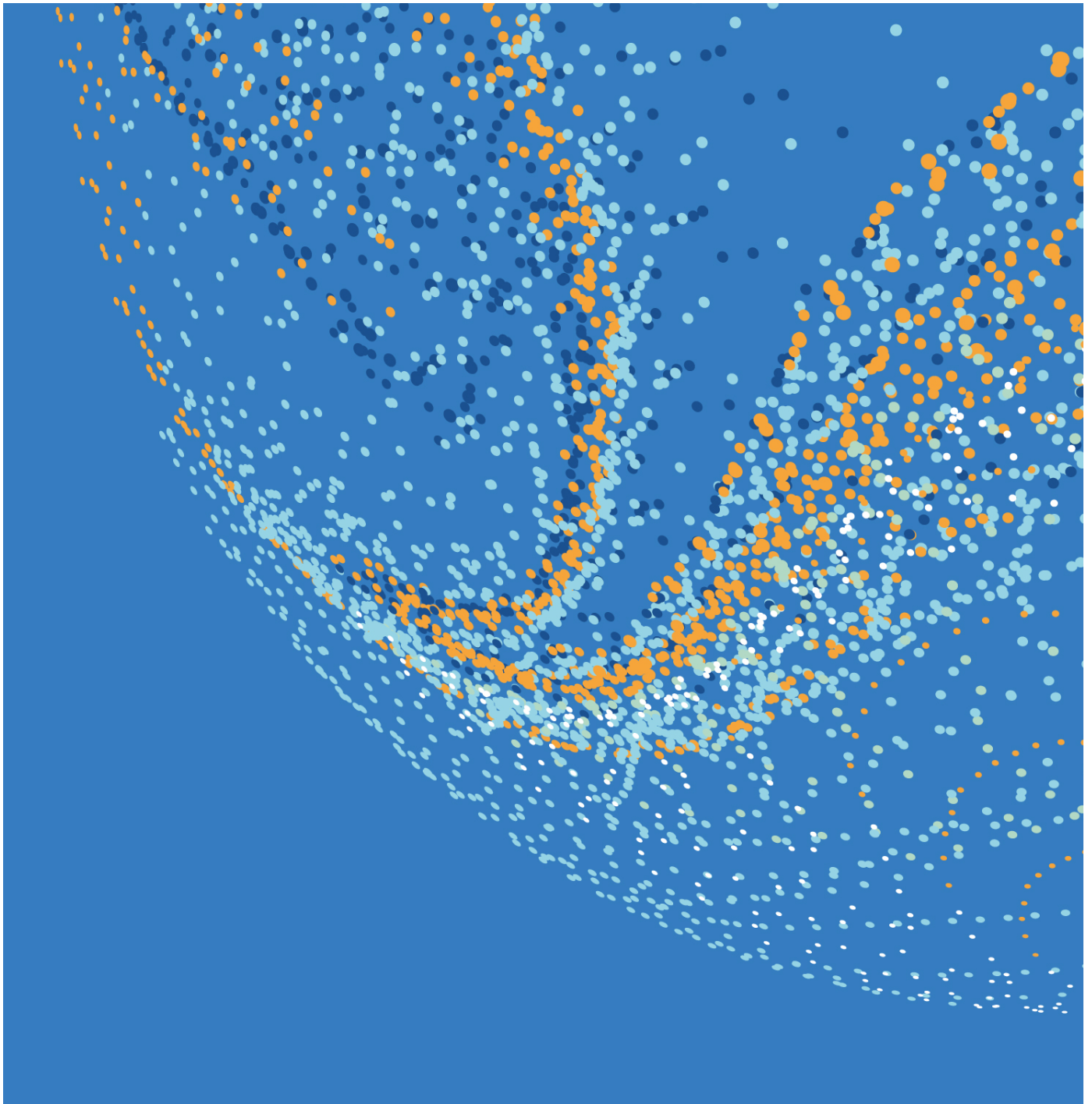


WILH. WILHELMSSEN HOLDING ASA

Second quarter and half-year 2020



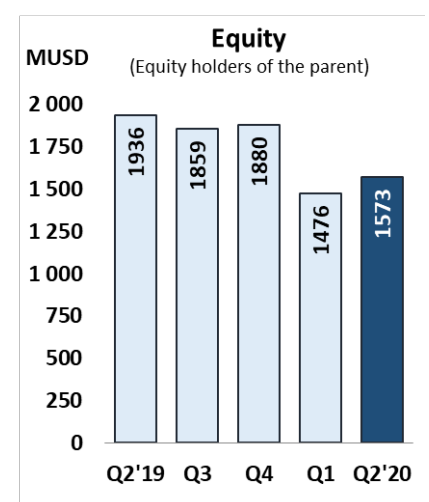
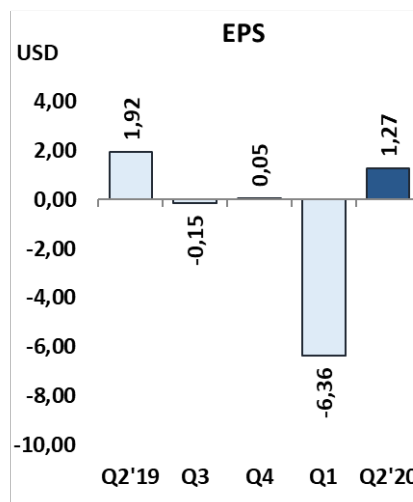
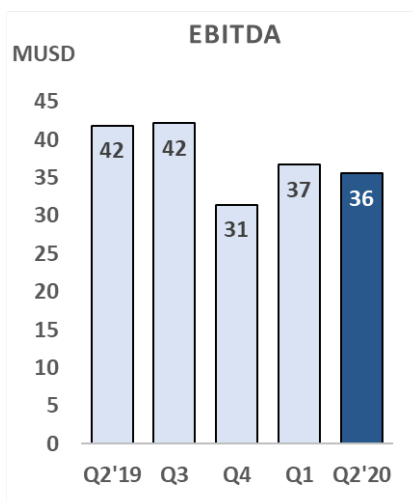
Highlights for the quarter

- Stable contribution from operating activities and recovery in financial asset values resulting in a USD 57 million net profit after non-controlling interests.
- USD 36 million in EBITDA.
 - Reduced maritime services income due to lower global shipping activities.
 - Increased supply base activities lifting result in supply services.
- USD 11 million impairment loss in maritime services.
- USD 21 million loss from associates.
 - Reduced volumes and increased provisions impacting Wallenius Wilhelmsen net result.
- USD 87 million gain on investments and other financial items.
 - Part recovery of first quarter reduction in market value of Hyundai Glovis and other investments.
- NOK 2.00 dividend per share paid in May.

Post quarter event

- Agreement signed for acquiring a 50% stake in Ahrenkiel Steamship, a German based container ship management company. Completion expected by the end of the third quarter.

Key figures



Financial performance

USD mill - unless otherwise indicated	Q2'20	Q1'20	Q-on-Q Change	Q2'19	Y-o-Y Change	01.01- 30.06.20	01.01- 30.06.19	Y-o-Y Change
Total income	197	215	-8 %	208	-5 %	412	406	1 %
- of which operating revenue	195	213	-8 %	200	-2 %	409	392	4 %
- of which gain/(loss) on sale of assets	2	1		8		4	14	-75 %
EBITDA	36	37	-3 %	42	-15 %	72	75	-4 %
Operating profit/EBIT	10	21	-51 %	25	-59 %	31	42	-26 %
Share of profit/(loss) from associates	-21	-60	neg.	3	neg.	-82	19	neg.
Change in fair value financial assets	69	-256		99		-187	96	
Other financial income/(expenses)	18	-48		-7		-30	1	
Profit/(loss) before tax/EBT	76	-344	neg.	120	-36 %	-268	157	neg.
Tax income/(expenses)	-5	5		2		0	-4	
Profit/(loss) for the period	71	-339	neg.	123	-42 %	-268	154	neg.
Profit/(loss) to owners of the parent	57	-284	neg.	89	-36 %	-227	118	neg.
EPS (USD)	1,27	-6,36	neg.	1,92	-34 %	-5,09	2,55	neg.
Other comprehensive income	52	-124		2		-73	7	
Total comprehensive income	123	-464	neg.	125	-2 %	-341	160	neg.
Total comprehensive income owners of parent	108	-404	neg.	91	18 %	-296	125	neg.
Total assets	2 857	2 765	3 %	3 390	-16 %	2 857	3 390	-16 %
Equity parent	1 573	1 476	7 %	1 936	-19 %	1 573	1 936	-19 %
Total equity	1 726	1 616	7 %	2 159	-20 %	1 726	2 159	-20 %
Equity ratio	60 %	58 %	2 %	64 %	-3 %	60 %	64 %	-3 %

Group result

Total income for the Wilh. Wilhelmsen Holding ASA group (referred to as Wilhelmsen or group) was USD 197 million in the second quarter of 2020. This was down 5% from the corresponding period last year and down 8% from the previous quarter. Income was down for maritime services, while supply services' income was up when compared to last year.

EBITDA was USD 36 million, down 15% from one year earlier and down 3% from the first quarter. Adjusting for sales gains, EBITDA was down 2% from the corresponding period previous year. EBITDA followed development in total income, with lower contribution from maritime services and improvement in supply services.

Share of profit from associates was a loss of USD 21 million, with negative contribution from Wallenius Wilhelmsen ASA partly offset by a gain in supply services.

Change in fair value of financial assets was positive with USD 69 million, following some recovery of first quarter losses in Hyundai Glovis and other investments. Other financials were an income of USD 18 million, lifted by gains on financial investments and FX.

Net profit to owners of the parent was USD 57 million for the quarter, equal to USD 1.27 earnings per share (EPS).

Other comprehensive income for the quarter was a gain of USD 52 million, primarily related to recovery of first quarter currency translation differences on net non-USD assets.

Total comprehensive income, including net profit and other comprehensive income, attributable to owners of the parent was USD 108 million.

Group balance sheet

Total assets were up 3% in the second quarter mainly due to an increase in fair value of financial assets.

The profit for the period lifted equity attributable to owners of the parent with 7% to USD 1 573 million. As of 30 June, the group equity ratio was 60%.

Group cash, liquidity, and debt

USD mill	Cash & cash equiv.	Curr. fin. inv.	Leasing debt	IBD	NIBD
Maritime services	131	0	199	44	112
Supply services	3	0	250	116	363
Holding and investments	14	92	0	19	-87
Elimination	0	0	-13	-5	-17
Wilhelmsen group	149	92	436	175	370

Cash and cash equivalents were USD 149 million at the end of the second quarter, up USD 25 million from the previous quarter. Cash from operating activities improved, offsetting debt and dividend payments.

Total interest-bearing debt including leasing debt was USD 611 million by the end of the quarter. This was a USD 12 million increase from the previous quarter, mainly due to currency effect on non-USD loans.

Group result for the half year

Result for the first half reflected increased contribution from operating activities offset by reduced sales gains, a material loss from associates, and a significant fall in financial asset values. This resulted in a net loss to owners of the parent of USD 227 million.

Total comprehensive income to owners of the parent was a loss of USD 296 million in the first half.

Segment information

Maritime services

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

USD mill - unless otherwise indicated	Q2'20	Q1'20	Q-on-Q Change	Q2'19	Y-o-Y Change	01.01- 30.06.20	01.01- 30.06.19	Y-o-Y Change
Total income	130	147	-11 %	146	-11 %	277	290	-4 %
- Ships service	117	133	-12 %	130	-10 %	249	263	-5 %
- Ship management	14	14	-1 %	16	-15 %	28	26	5 %
- Other/eliminations	0	0		0		0	1	
EBITDA	21	26	-21 %	29	-28 %	47	49	-5 %
- EBITDA margin (%)	16 %	18 %		20 %		17 %	17 %	
Operating profit/EBIT	3	19	-82 %	22	-84 %	23	36	-36 %
- EBIT margin (%)	3 %	13 %		15 %		8 %	12 %	
Share of profit/(loss) from associates	0	1	-65 %	1	-72 %	1	2	-53 %
Change in fair value financial assets	0	0		-27		0	-27	
Other financial income/(expenses)	10	-48		-4		-37	-10	
Tax income/(expense)	-4	6		4		2	0	
Profit/(loss)	10	-21	neg.	-5	neg.	-12	1	neg.
- Profit margin (%)	7 %	-15 %		-4 %		-4 %	0 %	
- Non controlling interests	0	0		0		0	1	
Profit/(loss) to owners of the parent	10	-22	neg.	-5	neg.	-12	0	neg.

Maritime services result

Total income from maritime services was USD 130 million in the second quarter. Adjusting for a USD 6 million sales gain in the second quarter of 2019, income was down 7% year-over-year. When compared with the previous quarter, income was down 11%.

EBITDA was USD 21 million, down 11% from the corresponding period previous year when adjusting for the sales gain. Compared with the first quarter, EBITDA was down 21%.

The second quarter included a USD 11 million impairment of goodwill within ships service.

Total financial items were positive with USD 10 million, including a net USD 17 million currency gain and a USD 5 million impairment of a loan to a joint venture. Tax was included with an expense of USD 4 million.

The quarter ended with a net gain after non-controlling interests of USD 10 million.

Ships service

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

Total income for ships service was USD 117 million, down 10% from the corresponding period last year and down 12% from the first quarter. Sale of marine products and income from agency services were both down, following a reduction in global shipping activities in general and cruise activities in particular. Non-marine income increased due to a temporary boost in sale of sanitizing products.

EBITDA was also down for the quarter due to lower income.

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 14 million, a reduction from the corresponding period last year which included a sales gain. Excluding the sales gain, income was up due to an increase in the number of ships on full technical management and new offshore wind activities. Compared with the previous quarter, income was stable.

EBITDA was down from the corresponding period last year mainly due to the sales gain lifting last year results.

Post quarter, an agreement has been signed for Wilhelmsen Ship Management to acquire a 50% stake in Ahrenkiel Steamship GmbH & Co KG, the technical container ship manager within the MPC Capital Group. The company, which will operate under the brand Wilhelmsen Ahrenkiel Ship Management, currently manage a fleet of 72 container ships. The closing of the transaction is subject to approval by the relevant antitrust authorities, which is expected in the third quarter of 2020.

Other maritime services activities

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

Wilhelmsen Insurance Services had a stable performance, with total income and EBITDA in line with previous quarters.

Segment information

Supply services

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

USD mill - unless otherwise indicated	Q2'20	Q1'20	Q-on-Q Change	Q2'19	Y-o-Y Change	01.01- 30.06.20	01.01- 30.06.19	Y-o-Y Change
Total income	66	66	-1 %	60	10 %	132	114	15 %
- NorSea Group	65	65	0 %	59	9 %	130	113	15 %
- Other/eliminations	1	1	-20 %	1	20 %	2	1	30 %
EBITDA	16	13	21 %	14	8 %	28	32	-10 %
- EBITDA margin (%)	24 %	19 %		24 %		22 %	28 %	
Operating profit/EBIT	8	5	68 %	6	44 %	13	14	-6 %
- EBIT margin (%)	13 %	7 %		10 %		10 %	12 %	
Share of profit/(loss) from associates	2	4	-42 %	2	8 %	6	8	-28 %
Other financial income/(expenses)	-3	-6		-4		-9	-9	
Tax income/(expense)	0	0		-1		0	-2	
Profit/(loss)	7	3	145 %	3	157 %	10	11	-12 %
- Profit margin (%)	11 %	4 %		4 %		7 %	10 %	
- Non controlling interests	2	1		1		3	3	
Profit/(loss) to owners of the parent	5	2	146 %	2	163 %	7	8	-15 %

Supply services result

Total income from supply services was USD 66 million in the second quarter, including a USD 2 million gain from sale of assets. This was up 10% from the corresponding period last year and on par with the first quarter.

EBITDA was USD 16 million, up 8% from the corresponding period previous year and up 21% from the previous quarter.

Share of profit from associates was USD 2 million in the second quarter, while other financials were a net expense of USD 3 million.

Net profit after non-controlling interests was USD 5 million for the quarter.

NorSea Group

NorSea Group provides supply bases and integrated logistics solution to the offshore industry. Wilhelmsen owns ~75.2% of NorSea Group.

Total income for NorSea Group was USD 65 million in the second quarter, up 9% from one year earlier and in line with the first quarter. Total supply base activities increased compared with the corresponding period last year, but development differed between the various locations. Compared with the previous quarter there was a reduction in project related activity, which is primarily provided on a pass-through basis.

EBITDA was up, mainly due to an increase in supply base activities.

Other supply services activities

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

Activity level was stable for the quarter.

Segment information

Holding and investments

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

USD mill - unless otherwise indicated	Q2'20	Q1'20	Q-on-Q Change	Q2'19	Y-o-Y Change	01.01- 30.06.20	01.01- 30.06.19	Y-o-Y Change
Total income	3	4	-22 %	3	8 %	7	5	43 %
- Operating revenue	3	4	-22 %	3	8 %	7	5	43 %
- Gain on sale of assets	0	0		0		0	0	
EBITDA	0	-2		-1		-3	-5	
Operating profit/EBIT	-1	-3		-3		-5	-8	
Share of profit/(loss) from associates	-24	-65	neg.	1	neg.	-88	9	neg.
- Wallenius Wilhelmsen ASA	-23	-65	neg.	1	neg.	-88	9	neg.
- Other/eliminations	0	0		0		0	0	
Change in fair value financial assets	69	-256		126		-187	123	
- Hyundai Glovis	47	-224		119		-178	106	
- Qube Holdings/other financial assets	23	-32		7		-9	16	
Other financial income/(expenses)	11	5	127 %	1	>200%	16	20	-18 %
- Investment management (Holding)	13	-15		2		-2	8	
- Treasure ASA	0	12		0		12	13	
- Other financial income/(expense)	-2	8		0		6	-1	
Tax income/(expense)	-1	-1		0		-2	-2	
Profit/(loss) for the period	55	-321		125		-266	142	
- Non controlling interests	12	-57		32		-44	32	
Profit/(loss) to owners of the parent	42	-264		93		-222	110	

Holding and investments result

The holding and investments segment reported a USD 42 million profit after non-controlling interests in the second quarter. A positive development in financial asset values more than offset a net loss in Wallenius Wilhelmsen ASA.

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 606 million in the second quarter, down 40% compared to the same period last year as a result of lower revenues in both the ocean and landbased segments. Ocean volumes were down 45% year-over year, though income benefitted from a higher net freight per CBM due to a favourable cargo mix. The landbased volumes were sharply affected by manufacturing plant closures and production cutbacks. Compared to the first quarter, total income for the group was down 27%.

EBITDA was USD 42 million, including one-off costs related to increased anti-trust provision and cancelled scrubber installations. Adjusted for one-offs, EBITDA was USD 104 million, down 51% from previous year and down 20% from the first quarter.

Wallenius Wilhelmsen ASA reported a net loss of USD 69 million for the quarter, with Wilhelmsen's share being a loss of USD 23 million.

Treasure ASA

Treasure ASA holds a 12.04% ownership interest in Hyundai Glovis and is listed on Oslo Børs. Wilhelmsen owns ~73,5% of Treasure ASA (not adjusted for shares held by the company).

Change in fair value of the shareholding in Hyundai Glovis was positive with USD 47 million for the quarter, following a 12% increase in the share price and an appreciation of the KRW versus USD. The market value of the investment in Hyundai Glovis was USD 382 million at the end of the second quarter.

During the quarter, Treasure ASA bought 2 500 000 own shares. Pursuant to the transaction, Treasure ASA owns 2 965 000 own shares.

Financial investments

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

Change in fair value of non-current financial assets was a gain of USD 23 million for the quarter (excluding Hyundai Glovis, which is reported under Treasure ASA). The market value at the end of the second quarter was USD 112 million. During the quarter, Wilhelmsen participated in a Qube Holding entitlement offer, increasing ownership from 40 million to 46.3 million shares.

Net income from investment management was a gain of USD 13 million for the quarter. The market value of the current financial investment portfolio was USD 92 million by the end of the second quarter. The portfolio primarily included listed equities and investment-grade bonds.

Other holding and investments activities

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

EBITDA improved due to reduced cost, partly related to covid-19 measures.

Risk update

The Wilhelmsen group consists of operating companies and investments exposed to the global economy and world merchandised trade. While risk in general remains as described in the 2019 annual report, certain individual risk factors have been impacted by events which have taken place after completion of the annual report. This primarily relates to the continuous spread of Covid-19 and measures taken to contain it. This has an impact on all of market risk, operational risk, and financial risk.

From a market risk perspective, a strong reduction in cruise activities and lower global shipping activity negatively impacts the maritime services segment. Lower global automotive sales have a similar impact on Wallenius Wilhelmsen ASA and Hyundai Glovis.

From an operational risk perspective, our operations in affected countries are following governmental advice to minimize risk of exposure from Covid-19. For the ship management activities, travel restrictions in many countries are creating operational issues related to crew changes.

From a financial risk perspective, the equity values of main investments have recovered somewhat from the low experienced at end of the first quarter but remain below year end values.

Outlook

Maritime services

For ships service, operating income is expected to remain below historic levels for the rest of the year, but with a gradual recovery in line with a recovery of global economic activity. The largest impact will remain from reduction in cruise activities, representing 10-15% of operating income pre Covid-19.

For ship management, development in operating income will remain sensitive to any change in number of ships on management. The new joint venture for container ships is expected to have limited impact on net result in the short term.

Supply services

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 previous outlook. The activity level is now expected to remain relatively high during the rest of the summer season, but with a reduction towards the end of the year.

Holding and investments

For Wallenius Wilhelmsen, the very near term is impacted by a sharp drop in volumes driven by measures taken globally to fight the Covid-19 pandemic. The drop in volumes has created excess capacity in the industry, which is likely to persist for some time, delaying market improvements. Measures taken to recycle, lay-up, idle and slow-steam ships will go some way in countering this effect.

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

Wilhelmsen group

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

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

Lysaker, 19 August 2020
The board of directors of Wilh. Wilhelmsen Holding ASA

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

Income statement - financial report

USD mill	Note	Q2 2020	Q2 2019	YTD 2020	YTD 2019	Full year 2019
Operating revenue		195	200	409	392	836
Other income						
Gain/(loss) on sale of assets		2	8	4	14	14
Total income		197	208	412	406	850
Operating expenses						
Cost of goods and change in inventory		(59)	(58)	(123)	(114)	(247)
Employee benefits		(69)	(73)	(145)	(148)	(306)
Other expenses		(34)	(35)	(72)	(69)	(148)
Operating profit before depreciation and amortisation		36	42	72	75	149
Depreciation and impairments	6/7	(25)	(17)	(41)	(34)	(71)
Operating profit		10	25	31	42	78
Share of profit/(loss) from joint ventures and associates	4	(21)	3	(82)	19	49
Change in fair value financial assets	9	69	99	(187)	96	34
Other financial income/(expenses)		18	(7)	(30)	1	(17)
Profit/(loss) before tax		76	120	(268)	157	144
Tax income/(expense)		(5)	2	(0)	(4)	(15)
Profit/(loss) for the period		71	123	(268)	154	130
Attributable to: non-controlling interests		14	33	(41)	35	16
owners of the parent		57	89	(227)	118	114
Basic earnings per share (USD)	8	1,27	1,92	(5,09)	2,55	2,46

Comprehensive income - financial report

USD mill	Q2 2020	Q2 2019	YTD 2020	YTD 2019	Full year 2019
Profit/(loss) for the period	71	123	(268)	154	130
Items that may be reclassified to income statement					
Cash flow hedges (net after tax)	(2)		(5)		1
Comprehensive income from associates			(1)	1	
Currency translation differences	54	3	(66)	6	(2)
Other comprehensive income, net of tax	52	2	(73)	7	(3)
Total comprehensive income for the period	123	125	(341)	161	127
Total comprehensive income attributable to:					
Owners of the parent	108	91	(296)	125	111
Non-controlling interests	15	33	(45)	36	16
Total comprehensive income for the period	123	125	(341)	161	127

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

Balance sheet - financial report

USD mill	Note	30.06.2020	30.06.2019	31.12.2019
Deferred tax asset	5	63	59	57
Goodwill and other intangible assets	6	124	155	151
Vessels, property and other tangible assets	6	513	572	555
Right-of-use assets	7	160	215	173
Investments in joint ventures and associates	4	900	991	1 003
Financial assets to fair value	9	494	734	675
Other non current assets		19	20	25
Total non current assets		2 273	2 748	2 638
Inventory		79	75	82
Current financial investments		92	103	102
Other current assets		264	315	317
Cash and cash equivalents		149	150	153
Total current assets		584	642	655
Total assets		2 857	3 390	3 293
Paid-in capital	8	122	122	118
Retained earnings	8/11	1 451	1 814	1 762
Attributable to equity holders of the parent		1 573	1 936	1 880
Non-controlling interests		153	224	202
Total equity		1 726	2 159	2 082
Pension liabilities		19	21	20
Deferred tax	5	8	12	11
Non-current interest-bearing debt	12	406	442	429
Non-current lease liabilities	7	147	193	154
Other non-current liabilities		21	110	28
Total non current liabilities		600	779	643
Current income tax		11	11	9
Public duties payable		15	8	12
Current interest-bearing debt	12	30	51	65
Current lease liabilities	7	28	25	27
Other current liabilities		447	356	455
Total current liabilities		531	452	568
Total equity and liabilities		2 857	3 390	3 293

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

Cash flow statement - financial report

USD mill	Note	Q2 2020	Q2 2019	YTD 2020	YTD 2019	Full year 2019
Cash flow from operating activities						
Profit/(loss) before tax		76	120	(268)	157	144
Share of (profit)/loss from joint ventures and associates		21	(3)	82	(19)	(49)
Change in fair value financial assets	9	(69)	(99)	187	(96)	(34)
Other financial (income)/expenses		(18)	7	30	(1)	17
Depreciation/impairment	6/7	25	17	41	34	71
(Gain)/loss on sale of fixed assets	6		(11)	(1)	(8)	(8)
(Gain)/loss from sale of subsidiaries, joint ventures and associates					(6)	(6)
Change in net pension asset/liability			1			
Change in inventory		(2)	(2)	(1)	(1)	(9)
Change in other working capital		27	(36)	7	(25)	(19)
Tax paid (company income tax, withholding tax)		(2)	(3)	(4)	(6)	(8)
Net cash provided by operating activities		59	(10)	73	30	98
Cash flow from investing activities						
Dividend received from joint ventures and associates		9	14	9	20	33
Proceeds from sale of fixed assets	6/7		8	5	8	17
Investments in fixed assets	6/7	(6)	(9)	(19)	(18)	(40)
Net proceeds from sale of subsidiaries					3	3
Net proceeds from sale of joint ventures and associates					34	34
Investments in subsidiaries, joint ventures and associates		(2)	(2)	(2)	(2)	(3)
Loan repayments received from sale of subsidiaries						6
Proceeds from dividend and sale of financial investments		27	47	46	53	65
Current financial investments		(21)	(25)	(35)	(30)	(38)
Interest received				1	1	4
Net cash flow from investing activities		7	34	5	70	81
Cash flow from financing activities						
Proceeds from issue of debt	12		50	5	59	93
Repayment of debt	12	(14)	(57)	(39)	(99)	(136)
Repayment of leasing debt		(6)		(7)	(13)	(24)
Interest paid including interest derivatives		(4)	(13)	(10)	(15)	(25)
Interest paid leasing debt		(2)		(5)	(5)	(11)
Cash from/ to financial derivatives		(4)		(14)		
Dividend to shareholders/purchase of own shares		(11)	(17)	(13)	(17)	(62)
Net cash flow from financing activities		(42)	(36)	(83)	(90)	(165)
Net increase in cash and cash equivalents ¹		25	(12)	(5)	10	14
Cash and cash equivalents at the beg. of the period ¹		124	162	153	140	140
Cash and cash equivalents at the end of the period ¹		149	150	149	150	153

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

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

Statement of changes in equity - financial report

Statement of changes in equity - Year to date

USD mill	Share capital incl own shares	Retained earnings	Total	Non- controlling interests	Total equity
Balance at 31.12.2019	118	1 761	1 880	202	2 082
Profit/(loss) for the period		(227)	(227)	(41)	(268)
Other comprehensive income		(69)	(69)	(4)	(73)
Purchase of own shares Treasure Group*		(2)	(2)		(2)
Change in non-controlling interests				(1)	(1)
Paid dividend to shareholders		(9)	(9)	(3)	(12)
Balance 30.06.2020	118	1 455	1 573	153	1 726

* Treasure ASA acquired 2.500.000 own shares in May 2020, cost was USD 2.8 million.

Balance at 31.12.2018	122	1 698	1 820	196	2 017
Implementation of IFRS 16 leasing			(0)		(0)
Profit for the period		118	118	35	154
Other comprehensive income		7	7		7
Change in non-controlling interests*		5	5	(5)	(0)
Purchase of own shares Treasure Group*		(1)	(1)		(1)
Paid dividend to shareholders		(13)	(13)	(4)	(17)
Balance 30.06.2019	122	1 814	1 936	224	2 159

*Liquidation of 2.200.000 own shares in Treasure Group.

Statement of changes in equity - Full year 2019

USD mill	Share capital incl own shares	Retained earnings	Total	Non- controlling interests	Total equity
Balance at 31.12.2018	122	1 698	1 820	196	2 017
Implementation of IFRS 16 leasing					
Profit for the period		114	114	16	130
Other comprehensive income		(3)	(3)		(3)
Change in non-controlling interests*		5	5	(5)	(0)
Own shares in WWH ASA and Treasure ASA **	(4)	(27)	(31)		(31)
Paid dividend to shareholders		(26)	(26)	(5)	(31)
Balance 31.12.2019	118	1 761	1 880	202	2 082

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

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

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

Notes - financial report

Note 1 - Accounting principles

General information

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

Basic policies

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

Roundings

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

Critical accounting estimates and assumptions

The significant volatility in financial and non-financial markets during the first 6 months, has resulted in increased measurement uncertainty for assets and liabilities.

Accounts receivable

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

Note 2 - Significant acquisitions and disposals

2020

No material disposal or acquisition.

2019

No material disposal or acquisition.

Notes - financial report

Note 3 - Segment reporting: Income statement per operating segment

USD mill	Maritime Services		Supply Services		Holding & Investments		Eliminations		WWH group total	
	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019
Quarter										
Operating revenue	130	138	64	60	3	3	(2)	(2)	195	200
Gain on sale of assets		8	2						2	8
Total income	130	146	66	60	3	3	(2)	(2)	197	208
Operating expenses										
Cost of goods and change in inventory	(40)	(44)	(19)	(13)					(59)	(58)
Employee benefits	(47)	(49)	(20)	(22)	(2)	(2)			(69)	(73)
Other expenses	(22)	(25)	(11)	(10)	(2)	(2)	2	1	(34)	(35)
Operating profit/(loss) before depreciation and amortisation	21	29	16	14	(0)	(1)	(0)	(0)	35	42
Depreciation and impairments	(17)	(7)	(7)	(9)	(1)	(1)			(25)	(17)
Operating profit/(loss)	3	22	8	6	(1)	(3)	(0)	(0)	10	25
Share of profit/(loss) from associates		1	2	2	(24)	1			(21)	3
Change in fair value financial assets		(27)			69	126			69	99
Other financial income/(expenses)	10	(4)	(3)	(4)	11	1			18	(7)
Profit/(loss) before tax	14	(9)	7	3	56	125	0	(0)	76	120
Tax income/(expense)	(4)	4		(1)	(1)				(5)	2
Profit/(loss)	10	(5)	7	3	55	125	0	(0)	71	123
Non-controlling interests			2	1	12	32			14	33
Profit/(loss) to the owners of parent	10	(5)	5	2	42	93	0	(0)	57	89
Currency through Income Statement										
Including in other financial income/(expenses)	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019
Operating currency, net	(14)		2						(11)	
Financial currency, net	2		(1)		(6)	(1)			(5)	(1)
Currency derivatives, realised	(3)	(3)			(4)				(7)	(3)
Currency derivatives, unrealised	32	3			6				37	
Net currency items in other financial income/(expenses)	17	1	1	0	(4)	(1)	0	0	14	0
Through other comprehensive income										
Currency translation differences through OCI	(4)	1	3	(1)	55	2			54	3
Total net currency effects	13	2	4	(1)	51	2	0	0	68	3

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

Economic currency hedging (through Income Statement)

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

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

USD mill	Maritime Services			Supply Services			Holding & Investments			Eliminations			WWH group total		
	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019
YTD															
Operating revenue	277	282	582	129	108	249	7	5	11	(5)	(3)	(7)	409	392	836
Gain on sale of assets	1	8	9	3	6	6							4	14	14
Total income	277	290	591	132	114	255	7	5	11	(5)	(3)	(7)	412	406	850
Operating expenses															
Cost of goods and change in inventory	(84)	(91)	(181)	(38)	(23)	(65)							(123)	(114)	(247)
Employee benefits	(98)	(100)	(204)	(41)	(42)	(89)	(6)	(7)	(14)				(145)	(148)	(306)
Other expenses	(48)	(51)	(103)	(24)	(18)	(42)	(4)	(3)	(9)	4	3	5	(72)	(69)	(148)
Operating profit before depreciation and amortisation	47	49	103	28	32	59	(3)	(5)	(12)	(1)	(0)	(1)	72	75	149
Depreciation and impairments	(24)	(13)	(29)	(15)	(18)	(37)	(2)	(3)	(5)	1		1	(41)	(34)	(71)
Operating profit	23	36	73	13	14	22	(5)	(8)	(17)	(0)	(0)	(0)	31	42	78
Share of profit/(loss) from associates	1	2	4	6	8	6	(83)	9	39				(77)	19	49
Changes in fair value financial assets		(27)	(27)				(187)	123	61				(187)	96	34
Net finance income / expenses	(37)	(10)	(24)	(9)	(9)	(19)	16	20	26				(30)	1	(17)
Profit/(loss) before tax	(14)	1	27	10	13	8	(259)	143	109	0	(0)	0	(263)	157	144
Tax income/(expense)	2		(12)		(2)	(3)	(2)	(2)	1				(0)	(4)	(15)
Profit/(loss) for the period	(12)	1	15	10	11	5	(261)	142	109	0	(0)	0	(263)	154	130
Non-controlling interests		1	1	3	3	1	(44)	32	13				(41)	35	16
Profit/(loss) to the owners of parent	(12)	0	14	7	8	4	(217)	110	96	0	(0)	0	(222)	118	114

Currency through Income Statement

Including in other financial income/(expenses)	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019	YTD 2020	YTD 2019	Full year 2019
Operating currency, net	(2)		2	4	2	5	1						2	2	8
Financial currency, net	(4)		(3)	(5)	(1)	(6)	9	(3)	(1)					(4)	(10)
Currency derivatives, realised	(9)	(3)	(8)				(4)		(2)				(14)	(4)	(10)
Currency derivatives, unrealised	(11)	3	2				(1)	2	2				(12)	4	4
Net currency items in other financial income/(expenses)	(26)	(1)	(7)	(2)	1	(0)	5	(2)	(1)	0	0	0	(40)	(2)	(8)

Through other comprehensive income

Currency translation differences through OCI	(27)	2	1	(7)	(1)	(1)	(32)	5	(2)				(66)	6	(2)
Total net currency effects	(66)	1	(7)	(12)	(0)	(1)	(82)	3	(3)	0	0	0	(161)	4	(10)

Notes - financial report

Cont note 3 - Segment reporting: Balance sheet per operating segment

USD mill	Maritime Services		Supply Services		Holding & Investments		Eliminations		Total	
	30.06 2020	30.06 2019	30.06 2020	30.06 2019	30.06 2020	30.06 2019	30.06 2020	30.06 2019	30.06 2020	30.06 2019
Year to date										
Assets										
Deferred tax asset	48	49	6	3	9	8			63	59
Intangible assets	120	149	3	6					124	155
Tangible assets	173	187	337	382	2	2			513	572
Right of use assets	41	53	105	118	18	51	(5)	(6)	160	215
Investments in joint ventures and associates	9	10	117	133	774	848			900	991
Financial assets to fair value					494	734			494	734
Other non current assets	12	13	19	5	13	16	(25)	(14)	19	20
Current financial investments					92	102			92	103
Other current assets	276	311	245	76	26	4	(205)	(2)	343	390
Cash and cash equivalents	131	94	3	11	14	44			149	150
Total assets	811	867	836	734	1 443	1 811	(235)	(22)	2 857	3 390
Equity and liabilities										
Equity majority	144	202	136	161	1 293	1 573			1 573	1 936
Equity non-controlling interest	(1)	(1)	52	56	102	169			153	224
Deferred tax	8	12							8	12
Interest-bearing debt	199	198	250	303		9	(13)	(14)	436	497
Leasing debt	44	53	116	118	19	51	(5)	(6)	175	215
Other non current liabilities	21	104	27	22	5	5	(13)		40	131
Other current liabilities	397	299	256	75	24	4	(205)	(2)	473	375
Total equity and liabilities	811	867	836	734	1 443	1 811	(235)	(22)	2 857	3 390

Notes - financial report

Cont note 3 - Segment reporting: Cash flow per segment

USD mill Quarter	Maritime Services		Supply services		Holding & Investments	
	Q2 2020	Q2 2019	Q2 2020	Q2 2019	Q2 2020	Q2 2019
Profit/(loss) before tax	14	(9)	6	3	56	126
Change in fair value financial assets		27			(69)	(126)
Share of profit/(loss) from joint ventures and associates		(1)	(2)	(2)	24	(1)
Other financial (income)/expenses	(10)	5	3	4	(11)	(1)
Depreciation/impairment	17	7	7	9	1	1
Change in working capital	32	(29)	(9)	(5)	(2)	
Net (gain)/loss from sale of subsidiaries and fixed assets	2	(7)	(2)			
Net cash provided by operating activities	55	(6)	4	10	(2)	(1)
Dividend received from joint ventures and associates	2	2	7	3		6
Net sale/(investments) in fixed assets	(4)	4	(1)	(7)		
Net sale/(investments) in entities and segments		1	(2)			3
Net sale/dividend from financial investments					7	23
Net changes in other investments						
Net cash flow from investing activities	(2)	6	4	(4)	7	32
Net change of debt	(2)	(2)	5	7	(13)	(14)
Net change in other financial items	(5)	(6)	(4)	(3)	(5)	
Net dividend from other segments/ to shareholders	(23)	(36)	(4)	(4)	12	9
Net cash flow from financing activities	(30)	(44)	(4)	0	(6)	(5)
Net increase in cash and cash equivalents	22	(43)	4	6	(2)	26
Cash and cash equivalents at the beg. of the period	109	137		6	15	19
Cash and cash equivalents at the end of period	131	94	4	11	13	45

Notes - financial report

Note 4 - Investment in joint ventures and associates

Joint ventures and associates at end of June 2020 are:

USD mill

	Ownership	30.06.2020 Booked value	30.06.2019 Booked value
Holding and Investments segment:			
Wallenius Wilhelmsen ASA	37.8%	772	845
Other	40%-50%	3	3
Maritime services segment:			
Associates	20 - 50%	9	10
Supply services segment:			
<i>Joint venture</i>			
Coast Center Base	50 %	95	103
Vikan Næringspark Invest AS	50 %	15	17
Other	50 %		1
<i>Associates</i>			
Risavika Havn AS	42.8%		
Risavika Eiendom AS	42 %		7
Hammerfest Næringsinvest AS	32 %	1	1
Other	33 - 49%	5	3
Total investment in joint ventures and associates		900	991

	Q2 2020	Q2 2019	YTD 2020	YTD 2019
Share of profit from joint ventures and associates				
Wallenius Wilhelmsen ASA	(23)	1	(88)	9
Other joint ventures and associates in Holding and Investments				
Joint ventures and associates in Supply Services	2	2	6	8
Associates in Maritime Services		1	1	2
Share of profit from joint ventures and associates	(21)	3	(82)	19

Note 5 - Tax

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

Notes - financial report

Note 6 - Tangible and intangible assets

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2020 - Year to date					
Cost 1.1	35	560	244	227	1 066
Acquisition		9	6	4	19
Reclass/disposal		(1)	(3)	(9)	(13)
Currency translation differences	(3)	(45)	(12)	(19)	(80)
Cost 30.06	32	523	234	204	992
Accumulated depreciation and impairment losses 1.1	(19)	(175)	(90)	(77)	(361)
Depreciation/amortisation		(8)	(5)	(3)	(16)
Reclass/disposal			2	4	6
Impairment				(11)	(11)
Currency translation differences	2	13	5	7	26
Accumulated depreciation and impairment losses 30.06	(18)	(170)	(87)	(80)	(355)
Carrying amounts 30.06	14	352	147	124	637

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2019 - Year to date					
Cost 1.1	35	550	251	225	1 061
Acquisition		10	8		18
Reclass/disposal		(2)	(10)		(12)
Currency translation differences	1	8	2	4	15
Cost 30.06	36	566	252	228	1 082
Accumulated depreciation and impairment losses 1.1	(18)	(162)	(89)	(68)	(337)
Depreciation/amortisation	(1)	(9)	(5)	(3)	(18)
Reclass/disposal		3	2		5
Currency translation differences		(2)	(1)	(1)	(5)
Accumulated depreciation and impairment losses 30.06	(19)	(170)	(93)	(73)	(355)
Carrying amounts 30.06	17	397	158	155	727

USD mill	Vessels	Property	Other tangible assets	Intangible assets	Total tangible and intangible assets
2019 - Full year					
Cost 1.1	35	550	251	225	1 061
Acquisition		19	17	5	40
Reclass/disposal		(5)	(24)		(29)
Currency translation differences		(5)	1	(2)	(6)
Cost 31.12	35	560	244	227	1 066
Accumulated depreciation and impairment losses 1.1	(18)	(162)	(89)	(68)	(337)
Depreciation/amortisation	(1)	(17)	(11)	(7)	(36)
Reclass/disposal		4	10		13
Impairment		(1)		(2)	(3)
Currency translation differences		1	1	1	3
Accumulated depreciation and impairment losses 31.12	(19)	(175)	(90)	(77)	(361)
Carrying amounts 31.12	16	384	154	151	705

Notes - financial report

Cont note 6 - Tangible and intangible assets

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

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

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

Notes - financial report

Note 7 - Leases

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

The Lease Contracts

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

Recognition and Measurement Approach on Transition

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

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

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

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

Implementation effect

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

USD million

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

Reconciliation of lease commitment and lease liability

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

Notes - financial report

Cont. note 7 - Leases

Right-of-use-assets

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

	Property	Other tangible assets	Total lease assets
2020 Lease assets Right of use - Year to date			
Cost 1.1	191	12	203
Acquisition	6	3	9
Reclass/disposal	(6)	(2)	(8)
Currency translation differences	(15)	(1)	(16)
Cost 30.06	176	12	188
Accumulated depreciation and impairment losses 1.1	(27)	(4)	(30)
Depreciation/amortisation	(13)	(2)	(14)
Reclass/disposal	13	2	16
Impairment			
Currency translation differences	1		1
Accumulated depreciation and impairment losses 30.06	(25)	(3)	(28)
Carrying amounts 30.06	151	10	160
2019 Lease assets Right of use - Year to date			
	Property	Other tangible assets	Total lease assets
Implementation IFRS 16	210	12	222
Additional	2		2
Reclass/disposal	6		6
Currency translation differences	2		2
Cost 30.06	219	12	231
Accumulated depreciation and impairment losses 1.1			
Depreciation/amortisation	(14)	(2)	(16)
Accumulated depreciation and impairment losses 30.06	(14)	(2)	(16)
Carrying amounts 30.06	205	10	215
2019 Lease assets Right of use - Full year			
	Property	Other tangible assets	Total lease assets
Implementation IFRS 16	210	12	222
Reclassification *	(11)		(11)
Currency translation differences	(8)		(8)
Cost 31.12	191	11	203
Accumulated depreciation and impairment losses 1.1			
Depreciation/amortisation	(26)	(4)	(30)
Reclass/disposal	1		1
Currency translation differences	(1)		(1)
Accumulated depreciation and impairment losses 31.12	(27)	(4)	(30)
Carrying amounts 31.12	165	8	173

Notes - financial report

Note 8 - Shares

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

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

Earnings per share taking into consideration the number of outstanding shares in the period.

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

Earnings per share is calculated based on 44 580 000 shares for 2020, and

based on an average of 45 947 868 shares in 2019.

Total outstanding shares as of 30 June 2020 are 34 000 000 A-shares and 10 580 000 B-shares.

Note 9 - Financial assets to fair value

USD mill	30.06.2020	30.06.2019	31.12.2019
Financial assets to fair value			
At 31 December	675	650	650
Acquisition	9	7	9
Reclassified		2	2
Sale during the year	(1)	(20)	(20)
Currency translation adjustment through other comprehensive income	(1)		
Change in fair value through income statement	(187)	96	34
Total financial assets to fair value	494	734	675

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

Note 10 - Other financial income/(expenses)

	Q2 2020	Q2 2019	YTD 2020	YTD 2019
Investment management	13	2	(2)	12
Interest income			1	4
Other financial income		1	16	17
Interest expenses	(12)	(11)	(22)	(41)
Net financial currency	(16)		2	(2)
Net financial currencies derivatives	33		(25)	(6)
Other financial income/(expenses)	18	(7)	(30)	(17)

Note 11 - Paid dividend

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 2019 in 2020, of NOK 2.00 per share, was approved by the annual general meeting on 29 April 2020 and was paid to the shareholders 14 May 2020.

Notes - financial report

Note 12 - Interest-bearing debt including leasing debt

USD mill	30.06.2020	30.06.2019	31.12.2019
Non current interest-bearing debt	406	442	429
Current interest-bearing debt	30	51	65
Non current leasing debt	147	193	154
Current leasing debt	28	25	27
Total interest-bearing debt	611	712	675
Cash and cash equivalents	149	150	153
Current financial investments	92	103	102
Net interest-bearing debt	370	460	420

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

companies. The group was in compliance with these covenants at 30 June 2020 (analogous for 30 June 2019).

Specification of interest-bearing debt

USD mill	30.06.2020	30.06.2019	31.12.2019
Interest-bearing debt			
Bankloan	436	494	494
Leasing debt	175	218	181
Total interest-bearing debt	611	712	675
Repayment schedule for interest-bearing debt			
Due in 1 year	69	76	92
Due in 2 year	22	49	40
Due in 3 year	227	40	40
Due in 4 year	39	239	251
Due in 5 year and later	254	308	252
Total interest-bearing debt	611	712	675

Notes - financial report

Note 13 - Financial level

USD mill	Level 1	Level 2	Level 3	Total
2020				
Financial assets at fair value				
Equities	52			52
Bonds	40			40
Financial derivatives		1		1
Financial assets at fair value	474	3	17	494
Total financial assets 30.06	565	4	17	586
Financial liabilities at fair value				
Financial derivatives		(31)		(31)
Total financial liabilities 30.06	0	(31)	0	(31)
2019				
Financial assets at fair value				
Equities	47	8		55
Bonds	47			47
Financial derivatives		1		1
Financial assets at fair value	717		17	734
Total financial assets 30.06	812	9	17	837
Financial liabilities at fair value				
Financial derivatives		(7)		(7)
Total financial liabilities 30.06	0	(7)	0	(7)

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

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

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

The fair values, except for bond debt, are based on cash flows discounted using

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

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

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

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

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

Notes - financial report

Note 14 - Related party transactions

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

Generally, Shared Services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines

and are delivered according to agreements that are renewed annually.

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

Note 15 - Contingencies

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

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

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

Note 16 - Events occurring after the balance sheet date

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

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

Notes 17 Alternative performance measures

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

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

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

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

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

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

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

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

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

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

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2020 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the group's assets, liabilities, financial position and profit as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Lysaker, 19 August 2020

The board of directors of Wilh. Wilhelmsen Holding ASA

Diderik Schnitler
Chair
sign

Carl Erik Steen
sign

Ulrika Laurin
sign

Trond Ødegård Westlie
sign

Rebekka Glasser Herlofsen
sign

Thomas Wilhelmsen
Group CEO
sign

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