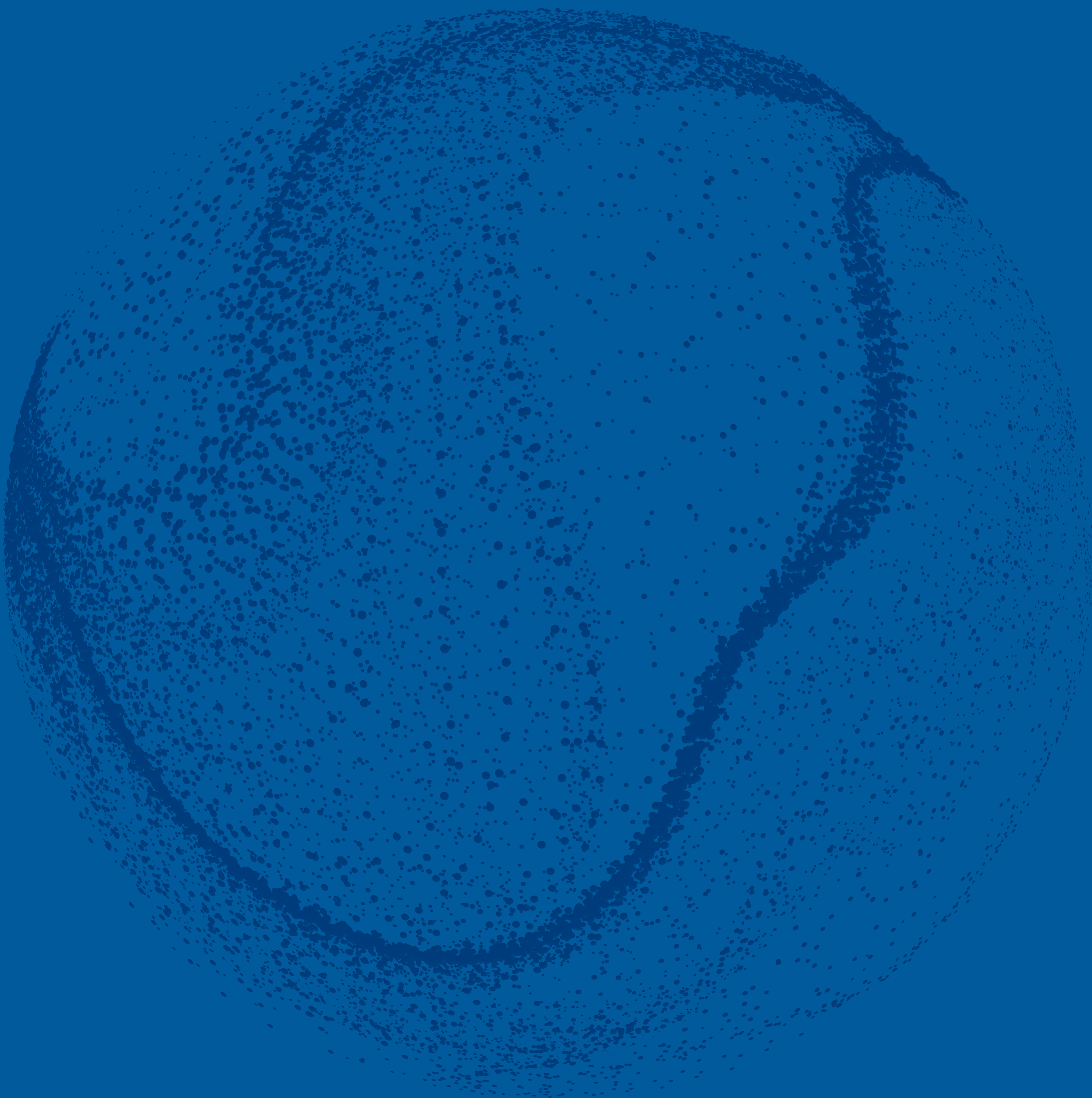
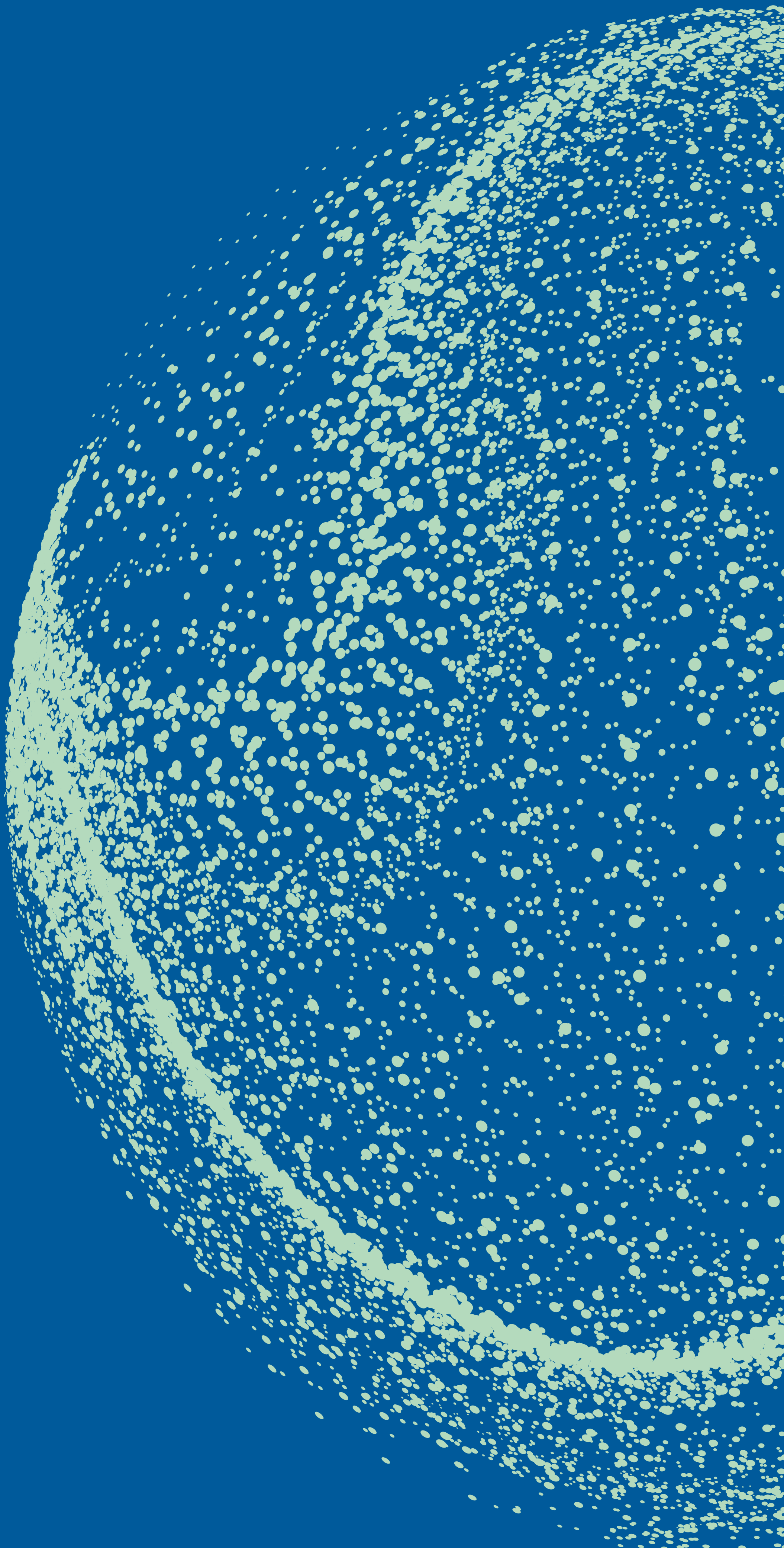
Wilhelmsen

Enable. Enhance. Simplify.

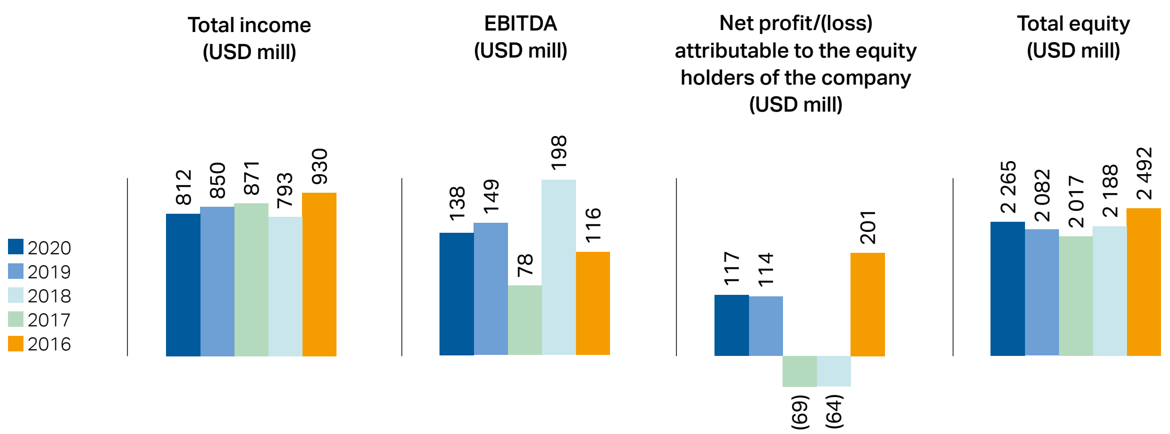
Annual report 2020





Key figures – consolidated accounts

		2020	2019	2018	2017	2016
INCOME STATEMENT						
Total income	USD mill	812	850	871	793	930
Operating profit before depreciation and impairment (EBITDA)	USD mill	138	149	78	198	116
Operating profit	USD mill	60	78	36	176	94
Profit/(loss) before tax	USD mill	205	144	(86)	253	151
Net profit/(loss)	USD mill	178	130	(75)	(2)	251
Net profit/(loss) attributable to the equity holders of the company	USD mill	117	114	(69)	(64)	201
BALANCE SHEET						
Non current assets	USD mill	2 736	2 638	2 467	2 637	3 781
Current assets	USD mill	751	655	612	636	914
Equity	USD mill	2 265	2 082	2 017	2 188	2 492
Interest-bearing debt	USD mill	657	675	533	601	1 533
Total assets	USD mill	3 488	3 293	3 079	3 273	4 695
KEY FINANCIAL FIGURES						
Cash flow from operation (1)	USD mill	194	98	62	70	420
Liquid funds at 31 December (2)	USD mill	393	255	227	268	580
Liquidy ratio (3)		1.3	1.2	1.1	1.4	1.9
Equity ratio (4)	%	65%	63%	66%	67%	53%
YIELD						
Return on equity (5)	%	6%	6%	(4%)	(3%)	11%
KEY FIGURES PER SHARE						
Earnings per share (6)	USD	2.63	2.46	(1.48)	(1.38)	4.34
Operating profit before depreciation and impairment (EBITDA) per share (7)	USD	3.10	3.24	1.68	4.26	2.51
Average number of shares outstanding	Thousand	44 580	45 948	46 404	46 404	46 404
Dividend per share	NOK	2.00	5.00	5.50	5.00	5.00



Definition
(1) Net cash flow from operating activities
(2) Cash and cash equivalent, and current financial investments
(3) Current assets divided by current liabilities
(4) Equity in percent of total assets
(5) Profit after tax divided by average equity
(6) Profit for the period after non-controlling interests, divided by average number of shares
Earnings per share taking into consideration the number of shares reduced for own shares
(7) Operating profit for the period adjusted for depreciation and impairments of assets, divided by average number of shares outstanding

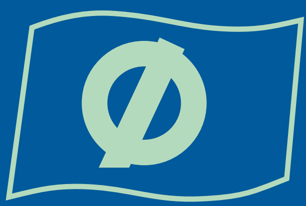
Highlights for 2020

Maintaining
safe operation
during the pandemic

Investing in
new sustainable
solutions

Gain on financial assets
offsetting reduced
operating profit

Acquiring 50% of
Wilhelmsen Ahrenkiel
Ship Management



Acquiring
25% of
Edda Wind

3%
shareholder
return

Content

Crew welfare

The challenge: Overnight, because of the pandemic, conducting crew changes became immensely difficult. Getting on or off vessels suddenly posed significant challenges no matter where in the world you were. The situation called for crew welfare to become an even higher priority than normal.

The solution: Wilhelmsen through its divisions handling crew and crew changes, devised work around solutions quickly. Global maps to understand the ongoing regulations port by port, and a number of initiatives to connect with crew onboard and onshore around the world.

1

Group CEO's statement

Positioning us for 2030 and beyond

2020 – MUCH BETTER THAN FEARED
Not many of us could have imagined that a virus would affect our personal and business lives to the extent it did in 2020. But I dare to argue that 2020, despite COVID-19, was an acceptable year for the Wilhelmsen group. Our top line dropped 5%, but we grew our ship management business significantly with the investment in Ahrenkiel, which gave us a solid position within the container segment. Albeit different and difficult working situations, the group also continued to introduce several new and innovative solutions. We also turned around and supported some of the challenges our customers and society at large faced because of COVID-19. The rapid development of the global port restrictions map and ability to switch to a production line of hand sanitizer in just a couple of days are two obvious examples. In addition, we were able to further position ourselves in the renewable energy space, buying 25% of Edda Wind (at time of writing we have increased our shareholding to 50%), which owns and operates service vessels supporting offshore wind parks, and introducing the concept vessel Topeka and HyShip, both related to hydrogen and decarbonisation.

A RESILIENT ORGANISATION
I am not only impressed, but also grateful for all our thousands of land-based employees, many of whom have worked from home for more than a year. Our ability to consistently support our customers is testament to their efforts. I would also like to express a special thanks to our seafarers. Crew changes have been extremely challenging during the pandemic, and still are in 2021 as I am writing this. I would also like to recognise the hardship and emotional distress seafarers have had to work through, and I am disappointed that governments have not done more to designate seafarers as key workers.

(E)MISSION IMPOSSIBLE? OPPORTUNITIES AHEAD
2020 may just have been the starting signal for the disruptive years ahead, a decade I see as being rich with opportunities. In the next ten years, we will be navigating through post-pandemic recovery, the changing landscape of finance triggered by commitments to the Paris agreement, the fast tracking of activities needed to meet the targets of the UN's Sustainable Development Goals, the global energy transition, and the introduction of new fuels and vessels to decarbonise shipping.

To be a successful and profitable player in the future, it will not be sufficient to just have a sustainability strategy – your strategy needs to be truly sustainable.

Our commitment is to actively contribute to reducing our own and our customers' environmental footprint, to one that we can be proud of. We aim to be an active player in the energy infrastructure transformation and to be equally active within decarbonisation. We took significant steps towards this in 2020, and we expect to see a steady increase in investment, business opportunities, and solutions emerging within the renewable space.

WHAT MOTIVATES ME ...
... is the fact that we are in a unique position to shape our industry. Unique because we have the ambitions, the will, the reputation, combined with in-depth experience and knowledge of our industry. Although our big headlines are about renewable energy and the future, we are equally committed to continue to grow and expand our top tier positions within our industry fleet, through the development of sustainable products and solutions. Reaching more than 50% of the world's merchant fleet, combined with our global infrastructure give us a unique opportunity to truly contribute to shaping the maritime industry and enable sustainable global trade through our offerings. This is a responsibility and opportunity we take seriously.

What makes Wilhelmsen unique to me, is also our ability to continuously adapt to our surroundings, including customer needs, new regulatory requirements, and technological opportunities. A capability that has enabled us to thrive for 160 years. This part of our DNA will enable us to continue to create value for customers, employees, shareholders, and society at large for decades to come. Playing a role in changing the future for the better is motivating and an important task which I personally take seriously and look forward to delivering on together with all our stakeholders.

Thomas Wilhelmsen, group CEO

Inventory on-demand

The challenge: It can take months for vessel spare parts to arrive in port. Expensive and idle months.

The solution: Wilhelmsen and thyssenkrupp joined forces to dive into and optimize the production and delivery process of 3D printed spare parts for the unique demands of the maritime market. Months of waiting for spare parts are reduced to days.

2

Directors' report

Directors' report for 2020

Wilh. Wilhelmsen Holding ASA

Highlights for 2020

- Maintaining operation and creating solution for safe crew handling during the pandemic.
- Investing in solutions enabling sustainable global trade.
- Reduction in operating income and profit.
- Net gain on financial assets.
- Acquiring 50% of Wilhelmsen Ahrenkiel Ship Management.
- Acquiring 25% of Edda Wind.
- Reduced shareholding in Hyundai Glovis from 12% to 11%.
- Paid dividend of NOK 2.00 per share.
- 3% shareholder return.

MAIN DEVELOPMENT AND STRATEGIC DIRECTION

The Wilh. Wilhelmsen Holding group (Wilhelmsen or group) is an industrial holding company within the maritime industry. The group's activities are carried out through fully and partly owned entities, most of which are among the market leaders within their segments. Wilhelmsen's ambition is to develop companies within maritime services, shipping, logistics, renewables, and related infrastructure through active ownership.

2020 has been dominated by the pandemic, affecting almost all markets and countries on a global scale. In this situation, the focus for Wilhelmsen has been, and continues to be, to safeguard the health and safety of our employees, crew, and members of the society at large. At the same time, the organisation has continuously strived to serve its customers and secure the operation of its critical global supply chain and infrastructure. Most office staff have been required to work from home during large parts of the year, and Wilhelmsen has been in the forefront in the work to secure solutions for safe crew changes globally. The board would like to thank all our crew and onshore employees for their extraordinary efforts during the pandemic.

Guided by our vision of shaping the maritime industry, Wilhelmsen has in 2020 continued the work to support transition to a more sustainable future, including projects and new investments within energy transition and decarbonisation of shipping.

The markets in which Wilhelmsen operates faced in 2020 the double headwind of a pandemic and a long term trend of a declining growth rate for global trade. In this market-environment, the Wilhelmsen operating companies continued to deliver premium services and new sustainable solutions to its customers, while at the same time tightly managing the cost base. The group also continued to invest in and develop new activities outside present product offerings. While income and operating profit were down for the year, cash flow improved, and solid performance on investments contributed to an increase in net profit.

Maritime services deliver value creating solutions to the global merchant fleet, focusing on marine products, ships agency and ship management. Supporting the shipping industry in managing through the pandemic, new tools have been created by Wilhelmsen including online port restriction maps and guidelines for crew testing and changes. In 2020, Wilhelmsen expanded the fleet under management through taking a 50% stake in the rebranded Wilhelmsen Ahrenkiel containership management company and made further progress in the development of solutions for 3D printing of spare parts. While income for maritime services was down for the year, the operating margin held up well.

For supply services, the offshore oil and gas industry remains the largest customer base, but with a gradual shift into other areas such as governmental services and offshore wind. In 2020, further expansion was made into offshore wind and important steps were taken to develop a liquid hydrogen supply chain for maritime applications in Norway. At the very end of the year, it was decided to declare the option to acquire a majority stake in the owner of Olavsvern, a marine base suitable for governmental services. Income and operating profit in supply services were stable for the year.

Despite a turbulent period at the early stage of the pandemic, the group's investment activities ended the year on a positive note. Wallenius Wilhelmsen ASA took pro-active steps reducing capacity and cost in the first half, with volumes gradually recovering during the second half. The Hyundai Glovis share price measured in USD was up 36% for the year after a 40%

drop in the first quarter. In the fourth quarter, Wilhelmsen acquired 25% of Edda Wind AS and reduced its shareholding in Hyundai Glovis from 12% to 11%. In total, the holding and investment activities contributed with USD 90 million to Wilhelmsen's net profit to equity holders of the parent in 2020.

The Wilhelmsen group maintains a strong equity base. In 2020, total equity was up 9% and the equity ratio based on book values improved to 65%. By the end of the year, equity attributable to equity holders of the company exceeded USD 2 billion.

Liquidity also remains strong. Cash and cash equivalents totalled USD 269 million by end of the year, with total liquidity increasing to USD 1 194 million if including all financial assets. The debt repayment profile for the group remains healthy.

Wilhelmsen's goal is to provide shareholders with a high return over time through a combination of rising value for the company's shares and payment of dividend. The objective is to have consistent yearly dividend paid twice annually.

The long-term incentive plan for the executive management and short-term incentive plan for holding company employees are both based on a positive development in the group's value adjusted equity above set thresholds. This aligns the long-term interests of shareholders and management.

The Wilhelmsen share price followed the broader market, falling at the early stage of the pandemic, before recovering and ending the year with a small gain. Total return including share price development and paid dividend was 3.6% for the WWI share and 3.0% for the WWIB share, compared with a 4.6% increase in the Oslo Børs Benchmark index (source: indices.euronext.com).

As a precursory measure at the early stage of the pandemic, the board decided to reduce the first dividend payment in 2020 to NOK 2.00 per share, and to not ask for authority to declare a second dividend. With strong cash control and mitigating efforts, the group has managed to retain profitability and increase liquidity. The board will as a result propose to the 2021 annual general meeting an extraordinary dividend of NOK 2.00 per share, compensating for the reduced dividend paid in 2020. The extraordinary dividend will be paid out in addition to ordinary dividend paid in 2021.

In 2019, Wilhelmsen bought 1.8 million own shares in the market, having a positive effect on the earnings per share (EPS). The board will propose to the 2021 annual general meeting to liquidate the shares, reducing the number of outstanding shares with 3.93%.

The board believes sound corporate governance is the foundation for profitable growth and a healthy company culture. Good governance

The board of Wilh. Wilhelmsen Holding ASA

From left:
Carl E Steen
Rebekka Glasser Herlofsen
Ulrika Laurin
Trond Westlie
Diderik Schnitler (chair)

contributes to reduced risk and creates value over time for shareholders and other stakeholders. The board is committed to a sustainable strategy which is a vital prerequisite for Wilhelmsen to be a profitable and responsible player in the industry and society. In 2020, employee engagement, ethics and anti-corruption, health, safety and wellbeing, responsible procurement, cyber security and data protection, climate risk, and partnerships for sustainable innovations received particular attention.

In 2021, Wilhelmsen will re-design the portfolio to intensify growth of maritime services and on renewable energy and decarbonisation. In addition to accelerating the transition of existing businesses, Wilhelmsen will invest in new businesses related to the renewable sector. A new business segment named "New energy" will be established, including among other the ongoing transformation of NorSea Group, offshore wind activities through NorSea Wind and Edda Wind, and activities within autonomous shipping and decarbonisation solutions.

FINANCIAL RESULTS

Income statement

Wilhelmsen group (USD mill)	2020	2019
Total income	**812**	**850**
of wich operating revenue	*807*	*836*
of wich gain on sale of assets	*5*	*14*
EBITDA	**138**	**149**
Operating profit/EBIT	**60**	**78**
Share of profit/(loss) from associates	**(50)**	**49**
Change in fair value financial assets	**192**	**34**
Other financial income/(expenses)	**2**	**(17)**
Profit before tax/EBT	**205**	**144**
Tax income/(expenses)	**(27)**	**(15)**
Profit for the period	**178**	**130**
Profit to equity holders of the company	**117**	**114**
EPS (USD)	**2.63**	**2.46**
Other comprehensive income	**23**	**3**
Total comprehensive income	**200**	**127**
Total comprehensive income attributable to equity holders of the parent	**141**	**111**

Total income for Wilhelmsen was USD 812 million in 2020, down 5% from 2019. The reduction was mainly 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%. EBITDA was down for maritime services, stable for supply services, and improved for holding and investments.

Share of profit from associates was a loss of USD 50 million for the year. Associates in supply services contributed positively, while Wallenius Wilhelmsen ASA had a negative contribution.

Change in fair value financial assets was positive with USD 192 million for the year. This followed a strong uplift in the value of the investment in Hyundai Glovis, while the 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 after tax and non-controlling interests 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 2020.

Cash flow, liquidity and debt

The group had cash and cash equivalents of USD 269 million by the end 2020, up from USD 153 million by the end of 2019. The increase in cash and cash equivalents for the year followed a strong contribution from operating and investing activities partly offset by financing activities.

Cash flow (USD mill)	2020	2019
Cash and cash equivalents 1.1	**153**	**140**
From operating activities	**194**	**98**
of which maritime services	*131*	*83*
of which supply services	*43*	*32*
of which other operating activities	*19*	*(17)*
From investing activities	**41**	**81**
From financing activities	**(119)**	**(165)**
of which dividend	*(9)*	*(56)*
of which net debt	*(59)*	*(68)*
of which other financing activities	*(51)*	*(42)*
Net cash flow	**115**	**14**
Cash and cash equivalents 31.12	**269**	**153**

Cash flow from operating activities was positive with USD 194 million in 2020. This was above the USD 138 in EBITDA and a strong improvement from the previous year mainly due to a positive change in working capital in maritime services.

Cash flow from investing activities was positive with USD 41 million, including proceeds from sale of shares in Hyundai Glovis and Qube.

Cash flow from financing activities was negative with USD 119 million in 2020. Net debt repayment counted for the largest share of net cash outflow, followed by interest payments.

By the end of 2020, the group had liquid financial assets of USD 1 194 million. In addition to cash and cash equivalents, this included current financial investments and non-current financial assets reported as financial assets to fair value.

Liquid assets (USD mill)	2020	2019
Cash and cash equivalents	269	153
of which maritime services	*175*	*116*
of which Supply services	*12*	*7*
of which holding and investments	*81*	*31*
Current financial investments	124	102
Financial assets to fair value	801	675
Total	**1194**	**930**

The parent company carries out active financial asset management of part of the group's liquidity. The current financial investment portfolio includes listed equities and investment grade bonds. The value of the portfolio amounted to USD 124 million at the end of 2020.

The group's investments classified as financial assets to fair value had a combined value of USD 801 million by the end of the year. The largest investment was the 11% share-holding in Hyundai Glovis held through Treasure ASA, valued at USD 699 million.

The main group companies fund their investments and operations on a standalone basis, with no recourse to the parent company. The primary funding source is the commercial bank loan market.

Interest-bearing debt (incl. lease) (USD mill)	2020	2019
Maritime services	245	247
Supply services	407	401
Holding and investments	20	48
Elimination	(15)	(21)
Total	**657**	**675**

By end of 2020, the group's total interest-bearing debt including leasing debt was USD 657 million. Debt was down for the year, mainly due to repayment of all non-leasing debt in the parent company. In supply services, a net repayment of debt was offset by FX effect from converting NOK debt into USD.

Going concern assumption

Pursuant to section 4, sub-section 5, confer section 3, sub-section 3a of the Norwegian Accounting Act, it is confirmed that the annual accounts have been prepared under the assumption that the enterprise is a going concern and that the conditions are present.

MARITIME SERVICES

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

Maritime services (USD mill)	2020	2019
Total income	**544**	**591**
of which ships service	*484*	*534*
of which ship management	*59*	*56*
other/eliminations	*1*	*0*
EBITDA	**89**	**103**
EBITDA margin (%)	*16%*	*17%*
Operating profit/EBIT	**50**	**73**
EBIT margin (%)	*9%*	*12%*
Share of profit from associates	1	4
Change in fair value financial assets	0	(27)
Other financial income/(expenses)	(14)	(24)
Tax income/(expense)	(19)	(12)
Profit	**18**	**15**
Profit margin (%)	*3%*	*3%*
Non controlling interest	0	1
Profit to equity holders of the company	**17**	**14**

Total income for maritime services was USD 544 million in 2020, down 8% from 2019. Income from ships service was down, while income from ship management was up.

EBITDA for the year was USD 89 million, down 14%. When adjusting for a 2019 property sales gain, EBITDA was down 9%. This was in line with the fall in total income. The maritime services EBITDA margin was 16% in 2020, down from 17% the previous year.

Share of profit from associates was USD 1 million, down from USD 4 million. The reduction followed lower contribution from associates in ships service, and a net loss in ship management.

Change in fair value financial assets was nil. In 2019 it was a loss of USD 27 million following a full write down of the investment in Survitec Group.

Other financial income/expenses for maritime services amounted to an expense of USD 14 million. This was an improvement from previous year due to lower interest

Maritime services

- Wilhelmsen Ships Service
- Wilhelmsen Ship Management
- Wilhelmsen Insurance Services

Supply services

- NorSea Group (owned ~75.2%)
- WilNor Governmental Services

expenses and a USD 3 million gain on currency and financial instruments. A USD 5 million impairment of a loan to a joint venture had a negative impact.

Tax was an expense of USD 19 million in 2020, including impairment of deferred tax asset related to tax loss carry forward and a tax expense related change of business model in one market.

Profit to equity holders of the company was USD 17 million in 2020, up from USD 14 million the previous year.

Ships service

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

Total income from ships service was USD 484 million in 2020, down 9% from the previous year. The fall in total income was a result of a general reduction in global shipping activities, impacting both sale of marine products and agency services. The largest impact was from reduction in cruise activities, representing 10-15% of operating income before the pandemic. Income from non-marine products increased.

EBITDA was also down for the year. This followed the reduction in total income, partly offset by a strong USD.

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 59 million in 2020, up 5%. Excluding a 2019 sales gains, income was up 19%. The increase in income followed further growth in vessels on technical management, some increase in layup activities, and a full year of operation for new offshore wind activities.

EBITDA was down for the year, due to losses from offshore wind, reduced operating margin, and a 2019 sales gain.

In October, 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.

Wilhelmsen Insurance Services

Wilhelmsen Insurance Services provides marine and non-marine insurance solutions for internal and external clients. Insurance services is fully owned by Wilhelmsen.

Total income for insurance services was stable at USD 3 million, while EBITDA was down for the year.

SUPPLY SERVICES

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

Supply services (USD mill)	2020	2019
Total income	**263**	**255**
of which NorSea Group	*259*	*251*
other/eliminations	*3*	*4*
EBITDA	**57**	**59**
EBITDA margin (%)	*22%*	*23%*
Operating profit/EBIT	**22**	**22**
EBIT margin (%)	*9%*	*9%*
Share of profit from associates	11	6
Other financial incom/(expenses)	(17)	(19)
Tax income/(expense)	(3)	(3)
Profit/(loss)	**13**	**5**
Profit margin (%)	*5%*	*2%*
Non controlling interest	3	1
Profit to equity holders of the company	**10**	**4**

Total income for supply services was USD 263 million in 2020, up 3% from 2019. Income in local currencies was up across all main activities and locations, but with accounting effect reduced due to a strong USD.

EBITDA came in at USD 57 million, down 2%. The EBITDA margin was 22%, a small reduction from the previous year.

Share of profit from associates was USD 11 million, lifted by a fourth quarter sales gain.

Net financial items were an expense of USD 17 million, and tax was an expense of USD 3 million in 2020.

Profit to equity holders of the company was USD 10 million for the year, up from USD 4 million in 2019.

NorSea Group AS

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 259 million in 2020, up 3% from 2019. All offshore supply bases experienced an increase in activities, partly supported by a Norwegian stimulus package for the industry. Income from property activities was stable. Gain on sale of assets was USD 3 million for the year.

EBITDA was some down for the year, due to lower gain from sale of assets

WilNor Governmental Services
WilNor Governmental Services provides military logistics services in Norway and internationally. Wilhelmsen owns 51% of the company directly, with the remaining 49% owned through NorSea Group.

Total income for WilNor Governmental Services was USD 3 million in 2020, down 6% from 2019. EBITDA was down for the year.

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

HOLDING AND INVESTMENTS

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

Holding and investments (USD mill)	2020	2019
Total income	**14**	**11**
of which operating revenue	*14*	*11*
of which gain on sale of assets	*0*	*0*
EBITDA	**(7)**	**(12)**
Operating profit/EBIT	**(12)**	**(17)**
Share of profit/(loss) from associates	**(62)**	**39**
of which Wallenius Wilhelmsen ASA	*(63)*	*39*
other/eliminations	*1*	*(0)*
Change in fair value financial assets	**192**	**61**
of which Hyundai Glovis	*202*	*37*
of which Qube/other financial assets	*(9)*	*24*
Other financial income/(expenses)	**33**	**26**
of which investment management in holding	*13*	*12*
of which dividend income Hyundai Glovis	*12*	*13*
other financial income (expense)	*8*	*1*
Tax income/(expense)	**(5)**	**1**
Profit for the period	**146**	**109**
Non controlling interest	57	13
Profit to equity holders of the company	**90**	**96**

Total income for the holding and investments segment was USD 14 million in 2020, mainly from intercompany services provided to group companies.

EBITDA was a loss of USD 7 million, which is an improvement from previous years due to reduced corporate cost.

Share of profit from associates was a loss of USD 62 million, mainly related to the 37.8% ownership in Wallenius Wilhelmsen ASA.

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

Other financials were an income of USD 33 million, including dividend income and investment gains.

Tax was an expense of USD 5 million including an impairment of deferred tax asset related to tax loss carry forward.

Profit to equity holders of the company was USD 90 million for the year, compared with a profit of USD 96 million in 2019.

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 2 958 million in 2020, a 24% reduction mainly due to COVID-19. Ocean revenues were down 26% driven by 23% lower volumes, lower net freight per CBM, reduced fuel surcharge and a decline in other revenue. Landbased revenues were down 20% as volumes dropped on temporary original equipment manufacturer (OEM) plant closures and production cutbacks.

EBITDA was USD 473 million for the year. Adjusting for non-recurring items, EBITDA was down 36% compared with 2019.

Wilhelmsen's share of profit from Wallenius Wilhelmsen ASA was a loss of USD 63 million in 2020, compared with a USD 39 million profit in 2019.

The Wallenius Wilhelmsen ASA share price was up 6.3% in 2020, closing at NOK 23.20. As of 31 December 2020, the market value of Wilhelmsen's investment was USD 435 million,

Holding and investments

- Wallenius Wilhelmsen ASA (owned ~37.8%)
- Treasure ASA (owned ~72.7%)
- Financial assets

while the book value of the shareholding was USD 798 million. A value in use assessment has been made supporting the book value.

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.

Treasure ASA's main source of income is the dividend received from Hyundai Glovis. This is reported as financial income in Wilhelmsen's accounts. Dividend received in 2020 was USD 12 million.

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.

The value of Treasure ASA's investment in Hyundai Glovis was USD 699 million by the end of 2020, up from USD 560 million by the end of the previous year. The USD 139 million increase was the net effect of a USD 202 million valuation gain, accounted for as change in fair value financial assets, and the sales proceed.

The Treasure ASA share price was up 35.5% for the year, closing at NOK 18.50. As of 31 December 2020, the market value of Wilhelmsen's shareholding in Treasure ASA was USD 347 million.

In 2020, Treasure ASA paid total dividend of NOK 0.40 per share, up from NOK 0.30 per share in 2019. Total cash proceeds to Wilhelmsen were USD 7 million.

During the second and third quarter, Treasure ASA bought 3.5 million own shares in the market at NOK 11.00 to NOK 11.25 per share. Wilhelmsen maintained a holding of 160 million shares in Treasure ASA.

Financial investments

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

Net income from investment management was a gain of USD 13 million in 2020. The value of the current financial investment portfolio held by the holding company was USD 124 million by the end of the year, up from USD 102 million one year earlier. The portfolio primarily included listed equities and investment-grade bonds.

Change in fair value of non-current financial assets (excluding shareholding in Hyundai Glovis) was a loss of USD 13 million in 2020, while dividend income was USD 4 million. The value of the assets was USD 103 million at the end of 2020. During the year, Wilhelmsen reduced its shareholding in Qube Holdings from 40 million to 35 million shares, representing a 1.8% ownership.

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 AS (25%).

The net operating cost related to holding and investment activities was down for the year.

In October, Wilhelmsen completed the transaction acquiring 25% of Østensjø Group's offshore wind company, Edda Wind AS, with option to buy another 25% before June 2021. Launched in 2018, Edda Wind AS owns and operates service vessels supporting the maintenance work conducted during the commissioning and operation of offshore wind parks.

RISK REVIEW

The Wilhelmsen group consists of a diversified portfolio of operating companies and investments. Most activities are within or related to the maritime industry, where Wilhelmsen has extensive competence and a long experience in managing risks.

Risk management

The group is committed to manage risks in a sound manner related to its businesses and operations. To accomplish this, the governing concept of conscious strategy and controllable procedures for risk mitigation ultimately provides a positive impact on profitability. The responsibility of governing boards, management and all employees are to be aware of the current environment in which the companies operate, implement measures to mitigate risks, prepare to act upon unusual observations, threats or incidents, and respond to risks to mitigate consequences. The group has put in place a risk monitoring process based on identification of risks for each business unit, and with a group risk matrix presented to the board on a quarterly basis for review and necessary actions.

Market risk

Demands for the group's service offerings are, to various degree, correlated with the global economy in general and maritime trade in particular.

Maritime services are exposed to the general shipping markets. In 2020, global shipping was impacted by measures to contain the spread of COVID-19. In this environment, maritime services remained resilient and had an overall stable activity level outside the cruise segment.

Supply services' exposure is mainly to the Norwegian offshore sector, but with a gradual expansion into other markets. Despite a fall in oil prices in 2020, the activity level remained high partly due to government support schemes towards the industry.

Investment exposure is skewed towards the global automotive and high and heavy markets, through the shareholding in Wallenius Wilhelmsen ASA and, indirectly, Hyundai Glovis. A fall in global auto sales in 2020 had a negative impact on the two companies, but a recovery is now underway. From a geographical perspective, Wilhelmsen's investment exposure is overweight towards Korea and, to a less degree, Oceania and the Nordic region.

Operational risk

The various operating entities of the group are exposed to and manage risk specific to the markets in which they operate. The general risk picture broadly remains unchanged from previous years.

Through its global reach and broad product spectre, maritime services operations are exposed to a wide range of operational risk factors. These are, however, mainly related to local markets and specific product offerings. While any such incident will normally have limited global consequences, a major accident, turbulence within a key geographical market, product quality issues, a cyber-attack or other disruption of IT systems, a pandemic, or loss of main customers may affect the wider financial and operational performance.

Supply services operations will have a similar risk exposure as maritime services, though mainly related to the offshore industry and the northern European region.

The group has established a range of measures to avoid or mitigate the consequences of operational risk incidents. In 2020, safe operation during the pandemic and cyber risk have received special attention.

Financial risk

Wilhelmsen remains exposed to a wide range of financial risks, either on a general basis or related to specific group companies. This includes exposure to currencies, oil prices, equity markets and interest rates, as well as credit risk and liquidity risk.

In the currency markets, the USD strengthened against most currencies at the start of the COVID-19 pandemic, before weakening towards the end of 2020.

The oil price remained volatile also in 2020, falling sharply at the start of the pandemic before partly recovering.

To support economic activity during the pandemic, most central banks have now cut the base interest rates close to zero. Indications are that this situation will remain for some time.

The global equity market first reacted negatively to the sharp fall in economic activity following the pandemic, before recovering supported by low interest rates and an expected economic recovery.

The group's exposure to, and management of, financial risk is further described in Note 19 to the 2020 group accounts. This includes foreign exchange rate risk, interest rate risk, investment portfolio risk, credit risk and liquidity risk.

All group companies were compliant with their loan covenant requirements in 2020.

Climate risk

Wilhelmsen is exposed to climate risk on a general basis and related to specific group companies.

Physical risks related to the maritime services and supply services assets and operations, such as more extreme weather and rising water levels, are considered to be medium to long term risks.

Transition risks related to the group are considered to be more short to medium term. This includes regulatory, reputational, market, and technology risks.

The energy transition and the decarbonisation of shipping are the backdrop for the transition risks for the group, but also present significant opportunities.

The International Maritime Organisation's (IMO) greenhouse gas (GHG) emissions ambition coupled with the enabling measures for the EU's green deal, other regional and national government's climate measures and energy transition priorities, as well as the finance sector's increased attention on environmental, social, and governance (ESG) issues, all exemplify the changing landscape for Wilhelmsen.

The work to identify, measure and manage climate risk will continue, building on the recommendations from the Task force on Climate-related Financial Disclosures (TCFD).

HEALTH, WORKING ENVIRONMENT, AND SAFETY

Working environment and occupational health

The company conducts its business with respect for human rights and labour standards, including conventions and guidelines related to the prevention of child or forced labour, minimum wage and salary, working conditions and freedom of association. Employees and external stakeholders are encouraged to report on non-compliant behaviour through the group's global whistleblowing system.

Exposure hours

In 2020, there were around 44.8 million exposure hours (work hours) in the group. Vessel based operations accounted for 79% of total exposure hours and onshore operations accounted for 21%.

Sickness absence and occupational disease

The group's variety of ongoing initiatives to maintain a healthy work environment were particularly critical during the year. The focus was on physical and mental health, working conditions including working from home, employee assistance program, safe social activities, employee engagement surveys and opportunities for personal development.

The sickness absence rate was 2.01% for onshore operations, and 0.01% on vessels, in line with previous year. There were no occupational disease cases recorded in 2020.

Turnover

The turnover rate for employees in the parent company and fully owned subsidiaries was 11.25% in 2020, in line with previous years. The turnover rate varies between segments.

Lost time injuries and total recordable cases

There were zero work related fatalities in 2020.

For vessel-based operations, safety campaigns focused on COVID-19 measures and mental health and wellness. During the year, crew changes were conducted where possible, when risk mitigation conditions were met, and according to international and local guidelines. Management has also been active in raising awareness of the need for seafarers to be recognized as key workers, to enable the safe and unhindered movement of seafarers to and from their workplace.

In 2020, the lost-time injury frequency (LTIF) rate for sailing personnel was 0.28, within the target not to exceed 0.50. The total recordable case frequency (TRCF) rate was 1.40, within the target not to exceed 2.80. The LTIF rate target for 2021 is not to exceed 0.40 and the TRCF rate is not to exceed 2.80.

For onshore operations, campaigns focused on COVID-19 measures and mental and physical health and wellness, including the working from home situation. At the end of the year, approximately 60% of onshore employees were working from home.

The LTIF rate onshore was 0.13 in 2020, within target not to exceed 0.5. The TRCF rate result of 0.30 was within target not to exceed 1.5. The LTIF rate target for 2021 is not to exceed 0.40 and the TRCF rate is not to exceed 1.0.

All reported incidents were investigated to avoid similar incidents in the future, improve necessary training and awareness measures.

Near miss incidents and safety observations

Safety observation reporting on vessel operations increased in 2020 with 10 969 observations reported for the year compared to 9 782 in 2019.

Safety observation and risk assessment reporting onshore improved in 2020, mainly due to increased recording of the Take5 safety assessments conducted by ships agency employees. 9 450 observations were reported versus 8 414 in 2019.

All reported near misses were investigated to avoid similar incidents in the future, improve necessary training and awareness measures, and improve control measures.

Sharing of safety moments and lessons learned continued, particularly in the response to COVID-19 measures and cases. Reporting and utilisation of analytics to identify key potential improvement areas continues to be in focus.

Working committee and executive committee

The management cooperates closely with employees through several bodies, including the joint working committee and the executive committee for industrial democracy in foreign trade shipping. This cooperation gives valuable input to solve company related issues in a constructive way.

The joint working committee discusses issues related to health, work environment and safety.

The executive committee for industrial democracy in foreign trade shipping considers general business, financial and governance issues of importance to the company and the workforce. In 2020, both committees held official meetings according to plan.

ORGANISATION AND PEOPLE DEVELOPMENT

Workforce

The group's head office is in Norway, and the group has 229 offices in 62 countries within its controlled structure. The group employed 10 639 seafarers and 4 813 land-based employees at the end of 2020.

Equal opportunities

Wilhelmsen has a clear policy stating that employees have the right to equal opportunities. Harassment and discrimination based on race, gender or similar grounds, or other behaviour that may be perceived as threatening or degrading, is not acceptable.

Females represent 35% of the land-based work force, 25% of senior management positions, and 1% of the seafarer work force.

One of the four members of the company's group management is female and two of the five directors on the board of directors of Wilhelmsen are female.

Driving performance

Wilhelmsen strives to create a performance culture where engaged employees deliver desired results and are rewarded accordingly.

Employee performance and engagement is measured through annual surveys, performance appraisals and annual activity plans.

In the third quarter of 2020, Wilhelmsen conducted an employee engagement survey including specific questions related to the company's response to the pandemic.

The results point to consistent and positive high engagement. Employees responded that they feel well taken care off, have received sufficient and timely information, have experienced the company taking sufficient measures to reduce risk of infection, and have been able to keep motivation despite most working from home.

There is always room for improvement. Senior management and individual managers in all locations were required to conduct follow up discussions with their teams. Where results were less than the expected benchmark, managers were required to implement specific actions to improve results.

Compensation and benefits

The purpose of Wilhelmsen's compensation and benefit framework is to drive performance and to attract and retain employees with the right experience and knowledge deemed necessary to achieve the company's strategic ambitions. The framework takes local regulations and competition into account, as well as the responsibility and complexity of the position.

The bonus schemes are one of several instruments to drive performance. Bonus is paid if set bonus targets are reached. Compensation to executives is described in the notes 6 and 2 to the group and parent accounts respectively. Wilhelmsen also issues a statement on the remuneration for senior executives, note 16 to the parent company accounts.

Investing in competence

Learning and innovation is one of the group's core values, and Wilhelmsen places particular emphasis on continuous learning through on-the-job experiences, tasks and problem solving feedback, coaching (formal and informal) and networks and formal classroom courses, e-learning, seminars and videos.

A learning organisation with motivated employees contributes to efficient operations and has a positive impact on revenue and earnings.

Personal development plans for all employees are integrated in the performance appraisal and review process. In 2020, the average hours of formal training recorded per employee was eight hours.

Developing leaders for the future

To meet challenging and changing environments, Wilhelmsen is dependent on highly capable leaders.

In 2020, a new leadership development approach was developed for all approximately 850 leaders in the group. The leadership development journey is a continuous program consisting of two or three learning modules per year, with a strong focus on building cross divisional and cross company peer networks. The top 160 leaders completed their first module in 2020, and the middle and frontline leaders will start in 2021.

Whistle blowing and anti-corruption

In 2020, there were 25 whistles received related to allegations of fraud/corruption, data protection, health and safety, and HR related matters.

In 22 of the whistles the reported issues have been concluded with appropriate action taken, while three were pending a conclusion at year end.

The COVID-19 situation has been a challenge during 2020 for compliance activities that require travel and physical presence at our locations, such as investigations and audits. Scheduled internal business standards audits were postponed due to the situation, and a follow up of potential irregularities was conducted by providing guidance and instructions to local and regional resources. Several internal fraud cases have been detected, with one case reported to the police.

To continue competence building with employees, a new business standards program will be rolled out in 2021 including the areas of anticorruption, theft and fraud, whistleblowing, competition law and personal data protection.

ENVIRONMENT

Wilhelmsen works to reduce the environmental impact of our own and our customers' operations, as well as addressing industry and societal issues, climate action and marine litter and pollution.

Ship management

Ship management provides full technical management, crewing and related services for all major vessel types, and as such is in a good position to influence compliant, sensible, safe and environmentally sound operations for vessel owners.

To provide value to customers and reduce environmental impact, ship management's ongoing goal is to work with customers to optimize vessel and voyage operations and collaborate on the development of alternative fuels including hydrogen.

Ship management promotes responsible consumption and recycling programs onboard and onshore, and is proactive in reducing plastics in vessel operations by introducing requirements towards suppliers and facilitating industry initiatives to reduce single use plastics in the maritime industry.

Ships service

Wilhelmsen Chemicals is located in Norway, a 12 000 sqm production facility with chemical tanks, storage facilities and a deep-water quay. The site does not produce chemicals, but brings in different components and mixes it to become products distributed nationally in Norway and globally through the ships service network. The operation is certified according to the ISO14001 standard and has focus on utilising chemical components that are less harmful to the environment, employees and customers.

Ships agency offers full agency, husbandry and protective agency services in 2 200 port locations. In 2020, a visibility tool was developed to support vessel operators make informed decisions about the optimal location to land plastic and other waste. The tool initially covers 167 ports and will be further extended.

NorSea Group

NorSea Group has seven bases covering 2 451 000 sqm. When investing, developing and operating bases, environmental aspects and impacts are addressed in five key areas: infrastructure, machines and equipment, buildings, digitalization and improvement, and collaboration and new business concepts.

Bases set environmental targets and improvement projects based on their individual site risk assessments. The operations are certified according to the ISO 14001 standard and focus areas include energy and emissions, waste and recycling, oil separators, tanks and chemical handling.

Activities related to energy transition and emissions reductions include the installation of shore power, gradual electrification of the machine park, and supporting infrastructure development to contribute to the hydrogen and carbon capture value chains.

Climate related reporting and disclosures

In 2021, the required work to systematically account for and manage the group greenhouse gas (GHG) emissions inventory will be complete. All entities where Wilhelmsen have more than 50% ownership will be included in the inventory and appropriate GHG emission reduction targets will be determined to direct activities.

CORPORATE GOVERNANCE

The board believes sound corporate governance is a foundation for profitable growth and that it provides a healthy company culture. A good governance contributes to reducing risk and creating long-term value for shareholders and other stakeholders.

Wilhelmsen observes the Norwegian Code of Practice for corporate governance, in addition to requirements specified in the Norwegian Public Companies Act and the Norwegian Accounting Act. The board's corporate governance report for 2020 can be found in the annual report and on wilhelmsen.com. It is the board's view that the company has an appropriate governance structure and that it is managed in a satisfactory way. The corporate governance report is to be considered by the annual general meeting on 22 April 2021.

SUSTAINABILITY

Wilhelmsen assesses environmental, social and corporate governance (ESG) issues in its investment analysis, business decisions, ownership practises and financial reporting. The company has a sustainability policy that includes human rights, labour standards and a commitment to promote environmental responsibility.

UN Global Compact (UNGC) engagement

Wilhelmsen subscribes to the 10 principles of the UNGC and works actively within the UNGC Sustainable ocean business action platform to partner with other serious actors to contribute to the achievement of the Sustainable Development Goals (SDGs). During 2020, a special COVID-19 task force was also established in the platform and delivered several papers and interventions to address the crew change challenges.

Sustainability governance

The board is committed to a sustainable strategy and acknowledges that it is a vital prerequisite for Wilhelmsen to be a profitable and responsible player in the industry and society at large. With an aim to increase transparency, Wilhelmsen issues a sustainability report following the guidelines set forward in the Global Reporting Initiative's (GRI) sustainability reporting standards. The report describes how Wilhelmsen combines long-term profitability with emphasis on ESG factors.

The full report is available on wilhelmsen.com.

Materiality assessment

The company conducts materiality assessments to ensure attention is on material aspects of the group's business. The content of the 2020 sustainability report is defined by a materiality assessment conducted in 2018 where the following aspects are of most importance:

- Ethics and anti-corruption.
- Health and safety.
- Responsible procurement.
- Cyber security and data protection.

Wilhelmsen conducted a new materiality assessment review in 2020, and the outcome will be used to focus the 2021 activities and reporting.

Focus areas and achievements in 2020

In 2020, the following areas received particular attention:

- Employee engagement.
- Ethics and anti-corruption.
- Health, safety and wellbeing.
- Responsible procurement.
- Cyber security and data protection.
- Climate risk and opportunities.
- Partnerships for sustainable innovations.

The company's achievements included:

- Positive and consistent employee engagement score and positive response to the company's COVID-19 response measures.
- Increased employee awareness in cyber security, and strengthened 24/7 security operations capabilities.
- Several key investments and ongoing projects contributing to the decarbonisation of shipping and the energy transition.

Focus areas for 2021

The company will continue to focus its efforts on high materiality areas based on the revised materiality assessment:

- Ethics and anti-corruption.
- Health, safety and wellness.
- Cyber security.
- Business offering and model innovation.

In addition, the company will intensify focus on strategic areas of:

- Decarbonisation of shipping and maritime services.
- Renewable energy transition.
- Reducing marine litter and pollution.

Stakeholder engagement

The company is regularly in dialogue with key stakeholders who engage with issues relating to the maritime industry and the activities of the Wilhelmsen group. The dialogue contributes to understanding the expectations of the community and transferring them to the group. It also enables the company to communicate decisions to stakeholders and provide them with explanations for our underlying motives.

In 2020, Wilhelmsen was engaged in dialogues with governments, investors, non-governmental organisations and other stakeholders discussing topics related to the group or industry at large. Topics covered included financial issues, compliance, innovation, decarbonisation of shipping, renewable energy and sustainability in general.

The work of the nomination committee follows the guidelines set by the shareholders. In line with procedures described on the Wilhelmsen website, shareholders and other interested parties have been invited to put forward candidates for the board and the nomination committee. The committee has also been in dialogue with selected shareholders and has actively approached relevant potential candidates.

ALLOCATION OF PROFIT, DIVIDEND, AND SHARE BUY BACK

The board's proposal for allocation of the net profit for the year is as follows:

Parent company accounts (NOK thousand)	
Profit for the year	**188 157**
From equity	(34 743)
Proposed dividend	222 900
Total allocations	**188 157**

The board is proposing a NOK 5.00 dividend per share payable during the second quarter of 2021, representing a total payment of NOK 223 million (excluding shares owned by the company). The dividend proposal includes NOK 2.00 in extraordinary dividend to compensate for the reduced dividend paid in 2020, and NOK 3.00 as a first dividend payment for the year 2020.

The board is granted an authorisation to, on behalf of the company, acquire up to 10% of the company's own issued shares. The authorisation is valid until the annual general meeting in 2021, but no longer than to 30 June 2021. Following a buyback program completed in 2019, Wilh. Wilhelmsen Holding ASA owns a total of 1 823 824 own shares, split on 537 092 A-shares and 1 286 732 B-shares. This is equivalent to 3.93% of total shares in the company.

OUTLOOK

Group business drivers

Wilhelmsen is a global provider of maritime related services, transportation, and logistics solutions. The prospects for the group and its business segments are, to various degree, correlated with general development in world economy and trade.

After an estimated 3-4% drop in global GDP in 2020 due to measures implemented to contain the pandemic. A rebound is expected to take place in 2021 and 2022.

Measures implemented to contain spread of COVID-19 also have an impact on the global operation, with majority of office employees still working from home at the start of 2021. Travel restrictions in many countries will also continue to create operational issues related to crew changes.

Outlook for maritime services

While most shipping markets are affected by changes in world output and trade, individual shipping segments are often more impacted by factors specific to each segment. During the pandemic, the cruise industry has been particularly hard hit, while cargo ships have been less so. This situation is expected to continue into 2021.

For ships service, having a broad exposure to the general shipping industry, operating income is expected 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. The new Wilhelmsen Ahrenkiel Ship Management joint venture will create a platform for further expansion in the container segment.

Outlook for supply services

NorSea Group, where Wilhelmsen has a 75.2% shareholding, remains exposed to the Norwegian oil and gas industry, but is gradually expanding into other activities. A partial recovery in the oil price together with a Norwegian stimulus package for the industry has created a more positive market sentiment compared with the outlook in the early stage of the pandemic. Income from supply base real estate properties will continue to be important for long term value creation, while offshore wind activities are expected to gradually increase.

For governmental services, the investment in Olavsvern Group AS completed in the first quarter of 2021 creates new growth opportunities. Outside this, no major change in activity level and income is projected in the short term.

Outlook for holding and investment activities
Wallenius Wilhelmsen ASA, where Wilhelmsen has a 37.8% stake, is a market leader in shipping and logistics services to the global automotive, rolling equipment, and breakbulk industries. The markets in which Wallenius Wilhelmsen ASA operate have recovered significantly since the sharp drop in volumes observed during early parts of 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, overall industry supply-demand balance is expected to improve mid-term.

Treasure ASA, where Wilhelmsen has a 73.5% shareholding, is an investment company with an 11% shareholding in Hyundai Glovis as the main asset. Treasure ASA also has a USD 64 million cash balance following sale of a 1.04% share in Hyundai Glovis late 2020. The Hyundai Glovis share price has improved since year end but remains volatile.

Other financial investments primarily include a broad portfolio of mainly listed equities and investment-grade bonds. The largest individual investment is in Qube where Wilhelmsen retains a 1.8% shareholding.

Edda Wind AS, where Wilhelmsen acquired a 25% stake late 2020, has two vessels in operation and four newbuilds, of which two have secured long term charters. The option to acquire another 25% of Edda Wind AS was declared on 8 March 2021.

Outlook for the Wilhelmsen group
Wilhelmsen holds leading positions in several maritime industry segments. The combined forces of extensive business knowledge, global network, innovative organisation, and strong solidity will continue to support development of the group.

Wilhelmsen is exposed to global trade. Uncertainty remains on future development of global trade, including global economic growth, trade restrictions and the environment. In the short term, measures to stop the spread of the coronavirus will continue to have a negative impact on most business activities. Wilhelmsen retains its robustness and capacity to both meet such eventualities and to actively expand its footprint within targeted business segments.

Lysaker, 24 March 2021
The board of directors of Wilh. Wilhelmsen Holding ASA

Diderik Schnitler (sign) chair	Rebekka Glasser Herlofsen (sign)	Ulrika Laurin (sign)
Carl E Steen (sign)	Trond Westlie (sign)	Thomas Wilhelmsen (sign) group CEO

Energy transition

The challenge: The world needs sources of renewable energy, and the offshore wind industry is part of the answer.

The solution: To solve parts of the value chain and to tackle some of the challenges of offshore wind power, Wilhelmsen joined forces with Edda Wind to support the maintenance work conducted during the commissioning and operation of offshore wind parks.


EDDA MISTRAL
ostensjo.no
Ørsted

3

Accounts and notes – group

Income statement Wilh. Wilhelmsen Holding group

USD mill	Note	2020	2019
Operating revenue	1/3/21	**807**	**836**
Other income	1	5	14
Total income		**812**	**850**
Operating expenses			
Cost of goods and change in inventory	15	(243)	(247)
Employee benefits	6	(299)	(306)
Other expenses	1/21	(131)	(148)
Depreciation	7/8	(78)	(71)
Total operating expenses		**(751)**	**(772)**
Operating profit		**60**	**78**
Share of profit/(loss) from joint ventures and associates	4	(50)	49
Change in fair value financial assets	14	192	34
Financial income	1	46	33
Financial expenses	1	(44)	(49)
Profit before tax		**205**	**144**
Tax income/(expense)	9	(27)	(15)
Profit for the period		**178**	**130**
Of which:			
Profit attributable to the equity holders of the company		117	114
Profit attributable to non-controlling interests		61	16
Basic / diluted earnings per share (USD)	10	2.63	2.46

Comprehensive income Wilh. Wilhelmsen Holding group

Profit for the year		178	130
Items that may be reclassified to the income statement			
Cash flow hedges (net after tax)		(3)	1
Comprehensive income from associates		(4)	(2)
Currency translation differences	19	33	(2)
Items that will not be reclassified to the income statement			
Remeasurement postemployment benefits, net of tax	11	(3)	(1)
Other comprehensive income, net of tax		**23**	**(3)**
Total comprehensive income for the year		**200**	**127**
Total comprehensive income attributable to:			
Equity holders of the company		141	111
Non-controlling interests		59	16
Total comprehensive income for the year		**200**	**127**

Notes 1 to 26 on the next pages are an integral part of these consolidated financial statements.

Balance sheet Wilh. Wilhelmsen Holding group

USD mill	Note	31.12.2020	31.12.2019
ASSETS			
Non current assets			
Deferred tax asset	9	55	57
Property, vessel and other tangible assets	7	560	555
Goodwill and other intangible assets	7	141	151
Right-of-use assets	8	177	173
Investments in joint ventures and associates	4	973	1 003
Financial assets to fair value	14/19	801	675
Other non current assets	12	28	25
Total non current assets		**2 736**	**2 638**
Current assets			
Inventories	15	84	82
Current financial investments	16/19	124	102
Other current assets	12/17	274	317
Cash and cash equivalents	17	269	153
Total current assets		**751**	**655**
Total assets		**3 488**	**3 293**
EQUITY AND LIABILITIES			
Equity			
Paid-in capital		122	122
Retained earnings and other reserves		1 886	1 758
Shareholders' equity		**2 008**	**1 880**
Non-controlling interests		257	202
Total equity		**2 265**	**2 082**
Non current liabilities			
Pension liabilities	11	25	20
Deferred tax	9	12	11
Non current interest-bearing debt	18/19	426	429
Non current lease liabilities	8/18	161	154
Other non current liabilities	12	23	28
Total non current liabilities		**647**	**643**
Current liabilities			
Current income tax	9	14	9
Public duties payable		14	12
Current interest-bearing debt	18/19	38	65
Current lease liabilities	8/18	31	27
Other current liabilities	12	478	455
Total current liabilities		**576**	**568**
Total equity and liabilities		**3 488**	**3 293**

Lysaker 24 March 2021
The board of directors of Wilh. Wilhelmsen Holding ASA

Diderik Schnitler (sign)
chair

Trond Westlie (sign)

Carl E Steen (sign)

Thomas Wilhelmsen (sign)
group CEO

Rebekka Glasser Herlofsen (sign)

Ulrika Laurin (sign)

Notes 1 to 26 on the next pages are an integral part of these consolidated financial statements.

Cash flow statement Wilh. Wilhelmsen Holding group

USD mill	Note	2020	2019
Cash flow from operating activities			
Profit before tax		205	144
Share of (profit)/loss from joint ventures and associates	4	50	(49)
Changes in fair value financial assets	14	(192)	(34)
Financial (income)/expenses	1	(2)	17
Depreciation/impairment	7/8	78	71
(Gain)/loss on sale of fixed assets	1	(5)	(8)
Gain from sale of subsidiaries, joint ventures and associates	1/4		(6)
Change in inventories		1	(9)
Change in working capital		70	(19)
Tax paid (company income tax, withholding tax)		(9)	(8)
Net cash provided by operating activities		**194**	**98**
Cash flow from investing activities			
Dividend received from joint ventures and associates	4	21	33
Proceeds from sale of fixed assets		7	17
Investments in tangible and intangible assets	7	(37)	(40)
Net proceeds from sale of subsidiaries			3
Net proceeds from sale of joint ventures and associates			34
Investments in subsidaries, joint ventures and associates	4	(34)	(3)
Loan repayments received from sale of subsidiaries			6
Proceeds from dividend and sale of financial investments		146	65
Current financial investments		(62)	(38)
Interest received	1	1	4
Net cash flow from investing activities		**41**	**81**
Cash flow from financing activities			
Net proceeds from issue of debt after debt expenses	18	19	93
Repayment of debt	18	(60)	(136)
Repayment of lease liability	8	(18)	(24)
Interest paid including interest derivatives	1	(18)	(25)
Interest paid on lease liability	1/8	(10)	(11)
Cash from/(to) financial derivatives		(14)	
Dividend to shareholders/purchase of own shares		(18)	(62)
Net cash flow from financing activities		**(119)**	**(165)**
Net increase in cash and cash equivalents		115	14
Cash and cash equivalents at the beginning of the period		153	140
Cash and cash equivalents at 31.12		**269**	**153**

The group is located and operating world wide and every entity has several bank accounts in different currencies. The cash flow effect from revaluation of cash and cash equivalents is included in net cash flow provided by operating activities.

Notes 1 to 26 on the next pages are an integral part of these consolidated financial statements.

Equity Wilh. Wilhelmsen Holding group

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD mill	Share capital	Own shares	Retained earnings	Total	Non-controlling interests	Total equity
Balance 31.12.2019	122	(4)	1 761	1 880	202	2 082
Comprehensive income for the period:						
Profit for the period			117	117	61	178
Other comprehensive income			24	24	(1)	23
Total comprehensive income for the period			**141**	**141**	**59**	**200**
Transactions with owners:						
Change in non-controlling interests					(1)	(1)
Own shares*			(3)	(3)		(3)
Dividends			(9)	(9)	(3)	(13)
Balance 31.12.2020	**122**	**(4)**	**1 890**	**2 008**	**257**	**2 265**

*Treasure ASA acquired 3.965.000 shares during 2020.

USD mill	Share capital	Own shares	Retained earnings	Total	Non-controlling interests	Total equity
Balance 31.12.2018	122		1 853	1 975	212	2 188
Comprehensive income for the period:						
Profit for the period			114	114	16	130
Other comprehensive income			(3)	(3)		(3)
Total comprehensive income for the period			**111**	**111**	**16**	**127**
Transactions with owners:						
Change in non-controlling interests*			5	5	(5)	(0)
Own shares **		(4)	(27)	(31)		(31)
Dividends			(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 31 million, represented 537.092 A-shares and 1.286.732 B-shares. Average cost per shares was NOK 144.00.

Dividend for fiscal year 2019 was NOK 2.00 per share and was paid in May 2020.

Dividend for fiscal year 2018 was NOK 5.00 per share, where NOK 2.50 per share was paid in May 2019 and NOK 2.50 per share was paid in November 2019.

The proposed dividend for fiscal year 2020 is NOK 5.00 per share, payable in May 2021.

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 sheet.

The dividend will have effect on retained earnings in second quarter 2021.

Notes 1 to 26 on the next pages are an integral part of these consolidated financial statements.

General accounting principle Wilh. Wilhelmsen Holding group

GENERAL INFORMATION

Wilh. Wilhelmsen Holding ASA (referred to as the parent company) is domiciled in Norway. The consolidated accounts for fiscal year 2020 include the parent company and its subsidiaries (referred to collectively as the group) and the group's share of joint ventures and associated companies.

The annual accounts for the group and the parent company were issued by the board of directors on 24 March 2021.

BASIS OF PREPARATION

Compliance with IFRS

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union. The separate financial statements for the parent company have been prepared and presented in accordance with simplified IFRS as approved by Ministry of Finance 10 December 2019. In the separate statements the exception from IFRS for recognition of dividends and group contributions is applied. Otherwise, the explanations of the accounting policy for the group also apply to the separate statements, and the notes to the consolidated financial statements will to a large degree also cover the separate statements.

Wilhelmsen also provides additional disclosures in accordance with requirements in the Norwegian Accounting Act related to remuneration to the board and the management.

The company is a public limited liability company, listed on the Oslo Stock Exchange.

Critical accounting estimates and assumptions

When preparing the financial statements, the group and the parent company must make assumptions and estimates. These estimates are based on the actual underlying business, its present and forecast profitability over time, and expectations about external factors such as interest rates, foreign exchange rates and oil prices which are outside the group's and parent company's control. This presents a substantial risk that actual conditions will vary from the estimates.

Most statements of financial position items will be affected by uncertainty related to estimates and assumption to a certain degree. The items most affected, and where estimates and assumptions are assessed to have the greatest significance include:

- Deferred tax asset (Note 9)
- Goodwill (Note 7)
- Leases (Note 8)
- Loss allowance on accounts receivable (Note 13)
- Provisions and other non-current liabilities (Note 12)

Accounting principles applied, estimates and assumptions used by management are presented in the respective notes.

Financial reporting principles

The financial reporting principles are described in the relevant notes in the consolidated financial statements and in the notes in the financial statements of the parent company.

The financial reporting principles described in the consolidated financial statements also apply to the financial statements of the parent company, unless otherwise stated.

Note 1 Combined items, income statement

USD mill	Note	2020	2019
OPERATING REVENUE			
Ships service	2/3	480	528
Supply services	2/3	260	249
Ship management and crewing	2/3	47	45
Other services	2/3	19	13
Total operating revenue	21	**807**	**836**
OTHER INCOME			
Gain on sale of assets		5	14
Total other income		**5**	**14**
OTHER EXPENSES			
Office expenses		(11)	(16)
Communication and IT expenses		(31)	(26)
External services		(22)	(20)
Travel and meeting expenses		(4)	(9)
Marketing expenses		(2)	(3)
Lease expenses	8	(12)	(10)
Other operating expenses		(49)	(64)
Total other expenses	21	**(131)**	**(148)**
Financial items			
Investment management		13	12
Interest income		1	4
Dividend from financial assets		16	16
Other financial items		1	1
Net financial items		**31**	**33**
Financial expenses			
Interest expenses		(18)	(25)
Interest expenses lease liabilities	8	(10)	(11)
Other financial expenses		(8)	(5)
Net financial expenses		**(36)**	**(41)**
Financial - currency gain/(loss)			
Operating currency - net		(4)	7
Financial currency - net		(3)	(10)
Derivatives for hedging of cash flow risk - realised		(14)	(10)
Derivatives for hedging of cash flow risk - unrealised		29	4
Net financial - currency gain/(loss)		**7**	**(8)**
Financial income/(expenses)		**2**	**(17)**
Spesification of financial income and expenses			
Net financial items		31	33
Net currency derivatives		15	
Financial income		**46**	**33**
Net financial - interest expenses		(36)	(41)
Net financial currency		(7)	(8)
Financial expenses		**(44)**	**(49)**

See note 19 on financial risk and the section of the accounting policies concerning financial derivatives.

Note 2 Segment reporting

FINANCIAL REPORTING PRINCIPLES
The operating segments are reported in a manner consistent with the internal financial reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board and Group Management Team, consisting of the group chief executive officer (group CEO) and three executive managers.

SEGMENTS
The chief operating decision-maker monitors the business by combining entities with similar operational characteristics such as product, services, market and underlying asset base, into operating segments.

The Maritime Services segment offers marine products, ship agency services and logistics to the merchant fleet and ship management including manning for all major vessel types, through a worldwide network of more than 229 offices in some 62 countries.

The Supply Services segment is mainly related to the operation of supply bases for the offshore industry in Norway, as well as real estate development and operation of properties both on and off the supply bases. In addition to the activity in Norway, the segment offers its services in both Denmark and in the UK. The international activity consists of both operation of supply bases, maintenance of rigs and handling of logistics related to international pipeline projects and windmill parks.

The Holding and Investments segment includes the parent company, Wilh. Wilhelmsen Holding ASA, Treasure ASA group, Wilh. Wilhelmsen Holding Invest AS group and other minor activities (WilService AS, Wilhelmsen Accounting Services AS and corporate group activities like operational management, legal, finance, portfolio management, communication and human relations) which fail to meet the definition for other core activities.

The group's investments in WAWI and Edda Wind AS is presented as part of Holding and Investments as investments in associates.

Eliminations are between the group's three segments mentioned above.

The segment income statement are measured in the same way as in the financial statements.

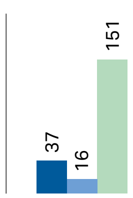
The segment information provided to the chief operating decision-maker for the reportable segments for the year ended 31 December 2020 is as follows:

USD mill	Maritime Services		Supply Services		Holding and Investments		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
INCOME STATEMENT										
Operating revenue	542	582	260	249	14	11	(10)	(7)	807	836
Gain on sale of asset	2	9	3	6					5	14
Total income	**544**	**591**	**263**	**255**	**14**	**11**	**(10)**	**(7)**	**812**	**850**
Cost of goods and change in inventory	(166)	(181)	(77)	(65)	(1)	(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/(loss) before depreciation, amortisation and impairment	**89**	**103**	**57**	**59**	**(7)**	**(12)**	**(1)**	**(1)**	**138**	**149**
Depreciation and impairment	(39)	(29)	(35)	(37)	(5)	(5)	1	1	(78)	(71)
Operating profit/(loss)	**50**	**73**	**22**	**22**	**(12)**	**(17)**			**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 financial income/(expenses)	(14)	(24)	(17)	(19)	33	26			2	(17)
Profit before tax	**37**	**27**	**16**	**8**	**151**	**109**			**205**	**144**
Tax income/(expense)	(19)	(12)	(3)	(3)	(5)	1			(27)	(15)
Profit for the period	**18**	**15**	**13**	**5**	**146**	**109**			**178**	**130**
Non-controlling interests		1	3	1	57	13			61	16
Profit to the equity holders of the company	**17**	**14**	**10**	**4**	**90**	**96**			**117**	**114**

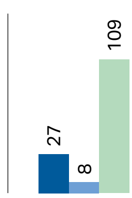
Supply Services; one customer represent about 20% of the total revenue.

Maritime Services
Supply Services
Holding and Investments

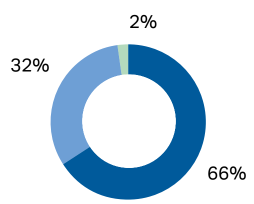
2020 Profit before tax (USD mill)



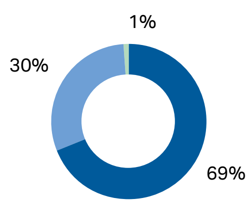
2019 Profit before tax (USD mill)



2020 Total income



2019 Total income

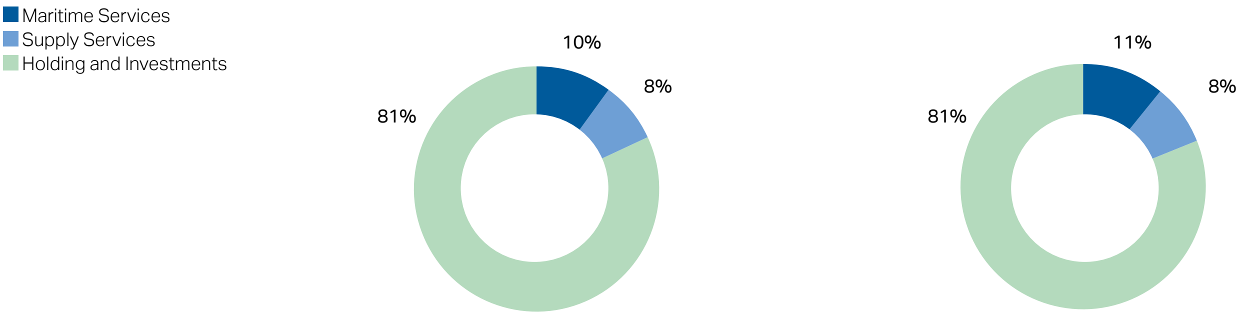


Cont. note 2 Segment reporting

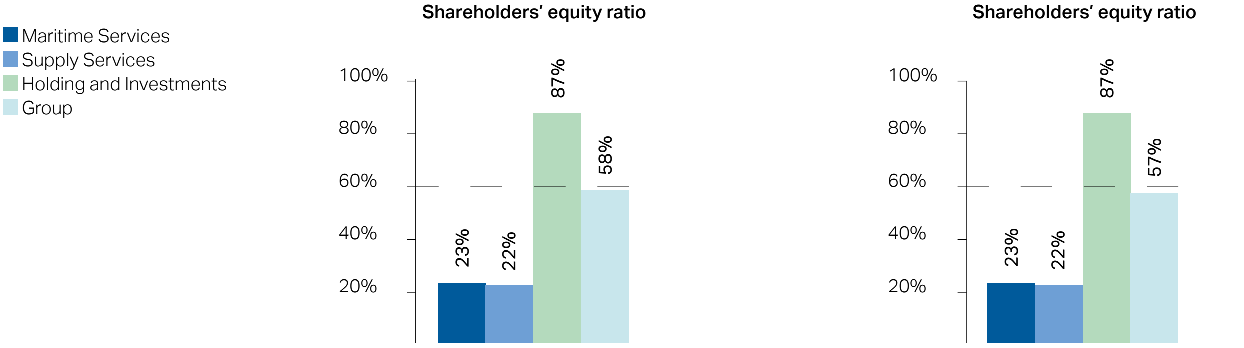
The amounts provided to the chief operating decision-maker with respect to total assets, liabilities and equity are measured in the same way as in the financial statements.

USD mill	Maritime Services		Supply Services		Holding and Investments		Eliminations		Total	
	31.12.20	31.12.19	31.12.20	31.12.19	31.12.20	31.12.19	31.12.20	31.12.19	31.12.20	31.12.19
Assets										
Deferred tax asset	40	42	6	5	9	10			55	57
Tangible assets	177	83	381	473	3	27		(6)	560	577
Intangible assets	134	145	7	5	1				141	151
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			973	1 003
Financial assets to fair value					801	675			801	675
Other non current assets	10	19	15	7	16	15	(12)	(16)	28	25
Current financial investments					124	102			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			269	153
Total assets	**889**	**887**	**735**	**710**	**1 880**	**1 753**	**(17)**	**(57)**	**3 488**	**3 293**
Equity and liabilities										
Shareholders' equity	208	204	164	154	1 636	1 523			2 008	1 880
Equity non-controlling interests	(2)	(1)	56	54	203	149			257	202
Deferred tax	12	11							12	11
Interest-bearing debt	199	198	277	288		23	(13)	(14)	464	494
Lease liability	45	49	129	113	20	25	(2)	(6)	192	181
Other non current liabilities	24	22	16	22	8	6		(1)	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**
Investments in tangible assets	15	14	21	20	1	1			37	36

31.12.20 Shareholders' equity   **31.12.19 Shareholders' equity**



2020 Shareholders' equity ratio   **2019 Shareholders' equity ratio**



Cont. note 2 Segment reporting

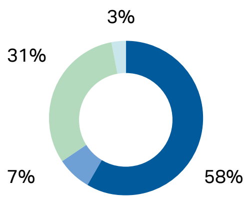
The amounts provided to the chief operating decision-maker with respect to cash flows are measured in a manner consistent with that of the balance sheet.

USD mill	Maritime Services 2020	Maritime Services 2019	Supply Services 2020	Supply Services 2019	Holding and Investments 2020	Holding and Investments 2019
CASH FLOW						
Profit before tax	37	27	16	8	152	109
Changes in fair value financial assets		27			(192)	(61)
Share of (profit)/loss from joint ventures and associates	(1)	(4)	(11)	(6)	62	(39)
Net financial (income)/expenses	14	24	17	19	(33)	(26)
Depreciation/impairment	39	29	35	37	5	5
Change in working capital	35	(21)		(18)	1	3
Net gain from sale of assets	8	1	(3)	(8)		
Net cash provided by operating activities	**131**	**83**	**54**	**32**	**(5)**	**(8)**
Dividend received from joint ventures and associates	4	3	17	10		19
Net sale/(investments) in fixed assets	(10)	(8)	(16)	(20)	(1)	(1)
Net sale/(investments) in entities and segments	(9)	(3)	(5)	39	(20)	3
Net investments in financial investments	1	3		1		(3)
Net changes in other investments					98	23
Net cash flow from investing activities	**(15)**	**(5)**	**(5)**	**29**	**77**	**42**
Net change of debt	(13)	(9)	(24)	(48)	(25)	
Net change in other financial items	(20)	(15)	(16)	(12)	(6)	
Net dividend from other segments/ to shareholders	(24)	(48)	(3)	(5)	9	(22)
Net cash flow from financing activities	**(57)**	**(73)**	**(44)**	**(66)**	**(22)**	**(22)**
Net increase in cash and cash equivalents	**60**	**6**	**5**	**(5)**	**50**	**12**
Cash and cash equivalents at the beginning of the period	116	110	7	12	31	18
Cash and cash equivalents at the end of the period	**175**	**116**	**12**	**7**	**81**	**31**

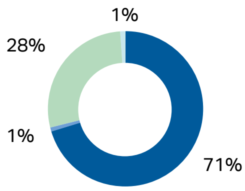
GEOGRAPHICAL AREAS

- Europe, including Russia
- Americas
- Asia & Africa
- Oceania

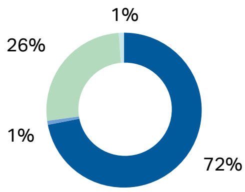
2020
Total income



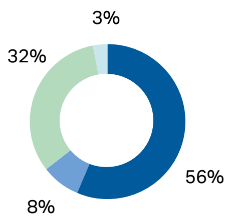
2020
Total assets



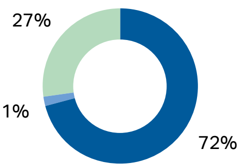
2020
Investment in tangible assets



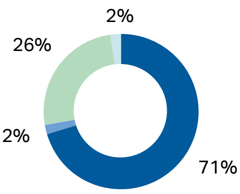
2019
Total income



2019
Total assets



2019
Investment in tangible assets



Total income
Area income is based on the geographical location of the company and includes sales gain.

Total assets
Area assets are based on the geographical location of the assets. The group's investment in Hyundai Glovis is classified in the geographical segment Asia & Africa.

Investments in tangible assets
Area capital expenditure is based on the geographical location of the assets.

Note 3 Revenue from contracts with customers

FINANCIAL REPORTING PRINCIPLES
Revenue derived from customer contracts in scope of IFRS 15 Revenue from contracts with customers are assessed using the five-step model, where only customer contracts with a firm commitment is used as basis for revenue recognition. Revenue from contracts with customers is recognised upon satisfaction of the performance obligation for the transfer of goods and services in each such contract. The revenue amount recognised is equal to the consideration the group expects to be entitled in exchange for the goods and services.

Other revenue also consists of revenue from operating leases. Leases, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. The group recognises lease payments as revenue mainly on a straight-line basis, unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. The group recognise costs incurred in earning the lease income in other operating expenses. The group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

OPERATING REVENUE

USD mill

Revenue segments	**Maritime services**				**Supply services**			**Holding and Investments**	**Elimination**	**Total**
	Marine Products	Ships Agency	Technical/ crewing management	Other	Operation	Property	Other	Other		2020
Revenue from external customers	321	117	59	45	235	24	1	14	(10)	807
Total	**321**	**117**	**59**	**45**	**235**	**24**	**1**	**14**	**(10)**	**807**
Timing of revenue recognition										
At a point in time	321			42				14	(10)	367
Over time		117	59	3	235	24	1			439
Total	**321**	**117**	**59**	**45**	**235**	**24**	**1**	**14**	**(10)**	**807**
										2019
Revenue segments										
Revenue from external customers	366	129	45	42	216	24	9	11	(7)	836
Total	**366**	**129**	**45**	**42**	**216**	**24**	**9**	**11**	**(7)**	**836**
Timing of revenue recognition										
At a point in time	366			39						405
Over time		129	45	3	216	24	9	11	(7)	431
Total	**366**	**129**	**45**	**42**	**216**	**24**	**9**	**11**	**(7)**	**836**

MARITIME SERVICES

Marine Products – Sale of goods
The group offers a wide range of products to the maritime industry. The products are delivered to the customer at vessel or warehouse, which is also the point in time where control transfers to the customer and revenue is recognised net of any discounts. Some customers are entitled to retrospective volume discounts based on aggregate sales over a defined period. Revenue from these 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. A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relations to sales made until the end of the reporting period. The contracts typically has payment terms of 30 days after delivery, and no significant financing component is identified.

Ships Agency – Sale of services
The group offers ships agency services coverering 2 200 port locations world wide. The agents facilitates efficent port calls for vessels, by procuring goods and services on behalf of the customers and to assist with required permits and custom declaration assocuated with the port call. Prior to the port call, the customer is required to make available funds for the expected disbursements (pre funding). Following the completion of the services the group prepare a final disbursement account to the customer documenting all disbusement for the port call. The group is only acting as an agent, and control of goods and services transfers directly from the relevant suppliers to the customer. The group does not have inventory risk or the discretion on establishing prices. For the services rendered, the group is entitled to a fee that consist of a payment based on services delivered to customer.

Technical / crewing management
The group offers technical management and crew management for all vessel segments. The contract durations follow industry standards, and will usually include an annual compensation payable in monthly arreas, in addition the ship owner is charged a monthly fee per crew onboard the vessel. The ship owner simultaniously receives and consumes the benefits provided by the entity, and hence revenue is recognised over time. Since WSM has the right to invoice the services delivered at the end of each month, this is also the basis for revenue recognition.

Other revenue in the Maritime services segment
These revenues mainly consist of sale of ropes to non-maritime customers and chemicals for the consumer markets. Most of the sales are to wholesale customers. Revenue is recognised net of any discounts at delivery. Time and place of delivery, and transfer of control, depend on agreed delivery terms but usually when the customer receives the goods.

The group also has an insurance agency business where the group is acting as an agent, and is entitled to a defined commission of the insurance premium. The commission is per year and recognised on a straight line basis through the year.

SUPPLY SERVICES
Operations
The group provides supply bases and integrated logistics solution to the offshore industry. Revenues from external customers come from sale of services to the offshore industry (Operations), from the rental of properties (Property) and from the sale of services to other industries (Other). The duration of the operations contracts varies from 3 to 10 years. The pricing of the contracts are mainly based on delivered quantity via supply bases.

Property
The group is a lessor for parts of the properties located on or near the bases. This is typically warehouses and some office facilities. This is ordinary operational lease contracts with a typical duration of 2 to 7 years. For contracts with a duration of more than one year the rent is adjusted annually based on commonly used indexes. Lease revenue is usually recognised on a straight line basis over the lease term.

HOLDING AND INVESTMENTS
The operating revenue is related to inhouse services to external customers as house rent, canteen services, HR services and salary services.

INFORMATION ABOUT TRANSACTION PRICE ALLOCATED TO UNSATISFIED PERFORMANCE OBLIGATIONS
In general the contracts with customers are of a short term nature, except for the framework agreements described under Supply Services and Ship Management. For Supply Services the framework agreements can be for a period of up to 10 years, but do not define any minimum volume. For Ship Management contracts the customer can terminate the contract without cause on a 3 months basis. Because of this there is no significant unsatisfied performance obligations as of year end.

Note 4 Investments in joint ventures and associates

FINANCIAL REPORTING PRINCIPLES
Associates:
Associates are all entities over which the group has significant influence but not control or control jointly. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see below), after initially being recognised at cost.

Joint arrangement:
Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet

Equity method:
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits after tax of the investee in income statement, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Sale and dilution of the share of associate companies is recognised in the income statement when the transactions occur for the group.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment when impairment indicators are present.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

INVESTMENTS IN ASSOCIATED COMPANIES

	Business office/country	2020 Voting share/ownership	2019
Holding and Investments			
Wallenius Wilhelmsen ASA (WAWI)	Lysaker, Norway	37.8%	37.8%
Denholm Port Services Limited	Grangemouth, United Kingdom	40.0%	40.0%
Dolittle AS	Lysaker, Norway	45.9%	45.9%
Massterly AS	Lysaker, Norway	50.0%	50.0%
Edda Wind AS	Haugesund, Norway	25.0%	
Maritime Services – companies with significant shares of profits			
Almoayed Wilhelmsen Ltd	Bahrain	50.0%	50.0%
Wilhelmsen Huayang Ships Services (Shanghai) Co Ltd	China	50.0%	50.0%
Wilhelmsen Huayang Ships Services (Beijing) Co Ltd	China	50.0%	50.0%
Diana Wilhelmsen Management Limited	Cyprus	50.0%	50.0%
Barwil Arabia Shipping Agencies SAE	Egypt	35.0%	35.0%

Cont. note 4 Investments in joint ventures and associates

Maritime Services – companies with significant shares of profits (cont.)	Business office/country	2020	2019
		Voting share/ownership	
Wilhelmsen Ships Service Georgia Ltd	Georgia	50.0%	50.0%
Barwil Georgia Ltd.	Georgia		50.0%
Wilhelmsen Ahrenkiel Ship Management GmbH & Co. KG	Germany	50.0%	
Verwaltung Wilhelmsen Ahrenkiel GmbH	Germany	50.0%	
Wilhelmsen Ahrenkiel Ship Management B.V	Netherlands	50.0%	
Baasher Barwil Agencies Ltd	Sudan		50.0%
Barklav (Hong Kong) Ltd	Hong Kong	50.0%	50.0%
BWW LPG Limited	Hong Kong	49.0%	49.0%
Alghanim Barwil Shipping Co-Kutayba Yusuf Ahmed & Partner WLL	Kuwait	49.0%	49.0%
Wilhelmsen Ships Service Lebanon S.A.L.	Lebanon	49.0%	49.0%
BWW LPG Sdn. Bhd.	Malayisia	49.0%	49.0%
Wilhelmsen Ships Service (Private) Limited	Pakistan	50.0%	50.0%
Wilhelmsen-Smith Bell Shipping Inc	Philippines	25.0%	25.0%
Wilhelmsen-Smith Bell (Subic) Inc.	Philippines	25.0%	25.0%
Wilhelmsen-Smith Bell Manning, Inc.	Philippines	25.0%	25.0%
Perez Torres - Portugal Lda	Portugal	50.0%	50.0%
Wilhelmsen Hyopwoon Ships Services Ltd	Republic of Korea	50.0%	50.0%
Barklav S.R.L.	Romania	50.0%	50.0%
Binzagr Barwil Maritime Transport Co Ltd	Saudi Arabia	50.0%	50.0%
Krew-Barwil (Pty) Ltd	South Africa	49.0%	49.0%
Triangle Shipping Agencies LLC	United Arab Emirates	50.0%	50.0%
Wilhelmsen Ships Service LLC	United Arab Emirates	43.0%	43.0%
Barwil Abu Dhabi Ruwais LLC	United Arab Emirates	50.0%	50.0%
Barwil Dubai LLC	United Arab Emirates	50.0%	50.0%
Wilhelmsen Sunnytrans Co Ltd	Vietnam	50.0%	50.0%
Supply Services - companies with significant shares of profits			
Risavika Havn AS	Tananger, Norway		42.8%
Risavika Eiendom AS	Tananger, Norway	42.0%	42.0%
Hammerfest Næringsinvest AS	Hammerfest, Norway	32.3%	32.3%
Bring Polarbase AS	Hammerfest, Norway		41.0%
Strandparken Holding AS	Hammerfest, Norway	33.1%	33.1%
Eldøyane Næringspark AS	Stord, Norway	37.9%	37.9%
Risavika Havnering 14 AS	Stavanger, Norway	33.3%	33.3%

An overview of actual equity holdings can be found in the presentation of company structure on page 132.

Cont. note 4 Investments in joint ventures and associates

USD mill	2020	2019
Share of profit/(loss) from associates		
WAWI group	(63)	39
Other associates Holding and Investments	1	
Associates Maritime Services	1	4
Associates Supply Services	1	(2)
Share of profit/(loss) from associates	**(60)**	**41**
Book value of material associates		
WAWI group	798	864
Specification of share of equity and profit/loss:		
Share of equity 01.01	883	900
Share of profit/(loss) for the year	(60)	41
Acquisition of associated in Maritime Services	10	
Acquisition of associated in Holding & Investment	20	
Acquisition of associated in Supply Services	3	3
Dividend	(5)	(29)
Disposals associates	(1)	(31)
Financial derivatives in associates	(4)	
Other comprehensive income	4	(2)
Share of equity 31.12	**850**	**883**

There are no contingent liabilities relating to the group's interest in the associates.

The group acquired 25% of Østensjø Group's offshore wind company, Edda Wind AS and secured an option to buy another 25% before June 2021. Edda Wind AS owns and operates service vessels supporting the maintenance work conducted during the commissioning and operation of offshore wind parks.

The group acquired 50% stake in Ahrenkiel Steamship. Ahrenkiel Steamship is the technical container ship manager within the MPC Capital Group.

Set out below are the summarised financial information for, based on 100%, for WAWI group, which, in the opinion of the directors, is the material associate to the group.

Associates not considered to be material are defined under "other" (based on 100%).

USD mill	WAWI		Other	
	2020	2019	2020	2019
SUMMARISED STATEMENT OF COMPREHENSIVE INCOME				
Total income	2 958	3 909	65	57
Operating expenses	(3 041)	(3 551)	(55)	(52)
Net operating profit	**(84)**	**358**	**10**	**4**
Finance income & expenses	(222)	(246)	(1)	
Profit/(loss) before tax	**(306)**	**112**	**9**	**5**
Tax	4	(10)	(1)	(1)
Profit/(loss) after non-controlling interests	(286)	93	8	4
Other comprehensive income	(1)	(2)	(3)	
Total comprehensive income (shareholder's equity)	**(287)**	**90**	**5**	**3**
WWH share of dividend from associates		19	5	10

Cont. note 4 Investments in joint ventures and associates

USD mill	WAWI		Other	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
SUMMARISED BALANCE SHEET				
Non current assets	6 391	6 747	155	22
Other current assets	582	650	47	45
Cash and cash equivalents	655	399	94	39
Total assets	**7 628**	**7 796**	**296**	**105**
Non current financial liabilities	1 924	1 729	101	4
Other non current liabilities	1 995	2 108	14	14
Current financial liabilities	282	175	67	52
Other current liabilities	812	863	5	1
Non-controlling interest	224	239		
Total liabilities	**5 238**	**5 114**	**188**	**71**
Net assets	**2 391**	**2 682**	**108**	**34**

The information above reflects the 100% amount presented in the financial statements of the associates, adjusted for differences in accounting policies between the group and the associates.

USD mill	WAWI		Other	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
RECONCILIATION OF SUMMARISED FINANCIAL INFORMATION				
Net asset 01.01	**2 682**	**2 647**	**34**	**112**
Profit/(loss) for the period	(286)	93	8	4
Net assets of acquired associate			80	
Other comprehensive income	(1)	(12)		
Currency translation differences				(1)
Disposal			(3)	(66)
Transaction with non controlling interests	(4)	6		
Dividend		(51)	(10)	(15)
Net assets 31.12	**2 391**	**2 682**	**108**	**34**
WWH share	904	1 014	45	15
Currency	2	(2)		
Fair value adjustment vessel and goodwill *	(108)	(148)	6	5
Carrying value 31.12	**798**	**864**	**51**	**20**

*The share price of Wallenius Wilhelmsen ASA at the merger (April 2017) was lower than booked equity in Wallenius Wilhelmsen group.

The group market value of the investment in Wallenius Wilhelmsen ASA at 31 December 2020 was USD 435 million (2019: USD 398 million).

WAWI is a separately listed company on Oslo Børs. The market capitalisation of its shares at year end is 45% lower (2019: 54% lower) than the carrying amount of the investment, as accounted for under the equity method.

The market price is an objective indicator of impairment. In spite of this, the value in use calculation based on projections prepared by management of WAWI, indicates that the recoverable amount is higher than WAWIs carrying amounts for the key assets of WAWI. This impairment test has been reviewed by the management of WWH, and adjusted for factors related to the financing and working capital of WAWI in order to assess a reasonable value in use for the investment in the shares of WAWI. Based on this assessment, the recoverable amount attributable to the shares is higher than the carrying amount. The recoverable amount is particularly sensitive to volume and/or prices, and interest rate levels for the financing within WAWI. The fair value adjustment has increased during the year due to reversal of impairment goodwill and unrealised loss related to assets which are not part of carry amount of the investment for Wilhelmsen group.

Reconciliation of the group's income statement and balance sheet

USD mill	2020	2019
Share of profit from joint ventures	11	8
Share of profit/(loss) from associates	(60)	41
Share of profit/(loss) from joint ventures and associates	**(50)**	**49**
Share of equity from joint ventures	123	121
Share of equity from associates	850	883
Share of equity from joint ventures and associates	**973**	**1 003**

The group's share of profit, after tax from joint ventures and associates is recognised in the income statement as financial income. All joint ventures and associates are equity consolidated.

Cont. note 4 Investments in joint ventures and associates

INVESTMENTS IN JOINT VENTURES		2020	2019
	Business office, country	Voting share/ownership	
Supply Services			
Coast Center Base AS (CCB)	Fjell, Norway	50.0%	50.0%
KS Coast Center Base (CCB)	Fjell, Norway	50.0%	50.0%
CCB Energy Holding AS	Fjell, Norway	50.0%	
Vikan Næringspark AS	Kristiansund, Norway	50.0%	50.0%
SørSea AS	Tananger, Norway	50.0%	50.0%
Polar Lift AS	Hammerfest, Norway	50.0%	50.0%

Coast Center Base AS is a joint venture between NorSea Group and Bernh. Larsen Holding AS and was established in 1998. It delivers services related to logistics, quay, project and maintenance to the offshore industry in addition to maritime industry.

KS Coast Center Base AS is a joint venture between NorSea Group and Bernh. Larsen Holding AS and was established in 1973. It is mainly a property company owning infrastructure rented out to Coast Center Base AS.

CCB Energy Holding AS is a joint venture between NorSea Group and Bernh. Larsen Holding AS and was established in 2020. It owns shares in companies involved in production of hydrogen and climate netural solutions.

Vikan Næringspark AS is a joint venture between NorSea Group and Kristiansund Baseselskap AS. It owns property that is rented out to Vestbase AS, a subsidiary of NorSea Group, in Kristiansund.

SørSea AS is a joint venture between NorSea Group and Røsi AS/Stangeland Gruppen AS. It owns land in Risavika in Norway.

Polar Lift AS is a joint venture between NorSea Group and Havator AS. It rents out cranes and other equipment and is located in Hammerfest in Norway.

All companies are private companies and there are no quoted market price available for the shares.

There are no other contingent liabilities relating to the group's interest in the joint ventures. See to note 23 for contingencies for the group.

USD mill	2020	2019
Summarised financial information - according to the group's ownership		
Share of total income	76	96
Share of operating expenses	(54)	(75)
Share of depreciation	(7)	(8)
Share of net financial items	(3)	(4)
Share of tax expense	(2)	(1)
Share of profit for the year	**11**	**8**
Share of equity (equity method)		
Book value	67	76
Excess value (goodwill)	56	44
Investments in Joint Ventures	**123**	**121**

USD mill	2020	2019
Joint ventures' assets, equity and liabilities (group's share of investments)		
Share of non current assets	187	167
Share of cash and cash equivalents	32	27
Share of current assets	5	16
Total share of assets	**224**	**209**
Share of equity	76	68
Share of profit for the period	11	8
Dividend received/repayments of share capital	(21)	(4)
Currency translation differences	1	3
Share of equity 31.12	**67**	**76**
Share of non current financial liabilities	100	98
Share of other non current liabilities	7	7
Share of current financial liabilities	14	
Share of other current liabilities	36	28
Total share of liabilities	**158**	**133**
Total share of equity and liabilities	**224**	**209**

Cont. note 4 Investments in joint ventures and associates

Set out below are the summarised financial information, based on 100%, for Coast Center Base (CCB), which, in the opinion of the directors, is a material joint venture to the group.

Joint ventures not considered to be material, are defined under "other" (based on 100%).

USD mill	CCB		Other	
	2020	2019	2020	2019
SUMMARISED STATEMENT OF COMPREHENSIVE INCOME				
Total income	143	182	10	10
Operating expenses	(107)	(149)	(1)	(1)
Depreciation / amortisation	(13)	(15)	(1)	(1)
Net operating profit	**23**	**19**	**8**	**8**
Financial income/(expenses)	(5)	(5)	(2)	(2)
Profit before tax	**18**	**13**	**6**	**6**
Tax income/(expense)	(2)	(1)	(1)	(1)
Profit after non-controlling interests	**16**	**12**	**5**	**4**
Other comprehensive income				
Total comprehensive income	**16**	**12**	**5**	**4**
WWH share of dividend from joint ventures	15	3	2	1

USD mill	CCB		Other	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
SUMMARISED BALANCE SHEET				
Non current assets	246	209	127	124
Other current assets	61	50	3	3
Cash and cash equivalents	8	30	3	3
Total assets	**315**	**289**	**133**	**130**
Non current financial liabilities	124	118	75	78
Other non current liabilities	12	12	2	2
Current financial liabilities	27		2	
Other current liabilities	67	50	5	7
Total liabilities	**230**	**179**	**85**	**88**
Net assets	**85**	**110**	**49**	**43**

The information above reflects the 100% amount presented in the financial statements of the joint ventures, adjusted for differences in accounting policies between the group and the joint ventures.

USD mill	CCB		Other	
	2020	2019	2020	2019
RECONCILIATION OF SUMMARISED FINANCIAL INFORMATION				
Opening net asset 31.12	**110**	**96**	**43**	**42**
Profit for the period	16	12	5	4
Other comprehensive income				
Currency translation differences	5	6	2	
Dividend to shareholder	(45)	(4)	(1)	(3)
Closing net assets 31.12	**85**	**110**	**49**	**43**
WWH share	42	55	24	21
Goodwill/ Surplus value / Reversal of internal gain	61	48	(4)	(3)
Carrying value 31.12	**103**	**102**	**20**	**18**

Note 5 Principal subsidiaries

FINANCIAL REPORTING PRINCIPLES
The consolidated financial statements consists of all entities controlled by Wilh. Wilhelmsen Holding ASA as at 31 December 2020.

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the profit/loss and equity of subsidiaries are shown separately in the consolidated statement of income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

	Business office/country	Nature of business	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)
Maritime Services				
Wilhelmsen Maritime Services AS	Lysaker, Norway	Maritime products and services	100%	100%
Wilhelmsen Ships Service AS	Lysaker, Norway	Maritime products and services		100%
Wilhelmsen Ship Management Holding AS	Lysaker, Norway	Ship management		100%
Supply Services				
NorSea Group AS	Tananger, Norway	Supply Services		75.15%
Holding and Investments				
Wilh. Wilhelmsen Holding Invest AS	Lysaker, Norway	Investment	100%	100%
Treasure ASA*	Lysaker, Norway	Investment	73.46%	73.46%
Wilh. Wilhelmsen Holding Invest Malta Ltd	Valletta, Malta	Investment		100%

The group's principal subsidiaries at 31 December 2020 are set out above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of headquarter of subgroups.

*At 31.12.2020 Treasure ASA had 3 965 000 own shares (2019: 465 000).

Note 6 Employee benefits

FINANCIAL REPORTING PRINCIPLES

Employee benefits include wages, salaries, social security contributions, sick leave, parental leave and other employee benefits. The benefits are recognised in the period in which the associated services are rendered by the employees.

Cash–settled payments/bonus plans, for cash-settled payments, a liability equal to the portion services received is recognised at fair value determined at each balance sheet date.

USD mill	Note	2020	2019
Pay		224	243
Payroll tax		29	23
Pension cost	11	16	10
Other remuneration		30	31
Total employee benefits		**299**	**306**

	2020	2019
Number of employees:		
Group companies in Norway	1 003	1 028
Group companies abroad	3 471	3 807
Seagoing personnel Ship Management	10 639	10 230
Total employees	**15 113**	**15 065**
Average number of employees	15 089	14 575

REMUNERATION OF SENIOR EXECUTIVES

USD thousand	Pay	Bonus	Pension premium	*Other remuneration	Total	Total in NOK thousand
2020						
Group CEO	595	167	197	183	1 142	9 740
Group CFO	421	103	53	53	630	5 370
President and CEO Wilhelmsen Ships Service	375	99	123	23	620	5 287
President and CEO Wilhelmsen Ship Management	255	54	36	169	515	4 389
CEO NorSea Group**	276	115	9	19	419	3 572
2019						
Group CEO	569		231	216	1 016	8 939
Group CFO	401		49	50	501	4 404
President and CEO Wilhelmsen Ships Service	358	93	112	24	588	5 170
President and CEO Wilhelmsen Ship Management	234	38	31	122	425	3 741
CEO NorSea Group	254	105	9	20	388	3 410

Remuneration is paid in NOK, which means that the USD amounts are not comparable from year to year. Rates of remuneration can be compared by taking account of changes in the USD exchange rate.

*Mainly related to gross up pension expenses and company car.
**The CEO NorSea Group has additional benefit related to disability pension.

Cont. note 6 Employee benefits

Remuneration of the board of directors

USD thousand	2020	2019
Diderik Schnitler (chair)	82	80
Trond Westlie	50	48
Carl E Steen	50	48
Rebekka Glasser Herlofsen		
Ulrika Laurin		
Irene Waage Basili	50	48
Cathrine Løvenskiold Wilhelmsen*	37	48

*Resigned from the board on 7 February 2020. The remuneration was reduced with 1/4 to reflect the period as a board member.

The board's remuneration for fiscal year 2020 will be approved by the general meeting 22 April 2021. Remuneration of the nomination committee, for both Wilh. Wilhelmsen Holding ASA and Treasure ASA, totalled USD 22 thousand for 2020 (2019: USD 21 thousand).

Senior executives
Thomas Wilhelmsen - group CEO
Christian Berg - group CFO
Bjoerge Grimholt - President and CEO Wilhelmsen Ships Service
Carl Schou - President and CEO Wilhelmsen Ship Management
John Stangeland - CEO NorSea Group

See note 2 Employee benefits in the parent company accounts, and note 21 Related party transaction.

LONG-TERM INCENTIVE SCHEME
The long term incentive scheme (LTI) was introduced in 2015. Participants are members of the group management team and the presidents for Ships Service and Ship Management. For the group CEO, maximum annual payment is 100% of base salary. For the remaining participants, the maximum annual payment is 50% of base salary.

The LTI focuses on long term shareholder value creation and is based on positive development of the Wilhelmsen group's value adjusted equity.
The ambitions set for the programme are to increase alignment with value creation for shareholders, to attract, retain and motivate participants and drive long-term group performance.

Settlement is based on return on value adjusted equity the last four years leading up to the settlement. The value adjusted equity is determined by using a "sum-of-the-parts" principle. For listed companies, value adjusted equity is based on market price, while earnings multiples or net asset value are used for non-listed entities.

The board sets value adjusted equity targets at the beginning of each four year measurement period. Without consultation or agreement with the individual, the board has the right to change or terminate the incentive programme after each year.

Per 31 December 2020, a provision has been made related to the LTI programme ending on 31 December 2022. Potential payment will be in March 2023. The provision has been calculated based on development in value adjusted equity for the two first years of the four year measurement period, wrisk free return and standard deviation of historic annual value creation.

For further details, see note 16 Statement on the remuneration for senior executives in the parent company accounts.

EXPENSED AUDIT FEE

USD mill	2020	2019
Statutory audit	1.6	2.5
Other assurance services	0.2	0.4
Tax advisory fee	1.9	1.4
Other assistance	0.1	0.1
Total expensed audit fee	**3.9**	**4.4**

The fees above cover the group expenses to all external auditors and tax advisors.

Note 7 Property, vessel and other tangible assets

FINANCIAL REPORTING PRINCPLES

Property, vessel and other tangible assets acquired by group companies are stated at historical cost. Depreciation is calculated on a straight-line basis. The carrying value of tangible assets equals the historical cost less accumulated depreciation and any impairment charges. The group's aquisition costs are recognised in the income statement when they arise. Aquisition costs are capitalised to the extent that they are directly related to the acquisition of the asset. Land is not depreciated. Other tangible assets are depreciated over the following expected useful lives:

Property:	10-50 years
Vessel:	25 years
Other tangible assets:	3-10 years

Each component of a tangible asset which is significant for the total cost of the item will be depreciated separately. Components with similar useful lives will be included in a single component.

The estimated residual value and expected useful life of long-lived assets are reviewed at each balance sheet date, and where they differ significantly from previous estimates, depreciation charges will be changed accordingly going forward.

Impairment:

The group applies IAS 36 Impairment of Assets to determine whether property, vessels and other tangible assets is impaired and to account for any impairment loss identified.

At each reporting date the accounts are assessed whether there is an indication that an asset may be impaired. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, estimates of the asset's recoverable amount are done. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units – "CGU"). The recoverable amount is the highest of the fair market value of the asset, less cost to sell, and the net present value ("NPV") of future estimated cash flow from the employment of the asset ("value in use").

The NPV is based on a discount rate according to a weighted average cost of capital ("WACC") reflecting the company's required rate of return. The WACC is calculated based on the company's long-term borrowing rate and a risk-free rate plus a risk premium for the equity. If the recoverable amount is lower than the book value, impairment has occurred, and the asset shall be revalued. Impairment losses are recognised in profit or loss. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The group has financial models which calculate and determine the value in use through a combination of actual and expected cash flow generation discounted to present value. The expected future cash flow generation and models are based on assumptions and estimate.

USD mill	Property	Vessel	Other tangible assets	Total tangible assets
TANGIBLE ASSETS				
2020				
Cost 1.1	560	35	244	839
Acquisition	19		11	31
Reclass/disposal	(4)		(21)	(25)
Currency translation differences	22	1	6	29
Cost 31.12	**596**	**36**	**241**	**873**
Accumulated depreciation and impairment losses 1.1	(175)	(19)	(90)	(284)
Depreciation/amortisation	(16)	(1)	(11)	(28)
Reclass/disposal	3		12	15
Impairment	(1)	(2)		(3)
Currency translation differences	(9)	(1)	(3)	(13)
Accumulated depreciation and impairment losses 31.12	**(198)**	**(23)**	**(92)**	**(313)**
Carrying amounts 31.12	**398**	**13**	**149**	**560**
2019				
Cost 1.1	550	35	251	836
Acquisition	19		17	36
Reclass/disposal	(5)		(24)	(29)
Currency translation differences	(5)		1	(4)
Cost 31.12	**560**	**35**	**244**	**839**
Accumulated depreciation and impairment losses 1.1	(162)	(18)	(89)	(269)
Depreciation/amortisation	(17)	(1)	(11)	(29)
Reclass/disposal	4		10	13
Impairment	(1)			(1)
Currency translation differences	1		1	2
Accumulated depreciation and impairment losses 31.12	**(175)**	**(19)**	**(90)**	**(284)**
Carrying amounts 31.12	**384**	**16**	**154**	**555**

Cont. note 7 Goodwill and other intangible assets

FINANCIAL REPORTING PRINCPLES

Goodwill:
Goodwill represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previous equity interests in the acquiree over the fair value of the identifiable net assets of the acquired subsidiary, joint venture or associate. Goodwill arising from the acquisition of subsidiaries is classified as an intangible asset. Goodwill acquired through business combinations are allocated to the relevant cash-generating unit ("CGU").

Other intangible assets:
Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available
- the expenditure attributable to the software product during its development can be reliably measured.

Trademark, technology/licenses and customer relationship have a finite life and are recognised at historical cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful life. Capitalised expenses related to other intangible assets are amortised over the expected useful lives in accordance with the straight-line method.

Amortisation of intangible fixed assets is based on the following expected useful lives:

Goodwill:	Indefinite life
Software and licenses:	3-5 years
Other intangible assets:	5-10 years

Impairment:
The group applies IAS 36 Impairment of Assets to determine whether goodwill or other intangible asset is impaired and to account for any impairment loss identified.

Goodwill arising from the acquisition of an interest in an associated company is included under investment in associated companies and tested for impairment as part of the carried amount of the investment when impairment indicators is present. Goodwill have an indefinite useful life not subject to amortisation and is tested annually for impairment and carried at cost less impairment losses. Gain or loss on the sale of a business includes the carried amount of goodwill related to the sold business.

For impairment testing goodwill is allocated to relevant CGU. The allocation is made to those CGU or groups of CGU which are expected to benefit from the acquisition. An assessment is made as to whether the carrying amount of the goodwill can be justified by future earnings from the CGU to which the goodwill relates. If the recoverable amount of the CGU is less than the carrying amount of the CGU, including goodwill, goodwill will be written down first. Thereafter the carrying amount of the CGU will be written down. Impairment losses related to goodwill cannot be reversed.

Impairment of other intangible assets follow the same principles as impairment for other non-financial assets, refer to financial reporting principles for property, vessels, and other tangible assets above.

USD mill	Goodwill	Software and licences	Other intangible assets	Total intangible assets
INTANGIBLE ASSETS				
2020				
Cost 01.01	121	71	35	227
Acquisition		6	1	7
Reclass/disposal	1	(43)	(2)	(44)
Currency translation differences	4	(2)	1	3
Cost 31.12	**126**	**33**	**35**	**194**
Accumulated amortisation and impairment losses 01.01	(2)	(56)	(19)	(77)
Amortisation/impairment	(11)	(4)	(3)	(18)
Reclass/disposal		40	1	41
Currency translation differences		2	(1)	1
Accumulated amortisation and impairment losses 31.12	**(13)**	**(18)**	**(22)**	**(52)**
Carrying amounts 31.12	**112**	**15**	**14**	**141**

Cont. note 7 Goodwill and other intangible assets

USD mill 2019	Goodwill	Software and licences	Other intangible assets	Total intangible assets
Cost 01.01	124	67	34	225
Acquisition		5	1	6
Reclass/disposal	(2)			(2)
Currency translation differences	(1)	(1)		(2)
Cost 31.12	**121**	**71**	**35**	**227**
Accumulated amortisation and impairment losses 01.01	(1)	(53)	(15)	(68)
Amortisation/impairment	(1)	(4)	(4)	(9)
Reclass/disposal				
Currency translation differences				1
Accumulated amortisation and impairment losses 31.12	**(2)**	**(56)**	**(19)**	**(77)**
Carrying amounts 31.12	**119**	**16**	**16**	**151**

Segment-level summary of the goodwill allocation:	2020	2019
Maritime Services	112	119
Total goodwill allocation	**112**	**119**

The group conducted no material acquisition in 2020 or 2019.

Impairment testing of goodwill
In the Maritime Services segment, USD 112 million relate to business area Ships Service (all activities in the Maritime Services segment except for technical /crewing management) mainly to the acquisition of Unitor ASA and Kemetyl. The goodwill figures are originally calculated in NOK and USD (2019: NOK and USD). Goodwill is tested for impairment annually.

For the purpose of impairment testing, goodwill is allocated to the respective cash generating units within the Ships Service business area.

During 2020 the group recognised an impairment loss of USD 11 million. The impairment was related to the downscaling of activities and corresponding re-organization of operations in specific markets due to the effect of the COVID-19 pandemic. The recoverable amount for the specific cash generating units was determined by the unit's estimated fair value less cost of disposal (2019: value-in-use). The assumptions in the forecast used in the recoverable amount assessments were based on external available market information where possible, in addition to the group's expectations about the future. The applied assumptions were adjusted to reflect the current market conditions and specific business activities of the group.

As of December 31 2020, management performed additional impairment test for goodwill. No additional impairment was recognised (analogus for 2019).

Recoverable amount is calculated using estimated fair value less cost of disposal. In calculating the fair value less cost of disposal, the Group considers relevant information generated by market transactions involving similar group of assets, including qualitative and quantitative information.

Fair value less cost of disposal has been estimated by using an Enterprise value/EBITDA multiple (see note 24 for definition of the terms). The forecasted EBITDA is based on historical levels for EBITDA in each CGU. The multiples are estimated to be in the range of 6 - 9, which management believes is a fair estimate of market multiples for the relevant CGU's.

In 2019, recoverable amount was calculated based on value in use. Value in use was determined by discounting the future cash flows.

Value in use was determined by discounting the future cash flows generated from the continuing operation of the units.

Cash flows were projected based on actual operating results and next year's forecast. Cash flows is based on a 5-year strategy plan period with terminal value (terminal growth rate 1%) were extrapolated using the following key assumptions:

	2020	2019
USD/NOK	8.53	8.77
Multiple (2020) / Discount rate (2019)	6.5	7.4%
Growth rate	1-5%	1-5%
Increase in material cost	1-5%	1-5%
Increase in pay and other remuneration	1-3%	1-3%
Increase in other expenses	2-4%	2-4%

The values assigned to the key assumptions represent management's assessment of future trends in the maritime industry and are based on both external sources and internal sources.

No reasonably possible change in any of the key assumptions on which management has based its determination of the recoverable amount would cause the carrying amount to exceed its recoverable amount as of December 31 2020.

Note 8 Leases

FINANCIAL REPORTING PRINCPLES
The group adopted IFRS 16 Leases from 1 January 2019 which resulted in material changes to the group's financial statement.

Under IFRS 16 Leases, a lessee is required to recognise all contracts that qualify under its definition of a lease as right-of-use assets and lease liabilities in the balance sheet, while lease payments should be split in interest expense and reduction of lease liabilities. The right-of-use assets are to be depreciated in accordance with IAS 16 "Property, Plant and Equipment" over the shorter of each contract's term and the assets useful life.

The group implemented 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 was not reassessed.

The group applied IFRS 16 using the modified retrospective approach. The impact of changes in accounting policies and impact of the initial application is disclosed below and note 4 in the parent accounts

Identifying a lease:
At the inception of a contract, the group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To determine whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

- The agreement creates enforceable rights of payment and obligations
- The identified asset is physically distinct
- It has the right to obtain substantially all of the economic benefits from use of the asset
- It has the right to direct the use of the asset
- The supplier does not have a substantive right to substitute the asset throughout the period of use

Lessee:
For contracts that constitutes, or contains a lease, the group separates lease components if it benefits from the use of each underlying asset either on its own or together with other resources that are readily available, and the underlying asset is neither highly dependent on, nor highly interrelated with, the other underlying assets in the contract. The group then accounts for each lease component within the contract as a lease separately from non-lease components of the contract. The group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. If an observable stand-alone price is not readily available, the group estimates this price by maximising the use of observable information.

Recognition of leases and exemptions:
At the lease commencement date, the group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the group recognises the lease payments as other operating expenses in the statement of profit or loss when they incur.

Measuring the lease liability:
The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the noncancellable period of the lease, together with periods covered by an option to extend the lease when the group is reasonably certain to exercise this option, and period's covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amount expected to be payable by the group under residual value guarantees.
- The exercise price of a purchase option, if the group is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the group exercising an option to terminate the lease.

The group do not include variable lease payments in the lease liability arising from contracted index regulations subject to future events, such as inflation. Instead, the group recognises these costs in profit or loss in the period in which the event or condition that triggers those payments occurs. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate. Group presents its lease liabilities as separate line items in the statement of financial position.

Sensitivity of the lease liability:
The group cannot always determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate reflects what the group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when the rates need to be adjusted to reflect the term and currency of the lease. In determining the lease term, management considers all facts and circumstances that create an economic incentive and business plans to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Measuring the right-of-use asset:
The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs incurred by the group
- An estimate of costs to be incurred by the group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. The group applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. The group has not applied the revaluation model for its right of use asset for leased buildings. Group presents it's right-of-use assets as separate line items in the consolidated statement of financial position.

Impairment:
The group applies IAS 36 Impairment of Assets to determine whether the right of-use asset is impaired and to account for any impairment loss identified. Impairment of right-of-use assets follow the same principles as impairment for other non-financial assets, refer to financial reporting principles for property, vessels, and other tangible assets note 7.

Cont. note 8 Leases

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

USD mill	
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 per January 1, 2019	**2**
Prepayments and currency translation	**2**

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

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:

USD mill 2020	Buildings and land	Machinery, equipment and vehicles	Total intangible assets
Acquisition cost 1.1	192	12	204
Addition of right-of-use assets	16	5	21
Reclass/disposal	(12)	(5)	(16)
Currency exchange differences	6		6
Acquisition cost 31.12	**202**	**13**	**215**
Accumulated depreciation and impairment 1.1	(28)	(4)	(31)
Depreciation	(26)	(3)	(29)
Reclass/disposal	21	4	24
Currency exchange differences	(2)		(2)
Accumulated depreciation and impairment 31.12	**(35)**	**(4)**	**(38)**
Carrying amount of right-of-use assets 31.12	**168**	**9**	**177**

USD mill 2019	Buildings and land	Machinery, equipment and vehicles	Total intangible assets
Acquisition cost 1.1	210	12	222
Change of estimates	(11)		(11)
Currency exchange differences	(8)		(8)
Acquisition cost 31.12	**192**	**12**	**204**
Accumulated depreciation and impairment 1.1			
Depreciation	(26)	(4)	(30)
Currency exchange differences	(1)		(1)
Accumulated depreciation and impairment 31.12	**(28)**	**(4)**	**(31)**
Carrying amount of right-of-use assets 31.12	**164**	**8**	**173**
Lower of remaining lease term or economic life	5-12 years	3-8 years	
Depreciation method	Linear	Linear	

Cont. note 8 Leases

Lease liabilities

USD mill	2020	2019
Undiscounted lease liabilities and maturity of cash outflows		
Less than 1 year	(35)	(36)
1-2 years	(34)	(33)
2-3 years	(33)	(30)
3-4 years	(33)	(29)
4-5 years	(18)	(27)
More than 5 years	(65)	(63)
Total undiscounted lease liabilities at 31.12	**(218)**	**(217)**
Summary of the lease liabilities in the financial statements		
Total lease liability 01.01 (initial application 01.01.2019)	181	220
Cash payments for the principal portion of the lease liability	(18)	(24)
Change of estimates	10	(20)
Currency exchange differences	12	5
Total lease liabilities at 31.12	**192**	**181**
Current lease liabilities	31	27
Non-current lease liabilities	161	154

The leases do not contain any restrictions on the group's dividend policy or financing. The group does not have significant residual value guarantees related to its leases to disclose.

Summary of other lease expenses recognised in income statement	2020	2019
Variable lease payments expensed in the period	1	1
Operating expenses related to short-term leases (including short-term low value assets)	9	6
Operating expenses related to low value assets (excluding short-term leases including below)	2	3
Total lease expenses included in other operating expenses	**12**	**10**

Practical expedients applied
The group leases computers, IT equipment and machinery with contract terms of 1 to 3 years. The group has elected to apply the practical expedient of low value assets and does not recognise lease liabilities or right-of-use assets. The leases are instead expensed when they incur. The group has also applied the practical expedient to not recognise lease liabilities and right-of-use assets for short-term leases, presented in the table above.

Further, the group has lease commitments, not yet commenced and therefore not included in the lease liabilities of approximately USD 3 million as of 31 December 2020 (2019: USD 4 million)

Extension options
The group's lease of buildings have lease terms that varies from 5 years to 25 years, and several agreements involve a right of renewal which may be exercised during the last period of the lease terms. The group assesses at the commencement whether it is reasonably certain to exercise the renewal right. The option related to the group headquarter was removed from right-of-use assets at 31 December 2019.

Purchase options
The group leases machinery, equipment and vehicles with lease terms of 3 to 5 years. Some of these contracts includes a right to purchase the assets at the end of the contract term. The group assesses at the commencement whether it is reasonably certain to exercise the purchase right. All options are based on market value.

Subleases
The group has subleased an immaterial part of its redundant office buildings, classified as an operating lease.

Note 9 Tax

FINANCIAL REPORTING PRINCPLES
Income tax in the income statement consists of current tax, effect of changes in deferred tax / deferred tax assets, and withholding tax incurred in the period. Income tax is recognised in the income statement unless it relates to items recognised directly in equity or other comprehensive income.

Current tax:
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date that will be paid during the next 12 months. Current tax also includes any adjustment of taxes from previous years and taxes on dividends recognised in the year.

Deferred tax / deferred tax asset
Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws which have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit. Deferred income tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group.

Withholding tax:
Withholding tax and any related tax credits are generally recognised in the period they are incurred.

Ordinary taxation
The ordinary rate of corporation tax in Norway is 22% of net profit for 2020 (2019: 22%). Norwegian limited liability companies are encompassed by the participation exemption method for share income. Thus, share dividends and gains are tax free for the receiving company. Corresponding losses on shares are not deductible. The participation exemption method does not apply to share income from companies considered low taxed and that are located outside the European Economic Area (EEA), and on share income from companies owned by less than 10% resident outside the EEA.

For group companies located in the same country and within the same tax regime, taxable profits in one company can be offset against tax losses and tax loss carry forwards in other group companies. Deferred tax/deferred tax asset has been calculated on temporary differences to the extent that it is likely that these can be utilised in each country and for Norwegian entities the group has applied a rate of 22% (2019: 22%).

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 and tax exempt revenues from tonnage tax regimes.

Foreign taxes
Companies domiciled outside Norway will be subject to local taxation, either on ordinary terms or under special tonnage tax rules. When dividends are paid, local withholding taxes may be applicable. This generally applies to dividends paid by companies domiciled outside the EEA.

USD mill	2020	2019
Allocation of tax expense for the year		
Payable tax in Norway	(14)	(8)
Payable tax foreign	(12)	(12)
Change in deferred tax	(1)	5
Total tax expense	**(27)**	**(15)**

Reconciliation of actual tax expense against expected tax expense in accordance with the ordinary Norwegian income tax rate of 22%

	2020	2019
Profit before tax	205	144
22% tax	**45**	**32**
Tax effect from:		
Permanent differences	4	7
Non-taxable income	(48)	(19)
Share of (profit)/loss from joint ventures and associates	11	(11)
Impairment deferred tax asset*	8	
Withholding tax and payable tax previous year	8	6
Calculated tax expense for the group	**27**	**15**
Effective tax rate for the group	13.4%	10.2%

* The group have material deferred tax assets, mainly related to companies within the Norwegian tax regime. As part of the group's revenue subject to Norwegian taxation falls within the tax exemption method, there is an increased uncertainty regarding the future use of the deferred tax asset. Based on this, the group have recognised an impairment of USD 8 million related to deferred tax assets.

Cont. note 9 Tax

USD mill	2020	2019
Net deferred tax assets at 01.01	46	42
Currency translation differences	(2)	(1)
Tax charged to equity	1	
Income statement charge	(1)	5
Net deferred tax assets at 31.12	**44**	**46**
Deferred tax assets in balance sheet	55	57
Deferred tax liabilities in balance sheet	(12)	(11)
Net deferred tax assets at 31.12	**44**	**46**

USD mill **Deferred tax liabilities**	Fixed assets	Other	Total
At 31.12.2019	**(11)**	**(1)**	**(12)**
Through income statement	7	(1)	7
Currency translations	(1)		(1)
Deferred tax liabilities at 31.12.2020	**(5)**	**(2)**	**(7)**
At 31.12.2018	**(13)**	**(5)**	**(18)**
Through income statement	1	4	5
Currency translations	1		1
Deferred tax liabilities at 31.12.2019	**(11)**	**(1)**	**(12)**

USD mill **Deferred tax assets**	Non current assets and liabilities	Current assets and liabilities	Tax losses carried forward	Total
At 31.12.2019	**6**	**11**	**42**	**59**
Through income statement	(6)	(4)	2	(8)
Charged directly to equity	1			1
Currency translations			(1)	(1)
Deferred tax assets at 31.12.2020	**0**	**7**	**43**	**51**
At 31.12.2018	**19**	**25**	**17**	**60**
Through income statement	(14)	(12)	25	
Charged directly to equity	1			1
Currency translations		(2)		(2)
Deferred tax assets at 31.12.2019	**6**	**11**	**42**	**59**

The mainly part of tax loss carry forward is related to entities in Norway and USA, without expiration of the tax loss carry forward.

Temporary differences related to joint ventures and associates are USD 0 for the group, since all the units are regarded as located within the area in which the exemption method applies, and no plans exist to sell any of these companies.

The Maritime Services segment will have shares in subsidiaries not subject to the exemption method which could give rise to a tax charge in the event of a sale, where no provision has been made for deferred tax associated with a possible sale or dividend. There are currently no plans to dispose of such companies.

Note 10 Earnings per shares

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

The calculation of basic and diluted earnings per share is based on the income attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding. Own shares are not included in the weighted average number of ordinary shares. Weighted average number of diluted and ordinary shares is the same, as the company does not have any dilutive instruments.

Earnings per share
Earnings per share taking into consideration the number of outstanding shares in the period. At 31 December 2020 WWH ASA owns a total of 1 823 824 own shares, split on 537 092 A-shares and 1 286 732 B-shares. Total outstanding shares as of 31 December 2020 are 34 000 000 A-shares and 10 580 000 B-shares.

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

See note 10 in the parent accounts for an overview of the largest shareholders at 31 December 2020.

Note 11 Pension

FINANCIAL REPORTING PRINCPLES
Defined contribution plan:
A defined contribution plan is one under which the group and the parent company pay fixed contributions to a separate legal entity. The group and the parent company have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined benefit plan:
A defined benefit plan is one which is not a defined contribution plan. This type of plan typically defines an amount of pension benefit an employee will receive on retirement, normally dependent on one or more factors such as age, years of service and pay.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The pension obligation is calculated annually by independent actuaries using a straight-line earnings method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the income statement.

Description of the pension scheme
The group's defined contribution pension schemes for Norwegian employees are with financial institutions providing solutions based on investment funds.

Subsidiaries outside Norway have separate schemes for their employees in accordance with local rules, and the pension schemes are for the material part defined contribution plans.

The group has "Ekstrapensjon", a contribution plan for all Norwegian employees with salaries exceeding 12 times the Norwegian National Insurance base amount (G). The contribution plan replaced the group obligations, mainly financed from operation. However, the group still has obligations for some employees' related to salaries exceeding 12 times the Norwegian National Insurance base amount (G) mainly financed from operations.

In addition, the group has agreements on early retirement. These obligations are mainly financed from operations.

The group has obligation towards one employee in the group's senior executive management. The obligation is mainly covered through group annuity policies in Storebrand.

Pension costs and obligations include payroll taxes. No provision has been made for payroll tax in pension plans where the plan assets exceed the plan obligations.

The liability recognised in the balance sheet in respect of the remaining defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In a few countries without deep markets in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Cont. note 11 Pension

Number of people covered by pension schemes at 31.12	Funded 2020	Funded 2019	Unfunded 2020	Unfunded 2019
In employment	13	16	5	4
On retirement (inclusive disability pensions)	141	140	26	26
Total number of people covered by pension schemes	**154**	**156**	**31**	**30**

Financial assumptions for the pension calculations:	Expenses 2020	Expenses 2019	Commitments 31.12.2020	Commitments 31.12.2019
Discount rate	2.30%	2.70%	1.60%	2.30%
Anticipated pay regulation	2.00%	2.50%	1.75%	2.00%
Anticipated increase in National Insurance base amount (G)	2.00%	2.50%	1.75%	2.00%
Anticipated regulation of pensions	0.10%	0.10%	0.10%	0.10%

USD mill **Pension expenses**	2020	2019
Service cost/ net interest cost	1	1
Cost of contribution plan	15	9
Pension expenses	**16**	**10**

USD mill	31.12.2020	31.12.2019
Pension obligations		
Defined benefit obligation at end of prior year	36	40
Effect of changes in foreign exchange rates	(1)	
Service cost	1	1
Interest expense	1	1
Benefit payments from plan	(1)	(5)
Benefit payments from employer	1	
Settlement payments from plan assets		(1)
Remeasurements - change in assumptions	4	
Pension obligations 31.12	**42**	**36**
Fair value of plan assets		
Fair value of plan assets at end of prior year	16	20
Interest income		1
Employer contributions	1	
Benefit payments from plan	(1)	(1)
Settlement payments from plan assets		(4)
Gross pension assets 31.12	**17**	**16**

USD mill **Total pension obligations**	31.12.2020	31.12.2019
Defined benefit obligation	42	36
Fair value of plan assets	17	16
Net liability	**25**	**20**

Note 12 Combined items, balance sheet

FINANCIAL REPORTING PRINCPLES
Loans and receivables at amortised cost:
Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not traded in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivable are classified as other current assets or other non-current assets in the balance sheet.

Loans and receivables are recognised initially at their fair value plus transaction costs. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred, and the group has transferred by and large all risk and return from the financial asset. Realised gains and losses are recognised in the income statement in the period they arise.

Account payables and other payables
Account payables and other payables are recognised at the original invoiced amount, where the invoiced amount is considered to be approximately equal to the value derived if the amortised cost method would have been applied.

USD mill	Note	2020	2019
OTHER NON CURRENT ASSETS*			
Non current investments	19	2	1
Other non current assets	19	26	23
Total other non current assets		**28**	**25**
OTHER CURRENT ASSETS*			
Account receivables		178	233
Financial derivatives	19	15	1
Restricted cash	17	1	1
Other current assets	17/19	81	82
Total other current assets		**274**	**317**
OTHER NON CURRENT LIABILITIES*			
Related party non current liabilities			3
Other non current liabilities		23	25
Total other non current liabilities		**23**	**28**
OTHER CURRENT LIABILITIES*			
Account payables		208	223
Financial derivatives	19	9	16
Other current liabilities**		260	216
Total other current liabilities		**478**	**455**

*Current assets and current liabilities are due within 12 months. Non current assets and non current liabilities are due in more than 12 months.

**Maritime Services has 615 965 (2019: 612 738) cylinders booked as other tangible asset in the balance sheet, see note 7. The cylinders are valued at USD 109 million (2019: USD 112 million). These cylinders are partly in the group's own possession and partly on board customers vessels. Most customers have paid a deposit for the cylinders they have onboard their vessels. The total deposit liability booked is USD 96 million (2019: USD 85 million).

Provisions in other current liabilities, including cylinder deposit liability, does include some degree of uncertainty due to the nature of the provisions. Provisions are calculated and recognised based on available information and assumptions at the time when the provision is made, and will be updated if needed when new information becomes available.

Note 13 Receivables

FINANCIAL REPORTING PRINCPLES
Account receivables and other receivables, that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Account receivables and other receivables are recognised at the original invoiced amount, where the invoiced amount is considered to be approximately equal to the value derived if the amortised cost method would have been applied.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets, including receivables from lease contracts.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk charateristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

USD mill	Current	Less than 90 days past due	Between 90 and 180 days past due	More than 180 days past due
31 December 2020				
Expected loss rate	0%	1%	3%	68%
Gross carrying amount - trade receivables	166	5	5	7
Loss allowance*	**0**	**(0)**	**(0)**	**(5)**
31 December 2019				
Expected loss rate	0%	1%	3%	57%
Gross carrying amount - trade receivables	216	7	7	7
Loss allowance*	**0**	**(0)**	**(0)**	**(4)**

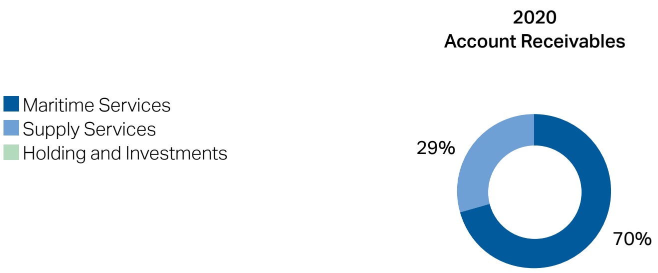
*Loss allowance is rounded to nil for trade receivables less than 180 days overdue.

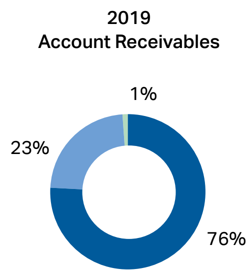
ACCOUNT RECEIVABLES
At 31 December 2020, USD 11 million (2019: USD 21 million) in account receivables had fallen due but not been subject to impairment. These receivables are related to a number of separate customers.

Historically, the percentage of bad debts has been low and the group expects the customers to settle outstanding receivables. Receivables fallen due but not subject to impairment have the following age composition:

USD mill	2020	2019
Aging of account receivables past due but not impaired		
Up to 90 days	5	7
90-180 days	4	7
Over 180 days	2	7
Movements in group provision for impairment of account receivables are as follows		
Balance at 01.01	4	4
Net provision for receivables impairment	1	
Balance 31.12	**5**	**4**
Account receivables per segment		
Maritime Services	125	176
Supply Services	52	53
Holding and Investments	1	3
Total account receivables	**178**	**233**

See note 19 on credit risk.



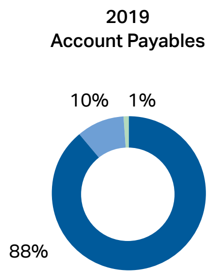


Cont. note 13 Receivables

ACCOUNT PAYABLES

USD mill	2020	2019
Maritime Services	181	197
Supply Services	25	23
Holding and Investments	1	3
Total account payables	**208**	**223**

See note 19 on credit risk.



Note 14 Financial assets to fair value

FINANCIAL REPORTING PRINCPLES
Management determines the classification of financial assets at their initial recognition, with financial assets held for trading carried at fair value. Financial assets measured at fair value are initially measured at fair value with transaction costs expensed in the income statement, and subsequently changes in fair value recognised in the income statement.

USD mill	2020	2019
Financial assets to fair value		
At 1 January	675	650
Acquisition	9	9
Reclassified		2
Sale during the year	(86)	(20)
Currency translation adjustment through other comprehensive income	11	(0)
Change in fair value through income statement	192	34
Total financial assets to fair value	**801**	**675**
Financial assets to fair value		
Qube Holdings Limited	80	92
Other Australian financial assets	18	18
Hyundai Glovis	699	560
Other	5	6
Total financial assets to fair value	**801**	**675**

Financial assets to fair value are held in subsidiaries with different reporting currency and thereby creating translation adjustments.

Qube Holdings Limited is Australia's largest integrated provider of import and export logistics services, and listed on the Australian Securities Exchange (ASX). As per 31 December 2020 the group held 35 million shares, 1.8% of total (2019: 40 million shares, 2.5% of total). The shares in Qube serve as collateral for a credit facility. See note 18.

Hyundai Glovis Co., Ltd., is a global Korean based general logistics and distribution company, providing business service such as logistics, marine transportation, KD, used cars and trading. Glovis is listed on the Korean Stock Exchange. As per 31 December 2020, Treasure ASA group held 4.1 million shares in Glovis (11% of total) (2019: 12.04%). Treasure ASA is listed on the Oslo Stock Exchange.

Note 15 Inventories

FINANCIAL REPORTING PRINCPLES
Inventories of purchased goods and work in progress, are valued at cost in accordance with the weighted average cost method. Impairment losses are recognised if the net realisable value is lower than the cost price. Sales costs include all remaining sales, administrative and storage costs.

USD mill	2020	2019
Inventories		
Raw materials	8	7
Goods/projects in process	2	2
Finished goods/products for onward sale	74	73
Others		1
Total inventories	**84**	**82**
Obsolescence allowance, deducted above	4	2

Note 16 Current financial investments

FINANCIAL REPORTING PRINCPLES
This category consists of financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of profit from short term price gains. Current financial investments are measured at fair value. The resulting unrealised gains and losses are included in financial income and expense. Derivatives are also placed in this category unless designated as hedges. Assets in this category are classified as current.

USD mill	2020	2019
Market value current financial investments		
Equities	72	57
Bonds	48	44
Financial derivatives	5	1
Total current financial investments	**124**	**102**

The fair value of all equity securities, bonds and other financial assets is based on their closing prices in an active market.

The net unrealised gain at 31.12	14	10

The parent company's portfolio of financial investments USD 119 million is held as collateral within a securities' finance facility. See note 18.

Note 17 Cash, restricted bank deposits and undrawn credit facilities

FINANCIAL REPORTING PRINCPLES
Cash and cash equivalents include cash in hand, deposits held at call with banks and other liquid investments with maturities of three months or less.

Bank overdrafts are presented under borrowings in current liabilities on the balance sheet.

USD mill	2020	2019
Payroll tax withholding account	1	1

Companies that do not have payroll tax withholding account use bank guarantees. As per 31.12.2020 total guarantees amounted to USD 6.7 million (2019: USD 6.3 million).

Committed undrawn credit facilities	263	299

Committed undrawn credit facilities are key part of the liquidity reserve.

Cash and cash equivalents		
Banks	269	153
Total cash and cash equivalents	**269**	**153**

The group has cash pool arrangements within each segments and this is presented as cash and cash equivalents. WWH ASA (Holding and Investment segment) owns and operates a multicurrency cash pool with a header-account in NOK, comprising of subsidiaries registered in Norway. WMS AS (Maritime Services segment) owns and operates a multicurrency cash pool with a header-account in USD, comprising of subsidiaries in Europe, Asia-Pacific and North America. NorSea Group AS (Supply Services segment) owns and operates a multicurrency cash pool with a header-account in NOK, comprising of subsidiaries in Norway, Denmark, Germany and U.K.

Note 18 Interest-bearing debt

FINANCIAL REPORTING PRINCPLES
Loans are recognised at fair value when the proceeds are received, net of transaction costs. In subsequent periods, loans are stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the term of the loan. Loans are classified as current liabilities unless the group or the parent company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

USD mill	Note	2020	2019
Interest-bearing debt			
Bank and mortgages loan		464	494
Lease liability		192	181
Total interest-bearing debt	19	**657**	**675**
Book value of collateral, mortgaged and leased assets:			
Financial assets to fair value, current financial investments *	14/16	199	193
Assets Supply Services		853	770
Total book value of collateral, mortgaged and leased assets		**1 052**	**964**

* The parent company's portfolio of financial investments is held as collateral within a securities' finance facility.

USD mill	Note	2020	2019
Repayment schedule for interest-bearing debt			
Due in year 1		70	92
Due in year 2		233	40
Due in year 3		32	40
Due in year 4		30	251
Due in year 5 and later		291	252
Total interest-bearing debt	19	**657**	**675**

The overview above shows the actual maturity structure, with the amount due in year one as the first year's instalment classified under other current liabilities. Loan agreements entered into by the group contain financial covenants relating to liquidity, leverage and value-adjusted equity. The group was in compliance with all covenants at 31 December 2020.

USD mill	Note	2020	2019
The group net interest-bearing debt			
Non current interest-bearing debt		426	429
Non current lease liabilities		161	154
Current interest-bearing debt		38	65
Current lease liabilities		31	27
Total interest-bearing debt		**657**	**675**
Cash and cash equivalents		269	153
Current financial investments	16	124	102
Net interest-bearing debt		**264**	**419**
Net interest-bearing debt in joint ventures			
Non current interest-bearing debt	4	114	98
Total interest-bearing debt in joint ventures		**114**	**98**
Cash and cash equivalents	4	32	27
Net interest-bearing debt in joint ventures		**82**	**71**

Cont. note 18 Interest-bearing debt

USD mill	2020	2019
Guarantee commitments		
Guarantees for group companies	71	49
Total	**71**	**49**

The carrying amounts of the group's bank loan are denominated in the following currencies		
USD	199	198
NOK	252	285
DKK	13	10
Total	**464**	**494**

See otherwise note 19 for information on financial derivatives (currency hedges) relating to interest-bearing debt.

USD mill	Note	2020	2019
Net debt			
Cash and cash equivalents		269	153
Liquid investments*		124	102
Borrowings - repayable within one year		(70)	(92)
Borrowings - repayable after one year		(587)	(583)
Net debt		**(264)**	**(419)**
Cash and cash equivalents and liquid investments		393	255
Gross debt - variable interest rates**		(657)	(675)
Net debt		**(264)**	**(419)**

*Liquid investments are investment grade bonds and liquid equities traded in active markets. These assets are held at fair value recognised through the income statement.

**Interest-bearing debt is exposed to movements in floating interest rates in USD and NOK. Material parts of the interest rate risk in the NOK-denominated debt is hedged within the Supply Services segment.

	Other assets		Liabilites from financing activities					
USD mill	Cash and cash equivalents	Liquid invest-ments	Finance leases due within 1 year	Finance leases due after 1 year	Borrow. due within 1 year	Borrow. due after 1 year	Total financing activities	Total
Net debt 01.01.2020	**153**	**102**	**27**	**154**	**65**	**429**	**675**	**(419)**
Reclass			(1)	1	11	(1)	10	(10)
Cash flows	115	(1)		(18)	(27)	(9)	(54)	168
Foreign exchange adjustments		(4)	2	3		6	12	(16)
Other non-cash movements		28	3	21	(11)	2	15	8
Net debt 31.12.2020	**269**	**124**	**31**	**161**	**38**	**426**	**657**	**(264)**
Net debt 31.12.2018	**140**	**88**	**1**	**10**	**85**	**437**	**534**	**(306)**
Implementation of IFRS 16			27	193			220	(220)
Net debt 01.01.2019	**140**	**88**	**28**	**203**	**85**	**437**	**754**	**(526)**
Reclass				(10)	119	(109)		
Cash flows	13	27		(24)	(136)	93	(68)	108
Foreign exchange adjustments	1	(4)	(1)			8	6	(9)
Other non-cash movements	(1)	(10)		(15)	(3)		(18)	7
Net debt 31.12.2019	**153**	**102**	**27**	**154**	**65**	**429**	**675**	**(419)**

Note 19 Financial risk

FINANCIAL REPORTING PRINCIPLES
The group uses derivatives to address financial risk. Derivatives are included in current assets or current liabilities, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets or other non-current liabilities as they form part of the group's long-term economic hedging strategy and are not classified as held for trading.

Derivatives which do not qualify for hedge accounting
Most derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments which do not qualify for hedge accounting are presented in the income statement as financial income/expense.

Derivatives which do qualify for hedge accounting
The group designates certain derivatives as hedges of highly probable forecast transactions (cash flow hedges).

At the date of the hedging transaction, the group documents the relationship between hedging instruments and hedged items, as well as the objective of its risk management and the strategy underlying the various hedge transactions. The group also documents the extent to which the applied derivatives are effective in offsetting changes in fair value or cash flow associated with the hedge items. Such assessments are documented both initially and on an ongoing basis.

The fair value of derivatives used for hedging is shown in note 16 to the group accounts. Changes in the valuation of qualified hedges are recognised directly in other comprehensive income until the hedged transactions are realised.

The fair value of financial derivatives traded in active markets is based on quoted market prices at the balance sheet date. The fair value of financial derivatives not traded in an active market is determined using valuation methodology, such as the discounted value of future cash flows. Independent experts verify the value determination for instruments which are considered material.

Cash flow hedge
The effective portion of changes in the fair value of derivatives designated as cash flow hedges are recognised in other comprehensive income together with the deferred tax effect. Gain and loss on the ineffective portion is recognised in the income statement. Amounts recognised in other comprehensive income are recognised as income or expense in the income statement in the period when the hedged liability or planned transaction will affect the income statement.

Net investment hedge
Gain and losses arising from the hedging instruments relating to the effective portions of the net investment hedges are recognised in other comprehensive income. These translation reserves are reclassified to the income statement upon loss of control of the hedged net investments, offsetting the translation differences from these net investments. Any ineffective portion is recognised immediately in the income statement as financial income/(expenses).

The group has exposure to the following financial risks from its operations:

- Market risk
- Foreign exchange rate risk
- Interest rate risk
- Equity market risk
- Credit risk
- Liquidity risk

MARKET RISK
The group has established hedging strategies to mitigate risks on material exposures originating from movements in currencies and interest rates. This is compliant with the financial strategy approved by the board of directors.

Changes in the market value of financial derivatives are recognised through the income statement except for the Supply Service segment, where derivatives are recognised in Other Comprehensive Income.

Associates hedge their own exposures. The group records the effects of realised and unrealised changes in financial derivatives held in these entities in accordance with the equity method under "share of profit from joint ventures and associates". The material associates are Wallenius Wilhelmsen ASA group in Holding and Investment segment and Coast Center Base group in Supply Service segment.

Foreign exchange rate risk
The group is exposed to currency risk on revenues and costs in non-functional currencies (transaction risk), and balance sheet items denominated in currencies other than non-functional currencies (translation risk).

The group's largest foreign exchange exposures are NOK, EUR, SGD and KRW - all against USD.

TRANSACTION RISK HEDGING (CASH FLOW)
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. USDMYR is hedged using currency forwards with maturities up to 12 months. Remaining exposures are non-material and not hedged.

TRANSLATION RISK HEDGING (BALANCE SHEET)
The group's policy for mitigating translation risk is to match the denomination currency of assets and liabilities to as large extent as possible.

FX SENSITIVITES (TRANSLATION RISK)
The group monitors the net exposure and calculates sensitivities on a regular basis, based on average market volatility per currency cross. Sensitivities showing a potential accounting effect below USD 5 million on group level are considered non-material.

USD mill	Note	2020	2019
Currency through Income Statement			
Including in other financial income/(expenses)			
Operating currency, net		(4)	7
Financial currency, net		(3)	(10)
Currency derivatives, realised		(14)	(10)
Currency derivatives, unrealised		29	4
Net currency items in other financial income/(expenses)	1	**7**	**(8)**
Through other comprehensive income			
Currency translation differences through OCI		33	(2)
Total net currency effects		**40**	**(11)**

Cont. note 19 Financial risk

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.

The group's segments perform sensitivity analyses on the unhedged part of the transaction risk on a regular basis.

The portfolio of derivatives used to hedge the group's transaction risk (described in previous page), exhibit the following income statement sensitivity:

USD mill					
Sensitivity	(10%)	(5%)	0%	5%	10%
Income statement sensitivities of economic hedge program					
Transaction risk					
USD/NOK spot rate	7.68	8.10	8.53	8.96	9.38
Income statement effect (post tax)	**14**	**7**		**(6)**	**(12)**
EUR/USD spot rate	1.10	1.17	1.23	1.29	1.35
Income statement effect (post tax)	**(9)**	**(4)**		**4**	**9**
USD/SGD spot rate	1.19	1.25	1.32	1.39	1.45
Income statement effect (post tax)	**7**	**4**		**(3)**	**(6)**

(Tax rate used is 22% that equals the Norwegian tax rate)

Interest rate risk
The group's strategy is to hedge material parts of the interest-bearing debt against rising interest rates. As the capital intensity varies across the group's business segments, which have their own policies on hedging of interest rate risk, hedge ratios vary.

Within Holding and Investments and Maritime Services respectively, no interest rate hedging is implemented due to low net interest-bearing debt (NIBD), whereas Supply Services have hedged about 50% of its NIBD as of 31 December 2020.

USD mill	2020	2019
Maturity schedule interest rate hedges (nominal amounts)		
Due in year 1		23
Due in year 2	12	
Due in year 3	47	12
Due in year 4	33	46
Due in year 5 and later	38	67
Total interest rate hedges	**129**	**148**

The Supply Services segment has entered swaption contracts with a notional value of about USD 16 million, with expiry date in 2022. Depending on interest rate levels on the expiry date, exercising the swaptions by the counterparties will extend the maturity of expiring swaps until 2032.

The average remaining term of the existing total debt portfolio is approximately 4 years. The hedges have an average remaining term of approximately 5 years.

Interest rate sensitivity
The group's interest rate risk originates from differences in duration between assets and liabilities. On the asset side, bank deposits and investments in interest-bearing instruments are subject to risk from changes in the general level of interest rates, primarily in USD.

The group uses the weighted average duration of interest-bearing liabilities, and financial interest rate derivatives to compute the group's sensitivity towards changes in interest rates.

Sensitivities resulting in a potential accounting effect below USD 5 million on group level are considered non-material. On 31 December 2020, the group has no material exposure subject to interest rate risk.

Cont. note 19 Financial risk

USD mill	2020		2019	
	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives				
Maritime Services				
Supply Services		9		6
Holding and Investments				
Total interest rate derivatives		**9**		**6**
Currency derivatives				
Maritime Services	15			10
Supply Services				
Holding and Investments	4		1	
Total currency derivatives	**20**		**1**	**10**
Total market value of financial derivatives	**20**	**9**	**1**	**16**

Book value equals market value

EQUITY MARKET RISK
The group holds several assets listed on equity markets as well as a defined portfolio of financial assets for a proportion of the group's short-term liquidity.

Below table summarises the equity market sensitivity towards the market value of all listed equities held:

Income statement sensitivities of equity market risk

USD mill					
Change in equity prices					
Change in market value	(20%)	(10%)	0%	10%	20%
Income statement effect	**(107)**	**(53)**		**53**	**107**
(Tax rate used is 22% that equals the Norwegian tax rate)					

CREDIT RISK
Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial derivative fails to meet its contractual obligations. The group's credit risk originates primarily from the account receivables, financial derivatives used to hedge interest rate risk or foreign exchange risk, as well as investments, including bank deposits.

Loans and receivables
Trade receivables
The group's exposure to credit risk on its receivables varies across segments and subsidiaries.

Within the Maritime Services and Supply Services, the global customer base provides diversification with respect to credit risk on receivables. The segments monitor and manage their respective credit risk on a regular basis. Reference is made to note 13.

Given the negative market sentiment in several shipping and offshore segments, some customers are currently facing increased financial difficulties relative to previous years, implying that the group's credit risk has increased somewhat, but is still regarded as moderate.

Bank deposits and financial derivatives
The group maintains cash management operations and trades financial derivatives with a selection of financially solid banks (as determined by their official credit ratings), limiting the corresponding credit risk.

Other credit exposures
No material loans or receivables were past due or impaired at 31 December 2020 (analogous for 2019).

Guarantees
The group's policy is that no financial guarantees are provided by the parent company. However, financial guarantees are provided within Maritime Services and Supply Services. See note 18 for further details.

Credit risk exposure
The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk at the reporting date was as per below table:

USD mill	Note	2020	2019
Exposure to credit risk			
Financial derivatives	12	20	1
Account receivables	12	178	233
Financial investments	16	48	44
Other non current assets	12	28	25
Other current assets	12	77	82
Cash and bank deposits	17	269	153
Total exposure to credit risk		**618**	**537**

Cont. note 19 Financial risk

LIQUIDITY RISK

The group's approach to managing liquidity is to ensure that the group meets its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group's liquidity risk is low in that it holds significant liquid assets in addition to credit facilities with the banks.

At 31 December 2020, the group had in excess of USD 473 million (2019: USD 347 million) in cash, investment grade bonds and listed equities (cash and cash equivalents, current financial investments and investment in Qube Holdings Limited), in addition to USD 263 million (2019: USD 299 million) in committed undrawn credit facilities.

USD mill	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Undiscounted cash flows financial liabilities 2020				
Mortgages	38	19	11	196
Finance lease liabilities	31	15	51	95
Bank loan		199		
Financial derivatives	9			
Interest due	23	20	50	
Total undiscounted cash flow financial liabilities	**102**	**254**	**112**	**291**
Current liabilities (excluding next year's instalment on interest-bearing debt)	468			
Total gross undiscounted cash flows financial liabilities 31.12.2020	**570**	**254**	**112**	**291**

Undiscounted cash flows financial liabilities 2019				
Mortgages	42	25	48	157
Finance lease liabilities	27	25	23	106
Bank loan	23		198	
Financial derivatives	16			
Interest due	27	25	62	3
Total undiscounted cash flow financial liabilities	**134**	**75**	**332**	**266**
Current liabilities (excluding next year's instalment on interest-bearing debt)	439			
Total gross undiscounted cash flows financial liabilities 31.12.2019	**573**	**75**	**332**	**266**

Cont. note 19 Financial risk

COVENANTS
The group's bank and lease financing are subject to financial or non-financial covenant clauses related to one or several of the following:

- Limitation on the ability to pledge assets
- Change of control
- Minimum liquidity
- NIBD / EBITDA or equivalent Debt-Service Coverage-Ratios
- Loan-to-Value

As of the balance date, the group is not in breach of any financial or non-financial covenants.

CAPITAL RISK MANAGEMENT
The group's overall policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future business development. The board of directors monitors various return metrics, where Return on Equity and dividend levels are predominant.

The group seeks to maintain a balance between the potential higher returns stemming from higher levels of financial gearing and the advantages of a strong balance sheet. The financial strategy and setting of thresholds for capital structure, return requirements and risk are revised by the board of directors.

FAIR VALUE ESTIMATION
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 not traded in an active market (over-the-counter contracts) is based on third party quotes. These quotes use 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 of receivables and payables are assumed to approximate their fair values. The group estimates the fair value of financial liabilities for disclosure purposes by discounting the future contractual cash flows at current market interest rates available to the group for similar financial derivatives.

USD mill	Note	Fair value	Book value
Interest-bearing debt			
Mortgages		265	265
Lease liabilities		192	192
Bank loan		201	199
Total interest-bearing debt 31.12.2020	18	**658**	**657**
Mortgages		273	273
Finance lease liabilities		181	181
Bank loan		224	221
Total interest-bearing debt 31.12.2019	18	**677**	**675**

Cont. note 19 Financial risk

The fair values 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.

USD mill	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Equities	72			72
Bonds	48			48
Financial derivatives		20		20
Financial assets to fair value	778	5	18	801
Total financial assets 31.12.2020	**898**	**25**	**18**	**940**
Financial liabilities at fair value				
Financial derivatives		(9)		(9)
Total financial liabilities 31.12.2020		**(9)**		**(9)**
Financial assets at fair value				
Equities	58			58
Bonds	44			44
Financial assets to fair value	655	1	20	675
Total financial assets 31.12.2019	**757**	**1**	**20**	**778**
Financial liabilities at fair value				
Financial derivatives	(1)	(16)		(16)
Total financial liabilities 31.12.2019	**0**	**(16)**		**(16)**

USD mill	2020	2019
Changes in level 3 instruments		
Opening balance 01.01	20	38
Acquisition		6
Transfer to level 3		1
Gains and losses recognised through income statement	(2)	(25)
Closing balance 31.12	18	20

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 close price. These instruments are included in level 1. Instruments included in level 1 at the end of 2020 are liquid investment grade bonds and listed equities (analogous for 2019).

The fair value of financial instruments not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use 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.

Cont. note 19 Financial risk

Financial instruments by category

USD mill	Note	Financial assets at amortised cost	Fair value through the income statement	Other	Total
Assets					
Other non current assets	12		2	26	28
Financial asset to fair value	14		801		801
Current financial investments	16		124		124
Current financial derivatives	12		15		15
Other current assets	12	260			260
Cash and cash equivalent	17	269			269
Assets at 31.12.2020		**528**	**942**	**26**	**1 496**

	Note		Liabilities at fair value through the income statement	Other financial liabilities at amortised cost	Total
Liabilities					
Non current interest-bearing debt	18			587	587
Current interest bearing liabilities	18			70	70
Current financial derivatives	12		9		9
Other non current liabilities	12		23		23
Other current liabilities	12			468	468
Liabilities 31.12.2020			**32**	**1 125**	**1 158**

	Note	Financial assets at amortised cost	Fair value through the income statement	Other	Total
Assets					
Other non current assets	12		7	17	25
Financial asset to fair value	14		675		675
Current financial investments	16		101		102
Current financial derivatives	12		1		1
Other current assets	12	315		1	316
Cash and cash equivalent	17	153			153
Assets at 31.12.2019		**468**	**785**	**18**	**1 272**

	Note		Liabilities at fair value through the income statement	Other financial liabilities at amortised cost	Total
Liabilities					
Non current interest-bearing debt	18			583	583
Current interest bearing liabilities	18			92	92
Current financial derivatives	12		16		16
Other non current liabilities	12		25		25
Other current liabilities	12			439	439
Liabilities 31.12.2019			**41**	**1 114**	**1 155**

Note 20 COVID-19 compensation

FINANCIAL REPORTING PRINCPLES
The group applies IAS 20 Accounting for Government Grants and Disclosure of Government Assistance for government grant related to income compensation or expense compensation. A government grant is recognised only when there is reasonable assurance that (a) the group will comply with any conditions attached to the grant and (b) the grant will be received. A government grant is recognised in the income statement over the period necessary to match them with the related income compensation or expense compensation, for which they are intended to compensate, on a systematic basis. A grant receivable as compensation for costs or compensation already incurred or for immediate financial support, with no future related costs, is recognised in the income statement in the period in which it is receivable. A grant relating to income compensation is reported separately as other income, while grants related to expense compensation is deducted from the related expense.

The COVID-19 pandemic will continue to affect economic conditions and the demand for Maritime and Supply services regionally as well as globally and otherwise impact the group's operations and operations og the group's customer, suppliers and other stakeholders. Governments in affected countries are imposing travel bans, quarantines and other emergency publichealth measures. Those measures, through temporary in nature, may continue and increase depending on developements in the pandemic.

As a result of these measures, the group operations located in regions affected by the pandemic may be negatively affected.

The ultimate severity of the pandemic is still uncertain and therefore we cannot predict the impact it may have on the group's future operations and the health of our employees, which could be material and adverse.

During the COVID-19 pandemic, the governments of several of the countries where the group operates have established schemes to compensate local businesses because of lockdowns, decline in turnover, lay-offs, and loss of business. During 2020, the group have been granted compensation both as cash transfers and reduced costs (non-cash transactions).

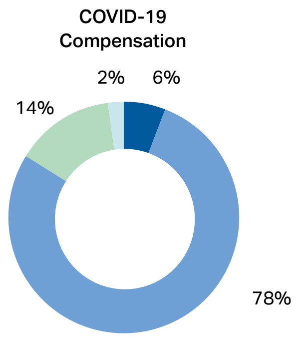
COVID-19 COMPENSATION

USD million	2020
Government grants with cash effects	6
Government grants in non-cash transactions	1
Total COVID-19 compensation	**7**

The compensation is allocated as following:

Grants with direct cash effect
Grants as reduced personell expense mainly relate to grants from the government of Malaysia (USD 5.1 million), grants as income following turnover decline mainly relates to grants from the governments of Singapore (USD 170 thousand), Republic of Korea (USD 117 thousand), and Norway (USD 117 thousand), while grants as reduced operating expenses relates to grant from the government of France (USD 21 thousand).

Non-cash grants
Grants in form of reduction in social security taxes relates mainly to reduced rates by the governments of Norway (USD 571 thousand), China (USD 243 thousand), and Turkey (USD 132 thousand). Grant in form of reduced rental expenses mainly relates the governments of Hong Kong, Singapore, and Saudi Arabia (USD 120 thousand).



Note 21 Related party transaction

FINANCIAL REPORTING PRINCPLES
Related parties are defined as entities outside of the group that are under control directly or indirectly, joint control or significant influence by the owners of Wilh. Wilhelmsen Holding ASA. All transactions with related parties are entered into on marked terms based on arm's length principles. Transactions with related parties include shared services and other services provided by the group. Shared Services are priced in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually. The services are:

- Ship management including crewing, technical and management service
- Agency services
- Freight and liner services
- Marine products
- Shared services

The ultimate owner of the group is Tallyman AS, which holds about 60% of the voting stock of the group. Tallyman AS is controlled by Thomas Wilhelmsen.

Remuneration to Thomas Wilhelmsen for 2020 see note 2 for the parent company.

See note 6 regarding fees to board of directors, and note 2 and note 10 in the parent company regarding ownership.

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.

Material related parties in the group are:	Business office, country	Ownership
Wallenius Wilhelmsen ASA	Lysaker, Norway	37.80%
Coast Center Base AS/ KS	Fjell, Norway	50.00%

Wallenius Wilhelmsen ASA , through its operating companies, is the market leader in the finished vechicle logistics segment, offering ocean transportation and landbased vechicle logistics solutions.

Coast Center Base AS and Coast Center Base KS in the Supply Services segment delivers IT project, administration and handling services and the transactions are based on market terms.

USD mill	2020	2019
OPERATING REVENUE FROM RELATED PARTY		
Sale of goods and services to joint ventures and associates:		
WAWI group	20	18
Maritime Services	3	7
Supply Services	2	1
Operating revenue from related party	**25**	**26**
OPERATING EXPENSES FROM RELATED PARTY		
Purchase of goods and services from joint ventures and associates:		
Supply Services	9	2
Operating expenses to related party	**9**	**2**
ACCOUNT RECEIVABLES FROM RELATED PARTY		
Maritime Services	4	2
Account receivables from related party	**4**	**2**
ACCOUNT PAYABLES TO RELATED PARTY		
Maritime Services	4	6
Supply Services		1
Account payables to related party	**4**	**7**
NON CURRENT ASSETS TO RELATED PARTY		
Maritime Services	10	14
Holding & Investment	1	
Non current assets to related party	**11**	**14**

Note 22 Subsidiaries with material non-controlling interests

FINANCIAL REPORTING PRINCPLES
Non-controlling interest:
The group treats transactions with non-controlling interests as transactions with equity owners of the group.

For purchases from non-controlling interests, the difference between any consideration paid and relevant share acquired of the carrying value of net assets of the subsidiary is recorded as equity transactions.

Gains or losses on disposals to non-controlling interests are also recorded as equity transactions.

	Business office/country	2020 Voting/control share
NorSea Group AS	Tananger, Norway	75.15%
Treasure ASA*	Lysaker, Norway	73.46%

Set out below is the summarised financial information for the subsidiary that has non-controlling interests (NCI) material to the group. The amounts disclosed are 100% and before inter-company eliminations.

*At 31 December 2020 Treasure ASA had 3.965.000 own shares (31 December 2019: 465.000 own shares).

	NorSea Group AS		Treasure ASA	
USD mill	2020	2019	2020	2019
Summarised balance sheet				
Non current assets	657	618	699	560
Current assets	380	69	64	4
Total assets	**1 037**	**686**	**763**	**563**
Non current liabilities	370	362		
Current liabilities	448	120		
Total liabilities	**818**	**482**	**0**	**0**
Net assets	**220**	**205**	**763**	**563**
Summarised income statement/OCI				
Total income	263	246	14	14
Profit for the year	13	4	214	48
Other comprehensive income	(3)	1		
Total comprehensive income	**10**	**6**	**213**	**48**
Profit allocated to NCIs	4	4	57	13
Dividends paid to NCIs	1	1	2	2
Summarised cash flows				
Net cash flow provided by/(used in) operating activities	32	21	75	11
Net cash flow provided by/(used in) investing activities	(22)	15	(1)	
Net cash flow provided by/(used in) financing activities	(3)	(45)	(13)	(9)
Net increase/(decrease) in cash and cash equivalents	**8**	**(9)**	**61**	**1**

USD mill	2020	2019
Total allocation to NCIs		
Profit/(loss) for the period to material NCIs	61	17
Profit/(loss) for the period to other immaterial NCIs		(1)
Profit for the period to NCIs	**61**	**16**

Note 23 Contingencies

FINANCIAL REPORTING PRINCPLES
The group and the parent company make provisions for legal claims when a legal or constructive obligation exists as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount can be estimated with a sufficient degree of reliability. Provisions are not made for future operating losses.

Coast Center Base AS (CCB), 50% owned by NorSea Group, lost a floating dock 26 November 2018. The dock is considered lost and the fair value was nil by 31 December 2020. CCB has made an accrual to cover costs related to a salvage operation. Local authorities have issued their conclusion, implicating lower accruals. However, as the matter has been appealed by other authorities, the company has decided to keep the accrual until a final decision has been made.

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 24 Alternative performance measures

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 group'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 group 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 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 equivalenets and Current financial investments.

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

Note 25 General accounting principles

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they are not disclosed separately in the other notes in the consolidated financial statements or in the notes of the financial statements of the parent company. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments),
- defined benefit pension plans – plan assets measured at fair value.

New and amended standards adopted by the group
The following are new or amended to standards and interpretations have been issued and become effective during the current period:

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

Definition of material - amendments to IFRS 1 and IAS 8

Interest rate benchmark reform – amendments to IFRS 9 and IFRS 7

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted
Amendment to IAS 1 Classification of Liabilities as Current or Non-current applicable for annual periods beginning on or after 1 January 2022. The amendment changes the guidance for the classification of liabilities as current or non-current depending on the rights that exist at the end of the reporting period.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the group in the current or future reporting periods.

Functional and presentation currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The exceptions are investment activities in Malta where AUD is the functional currency, and Wilhelmsen Maritime Services AS where USD is the functional currency. The consolidated financial statements are presented in US dollar (USD), rounded off to the nearest whole million, unless otherwise stated.

The presentation currency of the separate statements of the parent is NOK which is also its functional currency. The accounts are rounded off to the nearest whole thousand.

The income statements and balance sheets for group companies with a functional currency which differs from the presentation currency (USD) are translated as follows:

- the balance sheet is translated at the closing exchange rate on the balance sheet date
- income and expense items are translated at a rate that is representative as an average exchange rate for the period, unless the exchange rates fluctuate significantly for that period, in which case the exchange rates at the dates of the transactions are used
- the translation difference is recognised in other comprehensive income and split between controlling and non-controlling interests

Goodwill and fair value adjustments of assets and liabilities related to acquisition of entities which have a functional currency other than USD are attributed to the acquired entity's functional currency and translated at the exchange rate prevailing on the balance sheet date.

Translations and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in income statement. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented on a net basis in the income statement, within financial items.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through income statement are recognised in income statement as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

Group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate

Business combination
The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition comprises the:

- fair value of the asset transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any assets or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

Cont. note 25 General accounting principles

Goodwill is recognised as the excess of:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interests in the acquired entity over the fair value of the net identifiable assets acquired. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the income statement as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the income statement.

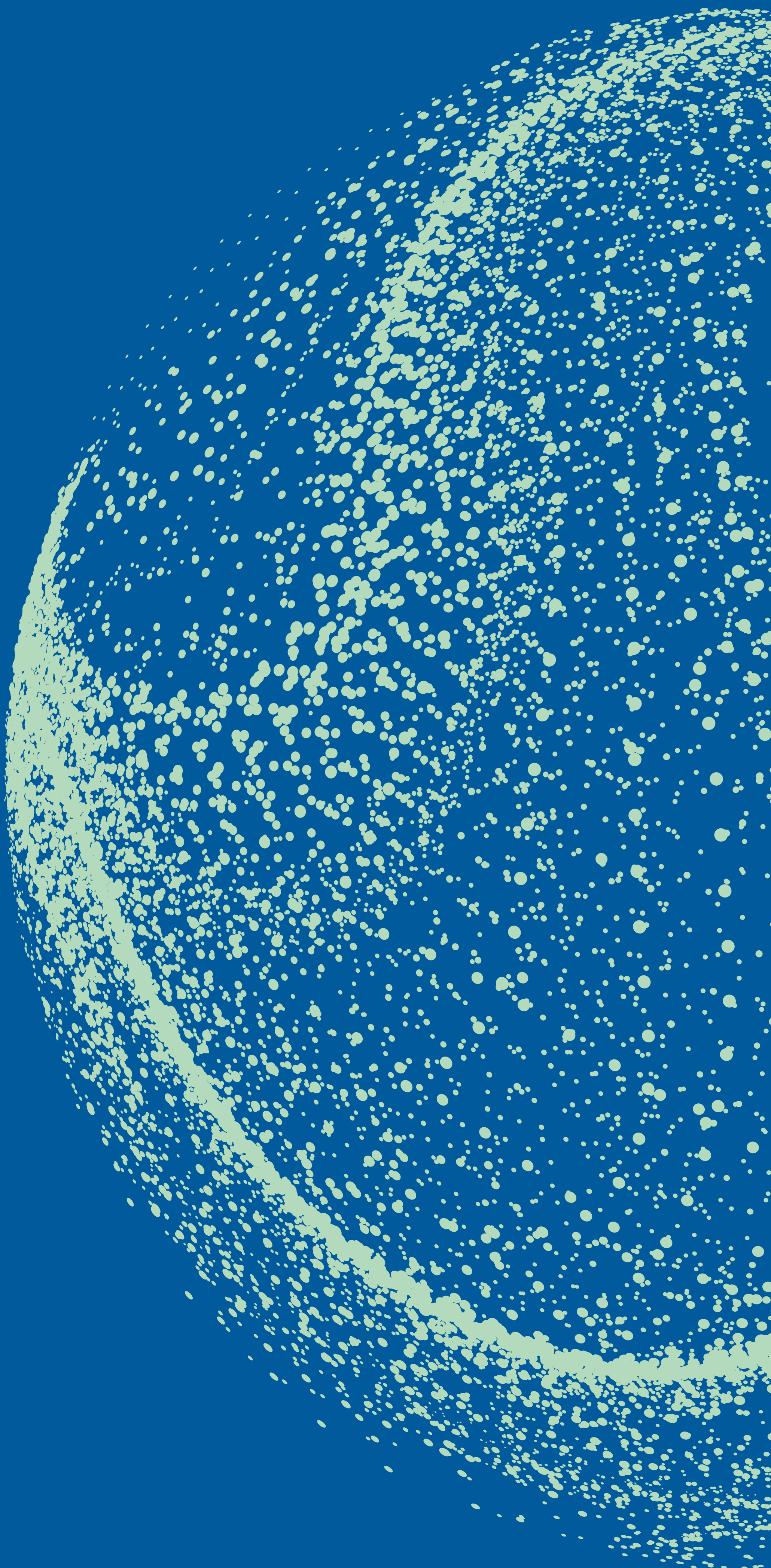
If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gain or losses arising from such remeasurement are recognised in income statement.

Note 26 Events after the balance sheet date

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

The group declared the option to acquire an additional 25% in Edda Wind AS on 8 March 2021. Following the acquisition the group holds 50% in Edda Wind AS.

No material events occurred between the balance sheet date and the date when the accounts were presented which provide new information about conditions prevailing on the balance sheet date.



Safer mooring

The challenge: Vessel mooring remains one of the most challenging and dangerous tasks crew and port workers can undertake. In addition, mooring line maintenance and management is difficult and time consuming.

The solution: Wilhelmsen has taken a holistic view on safer mooring, creating innovative products and services such as the Timm snap back arresting rope, the Smart Ropes digital mooring system and the digital line management app.


22
23
24

4

Accounts and notes – parent company

Income statement Wilh. Wilhelmsen Holding ASA

NOK thousand	Note	2020	2019
Operating income	1	**27 581**	**21 957**
Operating expenses			
Employee benefits	2	(75 425)	(84 060)
Operating expenses	1	(44 528)	(39 938)
Depreciation	3	(6 376)	(6 052)
Total operating expenses		**(126 329)**	**(130 049)**
Operating loss		**(98 748)**	**(108 093)**
Financial income/(expenses)			
Net financial income	1	323 778	640 036
Net financial expenses	1	(13 661)	(85 596)
Financial income/(expenses)		**310 118**	**554 441**
Profit before tax		**211 369**	**446 348**
Tax income/(expense)	5	(23 212)	26 919
Profit for the year		**188 157**	**473 268**
Transfers and allocations			
To/(from) equity	10	(34 743)	272 658
Proposed dividend	10	222 900	89 160
Interim dividend paid	10		111 450
Total transfers and allocations		**188 157**	**473 268**

Comprehensive income Wilh. Wilhelmsen Holding ASA

NOK thousand	Note	2020	2019
Profit for the year		188 157	473 268
Items that will not be reclassified to the income statement			
Remeasurement postemployment benefits, net of tax	10/11	(14 336)	(5 977)
Total comprehensive income		**173 821**	**467 290**

Notes 1 to 16 on the next pages are an integral part of these financial statements.

Balance sheet Wilh. Wilhelmsen Holding ASA

NOK thousand	Note	31.12.2020	31.12.2019
ASSETS			
Non current assets			
Deferred tax asset	5	49 643	68 198
Intangible assets	3	1 354	3 884
Tangible assets	3	9 702	10 549
Property lease assets	4	16 802	20 871
Investments in subsidiaries and associates	6	4 859 064	4 859 064
Sub lease receivable	4/14	114 031	166 833
Total non current assets		**5 050 596**	**5 129 397**
Current assets			
Current financial investments	8/9	1 055 001	896 979
Trade and other receivables	7	4 689	7 984
Sub lease receivable	4/14	35 037	33 650
Other current assets	7/9/14	59 152	234 805
Cash and cash equivalents	9	108 481	205 737
Total current assets		**1 262 359**	**1 379 155**
Total assets		**6 312 955**	**6 508 552**
EQUITY AND LIABILITIES			
Equity			
Paid-in capital	10	928 076	928 076
Own shares	10	(36 476)	(36 476)
Retained earnings	10	4 855 251	4 904 330
Total equity		**5 746 851**	**5 795 930**
Non current liabilities			
Pension liabilities	11	66 413	50 038
Property lease liabilities	4	128 216	184 901
Other non current liabilities	7	890	1 548
Total non current liabilities		**195 519**	**236 487**
Current liabilities			
Public duties payable		4 829	5 309
Trade and other payables	7	5 267	4 852
Current portion of property lease liabilities	4	39 033	37 292
Other current liabilities	7/12/14	321 455	428 682
Total current liabilities		**370 584**	**476 135**
Total equity and liabilities		**6 312 955**	**6 508 552**

Lysaker, 24 March 2021
The board of directors of Wilh.Wilhelmsen Holding ASA

Diderik Schnitler (sign)
chair

Trond Westlie (sign)

Carl E Steen (sign)

Thomas Wilhelmsen (sign)
group CEO

Rebekka Glasser Herlofsen (sign)

Ulrika Laurin (sign)

Notes 1 to 16 on the next pages are an integral part of these financial statements.

Cash flow statement Wilh. Wilhelmsen Holding ASA

NOK thousand	Note	2020	2019
Cash flow from operating activities			
Profit before tax		211 369	446 348
Financial (income)/expenses		(310 118)	(554 441)
Depreciation	3/4	6 376	6 052
Gain on sale of fixed asset	3	(789)	
Change in net pension liability		(2 005)	1 519
Change in working capital		(12 737)	(6 898)
Net cash provided by operating activities		**(107 904)**	**(107 420)**
Cash flow from investing activities			
Investments in fixed assets	3	(204)	(2 421)
Investments in subsidaries	6		(13 060)
Loan repayments received from subsidiaries	7/14		78 760
Repayment of financial sub lease	4	33 649	30 802
Loans (to)/from subsidiaries, cash pool	9	(71 765)	98 729
Proceeds from sale of financial investments		480 751	198 574
Current financial investments		(475 665)	(263 774)
Dividend/ group contribution from group companies		364 178	619 094
Dividend received from financial assets		11 121	16 535
Paid witholding tax dividend portfolio management		(614)	(2 651)
Interest received included interests of sublease receivable	1	7 525	12 594
Net cash flow from investing activities		**348 977**	**773 183**
Cash flow from financing activities			
Repayment of debt		(200 000)	
Repayment of lease liability	4	(37 314)	(34 136)
Interest paid included interest on lease liability		(11 855)	(15 544)
Purchase of own shares	10		(264 075)
Dividend to shareholders	10	(89 160)	(227 460)
Net cash flow from financing activities		**(338 330)**	**(541 215)**
Net increase in cash and cash equivalents		**(97 256)**	**124 547**
Cash and cash equivalents, at the beginning of the period		205 737	81 190
Cash and cash equivalents at 31.12		**108 481**	**205 737**

The company has several bank accounts in different currencies. Unrealised currency effects are included in net cash provided by operating activities.

Notes 1 to 16 on the next pages are an integral part of these financial statements.

Note 1 Combined items, income statement

NOK thousand	Note	2020	2019
OPERATING INCOME			
Other income		244	346
Income from group companies	14	26 548	21 611
Gain on sale of assets		789	
Total operating income		**27 581**	**21 957**
OTHER OPERATING EXPENSES			
Expenses to group companies	14	(13 648)	(13 457)
Communication and IT expenses		(6 157)	(5 915)
External services	2	(11 266)	(8 380)
Travel and meeting expenses		(1 006)	(2 491)
Marketing expenses		(1 763)	(2 917)
Other administration expenses		(10 689)	(6 778)
Total other operating expenses		**(44 528)**	**(39 938)**
FINANCIAL INCOME/(EXPENSES)			
Financial income			
Investment management	8	107 886	108 092
Interest income	14	520	3 410
Interest income financial sublease		7 200	9 440
Dividend/group contribution from associates and subsidiaries	14	164 178	519 094
Other financial income		1 046	
Net currency gain		42 948	
Net financial income		**323 778**	**640 036**
Financial expenses			
Interest expenses		(3 784)	(5 920)
Interest expenses financial lease		(8 071)	(11 485)
Impairment investment in subsidiaries			(60 000)
Other financial items		(1 805)	(1 996)
Net currency (loss)			(7 217)
Net financial expenses		**(13 661)**	**(86 618)**
Net financial income		**310 118**	**554 441**

Note 2 Employee benefits

NOK thousand	2020	2019
Pay	52 668	58 501
Payroll tax	9 033	9 552
Pension cost	7 632	11 720
Other remuneration	6 091	4 287
Total employee benefits	**75 425**	**84 060**
Average number of employees	31	34

REMUNERATION OF SENIOR EXECUTIVES

NOK thousand	Pay	Bonus	Pension premium	*Other remuneration	Total
2020					
Group CEO	5 076	1 423	1 683	1 558	9 740
Group CFO	3 589	881	449	451	5 370
2019					
Group CEO	5 003		2 032	1 903	8 939
Group CFO	3 529		431	444	4 404

*Mainly related to gross up pension expenses and company car.

Board of directors
Remuneration of the five directors totalled NOK 2 347 thousand for 2020 (2019: NOK 2 500 thousand). A board member resigned on 7 February 2020 and the remuneration was reduced with 1/4 to reflect the actual period as a board member. The board's remuneration for the fiscal year 2020 will be approved by the general assembly 22 April 2021.

Remuneration of the nomination committee totalled NOK 90 thousand for 2020 (2019: NOK 100 thousand).

Senior executives
Thomas Wilhelmsen - group CEO
Christian Berg - group CFO

The group CEO has a severance pay guarantee under which he has the right to receive up to 100% of his annual salary for 24 months after leaving the company as a result of mergers, substantial changes in ownership, or a decision by the board of directors. Possible income during the period is deducted up to 50%, which comes into force after six months' notice period. Group CEO has the right to a life-long pension constituting 50% of his annual salary retirement above 12G.

The group CFO is following the company pension policy for salary below and above 12G (defined contribution plan). His retirement age is 67. In additional, he has a right to receive 60% of his annual salary between 67 and 70 year.

Loans and guarantees employees
There were no loan or guarantees to employees per 31.12.2020.

Cont. note 2 Employee benefits

SHARES OWNED OR CONTROLLED BY REPRESENTATIVES OF WILH. WILHELMSEN HOLDING ASA AT 31 DECEMBER 2020

	A shares	B shares	Total	Part of total shares	Part of voting stock
Board of directors					
Diderik Schnitler (chair)	2 000	25 000	27 000	0.06%	0.00%
Carl E Steen	8 000		8 000	0.02%	0.02%
Trond Westlie				0.00%	0.00%
Rebekka Glasser Herlofsen				0.00%	0.00%
Ulrika Laurin				0.00%	0.00%
Senior executives					
Thomas Wilhelmsen - group CEO	20 834 624	2 288 460	23 123 084	49.83%	60.33%
Christian Berg - group CFO	516		516	0.00%	0.00%
Nomination committee					
Gunnar Fredrik Selvaag				0.00%	0.00%
Jan Gunnar Hartvig				0.00%	0.00%

LONG TERM INCENTIVE SCHEME
The long term incentive scheme (LTI) was introduced in 2015. Participants are members of the group management team and the presidents for Wilhelmsen Ships Service and Wilhelmsen Ship Management. For the group CEO, maximum annual payment is 100% of base salary. For the remaining participants, the maximum annual payment is 50% of base salary.

The LTI focuses on long term shareholder value creation and is based on positive development of the Wilhelmsen group's value adjusted equity. The ambitions set for the programme are to increase alignment with value creation for shareholders, to attract, retain and motivate participants and drive long-term group performance.

Settlement is based on return on value adjusted equity the last four years leading up to the settlement. The value adjusted equity is determined by using a "sum-of-the-parts" principle. For listed companies, value adjusted equity is based on market price, while earnings multiples or net asset value are used for non-listed entities.

The board sets value adjusted equity targets at the beginning of each four year measurement period. Without consultation or agreement with the individual, the board has the right to change or terminate the incentive programme after each year.

Per 31 December 2020, a provision has been made related to the LTI programme ending on 31 December 2022. Potential payment will be in March 2023. The provision has been calculated based on development in value adjusted equity for the two first years of the four year measurement period, risk free return and standard deviation of historic annual value creation.

EXPENSED AUDIT FEE (excluding VAT)

NOK thousand	2020	2019
Statutory audit	535	545
Other service fees	307	74
Total expensed audit fee	**842**	**619**

Note 3 Intangible and tangible assets

NOK thousand	Intangible assets	Buildings	Other tangible assets	Total
2020				
Cost 01.01	8 601	10 582	9 084	28 267
Additions	204			204
Disposals	(1 528)			(1 528)
Cost 31.12	**7 277**	**10 582**	**9 084**	**26 943**
Accumulated depreciation 01.01	(4 717)	(3 444)	(5 674)	(13 835)
Depreciation/amortisation	(1 329)	(423)	(423)	(2 176)
Disposals	123			123
Accumulated depreciation 31.12	**(5 923)**	**(3 867)**	**(6 097)**	**(15 888)**
Carrying amounts 31.12	**1 354**	**6 715**	**2 987**	**11 056**
Depreciation/amortisation intangible and tangible assets				(2 176)
Depreciation of right-of-use assets				(4 200)
Total depreciation 2020				**(6 376)**
2019				
Cost 01.01	6 180	10 582	9 084	25 846
Additions	2 421			2 421
Cost 31.12	**8 601**	**10 582**	**9 084**	**28 267**
Accumulated depreciation 01.01	(3 693)	(3 021)	(5 243)	(11 957)
Depreciation/amortisation	(1 024)	(423)	(430)	(1 878)
Accumulated depreciation 31.12	**(4 717)**	**(3 444)**	**(5 674)**	**(13 835)**
Carrying amounts 31.12	**3 884**	**7 138**	**3 411**	**14 432**
Depreciation/amortisation intangible and tangible assets				(1 878)
Depreciation of right-of-use assets				(4 174)
Total depreciation 2019				**(6 052)**
Useful life	Up to 3 years	Up to 25 years	3-10 years	
Amortisation/depreciation schedule	Straight-line	Straight-line	Straight-line	

Note 4 Lease

THE LEASE CONTRACTS
The company's lease contracts are mainly related to leasing of the headquarter and parking spaces located in Strandveien 20, Lysaker, Norway. The contracts are subleased to a subsidiary. All lease contracts were previously reported as operating leases prior to the implementation of IFRS 16.

Implementation effect 1.1.2019

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

NOK thousand	Note	Total
Lease liability at 1 January 2019		(256 329)
Deferred income related to house agreement (net after tax)		(19 345)
Right-of-use asset at 1 January 2019		25 045
Sub lease group companies		231 284
Difference between lease liability and right-of-use asset per January 1, 2019		**(19 345)**
Effect from prepayments and currency translation		(19 345)
Equity at 1 January 2019	10	**(19 345)**

Reconciliation of lease commitment and lease liability

NOK thousand	Note	Total
Material operating lease commitment as at 31 December 2018	13	385 429
Operating lease commitment as at 31 December 2018 (not included in material operating lease committment)		2 663
Option periods previously reported as lease commitments		(103 608)
Undiscounted lease liabililty		284 484
Effect of discounting lease commitment to net present value		(28 155)
Lease liability at 1 January 2019		**256 329**

Summary of the lease liabilities in the financial statements

2020	
Lease liability at 1 January 2020	222 193
Cash payments for the principal portion of the lease liability	(37 314)
Change of estimates	(17 629)
Lease liability at 31 December 2020	**167 249**

2019	
At initial application 1 January 2019	256 329
Cash payments for the principal portion of the lease liability	(34 136)
Lease liability at 31 December 2019	**222 193**

2020	External	Total
Lease liability	222 193	222 193
Change of estimates	(17 629)	(17 629)
Repayment current year	(37 314)	(37 314)
Total lease liability 31.12	**167 249**	**167 249**
Non current lease liability	128 216	128 216
Current lease liability	39 033	39 033
Total lease liability 31.12	**167 249**	**167 249**

Cont. note 4 Lease

2019	External	Total
Lease liability	256 329	256 329
Repayment current year	(34 136)	(34 136)
Total lease liability 31.12	**222 193**	**222 193**
Non current lease liability	184 901	184 901
Current lease liability	37 292	37 292
Total lease liability 31.12	**222 193**	**222 193**

NOK thousand

2020	
Sub lease receivable 1.1.	200 482
Change of estimates	(17 765)
Repayment of sub lease receivable	(33 649)
Sub lease receivable 31.12	**149 068**
Non current sub lease receivable	114 031
Current sub lease receivable	35 037
Total financial sub lease receivable 31.12	**149 068**

2019	
Sub lease receivable 1.1.	231 284
Repayment of sub lease receivable	(30 802)
Sub lease receivable 31.12	**200 482**
Non current sub lease receivable	166 833
Current sub lease receivable	33 650
Total financial sub lease receivable 31.12	**200 482**

NOK thousand

2020	Note	Property
Right of use assets 1.1.		25 045
Change of estimates		151
Right of use assets cost 31.12		**25 196**
Accumulated depreciation 01.01		(4 174)
Depreciation		(4 200)
Change of estimates		(20)
Accumulated depreciation 31.12	3	**(8 395)**
Carrying amounts 31.12		**16 802**

2019		
Right of use assets 1.1.		25 045
Right of use assets cost 31.12		**25 045**
Depreciation		
Accumulated depreciation 31.12		**(4 174)**
	3	(4 174)
Carrying amounts 31.12		20 871

Note 5 Tax

NOK thousand	2020	2019
Allocation of tax income/(expense)		
Payable tax/withholding tax	(614)	(2 651)
Change in deferred tax	(22 599)	29 570
Total tax income/(expenses)	**(23 212)**	**26 919**
Basis for tax computation		
Profit before tax	211 369	446 348
22% tax	46 501	98 197
Tax effect from		
Net permanent differences	(63 903)	(127 766)
Withholding tax	614	2 651
Impairment of deferred tax asset	40 000	
Current year calculated tax	**23 212**	**(26 919)**
Effective tax rate	11%	neg.
Deferred tax asset/(liability)		
Tax effect of temporary differences		
Fixtures	1 248	820
Current assets and liabilities	(10 641)	(5 560)
Non current liabilities and provisions for liabilities	13 521	8 041
Tax losses carried forward	45 514	64 897
Deferred tax asset/(liability)	**49 643**	**68 198**
Deferred tax asset/(liability) 01.01	68 198	42 398
Charge to equity (IFRS16 implementation)		(5 456)
Charge to equity (tax of OCI)	4 044	1 686
Change of deferred tax through income statement	(22 599)	29 570
Deferred tax asset/(liability) 31.12	**49 643**	**68 198**

Note 6 Investments in subsidiaries and associates

FINANCIAL REPORTING PRINCIPLES
Shares in subsidiaries, joint ventures and associated companies are presented according to the cost method in the parent company. Group contribution received is included in dividends from subsidiaries. Group contributions and dividends from subsidiaries are recognised in the parent company the year for which they are proposed by the subsidiary to the extent the parent company can control the decision of the subsidiary through its shareholdings on the balance sheet date. Shares in subsidiaries, joint ventures and associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the recoverable amount of the investment. An impairment loss is reversed if the impairment situation is deemed to no longer exist.

NOK thousand	Business office country	Voting share/ ownership share	2020 Book value	2019 Book value
Associate				
Wallenius Wilhelmsen ASA	Lysaker, Norway	37.8%	1 130 964	1 130 964
Subsidiaries				
Treasure ASA*	Lysaker, Norway	73.5%	1 043 967	1 043 967
Wilhelmsen Maritime Services AS	Lysaker, Norway	100%	1 264 440	1 264 440
WilService AS	Lysaker, Norway	100%	1 550	1 550
Wilh. Wilhelmsen Holding Invest AS	Lysaker, Norway	100%	1 405 014	1 405 014
Wilhelmsen Accounting Services AS	Lysaker, Norway	100%	3 622	3 622
WilNor Governmental Services AS	Lysaker, Norway	51%	9 499	9 499
Wilhelmsen GRC Sdn Bhd	Kuala Lumpur, Malaysia	100%	8	8
Total investments in subsidiaries and associates			**4 859 064**	**4 859 064**

*At 31.12.2020 Treasure ASA had 3 965 000 own shares (31.12.2019: 465 000 own shares).

Note 7 Combined items, balance sheet

NOK thousand	Note	2020	2019
OTHER NON CURRENT ASSETS			
Sub lease to group company	4	114 031	166 833
Total other non current assets		**114 031**	**166 833**
Of which non current debitors falling due for payment later than one year:			
Loans/ sublease to subsidiary and associates	4/13/14	114 031	166 833
Total other non current assets due after one year		**114 031**	**166 833**
OTHER CURRENT ASSETS			
Group contribution	14		200 000
Cash pool intercompany receivables	9/14	30 944	26 053
Other current assets		9 893	8 752
Restricted bank deposits	9	18 315	
Total other current assets		**59 152**	**234 805**
OTHER NON CURRENT LIABILITIES			
Allocation of commitment		890	1 548
Total other non current liabilities		**890**	**1 548**
OTHER CURRENT LIABILITIES			
Next year's instalment on interest-bearing debt	12		200 000
Proposed dividend	10	222 900	89 160
Cash pool intercompany payables	9/14	28 274	119 548
Other current liabilities		70 282	19 974
Total other current liabilities		**321 455**	**428 682**

The fair value of current receivables and payables is virtually the same as the carried amount, since the effect of discounting is insignificant. Lending is at floating rates of interest. Fair value is virtually identical with the carried amount. See note 13.

Note 8 Current financial investments

NOK thousand	2020	2019
Market value asset management portfolio		
Equities	613 060	505 379
Bonds	406 196	388 108
Financial derivatives	35 744	3 491
Total current financial investments	**1 055 001**	**896 979**

The fair value of all equity securities, bonds and other financial assets is based on their closing prices in an active market.

The net unrealised gain at 31.12	119 044	83 988

The portfolio of financial investments is held as collateral within a securities' finance facility. See note 12.

Note 9 Restricted bank deposits and undrawn committed drawing rights

NOK thousand	2020	2019
Undrawn committed drawing rights		
Undrawn committed drawing rights for 31 December	1 156 906	1 118 318

	2020	2019
Cash and cash equivalents		
Banks	108 481	205 737
Total Cash and cash equivalents	**108 481**	**205 737**

	2020	2019
Restricted bank deposits		
Banks	18 315	
Total restricted bank deposits	**18 315**	

WWH ASA is the owner of the cash pool that was established in 2019 with the Norweigian subsidiaries as participants. Bank balances in subsidiaries are presented as intercompany receivables/payables in the parent financial statements. The cash pool covers following currencies; NOK, USD, EUR, SEK, GBP, JPY, AUD and DKK. There are no credit line related to the cash pool.

The parent company has a bank guarantee for the payroll tax. Per 31 December 2020 the guarantee amounted to NOK 7 000 thousand (31 December 2019 NOK 7 000 thousand)

Note 10 Equity

FINANCIAL REPORTING PRINCIPLES
Share capital and own shares
When the parent company purchases its own shares (treasury shares), the consideration paid, including any attributable transaction costs net of income tax, is deducted from the equity attributable to the parent company's shareholders until the shares are liquidated or sold. Should such shares subsequently be sold or reissued, any consideration received is included in share capital.

Dividend and group contribution in the parent accounts
Proposed dividend for the parent company's shareholders is shown in the parent company account as a liability at 31 December current year. Group contribution to the parent company is recognised as a financial income and current asset in the financial statement at 31 December current year.

NOK thousand	Note	Share capital	Own shares	Retained earnings	Total
Current year's change in equity					
Equity 31.12.2019		928 076	(36 476)	4 904 330	5 795 930
Proposed dividend	4			(222 900)	(222 900)
Profit for the year				188 158	188 158
Comprehensive income for the year				(14 336)	(14 336)
Equity 31.12.2020		**928 076**	**(36 476)**	**4 855 251**	**5 746 851**

NOK thousand	Note	Share capital	Own shares	Retained earnings	Total
Equity 31.12.2018		928 076		4 845 902	5 773 979
Implementation of IFRS16	4			19 345	19 345
Interim dividend paid				(111 450)	(111 450)
Proposed dividend				(89 160)	(89 160)
Profit for the year				473 268	473 268
Comprehensive income for the year				(5 977)	(5 977)
Purchase of own shares			(36 476)	(227 599)	(264 075)
Equity 31.12.2019		**928 076**	**(36 476)**	**4 904 330**	**5 795 930**

Cont. note 10 Equity

At 31 December 2020 the company's share capital comprises 34 537 092 Class A shares and 11 866 732 Class B shares, totalling 46 403 824 shares with a nominal value of NOK 20 each. Class B shares do not carry a vote at the general meeting. Otherwise, each share confers the same rights in the company.

At 31 December 2020, the company has 1 823 824 own shares, split on 537 092 A shares and 1 286 732 B shares (corresponding figures for 2019). The total purchase price of these shares was NOK 264 million.

Dividend
The proposed dividend for fiscal year 2020 is NOK 5.00 per share, payable in the second quarter 2021. A decision on the proposal will be taken by the annual general meeting on 22 April 2021.

Dividend for fiscal year 2019 was NOK 2.00 per share and paid in May 2020.

Dividend for fiscal year 2018 was NOK 5.00 per share, where NOK 2.50 per share was paid in May 2019 and NOK 2.50 per share was paid in November 2019.

The largest shareholders at 31 December 2020

Shareholders		A shares	B shares	Total number of shares	% of total shares	% of voting stock
Tallyman AS		20 784 730	2 281 044	23 065 774	49.71%	60.18%
Verdipapirfondet Nordea Norge Verdi		404 404	1 562 450	1 966 854	4.24%	1.17%
Folketrygdfondet		1 218 081	733 146	1 951 227	4.20%	3.53%
Pareto Aksje Norge Verdipapirfond		1 177 074	727 360	1 904 434	4.10%	3.41%
Wilh. Wilhelmsen Holding ASA		537 092	1 286 732	1 823 824	3.93%	1.56%
Citibank Europe plc	Nominee	691 302	560 523	1 251 825	2.70%	2.00%
Citibank Europe plc	Nominee	486 868	394 088	880 956	1.90%	1.41%
The Bank of New York Mellon	Nominee	391 170	385 227	776 397	1.67%	1.13%
Stiftelsen Tom Wilhelmsen		370 400	236 000	606 400	1.31%	1.07%
Skagen Vekst Verdipapirfond		560 000		560 000	1.21%	1.62%
Forsvarets Personellservice		543 953		543 953	1.17%	1.57%
J.P. Morgan Bank Luxembourg S.A.	Nominee	126 875	415 630	542 505	1.17%	0.37%
VJ Invest AS		77 184	437 878	515 062	1.11%	0.22%
UBS Switzerland AG	Nominee	432 185	3 499	435 684	0.94%	1.25%
MP Pensjon PK		79 965	276 636	356 601	0.77%	0.23%
Clearstream Banking S.A.	Nominee	324 403	3 111	327 514	0.71%	0.94%
RBC Investor Services Bank S.A.	Nominee	319 329		319 329	0.69%	0.92%
Varner Equities AS		38 014	248 872	286 886	0.62%	0.11%
Verdipapirfondet Nordea Kapital		102 460	174 865	277 325	0.60%	0.30%
Verdipapirfondet Nordea Avkastning		112 359	157 119	269 478	0.58%	0.33%
Other		5 759 244	1 982 552	7 741 796	16.68%	16.68%
Total number of shares		**34 537 092**	**11 866 732**	**46 403 824**	**100.00%**	**100.00%**

Shares on foreigners hands
At 31 December 2020 - 4 336 816 (12.56%) A shares and 2 736 738 (23.29%) B shares was held by foreign shareholders.
Corresponding figures at 31 December 2019 - 4 692 307 (13.59%) A shares and 2 749 662 (23.17%) B shares.

Note 11 Pension

Description of the pension scheme
The company's defined contribution pension schemes for Norwegian employees are with financial institutions providing solutions based on investment funds.

The company has "Ekstrapensjon", a contribution plan for all Norwegian employees with salaries exceeding12 times the Norwegian National Insurance base amount (G). The contribution plan replaced the company obligations mainly financed from operation.

In addition the company has agreements on early retirement. This obligations are mainly financed from operations.

The company has obligation towards one employee in the company's senior executive management. The obligation is mainly covered via group annuity policies in Storebrand.

Pension costs and obligations includes payroll taxes. No provision has been made for payroll tax in pension plans where the plan assets exceed the plan obligations.

The liability recognised in the balance sheet in respect of the remaining defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligations are calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

	Funded		Unfunded	
Number of people covered by pension schemes at 31.12	2020	2019	2020	2019
In employment	1	1	1	
On retirement (inclusive disability pensions)			5	4
Total number of people covered by pension schemes	**1**	**1**	**6**	**4**

	Expenses		Commitments	
	2020	2019	31.12.2020	31.12.2019
Financial assumptions for the pension calculations:				
Discount rate	2.30%	2.70%	1.60%	2.30%
Anticipated pay regulation	2.00%	2.50%	1.75%	2.00%
Anticipated increase in National Insurance base amount (G)	2.00%	2.50%	1.75%	2.00%
Anticipated regulation of pensions	0.10%	0.10%	0.10%	0.10%

Anticipated pay regulation are business sector specific, influenced by composition of employees under the plans. Anticipated increase in G is tied up to the anticipated pay regulations. Anticipated regulation of pensions is determined by the difference between return on assets and the hurdle rate.

Actuarial assumptions: all calculations are calculated on the basis of the K2013 mortality tariff. The disability tariff is based on the KU table.

Cont. note 11 Pension

NOK thousand	2020 Funded	2020 Unfunded	2020 Total	2019 Funded	2019 Unfunded	2019 Total
Pension expenses						
Service cost	1897	57	1954	1 637	1 756	3 393
Net interest cost	203	784	987	69	894	963
Cost of defined contribution plan	4 691		4 691	7 364		7 364
Net pension expenses	**6 791**	**841**	**7 632**	**9 070**	**2 650**	**11 720**

NOK thousand	2020	2019
Remeasurements - Other comprehensive income		
Effect of changes in financial assumptions	8 378	2 336
Effect of experience adjustments	10 278	4 718
(Return) on plan assets (excluding interest income)	(276)	609
Gross remeasurement (gain) loss included in OCI	**18 380**	**7 663**
Tax effect	4 044	1 686
Remeasurement (gain) loss recognised in OCI - net of tax	**14 336**	**5 977**

NOK thousand	2020	2019
Pension obligations		
Defined benefit obligation at end of prior year	63 960	89 256
Service cost	1 804	3 393
Interest expense	1 328	2 258
Benefit payments from plan	(3 135)	(3 962)
Settlement payments from plan assets		(34 039)
Effect of changes in financial assumptions	8 378	2 336
Effect of experience adjustments	10 278	4 718
Pension obligations 31.12	**82 613**	**63 960**
Fair value of plan assets		
Fair value of plan assets at end of prior year	13 922	48 400
Interest income	422	1 294
Employer contributions	1 811	2 022
Benefit payments from plan		(2 526)
Settlement payments from plan assets		(34 039)
Administrative expenses paid from plan assets	(231)	(620)
Return on plan assets (excluding interest income)	276	(609)
Gross pension assets 31.12	**16 200**	**13 922**
Other comprehensive income		
Gross pension other comprehensive income	18 380	7 663
Tax effect	(4 044)	(1 686)
Net equity effect	**14 336**	**5 977**

NOK thousand		
Specification of funded and unfunded obligation	2020	2019
Defined benefit obligation funded	29 927	23 644
Defined benefit obligation unfunded	52 686	40 316
Fair value of plan assets	16 200	13 922
Net liability	**66 413**	**50 038**

Premium payments in 2021 are expected to be NOK 8.9 million (2020: NOK 8.1 million). Payments from operations are estimated at NOK 2.3 million (2020: NOK 2.4 million).

Note 12 Interest-bearing debt

NOK thousand	2020	2019
Interest-bearing debt		
Bank loan		200 000
Total interest-bearing debt	**0**	**200 000**
Repayment schedule for interest-bearing debt		
Due in year 1		200 000
Total interest-bearing debt	**0**	**200 000**
Held as collateral within a securities' finance facility		
The portfolio of financial investments	1 019 256	893 488

The parent company had in addition undrawn revolving facilities at 31 December 2020. The parent company's financing arrangement provides for customary financial covenants related to minimum liquidity, and minimum value adjusted equity ratio. The company was in compliance with these covenants at 31 December 2020 (analougue for 31 December 2019).

FINANCIAL RISK
See note 13 to the parent accounts and note 19 to the group accounts for further information on financial risk, and note 18 to the group accounts concerning the fair value of interest-bearing debt.

Note 13 Financial risk

CREDIT RISK
Guarantees
The group's policy is that the parent company will not provide any financial guarantees.

Cash and bank deposits
The parent's exposure to credit risk on cash and bank deposits is considered to be very limited as the parent maintain banking relationships with a selection of banks with strong credit ratings.

LIQUIDITY RISK
The parent's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the parent and group's reputation. The parent's liquidity risk is considered to be low in the sense that it holds significant liquid assets in addition to undrawn credit facilities.

FAIR VALUE ESTIMATION
The fair value of financial instruments traded in an active market is based on quoted market prices on the balance sheet date. The fair value of financial instruments not traded in an active market (over-the-counter contracts) are based on third party quotes. Specific valuation techniques used to value financial instruments include:

Quoted market prices or dealer quotes for similar instruments.

The fair value of interest rate swaps is calculated as the 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 yield curve, volatility and time-to-maturity parameters at the balance sheet date, resulting in a swaption premium.

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 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.

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 company for similar financial instruments.

Cont. note 13 Financial risk

NOK thousand		
2020	Fair value	Carrying amount
Interest-bearing debt		
Bank loan		
Total interest-bearing debt 31.12	**0**	**0**
2019		
Interest-bearing debt		
Bank loan	200 000	200 000
Total interest-bearing debt 31.12	**200 000**	**200 000**

The fair value of financial instruments traded in active markets is based on closing 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 price used for valuation of financial assets held by the group is the closing price. These instruments are included in level 1. Instruments included in level 1 at the end of 2020 and 2019 are investment grade bonds and equities.

The fair value of financial instruments not traded in an active market is determined by using valuation techniques. These valuation techniques use observable market data where available and rely as little as possible on entity specific estimates. These instruments are included in level 2. Instruments included in level 2 are FX and IR derivatives.

If one or more of significant valuation inputs is not based on observable market data, the instruments are included in level 3.

Total financial instruments and short term financial investments

NOK thousand	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through income statement 2020				
– Bonds	406 196			406 196
– Equities	613 060			613 060
– Financial derivatives		35 744		35 744
Total assets 31.12	**1 019 256**	**35 744**		**1 055 001**
Financial assets at fair value through income statement 2019				
- Bonds	388 108			388 108
- Equities	505 379			505 379
- Financial derivatives		3 491		3 491
Total assets 31.12	**893 488**	**3 491**		**896 979**

Cont. note 13 Financial risk

NOK thousand

Financial instruments by category	Note	Financial assets at amortised cost	Fair value through income statement	Total
Assets				
Sub lease receivable non current	4	114 031		114 031
Current financial investments	8		1 019 256	1 019 256
Financial derivatives	8		35 744	35 744
Sub lease receivable	4	35 037		35 037
Other current assets	7	59 152		59 152
Cash and cash equivalent		108 481		108 481
Assets at 31.12.2020		**316 701**	**1 055 001**	**1 371 702**

Liabilities	Note	Other financial liabilities at amortised cost	Fair value through income statement	Total
Property lease liabilities non current	4	128 216		128 216
Current portion of property lease liabilities	4	39 033		39 033
Other current liabilities	7	321 455		321 455
Liabilities 31.12.2020		**488 705**		**488 705**

Assets	Note	Financial assets at amortised cost	Fair value through income statement	Total
Sub lease receivable non current	4	166 833		166 833
Current financial investments	8		893 488	893 488
Financial derivatives	8		3 491	3 491
Sub lease receivable	4	33 650		33 650
Other current assets	7	234 805		234 805
Cash and cash equivalent		205 737		205 737
Assets at 31.12.2019		**641 024**	**896 979**	**1 538 003**

Liabilities	Note	Other financial liabilities at amortised cost	Fair value through income statement	Total
Property lease liabilities non current	4	184 901		184 901
Current interest-bearing debt	7	200 000		200 000
Current portion of lease liabilities	4	37 292		37 292
Other current liabilities	7	228 682		228 682
Liabilities 31.12.2019		**650 875**		**650 875**

See note 19 to the group financial statement for further information about the group risk factors.

Note 14 Related party transaction

The ultimate owner of Wilh. Wilhelmsen Holding ASA is Tallyman AS, which holds about 60% of the voting stock of the company. Tallyman AS is controlled by Thomas Wilhelmsen.

Shares owned or controlled by related party of Wilh. Wilhelmsen Holding ASA at 31 December 2020

Name	A shares	B shares	Total	Part of total shares	Part of voting stock
Thomas Wilhelmsen and associates	20 834 624	2 288 460	23 123 084	49.83%	60.33%

WWH ASA delivers services to other group companies, primarily human resources, communication and treasury ("Shared Services").

In accordance with service level agreements, WilService AS delivers in-house services such as canteen, post, switchboard and rent of office facilities, Wilhelmsen Accounting Services delivers accounting services and Maritime Services delivers IT to WWH. 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.

NOK thousand	Note	2020	2019
OPERATING REVENUE FROM GROUP COMPANIES			
WAWI group		4 426	3 283
Maritime Services		16 105	13 681
Other Holding and Investments		5 866	4 499
Supply Services		150	147
Operating revenue from group companies	1	**26 548**	**21 611**
OPERATING EXPENSES TO GROUP COMPANIES			
Maritime Services		(1 803)	(4 070)
Holding and Investments		(11 845)	(9 387)
Operating expenses to group companies	1	**(13 648)**	**(13 457)**
FINANCIAL INCOME FROM GROUP COMPANIES			
Maritime Services		16	300 002
Holding and Investments		180 424	243 673
Financial income from group companies	1	**180 439**	**543 674**
FINANCIAL EXPENSES TO GROUP COMPANIES			
Maritime Services		(1)	(19)
Holding and Investments		(3 014)	(2 498)
Financial expenses to group companies	1	**(3 016)**	**(2 517)**
ACCOUNT RECEIVABLES AND ACCOUNT PAYABLES WITH GROUP COMPANIES			
Account receivables			
Maritime Services		2 033	4 132
Holding and Investments		2	3 603
Supply Services			222
Account receivables from group companies	7	**2 036**	**7 958**
Account payables			
Maritime Services		(204)	(196)
Holding and Investments		(171)	(94)
Account payables to group companies	7	**(375)**	**(290)**

Cont. note 14 Related party transaction

NOK thousand	Note	2020	2019
Cash pool receivables			
Maritime Services			18 836
Holding and Investments		30 944	7 217
Cash pool receivables from group company	9	**30 944**	**26 053**
Cash pool payables			
Maritime Services		(15 407)	
Holding and Investments		(12 867)	(119 548)
Cash pool payables to group company	9	**(28 274)**	**(119 548)**
NON CURRENT SUBLEASE TO GROUP COMPANIES			
Holding and Investments	4	114 031	166 833
Non current sublease to group companies		**114 031**	**166 833**
CURRENT SUBLEASE TO GROUP COMPANIES			
Holding and Investments	4	35 037	33 650
Current sublease to group companies		**35 037**	**33 650**

Note 15 Events after the balance sheet date

No material events occurred between the balance sheet date and the date when the accounts were presented which provide new information about conditions prevailing on the balance sheet date.

Note 16 Statement on the remuneration for senior executives

FRAMEWORK
The statement on senior executives' remuneration has been prepared in accordance with the Norwegian Public Limited Liability Companies Act, the Norwegian Accounting Act, and the Norwegian Code of Practice and adopted by the board.

It includes the main elements in the company's remuneration policy, an assessment of how this was executed in 2020 and targets for 2021, including update on the group's long-term incentive schemes.

GENERAL PRINCIPLES
The board determines the framework for remuneration of senior executives and believes it to be a tool to retain and attract required leadership, and to ensure there is a strong alignment between management's, the company's and the shareholders' long-term interests.

The board determines the group CEO remuneration and the short- and long-term incentive schemes for all senior executives. The group CEO determines fixed salary and benefits in kind based on a framework specified by the board for other senior executives.

Remuneration shall be competitive, but not market leading, in the relevant labour market(s). The remuneration level should be fair and reflect the complexity and responsibilities of each role.

The total remuneration package consists of:
1) A fixed salary and salary benefits,
2) An annual variable, performance-based remuneration
3) A long-term incentive scheme,
4) pension and insurance schemes, and
5) benefits in kind.

EXECUTION OF REMUNERATION POLICY AND PRINCIPLES IN 2020
The statement for 2019 which included the guidelines for remuneration for 2020 was presented to the annual general meeting on 29 April 2020. 99.6% of the A shares and 98.7% of the B shares present at the annual general meeting voted for the statement (for further details, refer to Minutes from the AGM 2020).

For 2020, the board believes the execution of the remuneration guidelines were in accordance with the statement given to the annual general meeting in April 2020. Below is an assessment of each element in the remuneration package.

DEFINITION OF SENIOR EXECUTIVES
For the purpose of this statement, employees included are those senior executives covered by the group's annual variable pay and/or long-term incentive scheme: Thomas Wilhelmsen (group CEO), Christian Berg (group CFO), Jan Eyvin Wang (Executive vice president New Energy), Benedicte Teigen Gude (Executive vice president HR, culture, and communication), Bjørge Grimholt (Executive vice president Maritime Services), Carl Schou (President Ship Management), and John Stangeland (CEO NorSea Group).

FIXED SALARY
The main element of the remuneration package is the fixed salary, which should be competitive and aligned with the markets in which the group operates. It should reflect the individual responsibilities, complexities, exposure, and performance related to the individual positions.

Fixed salary 2020
For details regarding benefits paid in 2020, see note 6 to group accounts and notes on page 53 and note 2 to parent company accounts and notes on page 94, which also includes comparable figures from 2019.

Following uncertainties related to the continued impact of COVID-19, it was decided not to adjust senior executives' salaries in 2020 (except for one which received a 1.5% adjustment as a step to reduce difference between fixed and market salary).

Fixed salary 2021
The base salary is assessed annually based on the individual's performance, normally in June with effect from 1 July. The assessment includes financial and non-financial elements. It is also based on the general development of salaries in the local market in which the individual operates.

Cont. note 16 Statement on the remuneration for senior executives

VARIABLE PAY

The group offers an annual variable pay (short-term incentives) and long-term incentive scheme. Variable pay is linked to development of value adjusted equity, which is deemed to be a sound financial measurement for the portfolio of companies and investments in the Wilhelmsen group, and clearly linked to the group's ambition of creating value over time. Value creation over time presupposes sustainable business models, in a broad sense of the word including being financially profitable short- and longer-term and taking the needs of future generations and society at large into account. A sustainable business strategy is deemed necessary to ensure the financial survival of the group and in the best interest of the group's shareholders. A profitable business model is in its essence sustainable over time. To further strengthen the group's focus on supporting the sustainable development goals, above an increase in value adjusted equity over time, specific targets linked to environment, social and/or governance targets might be included in the short- and long-term incentive schemes. Financial and non-financial measures are intended to ensure the group's achieved the right results, the right way – both short- and longer-term.

Annual variable pay (short-term incentive)

To encourage a strong performance culture, Wilhelmsen offers an annual variable pay rewarding individuals for annual achievements. The targets are linked to the group's financial and non-financial performance, including both business achievements and how the achievements have been made. It aligns the senior executives with relevant, clear targets derived from the group's long-term strategy to support value-creation over time. The variable pay includes a financial target, business target(s), and an assessment linked to the individuals' ability to live the group's governing elements and contribute to supporting the group's value creation and the value creation of the group companies which the senior executives are responsible for.

Development of value adjusted equity is determined using a sum-of-the-parts method: non-listed entities are valued using earnings multiples less debt and minorities or at net asset value, while listed entities are valued at market price.

The right to annual variable pay is based on an assessment of individual performance, including both business goals (what) and an assessment of how the achievements have been made. Financial and business targets are assessed based on goals defined by the performance contract for the senior executives approved by the board, while how achievements have been made is assessed by the board for the group CEO and by the group CEO for other senior executives and/or by the board of the individual subsidiaries.

Maximum opportunity for annual variable pay is capped at six months' salary for the group CEO and four months for remaining senior executives.
A prerequisite for paying out any bonus for employees in WWH is that group has positive total comprehensive income (net profit plus other compressive income less non-controlling interests). To receive full bonus, the achievement needs to exceed set targets. In addition, each performance indicator includes a threshold which must be met for any payment to be made.

The pay-out is prorated in line with the employment time through the year. The employee may not be entitled to pay-out, if the employee at the time of the actual pay-out, has given notice of resignation or been given such notice.

Even though the requirements are met, the board can, if the group has or foresees to have severe financial constraints, decide to postpone and/or decide not to pay-out the annual variable pay. In case of documented individual underperformance, misconduct or similar, the board (for the group CEO) and the group CEO (for other senior executives) and/or the board of the respective subsidiaries have the right to refrain from paying according to the agreements made on an individual level.

SHORT-TERM BONUS PAY-OUT FOR 2020 FOR WWH EMPLOYEES

Target set by the board for 2020 and level of achievements

Development of value adjusted equity: Positive change in value adjusted equity with threshold for pay-out set to improvement of more than 6%. Improvements above 11% equals full payout for this criterion. The VAE target is linked to the group's ambitions to create value over time and should strengthen the common interest between the senior executives, the company, and its shareholders.

- The threshold for positive development of the value adjusted equity was met for 2020.

Ability to identify business opportunities related to ESG and new business opportunities to support the group's growth and sustainability ambitions:

- Several business opportunities identified and assessed related to development or transformation of existing business or creating new business opportunities, including amongst others Edda Wind, HyShip, Topeka, partnership with Tyssenkrupp related to 3D printing, carbon capture storage, Elevon.

An assessment of the individual's ability to support group companies in their value creation, engagement survey results and how each individual lives the group values:

- Sound results in underlying businesses in which members of the senior executives act as president and/or chair and/or board member
- Engagement survey score above average and up compared with 2019
- High score on how senior executives lives and exercise the group's values

As the targets set by the board, and which received a positive advisory vote on by the annual general meeting in April 2020, were met, the board has decided to pay the annual variable pay the senior executives for 2020 according to agreed targets in the individual contracts.

SHORT-TERM BONUS SCHEMES FOR 2021 FOR WWH EMPLOYEES

For 2021, the board will propose to the annual general meeting for advisory vote, below performance criteria for annual variable pay:

Development of value adjusted equity

- Positive change in value adjusted equity. Threshold for pay-out is an improvement of more than 6%. Improvements above 11% equals full payout for this criterion. The VAE target is linked to the group's ambitions to create value over time and should strengthen the common interest between the senior executives, the company, and its shareholders.

Realise the group's ambitions as defined in the long-term strategy

- Contribute to decarbonisation by developing climate related targets and activities to be integrated in the group strategy and as a prerequisite for making investments.
- As part of the group's growth ambitions, the group management team will explore opportunities focused at creating sustainable growth, including opportunities transforming existing businesses, new business models, and new investment possibilities.
- Ensure a safe and healthy working environment with high ethical standards: LTIF < 0.4 (onboard vessels and onshore), leadership development training completion rate at >95%, and compliance training completion rate >95%.

Support group companies in their value creation and live the group's governing elements

- An assessment of how the individual executes and contributes to value creation plan of underlying businesses.
- An assessment of how each senior executive lives the group's governing elements, including leadership expectations, values, safe, healthy, and sustainability standards.

Cont. note 16 Statement on the remuneration for senior executives

Long-term incentive scheme
The senior executives (except Stangeland) participate in a long-term incentive scheme. The scheme entitles senior executives to a potential pay-out every second year, as the schemes start every second year and last for four years. Each programme is aiming at increasing alignment with the shareholders' long-term interests and how senior executives execute strategy and create value for the group and the company's shareholders over time. The board sets criteria for each programme before it starts, and they last for the whole period unless significant changes happen which deems it necessary to adjust the performance criteria. In case, changes will be disclosed.

The long-term variable compensation is based on the positive development of the group's VAE.

For this programme, the grant level reflects the level, impact, and joint responsibility of the senior executives for delivering on the group's strategic ambitions and targets and is not directly linked to individual performance.

The pay-out is prorated in line with the employment time. The employee may not be entitled to pay-out, if the employee at the time of the actual pay-out, has given notice of resignation or been given such notice. Similar if the employee resigns or is given such notice throughout the programme period.
Even though the requirements are met, the board can, if the group has or foresees severe financial constraints, decide to postpone and/or decide not to pay-out the long-term incentive scheme. In case of documented individual underperformance, misconduct or similar, the board (for the group CEO) and the group CEO (for other senior executives) have the right to refrain from paying according to the agreements made on an individual level.

For the group CEO, maximum payment is 100% of annual fixed salary. For the remaining senior executives, the maximum payment is 50% of annual fixed salary.

Existing programmes
The senior executives participated in one programme that ran from 1 January 2017 to 31 December 2020. Ending at year-end, the value adjusted equity, used as performance indicator was positive, but below set threshold for award. The senior executives therefor received no pay-out on the long-term scheme ending in 2020.

The senior executives are half-way in one programme, which runs om 1 January 2019 to 31 December 2022. The performance indicator for this programme is a positive development of the group's value adjusted equity.

A new programme, running from 1 January 2021-31 December 2024, has been endorsed by the board. In addition to a positive development of the group's value adjusted equity, the board wishes to see a substantial shift in the group's activities supporting the ambition of accelerating energy transformation and contribute to decarbonisation. This target is deemed essential as part of the group's ambition of reducing its own impact, contributing to the industry's decarbonisation imperative, and playing an active role in the energy transition. The specified targets for the new long-term incentive scheme are outlined below:

Long-term incentive scheme 2021-2024	Threshold (accumulated)	Stretch (accumulated)
Positive change in value adjusted equity (70%)	21.6%	41.1%
Share of revenue and/or capital employed/invested defined as environmentally sustainable according to the EU taxonomy (30%)	10%	15%

Pension and insurance schemes
The company offers pension benefits for senior executives aligned with local markets. The scheme includes coverage for old age, disability, spouse and children, and supplement payments from the Norwegian National Insurance system.

Senior executives are part of a collective agreement (except Wilhelmsen, Wang, Grimholt, Schou), which includes a contribution of 7% for salary up to 7.1G and 22% for salary between 7.1-12G. Senior executives (except Wilhelmsen, Wang, Grimholt, Stangeland) have an extra pension for salary above 12G and receive a fixed salary addition for pension accruals above 12G.

The group CEO has the right to a life-long contribution constituting 50% of annual salary at the time of retirement. If he retires at the agreed age of 62 years, there will be a gradual reduction of annual pay until agreed retirement age at 67. Pension obligations related to salary above 12G and the option to take early retirement are insured in the case of group CEO. In case of termination of employment contract by either party prior to retirement, he is obliged to receive the calculated accumulated benefit obligation (ABO) balance of his pension programme at the time of exit, less balance in fixed pension schemes. The group CFO has an agreement to retire at the age of 67, with a gross compensation equal to 60% of base salary to the age of 70.

The president of Ships Service can retire at the age of 65 and has a defined benefit plan (66% of salary) at retirement financed through operations. In case of termination of employment contract by either party prior to retirement, he is obliged to receive the calculated accumulated benefit obligation (ABO) balance of his pension programme at the time of exit, less balance in fixed pension schemes.

The president of Ship Management resides in Singapore and is part of the group's international pension plan. The annual contribution to the retirement account is 15% of pensionable salary, limited up to 12G. He has an extra pension for salary above 12G and receives a fixed salary addition for this pension.

Severance package scheme
As a rule, senior executives who resign voluntarily or are being guilty of gross misconduct, gross negligence, disloyalty, or other material breach of his/her duties are not entitled to severance.

The group CEO has a severance pay guarantee including 100% of annual salary for 18 months after leaving the company because of mergers, substantial changes in ownership, or if deemed necessary by the board. After a six months' notice period, possible income during the severance pay period will be deducted by up to 50%.

Other senior executives (except Wang) have a total of 12 months' severance pay if they are asked to leave the company because of mergers, substantial changes in ownership, or if deemed necessary by the company. After a six months' notice period, possible income during the severance pay period will be deducted by up to 50%. Wang has a six months' notice period but is not entitled to a severance package.

Senior executives on internal and external boards
Any board compensation from company boards or boards where the group has an ownership stake will be deducted from annual variable pay from the group.

Auditor's report

To the General Meeting of Wilh. Wilhelmsen Holding ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wilh. Wilhelmsen Holding ASA, which comprise:

- The financial statements of the parent company Wilh. Wilhelmsen Holding ASA (the Company), which comprise the balance sheet as at 31 December 2020, the income statement, comprehensive income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- The consolidated financial statements of Wilh. Wilhelmsen Holding ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2020, the income statement, comprehensive income, consolidated statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.

- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm

Auditor's report

Independent Auditor's Report - Wilh. Wilhelmsen Holding ASA

accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Groups business operations, who continue to evolve due to ongoing improvement projects, are largely the same as last year. We have not identified regulatory changes, transactions or other events that qualified as new Key Audit Matters for this year's audit. The area Revenue from contracts with customers contained the same characteristics and risks as last year, and have consequently been in our focus also in 2020.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue from contracts with customers This has been an area of focus for the audit due to the amounts involved. Revenue from contracts with customers in the Maritime Services and Supply Services segments was USD 542 million and USD 260 million respectively for the year ended December 31, 2020. Further, there is an inherent risk of errors when a business handles multiple revenue streams, where each of them consists of large numbers of transactions that adds up to material amounts. The inherent risk of errors increases from the complexity that sometimes accompany the requirements for management to use judgement, particularly to determine the transaction price and to decide when performance obligations are satisfied. We refer to note 3 Revenue, where management explain the various revenue streams and how they are accounted for under IFRS 15 - Revenue from contracts with customers and IFRS 16 - Leases. Here, management also explains the different performance obligations, measurement of the transaction price and whether income should be recognized net or gross.	We obtained and studied managements' accounting policy to assess it against relevant IFRSs. We discussed with management how the specific requirements of the standards, in particular IFRS 15 – Revenue from contracts with customers, were met. We found that we were able to agree with management about their accounting policies and that their assessments were reasonable. To assess the accuracy of their practices, we tested, on a sample basis, each revenue stream towards information such as contract terms, invoices and bank payments. We found that the revenue was recorded accurate and in accordance with the underlying documentation. Further, to assess the determined transaction prices, we obtained an understanding of the price for services and products, including discounts and customer bonus through interviews with management, walkthroughs and review of process descriptions. In addition, we obtained and read a selection of customer contracts to understand whether the determined prices were in accordance with the contract terms. We found no significant deviations in management's assessments. Through interviews with management and review of a selection of sales documentation such as customer contracts and invoices; we obtained an understanding of the assumptions management assessed to decide on when the performance obligations were satisfied. We

(2)

Auditor's report

Independent Auditor's Report - Wilh. Wilhelmsen Holding ASA

concluded that management's assumptions were reasonable.

We compared the related disclosures in note 3 to the financial statements for the Group to the requirements of the applicable financial reporting framework, IFRS. We found that the disclosure appropriately explained the revenue from contracts with customers and lease revenue.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information 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 the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements of the Company in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 Company's and the Group'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 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it

(3)

Auditor’s report

Independent Auditor's Report - Wilh. Wilhelmsen Holding ASA

exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment 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. We 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 Company's or the Group'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 Company and the Group'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 Company and the Group 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 achieves 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.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor's report

Independent Auditor's Report - Wilh. Wilhelmsen Holding ASA

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the reports on Corporate Governance and Sustainability concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 24 March 2021
PricewaterhouseCoopers AS
Thomas Fraurud
State Authorised Public Accountant

(electronically signed)

(5)

Responsibility statement

We confirm, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2020 have been prepared in accordance with current applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit for the entity and the group taken as a whole.

We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Lysaker, 24 March 2021
The board of directors of Wilh. Wilhelmsen Holding ASA

Diderik Schnitler (sign) chair	Trond Westlie (sign)	Carl E Steen (sign)
Rebekka Glasser Herlofsen (sign)	Ulrika Laurin (sign)	Wilhelmsen Thomas (sign) group CEO

Finding new ways

The challenge: The COVID pandemic posed owners and operators different crew change challenges and restrictions in various ports around in the world. How to keep up with the ever-changing restrictions?

The solution: We created a port-restrictions map, an online and interactive global tool providing updated and relevant info from each port in the vast Wilhelmsen system.

5

Corporate governance

Corporate governance

A summary of the corporate governance report for 2020

Corporate governance comply or explain overview			
Section	Topic	Deviation	Reference in this report
01.	Implementation and reporting on corporate governance	None	Page 123
02.	Business	None	Page 123
03.	Equity and dividends	None	Page 123
04.	Equal treatment of shareholders and transactions with close associates	None	Page 124
05.	Shares and negotiability	None	Page 124
06.	General meetings	The board chair directs the meeting. *) There is no requirement for the full board to attend the general meeting.	Page 124
07.	Nomination committee	None	Page 125
08.	Board of directors: composition and independence	The board chooses its own chair. *)	Page 125
09.	The work of the board of directors	The full board serves as audit committee.	Page 126
10.	Risk management and internal control	None	Page 126
11.	Remuneration of the board of directors	None	Page 127
12.	Remuneration of executive personnel	None	Page 127
13.	Information and communications	None	Page 127
14.	Take-overs	None	Page 127
15.	Auditor	None	Page 127

*) Proposals have been made to the 22 April annual general meeting for required changes to the Articles of association to comply with the code. If approved, there will not be any deviation on these matters.

Reducing risk and improving accountability

We, as the board of Wilh. Wilhelmsen Holding ASA, are responsible for ensuring that the company is directed and controlled in an appropriate and satisfactory manner according to existing laws and regulations.

We believe sound corporate governance is important because it:

- reduces risk.
- contributes to the greatest possible value creation over time in the best interests of the company's shareholders, employees and other stakeholders.
- ensures fair treatment of all our stakeholders
- ensures easy access to timely, accurate and relevant information about the company's business.
- strengthens the confidence in the company and increases the company's attractiveness.

The Corporate governance report for 2020 is, amongst others, based on the requirements of the Norwegian Accounting Act and the recommendations of the Norwegian Code of Practice for Corporate Governance.

We, as the board, assesses the company's corporate governance to be of high standard, and discussed and approved the report on 24 March 2021. All the directors were present at the meeting.

Diderik Schnitler (sign)
Chair of the board

The board's corporate governance report for 2020

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Wilh. Wilhelmsen Holding ASA (Wilhelmsen) is a public limited company organised under Norwegian law. Listed on a regulated market (Oslo Børs), the company is subject to general Norwegian securities' legislation and Oslo Børs' regulations.

This corporate governance report follows the requirements of the Norwegian Accounting Act (§3-3b) and the recommendations in the Norwegian Code of Practice for Corporate Governance (Code of Practice, dated 17 October 2018). The Code of Practice includes provisions and guidance that in part elaborate on existing legislation and in part cover areas not addressed by legislation. The structure of this report is aligned with the structure of the Code of Practice.

The corporate governance report is published as part of the company's annual report and available on the company's website.

Comply or explain principle

The corporate governance report follows the "comply and explain" principles. Where Wilhelmsen does not fully comply with the Code of Practice, an explanation of the reason for the deviation and what solution the company has selected has been included.

Deviations from the Code of Practice: None

2. BUSINESS

Business activities

According to Wilhelmsen's Articles of association, the company's objective is to engage in shipping, maritime services, aviation, industry, commerce, finance business, brokerage, agencies and forwarding, to own or manage real estate, and to run business related thereto or associated therewith. While present business activities mainly are within maritime services, shipping and related logistics services, the board finds it appropriate to maintain a broad objective to allow for a wider range of activities and investments.

Strategy and risk

The board has a yearly strategy review of the business portfolio and the ownership strategy for main activities and investments, supplemented by selective business reviews on a regular basis.

The board further evaluate the risk profile on a quarterly basis.

A summary of the strategic direction and a risk review is included in the directors' report for 2020.

Stakeholder interests

Wilhelmsen is in regular dialogue with key stakeholders engaged in issues relating to the maritime industry and the corporate activities of the group.

Sustainable business model

A responsible business model is necessary for the company to be sustainable. Acknowledging that the company's activities affect its surroundings, Wilhelmsen's issues an annual Sustainability report. The report is based on the requirements stated in the GRI Sustainability Reporting Standards (GRI Standards) and the ten principles of the UN Global Compact.

The Sustainability report describes how Wilhelmsen combines long-term profitability with emphasis on ethical business conduct. This includes respect for human rights, the natural environment and the societies in which the company operates. The report includes how the company addresses employee rights and working environment, human rights, health and safety issues, the external environment, prevention of corruption and how the company contributes to communities in which it operates.

The report, which also describes how the company actively contributes to reaching the Sustainable Development Goals, is available on the company's website.

Deviations from the Code of Practice: None

3. EQUITY AND DIVIDENDS

Capital structure

The board considers it appropriate for the parent company to maintain a low debt profile, with group business activities primarily financed on a non-recourse basis by the relevant subsidiary. This is consistent with the holding nature of the parent company.

Dividend

The dividend policy states that "the goal is to provide shareholders with a high return over time through a combination rising value for the company's shares and payment of dividend. The objective is to have consistent yearly dividend paid twice annually".

Wilhelmsen has a history of paying dividend twice a year, with total consideration varying between NOK 5.00 and NOK 5.50 per share for the five-year period 2015-19. The first dividend has varied been NOK 2.50 and NOK 3.50 per share while the second dividend has been between NOK 1.50 and NOK 2.50 per share.

In order to secure a financially sound holding company in the uncertain environment following outbreak of COVID-19, the board decided in 2020 to reduce the first dividend to NOK 2.00 per share and not to ask the annual general meeting for authority to declare a second dividend.

To compensate for the reduced dividend paid in 2020 and to revert to the objective of consistent yearly dividend paid twice annually, the board is proposing to the annual shareholder meeting scheduled for 22 April 2021 a first dividend of NOK 5.00, and that the board is authorised to pay additional 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.

Mandate to increase share capital or purchase own shares

At the 29 April 2020 annual general meeting, the board proposed and was granted an authorisation to acquire shares in the company with a nominal value of up to NOK 92 807 648, equivalent to 10% of the current share capital. The reason for the proposal was that it enables the adjustment of capital structure and balance to the company's needs, as framework conditions for the industry change.

Wilh. Wilhelmsen Holding ASA presently owns a total of 1 823 829 own shares, split on 537.097 A-shares and 1.286.732 B-shares. This is equivalent to 3.93% of total shares in the company. The board has made a proposal to the next annual general meeting to be held on 22 April for the 1 823 829 shares to be liquidated.

The board has also made a proposal to the next annual general meeting to be held on 22 April 2021 for a new mandate to buy up to 10% of the company's shares, valid for one year.

The board has not requested, and the general meeting has as such not granted, any board mandate to increase the company's share capital.

Deviations from the code: None

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Transactions in own shares

Any transactions the company carries out in its own shares are carried out through the stock exchange and at prevailing stock exchange prices, or in such other ways which will ensure equal treatment of all shareholders.

Transaction with close associates

Any transactions taking place between a principal shareholder or close associates and the company will apply prices and other terms and conditions common for such agreements. A similar principle is used for transactions between companies within the group. In the event of material transactions, the company will seek independent valuation. Relevant transactions will be publicly disclosed to seek transparency. The board instruction includes procedures for how to handle any situations where a board member has a personal or financial interest related to a board matter.

Deviations from the Code of Practice: None

5. FREELY NEGOTIABLE SHARES

Listed on the Oslo Børs with the tickers "WWI" and "WWIB" for the Class A and Class B shares respectively, all shares are freely negotiable. There are no restrictions on negotiability in the company's Articles of associations.

Deviations from the Code of Practice: None

6. GENERAL MEETINGS

Matters to be dealt with and decided by the annual general meeting and procedures related to general meetings are outlined in article 8 of the Articles of associations. The annual general meeting is normally held late April or early May. In addition, extraordinary general meetings may be convened if required.

Shareholders with Norwegian VPS accounts or known addresses are notified electronically through the Norwegian VPS system or by mail no later than 21 days prior to a general meeting.

Proposed resolutions, together with relevant supporting documents are published on the Wilhelmsen website no later than 21 days prior to the general meeting. For annual general meetings, this includes the annual report (including directors report, annual accounts and the auditor's report), statement on the remuneration for senior executives, statement on corporate governance, and the nomination committee report. Shareholders may, upon request, receive hard copies of the material.

Shareholders may attend the general meeting in person, nominate a proxy, or vote in advance. The vote may be through electronic communication. The attendance form, proxy nomination, or advance vote must be received by the company's registrar no later than two working days before the meeting takes place. Shareholders may vote on each individual matter, including individual candidates nominated for election.

The board chair, nomination committee chair, group CEO, group CFO, and auditor will normally attend the annual general meeting, together with other members of the board and management if available. There is no requirement for the full board to attend a general meeting.

The board chair presides over the general meeting in accordance with Article 8 of the Articles of association. This is a deviation from the Code of Practice. A proposal has been made to the 22 April annual general meeting for Article 8 to be amended in a manner that makes it possible for the general meeting to elect the chair for the general meeting.

The minutes of general meetings are published on the Oslo Børs news service and available on the company's website.

Deviations from the Code of Practice: There is no requirement for the full board to attend the general meeting, and the board chair opens and directs the meeting. The last issue will be resolved subject the approval by the annual general meeting to amend the Articles of association in this respect.

7. NOMINATION COMMITTEE

The work of the Wilhelmsen nomination committee follows the "Guidelines for the nomination committee" approved by the general meeting on 30 April 2019.

The nomination committee consists of the following members:

Nomination committee member	Elected	Period	Elected to
Jan Gunnar Hartvig (chair)	29.04.2020	2 years	2022
Frederik Selvaag	29.04.2020	2 years	2022

As part of the nomination process, the committee has contact with relevant stakeholders. Input and proposals to the nomination committee may also be sent to the nomination committee secretary, with contact details available on the company website.

The nomination committee provides its recommendation to the annual general meeting in form of a report, which among other includes justification of individual candidates.

Deviations from the Code of Practice: None

8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

According to article 5 of the Articles of association, the company's board is made up of five to seven members and up to three deputy members.

According to the same article 5, the board chooses its own chair. This is a deviation from the Code of Practice. A proposal has been made to the 22 April annual general meeting for Article 5 and Article 8 to be amended so the chair can be elected by the general meeting.

The composition of the board is made to ensure it meets the company's need for expertise, capacity, and diversity. Focus is also on ensuring that the board can function effectively as a collegiate body. Information on the background and experience of the individual board members are available on the company's website.

During 2020, the board consisted of the following members:

Board member	Last time elected	Period	Elected to
Diderik Schnitler (chair)	30.04.2019	2 years	2021
Rebekka Glasser Herlofsen	29.04.2020	2 years	2022
Ulrika Laurin	29.04.2020	2 years	2022
Carl E Steen	30.04.2019	2 years	2021
Trond Westli*	29.04.2020	2 years	2022
Irene W. Basili**	26.04.2018	2 years	
Cathrine L Wilhelmsen***	30.04.2019	2 years	

*Re-elected at the 29.04.2020 annual general meeting
**Resigned from the board at the 29.04.2020 annual general meeting
***Resigned from the board 07.02.2020

The board does not include executive employees, and all board members are independent of the executive management and the main shareholder.

The board instruction encourages board members to own shares in the company.

Deviations from the Code of Practice: The board chooses its own chair. The deviation will be resolved subject the approval by the annual general meeting to amend the Articles of association in this respect.

9. THE WORK OF THE BOARD OF DIRECTORS

Board instruction and work of the board

The board has issued instructions for its own work. The instruction reflects the role, responsibilities, and work procedures of the board as laid down in the Norwegian Public Companies Act. This includes procedures for how to handle any situations where a board member has a personal or financial interest related to a board matter.

The board evaluates its performance and expertise on an annual basis. A summary of the evaluation is provided as input to the nomination committee.

During 2020, the board held eight meetings, in addition to a full day strategy session.

The group CEO and group CFO are normally present at board meetings, as is other executives depending on agenda and issues to be discussed.

Board committees

The board has established a separate audit committee, which is chaired by board member Trond Westlie. The work of the board audit committee is governed by a mandate set by the board.

In line with article 5 of the Articles of association, “the full board shall jointly serve as the company’s audit committee”. A proposal will be presented to the Annual general meeting on 22 April to have this requirement removed from the Articles of associations. This will allow for a smaller audit committee.

As the Wilhelmsen board consists of five members it is deemed desirable to not have any separate standing committees outside the audit committee.

Executive committee for industrial democracy

Wilhelmsen maintains an executive committee for industrial democracy in foreign trade shipping (“Rederistyret”), securing the interest of the employees related to the board. The committee meet prior to a corresponding board meeting.

The present committee consists of seven members, elected for a period of four years from 2018. Five members were elected by and among the employees and two were appointed by the management. Each employee representative has a personal deputy, and the management representatives have a joint deputy. One of the management representatives is the group CEO. One deputy member position was vacant by end of 2020.

During 2020, the committee held four meetings.

Executive management instructions

The duties, responsibilities and authority of the group CEO follows instructions made by the board and the Norwegian Public Companies Act. The instructions made by the board also include authorities given to other executive employees.

The executive management of the Wilhelmsen group includes a group management team and the board and management of subsidiaries. Members of the group management team chairs or sits on the board of main subsidiaries and companies where Wilhelmsen has material ownership interests and/or a shareholder agreement which defines board composition. Management of subsidiaries are based on the Wilhelmsen group policies and governance principles.

Deviations from the Code of Practice: The full board serve as audit committee.

10. RISK MANAGEMENT AND INTERNAL CONTROL

The board believes that the company’s internal control and risk management are sound and appropriate given the extent and nature of the company’s activities. The system contributes to sound control characterised by integrity and ethical attitudes throughout the organisation.

Governing documents, the code of conduct, policies, policy descriptions and procedures are documented and electronically available to the company’s employees through the company’s global integrated management system. Various internal control activities give management assurance that the internal control of financial systems, group policies and subsidiary boards are working adequately and according to management’s expectations.

The group has a global whistleblowing system including procedures and channels for giving notice to the company about potential non-compliance. The whistleblowing channel is available for internal and external parties.

The board reviews the company’s risk matrix on a quarterly basis and the internal control arrangements at least once a year.

Deviations from the Code of Practice: None

11. REMUNERATION OF THE BOARD OF DIRECTORS

Remuneration of the board of directors is determined by the annual general meeting and is not dependent upon the company's results. The fee reflects the responsibilities of the board, its expertise, the amount of time devoted to its work and the complexity of the company's businesses. No board member holds share options in the company.

In 2020, none of the board members performed assignments for the company other than serving on the board of the company.

An overview of the remuneration of the board of directors is specified in note 6 to Wilhelmsen group accounts and note 2 to the parent company accounts, of which the latter includes an overview of shares in Wilhelmsen owned or controlled by the individual board member.

Deviations from the Code of Practice: None

12. REMUNERATION OF EXECUTIVE PERSONNEL

The board has reviewed the remuneration guideline and assessed the practice and concluded that they are efficient and transparent, in line with the prevailing guideline and intention, and good corporate governance.

A statement on the remuneration for senior executives is provided in note 16 of the annual accounts. An advisory vote is to be held at the annual general meeting concerning the statement. Remuneration is based on a guideline, which will be presented to and voted on by the annual general meeting 22 April 2021.

The remuneration of senior executives is further detailed in note 6 to the group accounts and note 2 to the parent company accounts.

Deviations from the Code of Practice: None

13. INFORMATION AND COMMUNICATION

The board has established an investor relations policy which is published on the company's website. The policy complies with the Oslo Børs Code of Practice for IR of 1 July 2019.

According to the policy, Wilhelmsen will publish interim reports each quarter in addition to half-year and annual reports. In 2020, two of the quarterly reports were covered through webcast presentations which included a Q&A session.

The investor relations policy further states that the main source of information about the Wilhelmsen group is the Wilhelmsen website, including among other financial information, governing elements, and company news.

Deviations from the Code of Practice: None

14. TAKEOVERS

The board has established a guideline for how it will act in the event of a take-over bid. The guidelines follow in all material aspects the recommendations outlined in the Code of Practice.

Deviations from the Code of Practice: None.

15. AUDITOR

The auditor for Wilhelmsen is PricewaterhouseCoopers AS.

The auditor presents an audit plan to the audit committee on an annual basis, and attend audit committee meetings when deemed required or desired.

The auditor is also invited to attend the meeting where the board deal with the annual accounts (preliminary and/or final accounts), and at other occasions where the board so requests.

Finally, the board has a yearly meeting with the auditor without the presence of management.

The board has established the principle that use of the auditor for services other than audit shall be limited.

The fee to external auditors, broken down by statutory work, other assurance services, tax services, and other assistance, is specified in note 6 to the Wilhelmsen group accounts and note 2 to the parent company accounts.

Deviations from the Code of Practice: None

New partnerships

The challenge: Grow your fleet under management and get into new segments.

The solution: Wilhelmsen joined forces with MPC Capital and created the joint venture Wilhelmsen Ahrenkiel Ship Managementt. With the 72 ships in Wilhelmsen Ahrenkiel's management, Wilhelmsen Ship Management became the 6th largest third-party ship manager in the world, with approximately 250 ships under technical management.


WIRE CHANGED 09.05.2016
SWL 05T

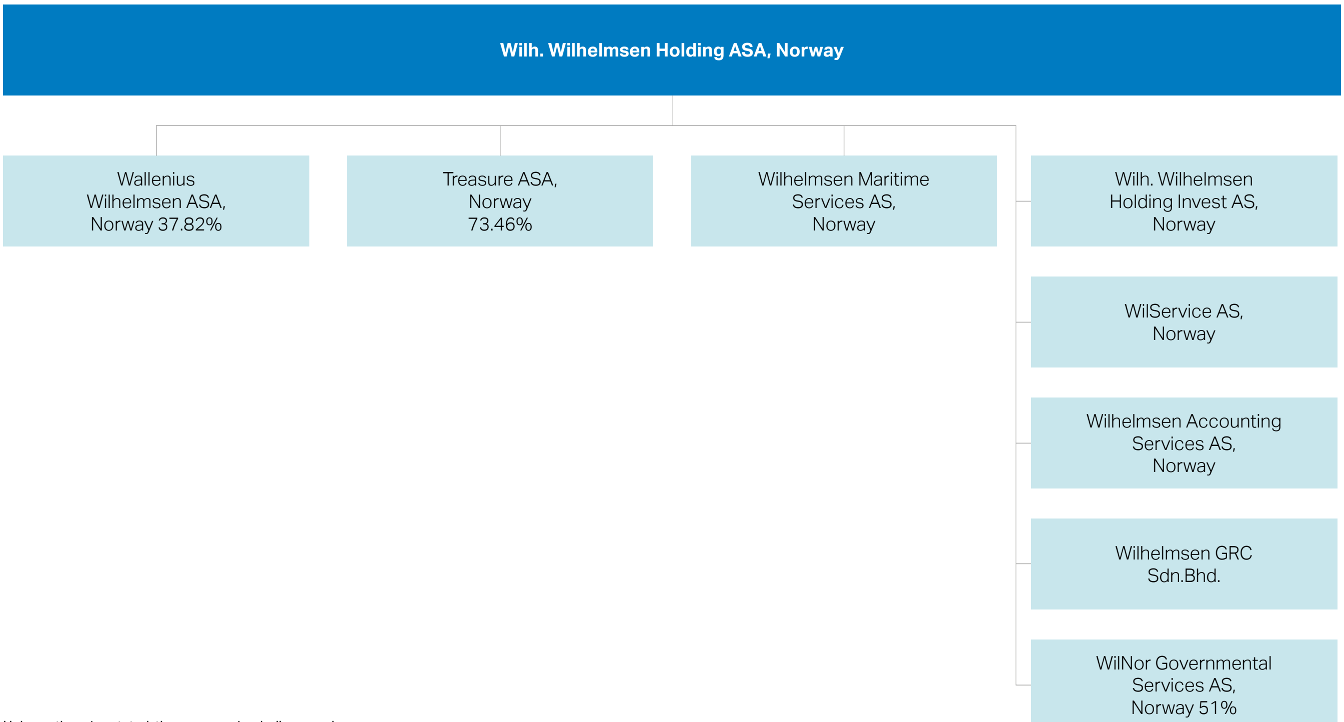
6

Corporate structure

Corporate structure

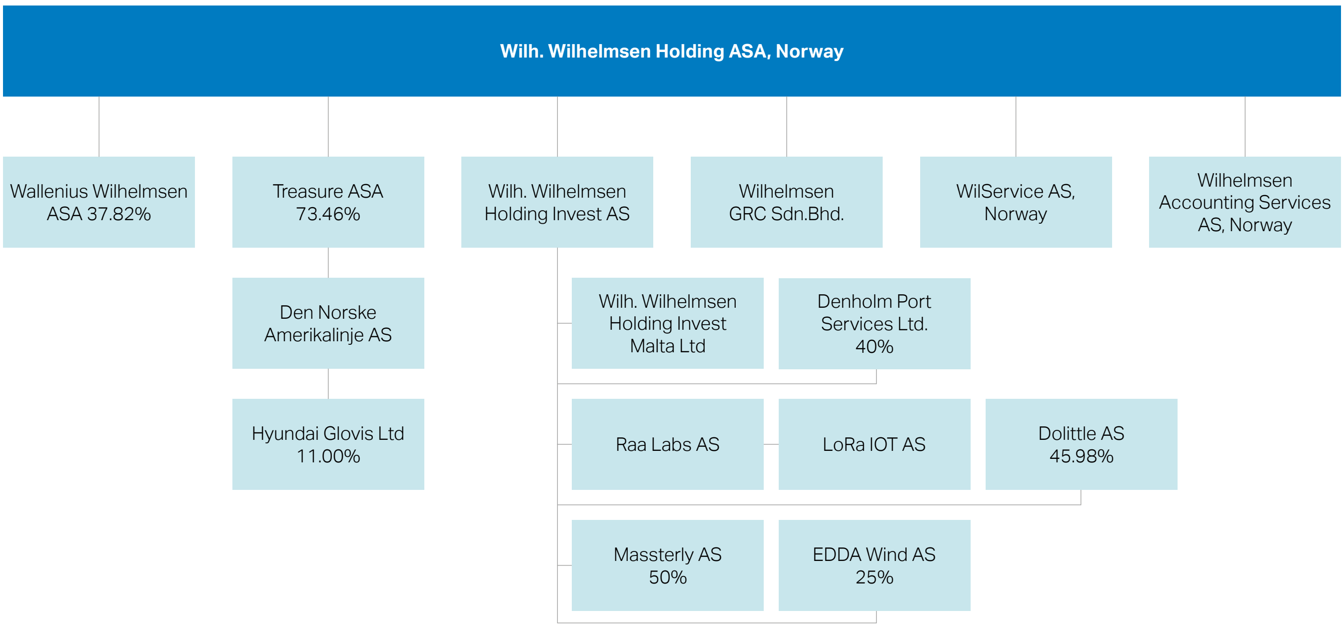
As of 31 December 2020

WWH group



Unless otherwise stated, the company is wholly-owned.

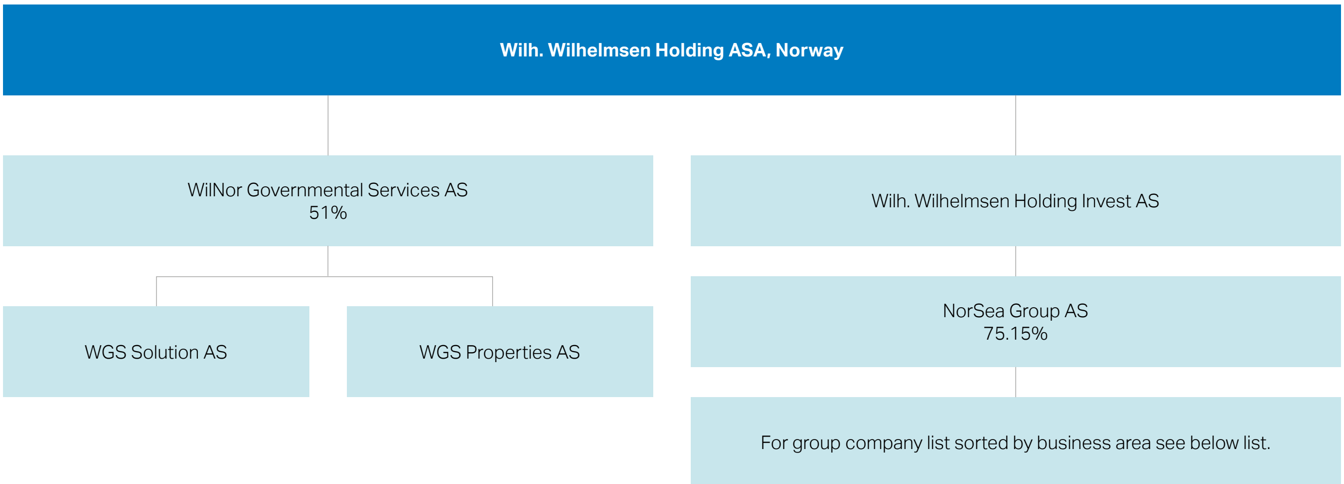
Holding and Investments segment



Unless otherwise stated, the company is wholly-owned.

Group management team. From left: Christian Berg (group CFO), Jan Eyvin Wang (Executive vice president New Energy), Benedicte Teigen Gude (Executive vice president HR, culture, and communication), Thomas Wilhelmsen (group CEO) and Bjørge Grimholt (Executive vice president Maritime Services).

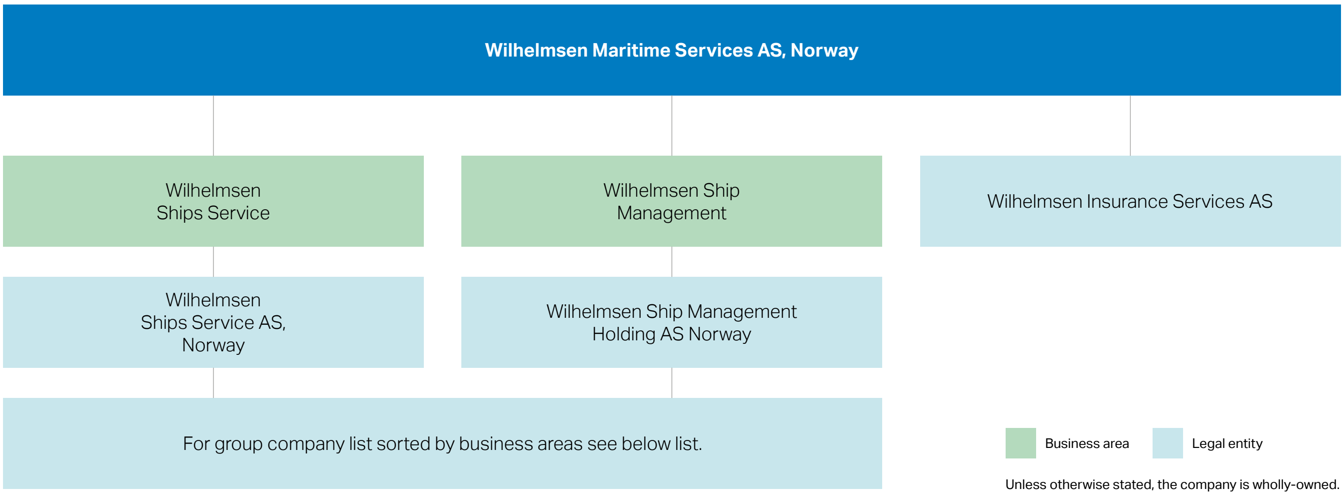
Supply services segment



Supply services segment

Company name	Country	Ownership %
NorSea Group Australia PTY Ltd	Australia	100.00%
NorSea Denmark A/S	Denmark	100.00%
NorSea Wind A/S	Denmark	50.00%
NSG Wind A/S	Denmark	50.00%
NorSea Property AS	Norway	100.00%
NorSea Logistics AS (tidl. NorSea Operations AS)	Norway	100.00%
NorSea Impact AS	Norway	100.00%
NorSea Industrial Holding AS	Norway	100.00%
Wilnor Governmental Services AS	Norway	49.00%
WGS Properties AS	Norway	49.00%
WGS Solution AS	Norway	49.00%
NorSea Wind Holding AS	Norway	50.00%
CCB Energy Holding AS	Norway	50.00%
NorSea Vestbase AS	Norway	100.00%
Vestbase Eiendom AS	Norway	100.00%
Averøy Eiendom AS	Norway	100.00%
Orvikan Eiendom AS	Norway	100.00%
NorSea Stordbase AS	Norway	100.00%
NorSea Stavanger AS	Norway	100.00%
Maritime Logistic Services AS	Norway	100.00%
NorSea Fighter AS	Norway	100.00%
NorSea Eiendom Dusavik AS	Norway	100.00%
NorSea Eiendom Tananger AS	Norway	100.00%
NorSea Tananger 107 AS	Norway	100.00%
Tananger Eiendom AS	Norway	100.00%
Konciv AS (tidl NSG Digital AS)	Norway	49.91%
Polarbase Eiendom AS	Norway	95.62%
NorSea Polarbase AS	Norway	95.14%
Maritime Waste Management AS	Norway	75.00%
Norbase AS	Norway	75.00%
OS Expressene AS	Norway	75.00%
NSG Maritime AS	Norway	78.00%
Westport AS	Norway	66.66%
Elevon AS	Norway	50.00%
CCB Holding AS	Norway	50.00%
Vikan Næringspark Invest AS	Norway	50.00%
Dusavik Utvikling AS	Norway	43.60%
SørSea AS	Norway	50.00%
Polarlift AS	Norway	50.00%
KS Coast Center Base	Norway	49.75%
Risavika Eiendom AS	Norway	42.00%
Eldøyane Næringspark AS	Norway	37.97%
LoVe Miljøbase AS	Norway	33.33%
Risavika Havnering 14 AS	Norway	33.33%
Strandparken Holding AS	Norway	33.07%
Logiteam AS	Norway	17.00%
CCB Subsea AS	Norway	17.00%
Hammerfest Næringsinvest AS	Norway	32.26%
Norsea 123 Ltd.	Scotland	100.00%
NorSea UK Ltd	Scotland	100.00%
NorSea Wind Ltd	United Kingdom	50.00%

Maritime services segment



Unless otherwise stated, the company is wholly-owned.

Maritime services segment

Company name	Country	Ownership %
Wilhelmsen Maritime Services		
Wilhelmsen Insurance Services AS	Norway	100.00%
Wilhelmsen Ship Management		
Wilhelmsen Ship Management Serviços Marítimos do Brasil Ltda	Brazil	100.00%
Wilhelmsen Marine Personnel d.o.o.	Croatia	100.00%
Diana Wilhelmsen Management Limited	Cyprus	50.00%
NSG Wind A/S	Denmark	50.00%
NorSea Wind A/S	Denmark	50.00%
NorSea Wind GmbH	Germany	50.00%
Wilhelmsen Ahrenkiel GmbH	Germany	50.00%
BWW LPG Limited	Hong Kong	49,00 %
Barklav (Hong Kong) Limited	Hong Kong	50.00%
Wilhelmsen Marine Personnel (Hong Kong) Ltd	Hong Kong	100.00%
Wilhelmsen Ship Management Limited	Hong Kong	100.00%
WSM Global Services Limited	Hong Kong	100.00%
Wilhelmsen Ship Management (India) Private Limited	India	100.00%
BWW LPG Sdn Bhd	Malaysia	49.00%
Wilhelmsen Ship Management Sdn Bhd	Malaysia	100.00%
Wilhelmsen Ship Management Services Sdn Bhd	Malaysia	100.00%
Wilhelmsen Ahrenkiel Netherland	Netherland	50.00%
NorSea Wind Holding AS	Norway	50.00%
Wilhelmsen Marine Personnel (Norway) AS	Norway	100.00%
Wilhelmsen Ship Management (Norway) AS	Norway	100.00%
OOPS (Panama) SA	Panama	100.00%
Wilhelmsen-Smith Bell Manning Inc	Philippines	25.00% *
Wilhelmsen Marine Personnel Sp z.o.o.	Poland	100.00%
Wilhelmsen Ship Management Korea Ltd	Republic of Korea	100.00%
Barklav SRL	Romania	50.00%
Wilhelmsen Marine Personnel Novorossiysk Ltd	Russia	100.00%
Wilhelmsen Ship Management Singapore Pte Ltd	Singapore	100.00%
NorSea Wind Ltd	United Kingdom	50.00%
Wilhelmsen Ship Management UK Limited	United Kingdom	100.00%
Wilhelmsen Marine Personnel (Ukraine) Ltd	Ukraine	100.00%
Wilhelmsen Ship Management (USA) Inc	United States	100.00%
Wilhelmsen Ships Service		
Wilhelmsen Ships Service Algeria SPA	Algeria	49.00% *
Wilhelmsen Ships Service Argentina SA	Argentina	100.00%

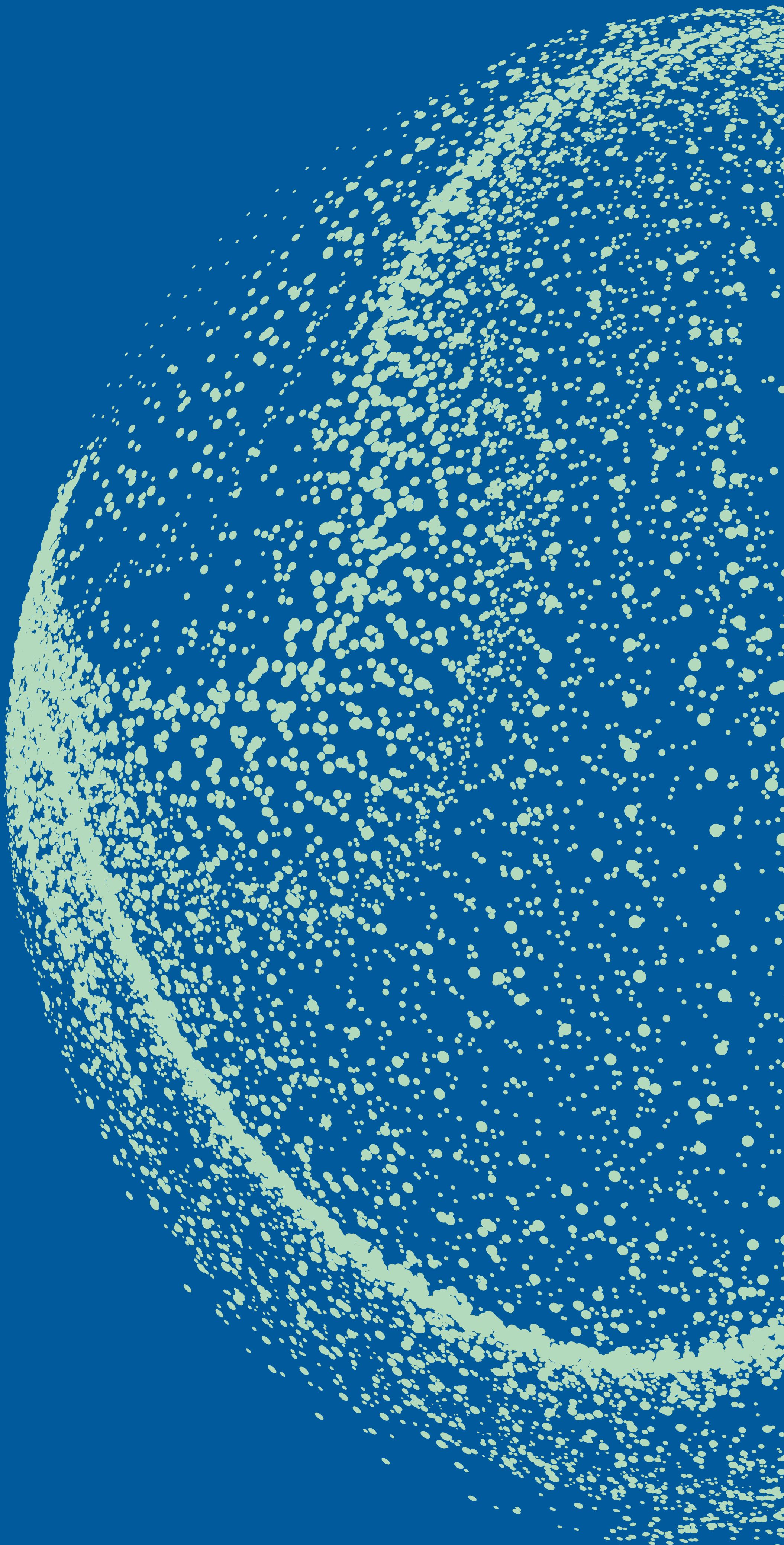
cont. Maritime services segment

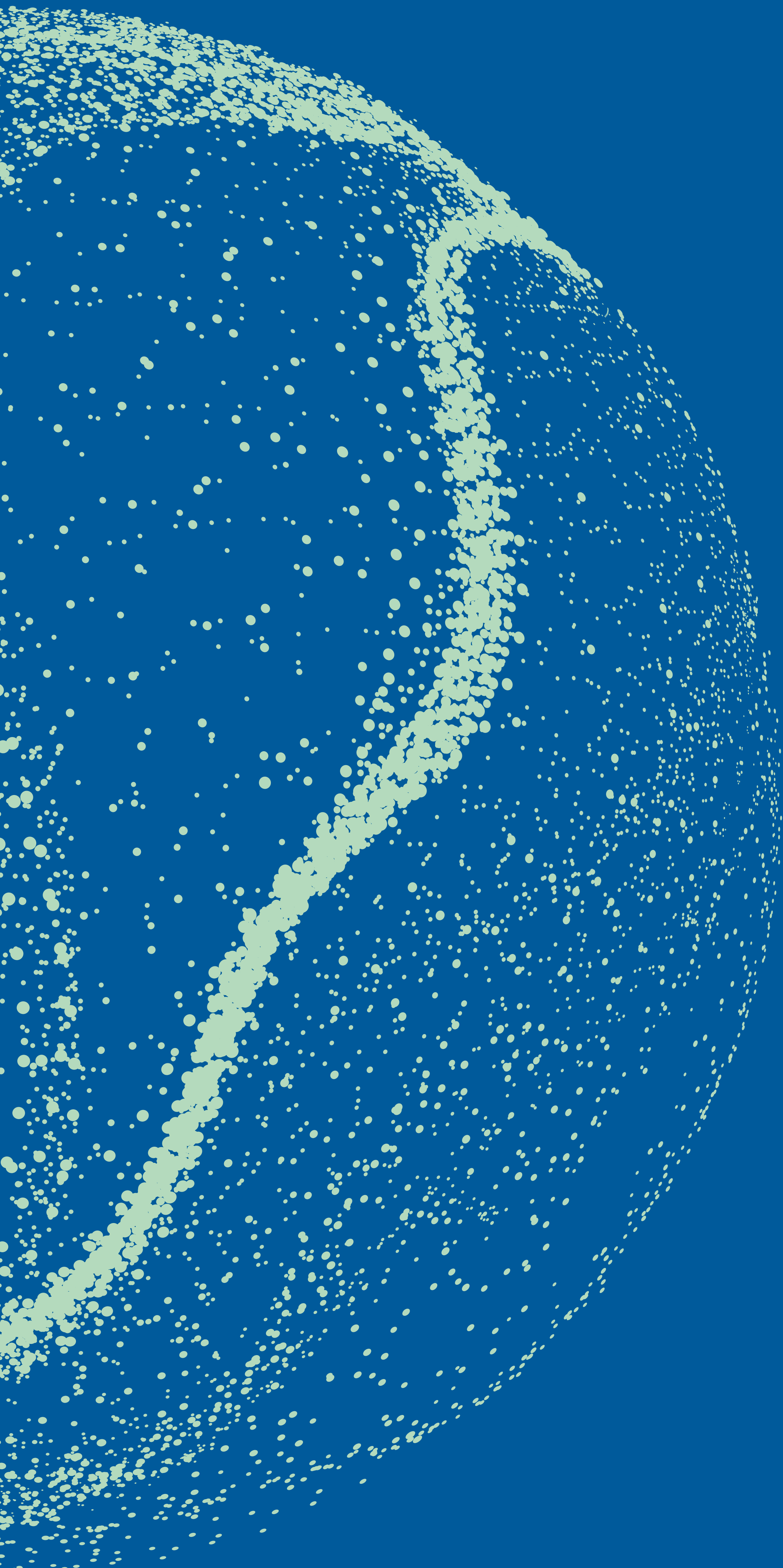
Company name	Country	Ownership %	
Wilhelmsen Ships Service			
New Wave Maritime Services Pty Ltd	Australia	100.00%	
Wilhelmsen Ships Service Pty Limited	Australia	100.00%	
WLB Shipping Pty Ltd	Australia	100.00%	
WWHI Property Australia Pty Ltd	Australia	100.00%	
Almoayed Wilhelmsen Ltd	Bahrain	40.00%	*
Wilhelmsen Ships Service NV	Belgium	100.00%	
Wilhelmsen Ships Service do Brasil Ltda	Brazil	100.00%	
Wilhelmsen Ships Service Ltd	Bulgaria	100.00%	
Wilhelmsen Ships Service Inc	Canada	100.00%	
Wilhelmsen Ships Service Agencia Maritima SA	Chile	100.00%	
Wilhelmsen Ships Service (Chile) S.A.	Chile	100.00%	
Wilhelmsen Huayang Ships Service (Beijing) Co Ltd	China	50.00%	
Wilhelmsen Huayang Ships Service (Shanghai) Co Ltd	China	49.00%	*
Wilhelmsen Ships Service Co Ltd	China	100.00%	
Wilhelmsen Ships Service Colombia SAS	Colombia	100.00%	
Wilhelmsen Ships Service Cote d'Ivoire SARL	Cote d'Ivoire	100.00%	
Wilhelmsen Ships Service Cyprus Ltd	Cyprus	100.00%	
Wilhelmsen Ships Service A/S	Denmark	100.00%	
Wilhelmsen Ships Service Ecuador SA	Ecuador	100.00%	
Barwil Arabia Shipping Agencies SAE	Egypt	35.00%	
Barwil Egytrans Shipping Agencies SAE	Egypt	49.00%	*
Scan Arabia Shipping Agencies SAE	Egypt	49.00%	*
Wilhelmsen Ships Service LLC (Egypt)	Egypt	100.00%	
Wilhelmsen Ships Service Oy Ab	Finland	100.00%	
Auxiliaire Maritime SAS	France	100.00%	
Wilhelmsen Ships Service France SAS	France	100.00%	
Wilhelmsen Ships Service Georgia Ltd	Georgia	50.00%	
Barwil Agencies GmbH	Germany	100.00%	
Wilhelmsen Ships Service GmbH	Germany	100.00%	
Wilhelmsen Ships Service (Gibraltar) Limited	Gibraltar	100.00%	
Wiltrans (Gilbraltar) Limited	Gibraltar	100.00%	
Barwil Hellas Ltd	Greece	60.00%	
Uniref SA	Greece	100.00%	
Wilhelmsen Ships Service Hellas SA	Greece	100.00%	
Wilhelmsen Ships Service Limited	Hong Kong	100.00%	
Wilhelmsen Maritime Services Private Limited	India	100.00%	
Barwil For Maritime Services Co Ltd	Iraq	100.00%	
Iraqi-Norwegian Company For Marine Navigation and Maritime Services Ltd	Iraq	100.00%	
Wilhelmsen Ships Service SpA	Italy	100.00%	
Wilhelmsen Ships Service (Japan) Pte Ltd - Legal Branch	Japan	100.00%	
Wilhelmsen Ships Service Co Ltd	Japan	100.00%	
Wilhelmsen Ships Service Ltd	Kenya	100.00%	
Alghanim Barwil Shipping Co-Kutayba Yusuf Ahmed & Partners WLL	Kuwait	49.00%	
Wilhelmsen Ships Service Lebanon SAL	Lebanon	49.00%	
Wilhelmsen Freight & Logistics Sdn Bhd	Malaysia	100.00%	
Wilhelmsen IT Services Sdn Bhd	Malaysia	100.00%	
Wilhelmsen Ships Service Holdings Sdn Bhd	Malaysia	100.00%	
Wilhelmsen Ships Service Malaysia Sdn Bhd	Malaysia	100.00%	
Wilhelmsen Ships Service Trading Sdn Bhd	Malaysia	100.00%	
WSS Global Business Services Sdn Bhd	Malaysia	100.00%	
Wilhelmsen Ships Service Malta Limited	Malta	100.00%	
Unitor de Mexico, SA de CV	Mexico	100.00%	
Wilhelmsen Ships Service (Mozambique), Limitada	Mozambique	100.00%	
Wilhelmsen Ships Service (Myanmar) Limited	Myanmar	100.00%	
Wilhelmsen Ships Service BV	Netherlands	100.00%	
Unitor Ships Service NV Netherland Anthilles	Netherlands Antilles	100.00%	
Wilhelmsen Ships Service Limited	New Zealand	100.00%	
Barwil Agencies AS	Norway	100.00%	
Wilhelmsen Chemicals AS	Norway	100.00%	
Wilhelmsen IT Services AS	Norway	100.00%	

cont. Maritime services segment

Company name	Country	Ownership %	
Wilhelmsen Ships Service			
Wilhelmsen Ships Service AS	Norway	100.00%	
Wilhelmsen Towell Co LLC	Oman	60.00%	
Wilhelmsen Ships Service (Private) Limited	Pakistan	49.00%	*
Barwil Agencies SA	Panama	100.00%	
Intertransport Air Logistics SA	Panama	100.00%	
Lowill SA	Panama	100.00%	
Scan Cargo Services SA	Panama	100.00%	
Transcanal Agency SA	Panama	100.00%	
Wilhelmsen Ships Service SA	Panama	100.00%	
Wilhelmsen-Smith Bell (Subic) Inc	Philippines	25.00%	
Wilhelmsen-Smith Bell Shipping Inc	Philippines	25.00%	*
Wilhelmsen Ships Service Philippines Inc	Philippines	25.00%	
Wilhelmsen Ships Service Polska Sp z.o.o.	Poland	100.00%	
Wilhelmsen Business Services Center Sp.z.o.o.	Poland	100.00%	
Argomar-Navegcao e Transportes SA	Portugal	100.00%	
Wilhelmsen Ships Service Portugal, S.A	Portugal	100.00%	
Perez Torres Portugal Lda	Portugal	50.00%	
Wilhelmsen Ship Services Qatar Ltd	Qatar	0.00%	*
Wilhelmsen Hyopwoon Ships Service Ltd	Republic of Korea	50.00%	
Wilhelmsen Ship Services Co Ltd	Republic of Korea	100.00%	
Barwil Star Agencies SRL	Romania	100.00%	
Wilhelmsen Ships Service OOO	Russia	100.00%	
Limited Liability Company " Wilhelmsen Marine Products"	Russia	100.00%	
Barwil Agencies Ltd For Shipping	Saudi Arabia	70.00%	
Binzagr Barwil Maritime Transport Co Ltd	Saudi Arabia	50.00%	
Wilhelmsen Ships Service Senegal SUARL	Senegal	100.00%	
Unitor Cylinder Pte Ltd	Singapore	100.00%	
Wilhelmsen Ships Service (Japan) Pte Ltd	Singapore	100.00%	
Wilhelmsen Ships Service (S) Pte Ltd	Singapore	100.00%	
Wilhelmsen Global Husbandry Services Pte Ltd	Singapore	100.00%	
Havtec Pte Ltd	Singapore	100.00%	
Timm Slovakia s.r.o	Slovakia	100.00%	
Barwil (South Africa) Pty Ltd	South Africa	100.00%	
Krew-Barwil (Pty) Ltd	South Africa	49.00%	
Wilhelmsen Ships Services (Pty) Ltd	South Africa	100.00%	
Wilhelmsen Ships Services South Africa (Pty) Ltd	South Africa	70.00%	
Wilhelmsen Ships Service Canarias SA	Spain	100.00%	
Wilhelmsen Ships Service Spain SAU	Spain	100.00%	
Alarbab For Shipping Co Ltd	Sudan	80.00%	
Ocean Shipping Co Ltd	Sudan	80.00%	
Wilhelmsen Ships Service AB	Sweden	100.00%	
Wilhelmsen Ships Service Inc	Taiwan	100.00%	
Wilhelmsen Ship Services Ltd	Tanzania	100.00%	
Wilhelmsen Ships Service (Thailand) Ltd	Thailand	49.00%	*
Wilhelmsen Denizcilik Hizmetleri Ltd Sirketi	Turkey	100.00%	
Wilhelmsen Lojistick Hizmetleri Ltd Sirketi	Turkey	100.00%	
Wilhelmsen Ships Service Ukraine Ltd	Ukraine	100.00%	
Barwil Dubai LLC	United Arab Emirates	49.00%	*
Wilhelmsen Ship Services LLC	United Arab Emirates	42.50%	
Triangle Shipping Agencies LLC	United Arab Emirates	49.00%	*
Wilhelmsen Ships Service AS (Dubai Branch)	United Arab Emirates	100.00%	
Wilhelmsen Maritime Services JAFZA	United Arab Emirates	100.00%	
Wilhelmsen Ships Service (LLC)	United Arab Emirates	49.00%	*
Denholm Wilhelmsen Ltd	United Kingdom	40.00%	
Wilhelmsen Ships Service Limited	United Kingdom	100.00%	
Wilhelmsen Ships Service Inc	United States	100.00%	
Unitor Holding Inc	United States	100.00%	
International Shipping Co Ltd	Vietnam	0.00%	*
Wilhelmsen Sunnytrans Co Ltd	Vietnam	49.00%	*

* Additional profit share agreement





wilhelmsen.com

Eberlin Hans Fredrik Asbjørnsen (page 8, 13, 19, 133), thyssenkrupp (page 14), Håvard Melvær (page 32), Nicolai Aass (page 86), Ray Chng (page 118), Wilhelmsen Ahrenkiel Ship Management (page 128)

Wilh. Wilhelmsen Holding ASA
Phone: (+47) 67 58 40 00

Postal address:
PO Box 33, NO-1324
Lysaker, Norway

Visiting address:
Strandveien 20, NO-1366
Lysaker, Norway

Follow us on Twitter | Facebook | LinkedIn | Instagram