duration of 11 years, and approximately 60% of the obligation is related to pensioner members.

As well as being subject to the risks of falling interest rates, which would increase the obligation, poor asset returns and pensioners living longer than anticipated, the Group is also subject to the risk of higher-than-expected inflation. This is because many pension benefits, particularly in the UK plans, increase in line with inflation although some minimum and maximum limits apply.

	31 December			
Life expectancy	2023	2043	2022	2042
65-year-old male in the UK	21.7	23.3	22.0	23.5
65-year-old female in the UK	24.1	25.8	24.3	25.8

The sensitivity of the liabilities and pension costs to the key assumptions are as follows:

Sensitivities for key assumptions in the UK		Increase	Decrease
Factors	'Change in liability'	2023	2023
Discount rate	Increase/(decrease) by 25 basis points	-42	44
Inflation rate	Increase/(decrease) by 25 basis points	19	-24
Life expectancy	Increase/(decrease) by one year	62	-61

Specification of plan assets	UK 2023	Other 2023	Total 2023	UK 2022	Other 2022	Total 2022
Insurance contracts	1,255	54	1,309	1,172	54	1,226
Shares	21	14	35	52	15	67
Government bonds	225	10	235	130	37	167
Corporate bonds	68	7	75	53	176	229
Real estate	10	5	15	8	6	14
Other assets	73	18	91	168	13	181
Fair value 31 December	**1,652**	**108**	**1,760**	**1,583**	**301**	**1,884**

Rates of life expectancy reflect the most recent mortality investigations, and in line with market practice an allowance is made for future improvements in life expectancy. The Group assumes that future improvements will be in line with the latest projections of 1.25% for all UK plans.

The liabilities are calculated using assumptions that are the Group's best estimate of future experience bearing in mind the requirements of IAS 19.

The Group's plans are funded in accordance with applicable local legislation. In the UK, each plan has a Trustee Board that is required to act in the best interests of plan members. Every three years, a formal valuation of the plan's liabilities is carried out using a prudent basis, and if the plan is in deficit, the Trustees agree with the Group or the sponsoring employer on a plan for recovering that deficit.

Around 80% of the UK liabilities are now covered by insurance policies. Therefore, movement in the liabilities due to change in assumptions would equally impact the assets value related to the buy-in policies, resulting in a reduced movement in the overall balance sheet position.

Note 4.3 Pensions and similar obligations - continued

The expected contribution to the UK plans for 2024 are USD 12m (USD 0m in 2023). In most of the UK plans, any surplus remaining after the last member dies may be returned to the Group. However, the Merchant Navy Ratings Pension Fund (MNRPF), and the Merchant Navy Officers Pension Fund (MNOPF) contributions paid by the Group are not refundable in any circumstance and the balance sheet liability reflects an adjustment for any agreed deficit recovery contributions in excess of deficit determined using the Group's assumptions. In 2023, an adjustment of USD 11m (USD 3m) was applied in this respect.

Other than the insurance contracts and a small proportion of other holdings, the plan assets held by the Group are quoted investments.

Change in net liability	Present value of obligations	Fair value of plan assets	Adjustments	Net liability	Of which UK
1 January 2023	**1,875**	**1,884**	**66**	**57**	**-121**
Current service costs, administration costs, etc.	57	-6	-	63	41
Calculated interest expense/income	83	86	5	-	-5
Recognised in the income statement in 2023	**140**	**80**	**5**	**63**	**36**
Return on plan assets, excluding amounts included in interest	-	-6		6	3
Actuarial gains/losses from changes in demographic assumptions	18	-	-	-18	-19
Actuarial gains/losses from changes in financial assumptions	4	-	-	4	13
Experience adjustments	51	-		51	53
Adjustments for unrecognised assets due to asset ceiling	-	-	-52	-52	-52
Recognised in other comprehensive income in 2023	**37**	**-6**	**-52**	**-9**	**-2**
Contributions from the Group and employees	1	23	-	-22	-
Benefit payments	-146	-140	-	-6	-
Settlements	-186	-181	-	-5	-
Transfers, assets held for sale	-3	-	-	-3	-
Exchange rate adjustments	93	100	5	-4	-6
31 December 2023	**1,811**	**1,760**	**20**	**71**	**-93**

Change in net liability	Present value of obligations	Fair value of plan assets	Adjustments	Net liability	Of which UK
1 January 2022	**2,843**	**2,858**	**82**	**67**	**-138**
Current service costs, administration costs, etc	23	-11	-	34	8
Calculated interest expense/income	53	53	1	1	-2
Recognised in the income statement in 2022	**76**	**42**	**1**	**35**	**6**
Return on plan assets, excluding amounts included in interest	-	-638	-	638	562
Actuarial gains/losses from changes in demographic financial assumptions	6	-	-	6	7
Actuarial gains/losses from changes in financial assumptions	-776	-	-	-776	-672
Experience adjustments	104	-	-	104	107
Adjustments for unrecognised assets due to asset ceiling	-	-	-8	-8	-8
Recognised in other comprehensive income in 2022	**-666**	**-638**	**-8**	**-36**	**-4**
Contributions from the Group and employees	-	3	-	-3	-
Benefit payments	-132	-119	-	-13	-
Effect of business combinations and disposals	3	-	-	3	-
Exchange rate adjustments	-249	-262	-9	4	15
31 December 2022	**1,875**	**1,884**	**66**	**57**	**-121**

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Amounts in USD million

Note 4.3 Pensions and similar obligations - continued

Multi-employer plans

Under collective agreements, certain entities in the Group participate together with other employers in defined benefit pension plans as well as welfare/medical plans (multi-employer plans). In general, the contributions to the schemes are based on man hours worked or cargo tonnage handled, or a combination of these.

For the defined benefit pension plans, the Group has joint and several liabilities to fund total obligations. While the welfare/medical plans are by nature contribution plans funded on a pay-as-you-go basis. The Group's contributions to the pension and welfare/medical plans in 2023 are estimated at USD 86m (USD 124m) and USD 259m (USD 371m), respectively. The contributions to be paid in 2024 are estimated at USD 82m (USD 125m) for the pension plans and USD 249m (USD 374m) for the welfare/medical plans.

No reliable basis exists for allocation of the schemes' obligations and plan assets to individual employer participants. For the pension plans where the Group has an interest and there is a deficit, the net obligations for all employers amount to USD 216m (USD 19m). This net obligation is based on the most recent available financial data from the plan's trustees, calculated in accordance with the rules for such actuarial calculation in US GAAP. The deficit in some of the schemes may necessitate increased contributions in the future. Welfare/medical plans are pay-as-you-go and form a part of the Group's US collective bargaining agreements. They cover a limited part of employees' medical costs as occurred.

⑤ ACCOUNTING POLICY

Pension obligations are the net liabilities of defined benefit obligations and the dedicated assets adjusted for the effect of minimum funding and asset ceiling requirements. Plans with a funding surplus are presented as net assets on the balance sheet. The defined benefit obligations are measured at the present value of expected future payments to be made in respect of services provided by employees up to the balance sheet date. Plan assets are measured at fair value. The pension cost charged to the income statement consists of calculated amounts for vested benefits and interest in addition to settlement of gains or losses, etc. Interest on plan assets is calculated at the same rates as used for discounting the obligations. Actuarial gains/losses are recognised in other comprehensive income.

Pension plans where A.P. Moller - Maersk, as part of collective bargaining agreements, participates together with other enterprises – so called multi-employer plans – are treated as other pension plans in the financial statements. Defined benefit multi-employer plans, where sufficient information to apply defined benefit accounting is not available, are treated as defined contribution plans.

Note 4.4 Financial income and expenses

	2023	2022
Interest expenses on liabilities[1,4]	904	815
Borrowing costs capitalised on assets[2]	133	49
Interest income on loans and receivables	1,202	436
Fair value adjustment transferred from equity hedge reserve (loss)	21	33
Net interest expenses	**-410**	**363**
Exchange rate gains on bank balances, borrowings and working capital	335	596
Exchange rate losses on bank balances, borrowings and working capital	522	586
Net foreign exchange gains/losses	**-187**	**10**
Fair value gains from derivatives	200	54
Fair value losses from derivatives	56	319
Net fair value gains/losses	**144**	**-265**
Dividends received from securities[3]	1	-
Gains on payable contingent consideration	66	-
Impairment losses on financial assets	6	13
Reversal of impairment losses on financial assets	-	2
Financial expenses, net	**-428**	**629**
Of which:		
Financial income	1,804	1,088
Financial expenses	1,576	1,717

1 Of which USD 563m (USD 518m) relates to interest expenses on lease liabilities.

2 The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 7.2% (4.6%).

3 Of which USD 1m (USD 0m) pertains to shares held at the end of the year and USD 0m (USD 0m) pertains to shares sold during the year.

4 Of which USD 10m (USD 0m) relates to expenses from prepayment of issued bonds.

For an analysis of gains and losses from derivatives, reference is made to note 4.5.

Note 4.5 Financial instruments and risks

The gain/losses of the derivatives are recognised as follows	2023	2022
Hedging foreign exchange risk on revenue	-8	-3
Hedging foreign exchange risk on operating costs	41	-127
Hedging interest rate risk	-21	-33
Hedging foreign exchange risk on the cost of non-current assets	4	-30
Total effective hedging	**16**	**-197**
Ineffectiveness recognised in financial expenses	-1	16
Total reclassified from equity reserve for hedges	**15**	**-181**
Derivatives accounted for as held for trading		
Currency derivatives recognised directly in financial income/expenses	154	-276
Interest rate derivatives recognised directly in financial income/expenses	44	-196
Oil prices and freight rate derivatives recognised directly in other income/costs	-23	-150
Net gains/losses recognised directly in the income statement	**175**	**-622**
Total	**190**	**-803**

The Group's derivatives are presented at fair value in the balance sheet.

The Group's activities expose it to a variety of financial risks

- Market risks, i.e. currency risk, interest rate risk and oil price risk
- Credit risk
- Liquidity risk

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close cooperation with the Group's entities.

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's profit or the value of its holdings of financial instruments. The sensitivity analyses in the currency risk and interest rate risk sections relate to the position of financial instruments at 31 December 2023.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2023. Furthermore, it is assumed that the exchange rate and interest rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit and equity of a reasonably possible change in exchange rates and interest rates

Hedges comprise primarily currency derivatives and interest rate derivatives, which are further described in the following sections.

Currency risk

The Group's currency risk relates to the fact that while income from Ocean activities is denominated mainly in USD, the related expenses are incurred in both USD and a wide range of other currencies such as EUR, DKK, CNY, HKD and SGD. As the net income is in USD, this is also the primary financing currency. Income and expenses from other activities are mainly denominated in local currencies, thus reducing the Group's exposure to these currencies.

The main purpose of hedging the Group's currency risk is to hedge the USD value of the Group's net cash flow and reduce fluctuations in the Group's profit. The Group uses various financial derivatives, including forwards, option contracts and cross-currency swaps, to hedge these risks. The key aspects of the currency hedging policy are

- Net cash flows in significant currencies other than USD are hedged using a layered model with a 12-month horizon
- Significant capital commitments or divestments in currencies other than USD are hedged
- Most non-USD debt is hedged, however, depending on the asset-liability match and the currency of the generated cash flow.

Currency derivatives hedge future revenue, operating costs and investments/divestments, and are recognised on an ongoing basis in the income statement and the cost of property, plant and equipment, respectively. There is not any proxy hedging for the currency risk hedging, and therefore the economic relationship between the hedged exposure and the hedge is high. Effectiveness is assessed using the critical terms match approach according to IFRS 9.

Hedges of future revenue and operating costs matures within a year (matures within a year). There are no hedges of investments at the end of 2023 (matures within one year).

For hedges related to operating and investment cash flows, a loss of USD 8m in 2023 (gain of USD 94m) is recognised in other comprehensive income, and the cash flow hedge reserve amounts to a gain of USD 45m at 31 December (gain of USD 51m). For hedges where the cost of hedging is applied, the forward points are recognised in other comprehensive income and transferred with the effective hedge when the hedged transaction occurs. The cost of hedging reserve amounts to USD 0m (USD 0m). There was no ineffectiveness in 2023 (no ineffectiveness).

Besides the designated cash flow hedges in the table, the Group uses derivatives to hedge currency exposures that do not qualify for hedge accounting. These derivatives are classified as fair value through profit or loss. The average FX hedge rates for swaps in cash flow hedge were EUR/USD 1.18 (1.18) and GBP/USD 1.52 (1.52). The average FX hedge rates for swaps in combined fair value hedge were EUR/USD 1.24 (1.24), GBP/USD 1.52 (1.52), USD/NOK 8.25 (8.25) and USD/JPY 119.39 (119.39).

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Amounts in USD million

Note 4.5 Financial instruments and risks - continued

Derivatives recognised at fair value in the balance sheet	2023	2022
Non-current receivables	11	10
Current receivables	137	198
Non-current liabilities	323	495
Current liabilities	72	77
Liabilities, net	**247**	**364**

Hedge of operating and investment cash flows in foreign currencies	Fair value, asset	Fair value, liability	Nominal amount of derivative	Average hedge rate
Main currencies hedged				
2023				
EUR	14	2	1,017	EUR/USD 1.10
DKK	3	1	286	USD/DKK 6.76
CNY	5	1	249	USD/CNY 7.04
HKD	-	-	193	USD/HKD 7.78
Other currencies	33	8	1,119	N/A
Total	**55**	**12**		
2022				
EUR	24	5	749	EUR/USD 1.05
DKK	14	3	312	USD/DKK 7.08
CNY	3	1	82	USD/CNY 7.01
HKD	1	-	210	USD/HKD 7.81
Other currencies	32	14	974	N/A
Total	**74**	**23**		

	Fair value	
Other hedges recognised at fair value through profit and loss	2023	2022
Currency derivatives	43	86
Total	**43**	**86**

The Group's sensitivity to an increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed is estimated to have the following impact.

The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date and are thus not an expression of the Group's total currency risk.

	Profit before tax		Equity before tax	
Currency sensitivity for financial instruments	2023	2022	2023	2022
EUR[1]	41	167	-50	99
CNY	31	34	8	27
DKK	9	-221	-17	-249
Other	-45	-133	-145	-224
Total	**36**	**-153**	**-204**	**-347**

1 EUR sensitivity has been restated for 2022 from USD 30m/USD -58m to USD 167m/USD 99m for profit before tax and equity before tax, respectively.

Note 4.5 Financial instruments and risks - continued

Interest rate risk

Interest rate hedging of borrowings	Fair value, asset	Fair value, liability	Nominal amount of derivative	Maturity 0-1 year	Maturity 2-5 years	Maturity 5- years	Gain/loss on hedged item	Gain/loss on hedging instrument	Average hedge rate
2023									
Combined fair value hedge, hedge of borrowings									
EUR	-	90	503	-	415	88	15	-32	7.3%
GBP	-	24	89	-	89	-	2	-6	7.9%
JPY	-	17	88	-	88	-	-	-2	7.2%
NOK	-	68	216	-	216	-	12	-18	7.9%
Fair value hedge, hedge of borrowings									
USD	11	44	850	-	200	650	32	-33	7.7%
Cash flow hedge, hedge of borrowings									
EUR	-	88	967	-	414	553	-	-29	3.2%
GBP	-	33	162	-	162	-	-	-1	4.6%
USD	2	-	64	-	30	34	-	2	2.6%
Total	**13**	**364**	**2,939**	**-**	**1,614**	**1,325**	**61**	**-119**	
2022									
Combined fair value hedge, hedge of borrowings									
EUR	-	127	486	-	401	85	35	-54	6.2%
GBP	-	29	64	-	64	-	4	-7	6.8%
JPY	-	12	95	-	95	-	-	-3	6.1%
NOK	-	64	223	-	223	-	17	-22	6.8%
Fair value hedge, hedge of borrowings									
USD	-	73	900	-	500	400	75	-73	6.7%
Cash flow hedge, hedge of borrowings									
EUR	-	145	934	-	400	534	-	-56	3.2%
GBP	-	77	277	-	277	-	-	-5	4.6%
NOK	-	5	26	26	-	-	-	-	3.3%
SEK	-	11	61	-	61	-	-	-	1.7%
USD	11	-	391	150	200	41	-	12	2.7%
Total	**11**	**543**	**3,477**	**176**	**2,241**	**1,060**	**131**	**-208**	

The Group has most of its debt denominated in USD, but part of the debt (e.g. issued bonds) is in other currencies such as EUR, GBP, NOK and JPY. The Group strives to maintain a combination of fixed and floating interest rates on its net debt, reflecting expectations and risks.

Interest rate risk is managed within a range set for the percentage of gross debt carrying fixed interest, net of hedging. The level at 31 December is 41% (43%) excluding IFRS 16 Leases.

A general increase in interest rates by 1 percentage point is estimated, all else being equal, to affect profit before tax and equity, excluding tax effect, positively by approx. USD 134m (positively by USD 215m) and positively by approx. USD 113m (positively by USD 199m), respectively.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The hedging of the interest rate risk is done by cross-currency swaps and interest rate swaps. The hedging is a mix of fair value hedging, combined fair value hedging and cash flow hedging.

Combined fair value hedging is applied when cross-currency swaps are entered into to hedge the risk of debt denominated in currencies other than USD. Each hedge relationship is split into a fair value hedge, where value changes from market rates are recognised directly in profit or loss, and a cash flow hedge, where the value changes from the exchange rate exposure of the credit margin are recognised in other comprehensive income.

Ineffectiveness from cash flow hedges due to buy-back of issued bonds is recognised in the income statement with a cost of USD 1m (USD 0m).

The hedges are expected to be highly effective due to the nature of the economic relationship between the exposure and the hedge. The source of ineffectiveness is the credit risk of the hedging instruments. For hedges where the cost of hedging is applied, the change in basis spread is recognised in other comprehensive income and is a time effect during the lifetime of the swap and at maturity amounts to 0. If the hedged transaction is prepaid, the change in basis spread will be recognised in profit or loss as ineffectiveness. The cost of hedging reserve amounts to a gain of USD 7m (gain of USD 15m).

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Amounts in USD million

Note 4.5 Financial instruments and risks - continued

Borrowings and lease liabilities by interest rate levels inclusive of interest rate swaps	Carrying amount	Next interest rate fixing		
		0-1 year	1-5 years	5- years
2023				
0-3%	981	252	123	606
3-6%	9,952	2,390	3,830	3,732
6%-	3,881	2,709	605	567
Total	**14,814**	**5,351**	**4,558**	**4,905**
Of which:				
Bearing fixed interest	12,377			
Bearing floating interest	2,437			
2022				
0-3%	1,095	202	120	773
3-6%	12,117	3,607	5,214	3,296
6%-	2,431	1,918	231	282
Total	**15,643**	**5,727**	**5,565**	**4,351**
Of which:				
Bearing fixed interest	13,400			
Bearing floating interest	2,243			

Oil price risk

	Quantity, million metric tonnes	Average trade price per metric tonne	Average duration	Fair value	Maturity 0-3 months	Maturity 4-12 months
2023						
Oil swaps	**-1**		**0-1 year**	**10**	**2**	**8**
Buy	12	480		-231	-204	-27
Sell	-13	519		241	206	35
Oil futures	**-1**		**0-1 year**	**8**	**7**	**1**
Buy	-	633		-1	-1	-
Sell	-1	639		9	8	1
Total	**-2**			**18**	**9**	**9**
2022						
Oil swaps	**-1**		**0-1 year**	**25**	**20**	**5**
Buy	10	517		-132	-135	3
Sell	-11	512		157	155	2
Oil futures	**-**		**0-1 year**	**5**	**5**	**-**
Buy	1	739		-2	-3	1
Sell	-1	749		7	8	-1
Total	**-1**			**30**	**25**	**5**

The majority of the Group's trading of commodity products is related to inventory stocks of crude oil and bunker oil, as the products are bought in larger quantities and stored for processing and re-sale. The oil price risk arising from these oil price exposures is mitigated by entering into commodity derivative agreements. The overall exposure limit is set in the Group's risk policy, defining a maximum net open position for the Group. On 31 December 2023, the Group entered into oil derivative positions as shown in the table.

The Group's sensitivity to an increase in the oil price of 5% is estimated, all else being equal, to affect profit and equity before tax negatively by approx. USD 24m (negatively by USD 21m), and negatively by USD 24m (negatively USD 21m), respectively. The sensitivities are based on the impact of financial instruments that are outstanding at the balance sheet date.

Credit risk

Maturity analysis of trade receivables	2023	2022
Receivables not due	3,587	5,220
Less than 90 days overdue	1,140	1,660
91 - 365 days overdue	253	264
More than 1 year overdue	127	92
Receivables, gross	5,107	7,236
Provision for bad debt	226	265
Carrying amount	**4,881**	**6,971**

The loss allowance provision for trade receivables as at 31 December 2023 reconciles to the opening loss allowance as follows:

Change in provision for bad debt	2023	2022
1 January	265	205
Provision made	258	331
Amount used	88	105
Amount reversed	210	165
Acquired in business combinations	4	13
Disposal on the sale of businesses	-1	
Transfers, assets held for sale	-2	-13
Exchange rate adjustments and others	-	-1
31 December	**226**	**265**

Trade receivables

The Group has exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties, and credit limits are set for financial institutions and key commercial counterparties.

The Group applies the simplified approach to providing the expected credit losses prescribed by IFRS 9 which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. In accordance with IFRS 9, non-due trade receivables have also been considered for impairment.

Approximately 50% (31%) of the provision for bad debt is related to trade receivables overdue by more than one year.

Other financial assets at amortised cost

Other financial assets at amortised cost comprise loans receivable, finance lease receivables and other receivables. These financial assets are considered to have low credit risk, and thus the impairment provision calculated based on 12 months of expected losses is considered immaterial. The financial assets are considered to be low-risk when they have a low risk of default, and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Financial institutions

Deposits and bank balances are primarily held in relationship banks with a credit rating of at least A-. No individual exposure is above 10%. A.P. Møller - Mærsk has ISDA agreements for trading of derivatives, under which the Group has a right to net settlement in the event of certain credit events. This results in the credit risk being limited to the net position per counterparty.

Liquidity risk

Net interest-bearing debt and liquidity reserve	2023	2022
Borrowings	14,814	15,643
Net interest-bearing debt	-4,658	-12,652
Cash and bank balances	6,701	10,057
Restricted cash	-1,024	-1,558
Term deposits not included in cash and bank balances	12,693	17,615
Securities	-	942
Undrawn revolving credit facilities > 12 months	6,050	6,000
Liquidity reserve	**24,420**	**33,256**

For information about cash and bank balances in countries with exchange control or other restrictions, refer to note 5.5 Cash flow specifications.

Based on the liquidity reserve, loans for the financing of specific assets, the maturity of outstanding loans, and the current investment profile, the Group's financial resources are deemed satisfactory.

The average term to maturity of loan facilities in the Group was about five years (about five years) at 31 December 2023

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Note 4.5 Financial instruments and risks – continued

Amounts in USD million

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			
		0-1 year	1-5 years	5- years	Total
2023					
Bank and other credit institutions	973	259	676	273	1,208
Lease liabilities	10,448	3,120	5,811	4,292	13,223
- of which interest		458	1,078	1,239	2,775
Issued bonds	3,393	115	1,907	2,105	4,127
Trade payables	6,401	6,401	-	-	6,401
Other payables	1,516	1,479	24	13	1,516
Non-derivative financial liabilities	**22,731**	**11,374**	**8,418**	**6,683**	**26,475**
Derivatives	395	72	241	82	395
Total recognised in balance sheet	**23,126**	**11,446**	**8,659**	**6,765**	**26,870**
Capital commitments		1,955	2,228	683	4,866
Total		**13,401**	**10,887**	**7,448**	**31,736**
2022					
Bank and other credit institutions	1,053	293	493	550	1,336
Lease liabilities	11,614	3,479	6,467	4,239	14,185
- of which interest		448	1,010	1,113	2,571
Issued bonds	2,976	113	2,141	1,130	3,384
Trade payables	6,804	6,804	-	-	6,804
Other payables	1,846	1,696	129	21	1,846
Non-derivative financial liabilities	**24,293**	**12,385**	**9,230**	**5,940**	**27,555**
Derivatives	572	77	356	139	572
Total recognised in balance sheet	**24,865**	**12,462**	**9,586**	**6,079**	**28,127**
Capital commitments		1,313	3,007	705	5,025
Total		**13,775**	**12,593**	**6,784**	**33,152**

It is of great importance for the Group to maintain a financial reserve to cover the Group's obligations and investment opportunities and to provide the capital necessary to offset changes in the Group's liquidity due to changes in the cash flow from operating activities.

The flexibility of the financial reserve is subject to ongoing prioritisation and optimisation, among other things by focusing on the release of capital and following up on the development in working capital.

⑥ ACCOUNTING POLICY

Derivative financial instruments are recognised on the trading date and measured at fair value using generally acknowledged valuation techniques based on relevant observable swap curves and exchange rates.

The effective portion of changes in the value of derivative financial instruments designated to hedge highly probable future transactions is recognised in other comprehensive income until the hedged transactions are realized. At that time, the accumulated gains/losses are transferred to the items in which the hedged transactions are recognised.

The effective portion of changes in the value of derivative financial instruments used to hedge the value of recognised financial assets and liabilities is recognised in the income statement together with changes in the fair value of the hedged assets or liabilities that can be attributed to the hedging relationship. Currency basis spread and forward points are considered a cost of hedging and recognised in other comprehensive income and deferred in equity until realisation.

The ineffective portion of hedge transactions and changes in the fair values of derivative financial instruments, which do not qualify for hedge accounting, are recognised in the income statement as financial income or expenses for interest and currency-based instruments, and as other income/costs for oil price hedges and forward freight agreements.

Note 4.6 Financial instruments by category

	Carrying amount		Fair value[1]	
	2023	2022	2023	2022
Carried at amortised cost				
Loan receivables	12,956	17,677	12,973	17,618
Lease receivables	49	13		
Other interest-bearing receivables and deposits	117	106		
Trade receivables	4,881	6,971		
Other receivables (non-interest-bearing)	2,712	1,680		
Securities	-	942		
Cash and bank balances	6,701	10,057		
Financial assets at amortised cost	**27,416**	**37,446**		
Derivatives	**148**	**208**		
Carried at fair value through profit/loss				
Other receivables (non-interest-bearing)	-	3		
Securities	-	-		
Financial assets at fair value through profit or loss	**-**	**3**		
Carried at fair value through other comprehensive income				
Equity investments (FVOCI)	398	377		
Financial assets at fair value through OCI	**398**	**377**		
Total financial assets	**27,962**	**38,034**		
Carried at amortised cost				
Bank and other credit institutions	973	1,053	1,000	1,054
Lease liabilities	10,448	11,614		
Issued bonds	3,393	2,976	3,339	2,855
Trade payables	6,401	6,804		
Other payables	1,500	1,716		
Financial liabilities at amortised cost	**22,715**	**24,163**		
Derivatives	**395**	**572**		
Carried at fair value				
Other payables	16	150		
Financial liabilities at fair value	**16**	**150**		
Total financial liabilities	23,126	24,865		

Movement during the year in level 3	Other equity investments (FVOCI)	Other receivables	Total financial assets	Other payables	Total financial liabilities
Carrying amount 1 January 2023	342	3	345	130	130
Additions	25	-	25	22	22
Disposals	5	3	8	70	70
Gains/losses recognised in the income statement	-	-	-	-66	-66
Gains/losses recognised in other comprehensive income	15	-	15	-	-
Carrying amount 31 December 2023	**377**	**-**	**377**	**16**	**16**
Carrying amount 1 January 2022	263	3	266	110	110
Additions	36	-	36	84	84
Disposals	28	-	28	63	63
Gains/losses recognised in the income statement	-	-	-	-2	-2
Gains/losses recognised in other comprehensive income	71	-	71	-	-
Exchange rate adjustments, etc.			-	1	1
Carrying amount 31 December 2022	**342**	**3**	**345**	**130**	**130**

Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and
Level 3 – Inputs for the asset or liability that are not based on observable market data

Fair value of listed securities is within level 1 of the fair value hierarchy. Non-listed shares and other securities are within level 3 of the fair value hierarchy.

Fair value of derivatives is mainly within level 2 of the fair value hierarchy and is calculated based on observable market data as of the end of the reporting period. A minor amount of crude oil price derivatives is within level 1 of the fair value hierarchy.

Fair value of level 3 assets and liabilities is primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Group's profit or equity significantly.

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Note 4.6 Financial instruments by category - continued

Financial instruments carried at amortised cost

Fair value of the short-term financial assets and other financial liabilities carried at amortised cost is not materially different from the carrying amount. In general, fair value is determined primarily based on the present value of expected future cash flows. Where a market price was available, however, this was deemed to be the fair value.

Fair value of listed issued bonds is within level 1 of the fair value hierarchy. Fair value of the remaining borrowing items is within level 2 of the fair value hierarchy and is calculated based on discounted future cash flows.

Other equity investments (FVOCI)

The Group has investments in equity shares of both listed and non-listed companies. The Group holds non-controlling interests (between 0.1% and 15%) in these companies. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

5. Other disclosures

Global shipping activity is subject to various tax regimes, including tonnage tax which calculates corporate income tax based on the net tonnage of the fleet. These regimes apply to the vast majority of A.P. Moller - Maersk's activities and result in a stable annual tax liability.

Given that the liability to tonnage tax is not impacted by financial profits and is payable even in loss-making years, the effective tax rate can fluctuate significantly.

Further, disclosures are given on other statutory information not directly related to the operating activities of the Group.

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Note 5.1 Tax and deferred tax

	2023	2022
Tax recognised in the income statement		
Current tax on profits for the year	595	782
Adjustment for current tax of prior periods	-65	44
Utilisation of previously unrecognised deferred tax assets	-169	-23
Total current tax	**361**	**803**
Origination and reversal of temporary differences	-43	-143
Adjustment for deferred tax of prior periods	-38	49
Recognition of previously unrecognised deferred tax assets	22	-
Reassessment of recoverability of deferred tax assets, net	17	1
Total deferred tax	**-42**	**-93**
Total income tax	**319**	**710**
Tonnage and freight tax	135	200
Total tax expense	**454**	**910**
Tax reconciliation		
Profit/loss before tax	4,362	30,231
Profit/loss subject to Danish and foreign tonnage taxation, etc.	-2,526	-28,999
Share of profit/loss in joint ventures	-148	192
Share of profit/loss in associated companies	-287	-324
Profit/loss before tax, adjusted	**1,401**	**1,100**
Tax using the Danish corporation tax rate (22%)	309	242
Tax rate deviations in foreign jurisdictions	66	51
Non-taxable income	-23	-21
Non-deductible expenses	65	171
Adjustment to previous years' taxes	-103	94
Change in recoverability of deferred tax assets	-130	-22
Deferred tax asset not recognised	19	29
Withholding taxes	107	157
Other differences, net	9	29
Total income tax	**319**	**710**
Effective tax rate	10.4%	3.0%
Tax recognised in other comprehensive income and equity	**3**	**-20**
Of which		
Current tax	7	-26
Deferred tax	-4	6

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net liabilities	
	2023	2022	2023	2022	2023	2022
Intangible assets	40	44	561	453	521	409
Property, plant and equipment	40	51	278	314	238	263
Provisions, etc.	255	248	48	173	-207	-75
Tax loss carry-forwards	75	103	-	-	-75	-103
Other	150	119	96	106	-54	-13
Total	**560**	**565**	**983**	**1,046**	**423**	**481**
Offsets	-217	-166	-217	-163	-	3
Total	**343**	**399**	**766**	**883**	**423**	**484**

Change in deferred tax, net, during the year	2023	2022
1 January	**484**	**164**
Intangible assets	-11	59
Property, plant and equipment	-10	21
Provisions, etc.	21	-146
Tax loss carry-forwards	-5	27
Other	-37	-34
Recognised in the income statement	**-42**	**-93**
Transfer to held for sale	25	-14
Other including business combinations	-44	427
31 December	**423**	**484**

Unrecognised deferred tax assets	2023	2022
Deductible temporary differences	103	125
Tax loss carry-forwards	780	787
Unused tax credits	12	11
Total	**895**	**918**

The unrecognised deferred tax assets have no significant time limitations. There are no substantial unrecognised tax liabilities on investments in subsidiaries, associated companies and joint ventures.

Amounts in USD million

Note 5.1 Tax and deferred tax - continued

Taxation of activities

As a global integrator of container logistics, A.P. Moller - Maersk generates profits from ocean, air or land-based activities.

The land-based activities, which are subject to normal corporate income tax, include terminals, logistics, services and shipping agencies through which the Group operate one of the world's most comprehensive port and integrated logistics service networks. The logistics products include transportation, warehousing and distribution including cold storage, customs services and supply chain management services. This expanding land-based activity has prompted the establishment and acquisition of entities in numerous countries.

On the ocean, A.P. Moller - Maersk moves millions of TEUs every year and operates hundreds of vessels delivering cargo to every corner of the globe, including dry cargo commodities, refrigerated cargo and dangerous cargo. This ocean activity, which represents the vast majority of the Group's current revenues, may be subject to special shipping tax rules, including tonnage and freight taxes.

Global Minimum Taxation (OECD Pillar Two)

In an effort to end tax avoidance and to address concerns about the erosion of the global corporate tax base, a global framework for corporate taxation has been formed by the OECD/G20 Inclusive Framework and is supported by over 135 jurisdictions. One of the key elements is to introduce a global minimum tax rate of 15%, based on group accounting income per jurisdiction.

The minimum tax rules are designed as a hierarchy of the right to claim income tax. If the income is not subject to a minimum effective tax rate of 15% in the country where it is earned, then the remaining tax payment (top-up tax) can be picked up by another jurisdiction where the Group is active. For the Group, Denmark will add top-up tax if not applied locally as the ultimate parent entity of the Group, A.P. Moller Holding A/S, is located in Denmark.

The Danish implementation of Council Directive (EU) 2022/2523 of 14 December 2022 is effective from 1 January 2024. This means that A.P. Moller - Maersk's income is subject to the minimum tax rules for all jurisdictions via Danish implementation for the financial year 2024 and onwards. It is expected that many jurisdictions will implement similar legislation.

Because the Danish implementation covers the Group's global activities, it is not expected that other national implementations will have a significant additional impact to the global tax payments of the Group. It may, however, have an impact on the location where potential top-up taxes will be paid.

Three elements are key to understanding how the rules will impact the Group. First, the Group does not set up artificial structures in low-tax jurisdictions for tax purposes or earn significant profits in such jurisdictions, which means that our business structure itself is not impacted significantly by the rules, but some additional tax may become payable where services are provided in low-tax jurisdictions. Second, tax incentives given to capital projects, such as critical infrastructure, will be considered less effective going forward as it will impact the effective tax rate and thereby the basis for potential top-up tax. Third, although the rules exclude 'international shipping income', the definition is more restrictive than the global definitions usually applied under a tax treaty following the OECD Model Tax Convention or under Danish tonnage tax.

Also, inland transportation is not a part of the international shipping income under the global minimum tax rules. This is relevant for the part of our land transport linked directly to ocean transportation which is recognised as shipping income for tax treatment in the OECD Model Tax Convention. The Group is awaiting further guidance on the application of the shipping income provision from the OECD Secretariat. Contrary to the purpose of the rules, top-up tax could be triggered by the shipping classification in years where shipping net income is negative. Due to the design of tonnage taxation, the Group's effective tax rate fluctuates significantly depending on the yearly results and will also be calculated on a consolidated basis with other activities in the given country in accordance with the global minimum tax rules.

Taking the transitional Safe Harbour regulations into consideration, our analysis shows that no material top-up tax should apply to A.P. Moller - Maersk in 2024.

ⓘ SIGNIFICANT ACCOUNTING ESTIMATES

Deferred tax assets

Judgement has been applied with respect to A.P. Moller - Maersk's ability to utilise deferred tax assets. Management considers the likelihood of utilisation based on the latest business plans and the recent financial performances of the individual entities. Net deferred tax assets recognised in entities having recognised an accounting loss in either the current or preceding period amount to USD 156m (USD 163m). These assets mainly relate to unused tax losses or deductible temporary differences generated during the construction of terminals, where taxable profits have been generated either in the current period or are expected to be generated within the foreseeable future.

Uncertain tax positions

A.P. Moller - Maersk is engaged in a number of disputes with tax authorities of varying scope. Appropriate provisions and recognition of uncertain tax positions have been made where the probability of the tax position being upheld in individual cases is considered less than 50%. Claims for which the probability of A.P. Moller - Maersk's tax position being upheld is assessed by Management to be at least 50%, are not provided for. Such risks are instead evaluated on a portfolio basis by geographical area and country risk. Provisions and uncertain tax liabilities are recognised when the aggregated probability of the tax position being upheld is considered less than 50%.

§ ACCOUNTING POLICY

Tax comprises an estimate of current and deferred income tax as well as adjustments to previous years taxes. Income tax is tax on taxable profits, and consists of corporation tax, withholding tax of dividends, etc. In addition, tax comprises tonnage tax. Tonnage tax is classified as tax when creditable in, or paid in lieu of, income tax. Tax is recognised in the income statement to the extent that it arises from items recognised in the income statement, including tax on gains on intra-group transactions that have been eliminated in the consolidation.

Deferred tax is calculated on temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax is not recognised for differences on the initial recognition of assets or liabilities, where at the time of the transaction neither accounting nor taxable profit/loss is affected, unless the differences arise in a business combination. In addition, no deferred tax is recognised for undistributed earnings in subsidiaries, when A.P. Moller - Maersk controls the timing of dividends. No taxable dividends are currently expected. A deferred tax asset is recognised to the extent that it is probable that it can be utilised within a foreseeable future.

Note 5.2 Share-based payments

Outstanding performance shares	Members of the Executive Board No	Employees No.	Total No.	Total fair value USD million
1 January 2023	-	-	-	
Granted	2,028	4,040	6,068	9
Outstanding 31 December 2023	**2,028**	**4,040**	**6,068**	

Performance shares plan

From 2023, performance shares are granted to members of the Executive Board and certain key employees. Each performance share granted is a right to potentially receive an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

Transfer of B shares is contingent upon the fulfilment of certain performance criteria being met, which may include, but are not limited to return on invested capital, relative share performance, revenue growth and ESG elements. Vesting is also contingent upon the employee still being employed and not under notice of termination when three years have passed from the date of granting.

Employees are not entitled to any dividends during the vesting period. Special conditions apply regarding illness, death and resignation as well as changes in the company's capital structure, etc. A part of A.P. Møller - Mærsk A/S treasury B shares will be used to meet the company's obligations in connection with the performance shares plan.

The recognised remuneration expense related to the performance shares plan is USD 2m (USD 0m).

The average remaining contractual life of the performance shares as per 31 December 2023 is 2.3 years (N/A in 2022).

Outstanding restricted shares	Members of the Executive Board[1] No	Other key management personnel and employees[2] No.	Total No.	Total fair value[3] USD million
1 January 2023	6,557	17,253	23,810	
Granted	-	14,600	14,600	23
Exercised and vested[4]	941	6,146	7,087	
Forfeited	-	1,183	1,183	
Cancelled	-	12	12	
Outstanding 31 December 2023	**5,616**	**24,512**	**30,128**	
1 January 2022	5,268	16,618	21,886	
Granted	1,289	5,431	6,720	17
Exercised and vested[4]	-	4,458	4,458	
Forfeited	-	338	338	
Outstanding 31 December 2022	**6,557**	**17,253**	**23,810**	

Restricted shares plan

Restricted shares are granted to members of the Executive Board and certain key employees. Each restricted share granted is a right to receive an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

Transfer of B shares is contingent upon the employee still being employed and not under notice of termination and takes place when three years have passed from the date of granting. For members of the Executive Board the vesting period is five years.

Employees are not entitled to any dividends during the vesting period. Special conditions apply regarding illness, death and resignation as well as changes in the company's capital structure, etc. A part of A.P. Møller - Mærsk A/S' treasury B shares will be used to meet the company's obligations in connection with the restricted shares plan.

The recognised remuneration expense related to the restricted shares plan is USD 16m (USD 15m).

The average remaining contractual life of the restricted shares as per 31 December 2023 is 1.6 years (1.6 years).

Note 5.2 Share-based payments - continued

Outstanding share options	Members of the Executive Board No.	Other key management personnel and employees[2] No.	Total No.	Average exercise price DKK	Total fair value USD million
1 January 2023	19,600	73,436	93,036	13,452	
Granted	-	23,323	23,323	13,257	10
Exercised[1]	4,439	14,697	19,136	8,633	
Forfeited	-	3,436	3,436	15,327	
Outstanding 31 December 2023	**15,161**	**78,626**	**93,787**	**14,318**	
Exercisable 31 December 2023	**4,302**	**22,882**	**27,184**	**8,309**	
1 January 2022	24,930	77,831	102,761	9,873	
Granted	4,677	15,481	20,158	25,096	9
Exercised[1]	8,866	18,486	27,352	7,998	
Forfeited	1,141	1,390	2,531	19,818	
Outstanding 31 December 2022	**19,600**	**73,436**	**93,036**	**13,452**	
Exercisable 31 December 2022	**-**	**7,071**	**7,071**	**8,637**	

1 The weighted average share price at the dates of exercise of share options exercised in 2023 was DKK 12,674 (DKK 19,855)

2 Share options granted to other key management personnel during 2022 was 579 and shares outstanding at year-end 2022 was 2,645. There were no key management personnel in 2023.

Share options plan

A.P. Moller - Maersk also has a share option plan granted to members of the Executive Board and other key employees. Each share option granted is a call option to buy an existing B share of nominal DKK 1,000 in A.P. Moller - Mærsk A/S.

The share options are granted at an exercise price corresponding to 110% of the average of the market price on the first five trading days following the release of A.P. Moller - Mærsk A/S' most recent Annual Report. Exercise of the share options is contingent upon the option holder still being employed at the time of vesting, which takes place when three years have passed from the date of grant. The share options can then be exercised when at least three years and no more than six years (seven years for share options granted to employees not members of the Executive Board) have passed from the date of grant. Special conditions apply regarding illness, death and resignation as well as changes in the company's capital structure etc.

The share options can only be settled in shares. A part of A.P. Moller - Mærsk A/S' holding of treasury B shares will be used to meet the company's obligations in respect of the share option plan.

The recognised remuneration expense related to the share option plan is USD 10m (USD 11m).

The average remaining contractual life of the outstanding share options as per 31 December 2023 is 4.4 years (4.6 years) and the range of exercise prices for the outstanding share options as per 31 December 2023 is DKK 7,605 to DKK 25,096 (DKK 7,605 to DKK 25,096).

The following principal assumptions are used in the 2023 granted share options valuation:

	Share options granted to members of the Executive Board and other key management personnel		Share options granted to employees	
	2023	2022	2023	2022
Share price, volume weighted average at the date of grant, 1 April, DKK		20,372	12,732	20,372
Share price, five days volume weighted average after publication of Annual Report, DKK[1]		22,814	11,992	22,814
Exercise price, DKK		25,096	13,191	25,096
Expected volatility (based on historic volatility)		33%	35%	33%
Expected term (years)		5	5.75	5.75
Expected dividend per share, DKK		5.0%	5.0%	5.0%
Risk-free interest rate		0.31%	2.65%	0.35%
Fair value per option at grant date, DKK	**N/A**	**2,859**	**3,067**	**3,082**

1 In 2023, the exercise price was determined based on the five-day volume-weighted average share price after the Annual General Meeting.

The fair value of the options granted is based on the Black-Scholes option pricing model using the assumptions in the table above.

§ ACCOUNTING POLICY

Equity-settled performance shares, restricted shares and share options granted to members of the Executive Board and to employees of A.P. Moller - Maersk as part of A.P. Moller - Maersk's long-term incentive programme are recognised as remuneration expenses over the vesting period as per the estimated fair value at the grant date and result in a corresponding adjustment to equity.

At the end of each reporting period, A.P. Moller - Maersk revises its estimated number of awards that are expected to vest based on the non-market vesting conditions and service conditions. Any impact of the revision is recognised in the income statement with a corresponding adjustment to equity.

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Note 5.3 Commitments

The future charter and operating lease payments are

Lease commitments	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Total
2023					
Within one year	129	25	10	-	164
Total	**129**	**25**	**10**	**-**	**164**
2022					
Within one year	53	41	12	2	108
Total	**53**	**41**	**12**	**2**	**108**

Capital commitments	Ocean	Logistics & Services	Terminals	Towage & Maritime Services	Total
2023					
Capital commitments relating to acquisition of non-current assets	3,302	98	363	50	3,813
Commitments towards concession grantors	-	-	1,053	-	1,053
Total capital commitments	**3,302**	**98**	**1,416**	**50**	**4,866**
2022					
Capital commitments relating to acquisition of non-current assets	3,036	140	414	505	4,095
Commitments towards concession grantors	-	-	930	-	930
Total capital commitments	**3,036**	**140**	**1,344**	**505**	**5,025**

Short-term and low-value leases

As part of the Group's activities, customary agreements are entered into regarding charter and operating leases of vessels, containers, port facilities etc.

Capital commitments of USD 4.9bn (USD 5.0bn) relate to investments, mainly within Ocean and Terminals.

Commitments related to the newbuilding programme are USD 2.8bn (USD 2.7bn) for container vessels, USD 95m (USD 89m) for aircraft and USD 43m (USD 110m) for tugboats.

Newbuilding programme at 31 December 2023, number of assets	2024	2025	2026	2027	Total
Container vessels	8	16	-	-	24
Aircraft	2	-	-	-	2
Tugboats and other vessels	10	-	-	-	10
Total	**20**	**16**	**-**	**-**	**36**

Capital commitments relating to the newbuilding programme at 31 December 2023	2024	2025	2026	2027	Total
Container vessels	960	1,827	-	-	2,787
Aircraft	95	-	-	-	95
Tugboats and other vessels	43	-	-	-	43
Total	**1,098**	**1,827**	**-**	**-**	**2,925**

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Note 5.4 Contingent liabilities

Contingent liabilities consist of legal cases, tax issues, custom bonds, volume commitments and other disputes.

Legal

The Group is involved in several legal cases and other disputes. Some of these involve significant amounts and are subject to considerable uncertainty. Management continuously assesses the risks associated with the cases and disputes, and their likely outcome. It is the opinion of Management that, apart from items recognised in the financial statements, the outcome of these cases and disputes are not probable or cannot be reliably estimated in terms of amount or timing. The Group does not expect these to have a material impact on the consolidated financial statements.

Tax

The Group is subject to a tax audit in Germany concerning allocation of taxation rights to shipping income between Denmark and Germany as well as to a tax investigation in India concerning a deemed supply of services between Indian GST registrations of A.P. Moller - Maersk in India. The Group is also involved in various other tax disputes including indirect tax disputes, some of which involve significant amounts. Management continuously assesses the risks associated with tax disputes and their likely outcome and considers the risk related to these disputes remote and therefore does not expect these to have a material impact on the consolidated financial statements.

Through participation in a joint taxation scheme with A.P. Moller Holding A/S, the Danish companies are jointly and severally liable for taxes payable, etc., in Denmark.

Other

Custom bonds of USD 830m (USD 472m) have been provided to various port authorities in India.

Maersk Line and APM Terminals have entered into a number of agreements with terminals and port authorities etc., comprising volume commitments including an extra payment in case minimum volumes are not met.

Except for customary agreements within the Group's activities, no material agreements have been entered into that will take effect, change, or expire upon changes of the control over the company.

Amounts in USD million

Note 5.5 Cash flow specifications

	2023	2022
Change in working capital		
Trade receivables	1,870	-1,018
Other working capital movements	-1,441	-731
Exchange rate adjustment of working capital	-12	-59
Total	**417**	**-1,808**
Purchase of intangible assets and property, plant and equipment		
Additions[1]	-6,024	-8,205
Of which is right-of-use assets, etc.	2,164	4,210
Of which is borrowing costs capitalised on assets	133	49
Adjustments of additions for cash flow presentation	63	194
Change in payables to suppliers regarding purchase of assets	18	-411
Total	**-3,646**	**-4,163**

1 Additions to intangible assets of USD 204m (USD 349m), property, plant and equipment of USD 3.7bn (USD 3.6bn), right-of-use assets of USD 2.2bn (USD 4.2bn) and assets held for sale of USD 0m (USD 5m).

ⓘ SIGNIFICANT ACCOUNTING JUDGEMENTS

Operations in countries with limited access to repatriating surplus cash

A.P. Moller - Maersk operates worldwide and, in this respect, has operations in countries where the ability to repatriate surplus cash is complicated and time consuming. In these countries, Management makes judgements as to whether these cash positions can be recognised as cash and cash equivalents.

§ ACCOUNTING POLICY

Cash flow from operating activities includes all cash transactions other than cash flows arising from investing and financing activities such as investments and divestments, received dividends, principal payments of loans, instalments on lease liabilities, paid and received financial items and equity transactions. Capitalisation of borrowing costs is considered as a non-cash item, and the actual payments of these borrowing costs are included in cash flow from financing.

Cash and cash equivalents comprise cash and bank balances net of bank overdrafts where overdraft facilities form an integral part of A.P. Moller - Maersk's cash management.

Note 5.6 Related parties

	Controlling parties		Associated companies		Joint ventures		Management	
	2023	2022	2023	2022	2023	2022	2023	2022
Income statement								
Revenue	3	4	65	52	69	186	-	-
Operating costs	47	38	570	550	566	593	13[1]	14
Remuneration to Management	-	-	-	-	-	-	10	14
Financial income	95	45	-	-	-	-	-	-
Other	15[1]	-	-	-	2	2	-	-
Assets								
Other receivables, non-current	6	-	-	-	30	27	-	-
Trade receivables	3	1	6	35	10	11	-	-
Other receivables, current	681	580	8	9	9	16	-	-
Cash and bank balances	277	730	-	-	-	-	-	-
Liabilities								
Bank and other credit institutions, etc., current	-	-	-	-	67	44	-	-
Trade payables	-	-	79	62	89	82	1	2
Other		45	1	-	-	3	-	-
Shares bought back	1,569[2]	1,332[2]	-	-	-	-	-	-
Capital increase	-	-	-	31	17	1	-	-
Dividends earned	-	-	219	191	95	137	-	-
Dividends distributed	5,974[3]	3,613	-	-	-	-	-	-

Joint usage agreement with A.P Moller Holding A/S

With the objective of further strengthening the value of the brands, A.P. Moller - Mærsk A/S in 2018 entered into a joint usage agreement with A.P Moller Holding A/S regarding the use of commonly used trademarks which historically have benefited both A.P Moller - Mærsk A/S and A.P Moller Holding A/S. A.P Moller Holding A/S is the controlling shareholder of A.P Moller - Mærsk A/S and is wholly owned by A.P Moller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal. The joint usage agreement establishes a framework and a branding strategy for the commonly used trademarks and a joint brand board, where the parties can cooperate regarding the use of these trademarks.

A.P Moller Holding A/S, Copenhagen, Denmark has control over the company and prepares consolidated financial statements. A.P Moller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal is the ultimate owner.

Share buy-back programme

According to a separate agreement, A.P Moller Holding A/S and A.P Moller og Hustru Chastine Mc-Kinney Møllers Familiefond (the Foundation) participated on a pro rata basis to the shares purchased in the company's share buy-back programme. A.P Moller Holding A/S participated in selling A and B shares and A.P Moller og Hustru Chastine Mc-Kinney Møllers Familiefond (the Foundation) participated in selling B shares.

Company overview

A.P. Moller - Maersk comprises more than 750 companies of which the largest are listed below. The Danish Financial Statements Act section 97a, par. 4 has been applied in the company overview. A more comprehensive list of companies is available at: → investor.maersk.com/financial-reports

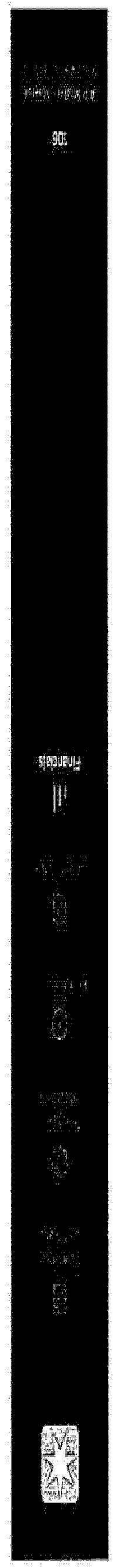
Subsidiaries

Company	Country of incorporation	Owned share
A.P. Moller Singapore Pte. Ltd.	Singapore	100%
Aliança Navegação e Logística Ltda.	Brazil	100%
APM Terminals - Aarhus A/S	Denmark	100%
APM Terminals Algeciras S.A.	Spain	100%
APM Terminals Apapa Ltd.	Nigeria	94%
APM Terminals B.V.	Netherlands	100%
APM Terminals Barcelona S.L.U.	Spain	100%
APM Terminals Callao S.A.	Peru	64%
APM Terminals China Co. Ltd.	Hong Kong	100%
APM Terminals Elizabeth, LLC	United States	100%
APM Terminals Espagna Holding SL	Spain	100%
APM Terminals Gothenburg AB	Sweden	100%
APM Terminals Lazaro Cardenas S.A. de C.V.	Mexico	100%
APM Terminals Maasvlakte II B.V.	Netherlands	100%
APM Terminals Management S.L.	Spain	100%
APM Terminals Management B.V.	Netherlands	100%
APM Terminals MedPort Tangier S.A.	Morocco	80%
APM Terminals Mobile, LLC	United States	100%
APM Terminals Moin S.A.	Costa Rica	100%
APM Terminals North America Inc.	United States	100%

Subsidiaries

Company	Country of incorporation	Owned share
APM Terminals Pacific LLC	United States	90%
APM Terminals Valencia S.A.	Spain	75%
Aqaba Container Terminal Company Ltd	Jordan	50%
Damco China Ltd.	China	100%
Damco Denmark A/S	Denmark	100%
Damco Distribution Canada Inc.	Canada	100%
Damco Germany GmbH	Germany	100%
Damco India Pvt. Ltd.	India	100%
Damco Logistics Mexico S.A. de C.V.	Mexico	100%
Damco Netherlands B.V.	Netherlands	100%
Damco Poland Sp. z o.o.	Poland	100%
Damco Spain S.L.	Spain	100%
Frey P/S	Denmark	100%
Gateway Terminals India Pvt. Ltd.	India	74%
Grindrod Logistics (PTY) LTD	South Africa	51%
Gujarat Pipavav Port Ltd.	India	44%
Hamburg Sud A/S & Co KG[1]	Germany	100%
Hamburg Sudamerikanische Dampfschifffahrts-Gesellschaft A/S & Co KG[2]	Germany	100%
Maersk A/S	Denmark	100%
Maersk Agency U.S.A. Inc.	United States	100%
Maersk Air Cargo A/S	Denmark	100%
Maersk Aviation Holding A/S	Denmark	100%
Maersk Container Industry A/S	Denmark	100%
Maersk Container Industry Qingdao Ltd.	China	100%
Maersk Contract Logistics Co., Ltd.	China	100%
Maersk Contract Logistics Limited	Hong Kong	100%
Maersk Contract Logistics Co., Ltd.	China	100%
Maersk Contract Logistics Holdings Limited	Bermuda	100%
Maersk Contract Logistics Management Limited	Hong Kong	100%
Maersk Denizcilik A.S.	Turkey	100%
Maersk Deutschland A/S & Co. KG[3]	Germany	100%
Maersk Eastern Europe ApS	Denmark	100%
Maersk Global Service Centres Pvt. Ltd.	India	100%
Maersk Holding B.V.	Netherlands	100%
Maersk Insurance A/S	Denmark	100%
Maersk Line Agency Holding A/S	Denmark	100%
Maersk Line, Limited	United States	100%

1. In accordance with section 264b HGB (German commercial code), Hamburg Sud A/S & Co KG, Hamburg is exempt from preparing, auditing and disclosing statutory financial statements and a management review
2. In accordance with section 264b HGB (German commercial code), Hamburg Sudamerikanische Dampfschifffahrts-Gesellschaft A/S and Co KG, Hamburg is exempt from preparing, auditing and disclosing statutory financial statements and a management review.
3. In accordance with section 264b HGB (German commercial code), Maersk Deutschland A/S & Co. KG, Hamburg is exempt from preparing, auditing and disclosing statutory financial statements and a management review.



[illegible]

Company	Country of incorporation	Ownership share
[illegible]	Australia?	[illegible]
[illegible]	Australia?	[illegible]
[illegible]	Chile	[illegible]
[illegible]	Germany?	[illegible]
[illegible]	Japan	[illegible]
[illegible]	Japan?	[illegible]
[illegible]	United States	[illegible]
[illegible]	Vietnam?	[illegible]
[illegible]	United Kingdom	[illegible]
[illegible]	Hong Kong	[illegible]
[illegible]	Denmark?	[illegible]
[illegible]	United States	[illegible]
[illegible]	Romania?	[illegible]
[illegible]	Singapore	[illegible]
[illegible]	Spain?	[illegible]
[illegible]	Hong Kong	[illegible]
[illegible]	United States	[illegible]
[illegible]	China	[illegible]
[illegible]	United States	[illegible]
[illegible]	Singapore	[illegible]
[illegible]	United States	[illegible]
[illegible]	Germany	[illegible]
[illegible]	Germany	[illegible]
[illegible]	Egypt	[illegible]
[illegible]	Denmark	[illegible]
[illegible]	Australia	[illegible]
[illegible]	Netherlands	[illegible]
[illegible]	United Kingdom	[illegible]
[illegible]	Argentina	[illegible]
[illegible]	United States	[illegible]

[illegible footnotes]

[illegible]

Company	Country of incorporation	Ownership share
[illegible]	Côte d'Ivoire	[illegible]
[illegible]	Hong Kong	[illegible]
[illegible]	Guinea	[illegible]
[illegible]	Congo	[illegible]
[illegible]	China	[illegible]
[illegible]	Brazil	50%
[illegible]	Saudi Arabia	[illegible]
[illegible]	Ghana	[illegible]
[illegible]	Malaysia	[illegible]
[illegible]	China	[illegible]
[illegible]	Oman	[illegible]
[illegible]	Sri Lanka	[illegible]
[illegible]	China	[illegible]

Joint ventures?

Company	Country of incorporation	Ownership share
[illegible]	China	[illegible]
[illegible]	Brazil	[illegible]
[illegible]	Vietnam	[illegible]
[illegible]	Dominican Republic	[illegible]
[illegible]	Côte d'Ivoire	[illegible]
[illegible]	Thailand	[illegible]
[illegible]	Thailand	[illegible]
[illegible]	Qatar	[illegible]
[illegible]	Germany	[illegible]
[illegible]	China	[illegible]
[illegible]	China	[illegible]
[illegible]	China	[illegible]
[illegible]	China	[illegible]
[illegible]	United States	[illegible]
[illegible]	Dominican Republic	[illegible]
[illegible]	China	[illegible]

Financials

Parent company financial statements

- Income statement
- Statement of comprehensive income
- Balance sheet at 31 December
- Cash flow statement
- Statement of changes in equity
- Notes to the parent company financial statements

Income statement

Note		2023	2022
	Revenue	43	26
2.1	Operating costs	307	322
	Other income	-	85
	Profit/loss before depreciation, amortisation and impairment losses, etc.	**-264**	**-211**
	Depreciation, amortisation and impairment losses, net	1	3
	Gain/loss on sale of companies, non-current assets and liquidation, etc., net	54	23
3.1	Share of profit/loss in joint ventures and associated companies	-	200
	Profit before financial items	**-211**	**9**
4.3	Dividends	44,079	29
4.3	Financial income	1,787	891
4.3	Financial expenses	1,561	1,073
	Profit/loss before tax	**44,044**	**-144**
5.1	Tax	17	-72
	Profit/loss for the year	**44,027**	**-72**

Statement of comprehensive income

Note		2023	2022
	Profit for the year	**44,027**	**-72**
4.4	Cash flow hedges:		
	Value adjustment of hedges for the year	2	-29
	Reclassified to income statement	26	25
5.1	Tax on other comprehensive income	-6	1
	Total items that have been or may be reclassified subsequently to the income statement	**22**	**-3**
4.5	Other equity investments (FVOCI), fair value adjustments for the year	-1	2
	Total items that will not be reclassified to the income statement	**-1**	**2**
	Other comprehensive income/loss, net of tax	**21**	**-1**
	Total comprehensive income/loss for the year	**44,048**	**-73**

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Balance sheet at 31 December

Amounts in USD million

Note	Assets	2023	2022
	Intangible assets	3	3
	Tangible assets	24	-
3.1	Investments in subsidiaries	24,121	25,774
3.1	Investments in associated companies	11	332
	Other equity investments	4	4
4.5	Interest-bearing receivables from subsidiaries, etc.	1,338	2,818
4.4	Derivatives	10	18
	Financial non-current assets, etc.	25,484	28,946
5.2	Deferred tax	8	13
	Total non-current assets	25,519	28,962
	Trade receivables	4	8
4.5	Interest-bearing receivables from subsidiaries, etc.	7,471	1,814
4.4	Derivatives	131	198
3.2	Loan receivables	12,693	17,615
	Current tax receivables	36	-
	Other receivables	360	273
	Other receivables from subsidiaries, etc.	156	208
	Prepayments	45	-
	Receivables, etc.	20,896	20,116
4.5	Securities	-	942
	Cash and bank balances	5,123	8,082
3.3	Assets held for sale	1,376	-
	Total current assets	27,395	29,140
	Total assets	52,914	58,102

Note	Equity and liabilities	2023	2022
4.1	Share capital	3,186	3,392
	Reserves	39,542	9,150
	Total equity	42,728	12,542
4.2	Borrowings, non-current	4,044	3,635
4.2	Interest-bearing debt to subsidiaries, etc.	95	-
	Provisions	80	53
4.4	Derivatives	323	495
	Other non-current liabilities	403	548
	Total non-current liabilities	4,542	4,183
4.2	Borrowings, current	37	116
4.2	Interest-bearing debt to subsidiaries, etc.	4,938	40,692
	Trade payables	46	64
	Tax payables	-	54
4.4	Derivatives	134	171
	Provisions	33	-
	Other payables	443	244
	Deferred income	13	36
	Other current liabilities	669	569
	Total current liabilities	5,644	41,377
	Total liabilities	10,186	45,560
	Total equity and liabilities	52,914	58,102

Cash flow statement

Note		2023	2022
	Profit/loss before financial items	-211	9
3.1	Depreciation, amortisation and impairment losses, net	1	-197
	Gain/loss on sale of companies and non-current assets, etc., net	-52	-23
5.5	Change in working capital	115	39
	Change in provisions, etc.	-27	20
	Other non-cash items	34	12
	Cash flow from operating activities before tax	-86	-140
	Taxes paid	30	-50
	Cash flow from operating activities	**-116**	**-190**
	Purchase/sale of intangible assets and property, plant and equipment, internal	-24	-3
	Capital increases in subsidiaries and activities	-	-3,579
	Sale of subsidiaries and associates	1,125	-
	Dividends received	45	9
	Other financial investments, paid	-21,822	-27,425
	Other financial investments, received	27,709	13,882
	Movements in interest-bearing loans to/from subsidiaries, etc., net	3,513	25,678
	Cash flow from investing activities	**10,538**	**8,512**
4.2	Repayment of borrowings	-559	-98
4.2	Proceeds from borrowings	742	-
	Purchase of treasury shares	3,120	-2,738
	Financial income received	1,488	565
	Financial expenses paid	-1,028	-1,028
	Sale of treasury shares	24	31
	Dividends distributed	-10,876	-6,847
	Cash flow from financing activities	**-13,329**	**-10,115**
	Net cash flow for the year	**-2,907**	**-1,793**
	Cash and cash equivalents 1 January	8,082	9,889
	Currency translation effect on cash and cash equivalents	-55	-14
	Cash and cash equivalents 31 December	**5,120**	**8,082**
	Cash and cash equivalents		
	Cash and bank balances	5,123	8,082
	Overdrafts	-3	-
	Cash and cash equivalents 31 December	**5,120**	**8,082**

Statement of changes in equity

Note		Share capital	Reserve for other equity investments	Reserve for hedges	Retained earnings	Total equity
	Equity 1 January 2022	3,513	-	-69	18,758	22,202
	Other comprehensive income, net of tax	-	2	-3	-	-1
	Profit for the year	-	-	-	-72	-72
	Total comprehensive income for the year	**-**	**2**	**-3**	**-72**	**-73**
	Dividends to shareholders	-	-	-	-6,845	-6,845
5.3	Value of share-based payments	-	-	-	12	12
4.1	Purchase of treasury shares	-	-	-	-2,785	-2,785
4.1	Sale of treasury shares	-	-	-	31	31
4.1	Capital increases and decreases	-121	-	-	121	-
	Total transactions with shareholders	**-121**	**-**	**-**	**-9,466**	**-9,587**
	Equity 31 December 2022	**3,392**	**2**	**-72**	**9,220**	**12,542**
	2023					
	Other comprehensive income, net of tax	-	-1	22	-	21
	Profit for the year	-	-	-	44,027	44,027
	Total comprehensive income for the year	**-**	**-1**	**22**	**44,027**	**44,048**
	Dividends to shareholders	-	-	-	-10,822	-10,822
5.3	Value of share-based payments	-	-	-	8	8
4.1	Purchase of treasury shares	-	-	-	-3,072	-3,072
4.1	Sale of treasury shares	-	-	-	24	24
4.1	Capital increases and decreases	-206	-	-	206	-
	Total transactions with shareholders	**-206**	**-**	**-**	**-13,656**	**-13,862**
	Equity 31 December 2023	**3,186**	**1**	**-50**	**39,591**	**42,728**

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Note 1.1 $ General accounting policies

Basis of preparation

The financial statements of A.P. Møller - Mærsk A/S have been prepared on a going concern basis and in accordance with IFRS Accounting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.

The accounting policies are consistent with those applied in the consolidated financial statements for 2023, except for the changes to accounting standards that were effective from 1 January 2023 and were endorsed by the EU. These changes have not had a material impact on the financial statements.

The accounting policies are furthermore consistent with the accounting policies for the Group's financial statements with the following exceptions:

- Shares in subsidiaries and associated companies are measured at cost or a lower recoverable amount
- Dividends from subsidiaries and associated companies are recognised as income at the time of declaration unless considered a return of capital in subsidiary
- No segment information is disclosed
- Value of granted share options, restricted shares, and performance shares to employees in subsidiaries is expensed directly in the relevant subsidiary. At the time of the grant, the subsidiary settles the amount with A.P. Møller - Mærsk A/S and the counter posting is made in equity. At the time of exercising, the proceeds are included in the company's equity.

New financial reporting requirements

A.P. Møller - Mærsk A/S has not yet adopted new or amended accounting standards and requirements that have not yet become effective and any changes. The changes to IFRS Accounting Standards are not expected to have any significant impact on recognition and measurement.

Amendments to IAS 12 Income Taxes - In May 2023, the IASB issued amendments to IAS 12 Income Taxes, which provides temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two Model Rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes. The amendments have been adopted by the EU and the company has applied this relief. Deferred tax related to assets and liabilities arising from a single transaction - The amendments narrow the scope of the initial recognition exception so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no material impact on the company's financial statements.

Note 1.2 ! Significant accounting estimates and judgements

The preparation of the parent company financial statements requires management to make estimates and judgements on an ongoing basis, and to form assumptions that affect the reported amounts. Management forms its estimates and judgements based on historical experience, independent advice, external data points, as well as on in-house specialists and on other factors believed to be reasonable under the circumstances.

Estimates that are material to the company's financial reporting are made on the determination of impairment of financial non-current assets, including subsidiaries and associated companies. Reference is made to notes 3.1 and 4.3. Management assesses impairment indicators for investments in subsidiaries and associated companies and in general determines the recoverable amounts consistent with the assumptions described in note 3.1 of the consolidated financial statements.

Note 2.1 Operating costs

	2023	2022
Rent and lease costs	26	19
Staff costs reimbursed to Rederiet A.P. Møller A/S[1]	213	192
Other, including recharging of operating costs, net	68	111
Total operating costs	**307**	**322**
Average number of employees directly employed by the company	2	5

The company's share of fees and remuneration to the Executive Board	2023	2022
Fixed pay	3	7
Short-term cash incentive	2	6
Long-term share-based incentive plans[1]	2	7
Remuneration in connection with redundancy, resignation and release from duty to work	-1	8
Total remuneration to the Executive Board[2]	**6**	**28**

Contract of employment for the Executive Board contains terms customary in Danish listed companies, including termination notice and non-competition clauses. In connection with a possible takeover offer, neither the Executive Board nor the Board of Directors will receive special remuneration. Fees and remuneration do not include pension

The Board of Directors has received fees of USD 2m (USD 2m).

Fees to the statutory auditors	2023	2022
Statutory audit	2	2
Other services	1	1
Total fees	**3**	**3**

Fees for other services other than statutory audit of the financial statements provided by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab to A.P. Moller - Maersk mainly consist of transaction advice, accounting and tax-related services.

Note 3.1 Investments in subsidiaries and associated companies

	Investments in subsidiaries	Investments in associated companies
Cost		
1 January 2023	29,720	810
Additions[1]	646	11
Disposals[2]	2,932	810
Transfer to assets held for sale[3]	1,376	-
31 December 2023	**26,058**	**11**
Impairment losses		
1 January 2023	3,946	478
Impairment losses[2]	200	-
Disposal	2,209	478
31 December 2023	**1,937**	**-**
Carrying amount		
31 December 2023	**24,121**	**11**
Cost		
1 January 2022	24,235	815
Additions	6,204	-
Disposals	72	5
Transfer from assets held for sale	353	-
31 December 2022	**29,720**	**810**
Impairment losses		
1 January 2022	3,995	682
Disposals	49	-
Reversal of impairment losses[3]	-	204
31 December 2022	**3,946**	**478**
Carrying amount		
31 December 2022	**25,774**	**332**

Reference is made to pages 105-106 for a list of significant subsidiaries and associated companies.

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Note 3.2 Term deposits

Loan receivables, current, amount to USD 12.7bn (USD 17.6bn) and consist primarily of term deposits with a maturity of more than three months. For details on the assessment of the loss allowance on term deposits, reference is made to note 4.4 Financial instruments and risks.

Note 3.3 Assets held for sale

Assets held for sale of USD 1.4bn in 2023 relate to Svitzer (Towage). Reference is made to note 3.6 in the consolidated financial statements for more details.

Note 4.1 Share capital

Shareholder disclosure subject to section 104 of the Danish Financial Statements Act:

	Share capital	Votes
A.P. Møller Holding A/S, Copenhagen, Denmark[1]	41.5%	51.5%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark[2]	9.8%	14.0%
Den A.P. Møllerske Støttefond, Copenhagen, Denmark	3.7%	6.4%
A.P. Møller Mærsk A/S (treasury shares), Copenhagen, Denmark	9.0%	1.5%

1. A.P Møller Holding A/S has committed to participate in the company's share buy-back programme by selling both A and B shares relative to their total ownership and voting rights in the company. Before cancellation of the company's treasury shares (subject to approval at the Annual General Meeting and intended to take place in May 2024), A.P Møller Holding A/S holds 37.9% of the share capital and 49.9% of the votes of the company.
2. A.P Møller og Hustru Chastine Mc-Kinney Møllers Familiefond has committed to participate in the company's share buy-back programme by selling B shares relative to their total ownership in the company. Before cancellation of the company's treasury shares (which is subject to approval at the Annual General Meeting and intended to take place in May 2024), A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond holds 9.0% of the share capital of the company.

Note 4.1 in the consolidated financial statements includes all additional share capital disclosures including the development in the number of shares and in the holding of treasury shares.

Dividends

The dividend of DKK 4,300 per share of DKK 1,000 was paid on 31 March 2023 – a total of DKK 74.4bn equivalent to USD 10.9bn, excluding treasury shares (dividend of DKK 2,500 per share of DKK 1,000 paid – total of DKK 46.8bn, equivalent to USD 6.9bn).

The Board of Directors proposes a dividend to the shareholders of DKK 515 per share of DKK 1,000 – a total of DKK 8.1bn, equivalent to USD 1.2bn (DKK 4,300 per share of DKK 1,000 – total of DKK 74.4bn equivalent to USD 10.9bn). Payment of dividends is expected to take place on 19 March 2024. Payment of dividends to shareholders does not trigger taxes to A.P. Møller - Mærsk.

Note 4.2 Borrowings and net debt reconciliation

	Net debt 31 December	Cash flows	Other changes			Net debt 31 December
	2022	From financing activities	Other	Foreign exchange movements	Other	2023
Bank and other credit institutions	775	-90	3	-	-	688
Issued bonds	2,976	308	-	53	56	3 393
Subsidiaries, etc., net	56,060	-	4,513	-12	-43,337	-9,776
Total borrowings, net	**39,811**	**218**	**3,516**	**41**	**-43,281**	**305**
Derivatives hedge of borrowings, net	**532**	**-54**	**-**	**-53**	**-72**	**353**
Borrowings classification						
Classified as non-current	3,635					4 139
Classified as current	40,808					4 975

	Net debt 31 December	Cash flows		Other changes		Net debt 31 December
	2021	From financing activities	Other	Foreign exchange movements	Other	2022
Bank and other credit institutions	1,137	-98	-264	-	-	775
Issued bonds	3,341	-	-	-177	-188	2,976
Subsidiaries, etc., net	7,889	-	25,628	-63	2,606	56,060
Total borrowings, net	**12,367**	**-98**	**25,364**	**-240**	**2,418**	**39,811**
Derivatives hedge of borrowings, net	**154**	**-**	**-**	**178**	**200**	**532**
Borrowings classification						
Classified as non-current	4,165					3,635
Classified as current	13,052					40,808

Note 4.3 Financial income and expenses

	2023	2022
Interest expenses on liabilities	1,174	698
Interest income on loans and receivables	1,596	615
Fair value adjustment transferred from equity hedge reserve (loss)	25	25
Net interest income	**397**	**-108**
Exchange rate gains on bank balances, borrowings and working capital	30	240
Exchange rate losses on bank balances, borrowings and working capital	162	51
Net foreign exchange gains/losses	**-132**	**189**
Fair value gains from derivatives	161	36
Fair value losses from derivatives	-	243
Net fair value gains/losses	**161**	**-207**
Dividends received from subsidiaries, associated companies and joint ventures, net[1]	44 029	29
Total dividend income	**44,029**	**29**
Impairment losses, investments in subsidiaries and associated companies[1]	200	-
Write-down of loan receivables from subsidiaries	-	56
Financial income/expenses, net	**44,255**	**-153**
Of which		
Dividends	44,049	29
Financial income	1,787	891
Financial expenses	1,561	1,073

[1] Reference is made to note 4.4 for an analysis of gains and losses from derivatives.

Note 4.4 Financial instruments and risks

	2023	2022
Non-current receivables	10	18
Current receivables	131	198
Non-current liabilities	323	495
Current liabilities	134	171
Liabilities, net	**316**	**450**

The company's activities expose it to a variety of financial risks:

- Market risks, i.e. currency risk and interest rate risk
- Credit risk
- Liquidity risk.

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the company's financial performance. The company uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close cooperation with the company's entities.

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the company's profit or the value of its holdings of financial instruments. The sensitivity analyses in the currency risk and interest rate risk sections relate to the position of financial instruments at 31 December 2023.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2023. Furthermore, it is assumed that the exchange rate and interest rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit and equity of a reasonably possible change in exchange rates and interest rates.

	2023	2022
Hedging interest rate risk	-24	-25
Total effective hedging	**-24**	**-25**
Ineffectiveness recognised in financial expenses	-1	-
Total reclassified from equity reserve for hedges	**-25**	**-25**
Derivatives accounted for as held for trading		
Currency derivatives recognised directly in financial income/expenses	168	-256
Interest rate derivatives recognised directly in financial income/expenses	45	-142
Net gains/losses recognised directly in the income statement	**213**	**-398**
Total	**188**	**-423**

Hedges comprise primarily currency derivatives and interest rate derivatives, which are further described in the following sections.

	Fair value	
Recognised at fair value through profit and loss	2023	2022
Currency derivatives	37	73
Interest derivatives	-	9
Total	**37**	**82**

Currency risk

The company's currency risk arises primarily from its treasury activities where financing is obtained and provided in a wide range of currencies other than USD such as EUR, GBP and NOK.

The main purpose of hedging the company's currency risk is to hedge the USD value of the company's net cash flow and reduce fluctuations in the company's profit. The company uses various financial derivatives, including forwards, option contracts and cross-currency swaps, to hedge these risks. The key aspects of the currency hedging policy are as follows:

- Net cash flows in other significant currencies than USD are hedged using a layered model with a 12-month horizon
- Significant capital commitments or divestments in other currencies than USD are hedged
- Most non-USD debt is hedged, however, depending on the asset-liability match and the currency of the generated cash flow.

The company enters into derivatives to hedge currency exposures that do not qualify for hedge accounting. These derivatives are classified as fair value through profit or loss.

An increase in the USD exchange rate of 10% against all other significant currencies to which the company is exposed is presented in the table.

The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date and are thus not an expression of the company's total currency risk.

	Profit before tax		Equity before tax	
	2023	2022	2023	2022
DKK	-30	-233	-30	-233
EUR[1]	13	228	13	228
Other currencies	-16	18	-16	18
Total	**-33**	**13**	**-33**	**13**

1. EUR sensitivity has been restated for 2022 from USD 91m/USD 91m to USD 228m/USD 228m for profit before tax and equity before tax, respectively.

Note 4.4 Financial instruments and risks - continued

				Maturity					
	Fair value, asset	Fair value liability	Nominal amount of derivative	0-1 years	2-5 years	5- years	Gain/loss on hedged item	Gain/loss on hedging instru-ment	Average hedge rate
2023									
Combined fair value hedge, hedge of borrowings									
EUR	-	90	503	-	415	88	15	-32	7.3%
GBP	-	24	89		89	-	2	-6	7.9%
JPY	-	17	88	-	88	-	-	2	7.2%
NOK	-	68	216	-	216	-	12	-18	7.9%
Fair value hedge, hedge of borrowings									
USD	11	44	850	-	200	650	32	-33	7.7%
Cash flow hedge, hedge of borrowings									
EUR	-	88	967	-	414	553	-	-29	3.2%
GBP	-	33	162	-	162	-	-	-1	4.6%
Total	**11**	**364**	**2,875**	**-**	**1,584**	**1,291**	**61**	**-121**	
2022									
Combined fair value hedge, hedge of borrowings									
EUR	-	127	486	-	401	85	35	-54	6.2%
GBP	-	29	84	-	84	-	4	-7	6.8%
JPY	-	12	95	-	95	-	-	-3	6.1%
NOK	-	64	223	-	223	-	17	-22	6.8%
Fair value hedge, hedge of borrowings									
USD	-	73	900	-	500	400	75	-73	6.7%
Cash flow hedge, hedge of borrowings									
EUR	-	145	934	-	400	534	-	-56	3.2%
GBP	-	77	277	-	277	-	-	-5	4.6%
NOK	-	5	26	26	-	-	-	-	3.3%
Total	**-**	**532**	**3,025**	**26**	**1,980**	**1,019**	**131**	**-220**	

The average FX hedge rates for swaps in combined fair value hedge were EUR/USD 1.24 (1.24), GBP/USD 1.52 (1.52), USD/NOK 8.25 (8.25), and USD/JPY 119.39 (119.39).

The average FX hedge rates for swaps in cash flow hedge were EUR/USD 1.18 (1.18) and GBP/USD 1.52 (1.52).

The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date and are thus not an expression of the company's total currency risk.

Interest rate risk

The company has most of its debt denominated in USD, but part of the debt (e.g. issued bonds) is in other currencies such as EUR, NOK, GBP and JPY. The company strives to maintain a combination of fixed and floating interest rates on its net debt, reflecting expectations and risks.

Interest rate risk is managed within a range set for the percentage of gross debt paying fixed interest, net of hedging. The level at 31 December is 41% (43%) excluding IFRS 16 Leases.

A general increase in interest rates by one percentage point is estimated, all thing else being equal, to affect profit before tax and equity, excluding tax effect, positively by approx. USD 149m and positively by approx. USD 128m, respectively (negatively by approx. USD 163m and negatively by approx. USD 185m, respectively).

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

The hedging of the interest rate risk is done by cross-currency swaps and interest rate swaps. The hedging is a mix of fair value hedging, combined fair value hedging and cash flow hedging. Combined fair value hedging is applied when cross-currency swaps are entered into to hedge the risk of debt denominated in other currencies than USD. Each hedge relationship is split into a fair value hedge, where value changes from market rates are recognised directly in profit or loss, and a cash flow hedge, where the value changes from the exchange rate exposure of the credit margin are recognised in OCI.

The hedges are expected to be highly effective due to the nature of the economic relationship between the exposure and the hedge. The source of ineffectiveness is the credit risk of the hedging instruments. For hedges where the cost of hedging is applied, the change in basis spread is recognised in other comprehensive income and is a time effect during the lifetime of the swap and at maturity amounts to 0. If the hedged transaction is prepaid, the change in basis spread will be recognised in profit or loss as ineffectiveness. The cost of hedging reserve amounts to a gain of USD 7m (USD 15m).

Borrowings and interest-bearing debt to subsidiaries by interest rate levels inclusive of interest rate swaps	Carrying amount	Next interest rate fixing		
		0-1 year	2-5 years	5- years
2023				
0-3%	742	196	-	546
3-6%	5,473	4,303	576	594
6%-	2,899	2,899	-	-
Total	**9,114**	**7,398**	**576**	**1,140**
Of which				
Bearing fixed interest	1,730			
Bearing floating interest	7,384			
2022				
0-3%	2,790	2,264	-	526
3-6%	39,932	39,033	659	240
6%-	1,721	1,721	-	-
Total	**44,443**	**43,018**	**659**	**766**
Of which				
Bearing fixed interest	1,637			
Bearing floating interest	42,806			

Note 4.4 Financial instruments and risks - continued

Credit risk

The company has substantial exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties, and credit limits are set for financial institutions and key commercial counterparties.

Financial assets at amortised cost

Financial assets at amortised cost comprise loan receivables, lease receivables, and other receivables. These are all considered to have low credit risk and thus the impairment provision calculated based on 12 months of expected losses is considered immaterial. The financial assets are considered to be low risk when they have low risk of default, and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Other financial assets at amortised cost include loans to subsidiaries. As of 31 December 2023, the loans amount to USD 8.8bn (USD 4.6bn) and are considered to have a low credit risk, thus the impairment provision to be recognised during the period is limited to 12 months of expected losses. The credit risk has not increased significantly since the initial recognition and is considered low based on the investment grade credit rating for the Group and consequently the financial strength of the major subsidiaries within the Group.

Financial institutions

Deposits and bank balances are primarily held in relationship banks with a credit rating of at least A-. No individual exposure is above 10%. A.P. Moller - Maersk has ISDA agreements for trading of derivatives, under which the Group has a right to net settlement in the event of certain credit events. This results in the credit risk being limited to the net position per counterparty.

Liquidity risk

It is of great importance for the company to maintain a financial reserve to cover the company's obligations and investment opportunities and to provide the capital necessary to offset changes in the company's liquidity due to changes in the cash flow from operating activities.

The flexibility of the financial reserve is subject to ongoing prioritisation and optimisation, among other things by focusing on the release of capital and following up on the development in working capital.

Net interest-bearing debt and liquidity	2023	2022
Borrowings	9,114	44,443
Net interest-bearing debt	-17,159	13,691
Cash and bank balances	5,123	8,082
Term deposits not included in cash and cash balances	12,693	17,615
Securities	-	942
Undrawn revolving credit facilities > 12 months	6,050	6,000
Liquidity reserve[1]	**23,866**	**32,639**

1 Liquidity reserve is defined as undrawn committed revolving facilities with more than one year to expiry, securities, term deposits not included in cash and bank balances and cash and bank balances, excluding securities and balances in countries with exchange control or other restrictions.

For information about cash and bank balances in countries with exchange control or other restrictions, please see text to the consolidated cash flow statement.

Based on the liquidity reserve, loans for the financing of specific assets, the maturity of outstanding loans, and the current investment profile, the company's financial resources are deemed satisfactory.

The average term to maturity of loan facilities in the company was about five years (about five years) at 31 December 2023.

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			
		0-1 year	2-5 years	5- years	Total
2023					
Bank and other credit institutions	688	84	538	261	883
Issued bonds	3,393	135	1,907	2,105	4,127
Interest-bearing loans from subsidiaries, etc.	5,033	4,954	95	-	5,049
Trade payables	46	46	-	-	46
Other payables	443	443	-	-	443
Non-derivative financial liabilities	**9,603**	**5,642**	**2,540**	**2,366**	**10,548**
Derivatives	457	134	241	82	457
Total recognised in balance sheet	**10,060**	**5,776**	**2,781**	**2,448**	**11,005**
2022					
Bank and other credit institutions	775	134	328	551	1,013
Issued bonds	2,976	113	2,142	1,130	3,385
Interest-bearing loans from subsidiaries, etc.	40,692	40,710	-	-	40,710
Trade payables	64	64	-	-	64
Other payables	244	244	-	-	244
Non-derivative financial liabilities	**44,751**	**41,265**	**2,470**	**1,681**	**45,416**
Derivatives	666	171	356	139	666
Total recognised in balance sheet	**45,417**	**41,436**	**2,826**	**1,820**	**46,082**

Note 4.5 Financial instruments by category

	Carrying amount		Fair value	
	2023	2022	2023	2022
Carried at amortised cost				
Interest-bearing receivables from subsidiaries, etc.	8,809	4,632	8,809	4,633
Lease receivables				
Loan receivables	12,693	17,615	12,708	17,585
Total interest-bearing receivables	**21,502**	**22,247**		
Trade receivables	4	8		
Other receivables (non-interest-bearing)	360	273		
Other receivables from subsidiaries, etc.	156	208		
Securities		942		
Cash and bank balances	5,173	8,082		
Financial assets at amortised cost	**27,145**	**31,760**		
Carried at fair value				
Derivatives	141	216		
Equity investments (FVOCI)	4	4		
Other financial assets	**145**	**220**		
Total financial assets	**27,290**	**31,980**		
Carried at amortised cost				
Bank and other credit institutions	688	775	688	775
Issued bonds	3,395	2,976	3,339	2,855
Interest-bearing loans from subsidiaries, etc.	5,033	40,692		
Total borrowings	**9,114**	**44,443**		
Trade payables	46	64		
Other payables	443	244		
Financial liabilities at amortised cost	**9,603**	**44,751**		
Carried at fair value				
Derivatives	457	666		
Financial liabilities at fair value	**457**	**666**		
Total financial liabilities	**10,060**	**45,417**		

Movement during the year in level 3	Equity investments (FVOCI)	Non-listed shares	Total financial assets
Carrying amount 1 January 2022	4		4
Carrying amount 31 December 2022	**4**		**4**
Additions	5		5
Disposals	4		4
Gains/losses recognised in other comprehensive income	-1		-1
Carrying amount 31 December 2023	**4**		**4**

Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Fair value of listed shares falls within level 1 of the fair value hierarchy. Non-listed shares and other securities fall within level 3 of the fair value hierarchy.

Fair value of derivatives falls mainly within level 2 of the fair value hierarchy and is calculated on the basis of observable market data as of the end of the reporting period.

Fair value of level 3 assets and liabilities is primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the company's profit or equity significantly.

Financial instruments carried at amortised cost

Fair value of the short-term financial assets and other financial liabilities carried at amortised cost is not materially different from the carrying amount. In general, fair value is determined primarily based on the present value of expected future cash flows. Where a market price was available, however, this was deemed to be the fair value. Fair value of listed issued bonds is within level 1 of the fair value hierarchy.

Fair value of the remaining borrowing items is within level 2 of the fair value hierarchy and is calculated on the basis of discounted interests and instalments.

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Amounts in USD million

Note 5.1 Tax

	2023	2022
Tax recognised in the income statement:		
Current tax on profit for the year	51	-6
Adjustment for current tax of prior periods	-2	-9
Withholding taxes	17	-3
Utilisation of previously unrecognised deferred tax assets	-52	-
Total current tax	**14**	**-18**
Origination and reversal of temporary differences	3	-54
Adjustment for deferred tax of prior periods	-52	-
Recognition of previous unrecognised deferred tax asset	52	-
Total deferred tax	**3**	**-54**
Total tax expense (income)	**17**	**-72**
Tax reconciliation:		
Profit/loss before tax	44,044	-144
Tax using the Danish corporation tax rate (22%)	9,690	-32
Tax rate deviations in foreign jurisdictions	11	-
Non-deductible expenses	-3	-27
Gains/losses related to shares, dividends, etc.	-9,654	-1
Adjustment to previous years' taxes	-2	-9
Other differences, net	-3	-3
Total income tax	**17**	**-72**
Tax recognised in other comprehensive income and equity	**-6**	**1**
Of which:		
Current tax	-6	1

Note 5.2 Deferred tax

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net amount	
	2023	2022	2023	2022	2023	2022
Property, plant and equipment	2	3	-	-	-2	-3
Provisions, etc.	8	3	-	-	-8	-3
Liabilities, etc.	-	11	-	-	-	-11
Other	-	-	2	4	2	4
Total	**10**	**17**	**2**	**4**	**-8**	**-13**
Offsets	-2	-4	-2	-4	-	-
Total	**8**	**13**	**-**	**-**	**-8**	**-13**

Change in deferred tax, net during the year	2023	2022
1 January	-13	41
Recognised in the income statement	5	-54
31 December	**-8**	**-13**

Unrecognised deferred tax asset of USD 100m is related to earlier years interest restrictions. There are no unrecognised tax liabilities on investments in subsidiaries, associated companies and joint ventures.

Note 5.3 Share-based payments

The recognised remuneration expense related to the performance shares plan is USD 1m (USD 0m).
The recognised remuneration expense related to the restricted shares plan is USD 3m (USD 7m).
The recognised remuneration expense related to the share options plan is USD 4m (USD 5m).
For all other disclosures related to share-based payments, refer to note 5.2 in the consolidated financial statements.

Note 5.4 Contingent liabilities

The company is involved in a number of legal cases. The company is also involved in tax issues in certain countries. Some of these involve significant amounts and are subject to considerable uncertainty.

Through participation in joint taxation scheme with A.P. Møller Holding A/S, the company is jointly and severally liable for taxes payable, etc. in Denmark.

Note 5.5 Cash flow specifications

	2023	2022
Change in working capital		
Trade receivables	31	-1
Other receivables and prepayments	-81	-183
Trade payables and other payables, etc.	148	250
Exchange rate adjustment of working capital	17	-27
Total	**115**	**39**

Note 5.6 Related parties

	Controlling parties		Subsidiaries		Associated companies		Joint ventures		Management	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Continuing operations										
Income statement										
Revenue	-	-	39	29	-	-	-	-	-	-
Operating costs	-	1	13	14	-	-	-	-	-	-
Remuneration to management	-	-	-	-	-	-	-	-	8	30
Dividends	-	-	43,986	20	45	9	-	-	-	-
Financial income	46	62	513	357	-	-	-	-	-	-
Financial expenses	24	-	922	533	-	-	3	-	-	-
Assets										
Interest-bearing receivables, non-current	-	-	1,338	2,818	-	-	1	-	-	-
Derivatives, non-current	-	-	-	11	-	-	-	-	-	-
Trade receivables	-	-	-	161	-	-		-		-
Interest-bearing receivables, current	-	-	7,495	1,814	-	-	-	4	-	-
Derivatives, current	-	-	14	35	-	-	-	-	-	-
Other receivables, current	683	380	176	27	-	-	-	1	-	-
Cash and bank balances	161	632		-	-	-	-	-	-	-
Liabilities										
Interest-bearing debt, non-current	-	-	95	-	-	-	-	-	-	-
Interest-bearing debt, current		-	4,892	40,692	-	-	-	43	-	-
Trade payables	-	-	-	36	-	-	-	-	-	-
Derivatives, current	47	-	63	98	-	-		-	-	-
Other liabilities, current	-	-	123	19	-	-	-	-	-	-
Sale of companies, property, plant and equipment	-	-	2,853	72	810	5	-	-	-	-
Capital increases and purchase of shares	-	-	564	6,204	11	-	-	-	-	-
Shares bought back[2]	1,569	1,332				-	-	-	-	-
Dividends distributed[3]	5,974	3,614	-	-	-	-	-	-	-	-

Joint usage agreement with A.P. Moller Holding A/S

With the objective of further strengthening the value of the brands, A.P. Moller - Mærsk A/S entered into a joint usage agreement with A.P. Moller Holding A/S in 2018 regarding the use of commonly used trademarks which historically have benefited both A.P. Moller - Mærsk A/S and A.P. Moller Holding A/S. A.P. Moller Holding A/S is the controlling shareholder of A.P. Moller - Mærsk A/S and is wholly owned by A.P. Moller og Hustru Chastine Mc-Kinney Mollers Fond til almene Formaal. The joint usage agreement establishes a framework and a branding strategy for the commonly used trademarks and a joint brand board, where the parties can cooperate regarding the use of these trademarks.

Share buy-back programme

According to separate agreement, A.P. Moller Holding A/S and A.P. Moller og Hustru Chastine Mc-Kinney Mollers Familiefond (the Foundation) participated on a pro rata basis to the shares purchased in the company's share buy-back programme. A.P. Moller Holding A/S participated in selling A and B shares and A.P. Moller og Hustru Chastine Mc-Kinney Mollers Familiefond participated in selling B shares.

Controlling party

A.P. Moller Holding A/S, Copenhagen, Denmark, has control over the company and prepares consolidated financial statements. A.P. Moller og Hustru Chastine Mc-Kinney Mollers Fond til almene Formaal is the ultimate owner.

Note 5.7 Pledges

Vessels owned by subsidiaries with a carrying amount of USD 0.6bn (USD 0.7bn) have been pledged as security for loans of USD 0.3bn (USD 0.3bn).

Management's statement

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of A.P. Moller - Mærsk A/S for 2023.

The Annual Report for 2023 of A.P. Moller - Mærsk A/S has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and in our opinion gives a true and fair view of A.P. Moller - Maersk's and the company's assets and liabilities and financial position at 31 December 2023 and of the results of A.P. Moller - Maersk's and the company's operations and cash flows for the financial year 2023.

In our opinion, the Management Review includes a fair review of the development in A.P. Moller - Maersk's and the company's operations and financial conditions, the results for the year, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that A.P. Moller - Maersk and the company face. Management's Review has been prepared in accordance with the Danish Financial Statements Act and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation).

In our opinion, the Annual Report of A.P. Moller - Mærsk A/S for the financial year 1 January to 31 December 2023, identified as with the file name APMM-2023-12-31-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be approved at the Annual General Meeting on 14 March 2024.

Copenhagen, 8 February 2024

Executive Board

Vincent Clerc
CEO

Patrick Jany
CFO

Board of Directors

Robert Mærsk Uggla
Chair

Marc Engel
Vice Chair

Bernard L. Bot

Marika Fredriksson

Arne Karlsson

Thomas Lindegaard Madsen

Amparo Moraleda

Kasper Rorsted

Julija Voitiekute

Independent Auditor's Reports

To the shareholders of A.P. Møller - Mærsk A/S

Our opinion

Basis for opinion

What we have audited

Independence

Appointment

Key audit matters

Revenue recognition

How our audit addressed the key audit matter

Recoverability of the carrying amount of intangible assets, property, plant and equipment and right-of-use assets

We focused on this area, as the carrying amounts are significant and as Management is required to exercise considerable judgement because of the inherent complexity in estimating the fair value less cost to sell or the value in use.

Reference is made to notes 3.1, 3.2 and 3.3 in the Consolidated Financial Statements.

How our audit addressed the key audit matter

We considered the appropriateness of the defined CGUs within the businesses and examined the methodology used by Management to assess the carrying amount of intangible assets, property, plant and equipment and right-of-use assets assigned to CGUs, as well as the process for identifying CGUs that require impairment testing to determine compliance with IFRS.

We performed detailed testing of Management's impairment tests for goodwill and for the CGUs where indicators of impairment were identified, and challenged the significant assumptions affecting the future cash flows, including internal assumptions related to freight rates, terminal rates, Logistics & Services margins, volumes, CAPEX and operating expenses.

We used our internal valuation specialists to independently challenge the discount rates. In calculating the discount rates, the key inputs used were independently sourced from market data, and we assessed the methodology applied.

Further, we tested the mathematical accuracy of the impairment models prepared by Management.

Finally, we assessed the adequacy of disclosures provided by Management in the Financial Statements.

Statement on Management Review

Management is responsible for Management Review (pages 4 to 59 and 126).

Our opinion on the Financial Statements does not cover Management Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Review and, in doing so, consider whether Management Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management Review includes the disclosures required by the Danish Financial Statements Act and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation).

Based on the work we have performed, in our view, Management Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act and the disclosure requirements of Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation). We did not identify any material misstatement in the Management Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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Definition of terms

A

A.P. Møller - Mærsk
A.P. Møller - Mærsk is referred to as the consolidated group of companies and A.P. Møller - Mærsk A/S as the parent company.

B

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

C

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. Møller - Mærsk's operating cash flow from continuing operations divided by the number of shares of DKK 1,000 each, excluding A.P. Møller - Mærsk's holding of treasury shares.

Cost base
Cost base is defined as EBIT before income and loss from associated companies and adjustments for restructuring costs, the result from associated companies and gains/losses.

D

Discontinued operations
Discontinued operations are a major line of business (division or group) that is either held for sale or has been sold in previous periods.

The disposal group is reported separately in a single line in the income statement and cash flow statement.

Comparison figures are restated. In the balance sheet, assets and liabilities are classified and disclosed separately on an aggregate level as assets held for sale and liabilities associated with assets held for sale. In the balance sheet, comparison figures are not restated.

E

EBIT
Earnings before interest and taxes.

EBITA
Earnings Before Interest, Taxes and Amortisation.

EBITDA
Earnings Before Interest, Taxes, Depreciation and Amortisation.

Equity ratio
Calculated as equity divided by total assets.

F

Fatalities
The headcount number of accidents leading to the death of the employee.

FFE
Forty-Foot container Equivalent unit.

Free cash flow
Cash flow from operating activities, purchase/sale of intangible assets and property, plant and equipment, dividends received, repayments of lease liabilities, financial payments and premature repayments paid on lease liabilities.

G

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

H

Headhaul
The direction of the trade route that has the highest volumes, whereas the opposite direction is referred to as backhaul.

I

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

L

Loaded volumes
Loaded volumes refer to the number of FFEs loaded on a shipment which is loaded on the last load at release (quantities in TEU excluding displaced FFEs).

Lost-Time Injury frequency (LTIF)
Measures the number of lost-time injuries per million exposure hours. Lost-time injuries are the sum of fatalities, permanent total disability, permanent partial disability and lost workday cases.

N

Net interest-bearing debt (NIBD)
Equals interest-bearing debt, including lease liabilities, fair value of derivatives hedging the underlying debt, bank deposits as well as other interest-bearing assets.

Normalisation
The company's business returning to a more stable and expected level of activity driven by GDP/industry growth following a period of abnormal fluctuations and disruptions during the COVID-19 pandemic.

O

Ocean, loaded freight rate (USD per FFE)
Average freight rate per FFE for all the A.P. Møller - Mærsk container vessels loaded in the period in either Maersk Line or Hamburg Süd vessels or third parties (excluding inter-vessels). Hamburg Süd is not excluding inter-vessels.

Ocean, reduction in carbon intensity (EEOI)
Ocean - Reduction in carbon intensity, (EEOI) by 2030 (2020 baseline) covers container vessels under A.P. Møller - Mærsk's operation. Carbon intensity reduction is reported on using the EEOI (Energy Efficiency Operational Indicator) methodology. EEOI is defined by the International Maritime Organisation in MEPC.1/Circ.684 and is calculated as CO_2 emission per cargo tonne nautical mile (gCO2/tonne cargo x nm).

Ocean, unit cost, fixed bunker (USD per FFE)
Unit cost per FFE excluding bunker cost per FFE assuming a bunker price of USD 550/tonne excluding all recycled bunker items and time charter income. Hamburg Süd is not excluding inter-vessel.

R

Return on equity after tax
Calculated as the profit/loss for the year divided by the average equity.

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.

T

Towage, number of operational tug jobs (harbour towage) ('000)
Tug jobs on which Svitzer performs the physical job, excluding jobs where Svitzer has the commercial contract with the customer as well as pooled Svitzer receives from the cooperation through towage agreements.

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-year price quoted by Nasdaq Copenhagen.

U

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

Underlying EBIT
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.

Underlying profit/loss
Underlying profit/loss is profit/loss for the year from continuing operations adjusted for net gains/losses from sale of non-current assets, etc., and net impairment losses as well as transaction, restructuring and integration costs related to major transactions. The adjustments are net of tax and include A.P. Møller - Mærsk's share of mentioned items in joint ventures and associated companies.

V

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

W

Women in leadership
The percentage of women referenced as Senior Managers, Leaders, Senior Leaders, and Executives compared to total headcount of the same levels.

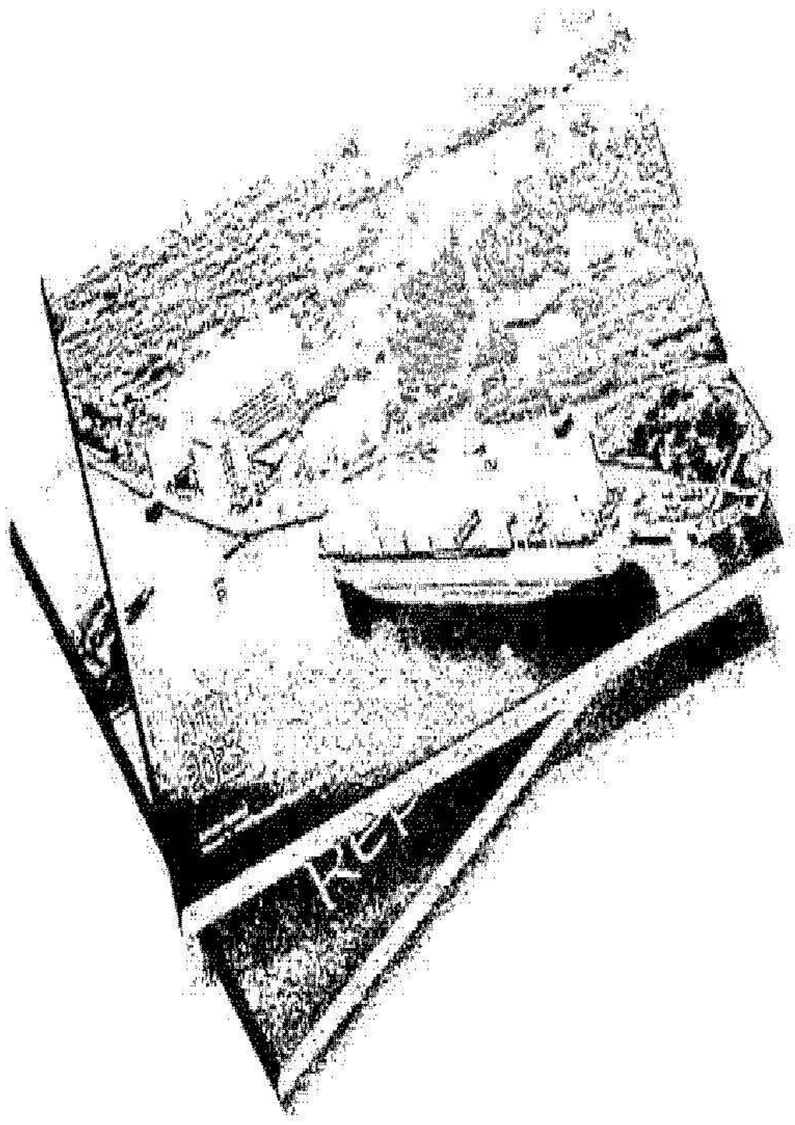
123

4PL
A 4PL is a fourth-party logistics provider managing resources, technology, infrastructure as well as external 3PLs to design, build and provide supply chain solutions for businesses.

Reporting universe

A.P. Møller - Mærsk provides a suite of additional reports and supplementary information for 2023 to provide a comprehensive and transparent information to all stakeholders, which can be downloaded here.

→ Download



Annual Report

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements. The Management's Review provides an overview of the Company's performance, strategy, corporate governance and risks.

Sustainability Report

The Sustainability Report is the Sustainability Statement in Maersk's statutory Management's Review, which has been prepared in accordance with section 99a and 99b of the Danish Financial Statements Act. The Sustainability Statement also includes Maersk's Communication on Progress to the UN Global Compact.

The Sustainability Report and additional information on Maersk.com/ESG provide Maersk's stakeholders with transparency on the Company's sustainability progress and performance, and its contribution to the UN Sustainable Development Goals.

Maersk has prepared the Sustainability Report in accordance with the International Sustainability Standards Board (ISSB) IFRS S2 Climate-Related Disclosures. The ISSB index is provided in the ESG Databook available at Maersk.com/ESG.

Remuneration report and policy

The Remuneration Report provides an overview of the remuneration outcome of the Board of Directors and Executive Board of A.P. Møller - Mærsk A/S.

The Remuneration Policy outlines the principles for remuneration of the Board of Directors and Executive Board and sets out the framework for the variable pay elements and how they support the execution of the strategy, long-term interests and sustainability of the Company. Both the report and the policy are available at Investor.Maersk.com/Governance.

Corporate governance statement

The Corporate Governance Statement for A.P. Møller - Mærsk A/S is an integral part of the Management's Review of the Annual Report and describes the status of compliance with the Recommendations for Corporate Governance issued by the Danish Committee on Corporate Governance 2023 and implementation of Executive Order on

Find and follow

ESEF DATA

Domicile of entity

Description of nature of entity's operations and principal activities

Country of incorporation

Principal place of business

Legal form of entity

Name of reporting entity or other means of identification

Address of entity's registered office

Design and layout

Cover photo

A.P. Møller - Mærsk A/S
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