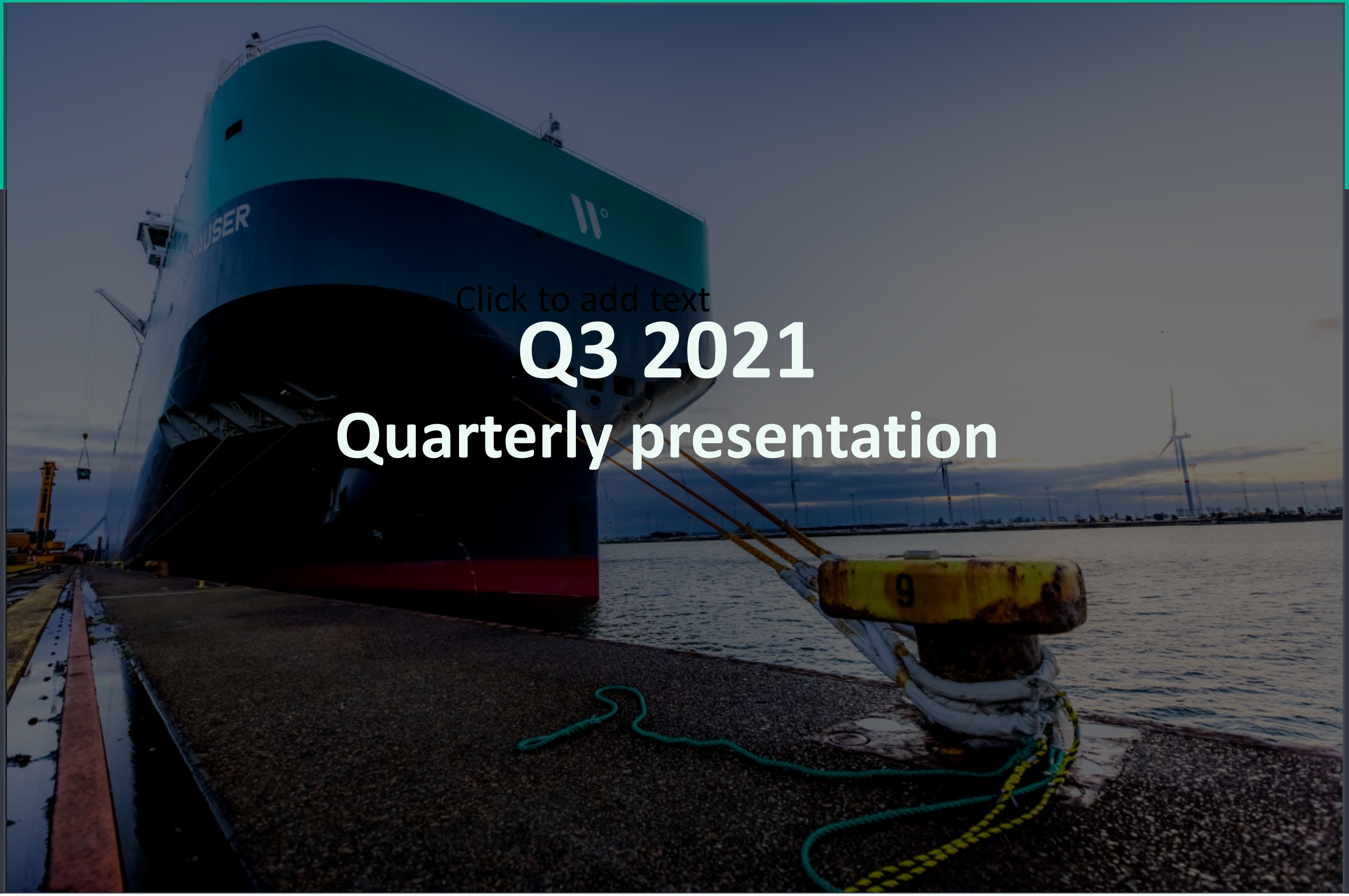
Wallenius Wilhelmsen

10 November 2021



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Q3 2021

Quarterly presentation

Highlights Q3 2021

- Strong rate and profitability development in the Shipping segment outweigh reduction in volumes
- Lower activity in Logistics and Government services
- Semiconductor chip shortages impact volumes across all segments

- EBITDA of USD 223m, highest quarterly level since the merger in 2017
- Successful bond issue of NOK 1,500m in August
- Solid cash position of USD 587m

Wallenius Wilhelmsen

Agenda

- Business & Market Update
- Financial Performance
- Prospects and Q&A

Wallenius Wilhelmsen

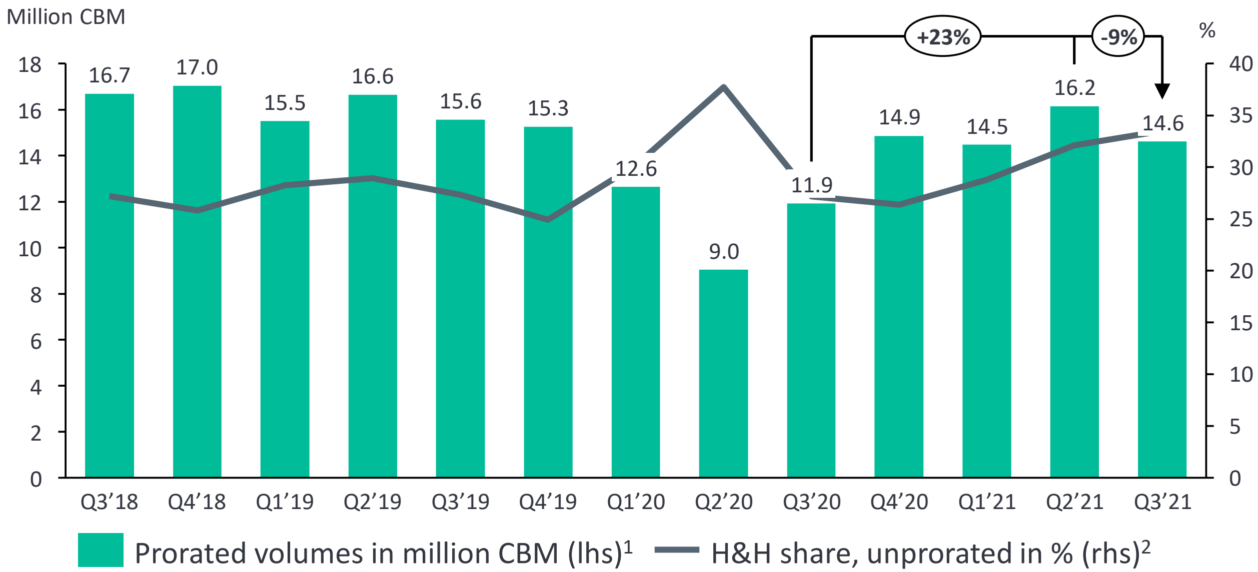
Business & Market Update

Shipping

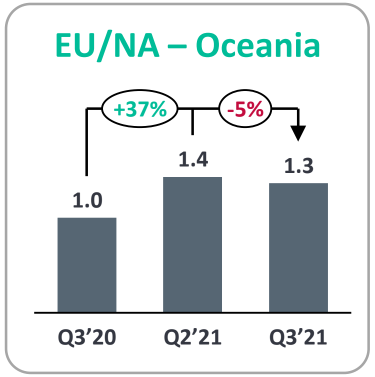
Erik Nøklebye, COO Shipping Services

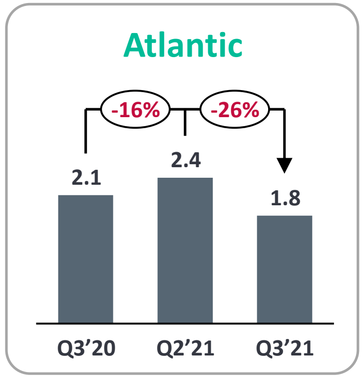
Net freight rate per CBM improve, while volumes drop from chip shortage

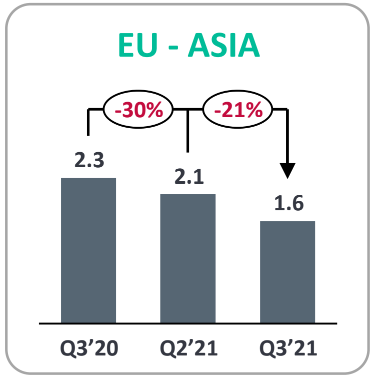
Shipping services volumes and cargo mix

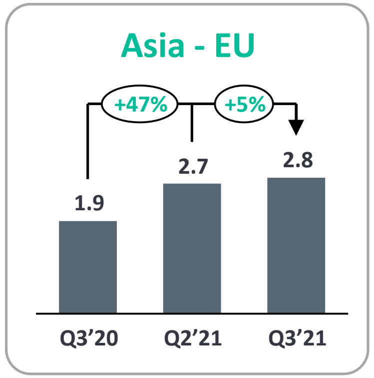


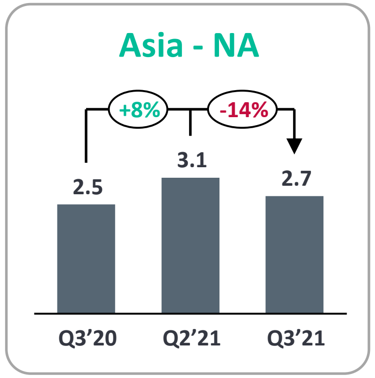
- Cargo mix of 33.5% thanks to high activity in key sectors and strong break bulk business
- Trade pattern imbalance continue, exports remain strong from Asia and weaker from Europe
- Net freight rate per CBM was USD 48.3, up from USD 42.7 in Q2 on solid cargo and trade mix development











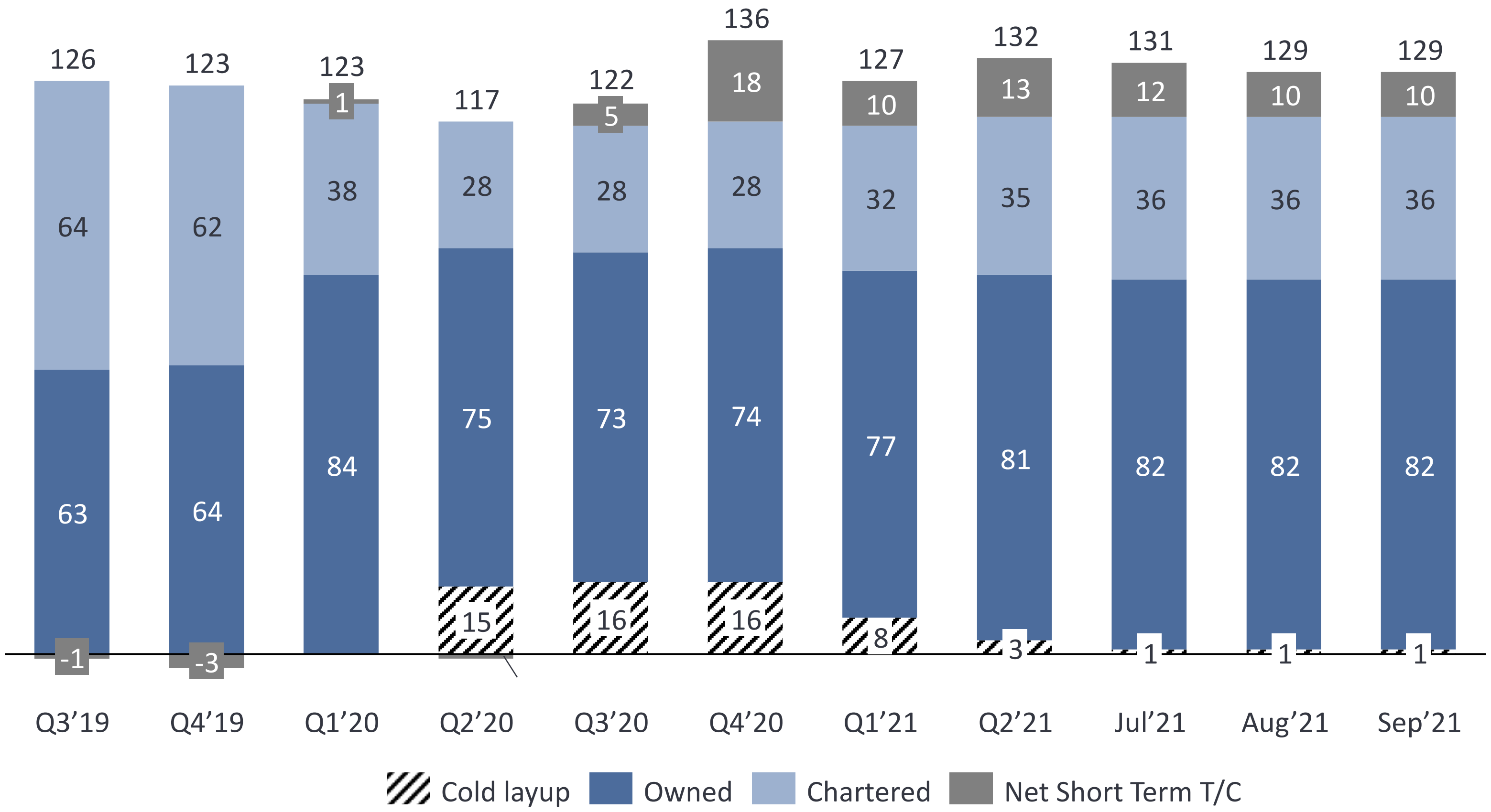
1) Total volume based on prorated volume in Shipping services (ex. Government services), i.e. volumes are split between months based on the sailing period onboard the vessel
2) H&H share calculated based on unprorated volumes, i.e. volumes loaded onto vessels during the quarter

Reactivation of vessels and lower volumes help ease capacity constraints

Fleet capacity

- 2 vessels reactivated from layup in Q3
    - Final vessel to be reactivated in Q4
- Stable availability in short term charter market in Q3
- Final newbuilding delivered in October
- 4 scrubbers installed in Q3, last 2 to be installed by year end

Group fleet development in # of vessels[1,2]



[1] Vessels in cold layup include Owned and Chartered vessels
[2] 20 vessels were reclassified from leased assets to owned assets effective from 01/01/2020

High underlying demand from consumers not shown in sales figure, as light vehicle sales down on chip shortage; –11% YoY

LV SALES

LV DEEPSEA

YoY Q3-21
(unit growth)

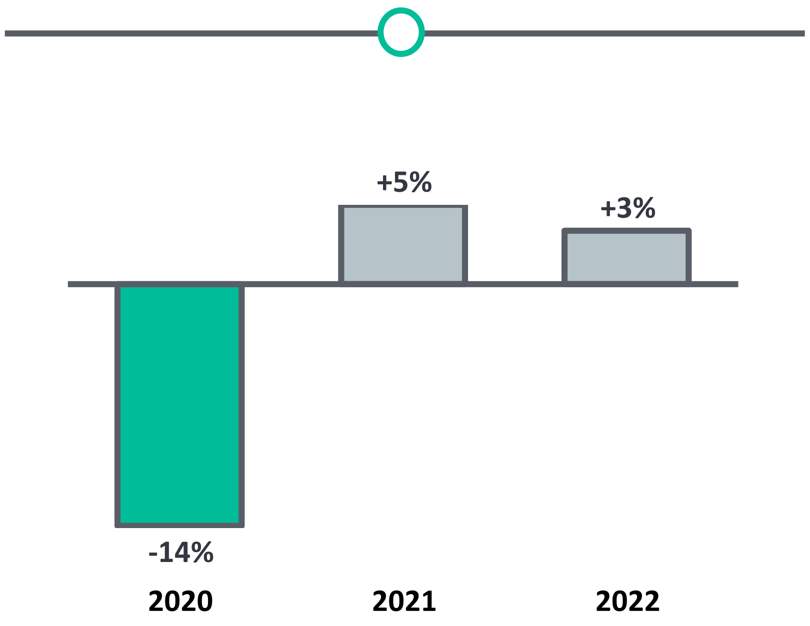
LV SALES: -11%

LV DEEPSEA: 0%

- **Global LV** sales do not reflect the high underlying demand from consumers.
- On the supply **side production do not hold up.**
- Supply chain constrains prevent increased production.

- Semiconductor shortage the main issue due to:
  - **Increased competition** from consumer electronics.
  - **Long lead time** to ramp up capacity.
- LV sales have dropped more in regions with relatively low share deepsea

LIGHT VEHICLE SALES OUTLOOK



Source: IHS Markit / Market Insight Wallenius Wilhelmsen. Arrows indicate YoY growth compared to last quarter.

H&H demand soars but remains unfulfilled due to supply side bottlenecks

Commodity prices at record levels support mining and agriculture, while activity levels continue to be uneven in construction

YoY Q3-21[1,2] (unit growth)

CONSTRUCTION

+53% ↑

- Uneven **construction activity**
- Intensifying **machinery availability** challenges and **price hikes**
- **Sentiment** close to recent highs
- Strong **demand** (ex China), but slowing **orders** due to supply crunch

MINING

+58% ↑

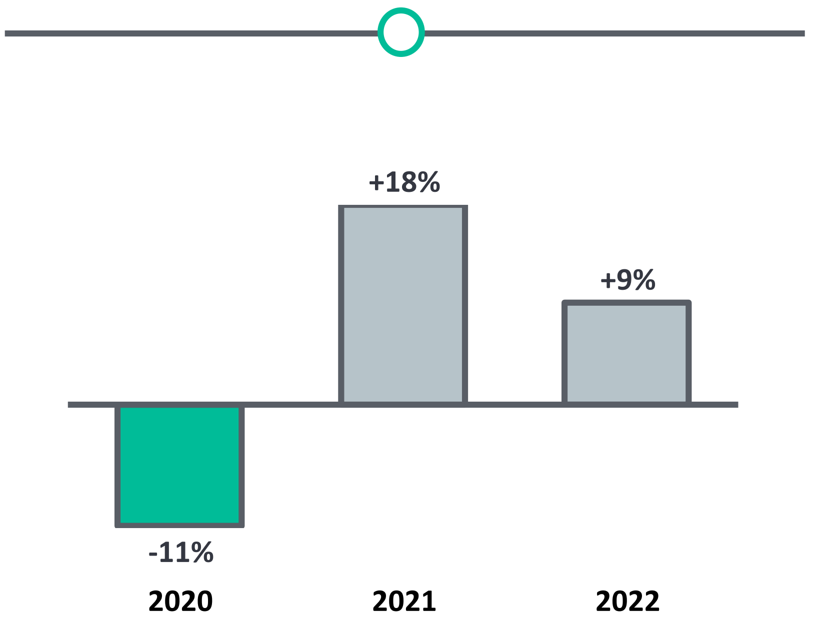
- All-time high **metal prices** and **miner earnings** at ~2x trend
- Upward revisions of **miner capex** estimates next year
- Uncertain Chinese **metal demand** outlook
- Strong **machinery demand** and pent-up **replacement** needs

AGRICULTURE

+27% ↓

- **Food prices** at decade high and **farm income** at multi-year highs
- Inflation hitting farm **costs**
- Strong but moderating **sentiment**
- Strong demand, with **availability challenges** yielding robust **backlog** into 2022

OEM SALES OUTLOOK[3]



Source: [1]IHS Markit | World construction & agriculture equipment exports (avg. equipment value >20 kUSD) (Units last 3 months, YoY) per August 2021. Data is limited to countries having reported customs data as per November 3rd, 2021. [2]Parker Bay | Large Mining Equipment Deliveries (Units last quarter YoY). Arrows indicate YoY growth compared to last quarter. [3]Factset Data and Analytics (November 3rd, 2021) | OEM revenue consensus estimates per calendar year (USD). Constituents: Volvo, Caterpillar, CNH, Komatsu, Hitachi, Deere, Terex, Doosan, Sandvik, Epiroc and AGCO. Estimates include sales of constr./mining/agri. equipment only

Tight tonnage situation - limited recycling and increasing orderbook

New orders have a lead time of 3-4 years. Easing of current supply chain inefficiencies will add capacity

GLOBAL FLEET*

End Q3 (end Q2)		
#43 (43) vessels built between 1983 and 1997	**#40 (16)** vessels in orderbook	**91% (89%)** fleet utilization rate in 2022

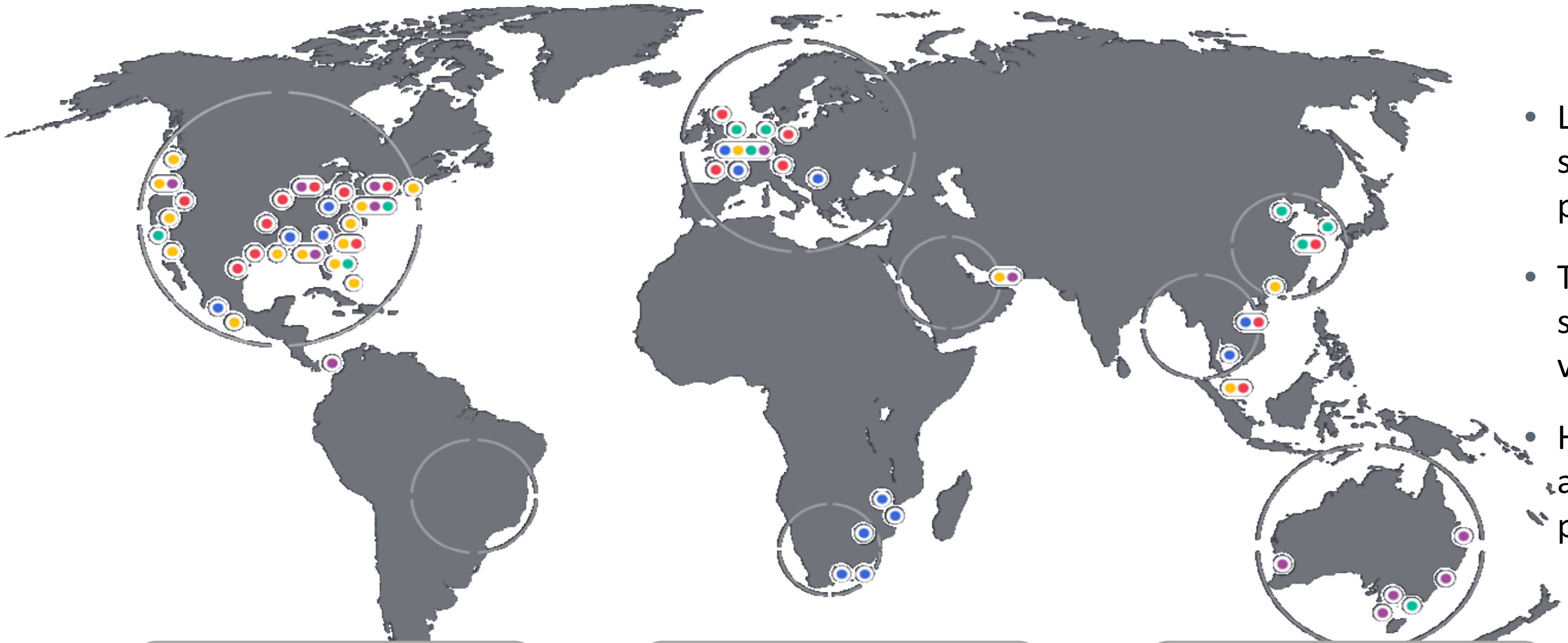
*Source: Clarksons Platou, *for vessels above 4000 CEU, Utilization rate calculated on the basis of total global fleet (supply) and vessel capacity (demand)*

Business & Market Update

Logistics

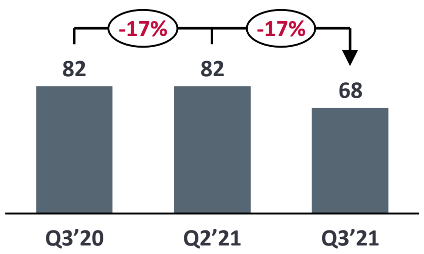
Michael Hynekamp, COO Logistics Services

Semiconductor chip shortages impacts volumes across Logistics

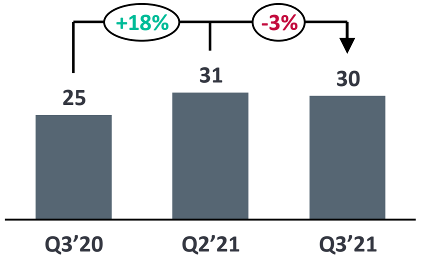


- Lower auto volumes due to chip shortages continue to impact production across the business
- Terminals also negatively impacted by seasonality and lower storage volumes for auto and H&H
- H&H saw lower transportation activity, flat brokerage and equipment processing volumes QoQ

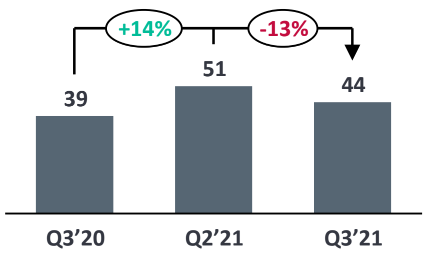
Solutions America (Auto) Revenues (USDm)



Solutions America (H&H) Revenues (USDm)



Terminals Revenues (USDm)



EMEA/APAC Revenues (USDm)

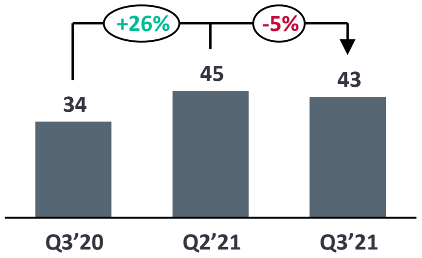


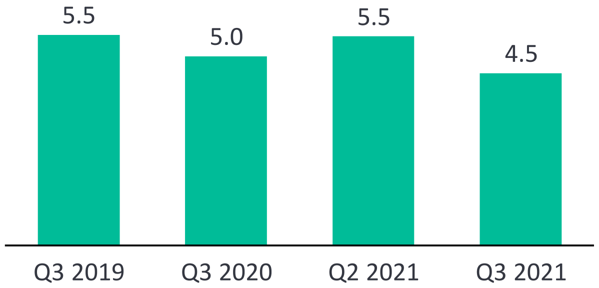
Illustration shows WW Logistics locations: *OEM/In plant VPC* *VPC* *OEM/In plant EPC* *EPC* *Terminals* *Inland Transportation*

Logistics segment customers struggle with lost production, while market demand remains solid

LOGISTICS key markets for Light Vehicles

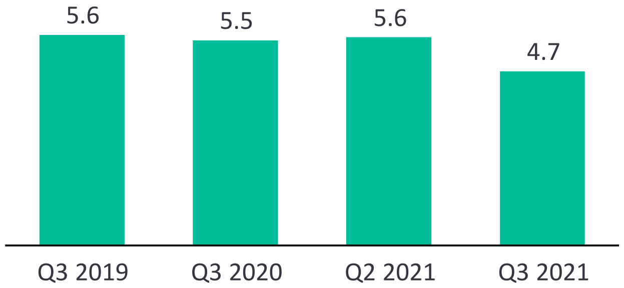
Units per quarter in mill

North America LV Volume



- Consumer confidence high as job figures solid and interest rates low
- However supply is tight due to semiconductor shortage
- OEMs prioritize most profitable vehicles and average price is record high
- Inventories record low

Europe LV Volume



- Major sourcing issues leading to low production and dealers unable to meet consumer demand
- OEMs focusing on low-emission vehicles leading to a change of sales mix rather than increased volume

Source: IHS Markit. Volumes include all North American and European light vehicle production, both for domestic sales and for export abroad, plus imports.

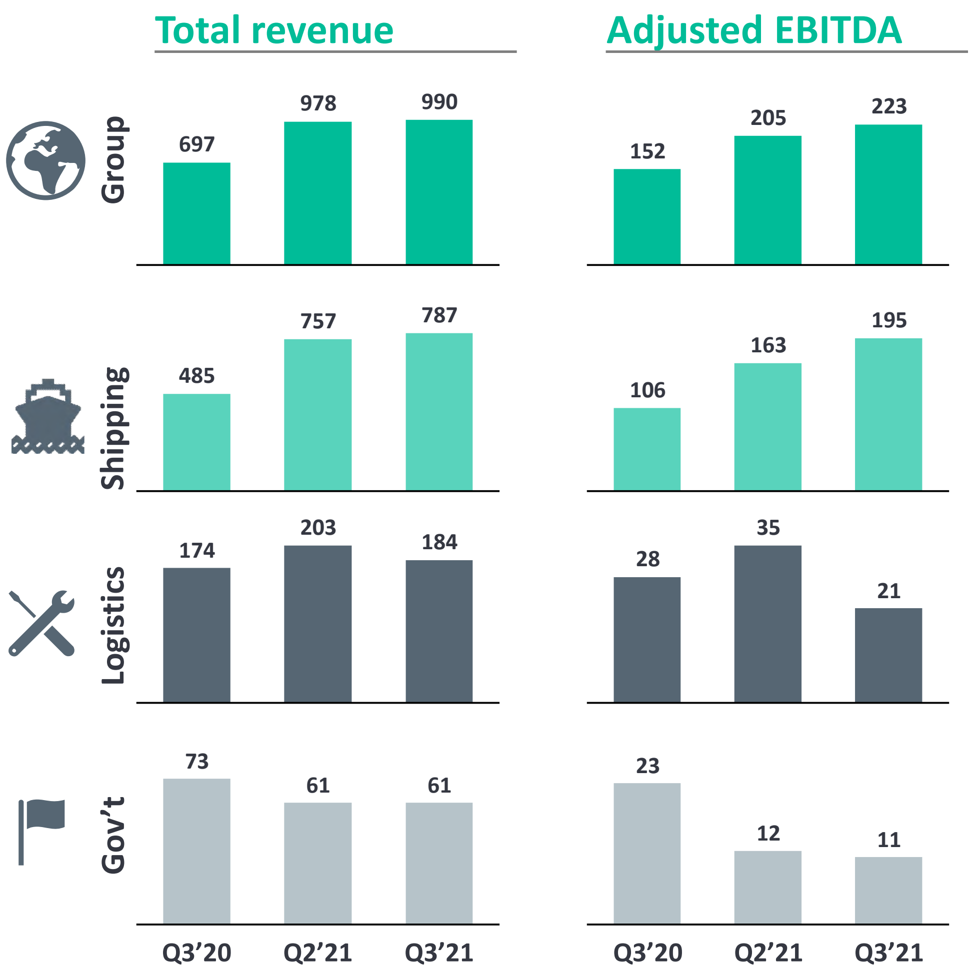
Financial Performance

Torbjørn Wist

CFO and Acting CEO

Financial highlights – Q3 2021

RESULTS (USDm)



	Q2-21		Q3-21
Net profit	17	↗	65
Adj. EBITDA margin	20.9%	↗	22.5%
Cash	566	↗	587
Net debt	3 487	↘	3 403

KEY FINANCIAL METRICS

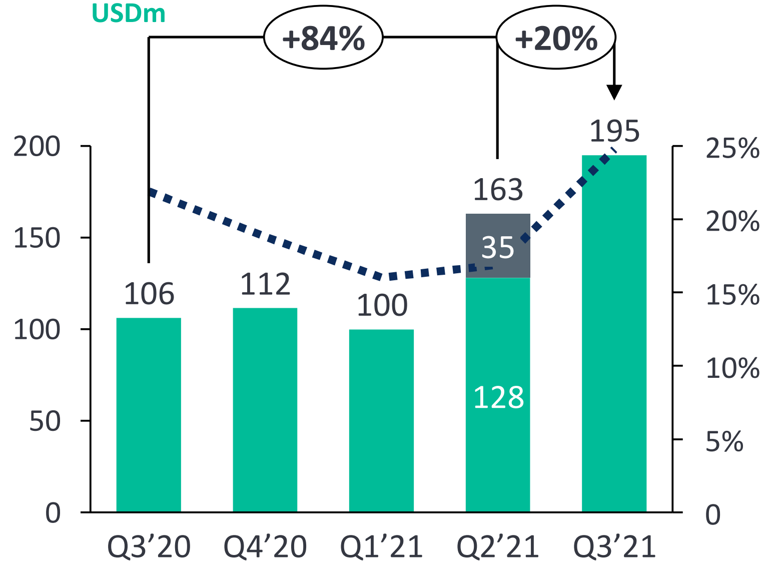
		Δ Y	Δ Q
ROCE (%)[1]	6.4	+4.0	+2.6
Equity ratio (%)	35.7	+1.7	+1.2
ND/Adj. EBITDA (x)[2]	4.8	-1.1	-0.7

1) *Return on capital employed: annualised EBIT divided by capital employed*
2) *Net interest-bearing debt divided by last twelve months adjusted EBITDA*

Strong EBITDA development in Shipping countered muted Government and Logistics results

Shipping – Adj. EBITDA [1]

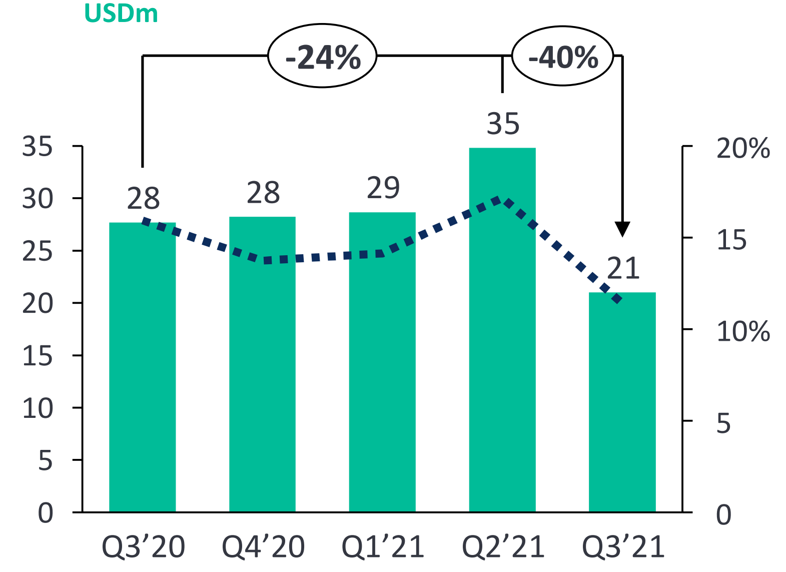
USDm



- QoQ EBITDA up despite lower volumes
  - Strong freight rates per CBM
  - Lower net fuel cost
- YoY EBITDA significantly up due to return of demand and volumes

Logistics – Adj. EBITDA [1]

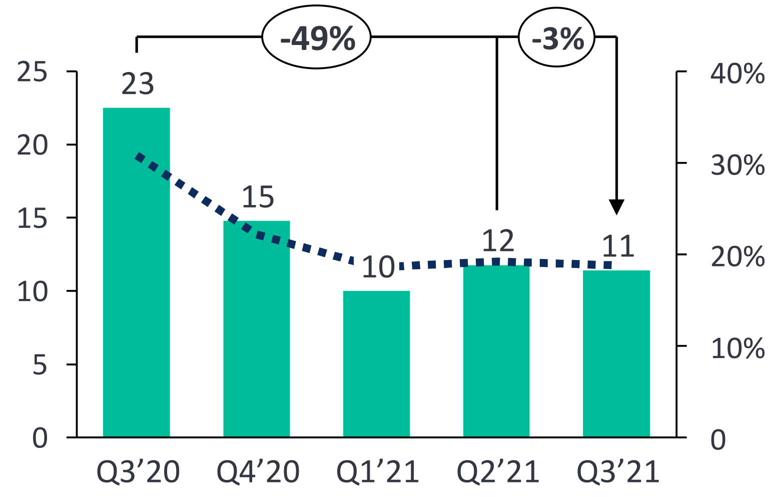
USDm



- QoQ and YoY EBITDA fell as volumes down due to chip shortages
- US processing centres and terminals especially impacted

Government – Adj. EBITDA [1]

USDm



- QoQ EBITDA slightly down on lower U.S. flag cargo activity
- YoY EBITDA substantially down, as Q3-20 volumes were boosted post initial lock-down

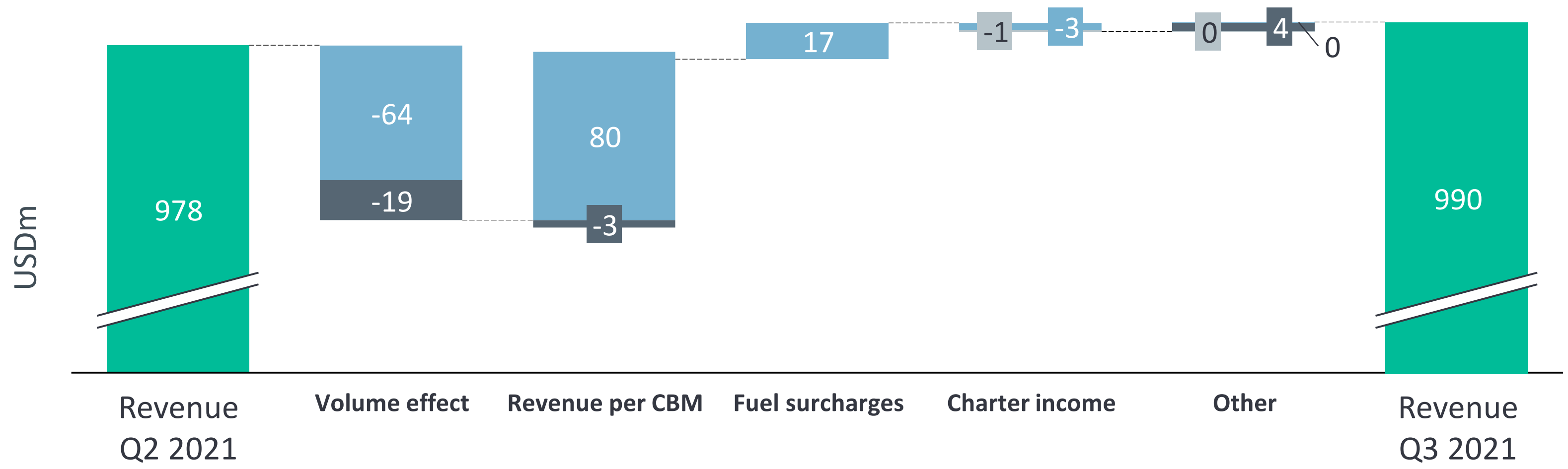
1) *Adjusted for extraordinary items*

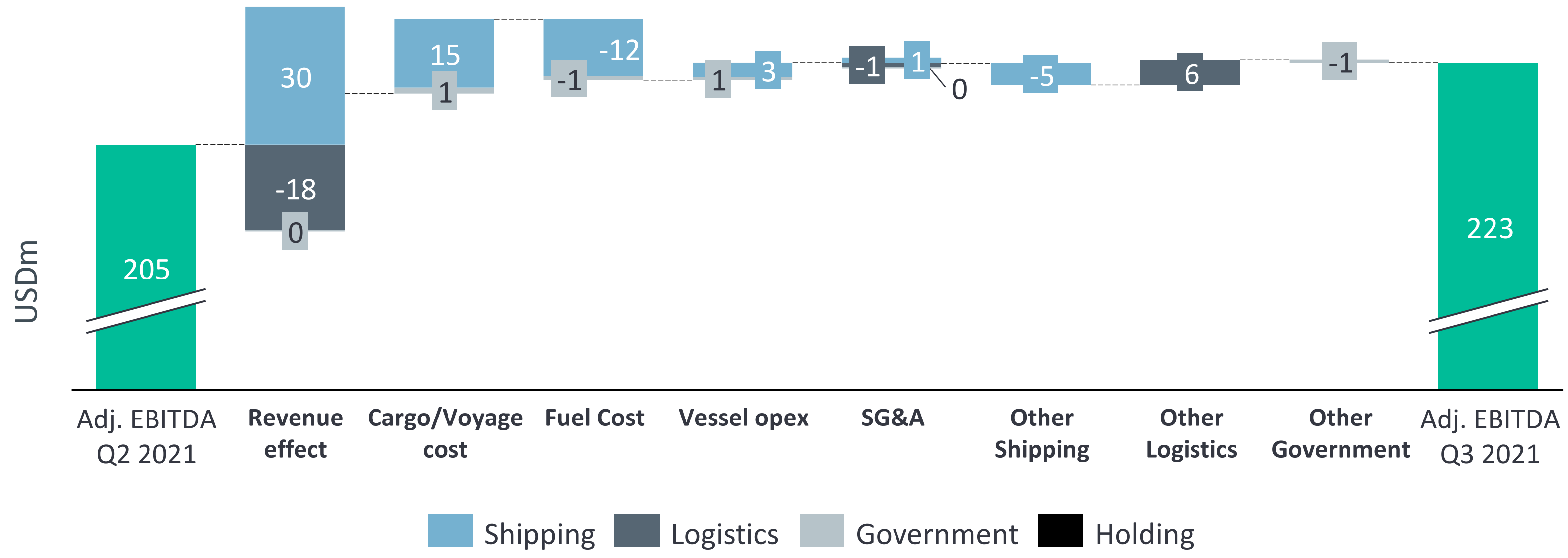
Extraordinary items | EBITDA | EBITDA margin

Shipping services lifts Adjusted EBITDA in quarter

COMMENTS

- **Shipping services** main contributor to QoQ improvement:
    - Net freight per CBM up on trade mix and positive rate development, partially offset by lower volumes
    - Positive net fuel cost as fuel cost increased less than fuel surcharges
    - Lower vessel expenses offset by higher charter cost
- **Logistics services** heavily impacted by microchip shortage on revenues, though partially offset by lower direct operating expenses on EBITDA
- **Government services** stable activity in Q3, leading to nearly similar revenue and EBITDA

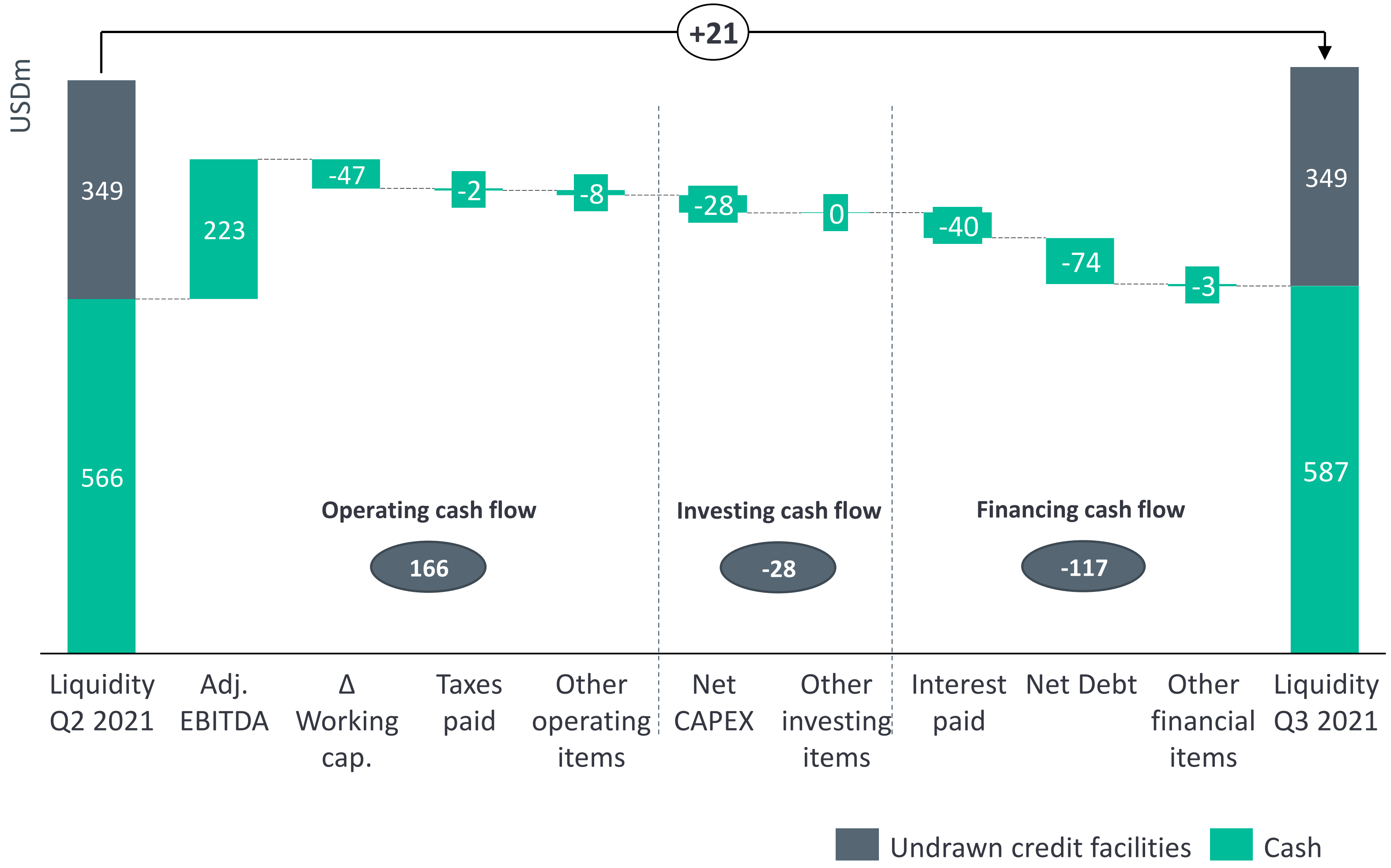




Cash increased by USD 21m thanks to strong EBITDA and bond issue

COMMENTS

- Working capital includes payment of USD 32m in customer settlements and fines
- Net capex includes:
  - USD 19m drydocking
  - USD 5m installation of scrubbers
  - USD 5m maintenance in Logistics
- Interest bearing debt reduced as scheduled debt and lease payments, USD 7m in balloon maturity and WALWIL02 outweigh net proceeds from bond issue



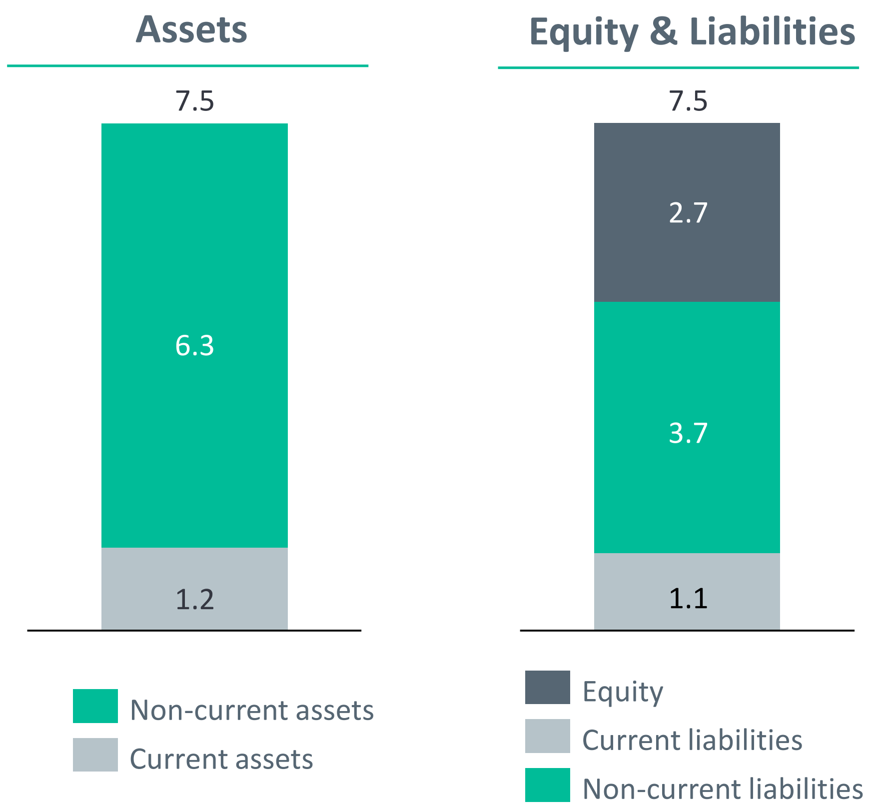
Solid balance sheet and strong liquidity position

COMMENTS

- Equity ratio at 35.7%
- Net debt at USD 3.4bn
- New NOK 1.5bn bond in August swapped to USD 166m
  - Used to repay WAWIL02 and buy back USD 62m in 2022 bond maturities
  - Net proceeds of USD 41m after swap effects
- 2022 bond, lease and bank maturities planned refinanced during the next 12 months

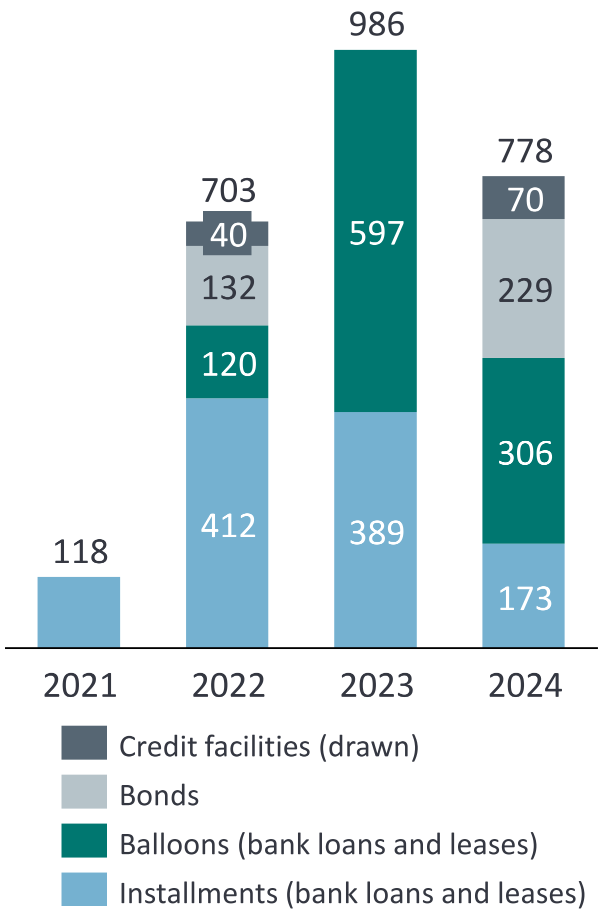
BALANCE SHEET 30.09.2021

USD billion



Debt Maturity Profile

USD million



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Prospects

Torbjørn Wist

CFO and acting CEO

Prospects

- Shipping supply-demand balance expected to remain favourable mid-term due to the overall global fleet situation
- Logistics volumes will benefit from stabilizing chip supplies
- Potential risks include further parts and labor shortages, further imbalances and disruptions to the global supply chains and operational impact from virus outbreaks
- Continuing stabilization of markets will provide more financial flexibility and help drive shareholder value creation

Wallenius
Wilhelmsen

Q&A