Wallenius Wilhelmsen

Wallenius Wilhelmsen ASA

Q4 2024

Disclaimer

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Q4 2024 and 2024 highlights

- A strong Q4 with adjusted EBITDA of USD 452m
- A record FY2024 with adjusted EBITDA of USD 1,901m and Net Profit of USD 1,065m
- Dividend of USD 1.24 per share declared for H2 2024, corresponding to c. 95% of H2 net profit – including an extraordinary dividend of USD 0.59 per share
- USD 8.9bn worth of contracts above USD 100m in value announced in 2024
- Hyundai/Kia contract renewed for five years with an expected value of around USD 4.2bn – increasing our share of their export volume to 50%
- Two more Shaper class vessels ordered and upsized two – total order is seven 9,300 CEU and seven 12,100 CEU vessels from 2026 through 2028
- Bjørnar Bukholm new CFO from May 2025 – Jermund Lien serves as interim CFO
- Expects 2025 adjusted EBITDA to be at least in line with 2024 or up to 10% above 2024

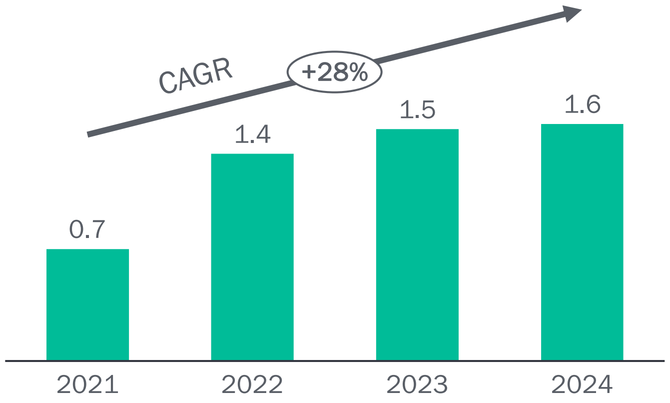
All segments delivered in a record 2024

2024 financials

Shipping

3.9 USD billion in revenues

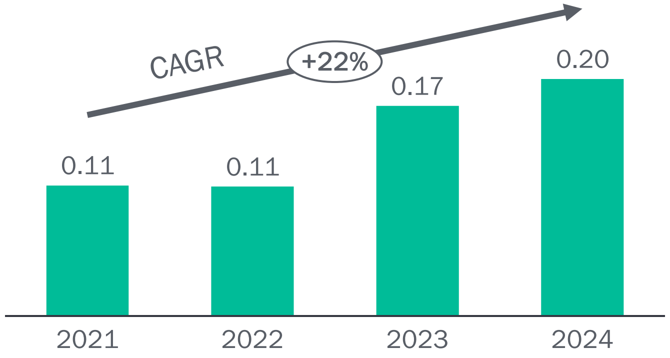
1.6 USD billion of adj. EBITDA



Logistics

1.2 USD billion in revenues

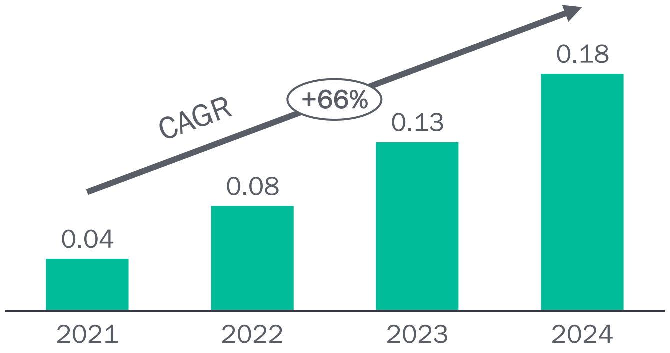
197 USDm of adj. EBITDA



Government

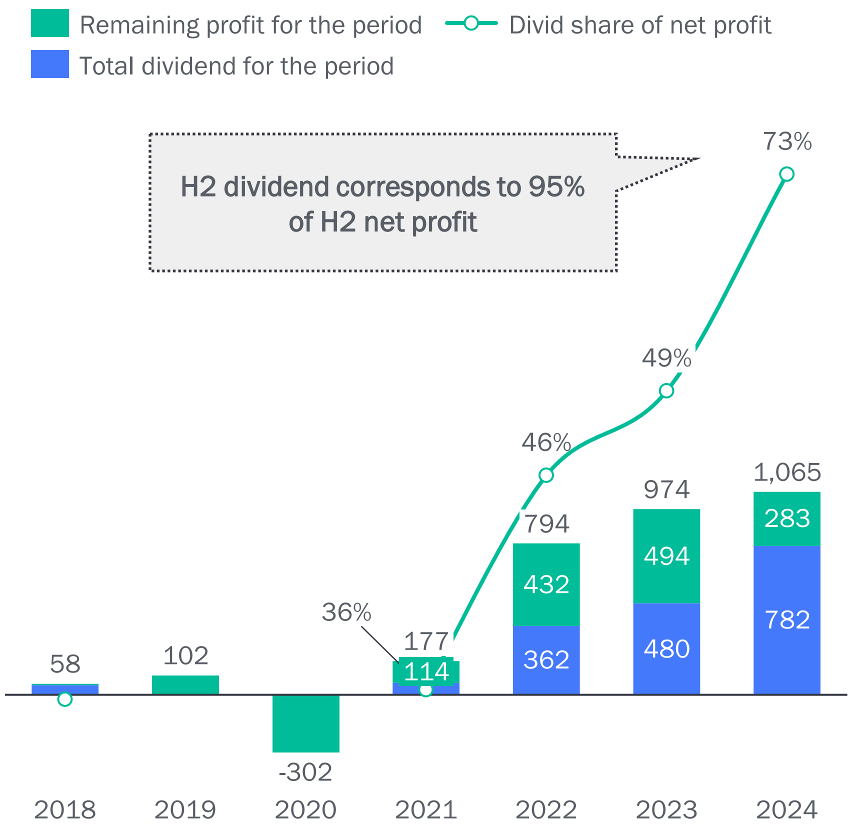
427 USD million in revenues

183 USDm of adj. EBITDA

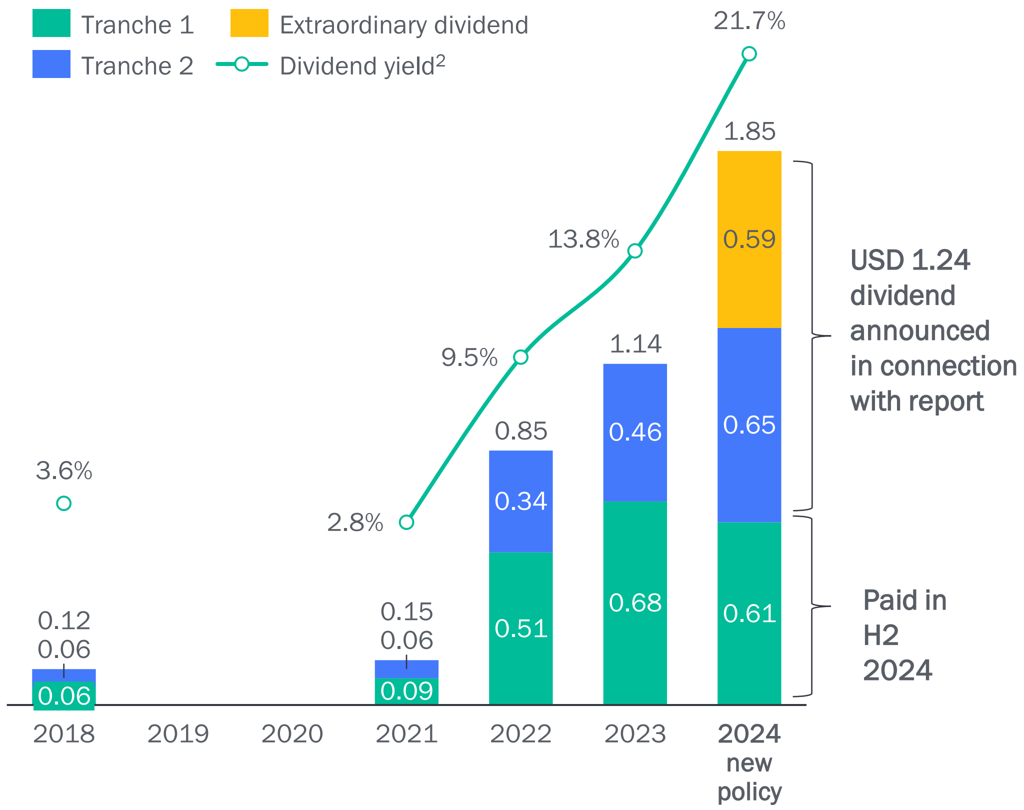


95% of H2 net profit will be paid as dividend to shareholders

2024 dividend c73% of net profit



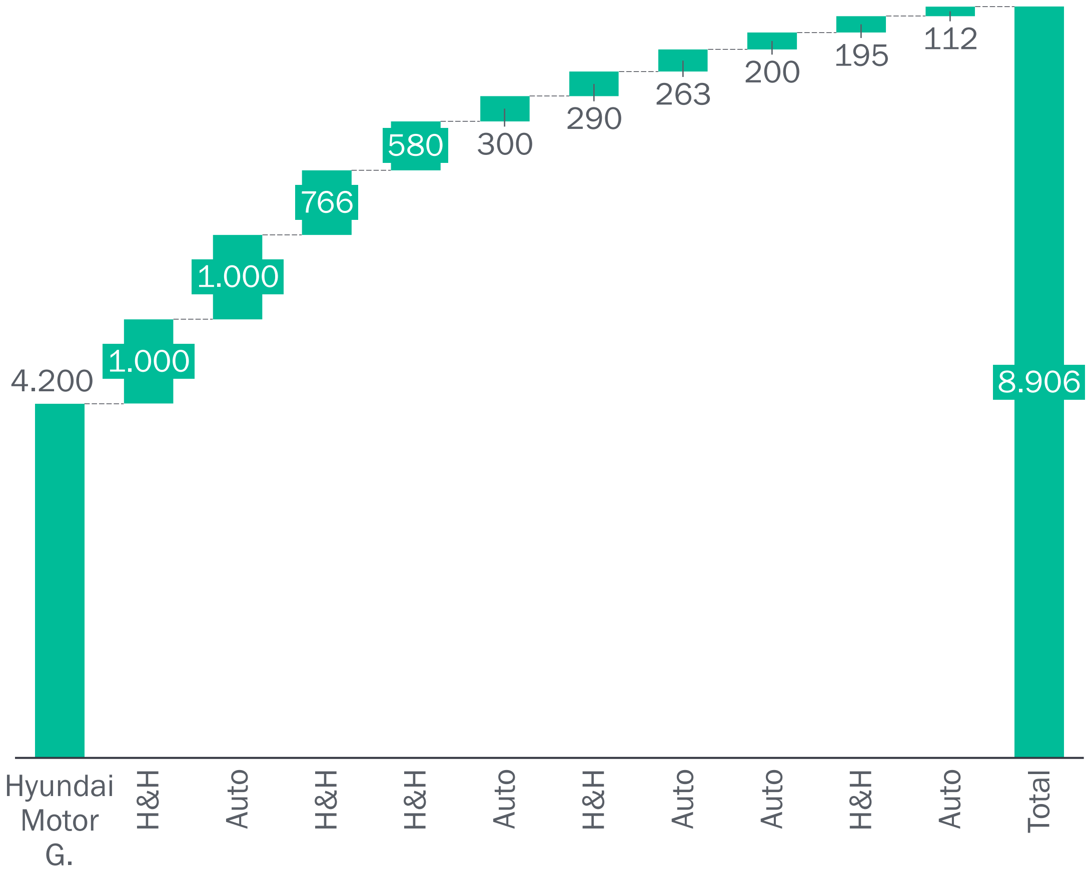
All-time high dividend in 2024[1]



1) Note that the dividend listed under each year up to 2023 was paid in the consecutive year according to our old dividend policy. With the new dividend policy, the dividend for H1 2024 was paid in H2 2024, while the dividend for H2 2024 will be paid in H1 2025
2) Yield calculated as dividend paid for the fiscal year divided by share price at year-end, e.g. 2023 dividend (paid in 2024)/share price at last trading day in 2023

USD 8.9bn worth[1] of multi-year contracts announced in 2024, of which 56% have 5-year duration

Estimated value[1] in USDm for contracts announced in 2024



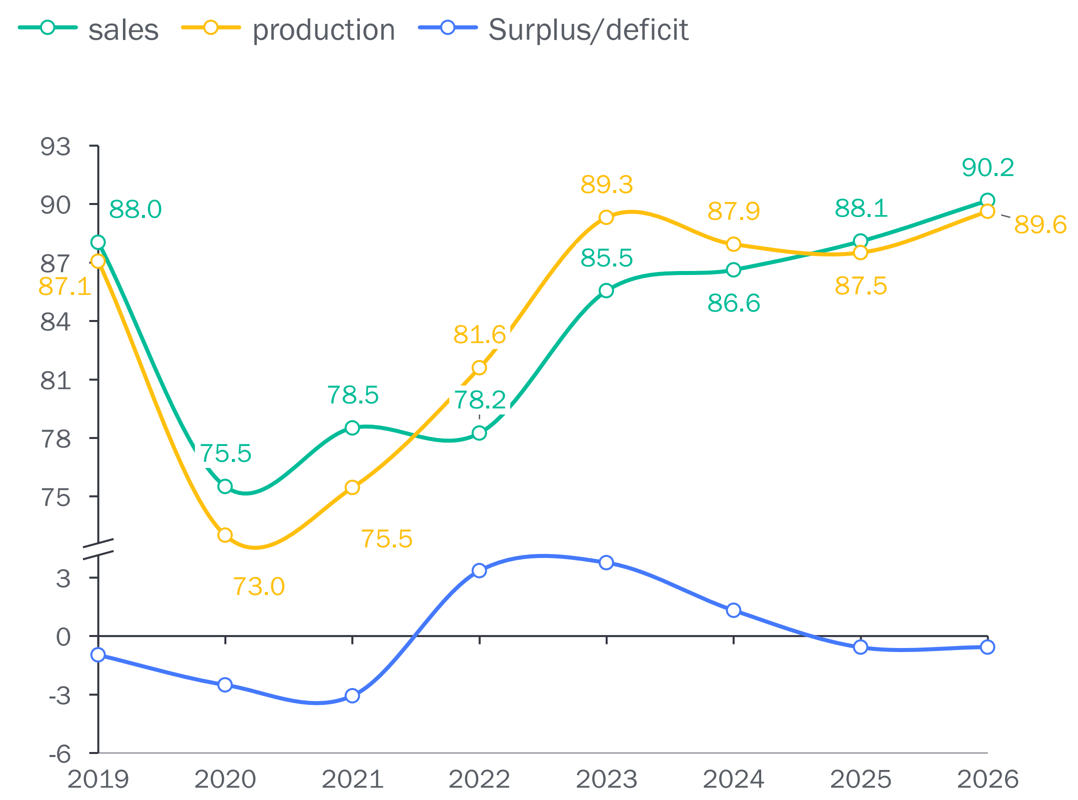
- The announced contracts have durations ranging from 2 to 5 years and includes both auto and H&H
  - 56% are 5-year contracts
  - 41% are 3-year contracts
  - 4% are a 2-year contracts
- The USD 8.9bn estimated worth of contracts are mainly linked to shipping
  - We only announce contracts >USD 100m
  - Numerous contracts below the threshold have been also been renewed in 2024

Source: Internal WAWI data

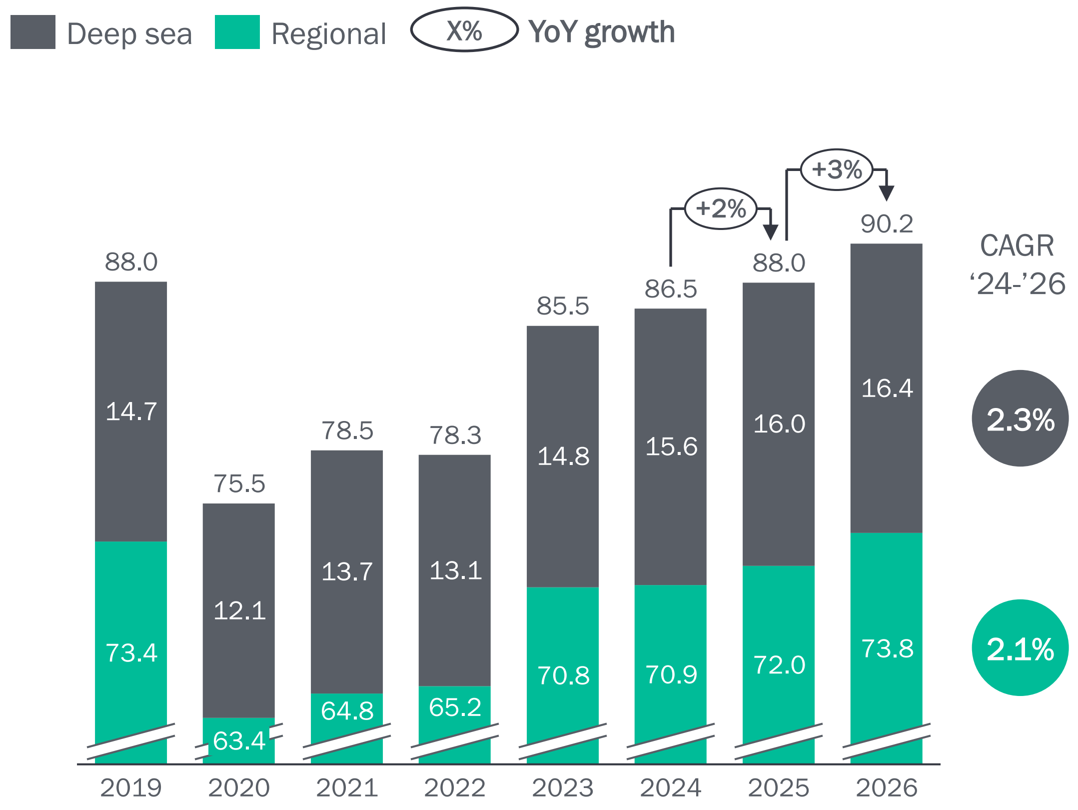
[1] Estimated value based on volume and trade lane expectations

Deep sea volumes expected to continue to grow in 2025, increasing ton-mile demand

Global LV sales, production and surplus/deficit in supply



Global LV sales split by origin

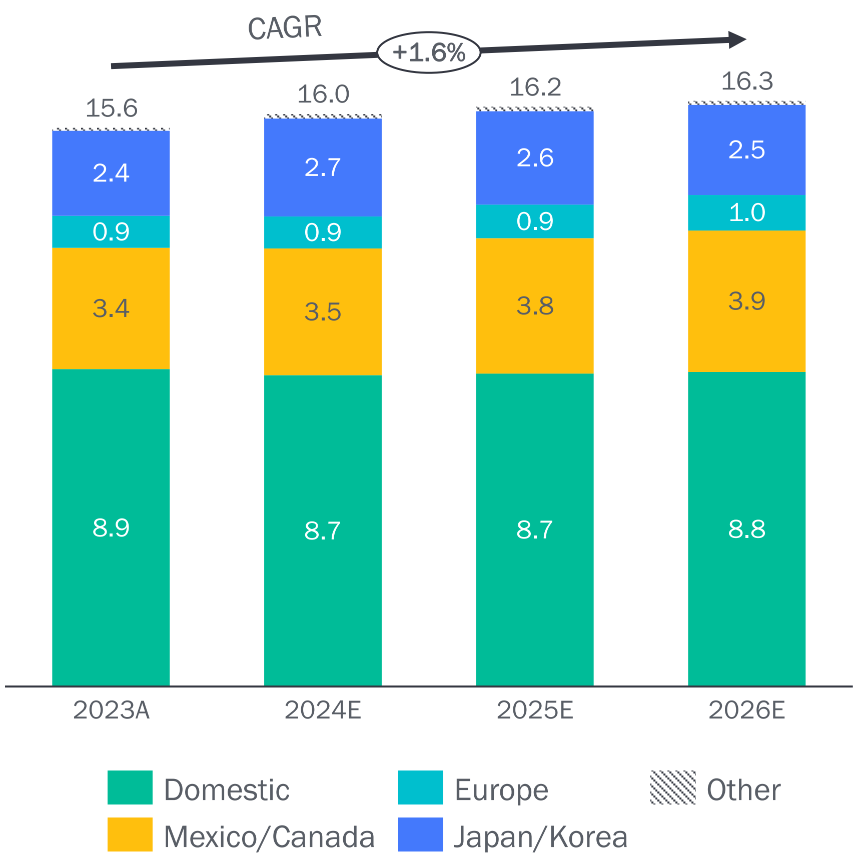


Sources: S&P 500

The value chain of the auto industry in NA is highly intertwined, i.e. no cars are purely American

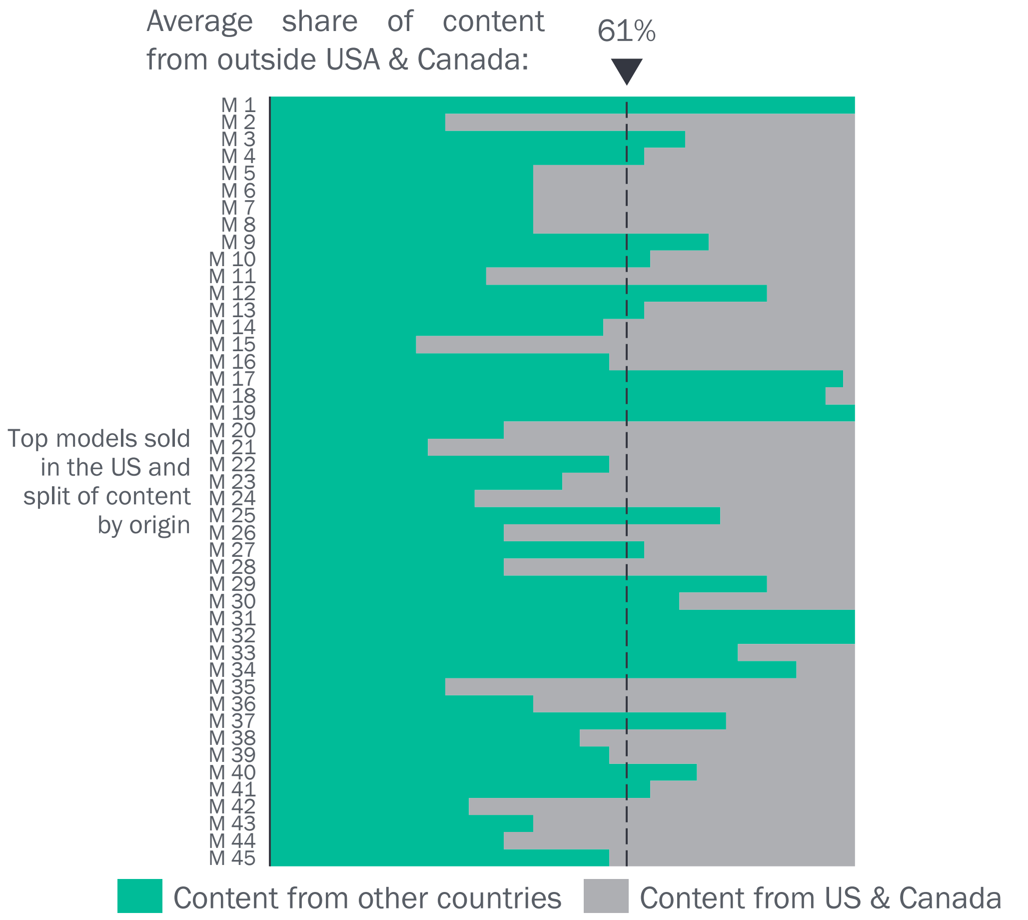
American sales split by origin

American sales by origin – million vehicles



Source: S&P500, NHTSA, WAWI Analyses

61% of content in the 45 most sold models in the US is sourced from outside US and Canada



Share of US/Canada content in the 45 most sold models in the US, accounting for 52% of sold volumes

Main business priorities to secure profitable growth in 2025

Shipping

Sustain high performance and utilization

- Deliver on contract and product commitments
- Grow Liner and Breakbulk and improve cargo mix
- Continue cost and energy efficiency improvements

Logistics

Expand footprint[1] and accelerate growth

- Renew key contracts and expand in targeted markets
- Develop and scale digital services and products
- Improve operational efficiency at sites

Government

Enhance position in US Flag and US Government market

- Further develop Atlantic service to serve US Government cargo needs
- Increase logistics scope and increase group synergies
- Continue cost and energy efficiency improvements

Lead with safety, security, and compliance

Realize synergies through our integrated Supply Chain Partner strategy

Maintain flexibility to adapt to possible market changes

1. Footprint includes terminals, vehicle and equipment processing centers, and Supply Chain Management

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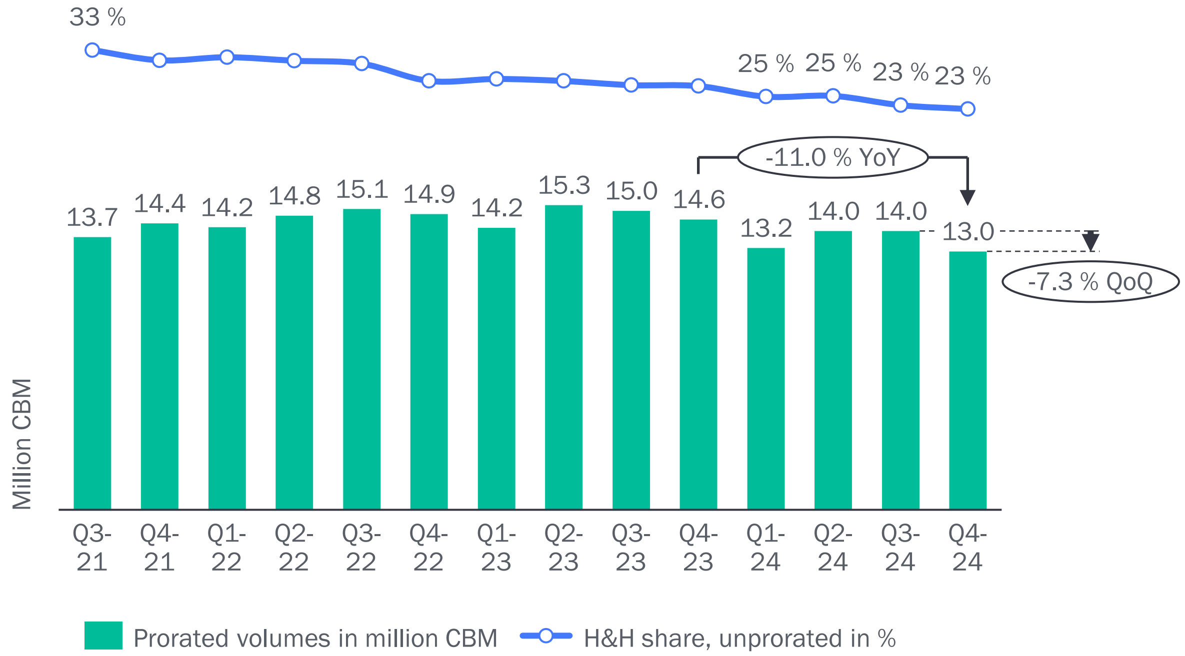
1. Shipping update
2. Logistics update
3. Sustainability update
4. Financial update
5. Prospects & Q&A

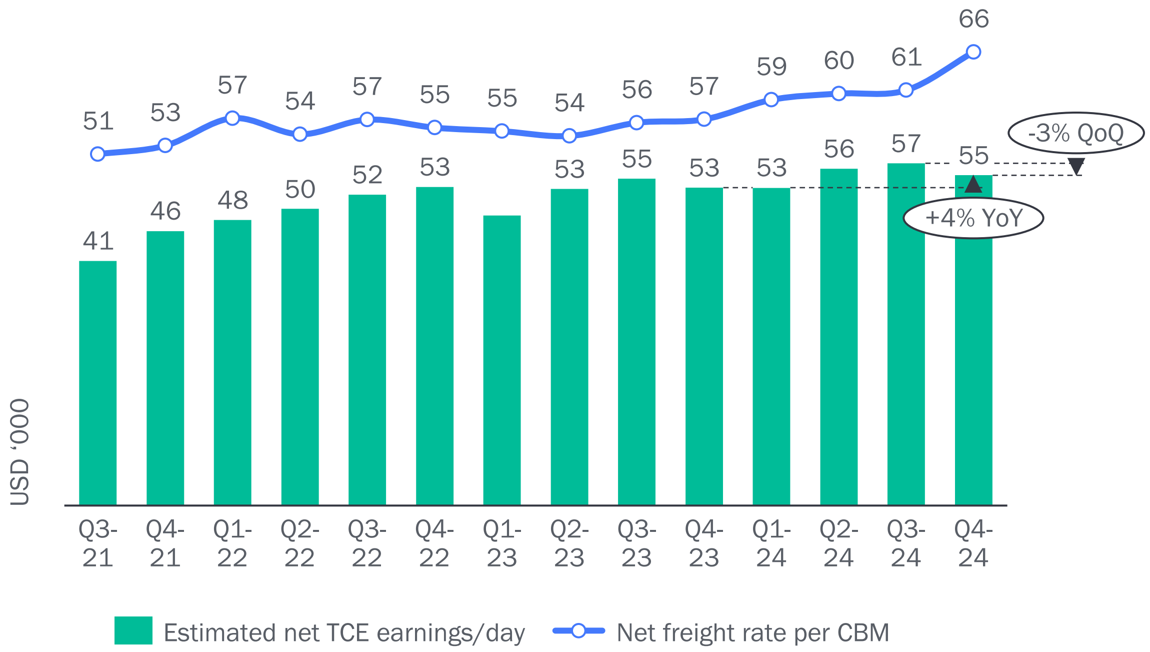
Net rate at record levels in a quarter with low volumes

Shipping services volume and cargo mix



- Volume down ~1m cbm QoQ, partly owing to lower production and strikes in Korea and increased number of backhaul voyages
- H&H + breakbulk share slightly down QoQ from 23.3% to 22.6%

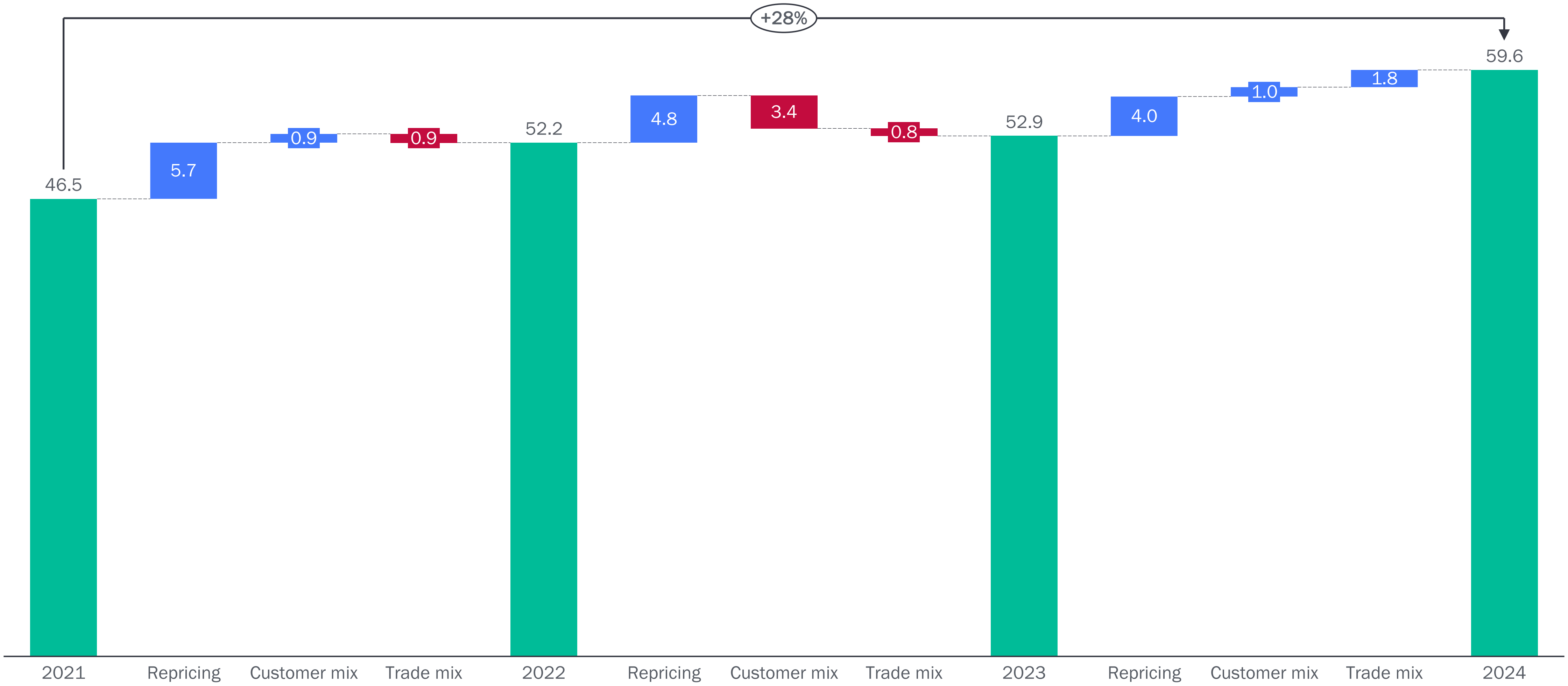
Estimated net TCE earning/day[1] and net freight rate/CBM



- Contract rates continues to have positive effects into the quarter
- Customer mix with the largest effect on net rates – increase of high paying customers
- Increase in rates in all cargo segments
- Net TC equivalent earnings[1] decreased QoQ but increased YoY
- Adjusted for one-offs Q4 TCE is USD56K and the net rate USD 64/cbm

1) TCE earning/day is net of fuel surcharges and fuel cost

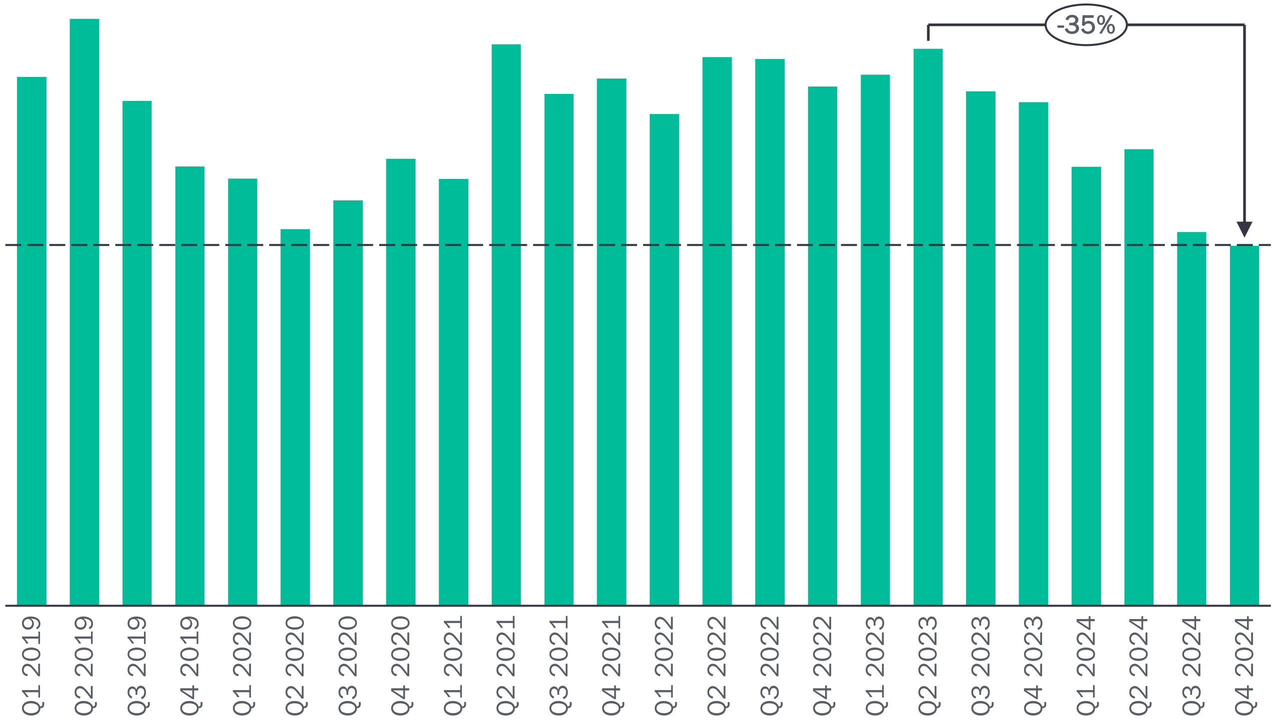
Average net rate up 28% from 2021 through 2024 driven by improved contract terms[1]



[1] The split between Customer mix and Trade mix is not exact, but can be viewed as a proxy

Earnings remain firm despite low H&H[1] volumes

Wallenius Wilhelmsen High & Heavy volumes (CBM)[2]

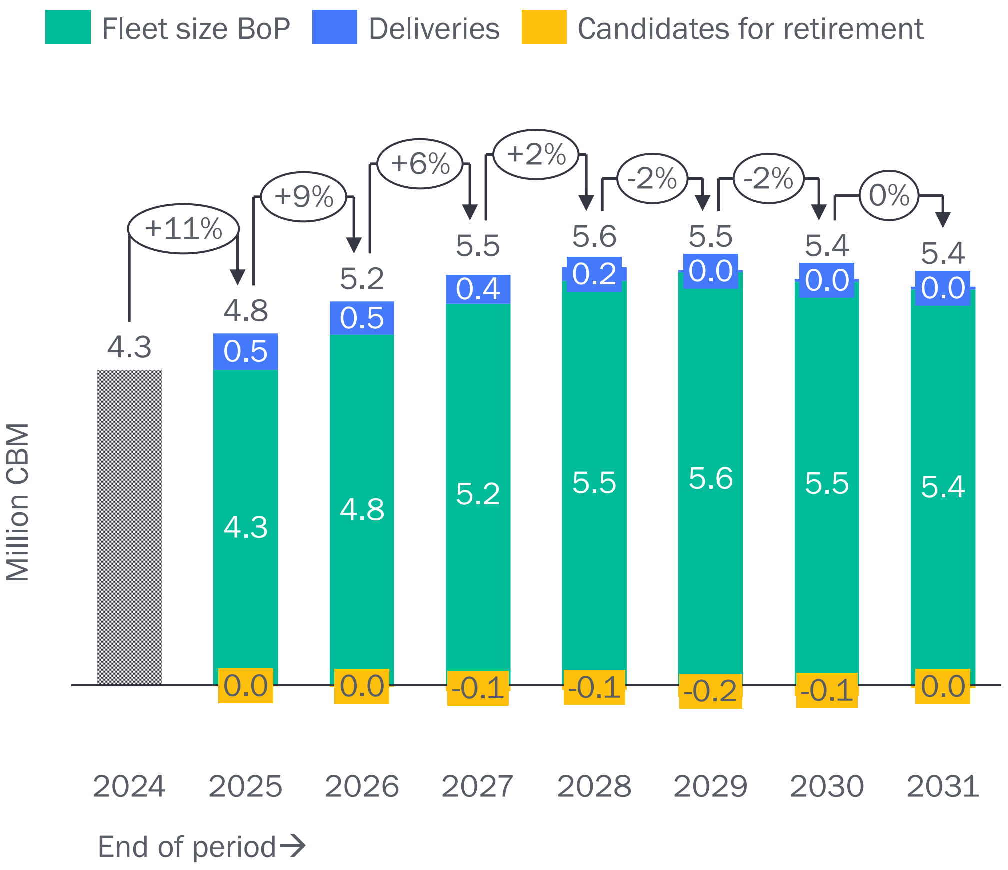


- Our loaded H&H volumes declined in recent quarters
- H&H and breakbulk remains our highest paying cargo
- Despite the current weakness, we anticipate markets to improve in the latter part of 2025 or into 2026
- A rebound in H&H and BB provides a potential upside to our earnings

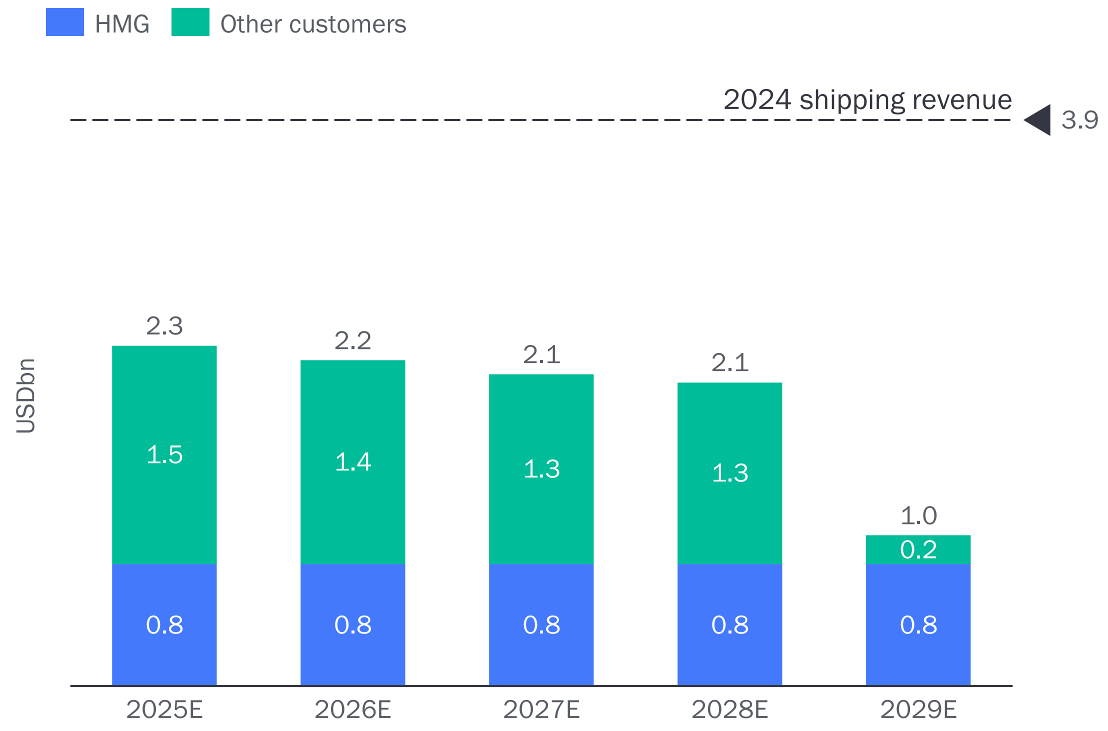
1. High and heavy cargo 2. Not including breakbulk cargoes, unprorated and indicative numbers
Source: Wallenius Wilhelmsen internal data

A solid contract backlog reduces our market exposure over the next years

Estimated development of PCC fleet (>2000 CEU)[1]



Estimated annual net revenue effect from contracts signed in 2024 (assume evenly spread)[2]



1) Estimates include only vessels of size above 2000 CEU and retirement is assumed at age 30 2) Estimated value based on volume and trade lane expectations
Sources: Clarksons, WAWI internal data

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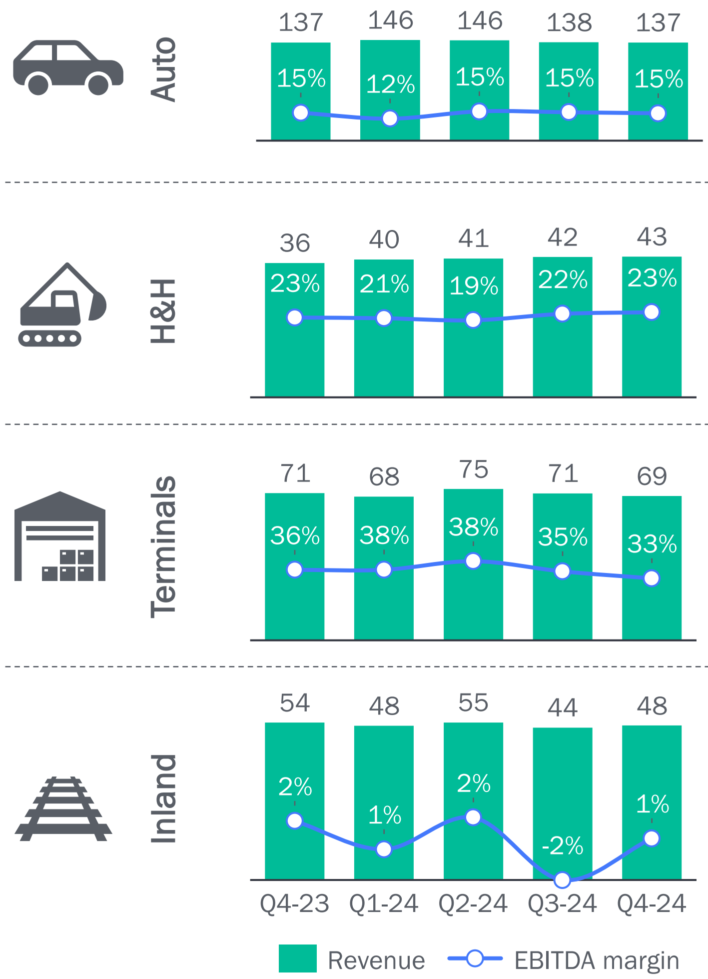
Stable activity level in Logistics with EBITDA slightly down on product mix

US Auto and Terminals volumes

Million units

Revenue & EBITDA margin



- Positive effects from higher US auto sales in quarter
- OEM production cuts, inventory rebalancing and EV tariffs in Canada had a negative effect

- Soft markets led to limited throughput of H&H equipment
- Storage revenue improved as inventory levels remain high

- Reduced biosecurity revenue in quarter
- MIRRAT sale still pending approval. Expect conclusion in early 2025

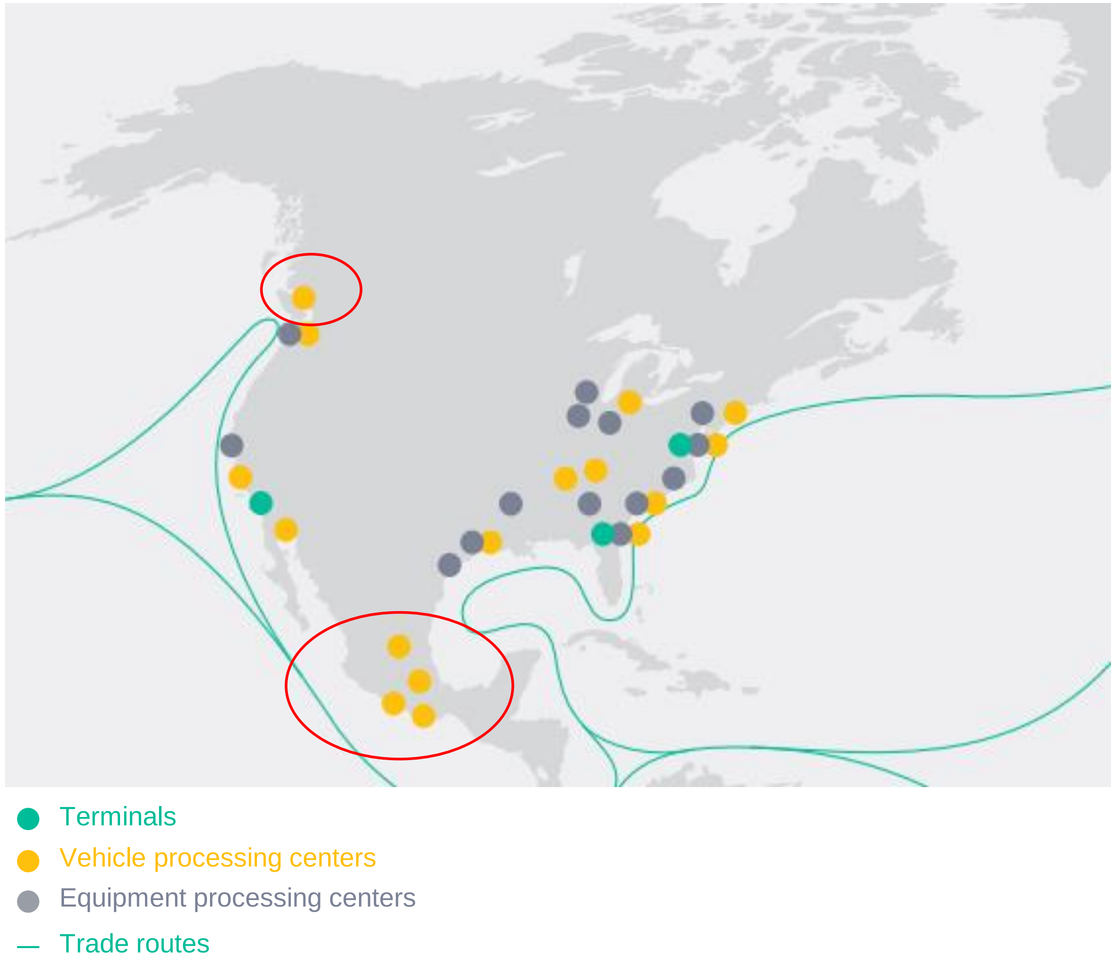
- Margins improved QoQ on somewhat better activity in inland trucking

We have a sizable land-based presence in Mexico and Canada

Well-positioned for potential growth in US production

- US tariffs may impact our Logistics operations both positively and negatively
  - Internal US volumes may increase, and we may see additional seaborne import
  - Cross-border traffic from Mexico may decline
- Mexico is processing vehicles for the US market
- Canada is linked to imports (non-US sources)
- What could be the impact of tariffs?
  - EBITDA contribution from Mexico <USD 10m
  - In Canada, we have seen effects from the 100% tariff on Chinese EVs introduced late 2024

Land-based footprint in North America



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We are in the forefront of Shipping companies validating near-term and net-zero climate targets by SBTi

Climate targets (base year 2022)	2030		2040
Reduction of absolute scope 1 GHG emissions from logistics operations	42 %	›	90 %
Reduction of absolute WTW scope 1 and 3 GHG emissions from shipping operations	40 %	›	96.4 %
Reduction of intensity WTW scope 1 and 3 GHG emissions from shipping operations per tonne nautical mile	44 %	›	97.1 %
Increase annual sourcing of renewable electricity to 100%	100 %	›	100 %
Reduction of remaining absolute scope 3 GHG emissions*	-	›	90 %

Validated by SBTi

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

*Approximately 76% of Scope 3 emissions is covered in absolute well-to-wake GHG emissions targets for shipping operations which will be reduced significantly by 2030. The remaining absolute Scope 3 emissions is covered in the 2040 target.

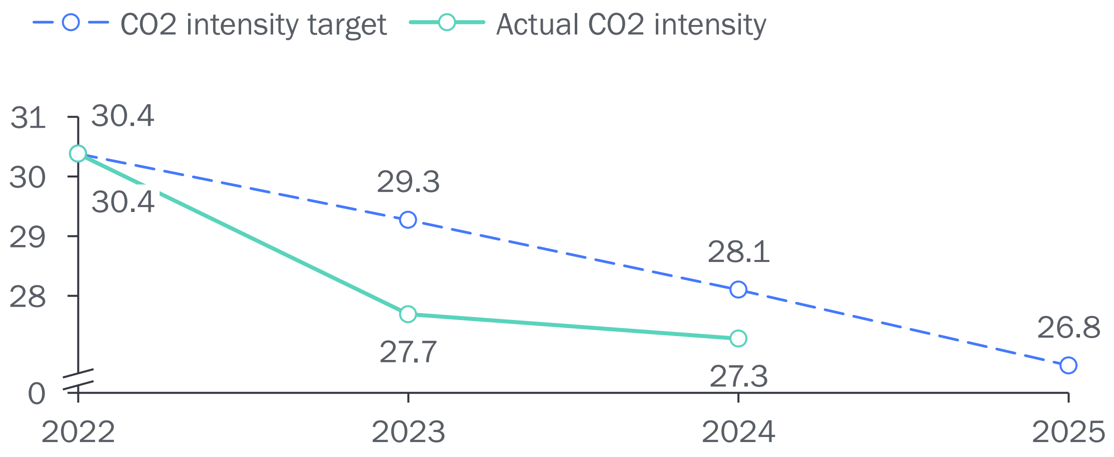
Committed to safe and sustainable operations

LTIF[1] down QoQ in Logistics and Shipping

	2022	2023	2024	Target
LTIF Shipping per million man-hours exposed	0.38	0.56	0.41	0.75
LTIF Logistics per million man-hours worked	15.76	14.33	12.25	12.83

- LTIF for both Shipping and Logistics remains below our annual targets and have decreased significantly QoQ
- LTIF Shipping is at 0.18 for Q4, down QoQ from 1.12.
- LTIF Logistics is at 9.88 for Q4, down QoQ from 12.93.

CO_2e intensity ahead of target for 2024[2]



- CO_2e intensity increased to 27.6 in Q4 2024, up from 25.3 in Q3 2024 due to challenging weather conditions
- CO_2e intensity for 2024 was 27.3, below our 2024 target of 28.1

1) LTIF: Lost time injury frequency
2) CO_2e intensity – gCO_2e / tonne km (EEOI). CO_2e intensity targets have been measured annually and are based on EEOI tank-to-wake (SBTi trajectory). From Q1 2025 we will update the intensity targets with well-to-wake CO_2e intensity, measured in gCO_2e / tonne nm (EEOI) in line with our validated science-based target.

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FY 2024 Financial highlights

USDm, except per cent, per share and multiples[1]

Strong fundamentals	Solid balance sheet	Long-term value creation
Revenue **5,308** (5,149 / +3%)	Net debt **1,758** (2,007 / -12%)	ROCE >8% **19.9%** (17.9%[3])
Adj. EBITDA **1,901** (1,807 / +5%)	Cash **1,393** (1,705 / -18%)	Equity ratio >35% **39.5%** (36%[3])
Operating cash flow **1,762** (1,771 / -1%)	Dividend per share (paid/announced)[2] **USD 1.85** (USD 1.14 / +62%)	Leverage ratio <3.5x **0.9x** (1.1x)

1) Figures in brackets represents FY23 / YoY growth, except for ratios
2) Growth in DPS reflects dividend paid for 2023 versus paid/announced under 2024 pay-as-you-go dividend policy
3) Restated

Financial highlights – Q4 2024

USDm, except per share, per cent and multiples

	Q3-24		Q4-24
Revenue	1 353	↘	1 341
Adj. EBITDA	503	↘	452
Operating cash flow	554	↘	413
Cash	1 829	↘	1 393[2]
Net debt	1 498	↗	1 758

Financial targets[1]

Target	Value	Y	Q
ROCE > 8%	19.9%	+2.1	+0.4
Equity ratio > 35%	39.5%	+3.5	+5.1
Leverage ratio < 3.5x	0.9x	-0.2	+0.1

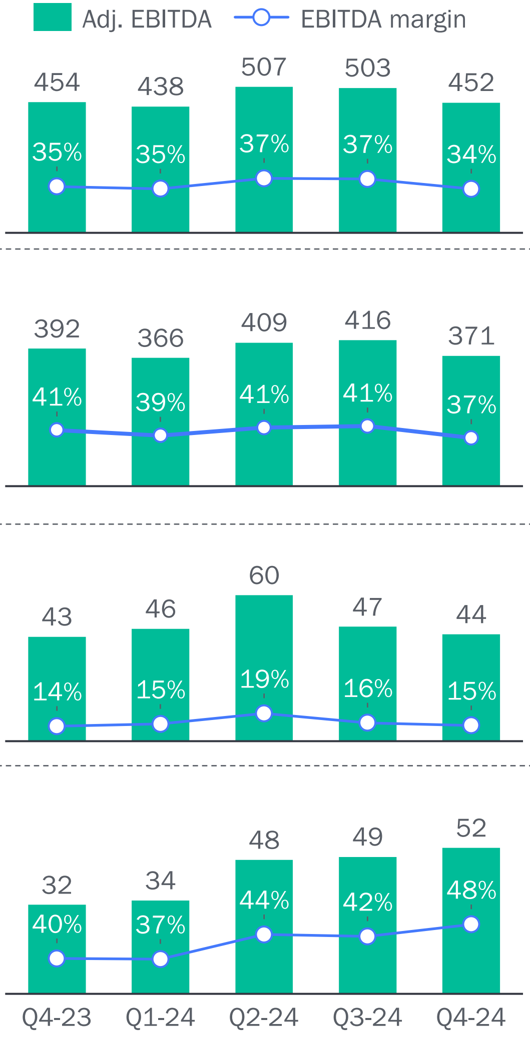
1) Long-term, over-the-cycle targets – ROCE: LTM adj. EBIT / LTM average capital employed | Equity ratio: Total Equity / Total Assets | Leverage ratio: Net interest-bearing debt / LTM adj. EBITDA. ROCE and equity ratio adjusted based on restatement of accounts announced in Q2
2) Excludes USD 37m in cash related to assets held for sale (MIRRAT)

Q4 Segment performance

USDm, unless otherwise noted

Revenue

Adj. EBITDA



Comments

Group

- Revenue ended almost flat QoQ
- Reduced Shipping volume was a key reason for the decline in adj. EBITDA QoQ
- EBITDA margin declined YoY and QoQ

Shipping

- Volumes reduced QoQ mainly owing to strikes and seasonality
- Net rates ended at record levels, but EBITDA was down due to lower volume, plus year-end one-off costs
- H&H volumes are low but share of cargo remains stable

Logistics

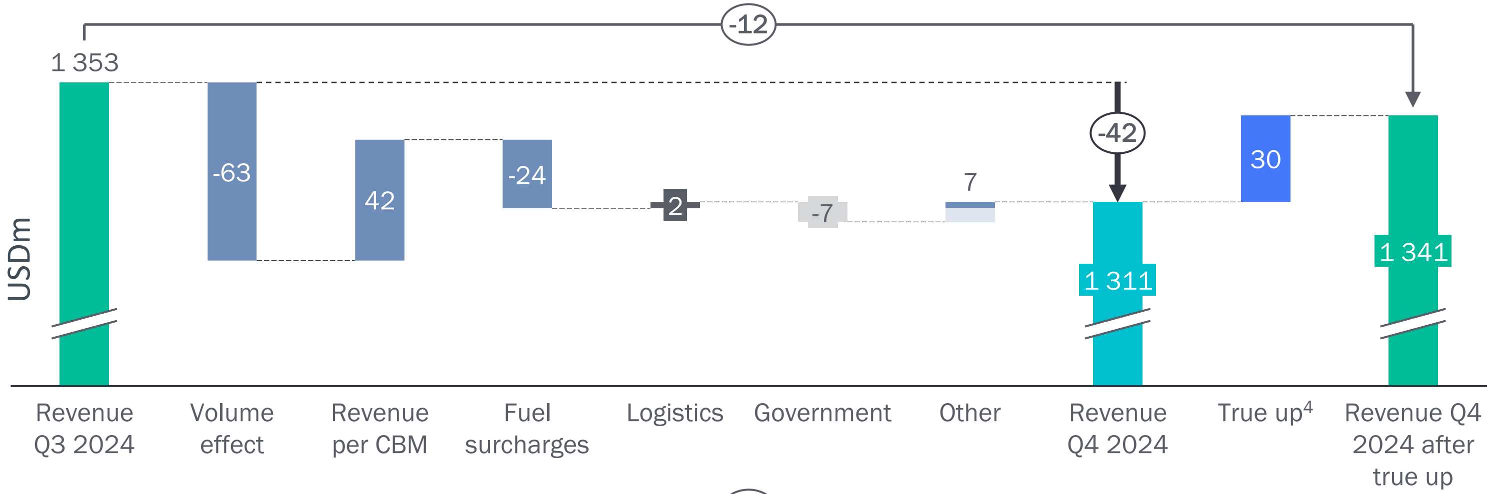
- Revenue ended almost flat YoY and QoQ
- Reduced throughput revenue in part offset by higher storage
- EBITDA declined QoQ on less high margin business

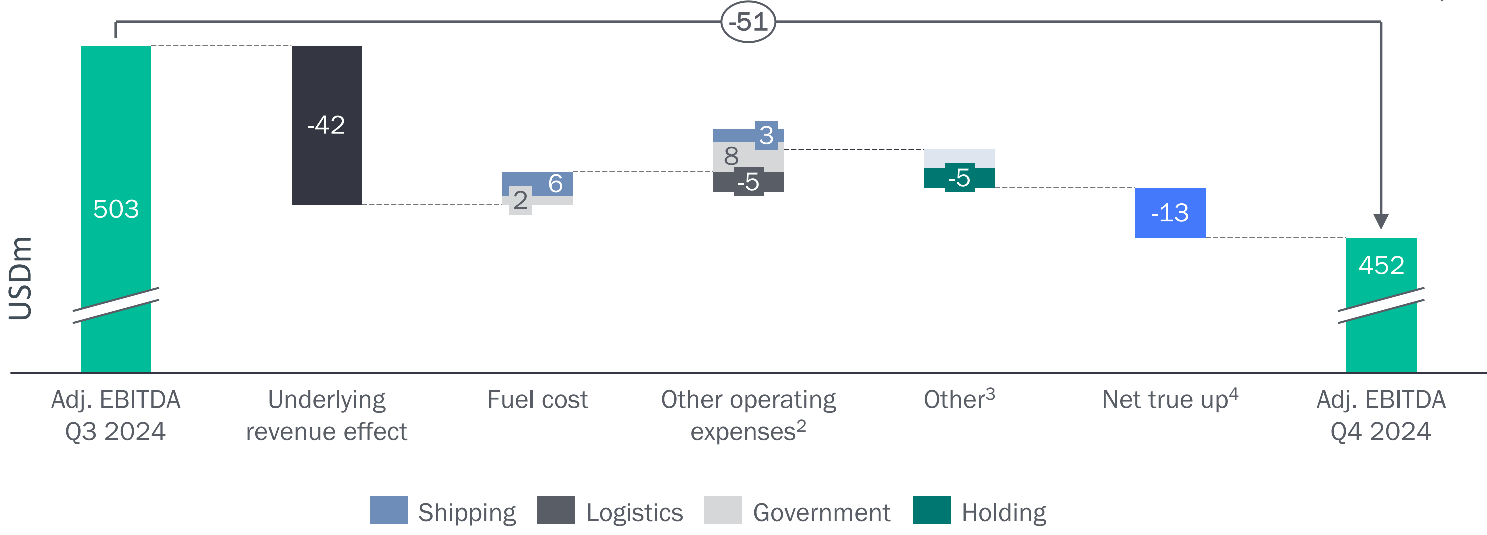
Gov't

- U.S. flag cargo activity was higher than normal in Q4
- Adj. EBITDA saw a solid improvement YoY and ended at record levels in Q4

Revenue and adjusted EBITDA down QoQ

- Revenue down QoQ on volume and BAF
  - Negative volume effect partly offset by higher achieved rates per cbm
  - Fuel surcharges ended down QoQ on lower bunker prices
  - Revenue and cost increased due to a non-cash true up of deferrals and accruals
- Adj. EBITDA[1] down 10% QoQ
  - Underlying revenue effect USD -42m
  - Positive net effect from reduced fuel costs
  - Cost increases in Logistics were partly offset by reduced costs in Government
  - SGA expenses were partly driven by bonus accruals
  - Non-cash true up had a net EBITDA impact of USD -13m



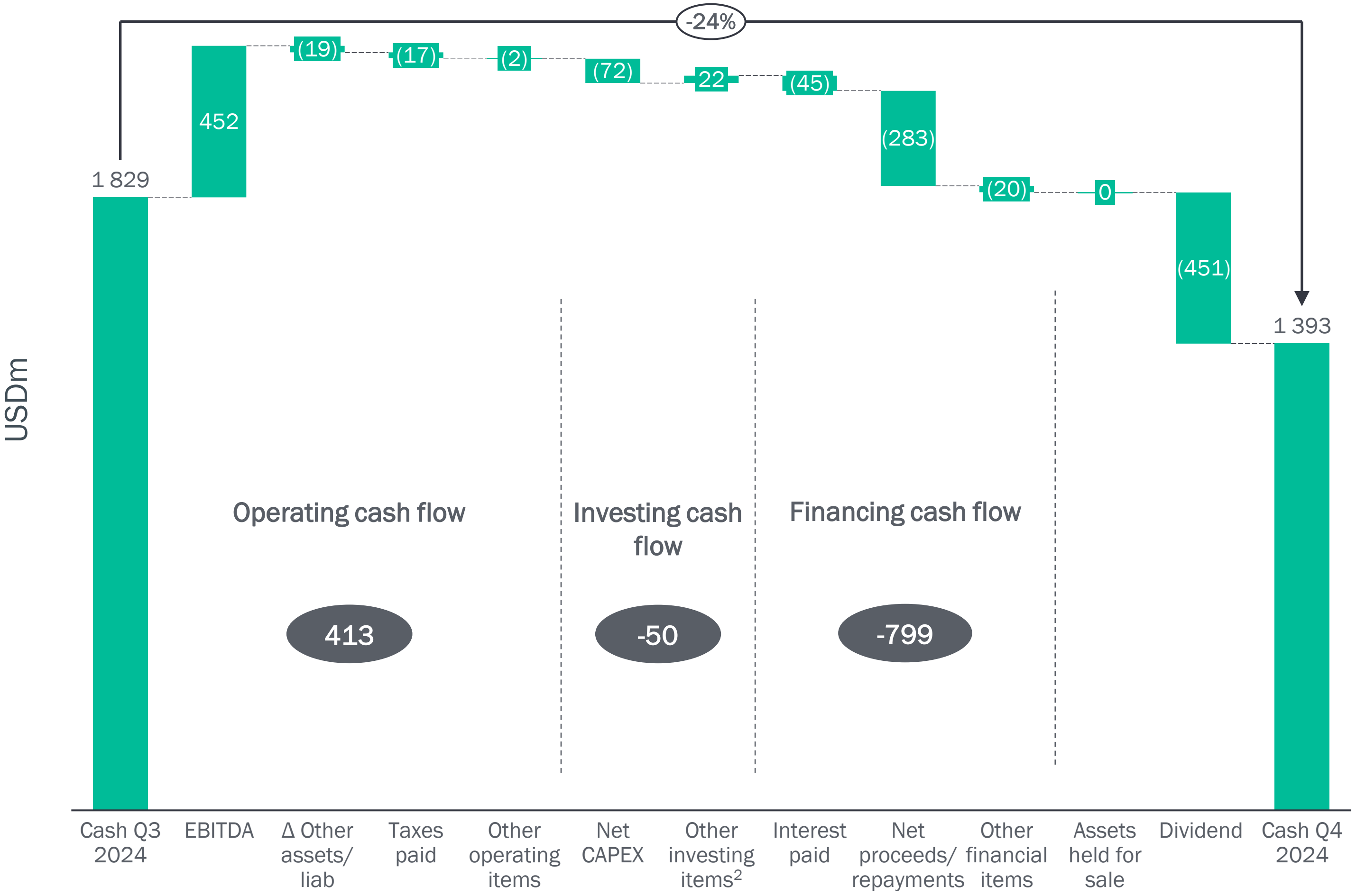


1) No adjustments in Q4 2024 on group level (Q3 2024 adjusted for provision USDm 32, 2) Other operating expenses includes cargo- and other voyage expenses, ship operating expenses, charter expenses, manufacturing cost, and SG&A expenses 3) Other includes holding expenses (mainly SG&A) and eliminations 4) Accumulated previous period true up (revision of deferrals and accruals from system migration)

Liquidity remains solid after USD 451m of dividends and USD 140m voluntary reduction in drawn debt

Comments

- Q4 operating cash flow of USD 413m, representing cash conversion of ~91%[1]
- Net CAPEX items relate to newbuilds, drydock, and other assets
- Net proceeds/repayments consists of scheduled repayment of debt and reduction in drawn RCF
- Other financial items include USD 16m increase in cash collateral
- In October, the group paid USD 451m in dividends
- Undrawn credit facilities at USD 494m, increased due to voluntary USD 140m reduction in drawn RCF

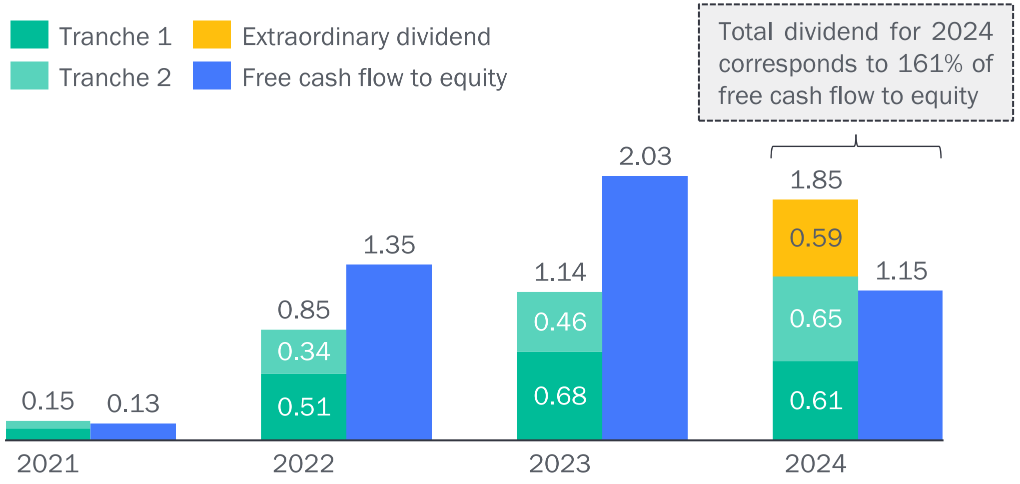


1) Cash conversion: Operating cash flow/adj. EBITDA
2) Includes interest received on bank deposits and dividends from joint ventures and associates

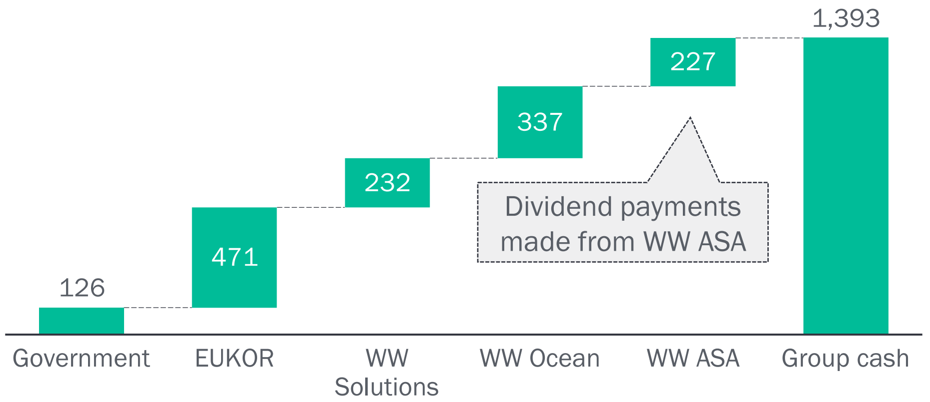
USD 1.24 per share to be paid in dividend for H2 2024

- Dividend of USD 1.24/share consists of 50% of H2 net profit and an extraordinary element of USD 0.59/share
- Total dividend linked to 2024 earnings of USD 1.85/share
- We intend to pay high dividends in the top end of our policy range, with extraordinary payments when the financial position allows
- Cash at ASA level determines dividend
  - Cash at subsidiaries are not always directly available owing to structural limitations
  - 80% owned EUKOR restricted to two dividend payments per year

Dividend history (USD/share)[1]



Group cash bridge year-end 2024 (USDm)



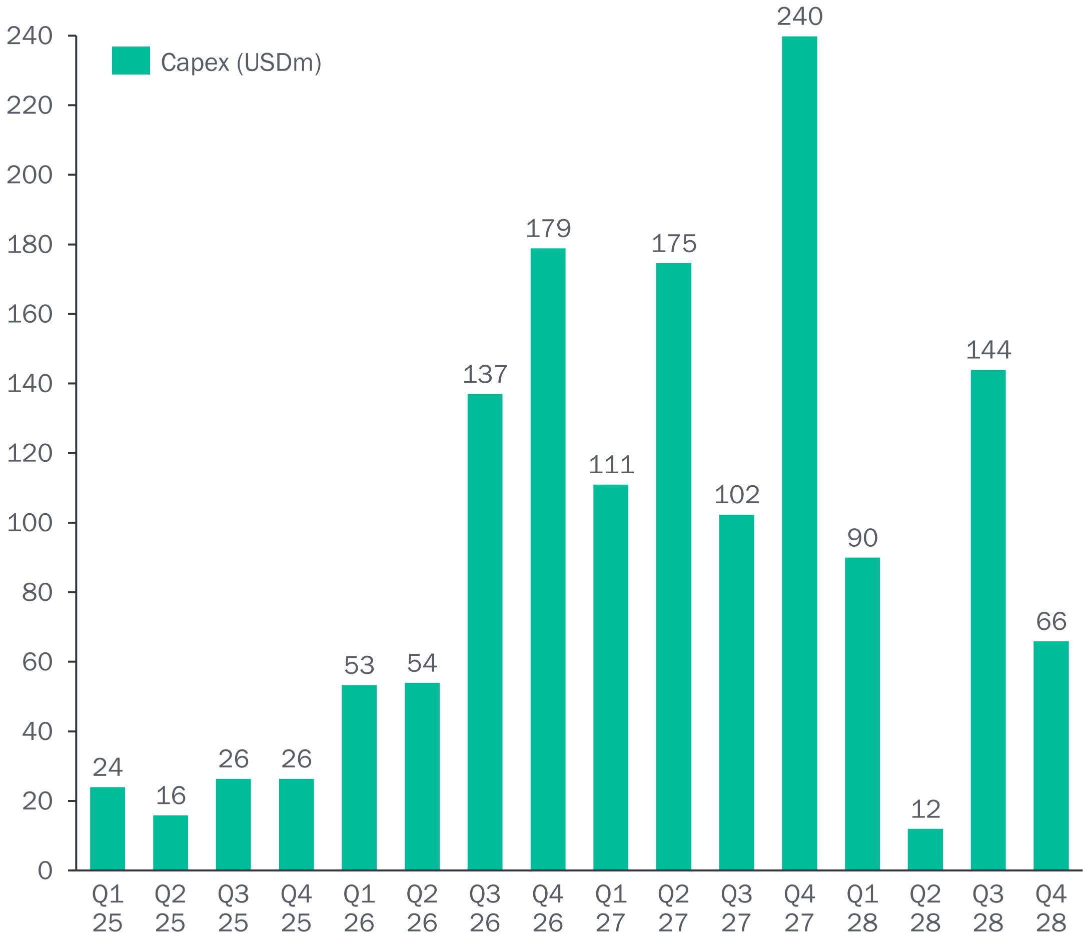
1. Note that the dividend listed under each year up to 2023 was paid in the consecutive year according to our old dividend policy. With the new dividend policy, the dividend for H1 2024 was paid in H2 2024, while the dividend for H2 2024 will be paid in H1 2025

Source: Internal company data

Remaining capex commitments of USD 1.5bn linked to our 14 newbuildings

- Following the declaration of two options and upsizing of vessels, our newbuilding program consists of 14 vessels with delivery in the period 2026 through 2028
  - 7 x 9,300 CEU
  - 7 x 12,100 CEU
- Remaining capex stands at USD 1.5bn
  - As previously advised, we have secured pre-delivery financing for six of the newbuilds
  - We expect to finance the remaining vessels closer to delivery

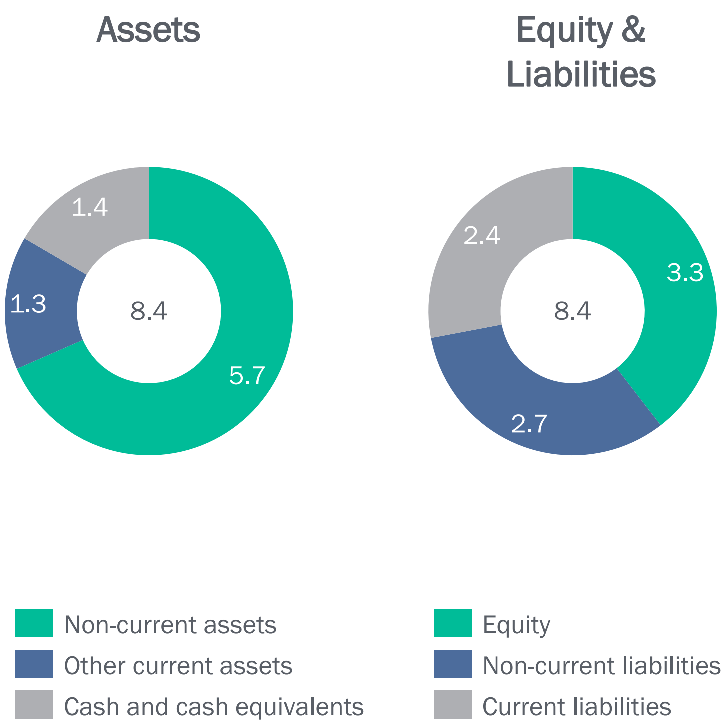
Current payment schedule newbuilding program (USDm)



The group maintains a robust balance sheet and strong liquidity position

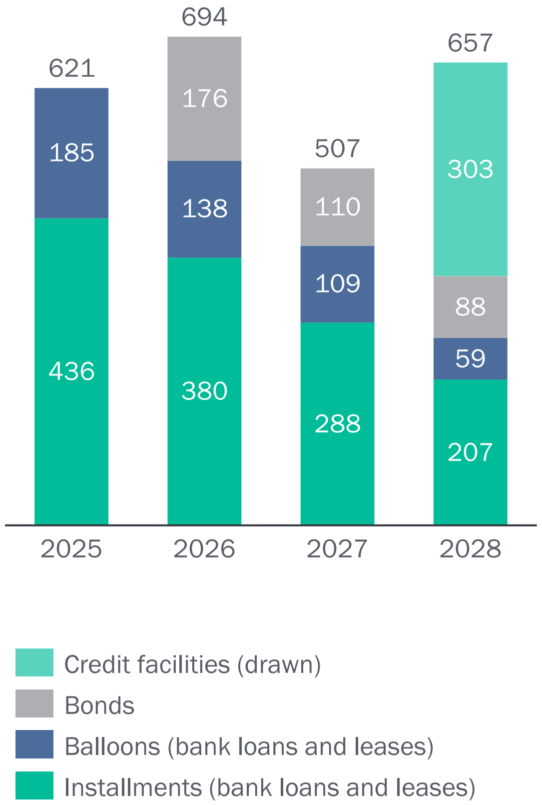
Balance Sheet per end Q4-24

USD billion



Debt Maturity Profile

USD million

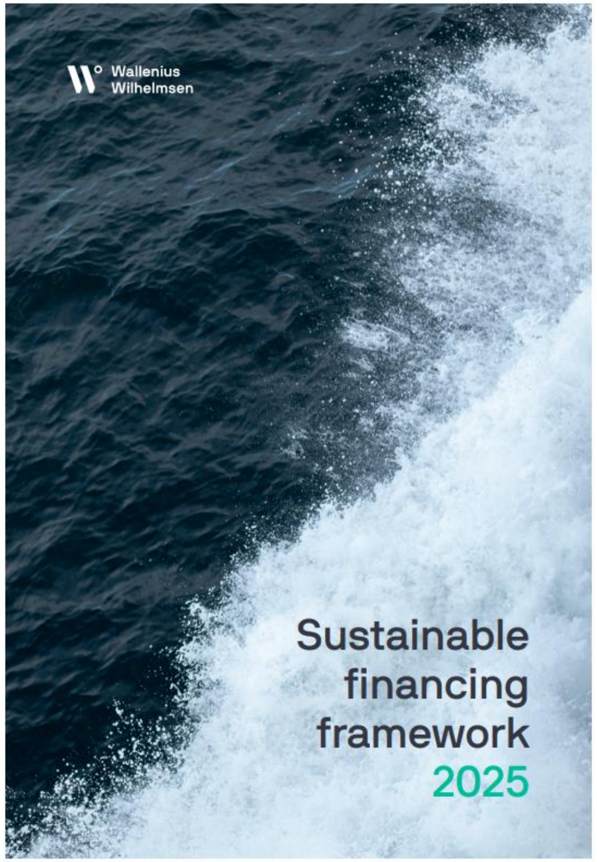


Comments

- Equity ratio increased to 39.5%
- Net debt increased QoQ to USD 1.8bn due to reduced cash
- Out of the 14 Shaper class vessels on order, 7 will be allocated to EUKOR and 7 to WW Ocean
- EUKOR has secured post-delivery financing for 6 vessels
- Financing for the remaining vessels will be arranged closer to their delivery dates
- 25 unencumbered vessels

Financing our net-zero 2040 commitment – new sustainable financing framework

- We need to invest in fleet renewal, trucks, and equipment, while transitioning to low-carbon fuels to achieve net-zero by 2040
- Our new green and sustainability-linked financing framework invites investors and lenders to join us on this journey
  - The framework aligns with our commitment to achieve net-zero greenhouse gas emissions by 2040
  - Our targets are validated by the Science-Based Target initiative to meet the Paris Agreement’s 1.5°C target
  - S&P Global Ratings has issued an independent opinion of the framework affirming its credibility and alignment with sustainability goals
- The updated framework combines the opportunity to issue:
  - Green proceeds debt that aligns with the EU Taxonomy
  - Sustainability-linked debt that is linked to our net-zero 2040 goals



You can find the framework, and all related reports on our website Investors Relations - Wallenius Wilhelmsen under Sustainable Finance

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Prospects

Based on the current market situation and recent contract renewals, combined with heightened market and geopolitical uncertainty, we expect our adjusted EBITDA for 2025 to be at least in line with, or up to 10% above, what we reported in 2024. We anticipate that the second half of 2025 will be better than the first half as new contracts take full effect.

The guidance is based on the following assumptions:

- Sale of MIRRAT completed in Q1
- Continued avoidance of the Red Sea
- No material negative effects from tariffs on volumes

Market Outlook: Based on our book of business and recent contract renewals in shipping and logistics, we expect 2025 to be another strong year.

Our outlook remains positive, while we are closely monitoring two key risks:

1. Geopolitical challenges and the risk of escalating trade conflicts
2. We expect fleet growth to accelerate and this may impact the market balance


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CARMEN

Q & A

Wallenius Wilhelmsen

Thank you!