

Investor Presentation

9 March 2023



Investment highlights



Global market leader in vehicle logistic segment



Long-term customer base and diversified business model



Strong dividend commitment and capacity



Solid market fundamentals and results



Goal to introduce a zero-emission service by 2027

Agenda

- 1. WAWI in brief**
2. Market update
3. Financial update
4. Sustainability

A logistics provider built on a strong history

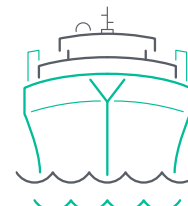


- 2017 merger of companies with >150-year history
- Listed on Oslo Stock Exchange (ticker: WAWI) with a market cap of USD 3.4bn*
- With. Wilhelmsen Holding ASA and Wallenius Lines AB largest shareholders with around 38% each
- Strong balance sheet with USD 8.4bn assets**



~8,875

Employees
across 29
countries



125

Vessels in
operation



8

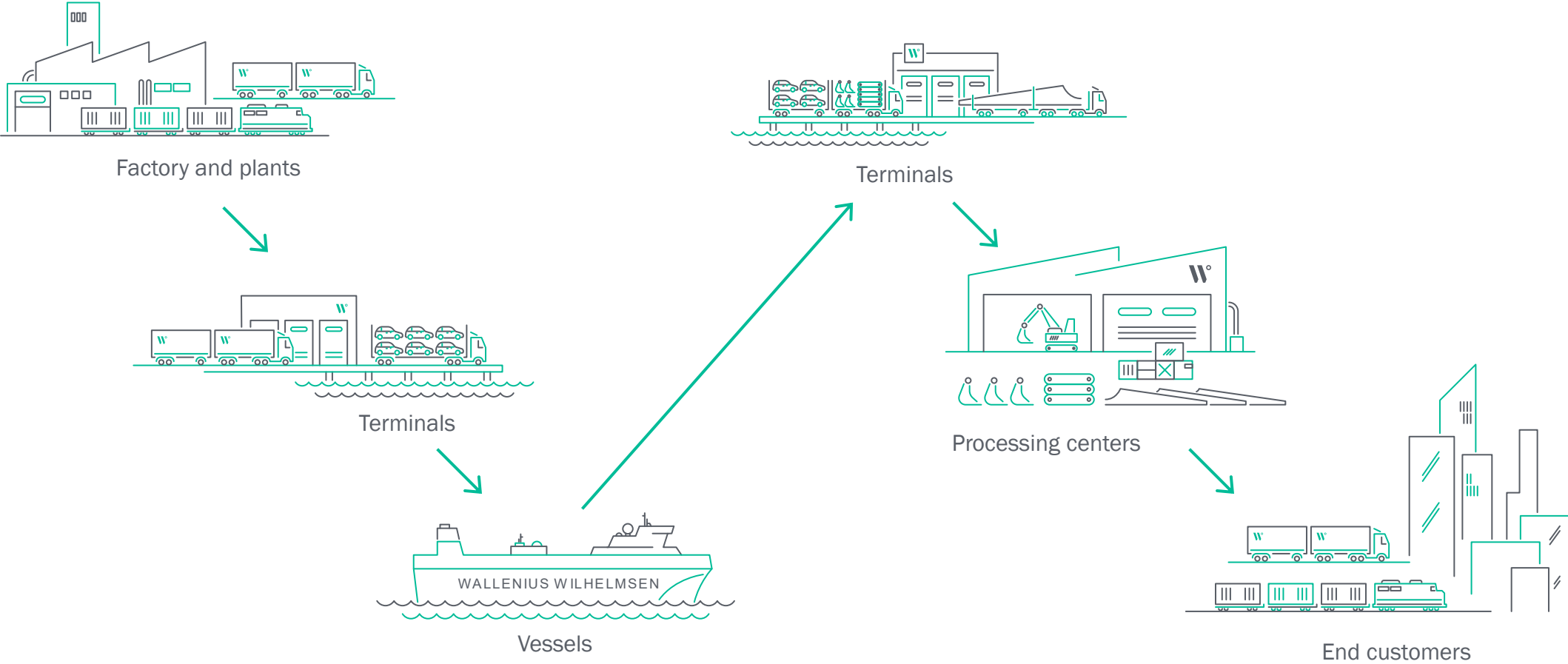
Terminals

66+

Processing
centers



Our business



Our strategy

Ambition

We will lead the way in transforming shipping and logistics

Goals



Become the leading supply chain and mobility orchestrator



Be our customers' first choice in shipping



Be the preferred partner in processing and terminal services



Introduce a zero-emission end-to-end service by 2027

Enablers



Ensure safety and compliance leadership



Work as one



Grow with customers and partners sharing our journey



Lead with technology



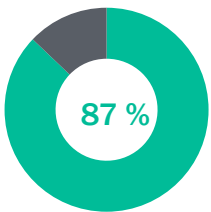
Make every employee a rockstar of their own career

We deliver services through our three business segments

Shipping services



Share of EBITDA*



USD 1 359m

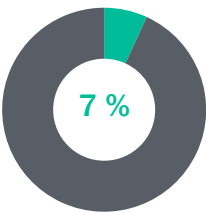
Highlights:

- Worldwide deep-sea transportation network
- Main customers manufacturers of auto, high&heavy, breakbulk
- ~119 vessels in fleet

Logistics services



Share of EBITDA*



USD 107m

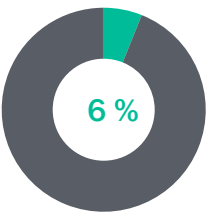
Highlights:

- Terminals: 8 controlled + 3 with shared ownership
- Inland distribution networks
- Vehicle and equipment processing centers
- Same customers as Shipping

Government services



Share of EBITDA*



USD 95m

Highlights:

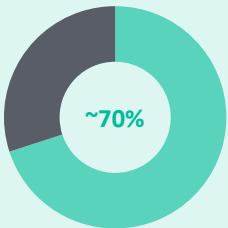
- RoRo shipping cargo, breakbulk, vehicles
- Logistics services incl. stevedoring
- Primary customer US government
- Fleet of 9 US flag vessels

Shipping benefits from a diversified customer portfolio with long-term contracts

Auto



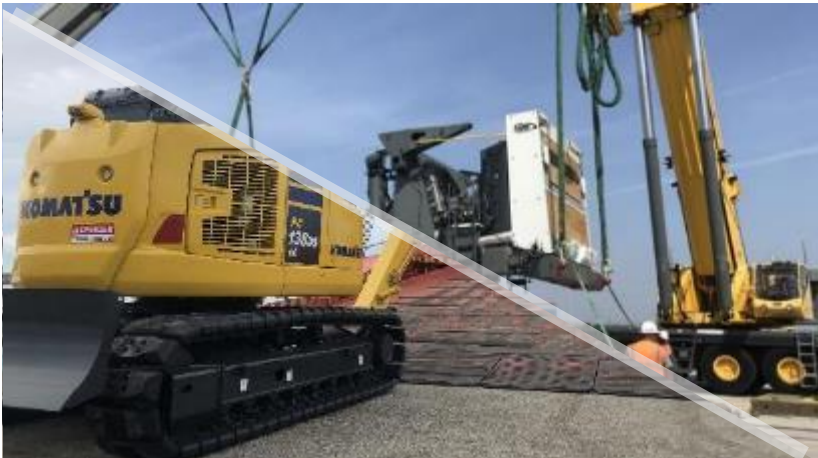
Share of CBM*



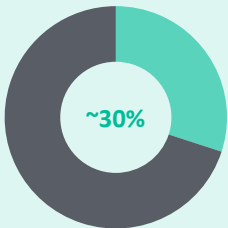
Main customers



High & Heavy and Breakbulk



Share of CBM*



Main customers

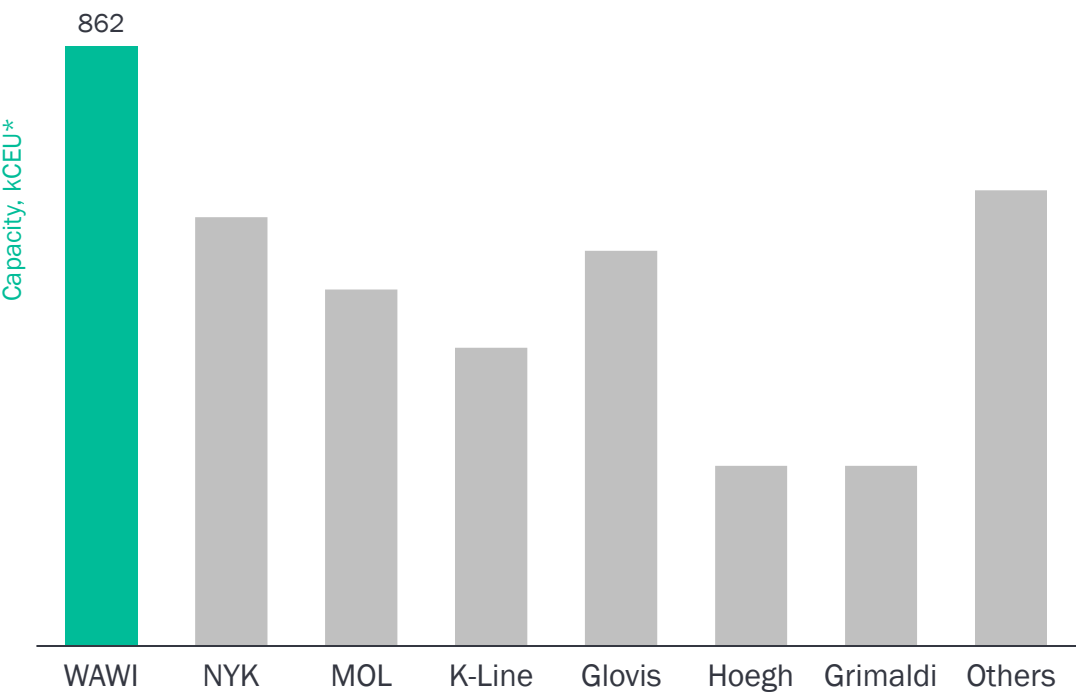


- Majority of volumes from auto
- High & heavy (“H&H”) and breakbulk maximize cubic utilization
- Unique handling capabilities for high & heavy and breakbulk
- Main customers include all major original equipment manufacturers (“OEMs”) globally
- Contract duration is typically 1-3 years for auto / 3-5 years for H&H
- Strong customer relationships with long history with many key customers

We are the market leader and the #1 operator globally within Shipping services

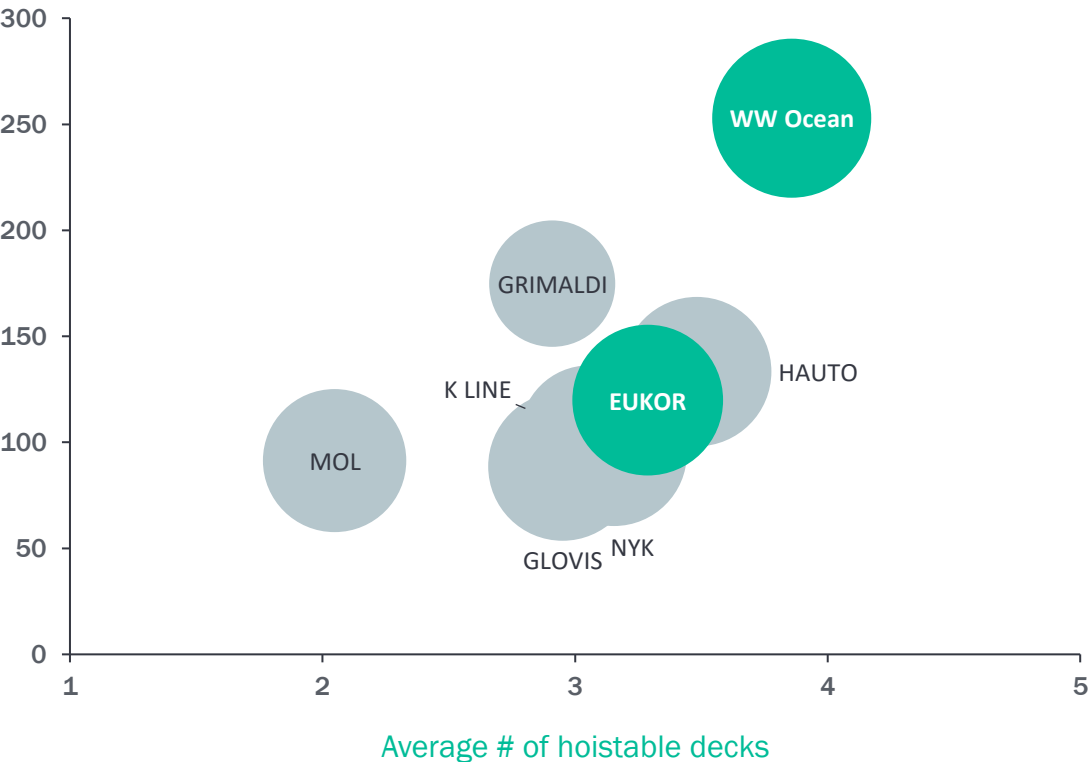
Four decades of leading the High & Heavy space

CURRENT FLEET BY OPERATOR GROUP



FLEET CHARACTERISTICS

Average max ramp capacity, tons



Logistics services portfolio enable us to provide end-to-end services

Vehicle processing



Vehicle processing centre
39 sites

High & Heavy processing



Equipment processing centre
27 sites

Terminals



Marine terminals
8 sites

Inland transportation*



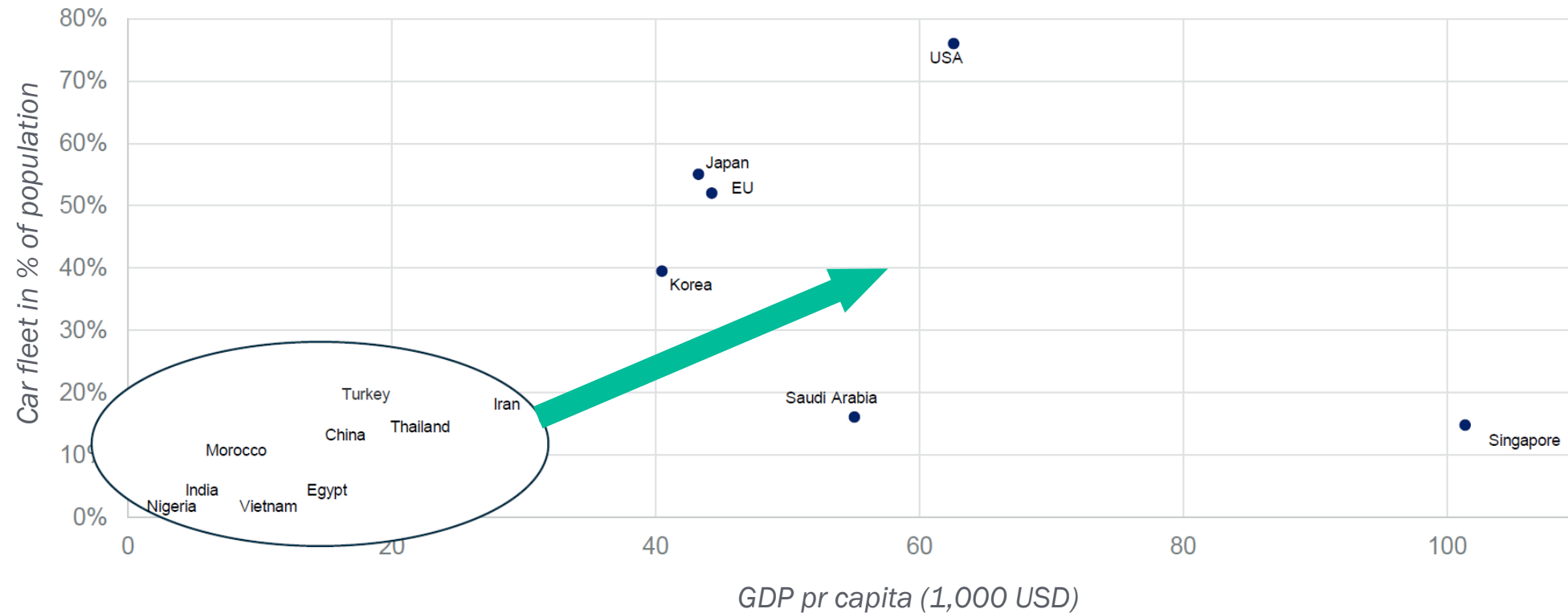
Inbound distribution
152 assets

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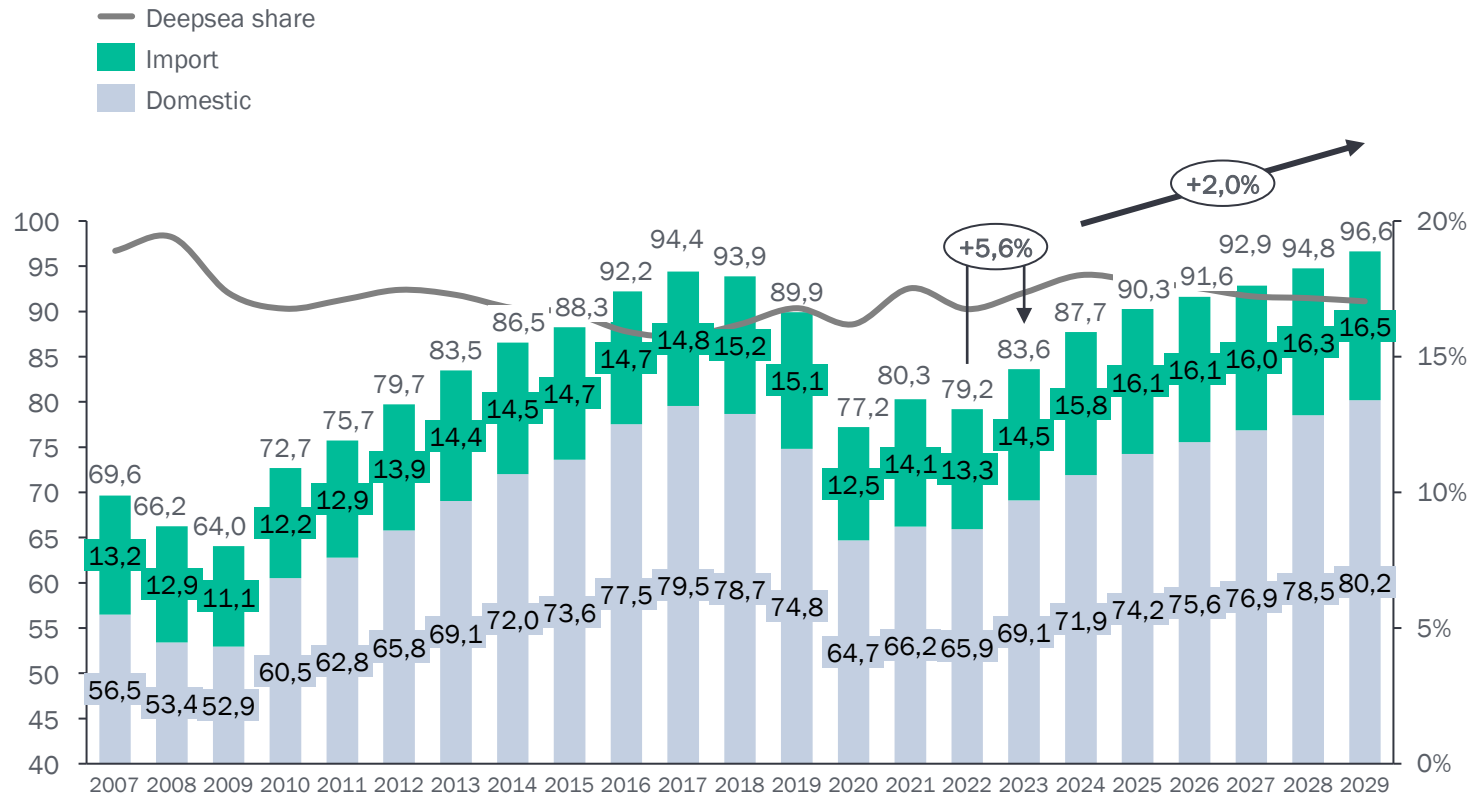
Megatrend – more people moving up in the middle class will lead to increased need for mobility and more vehicle sales

Car fleet in % of population vs GDP per capita



Solid light vehicle sales growth expected, semiconductor shortage easing, however significant uncertainty remains

Global light vehicle (“LV”) sales in million



Comments

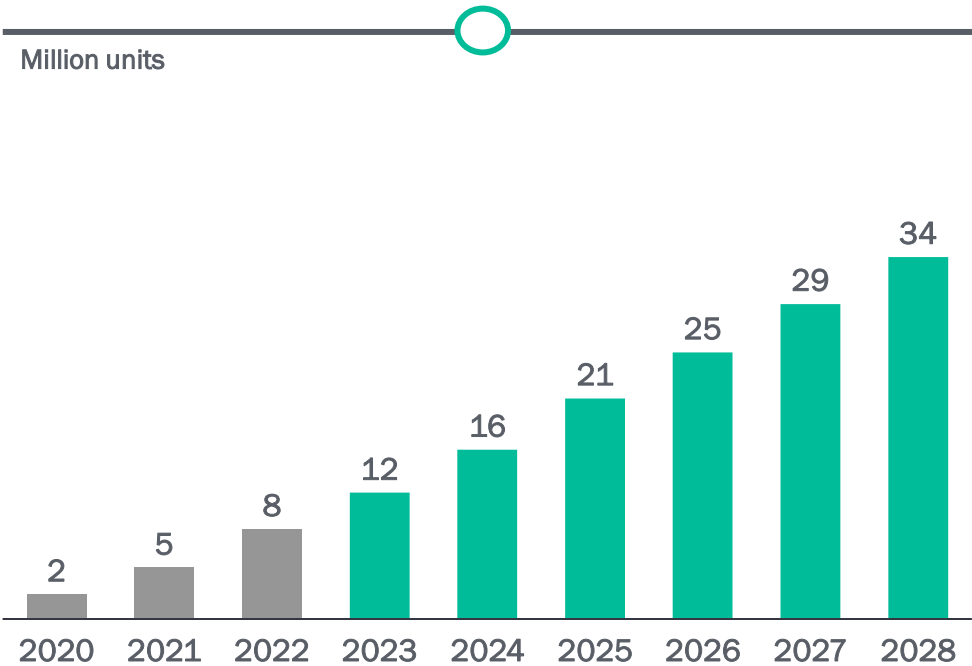
- More people moving up in the middle class and **increased need for mobility**
- Supply chain constraints including semiconductor **held back production**
 - However, **situation is improving**
- Still solid growth expected including **pent-up demand for LVs**
- Deepsea share expected to develop **steady**
- **Changed Covid policy in China** positive for LV production and sales
- **Inflation** will define recovery profile and higher uncertainty from H2 2023

EV sales gain traction and China export contributes to deep sea volume growth

BEV sales are increasing, and forecast is regularly adjusted up

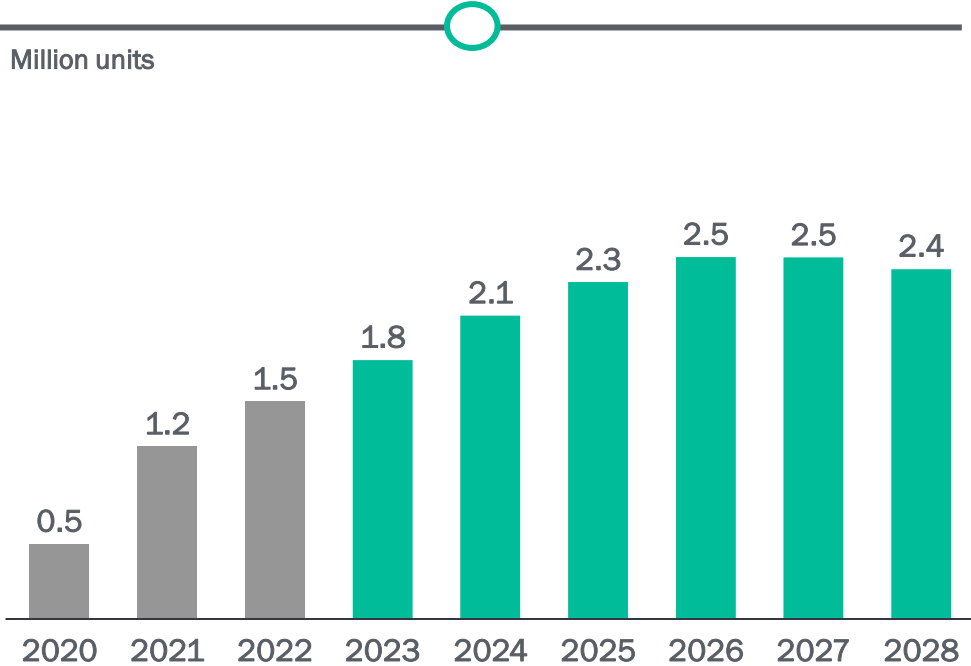
GLOBAL BATTERY ELECTRIC VEHICLE SALES OUTLOOK

Million units

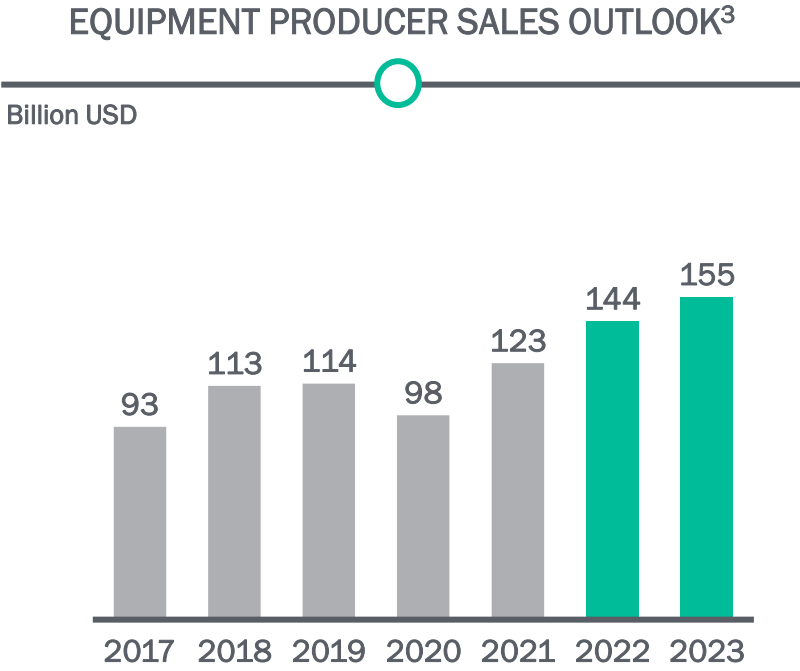
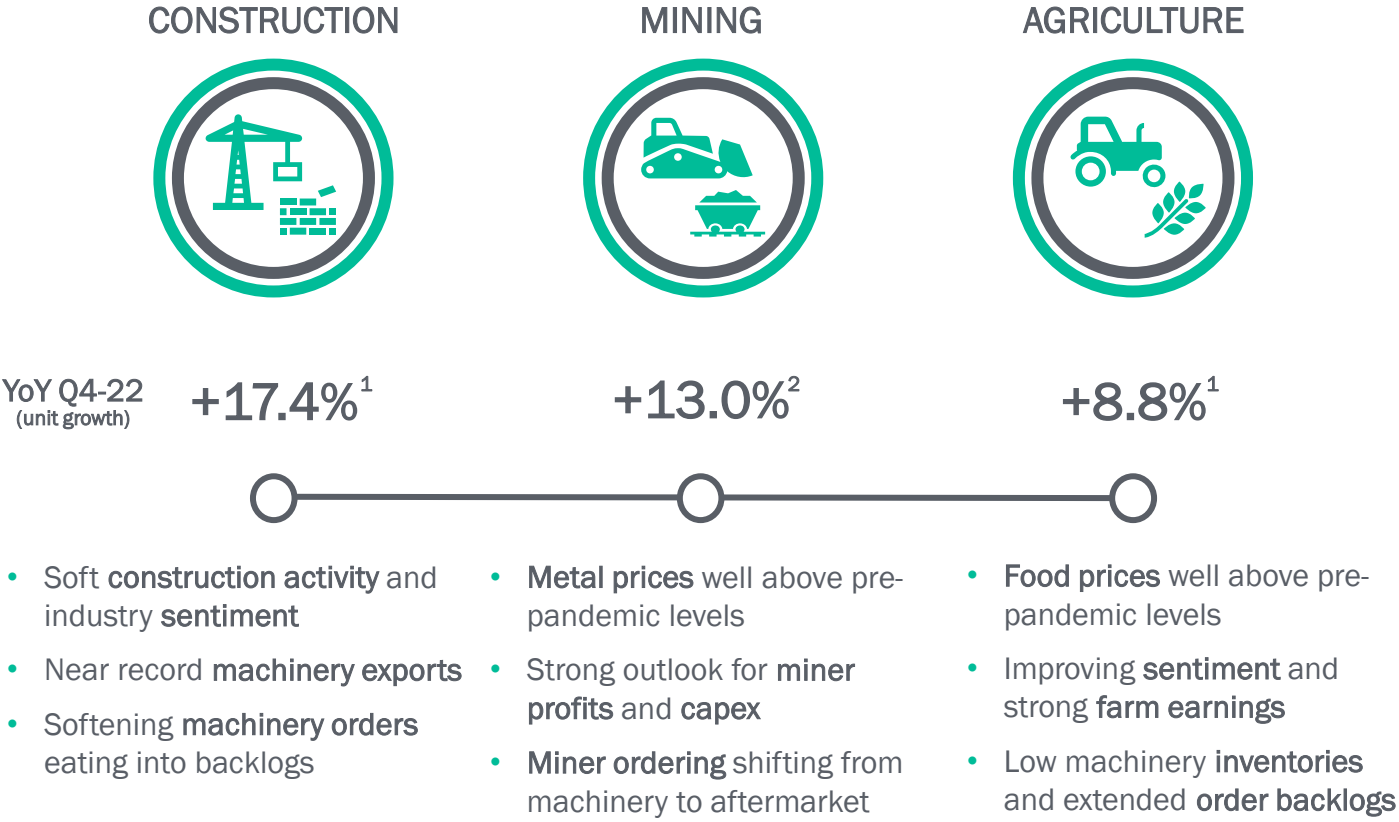


EXPORT FROM CHINA LV DEEPSEA VOLUME

Million units



High & Heavy exports close to all-time highs but ordering activity softening



Source: ¹IHS Markit | World construction & agriculture equipment exports (equipment valued >20 kUSD) (Units last 3 months, YoY) per November 2022. Data is limited to countries having reported customs data as per January 25, 2023. ²Caterpillar Resource Industries retail sales (USD YoY based on unit sales as reported primarily by dealers) | ³Factset Data and Analytics (January 25th, 2023) | OEM revenue consensus estimates per calendar year (USD). Constituents: Volvo, Caterpillar, CNH, Hitachi, Deere, Terex, Doosan, Sandvik and AGCO. Estimates include sales of construction/mining/agriculture equipment only

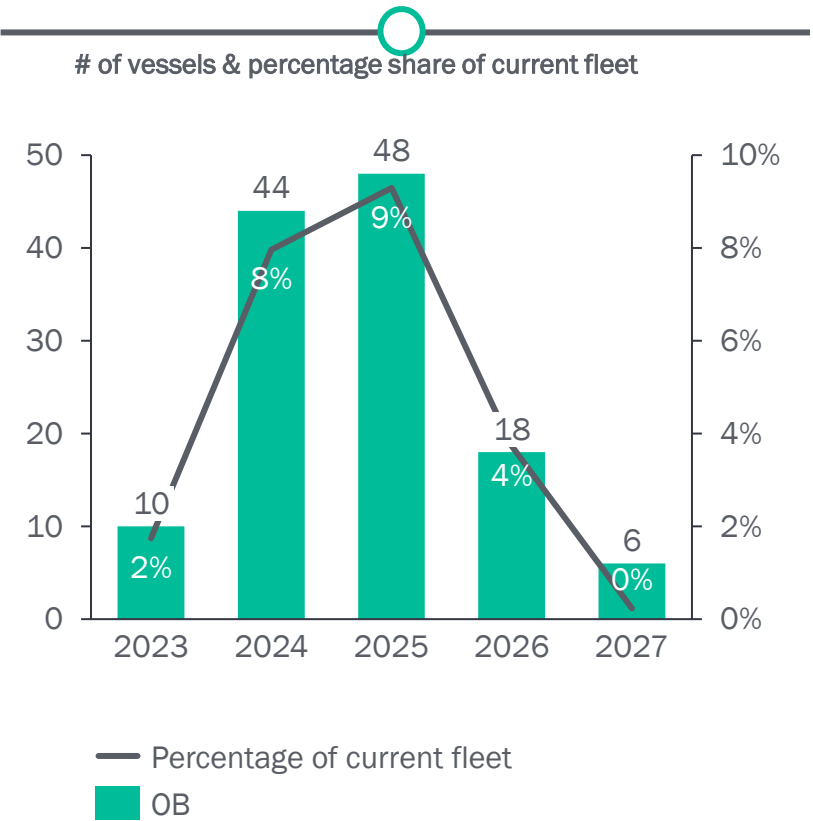
High utilization rate expected to continue through 2023

Increased orderbook leads to more uncertainty on supply-demand balance during 2024

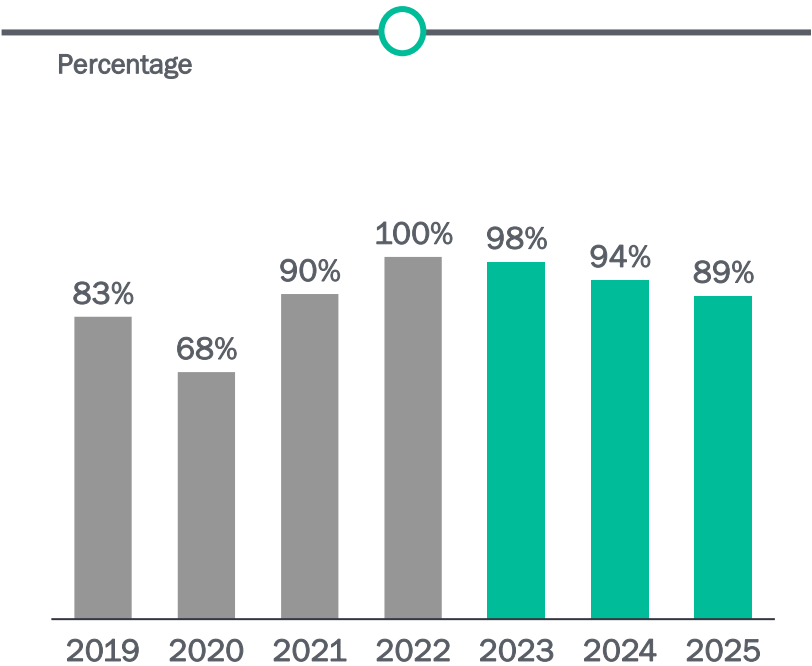
GLOBAL FLEET*



ORDERBOOK BY DELIVERY YEAR



UTILIZATION RATE

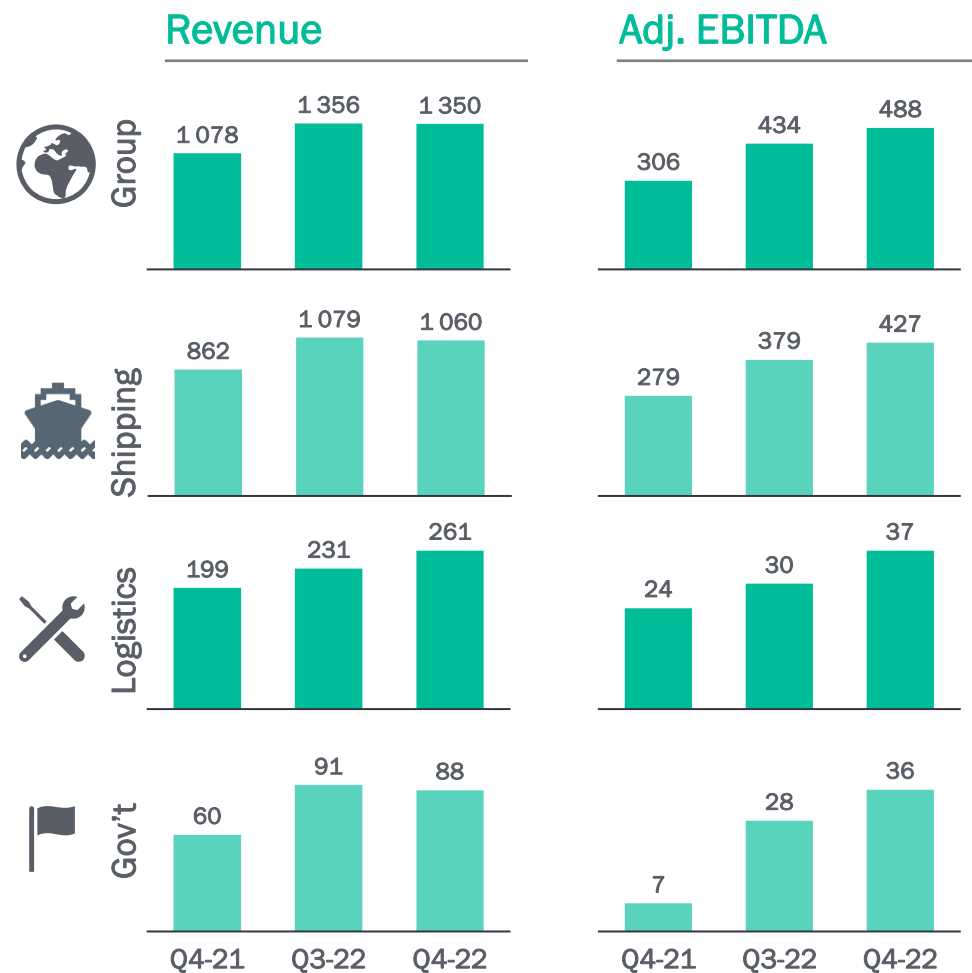


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Financial highlights ♦ Q4 2022

(USDm, unless noted)



	Q3-22	Q4-22
Net profit	246	→ 246
Adj. EBITDA margin (%)	32%	↗ 36%
Cash	1 063	↗ 1 216
Net debt	3 041	↘ 2 872

Financial targets

ROCE* (%)	△
13.7	Y +8.0 Q +2.1

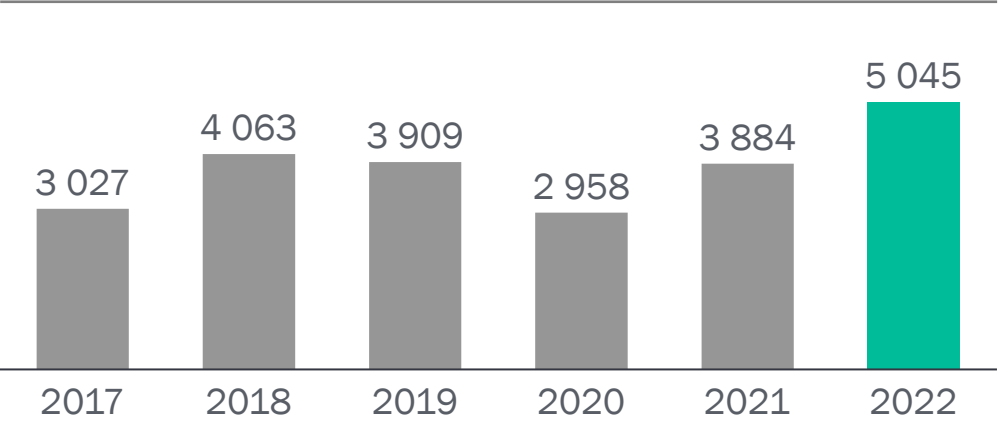
Equity ratio (%)	△
41.8	Y +5.8 Q +3.0

Leverage ratio** (x)	△
1.9	Y -2.1 Q -0.4

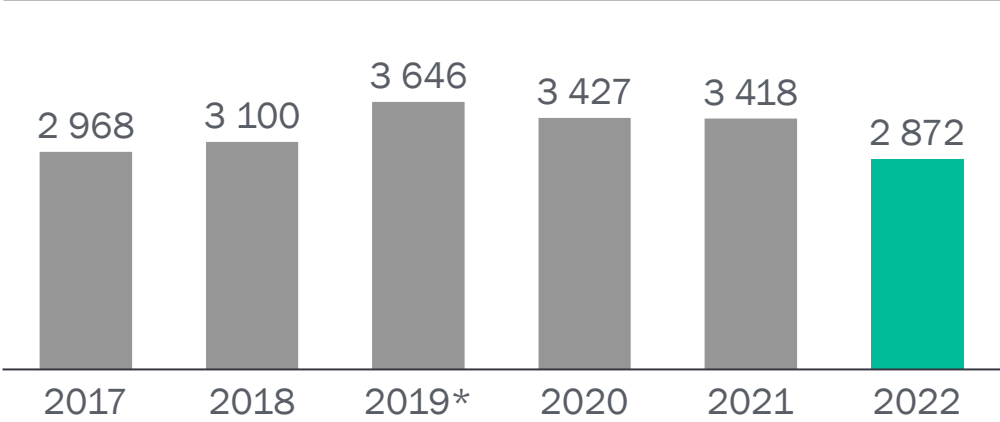
* ROCE calculated as LTM adj. EBIT / LTM average capital employed
 ** Leverage ratio calculated as net interest-bearing debt / LTM adj. EBITDA

Leverage well below pre-pandemic levels on higher EBITDA and lower net debt

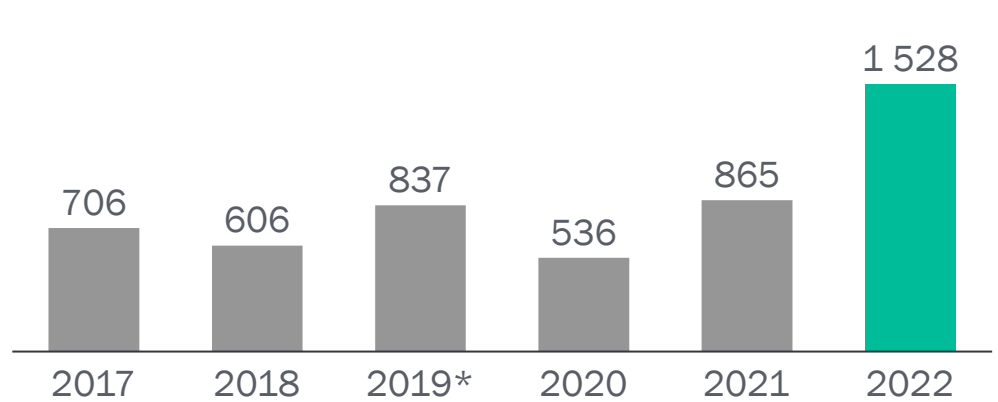
Total revenue, USDm



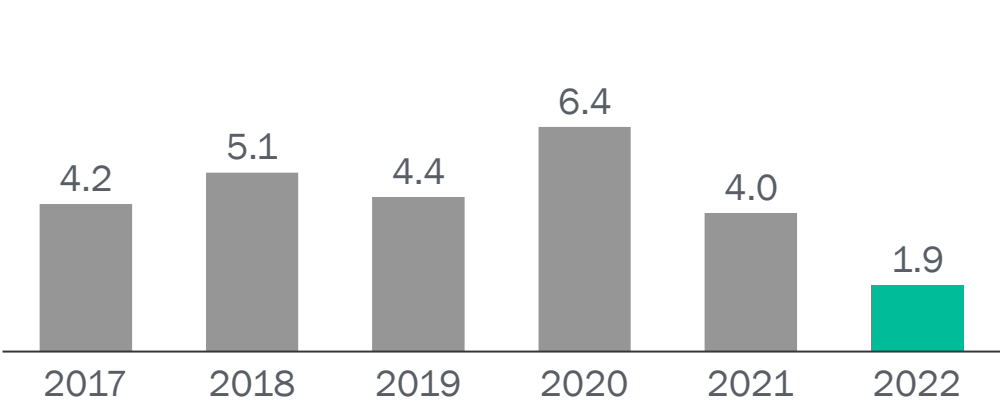
Net Debt, USDm



Adjusted EBITDA, USDm



Leverage, NIBD/ Adj. EBITDA



Dividends within policy and staying within financial targets a key priority

Comments

- The financial targets sets the outer boundaries for the ROCE, leverage and equity ratios
- 2022FY dividend proposal:
 - USD 360m
 - 45% of profit
 - USD 0.85 per share
- 2021FY dividend paid:
 - USD 63.5m
 - 36% of profit
 - USD 0.15 per share

Long-term financial targets

	FY 2022
Return on capital employed (ROCE) > 8%	13.7%
Leverage ratio < 3.5x	1.9x
Equity ratio > 35%	41.8%

Dividend policy

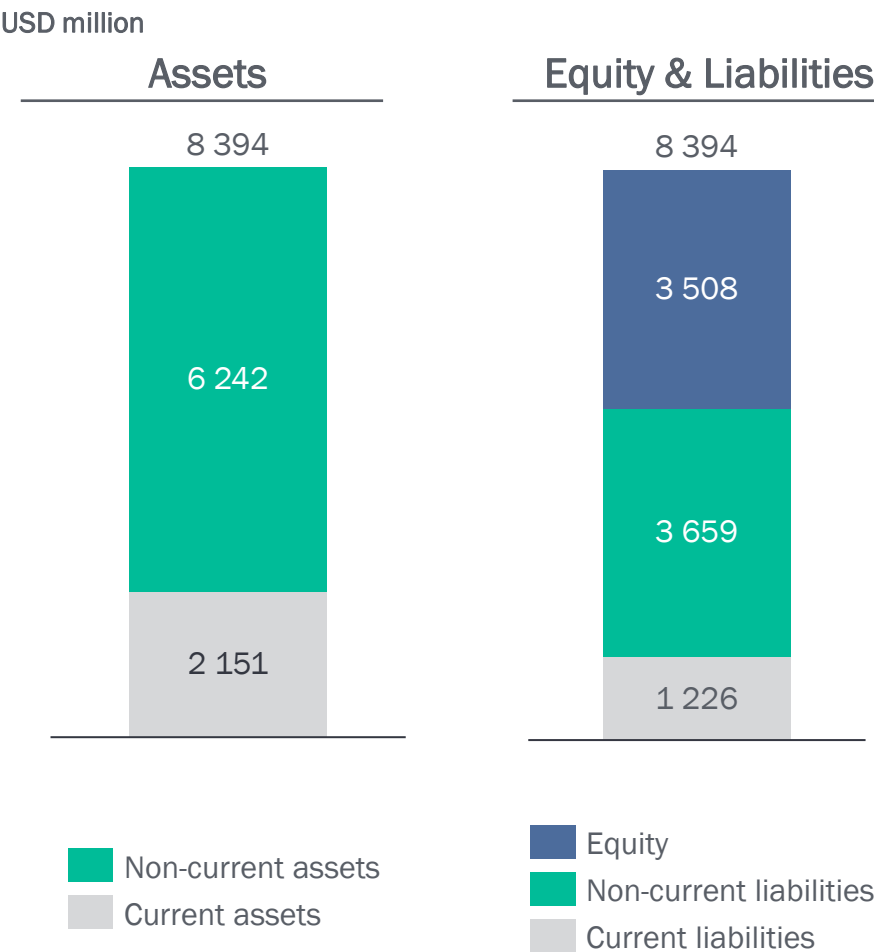
- Dividend over time shall constitute between 30 and 50% of the company’s profit after tax. Dividends will be declared in USD and paid out semi-annually
- When deciding the dividend amount the board will:
 - Consider the financial targets and future capital requirements for growth
 - Always ensure a solid financial standing

Solid balance sheet and strong liquidity position

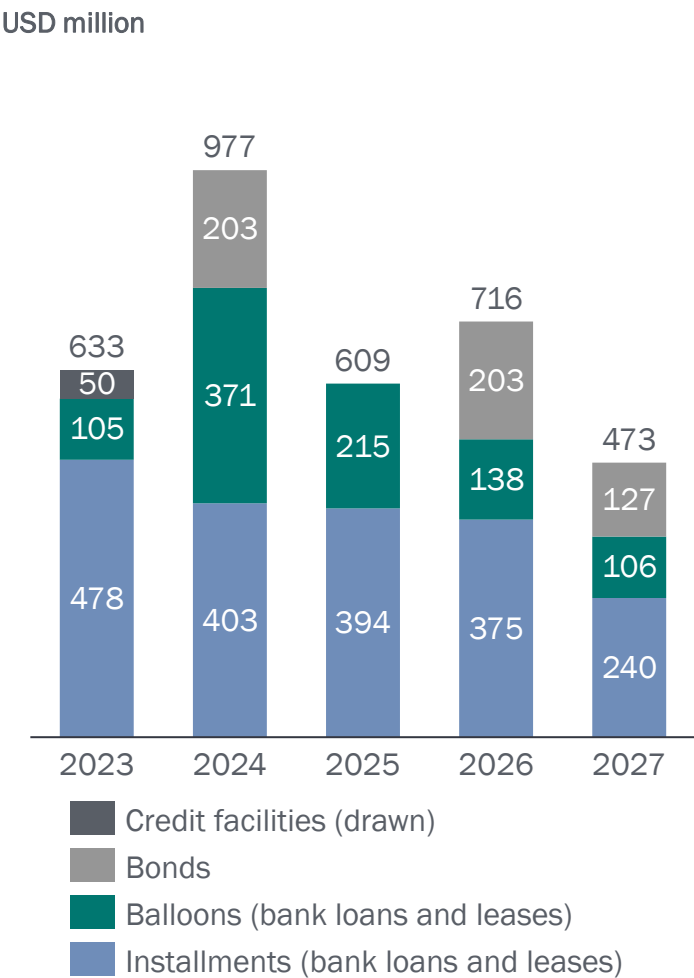
Comments

- Equity ratio at 41.8%
- Net debt decreased to USD 2.9bn due to increased cash
- No bond maturities until September 2024
- 2023 lease and bank maturities to be refinanced

Balance Sheet per end Q4-22



Debt Maturity Profile



Prospects as of Q4-22 reporting



2022 was an exceptional year for our shipping and terminal markets. Despite the current economic slowdown, we expect continued strong volumes and a tight market balance at least for the first part of 2023.

We see more uncertainty towards the second part of 2023 and into 2024, especially due to labor, the 2024 newbuild deliveries and any escalation of geopolitical tensions. Upside potential relates to pent-up demand for vehicles, the shift to low-emission vehicles and renewal of multi-year contracts at higher rates.



Overall, we expect to further strengthen our financial position in 2023, while enabling us to meet our financial targets and to remunerate shareholders. The strengthened financial position will serve us well in a period of increasing uncertainty.

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Our promise

Carbon
intensity
target

We reduced fleet carbon
intensity from 2008 to
2019 by:

33.6 %

Reduce fleet carbon
intensity from 2019
to 2030 by:

27.5 %

2000

2010

2020

2030

2040

2050

Carbon
ambition
milestones

2025
All owned vessels equipped for
zero-emission at berth

2050
All our energy will be
low-carbon sources

2023
All new equipment at terminals
and yards to be zero-emissions

2027
One net zero-emission end-to-
end service by 2027

Our journey towards zero takes place every day

Energy efficiency



Digitalization of fleet



Advanced weather routing

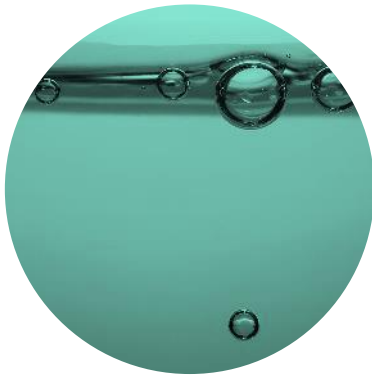


Bio-fouling management techniques

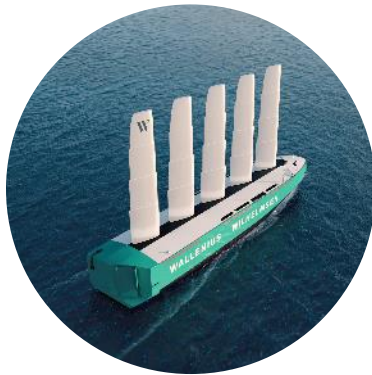
“Energy efficiency is the unsung hero of the energy transition”

Remi Eriksen, CEO DNV

Energy transition



Future fuels

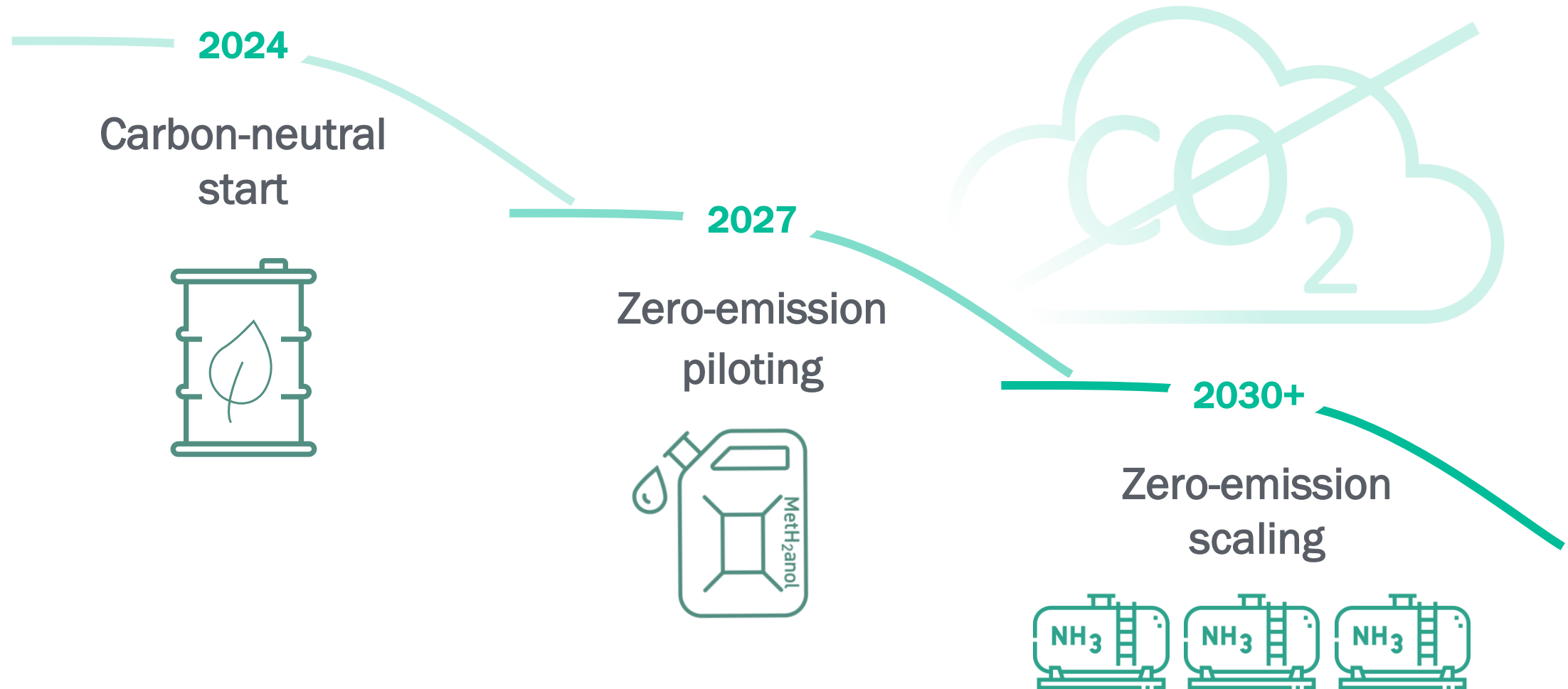


Future vessels






Future tech solutions

The energy transition to carbon-free will be a step-wise journey



Strategic goal to introduce a zero-emission service by 2027

<div>Strategic goal:</div> <div>“Offer a journey to zero emission by 2027“</div> <div></div>	<div>Introduce carbon-neutral service by 2024</div>	<div></div> <div><ul style="list-style-type: none">• Offer carbon-neutral freight by 2024, enabled by biofuel• Introduce carbon neutral service through e.g., green certificates for electricity</div>
	<div>Introduce zero-emission End-to-End service by 2027</div>	<div></div> <div><ul style="list-style-type: none">• Methanol (later ammonia); Shore power on vessels• Battery-electric or hydrogen trucks• Renewables in terminals and processing centers</div>
	<div>Decarbonization paid for by the customer</div>	<div></div> <div><ul style="list-style-type: none">• Sell emission reductions to carbon-conscious customers to recoup zero-emissions fuel premium</div>
	<div>Establish verified and audited emission tracking and mass balancing</div>	<div></div> <div><ul style="list-style-type: none">• Platform for carbon-neutral and zero-emission offerings• Establishing wide acceptance for carbon insetting approach (mass balancing, book and claim)</div>

Q&A

