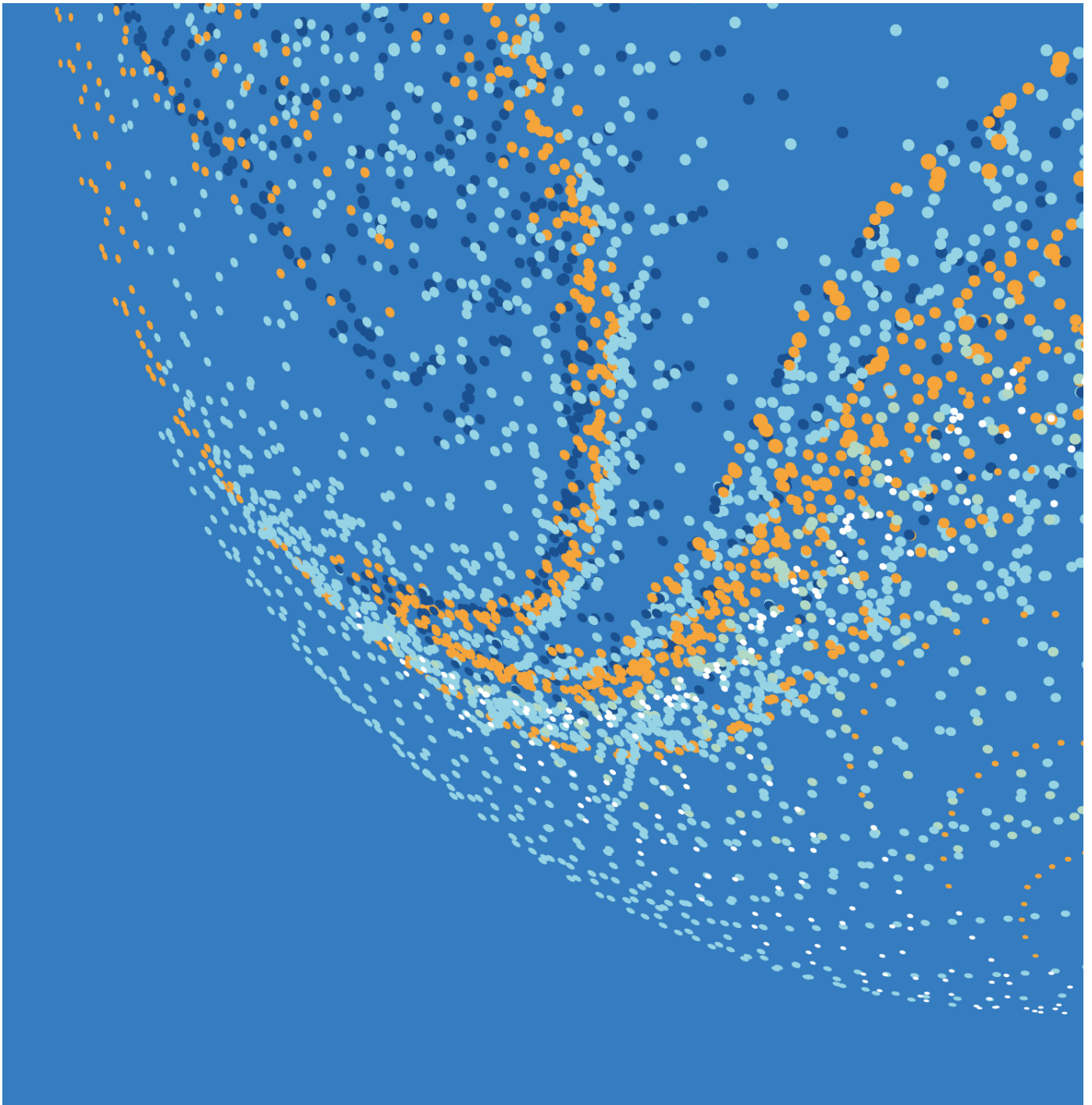


WILH. WILHELMSSEN HOLDING ASA

Fourth quarter 2020



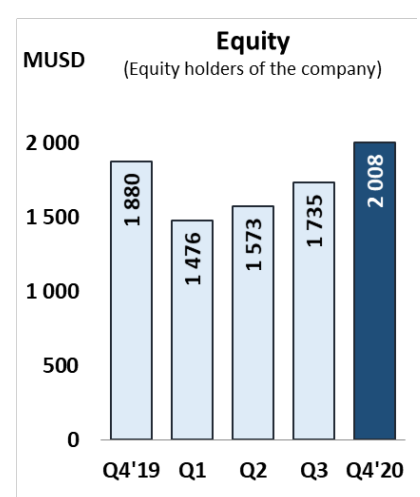
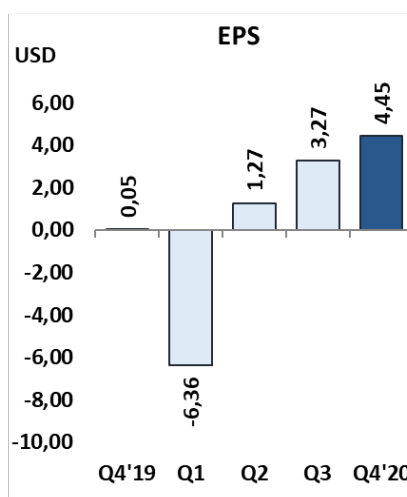
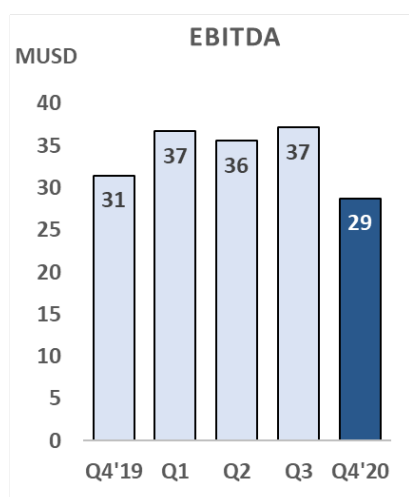
Highlights for the quarter

- Wilhelmsen delivers a net profit of USD 198 million for the fourth quarter lifted by increased profit in associates and a strong increase in financial asset values.
- USD 29 million in EBITDA.
 - Stable activity level, but reduced contribution due to additional cost from write down of inventories and increased bad debt accruals.
- USD 29 million profit from joint ventures and associates.
 - Solid development in Wallenius Wilhelmsen’s ocean volumes and for landbased, offset by reduced ocean margin.
 - Sales gain in supply services associate.
- USD 238 million net profit from change in financial asset value and other financial items.
 - Strong uplift in market value of Hyundai Glovis.
 - Positive contribution from other investments.
- Completed the transactions acquiring 50% of Ahrenkiel and 25% of Edda Wind.

Post quarter event

- The board proposes that the annual general meeting approves a first dividend of NOK 5.00 per share and authorises the board to declare a second dividend of up to NOK 3.00 per share. The first dividend proposal includes NOK 2.00 in extraordinary dividend to compensate for the reduced dividend paid in 2020.

Key figures



Financial performance

| USD mill - unless otherwise indicated | Q4'20 | Q3'20 | Q-on-Q Change | Q4'19 | Y-o-Y Change | 01.01- 31.12.20 | 01.01- 31.12.19 | Y-o-Y Change |
|---|-------|-------|------------------|-------|-----------------|--------------------|--------------------|-----------------|
| Total income | 202 | 198 | 2 % | 224 | -10 % | 812 | 850 | -5 % |
| - of which operating revenue | 199 | 199 | 0 % | 225 | -11 % | 807 | 836 | -4 % |
| - of which gain/(loss) on sale of assets | 2 | -1 | | -1 | | 5 | 14 | -64 % |
| EBITDA | 29 | 37 | -23 % | 31 | -9 % | 138 | 149 | -7 % |
| Operating profit/EBIT | 9 | 21 | -57 % | 12 | -28 % | 60 | 78 | -23 % |
| Share of profit/(loss) from associates | 29 | 3 | >500% | 12 | 134 % | -50 | 49 | neg. |
| Change in fair value financial assets | 215 | 164 | | -25 | | 192 | 34 | |
| Other financial income/(expenses) | 23 | 10 | | 3 | | 2 | -17 | |
| Profit/(loss) before tax/EBT | 275 | 198 | 39 % | 2 | >500% | 205 | 144 | 42 % |
| Tax income/(expenses) | -23 | -4 | | -9 | | -27 | -15 | |
| Profit/(loss) for the period | 253 | 193 | 31 % | -6 | neg. | 178 | 130 | 37 % |
| Profit/(loss) to equity holders of the company | 198 | 146 | 36 % | 2 | >500% | 117 | 114 | 3 % |
| EPS (USD) | 4,45 | 3,27 | 36 % | 0,05 | >500% | 2,63 | 2,46 | 7 % |
| Other comprehensive income | 78 | 17 | | 33 | | 23 | -3 | |
| Total comprehensive income | 330 | 211 | 57 % | 26 | >500% | 200 | 127 | 58 % |
| Total comp. income equity holders of the company | 273 | 163 | 67 % | 33 | >500% | 141 | 111 | 27 % |
| Total assets | 3 488 | 3 075 | 13 % | 3 293 | 6 % | 3 488 | 3 293 | 6 % |
| Equity holders of the company | 2 008 | 1 735 | 16 % | 1 880 | 7 % | 2 008 | 1 880 | 7 % |
| Total equity | 2 265 | 1 935 | 17 % | 2 082 | 9 % | 2 265 | 2 082 | 9 % |
| Equity ratio | 65 % | 63 % | 2 % | 63 % | 2 % | 65 % | 63 % | 2 % |

Group result

Total income for the Wilh. Wilhelmsen Holding ASA group (referred to as Wilhelmsen or group) was USD 202 million in the fourth quarter of 2020. This was down 10% from the corresponding period last year but up 2% from the previous quarter. The reduction in income from last year was due to lower activity within both maritime services and supply services. When compared with the previous quarter, income was up for maritime services and stable for supply services when adjusting for currency effects.

EBITDA was USD 29 million, down 9% from one year earlier and down 23% from the third quarter. The lower EBITDA for the quarter followed from several cost elements, including write down of inventories in maritime services and increased bad debt accruals in supply services.

Share of profit from associates was USD 29 million, mainly from the 37.8% shareholding in Wallenius Wilhelmsen ASA but also from supply services.

Change in fair value of financial assets was positive with USD 215 million, mainly due to a strong increase in the Hyundai Glovis share price. Other financials were an income of USD 23 million, primarily from gains on financial investments and currency derivatives.

Net profit to equity holders of the company was USD 198 million for the quarter, equal to USD 4.45 earnings per share (EPS).

Other comprehensive income for the quarter was a gain of USD 78 million, primarily related to currency translation differences on non-USD assets.

Total comprehensive income, including net profit and other comprehensive income, attributable to owners of the parent was USD 273 million.

Group balance sheet

Total assets were up 13% in the fourth quarter mainly due to an increase in fair value of financial assets.

The profit for the period lifted equity attributable to holders of the company with 16% to USD 2 008 million. As of 31 December, the group equity ratio was 65%.

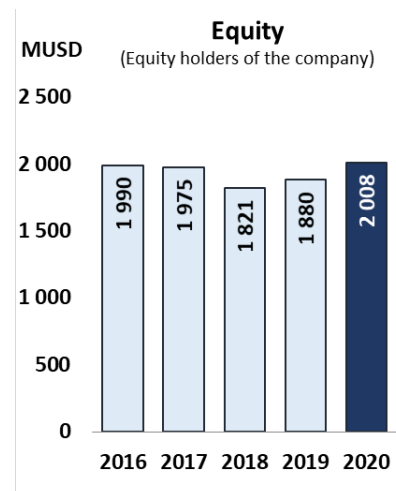
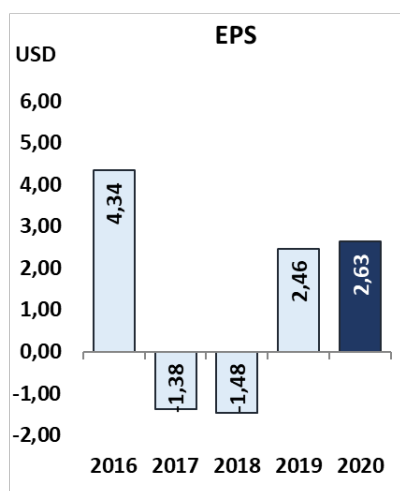
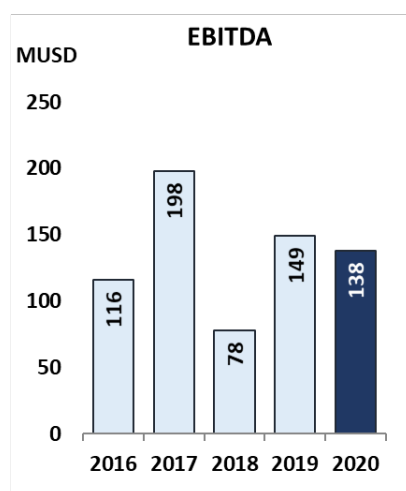
Group cash, liquidity, and debt

| USD mill | Cash & cash equiv. | Curr. fin. inv. | Leasing debt | IBD | NIBD |
|-------------------------|--------------------|-----------------|--------------|------------|------------|
| Maritime services | 175 | 0 | 199 | 45 | 69 |
| Supply services | 12 | 0 | 277 | 129 | 395 |
| Holding and investments | 81 | 124 | 0 | 20 | -185 |
| Elimination | 0 | 0 | -13 | -2 | -15 |
| Wilhelmsen group | 269 | 124 | 464 | 192 | 264 |

Cash and cash equivalents were USD 269 million at the end of the fourth quarter, up USD 70 million from the previous quarter. The cash balance was lifted by a strong USD 58 million in net cash from operating activities and proceeds from sale of shares in Hyundai Glovis, partly offset by the investment in Edda Wind.

Total interest-bearing debt including leasing debt was USD 657 million by the end of the quarter. This was up USD 45 million from the previous quarter mainly due to currency effects when converting non-USD debt into USD.

Full year 2020



Preliminary result for the year

Total income for Wilhelmsen was USD 812 million in 2020, down 5% from 2019. The reduction was due to lower income from maritime services partly offset by higher income from supply services.

Group EBITDA came in at USD 138 million for the year, down 7%.

Maritime services EBITDA was USD 89 million in 2020. When adjusting for a 2019 property sales gain, EBITDA was down 9% for the year. A sharp reduction in cruise activities had a negative impact on marine products and agency services, while non-marine products benefitted from sale of sanitizing products. Contribution from ship management was down for the year, partly due to losses from offshore wind activities.

Supply services EBITDA was USD 57 million for the year, down 2%. Contribution in local currency improved for most activities, but with reported results down due to the FX effect of a stronger USD.

The holding and investments segment had a negative EBITDA of USD 7 million, mainly related to net corporate cost. This was an improvement from previous years.

Share of profit from associates was a loss of USD 50 million for the year. The loss was due to a USD 63 million negative contribution from Wallenius Wilhelmsen ASA, which experienced a revenue drop by 24% mainly due to Covid-19.

Change in fair value financial assets was positive with USD 192 million for the year. This followed a strong uplift in the value of investments in Hyundai Glovis, while value of other investments was down.

Other financials were a net income of USD 2 million in 2020, with gain on current financial investments and dividend income offsetting interest expenses and other financial expenses.

Tax was included with an expense of USD 27 million, mainly related to maritime services.

Net profit to equity holders of the company was USD 117 million in 2020, up from USD 114 million in 2019.

Other comprehensive income was positive with USD 23 million, resulting in a total comprehensive income to equity holders of the company of USD 141 million for the year.

Segment information

Maritime services

The maritime services segment includes ships service, ship management, and other maritime services activities.

| USD mill - unless otherwise indicated | Q4'20 | Q3'20 | Q-on-Q Change | Q4'19 | Y-o-Y Change | 01.01- 31.12.20 | 01.01- 31.12.19 | Y-o-Y Change |
|---|------------|------------|------------------|------------|-----------------|--------------------|--------------------|-----------------|
| Total income | 137 | 130 | | 151 | -9 % | 544 | 591 | -8 % |
| - Ships service | 120 | 115 | 5 % | 137 | -12 % | 484 | 534 | -9 % |
| - Ship management | 16 | 15 | 8 % | 15 | 13 % | 59 | 56 | 5 % |
| - Other/eliminations | 0 | 0 | | 0 | | 1 | 0 | |
| EBITDA | 18 | 24 | -23 % | 23 | -19 % | 89 | 103 | -14 % |
| - EBITDA margin (%) | 13 % | 18 % | | 15 % | | 16 % | 17 % | |
| Operating profit/EBIT | 11 | 16 | -34 % | 14 | -24 % | 50 | 73 | -32 % |
| - EBIT margin (%) | 8 % | 13 % | | 9 % | | 9 % | 12 % | |
| Share of profit/(loss) from associates | 0 | 0 | neg. | 1 | neg. | 1 | 4 | -66 % |
| Change in fair value financial assets | 0 | 0 | | 0 | | 0 | -27 | |
| Other financial income/(expenses) | 17 | 6 | | 4 | | -14 | -24 | |
| Tax income/(expense) | -17 | -4 | | -10 | | -19 | -12 | |
| Profit/(loss) | 11 | 19 | -44 % | 9 | 20 % | 18 | 15 | 21 % |
| - Profit margin (%) | 8 % | 15 % | | 6 % | | 3 % | 3 % | |
| - Non controlling interests | 0 | 0 | | 1 | | 0 | 1 | |
| Profit/(loss) to equity holders of the company | 11 | 19 | -43 % | 8 | 28 % | 17 | 14 | 29 % |

Maritime services result

Total income from maritime services was USD 137 million in the fourth quarter. This was down 9% from the corresponding period last year, but up 5% from the third quarter.

EBITDA was USD 18 million, down 19% from the corresponding period previous year and down 23% from the third quarter.

Total financial items were positive with USD 17 million, including a net USD 21 million currency gain. Tax was included with an expense of USD 17 million, including withholding tax, impairment of tax loss carried forward and a tax expense related to change of a local business model.

The quarter ended with a net profit to equity holders of the company of USD 11 million.

Ships service

Wilhelmsen Ships Service is a global provider of standardised product brands and service solutions to the maritime industry, focusing on marine products, maritime logistics and ships agency. Ships service is fully owned by Wilhelmsen.

Total income for ships service was USD 120 million, down 12% from the corresponding period previous year but up 5% from the third quarter. Sale of marine products and revenue from agency services continued the gradual recovery from the second quarter lows but remained well below pre-pandemic levels mainly due to low cruise activities. Non-marine income was down for the quarter.

EBITDA was down both when compared with the previous year and compared with the third quarter, partly due to a write down of inventories.

Ship management

Wilhelmsen Ship Management provides full technical management, crewing and related services for all major vessel types, and includes 50% of NorSea Wind. Ship management is fully owned by Wilhelmsen.

Total income for ship management was USD 16 million, up 13% from the corresponding period last year and up 8% from the third quarter. The increase was mainly due to further growth in offshore wind activities.

EBITDA was in line with previous year and the third quarter.

In October, Wilhelmsen Ship Management completed the transaction acquiring a 50% stake in Ahrenkiel Steamship GmbH & Co KG, the technical container ship manager within the MPC Capital Group. The company, which is renamed Wilhelmsen Ahrenkiel Ship Management, currently manages a fleet of 72 container ships.

Other maritime services activities

This includes Wilhelmsen Insurance Services (fully owned by Wilhelmsen) and certain corporate activities and investments.

Wilhelmsen Insurance Services had a stable development in total income, while EBITDA was down from previous year and the third quarter.

Segment information

Supply services

The supply services segment includes NorSea Group, WilNor Governmental Services, and other supply services activities.

| USD mill - unless otherwise indicated | Q4'20 | Q3'20 | Q-on-Q Change | Q4'19 | Y-o-Y Change | 01.01- 31.12.20 | 01.01- 31.12.19 | Y-o-Y Change |
|---|-----------|-----------|------------------|-----------|-----------------|--------------------|--------------------|-----------------|
| Total income | 64 | 67 | -3 % | 71 | -10 % | 263 | 255 | 3 % |
| - NorSea Group | 63 | 66 | -4 % | 70 | -10 % | 239 | 251 | 3 % |
| - Other/eliminations | 1 | 1 | 15 % | 1 | -8 % | 3 | 4 | -6 % |
| EBITDA | 13 | 16 | -19 % | 12 | 7 % | 57 | 59 | -2 % |
| - EBITDA margin (%) | 20 % | 24 % | | 17 % | | 22 % | 23 % | |
| Operating profit/EBIT | 1 | 8 | -81 % | 3 | -42 % | 22 | 22 | 3 % |
| - EBIT margin (%) | 2 % | 12 % | | 4 % | | 9 % | 9 % | |
| Share of profit/(loss) from associates | 5 | 1 | >500% | -5 | neg. | 11 | 6 | 91 % |
| Other financial income/(expenses) | -4 | -4 | | -5 | | -17 | -19 | |
| Tax income/(expense) | -3 | 0 | | 0 | | -3 | -3 | |
| Profit/(loss) | 0 | 4 | neg. | -8 | neg. | 13 | 5 | 159 % |
| - Profit margin (%) | -1 % | 6 % | | -11 % | | 5 % | 2 % | |
| - Non controlling interests | 0 | 1 | | -2 | | 3 | 1 | |
| Profit/(loss) to equity holders of the company | 0 | 3 | -99 % | -6 | neg. | 10 | 4 | 169 % |

Supply services result

Total income from supply services was USD 64 million in the fourth quarter. This was down 10% from the corresponding period last year and down 3% from the third quarter.

EBITDA was USD 13 million, up 7% from the corresponding period last year but down 19% from the previous quarter.

The quarter included a USD 3 million impairment charge related to fixed assets.

Share of profit from associates was USD 5 million in the fourth quarter, including a property sales gain. Other financials and tax were both included with a net expense of USD 3 million.

Net profit to equity holders of the company was nil for the quarter.

NorSea Group

NorSea Group provides supply bases and integrated logistics solution to the offshore industry. Wilhelmsen owns ~75,2% of NorSea Group.

Total income for NorSea Group was USD 63 million in the fourth quarter. This was down 10% from one year earlier and down 4% from the third quarter. Supply base activities were stable when adjusted for the normal seasonal slowdown towards the end of the year. For other activities, partly provided on a pass-through basis, income was down.

EBITDA was up from the previous year but down from the third quarter partly due to increased bad debt accruals.

Other supply services activities

This includes WilNor Governmental Services (owned 51% directly and 49% through NorSea Group) and certain minor supply services activities.

The underlying activity level was stable for the quarter.

In December, WilNor Governmental Services declared the option to acquire 66% of the shares in the Olavsvern Group AS. The transaction will be completed in the first quarter of 2021. Olavsvern is a mountain basin logistics complex located in the Arctic region of Norway.

Segment information

Holding and investments

The holding and investments segment includes investments in Wallenius Wilhelmsen ASA and Treasure ASA, financial assets, and other holding and investments activities.

| USD mill - unless otherwise indicated | Q4'20 | Q3'20 | Q-on-Q Change | Q4'19 | Y-o-Y Change | 01.01- 31.12.20 | 01.01- 31.12.19 | Y-o-Y Change |
|---|------------|------------|------------------|------------|-----------------|--------------------|--------------------|-----------------|
| Total income | 3 | 3 | 4 % | 4 | -4 % | 14 | 11 | 24 % |
| - Operating revenue | 3 | 3 | 4 % | 4 | -4 % | 14 | 11 | 24 % |
| - Gain on sale of assets | 0 | 0 | | 0 | | 0 | 0 | |
| EBITDA | -2 | -2 | | -3 | | -7 | -12 | |
| Operating profit/EBIT | -3 | -4 | | -4 | | -12 | -17 | |
| Share of profit/(loss) from associates | 24 | 2 | >500% | 17 | 44 % | -62 | 39 | neg. |
| - Wallenius Wilhelmsen ASA | 22 | 3 | >500% | 17 | 35 % | -63 | 39 | neg. |
| - Other/eliminations | 1 | 0 | | 0 | | 1 | 0 | |
| Change in fair value financial assets | 215 | 164 | | -25 | | 192 | 61 | |
| - Hyundai Glovis | 205 | 175 | | -28 | | 202 | 37 | |
| - Other financial assets | 10 | -11 | | 3 | | -9 | 24 | |
| Other financial income/(expenses) | 9 | 8 | 13 % | 4 | 135 % | 33 | 26 | 25 % |
| - Investment management (Holding) | 9 | 6 | | 3 | | 13 | 12 | |
| - Dividend income Hyundai Glovis | 1 | 1 | | 0 | | 13 | 13 | |
| - Other financial income/(expense) | 0 | 1 | | 1 | | 7 | 1 | |
| Tax income/(expense) | -2 | -1 | | 2 | | -5 | 1 | |
| Profit/(loss) for the period | 242 | 170 | | -8 | | 146 | 109 | |
| - Non controlling interests | 55 | 46 | | -8 | | 57 | 13 | |
| Profit/(loss) to equity holders of the company | 188 | 124 | | 0 | | 90 | 96 | |

Holding and investments result

The holding and investments segment reported a USD 188 million profit after non-controlling interests in the fourth quarter. This reflects a positive contribution from Wallenius Wilhelmsen ASA, a strong increase in the financial asset value of the shareholding in Hyundai Glovis, and a positive development in the value of other investments.

Wallenius Wilhelmsen ASA

Wallenius Wilhelmsen ASA is a global provider of ocean and land-based logistics services towards car and ro-ro customers and is listed on Oslo Børs. Wilhelmsen owns ~37,8% of the company, which is reported as associate in Wilhelmsen's accounts.

Total income for Wallenius Wilhelmsen ASA was USD 822 million, down 12% from the corresponding period last year but up 18% from the third quarter. Ocean revenue was down 16% y-o-y as a result of a 4% fall in volume, lower net freight earned per cubic meter, lower fuel surcharge revenue and limited charter income. Landbased revenue was up 2% on increased high-margin volumes with solid automotive related business recovery and continued resilience in terminals. The increase in total income q-o-q followed higher volume for both ocean and landbased.

EBITDA was USD 150 million, down 7% from the previous year and on par with the third quarter.

Wallenius Wilhelmsen ASA reported a net profit of USD 47 million for the quarter, with Wilhelmsen's share being USD 22 million.

Treasure ASA

Treasure ASA holds a 11.0% ownership interest in Hyundai Glovis and is listed on Oslo Børs. Wilhelmsen owns ~73,5% of Treasure ASA (not adjusted for shares held by the company).

In December, Treasure ASA sold 1.04% of its shares in Hyundai Glovis, reducing ownership from 12.04% to 11.0%. Net proceeds from the sale were USD 63 million.

Change in fair value of the shareholding in Hyundai Glovis was positive with USD 205 million for the quarter, following a 28% increase in the share price and an appreciation of the KRW versus USD. The market value of the investment in Hyundai Glovis was USD 699 million at the end of the fourth quarter.

Financial investments

Financial investments include cash and cash equivalents, current financial investments and other financial assets held by the parent and fully owned subsidiaries.

Change in fair value of non-current financial assets was a gain of USD 10 million for the quarter (excluding Hyundai Glovis, which is reported under Treasure ASA). The market value at the end of the fourth quarter was USD 103 million.

Net income from investment management was a gain of USD 9 million for the quarter. The market value of the current financial investment portfolio was USD 124 million by the end of the fourth quarter. The portfolio primarily included listed equities and investment-grade bonds.

Other holding and investments activities

Holding/other activities include general holding activities and certain non-financial investments, including Raa Labs AS (100% owned), Massterly AS (50%), Dolittle AS (46%), and Edda Wind (25%).

EBITDA was a loss of USD 2 million in the fourth quarter. This was in line with the third quarter but less than the historic average negative contribution of USD 3 million per quarter.

In October, Wilhelmsen completed the transaction acquiring 25% of Østensjø Group's offshore wind company, Edda Wind, with option to buy another 25% before June 2021. The activity is reported as an associate under the holding and investments segment.

Launched in 2018, Edda Wind owns and operates service vessels supporting the maintenance work conducted during the commissioning and operation of offshore wind parks.

Outlook

Maritime services

For ships service, it is expected that the gradual recovery in global shipping activities from mid-2020 lows will continue, but with operating income to remain below historic levels during the first part of 2021. The largest impact will remain from reduction in cruise activities, representing 10-15% of operating income pre Covid-19.

For ship management, operating income is expected to gradually increase, supported by a targeted growth in ships on management.

Supply services

Seasonality will continue to impact offshore activities, resulting in an expected modest reduction in operating revenue in the first quarter followed by an increase in activity level in the second and third quarter.

Holding and investments

For Wallenius Wilhelmsen, the market has recovered significantly from early 2020 but volumes remain below 2019 levels and sales patterns remain unstable. Due to overall global fleet reduction, low order book and a rebound in volumes anticipated to come close to pre Covid-19 levels during 2021, overall industry supply-demand balance is expected to improve mid-term.

Investments accounted for on a mark-to-market basis will be impacted by an expected continued volatile market.

Wilhelmsen group

The spread of Covid-19 and the measures undertaken to contain it will continue to impact global economic activity.

The extent of the future impact on operating income and result and on asset prices remains uncertain. Wilhelmsen retains its robustness and capacity to meet this uncertainty.

Lysaker, 16 February 2021
The board of directors of Wilh. Wilhelmsen Holding ASA

Forward-looking statements presented in this report are based on various assumptions. These assumptions were reasonable when made, but as assumptions are inherently subject to uncertainties and contingencies which are difficult or impossible to predict, Wilhelmsen cannot give assurances that expectations regarding the outlook will be achieved or accomplished.

Income statement - financial report

| USD mill | Note | Q4 2020 | Q4 2019 | YTD 2020 | Full year 2019 |
|--|------|------------|------------|-------------|-------------------|
| Operating revenue | | 199 | 225 | 807 | 836 |
| Other income | | | | | |
| Gain/(loss) on sale of assets | | 2 | (1) | 5 | 14 |
| Total income | | 202 | 224 | 812 | 850 |
| Operating expenses | | | | | |
| Cost of goods and change in inventory | | (59) | (70) | (243) | (247) |
| Employee benefits | | (82) | (80) | (299) | (306) |
| Other expenses | | (33) | (43) | (131) | (148) |
| Operating profit before depreciation and amortisation | | 29 | 31 | 138 | 149 |
| Depreciation and impairments | 6/7 | (20) | (19) | (78) | (71) |
| Operating profit | | 9 | 12 | 60 | 78 |
| Share of profit/(loss) from joint ventures and associates | 4 | 29 | 12 | (50) | 49 |
| Change in fair value financial assets | 9 | 215 | (25) | 192 | 34 |
| Other financial income/(expenses) | 10 | 23 | 3 | 2 | (17) |
| Profit before tax | | 275 | 2 | 205 | 144 |
| Tax income/(expense) | | (23) | (9) | (27) | (15) |
| Profit/(loss) for the period | | 253 | (6) | 178 | 130 |
| Attributable to: equity holders of the company | | 198 | 2 | 117 | 114 |
| non-controlling interests | | 54 | (9) | 61 | 16 |
| Basic earnings per share (USD) | 8 | 4,45 | 0,05 | 2,63 | 2,46 |

Comprehensive income - financial report

| USD mill | | Q4 2020 | Q4 2019 | YTD 2020 | Full year 2019 |
|--|--|------------|------------|-------------|-------------------|
| Profit/(loss) for the period | | 253 | (6) | 178 | 130 |
| Items that will not be reclassified to income statement | | | | | |
| Remeasurement postemployment benefits, net of tax | | (1) | (1) | (3) | (1) |
| Items that may be reclassified to income statement | | | | | |
| Cash flow hedges (net after tax) | | 2 | 2 | (3) | 1 |
| Comprehensive income from associates | | (2) | (2) | (4) | (2) |
| Currency translation differences | | 79 | 34 | 33 | (2) |
| Other comprehensive income, net of tax | | 78 | 33 | 23 | (3) |
| Total comprehensive income for the period | | 330 | 26 | 200 | 127 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the company | | 273 | 33 | 141 | 111 |
| Non-controlling interests | | 57 | (6) | 59 | 16 |
| Total comprehensive income for the period | | 330 | 26 | 200 | 127 |

The above consolidated income statement should be read in conjunction with the accompanying notes.

Balance sheet - financial report

| USD mill | Note | 31.12.2020 | 31.12.2019 |
|--|------|--------------|--------------|
| Deferred tax asset | 5 | 55 | 57 |
| Goodwill and other intangible assets | 6 | 141 | 151 |
| Vessels, property and other tangible assets | 6 | 560 | 554 |
| Right-of-use assets | 7 | 177 | 173 |
| Investments in joint ventures and associates | 4 | 973 | 1 003 |
| Financial assets to fair value | 9 | 801 | 675 |
| Other non current assets | | 28 | 25 |
| Total non current assets | | 2 736 | 2 638 |
| Inventory | | 84 | 82 |
| Current financial investments | 13 | 124 | 102 |
| Other current assets | | 274 | 317 |
| Cash and cash equivalents | 12 | 269 | 153 |
| Total current assets | | 751 | 655 |
| Total assets | | 3 488 | 3 293 |
| Paid-in capital | 8 | 122 | 118 |
| Retained earnings | 8/11 | 1 886 | 1 762 |
| Attributable to equity holders of the company | | 2 008 | 1 880 |
| Non-controlling interests | | 257 | 202 |
| Total equity | | 2 265 | 2 082 |
| Pension liabilities | | 25 | 20 |
| Deferred tax | 5 | 12 | 11 |
| Non-current interest-bearing debt | 12 | 426 | 429 |
| Non-current lease liabilities | 7/12 | 161 | 155 |
| Other non-current liabilities | | 23 | 28 |
| Total non current liabilities | | 647 | 643 |
| Current income tax | | 14 | 9 |
| Public duties payable | | 14 | 12 |
| Current interest-bearing debt | 12 | 38 | 65 |
| Current lease liabilities | 7/12 | 31 | 27 |
| Other current liabilities | | 478 | 455 |
| Total current liabilities | | 576 | 568 |
| Total equity and liabilities | | 3 488 | 3 293 |

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Cash flow statement - financial report

| USD mill | | Q4 | Q4 | YTD | Full year |
|--|------|-------------|-------------|--------------|--------------|
| | Note | 2020 | 2019 | 2020 | 2019 |
| Cash flow from operating activities | | | | | |
| Profit/(loss) before tax | | 275 | 2 | 205 | 144 |
| Share of (profit)/loss from joint ventures and associates | | (29) | (12) | 50 | (49) |
| Change in fair value financial assets | 9 | (215) | 25 | (192) | (34) |
| Other financial (income)/expenses | | (23) | (3) | (2) | 17 |
| Depreciation/impairment | 6/7 | 20 | 19 | 78 | 71 |
| (Gain)/loss on sale of fixed assets | 6 | (2) | 7 | (5) | (8) |
| (Gain)/loss from sale of subsidiaries, joint ventures and associates | | | | | (6) |
| Change in net pension asset/liability | | (1) | 1 | (0) | |
| Change in inventory | | 1 | (2) | 1 | (9) |
| Change in other working capital | | 35 | (1) | 70 | (19) |
| Tax paid (company income tax, withholding tax) | | (3) | (2) | (9) | (8) |
| Net cash provided by operating activities | | 58 | 34 | 194 | 98 |
| Cash flow from investing activities | | | | | |
| Dividend received from joint ventures and associates | | 10 | 12 | 21 | 33 |
| Proceeds from sale of fixed assets | 6/7 | 2 | 1 | 7 | 17 |
| Investments in fixed assets | 6/7 | (12) | (15) | (37) | (40) |
| Net proceeds from sale of subsidiaries | | | | | 3 |
| Net proceeds from sale of joint ventures and associates | | | | | 34 |
| Investments in subsidiaries, joint ventures and associates | | (25) | | (34) | (3) |
| Loan repayments received from sale of subsidiaries | | | 6 | | 6 |
| Proceeds from dividend and sale of financial investments | | 73 | 4 | 146 | 65 |
| Current financial investments | | (23) | (6) | (62) | (38) |
| Interest received | | 0 | 2 | 1 | 4 |
| Net cash flow from investing activities | | 25 | 5 | 41 | 81 |
| Cash flow from financing activities | | | | | |
| Proceeds from issue of debt | 12 | 12 | 12 | 19 | 93 |
| Repayment of debt | 12 | (13) | (12) | (60) | (136) |
| Repayment of leasing debt | | (3) | | (18) | (24) |
| Interest paid including interest derivatives | | (4) | (6) | (18) | (25) |
| Interest paid leasing debt | | (2) | | (10) | (11) |
| Cash from/ to financial derivatives | | 1 | | (14) | |
| Dividend to shareholders/purchase of own shares | | (3) | (12) | (18) | (62) |
| Net cash flow from financing activities | | (13) | (18) | (119) | (165) |
| Net increase in cash and cash equivalents * | | 70 | 20 | 115 | 14 |
| Cash and cash equivalents at the beg. of the period * | | 199 | 133 | 153 | 140 |
| Cash and cash equivalents at the end of the period * | | 269 | 153 | 269 | 153 |

*The group is located and operating world wide, and every entity has several bank accounts in different currencies. Unrealised currency effects are included in net cash provided by operating activities.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Statement of changes in equity - financial report

Statement of changes in equity - Year to date

| USD mill | Share capital | Own shares | Retained earnings | Total | Non-controlling interests | Total equity |
|--|---------------|------------|-------------------|--------------|---------------------------|--------------|
| Balance at 31.12.2019 | 122 | (4) | 1 761 | 1 880 | 202 | 2 082 |
| Profit/(loss) for the period | | | 117 | 117 | 61 | 178 |
| Other comprehensive income | | | 24 | 24 | (1) | 23 |
| Purchase of own shares Treasure Group* | | | (3) | (3) | | (3) |
| Change in non-controlling interests | | | | | (1) | (1) |
| Paid dividend to shareholders | | | (9) | (9) | (3) | (13) |
| Balance 31.12.2020 | 122 | (4) | 1 890 | 2 008 | 257 | 2 265 |

* Treasure ASA acquired 2.500.000 own shares in May 2020 and additional 1.000.000 own shares in August 2020 and hold 3.965.000 shares 31 December 2020.

| | | | | | | |
|---|------------|------------|--------------|--------------|------------|--------------|
| Balance at 31.12.2018 | 122 | | 1 698 | 1 820 | 196 | 2 017 |
| Implementation of IFRS 16 leasing | | | | | | |
| Profit for the period | | | 114 | 114 | 16 | 130 |
| Other comprehensive income | | | (3) | (3) | | (3) |
| Change in non-controlling interests* | | | 5 | 5 | (5) | |
| Own shares in WWH ASA and Treasure ASA ** | | (4) | (27) | (31) | | (31) |
| Paid dividend to shareholders | | | (26) | (26) | (5) | (31) |
| Balance 31.12.2019 | 122 | (4) | 1 761 | 1 880 | 202 | 2 082 |

*Liquidation of 2 200 000 own shares in Treasure ASA.

** WWH acquired own shares 30 September 2019 for USD 30.4 million, represented 537 092 A- shares and 1 286 732 B- shares. Average cost per shares was NOK 144.00. After the liquidation of 2 200 000 shares in Treasure ASA in first half year 2019, Treasure ASA acquired 465 000 own shares, cost was USD 715 thousand.

The above consolidated statement of statement of changes in equity should be read in conjunction with the accompanying notes.

Notes - financial report

Note 1 - Accounting principles

General information

This consolidated interim financial report has been prepared in accordance with International Accounting Standards (IAS 34), "interim financial reporting". The consolidated interim financial reporting should be read in conjunction with the annual financial statements for the year end 31 December 2019 for Wilh. Wilhelmsen Holding ASA group (WWI), which has been prepared in accordance with IFRS endorsed by the EU.

Basic policies

The accounting policies implemented are consistent with those of the annual financial statements for WWI for the year end 31 December 2019.

Roundings

As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

Critical accounting estimates and assumptions

The significant volatility in financial and non-financial markets during the year, has resulted in increased measurement uncertainty for assets and liabilities.

Accounts receivable

The customers of Maritime Services and Supply Services are impacted by the Covid-19 pandemic. The global economic development is currently still uncertain for customers operations and liquidity.

Note 2 - Significant acquisitions and disposals

2020

During the quarter the group has acquired 25% of Edda Wind group and 50% of Wilhelmsen Ahrenkiel group.

No other material disposal or acquisition.

2019

No material disposal or acquisition.

Notes - financial report

Note 3 - Income statement per operating segment

| USD mill | Maritime Services | | Supply Services | | Holding & Investments | | Eliminations | | WWH group total | |
|---|-------------------|----------------|-----------------|----------------|-----------------------|----------------|----------------|----------------|-----------------|----------------|
| | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 |
| Quarter | | | | | | | | | | |
| Operating revenue | 135 | 151 | 64 | 72 | 3 | 4 | (3) | (2) | 199 | 225 |
| Gain/(loss) on sale of assets | 2 | | 0 | | 0 | | (0) | | 2 | (1) |
| Total income | 137 | 151 | 64 | 71 | 3 | 4 | (3) | (2) | 202 | 224 |
| Operating expenses | | | | | | | | | | |
| Cost of goods and change in inventory | (40) | (47) | (18) | (22) | (0) | | 0 | | (59) | (70) |
| Employee benefits | (52) | (52) | (26) | (24) | (4) | (3) | 0 | | (82) | (80) |
| Other expenses | (26) | (29) | (7) | (13) | (2) | (3) | 2 | 1 | (33) | (43) |
| Operating profit/(loss) before depreciation and amortisation | 18 | 23 | 13 | 12 | (2) | (3) | (0) | (0) | 29 | 31 |
| Depreciation and impairments | (7) | (8) | (11) | (10) | (1) | (1) | 0 | | (20) | (19) |
| Operating profit/(loss) | 11 | 14 | 1 | 3 | (3) | (4) | (0) | (0) | 9 | 12 |
| Share of profit/(loss) from associates | (0) | 1 | 5 | (5) | 24 | 17 | | | 29 | 12 |
| Change in fair value financial assets | | | | | 215 | (25) | | | 215 | (25) |
| Other financial income/(expenses) | 17 | 4 | (4) | (5) | 9 | 4 | 0 | | 23 | 3 |
| Profit/(loss) before tax | 28 | 19 | 3 | (8) | 244 | (9) | (0) | 0 | 275 | 2 |
| Tax income/(expense) | (17) | (10) | (3) | | (2) | 2 | | | (23) | (9) |
| Profit/(loss) | 11 | 9 | (0) | (8) | 242 | (8) | (0) | 0 | 253 | (6) |
| Non-controlling interests | (0) | 1 | | (2) | 55 | (8) | | | 54 | (9) |
| Profit/(loss) to equity holders of the company | 11 | 8 | 0 | (6) | 188 | (0) | (0) | (0) | 198 | 2 |
| Currency through Income Statement Including in other financial income/(expenses) | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 |
| Operating currency, net | (7) | (1) | 3 | 2 | (1) | | | | (6) | 1 |
| Financial currency, net | 3 | (2) | (2) | (2) | (3) | (1) | | | (3) | (5) |
| Currency derivatives, realised | 1 | (2) | | | (0) | | | | 1 | (2) |
| Currency derivatives, unrealised | 25 | 12 | | | 4 | 1 | | | 29 | 14 |
| Net currency items in other financial income/(expenses) | 21 | 7 | 0 | | (0) | | | | 21 | 7 |
| Through other comprehensive income | | | | | | | | | | |
| Currency translation differences through OCI | 28 | 7 | 7 | 1 | 43 | 26 | | | 79 | 34 |
| Total net currency effects | 49 | 15 | 8 | | 43 | 26 | | | 100 | 41 |

For Maritime Services, Supply Services and Holding and Investments, material translation risks are booked to other comprehensive income due to the functional currency for most of the entities being different from the reporting currency USD.

Economic currency hedging (through Income Statement)

The group's operating segments are responsible for hedging their own material transaction risk. Within Maritime Services, USDNOK, EURUSD and USDSGD exposures are subject to a systematic 3-year rolling hedge program, utilizing a portfolio of currency options and currency forwards. Remaining exposures are non-material and not hedged.

Cont. Note 3 - Segment reporting: Income statement per operating segments

| USD mill | Maritime Services | | Supply Services | | Holding & Investments | | Eliminations | | WWH group total | |
|--|-------------------|------------|-----------------|------------|-----------------------|-------------|--------------|------------|-----------------|------------|
| | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 |
| YTD | | | | | | | | | | |
| Operating revenue | 542 | 582 | 260 | 249 | 14 | 11 | (10) | (7) | 807 | 836 |
| Gain on sale of assets | 2 | 9 | 3 | 6 | | | | | 5 | 14 |
| Total income | 544 | 591 | 263 | 255 | 14 | 11 | (10) | (7) | 812 | 850 |
| Operating expenses | | | | | | | | | | |
| Cost of goods and change in inventory | (166) | (181) | (77) | (65) | | (1) | | | (243) | (247) |
| Employee benefits | (199) | (204) | (88) | (89) | (12) | (14) | | | (299) | (306) |
| Other expenses | (91) | (103) | (40) | (42) | (8) | (9) | 8 | 5 | (131) | (148) |
| Operating profit before depreciation and amortisation | 89 | 103 | 57 | 59 | (7) | (12) | (1) | (1) | 138 | 149 |
| Depreciation and impairments | (39) | (29) | (35) | (37) | (5) | (5) | 1 | 1 | (78) | (71) |
| Operating profit | 50 | 73 | 22 | 22 | (12) | (17) | (0) | (0) | 60 | 78 |
| Share of profit/(loss) from associates | 1 | 4 | 11 | 6 | (62) | 39 | | | (50) | 49 |
| Changes in fair value financial assets | | (27) | | | 192 | 61 | | | 192 | 34 |
| Net finance income / expenses | (14) | (24) | (17) | (19) | 33 | 26 | | | 2 | (17) |
| Profit before tax | 37 | 27 | 16 | 8 | 151 | 109 | (0) | 0 | 205 | 144 |
| Tax income/(expense) | (19) | (12) | (3) | (3) | (5) | 1 | | | (27) | (15) |
| Profit for the period | 18 | 15 | 13 | 5 | 146 | 109 | (0) | 0 | 178 | 130 |
| Non-controlling interests | 0 | 1 | 3 | 1 | 57 | 13 | | | 61 | 16 |
| Profit to equity holders of the company | 17 | 14 | 10 | 4 | 90 | 96 | (0) | 0 | 117 | 114 |

Currency through Income Statement

| Including in other financial income/(expenses) | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 | YTD 2020 | YTD 2019 |
|--|----------|------------|------------|----------|----------|------------|----------|----------|----------|------------|
| Operating currency, net | (13) | 2 | 9 | 5 | (0) | | | | (4) | 8 |
| Financial currency, net | (0) | (3) | (9) | (6) | 6 | (1) | | | (3) | (10) |
| Currency derivatives, realised | (10) | (8) | - | | (5) | (2) | | | (14) | (10) |
| Currency derivatives, unrealised | 25 | 2 | - | | 3 | 2 | | | 29 | 4 |
| Net currency items in other financial income/(expenses) | 3 | (7) | (0) | | 5 | (1) | - | | 7 | (8) |

Through other comprehensive income

| | | | | | | | | | | |
|--|-----------|------------|----------|------------|-----------|------------|----------|--|-----------|-------------|
| Currency translation differences through OCI | 10 | 1 | 2 | (1) | 21 | (2) | | | 33 | (2) |
| Total net currency effects | 13 | (7) | 1 | (1) | 26 | (3) | - | | 40 | (10) |

Notes - financial report

Cont note 3 - Balance sheet per operating segment

| USD mill | Maritime Services | | Supply Services | | Holding & Investments | | Eliminations | | Total | |
|--|-------------------|---------------|-----------------|---------------|-----------------------|---------------|---------------|---------------|---------------|---------------|
| | 31.12 2020 | 31.12 2019 | 31.12 2020 | 31.12 2019 | 31.12 2020 | 31.12 2019 | 31.12 2020 | 31.12 2019 | 31.12 2020 | 31.12 2019 |
| Year to date | | | | | | | | | | |
| Assets | | | | | | | | | | |
| Deferred tax asset | 40 | 42 | 6 | 5 | 9 | 10 | - | - | 55 | 57 |
| Intangible assets | 134 | 145 | 7 | 5 | 1 | - | - | - | 141 | 151 |
| Tangible assets | 177 | 182 | 381 | 369 | 3 | 3 | - | 1 | 560 | 555 |
| Right of use assets | 42 | 46 | 118 | 108 | 18 | 24 | (2) | (6) | 177 | 173 |
| Investments in joint ventures and associates | 19 | 11 | 128 | 126 | 825 | 867 | 0 | 0 | 973 | 1 003 |
| Financial assets to fair value | 0 | 0 | 0 | - | 801 | 675 | 0 | 0 | 801 | 675 |
| Other non current assets | 10 | 19 | 15 | 7 | 16 | 15 | (12) | (16) | 28 | 25 |
| Current financial investments | 0 | - | 0 | - | 124 | 102 | 0 | 0 | 124 | 102 |
| Other current assets | 291 | 327 | 68 | 82 | 3 | 27 | (3) | (35) | 359 | 400 |
| Cash and cash equivalents | 175 | 116 | 12 | 7 | 81 | 31 | 0 | 0 | 269 | 153 |
| Total assets | 889 | 887 | 735 | 710 | 1 880 | 1 753 | (17) | (57) | 3 488 | 3 293 |
| Equity and liabilities | | | | | | | | | | |
| Equity majority | 208 | 204 | 164 | 154 | 1 636 | 1 523 | 0 | 0 | 2 008 | 1 880 |
| Equity non-controlling interest | (2) | (1) | 56 | 54 | 203 | 149 | - | - | 257 | 202 |
| Deferred tax | 12 | 11 | 0 | - | 0 | - | - | - | 12 | 11 |
| Interest-bearing debt | 199 | 198 | 277 | 288 | - | 23 | (13) | (14) | 464 | 494 |
| Leasing debt | 45 | 49 | 129 | 113 | 20 | 25 | (2) | (6) | 192 | 181 |
| Other non current liabilities | 24 | 22 | 16 | 22 | 8 | 6 | 0 | 0 | 48 | 49 |
| Other current liabilities | 402 | 404 | 93 | 80 | 14 | 27 | (3) | (35) | 506 | 476 |
| Total equity and liabilities | 889 | 887 | 735 | 710 | 1 880 | 1 753 | (17) | (57) | 3 488 | 3 293 |

Notes - financial report

Cont note 3 - Cash flow per segment

| USD mill Quarter | Maritime Services | | Supply services | | Holding & Investments | |
|--|-------------------|-------------|-----------------|------------|-----------------------|------------|
| | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 | Q4 2020 | Q4 2019 |
| Profit/(loss) before tax | 28 | 19 | 3 | (8) | 245 | (9) |
| Change in fair value financial assets | 0 | | | | (215) | 25 |
| Share of (profit)/loss from joint ventures and associates | | (1) | (5) | 5 | (24) | (17) |
| Other financial (income)/expenses | (17) | (4) | 4 | 5 | (9) | (4) |
| Depreciation/impairment | 7 | 8 | 11 | 11 | 1 | 1 |
| Change in working capital | (7) | 7 | 12 | (14) | 10 | 6 |
| Net (gain)/loss from sale of subsidiaries and fixed assets | 6 | 6 | | | 0 | |
| Net cash provided by operating activities | 16 | 35 | 25 | (0) | 8 | 3 |
| Dividend received from joint ventures and associates | | 1 | 10 | | | 10 |
| Net sale/(investments) in fixed assets | (2) | (5) | (3) | 2 | | (1) |
| Net sale/(investments) in entities and segments | (4) | (5) | 1 | (9) | (20) | |
| Net sale/dividend from financial investments | | 2 | | 4 | 63 | |
| Net changes in other investments | | | (1) | 1 | | (1) |
| Net cash flow from investing activities | (5) | (8) | 7 | (3) | 43 | 7 |
| Net change of debt | (3) | | (15) | 14 | (1) | (2) |
| Net change in other financial items | (2) | (2) | (4) | (12) | | 1 |
| Net dividend from other segments/ to shareholders | | (11) | (1) | 2 | | (4) |
| Net cash flow from financing activities | (4) | (13) | (20) | 4 | (1) | (5) |
| Net increase in cash and cash equivalents | 7 | 14 | 12 | 1 | 50 | 5 |
| Cash and cash equivalents at the beg. of the period | 168 | 102 | | 6 | 31 | 25 |
| Cash and cash equivalents at the end of period | 175 | 116 | 12 | 7 | 81 | 31 |

Notes - financial report

Note 4 - Investment in joint ventures and associates

Joint ventures and associates at end of December are:

USD mill

| | Ownership | 31.12.2020 Booked value | 31.12.2019 Booked value |
|--|-----------|----------------------------|----------------------------|
| Holding and Investments segment: | | | |
| Wallenius Wilhelmsen ASA | 37.8% | 798 | 864 |
| Edda Wind group | 25 % | 23 | |
| Other | 40%-50% | 3 | 3 |
| Maritime services segment: | | | |
| Wilhelmsen Ahrenkiel Ship group | 50 % | 10 | |
| Associates | 20 - 50% | 9 | 11 |
| Supply services segment: | | | |
| <i>Joint venture</i> | | | |
| Coast Center Base | 50 % | 103 | 102 |
| Vikan Næringspark Invest AS | 50 % | 18 | 17 |
| Other | 50 % | 2 | 2 |
| <i>Associates</i> | | | |
| Risavika Eiendom AS | 42 % | | |
| Hammerfest Næringsinvest AS | 32 % | 1 | 1 |
| Other | 33 - 49% | 4 | 3 |
| Total investment in joint ventures and associates | | 973 | 1 003 |

| Share of profit/(loss) from joint ventures and associates | Q4 2020 | Q4 2019 | YTD 2020 | YTD 2019 |
|--|-----------|-----------|-------------|-----------|
| Wallenius Wilhelmsen ASA | 22 | 17 | (63) | 39 |
| Other joint ventures and associates in Holding and Investments | 1 | | 1 | |
| Joint ventures and associates in Supply Services | 5 | (5) | 11 | 6 |
| Associates in Maritime Services | (0) | 1 | 1 | 4 |
| Share of profit/(loss) from joint ventures and associates | 29 | 12 | (50) | 49 |

Note 5 - Tax

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method.

Notes - financial report

Cont note 6 - Tangible and intangible assets

During the quarter ending June 30 2020, the group's management identified impairment indicators related to downscaling of activities and corresponding re-organization of operations in specific markets due to the effect of the on-going Covid-19 pandemic. Impairment testing as of the end of June 2020 was performed using the method described in the accounting policies in the group's financial statements for 2019.

Impairment testing was performed for the cash generating units (CGUs) that exhibit impairment indicators, resulting in an impairment of goodwill attributable to cash generating units in the group's Maritime Services segment of USD 11 million.

The recoverable amount for the specific cash generating units was determined by the unit's value-in-use. The assumptions in the forecast used in the value-in-use assessments were based on external available market information where possible, in addition to the group's expectations about the future. The applied discount rate was based on the average cost of capital for the group and was adjusted to reflect the current market rate and specific business activities of the group.

During the quarter ending December 31 2020, management did not identify additional impairment indicators.

Notes - financial report

Note 6 - Tangible and intangible assets

| USD mill | Vessels | Property | Other tangible assets | Intangible assets | Total tangible and intangible assets |
|---|-------------|--------------|-----------------------|-------------------|--------------------------------------|
| 2020 - Full Year | | | | | |
| Cost 1.1 | 35 | 560 | 244 | 227 | 1 066 |
| Acquisition | | 19 | 11 | 7 | 37 |
| Reclass/disposal | | (4) | (21) | (44) | (69) |
| Currency translation differences | 1 | 22 | 6 | 3 | 33 |
| Cost 31.12 | 36 | 596 | 241 | 194 | 1 067 |
| Accumulated depreciation and impairment losses 1.1 | (19) | (175) | (90) | (77) | (361) |
| Depreciation/amortisation | (1) | (16) | (11) | (7) | (35) |
| Reclass/disposal | | 3 | 12 | 41 | 56 |
| Impairment | (2) | (1) | | (11) | (14) |
| Currency translation differences | (1) | (9) | (3) | 1 | (12) |
| Accumulated depreciation and impairment losses 31.12 | (23) | (198) | (92) | (52) | (366) |
| Carrying amounts 31.12 | 13 | 398 | 149 | 141 | 702 |
| 2019 - Full year | | | | | |
| Cost 1.1 | 35 | 550 | 251 | 225 | 1 061 |
| Acquisition | | 19 | 17 | 5 | 40 |
| Reclass/disposal | | (5) | (24) | | (29) |
| Currency translation differences | | (5) | 1 | (2) | (6) |
| Cost 31.12 | 35 | 560 | 244 | 227 | 1 066 |
| Accumulated depreciation and impairment losses 1.1 | (18) | (162) | (89) | (68) | (337) |
| Depreciation/amortisation | (1) | (17) | (11) | (7) | (36) |
| Reclass/disposal | | 4 | 10 | | 13 |
| Impairment | | (1) | | (2) | (3) |
| Currency translation differences | | 1 | 1 | 1 | 3 |
| Accumulated depreciation and impairment losses 31.12 | (19) | (175) | (90) | (77) | (361) |
| Carrying amounts 31.12 | 16 | 384 | 154 | 151 | 705 |

Notes - financial report

Note 7 - Leases

The IFRS 16 Leasing standard was effective from 1 January 2019. The standard significantly changed how the group accounts for its lease contracts for land, buildings and equipment previously accounted for as operating leases. All leases are brought into the balance sheet increasing the groups assets and liabilities, in addition to affecting income statement figures. This note summarizes the impact on the financial reporting of Wilhelmsen group from implementing the new standard.

The Lease Contracts

The group has a number of leases related to property and land that account for the significant part of the lease liability. The group also leases vehicle and equipment. A lease liability and right-of-use asset are presented for these contracts which previously were reported as operating leases.

Recognition and Measurement Approach on Transition

The group applied IFRS 16 retrospectively with recognition of the cumulative implementation effect recognised at the date of initial application 1 January 2019. By doing this, comparative financial information shall not be restated, but the cumulative effect of initially applying this standard shall be reflected as an

adjustment to the opening balance. At the time of transition, leases entered under IAS 17 will not be reassessed. In calculating the present value of lease payments, the group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To arrive at the incremental borrowing rate the group applies the respective country's (economic environment) risk free rate for the term corresponding to the lease term, adjusted for own credit risk.

The right-of-use assets are measured at an amount equal to the lease liability. The standard has provided options on scope and exemptions and below the group's policy choices are described:

- The standard will not be applied to leases of intangible assets and these will continue to be recognized in accordance with IAS 38 Intangible assets.
- All leases deemed short-term by the standard are exempt from reporting.
- All leases deemed to be of low value by the standard are exempt from reporting.
- Non-lease components shall be separated from the lease component in all vessel leases. For other lease agreements, the group will apply a materiality threshold when evaluating separation.

Implementation effect

The net effect of implementation of IFRS 16 at January 1, 2019 is presented below.

USD million

| | |
|--|----------|
| Lease liability at 1 January 2019 | 220 |
| Right-of-use asset at 1 January 2019 | 222 |
| Difference between lease liability and right-of-use asset at 1 January 2019 | 2 |
| Prepayments and currency translation | 2 |

Reconciliation of lease commitment and lease liability

| | |
|---|------------|
| Material operating lease commitment as at 31 December 2018 | 204 |
| Operating lease commitment as at 31 December 2018 (not included in material operating lease commitment) | 16 |
| Relief option for leases of low-value assets | (1) |
| Option periods not previously reported as lease commitments | 15 |
| Undiscounted lease liability | 234 |
| Effect of discounting lease commitment to net present value | (14) |
| Lease liability at 1 January 2019 | 220 |

Notes - financial report

Cont. note 7 - Leases

Right-of-use-assets

The group leases several assets such as buildings, machinery, equipment and vehicles. The group's right-of-use assets are categorised and presented in the table below:

| | Property | Other tangible assets | Total lease assets |
|---|-------------|-----------------------|--------------------|
| 2020 Lease assets Right of use - Full year | | | |
| Cost 1.1 | 191 | 12 | 203 |
| Acquisition | 16 | 5 | 21 |
| Reclass/disposal | (12) | (5) | (16) |
| Currency translation differences | 6 | | 6 |
| Cost 31.12 | 201 | 13 | 214 |
| Accumulated depreciation and impairment losses 1.1 | (27) | (4) | (30) |
| Depreciation/amortisation | (26) | (3) | (29) |
| Reclass/disposal | 21 | 4 | 24 |
| Currency translation differences | (2) | | (2) |
| Accumulated depreciation and impairment losses 31.12 | (34) | (3) | (37) |
| Carrying amounts 31.12 | 168 | 9 | 177 |

| | Property | Other tangible assets | Total lease assets |
|---|-------------|-----------------------|--------------------|
| 2019 Lease assets Right of use - Full year | | | |
| Implementation IFRS 16 | 210 | 12 | 222 |
| Reclassification * | (11) | | (11) |
| Currency translation differences | (8) | | (8) |
| Cost 31.12 | 191 | 11 | 203 |
| Accumulated depreciation and impairment losses 1.1 | | | |
| Depreciation/amortisation | (26) | (4) | (30) |
| Currency translation differences | (1) | | (1) |
| Accumulated depreciation and impairment losses 31.12 | (27) | (4) | (30) |
| Carrying amounts 31.12 | 165 | 8 | 173 |

* The option related to property in Norway is removed from right of use assets.

Notes - financial report

Note 8 - Shares

The share capital is as follow with a nominal value of NOK 20:

| | |
|---------------------|-------------------|
| A - shares | 34 537 092 |
| B - shares | 11 866 732 |
| Total shares | 46 403 824 |

Basic earnings per share is calculated by dividing profit for the period after non-controlling interests, by average number of total external outstanding shares.

Earnings per share is calculated based on 44 580 000 shares for 2020, and based on an average of 45 947 868 shares in 2019.

The group hold 1 823 824 own shares at 31 December 2020. Total outstanding shares as of 31 December 2020 are 34 000 000 A-shares and 10 580 000 B-shares.

Note 9 - Financial assets to fair value

| USD mill | 31.12.2020 | 31.12.2019 |
|--|------------|------------|
| Financial assets to fair value | | |
| At 31 December | 675 | 650 |
| Acquisition | 9 | 9 |
| Reclassified | | 2 |
| Sale during the year | (86) | (20) |
| Currency translation adjustment through other comprehensive income | 11 | |
| Change in fair value through income statement | 192 | 34 |
| Total financial assets to fair value | 801 | 675 |

Financial assets to fair value are held in subsidiaries with different functional currencies and thereby creating translation adjustment.

Note 10 - Other financial income/(expenses)

| | Q4 2020 | Q4 2019 | YTD 2020 | YTD 2019 |
|--|------------|------------|-------------|-------------|
| Investment management | 9 | 3 | 13 | 12 |
| Interest income | 0 | 2 | 1 | 4 |
| Other financial income | 0 | 1 | 17 | 17 |
| Interest expenses | (7) | (10) | (36) | (41) |
| Net financial currency | (9) | (4) | (7) | (2) |
| Net financial currencies derivatives | 29 | 11 | 15 | (6) |
| Other financial income/(expenses) | 23 | 3 | 2 | (17) |

Note 11 - Paid dividend

Dividend for fiscal year 2019 was NOK 2.00 per share, and was paid to the shareholders 14 May 2020.

The proposed dividend for fiscal year 2020, payable in second quarter 2021, is NOK 5.00 per share. A decision on this proposal will be taken by the annual

general meeting on 22 April 2021. The proposed dividend is not accrued in the year-end balance. The dividend will have effect on the retained earnings in second quarter 2021.

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Note 12 - Interest-bearing debt including leasing debt

| USD mill | 31.12.2020 | 31.12.2019 |
|------------------------------------|------------|------------|
| Non current interest-bearing debt | 426 | 429 |
| Current interest-bearing debt | 38 | 65 |
| Non current leasing debt | 161 | 154 |
| Current leasing debt | 31 | 27 |
| Total interest-bearing debt | 657 | 675 |
| Cash and cash equivalents | 269 | 153 |
| Current financial investments | 124 | 102 |
| Net interest-bearing debt | 264 | 420 |

Loan agreements entered into by group companies contain financial covenants related to equity ratio, liquidity, current ratio and net interest-bearing debt / EBITDA measured in respect of the relevant borrowing company or group of

companies. The group was in compliance with these covenants at 31 December 2020 (analogous for 31 December 2019).

Specification of interest-bearing debt

| USD mill | 31.12.2020 | 31.12.2019 |
|---|------------|------------|
| Interest-bearing debt | | |
| Bankloan | 464 | 494 |
| Leasing debt | 192 | 181 |
| Total interest-bearing debt | 657 | 675 |
| Repayment schedule for interest-bearing debt | | |
| Due in 1 year | 83 | 92 |
| Due in 2 year | 220 | 40 |
| Due in 3 year | 32 | 40 |
| Due in 4 year | 30 | 251 |
| Due in 5 year and later | 291 | 252 |
| Total interest-bearing debt | 657 | 675 |

Notes - financial report

Note 13 - Financial level

| USD mill | Level 1 | Level 2 | Level 3 | Total |
|--|------------|-------------|-----------|-------------|
| 2020 | | | | |
| Financial assets at fair value | | | | |
| Equities | 72 | | | 72 |
| Bonds | 48 | | | 48 |
| Financial derivatives | | 20 | | 20 |
| Financial assets at fair value | 778 | 5 | 18 | 801 |
| Total financial assets 31.12 | 898 | 25 | 18 | 940 |
| Financial liabilities at fair value | | | | |
| Financial derivatives | | (9) | | (9) |
| Total financial liabilities 31.12 | 0 | (9) | 0 | (9) |
| 2019 | | | | |
| Financial assets at fair value | | | | |
| Equities | 58 | | | 58 |
| Bonds | 44 | | | 44 |
| Financial derivatives | | 1 | | 1 |
| Financial assets at fair value | 655 | | 20 | 675 |
| Total financial assets 31.12 | 757 | 1 | 20 | 778 |
| Financial liabilities at fair value | | | | |
| Financial derivatives | (1) | (16) | | (16) |
| Total financial liabilities 31.12 | (1) | (16) | 0 | (16) |

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes. These quotes use the maximum number of observable market rates for price discovery. Specific valuation techniques used by financial counterparties (banks) to value financial derivatives include:

- Quoted market prices or dealer quotes for similar derivatives
- The fair value of interest rate swaps is calculated as the net present value of the estimated future cash flows based on observable yield curves
- The fair value of interest rate swap option (swaption) contracts is determined using observable volatility, yield curve and time-to-maturity parameters at the balance sheet date, resulting in a swaption premium. Options are typically valued by applying the Black-Scholes model.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to net present value
- The fair value of foreign exchange option contracts is determined using observable forward exchange rates, volatility, yield curves and time-to-maturity parameters at the balance sheet date, resulting in an option premium. Options are typically valued by applying the Black-Scholes model.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial derivatives.

The fair values, except for bond debt, are based on cash flows discounted using a rate based on market rates including margins and are within level 2 of the fair value hierarchy. The fair values of the bond debt are based on quoted prices and are also classified within level 2 of the fair value hierarchy due to limited trading in an active market.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the group is the current mid price. These instruments are included in level 1. Instruments included in level 1 at the end of December 2020 are liquid investment grade bonds (analogous for 2019).

The fair value of financial instruments that are not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use the maximum number of observable market rates for price discovery. The different techniques typically applied by financial counterparties (banks) were described above. These instruments - FX and IR derivatives - are included in level 2.

If one or more of the significant inputs is not based on observable market data, the derivatives is in level 3. Primarily illiquid investment funds and structured

Notes - financial report

Note 14 - Related party transactions

The group has undertaken several agreements and transactions with related parties in WalWil ASA group, Maritime Services, Supply Services and Holding and Investments segment in 2020 and 2019. All transactions are entered into market terms.

Generally, Shared Services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually.

In addition Maritime Services have several transactions with associates. The contracts governing such transactions are based on commercial market terms.

Note 15 - Contingencies

The size and global activities of the group dictate that companies in the group will be involved from time to time in disputes and legal actions.

The group is not aware of any financial risk associated with disputes and legal actions which are not largely covered through insurance arrangements.

Nevertheless, any such disputes/actions which might exist are of such a nature that they will not significantly affect the group's financial position.

Note 16 - Events occurring after the balance sheet date

The group acquired 66% of shares in Olavsvern Group AS. The date of control was 12 February 2021.

No other material events occurred between the balance sheet date and the date when the accounts were presented providing new information about the

conditions prevailing on the balance sheet date.

Notes 17 Alternative performance measures

This section describes non-GAAP financial alternative performance measures (APM) that may be used in the quarterly and annual reports and related presentations.

The following measures are not defined nor specified in the applicable financial reporting framework of IFRS. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to the IFRS. These APMs are intended to enhance comparability of the results, balance sheet and cash flows from period to period and it is the Company's experience that these are frequently used by investors, analysts and other parties. Internally, these APMs are used by the management to measure performance on a regular basis. The APMs should not be considered as a substitute for measures of performance in accordance with IFRS.

EBITDA is defined as Total income (Operating revenue and gain/(loss) on sale of assets) adjusted for Operating expenses. EBITDA is used as an additional measure of operational profitability, excluding the impact from financial items, taxes, depreciation and amortization.

EBITDA adjusted is defined as EBITDA excluding certain income and/or cost items which are not regarded as part of the underlying operational performance for the period. The Company do not report EBITDA adjusted on a regular basis, but may use it on a case by case basis to better explain operational performance.

EBITDA margin is defined as EBITDA as a per cent of Total income.

EBITDA margin adjusted is defined as EBITDA adjusted as a per cent of Total income, with Total income also adjusted for the same income elements as those which have been adjusted for in EBITDA adjusted.

EBIT is defined as Total income (Operating revenue and gain/(loss) on sale of assets) less Operating expenses, Other gain/loss and depreciation and amortization. EBIT is used as a measure of operational profitability excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses.

EBIT adjusted, EBIT margin and EBIT margin adjusted will, if used, be prepared in the same manner as described under EBITDA.

Net interest-bearing debt (NIBD) is defined as total interest bearing debt (Non-current interest-bearing debt and Current interest-bearing debt) less Cash and cash equivalents and Current financial investments.

Equity ratio is defined as Total equity as a percent of Total assets.

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