Wallenius Wilhelmsen ASA

Q3 Report 2024

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Highlights – Q3 2024

- Wallenius Wilhelmsen delivers another strong quarter with Q3 adjusted EBITDA of USD 503m
- Shipping and Government segments adjusted EBITDA improved QoQ and YoY
- Logistics declined QoQ mainly due to seasonal effects on volumes and product mix
- Solid progress in contract renewals, expecting to announce further contracts before year-end
- Upsized four newbuildings to 11,700 CEU and secured attractive financing for six Shaper class vessels
- Continued strong demand for shipping and logistics services despite softening sales signals for auto and H&H equipment
- EBITDA for 2024 will be somewhat better than in 2023

“We are proud to announce the second strongest quarter on record with adjusted EBITDA of USD 503m. All business units are performing well and the activity level is high across the organization. Year-to-date, all segments have delivered better than in 2023 and we are confident that 2024 EBITDA will be somewhat better than 2023.

Renewals for contracts expiring in 2024 are progressing well, as evidenced by the latest announcement of a five-year contract in the H&H segment. We see strong and increased demand in areas where we have industry leading offerings, including shipping, logistics, integrated supply chain, digital and reduced emissions services.

2024 will be another strong year for Wallenius Wilhelmsen, providing a solid backdrop for our pay-as-you-go dividend policy and allowing us to invest in renewing and growing our business."

Lasse Kristoffersen
CEO

Consolidated results and key figures – Q3 2024

Q3-24 results in line with all time high results in Q2-24 , reflecting continued high activity and profitability across all segments, despite continued geopolitical and operational challenges.

USDm*	Q3 2024	Q2 2024	% change QoQ**	Q3 2023	% change YoY**
Total revenue	1,353	1,359	-1%	1,311	3%
EBITDA***	471	507	-7%	478	-1%
EBIT***	328	363	-9%	335	-2%
Profit for the period	259	315	-18%	279	-7%
Earnings per share[1]	0.55	0.69	-20%	0.59	-5%
Net interest-bearing debt***	1,498	1,814	-17%	2,171	-31%
ROCE adjusted**/***	19.5 %	18.9 %	0.6%	18.2 %	1.3%
Equity ratio**/***	34.4 %	35.7 %	-1.3%	38.3 %	-3.8%
Leverage ratio***	0.8x	1.0x	-22%	1.2x	-39%
EBITDA adjusted***[2]	503	507	-1%	478	5%
EBITDA adjusted margin**	37.2 %	37.3 %	-0.1%	36.5 %	0.7%

** Except per share and per cent*
*** For ROCE adjusted, Equity ratio and EBITDA adjusted margin, % change represents absolute change in ratio*
*** For alternative performance measures please refer to Reconciliation of alternative performance measures

The figures for Q3 2023 have been restated to reflect the change in accounting method for the put and call option over the 20% non-controlling interest in EUKOR. This restatement impacts EBIT, profit for the period, earnings per share, ROCE adjusted and equity ratio. Please refer to note 2 for further explanation of the restatement. In the commentary below, comparative figures refer to the restated amounts.

Consolidated results

Total revenue in Q3 was USD 1,353m, down 1% from the previous quarter. Stable volumes and revenues in the Shipping services segment, increased revenues in the Government segment offset by seasonal reduction in the Logistics services segment. Compared to Q3-23, total revenue for the group increased despite the volume reduction following the Red Sea diversion in the Shipping services segment. The reduced YoY shipping volumes were more than offset by higher net freight rates and growth in the Government and Logistics segments.

EBITDA for the quarter ended at USD 471m, down 7% QoQ including a USD 32m provision in Q3 (see note 12 for details). Adjusted EBITDA for the quarter ended at USD 503m on stable shipping volumes and somewhat lower volumes and revenues in the Logistics services segment due to seasonality. SGA for the quarter was negatively impacted by a donation of USD 12m linked to the Korean tonnage tax system (see more details in the Shipping services section). YoY our EBITDA margin improved by 0.7% points.

Shipping services delivered a Q3 EBITDA of USD 404m, down 1% compared to Q2. The segment's adjusted Q3 EBITDA ended at USD 416m, up 2% QoQ and 6% YoY. Higher revenues were driven by slightly higher fuel surcharges as transported volumes and average net freight rates were stable

[1] After tax to equity holders of the parent

[2] Q3-2024 EBITDA was impacted by a USD 32m provision not included in the adjusted EBITDA (there were no adjustments in Q2-2024 and Q3-2023)

in the quarter. The Q3 EBITDA for Shipping services includes a gain of USD 20m linked to an internal vessel sale that is netted out on a Group level. Logistics services EBITDA decreased USD 13m compared to the previous quarter on lower revenues and a seasonal drop in high-margin services. Further, Government services EBITDA increased by USD 1m QoQ, on continued high demand for government cargo moves.

EBITDA decreased by 1% YoY with improvements in Shipping and Government segments.

Net financial expense was USD 55m in Q3, compared to a net financial expense of USD 39m in Q2.

Interest expenses including realized interest derivatives was USD 52m, on par with the previous quarter. The group had an unrealized loss of USD 24m on interest derivatives in the quarter compared to a USD 3m loss in the previous quarter.

Net currency gain ended at USD 1m as the USD 31m realized losses on currency derivatives and currency translation gain of USD 2m was mostly offset by USD 30m in net unrealized gain on currency derivatives. USD 30m of the realized losses and unrealized gains was linked to the currency swaps for our NOK bond debt that has been swapped to USD.

The group recorded a tax expense of USD 15m for Q3, compared to USD 10m in the previous quarter.

The quarter ended with a net profit of USD 259m, down 13% from USD 315m in Q2 and down 7% from USD 279m in Q3-23. USD 234m of the net profit is attributable to shareholders of Wallenius Wilhelmsen ASA, while USD 25m of net profit is attributable to non-controlling interests (primarily the minority shareholders in EUKOR).

Capital and liquidity

The group continued strengthening its cash balance and reducing interest-bearing debt during the quarter on the back of solid operating cash flow and limited investments.

Cash flow, liquidity and debt debt, USDm	Q3 2024	% change QoQ	% change YoY	Comment
Cash flow, operating	554	41 %	36 %	Strong EBITDA and positive change in working capital results in a cash conversion ratio* of 110%
Cash flow, investing	-48	n.a.	n.a.	USD 21m interest income less investments of USD 44m newbuild yard payments, USD 6m project cost, USD 13m dry dock, and USD 6m property and other
Cash flow, financing	-303	-47 %	86 %	Reflects change in total debt, interest cost, realized derivatives for matured bond, USD 9m release of cash collateral for swaps and dividends to non-controlling shareholders in EUKOR
Change in cash	189	n.a.	n.a.	Adjusted for USD 14m change in cash related to assets held for sale (MIRRAT)
Cash and cash equivalents	1,829	12 %	16 %	Increased QoQ and YoY on strong operating cash flow and limited investments, despite significant debt reductions and interest cost
Total interest-bearing debt	3,327	-4 %	-11 %	Reduced on scheduled debt and lease payments, USD 138m ASA bond maturity, WWO repaid USD 24m for two vessels while ARC increased debt by USD 63m for one vessel. See note 10.
Net interest-bearing debt	1,498	-17 %	-31 %	Reduced on increased cash and reduced debt
Undrawn credit facilities	354	-5 %	-16 %	Reduced USD 18m due to sale of vessel from WWO to ARC with consequent debt reduction

*Cash conversion ratio = Operating cash flow / adj. EBITDA

The group is now at its target bond debt level with three outstanding bonds in the market, after paying the Q3 bond maturity. Unencumbered vessels increased by one to 22 vessels. Post quarter end, the Group paid USD 452m in approved dividends linked to 2023 and H1-2024.

Remaining capex for the twelve Shaper class newbuildings on order is USD 1.2bn with deliveries stretching from 2026 to 2028. Four of the vessels were upsized to 11,700 CEUs during the quarter at an increased cost totaling USD 41m, while we paid installments of USD 44m in Q3. In September, EUKOR secured in total USD 450m of post-delivery sustainability-linked financing for its six vessels for seven years from each delivery at Term SOFR + margin 155 basis points. The six WWO[1] vessels will be financed closer to delivery.

The group continues to work towards its long-term financial targets. The recent reduction in equity ratio is not expected to continue as it reflects that the group introduced a semi-annual dividend policy during the year and is effectively paying dividends for 2023FY and H1 2024.

[1] Wallenius Wilhelmsen Ocean

Financial targets*	Q3 2024	Change QoQ***	Change YoY***	Comment
ROCE (adjusted) > 8%	19.5%	0.6%	7.9%	Well above target, due to strong operating earnings and reducing debt
Equity ratio > 35%	34.4%	-1.3%	-3.8%	Expected to increase above target during the next quarters
Leverage ratio < 3.5x**	0.8x	-0.2x	-0.4x	Well below target, due to solid cash and reducing debt

*The over-the-cycle financial targets are defined and calculated under Reconciliation of alternative performance measures

**Leverage ratio = Net interest-bearing debt/adjusted EBITDA

***% change represents absolute change in ratio

Fleet

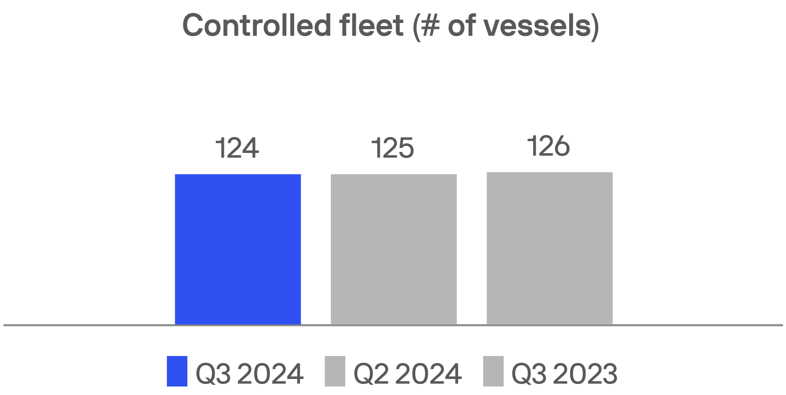
Wallenius Wilhelmsen controlled a fleet of 124 vessels, at the end of Q3. That is one vessel down from Q2 as Dream Diamond was re-delivered to its owners.

On the newbuilding side, four of the twelve Shaper class vessels on order were upsized to 11,700 CEUs during the quarter.

The charter market remains fundamentally strong and charter rates for tonnage continue to be high. In general, the decision to add, extend or redeliver charters will depend on the overall market situation, including price of charters, demand growth and the long-term fleet strategy.

We constantly evaluate renewals or replacements to our chartered fleet to adjust to changes in customer demand, reduce emissions, and improve fuel economy. In lieu of our fleet planning for the coming years and to cope with an expected increase in shipped volumes, we have agreed to charter-in seven external vessels during Q3. The average duration of these charters is five years and the vessels are scheduled to be delivered from late 2024 through 2025. In addition, we have extended two existing charters during the quarter.

Based on the average of two independent broker estimates, the estimated market value of our 88 owned vessels is USD 6.5bn at the end of Q3 (down 3.9% QoQ).



Events after the balance sheet date

On 10 October Wallenius Wilhelmsen distributed USD 452m in dividends linked to the second tranche of the 2023 dividend and the H1-2024 dividend payment.

The International Longshoremen's Association conducted a strike impacting US East Coast and Gulf Coast ports on October 1-3. The brief strike had limited impact on our operations and financial results. A final agreement is yet to be reached and we will update the market if there are any changes.

On 28 October, Wallenius Wilhelmsen announced a five-year agreement with a leading equipment manufacturer with an estimated value of USD 766m based on the expected volumes.

Shipping services

Shipping services continues to deliver high earnings on strong market demand, repricing of our book of business and efficient operations.

USDm*	Q3 2024	Q2 2024	% change QoQ**	Q3 2023	% change YoY**
Total revenue	1,010	1,001	1%	976	3%
EBITDA***	404	409	-1%	392	3%
EBIT***	299	303	-1%	284	5%
Volume ('000 CBM)[1]	14,027	14,029	0%	15,042	-7%
H&H and BB share[2]	23 %	25 %	-2%	27 %	-4%
EBITDA adjusted***	416	409	2%	392	6%
EBITDA adjusted margin	41.2 %	40.8 %	0.3%	40.1 %	1.1%

** Except per cent*
*** For High & Heavy (H&H) share and EBITDA adjusted margin, % change represents absolute change in ratio*
***for alternative performance measures please refer to Reconciliation of alternative performance measures

The above figures for Q3 2023 have been restated to reflect the change in accounting method for the put and call option over the 20% non-controlling interest in EUKOR. This restatement impacts EBIT in the above table. Please refer to note 2 for further explanation of the restatement. In the commentary below, comparative figures refer to the restated amounts.

Shipping services - total revenue and EBITDA

The net freight rate in Q3 was up marginally QoQ, and ended at USD 60.8 per cbm (up from USD 60.7 per cbm in Q2) on positive effects from repricing our book of business and favorable development in customer and trade mix. The H&H and BB share of the cargo volumes was 23% in Q3, down from 25% in Q2. The H&H and BB share of the revenues was 23% in Q3, down from 25% in Q2. The market remains tight and demand is larger than tonnage capacity. Therefore, all vessels are fully utilized. Waiting times at key ports continued to create challenges and the situation worsened somewhat in Q3. This was mainly due to increased congestion in the US and Asia.

Total revenues were USD 1,010m in Q3, up 1% QoQ on increased net freight and BAF. The EBITDA of USD 404m in Q3 was marginally down QoQ. However, the Q3 EBITDA includes a provision of USD 32m (see note 12 for further details) and a USD 20m gain linked to the sale of a vessel from Shipping services to Government services/ARC (eliminated at Group level). The adjusted EBITDA of USD 416m was up 2% QoQ and 6% YoY. During the quarter, EBITDA was negatively affected by a USD 12m expense in EUKOR SGA linked to donations associated with the Korean tonnage tax system, an industry wide common practice for Korean shipping companies. The amount is linked to the result in EUKOR and how the payment is distributed is determined by the Korean Shipping Association. In previous years, the amount has been split between an investment in Korea Ocean Business Corporation and donations. This year, the entire amount was related to donations and booked in our SGA. Compared to Q3-23, the donation amount booked to SGA increased by USD 9m. The Q3 adjusted EBITDA margin of 41.2% increased by 1.1% points YoY. EBIT for Q3 ended down 1% QoQ and up 5% YoY.

[1] Prorated cubic meters (“cbm”). Historical volume figures subject to change as figures are based on estimates and prorating
[2] Based on unprorated volumes

Net freight revenue was up by USD 2m QoQ, while fuel surcharge revenue under BAF[3] was up by USD 9m. Generally, BAF revenues lag about 4-5 months after fuel price changes. Fuel expenses were down USD 5m QoQ. Hence, net fuel cost decreased by 13m in the quarter. From Q1-24, BAF and fuel expenses relates to surcharges and expenses related to conventional fuels, biofuel and the introduction of the EU Emissions Trading System (EU ETS). EU ETS was established by EU to combat climate change and reduce greenhouse gas emissions, and affected all shipping companies sailing in European waters from January 1, 2024.

Voyage expenses decreased somewhat from Q2 to Q3 despite stable volumes driven by more efficient operations with more cbm per port call.

The average time charter earnings per day increased 4% from USD 50K in Q2 to USD 52K in Q3. Compared to Q3-23, the average time charter earnings increased by USD 3K (5%) per day on positive effect from contract renewals.

Charter expenses increased slightly from Q2 to Q3 due to intercompany sale-leaseback with the Government segment of M/V Tugela. Ship operating expenses were stable QoQ. SGA increased in Q3 primarily due to the above mentioned expenses related to the Korean tonnage tax system.

Emissions and carbon intensity improved in Q3 on trade network stabilization and increased usage of biofuels. We continue to focus strongly on the long-term plan to achieve our overall emission reduction ambitions and decarbonization strategy. For more details please refer to the sustainability section.

Revenues increased by 3% YoY from Q3-23, despite lower volumes, on higher net freight rate per cbm. Adjusted EBITDA increased by 6% YoY due to higher average rates and a reduction in voyage expenses.

Geopolitical developments may have a negative impact on the fuel price for both conventional and biofuels going forward. Over time, such costs will be recovered under BAF agreements, but the time lag may lead to a temporary rise in bunker expenses in the coming quarters.

[3] BAF (bunker adjustment factor) is a main mechanism to manage fuel price risk in the segment and the main contributor to fuel surcharges revenue. However, the segment has a short-term exposure to the fuel prices since BAF is calculated based on the average fuel price over a historical period and then fixed during an application period, creating a lag effect. As such, in periods of rising fuel prices the segment will not be able to recoup the higher prices through the BAF. Conversely, in periods of falling fuel prices the segment will benefit from higher BAF.

Logistics services

Logistics services saw a 7% drop in revenue QoQ, due to seasonality effects and somewhat softening Auto and H&H markets.

USDm*	Q3 2024	Q2 2024	% change QoQ**	Q3 2023	% change YoY**
Total revenue	294	315	-7%	290	1%
EBITDA***	47	60	-22%	48	-2%
EBIT***	19	31	-38%	21	-9%
EBITDA adjusted***	47	60	-22%	48	-2%
EBITDA adjusted margin	16.0%	19.0%	-3.0%	16.4%	-0.5%
EBITDA by product					
Auto	21	22	-2%	19	12%
H&H	9	8	19%	9	-2%
Terminals	25	29	-13%	22	12%
Inland	-1	1	-161%	1	-181%
Other	-8	-	n/a	-4	n/a

** Except per cent*
*** For EBITDA adjusted margin, % change represents absolute change in ratio*
***for alternative performance measures please refer to Reconciliation of alternative performance measures

Logistics services - total revenue and EBITDA

Q3 revenues for the segment in total were USD 294m, down 7% QoQ. US Auto volumes were down by 8% QoQ resulting in USD 8m lower revenue. H&H revenue increased by USD 2m driven by strong storage demand. Our inland transportation business revenue decreased by USD 10m due to longer storage durations as OEM sales softened. Terminal revenue was down USD 4m due to lower biosecurity revenue in Oceania as OEMs implemented more precautionary measures. Q3 EBITDA was USD 47m, down by 22% QoQ, primarily driven by lower revenue and a seasonal drop in high-margin services.

This quarter again saw synergies from cooperation between Logistics- and Government services in Europe and the US on the cargo movement side, whereas equipment is moving through and being stored for shorter periods at our terminals.

Auto is the largest product group in the logistics portfolio, providing light vehicle processing services to auto producers globally with the largest concentration in North America. QoQ, volume decreased by 8% (USD 8m). OEM storage revenue is growing, signaling softening market demand. Canada will impose an incremental tariff to EVs produced in China. QoQ Canada revenue was USD 1m higher ahead of effective tariff implementation in Q4. Auto total revenue ended down 5% (USD 8m), whilst EBITDA decreased only 2% thanks to OPEX right sizing.

H&H includes equipment processing centers on and off port sites globally with the largest concentration in the US. H&H OEM sales are slowing due to high interest rates and other factors described in the Market update section, resulting in USD 2m higher storage revenue QoQ, an increase of 4%. EBITDA ended up by 19% QoQ driven by Incremental storage revenue with limited OPEX spent.

Terminals offer cargo processing, handling and storage at some of the world's largest RoRo ports. QoQ revenue decreased 6% (USD 4m). Oceana biosecurity revenue decreased by USD 5m due to seasonality coupled with precautionary measures implemented by OEMs. EBITDA decreased by 13% due to the high margin revenue loss.

Inland includes the global transportation of cargo by road or rail to a port or final point of sale. Due to a slow H&H market and higher storage volume in our locations and OEMs, transportation volume and revenue dropped significantly. QoQ revenue decreased by 19% or USD 10m, driving a USD 2m EBITDA drop.

YoY, Logistics revenues increased by 1% mainly driven by a USD 2m Canada Auto volume increase, USD 5m higher H&H storage revenue and USD 5m Terminal revenue with Brunswick expansion, partially offset by a USD 8m reduction in Inland transportation revenue with lower H&H volume. YoY, EBITDA decreased by 2%, (USD 1m).

The previously announced sale of the MIRRAT terminal in Australia to a subsidiary of Qube Logistics for AUD 332.5m is still expected to close in late 2024/early 2025. Up until closing, we will continue to own the terminal and operate it as normal. For more details on the transaction please refer to note 13.

Government services

Government services saw continued revenue and EBITDA growth QoQ as U.S. government and commercial cargo demand remained strong.

USDm*	Q3 2024	Q2 2024	% change QoQ**	Q3 2023	% change YoY**
Total revenue	117	108	8%	91	29%
EBITDA***	49	48	2%	46	8%
EBIT***	38	37	3%	35	9%
EBITDA adjusted***	49	48	2%	46	8%
EBITDA adjusted margin	41.9%	44.3%	-2.4%	50.1%	-8.2%

** Except per cent*
*** For EBITDA adjusted margin, % change represents absolute change in ratio*
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Government services - total revenue and EBITDA

The ongoing geopolitical situation in Ukraine and related NATO activity levels in Europe continue to drive demand for Government services, resulting in strong U.S. flag cargo activity, including government charters and aid cargo as well as supporting land-based logistics activity.

Total revenues in Q3 were USD 117m, up 8% QoQ, while EBITDA of USD 49m was up 2% QoQ due to increased demand for government cargo moves to address global geopolitical events, especially U.S. & NATO exercises in Europe. Adjusted EBITDA was up 8% YoY, due to continued strong levels of U.S.-flag and commercial cargo moves during the quarter. Margins were lower QoQ and YoY due to a higher mix of commercial revenue and increased land-based logistics revenue in the quarter.

During the quarter Government services added the M/V ARC Endeavor (formerly M/V Tugela) to its U.S.-flag fleet. The vessel is now eligible to carry U.S. flag-impelled cargo and brings the total number of U.S.-flag vessels in Government services to 10.

Market update

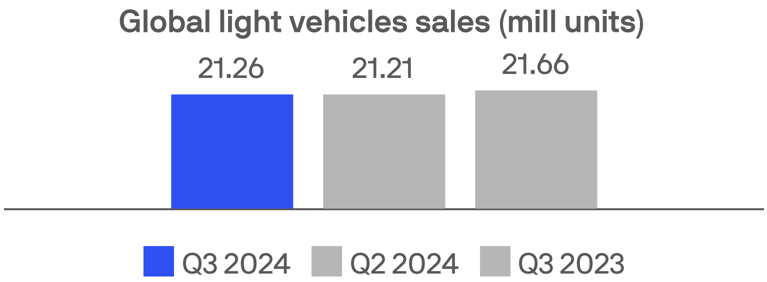
Global light vehicles sales saw a slight increase from previous quarter, but a small decline compared to last year, mainly due to weaker demand in Europe and China. Several European OEMs have issued profit warnings due to less favorable conditions locally in Europe and China. Despite these challenges, deep-sea vehicle exports remain strong, driven by robust exports from China, Europe, and South Korea.

During the quarter, several European OEMs[1] have issued profit warnings as a result of rising costs, weaker than expected demand in Europe and China, intensified price competition with Chinese OEMs, and growing inventory leading to cuts in production. We expect all of these factors to impact sales, vehicles prices, and incentives going forward.

At the same time, EU member states voted in favor of imposing new tariffs on BEVs imported from China, despite many abstentions. Despite the tariffs, S&P Global Mobility forecasts volumes out of China to grow for several years to come due to a combination of a growing number of brands and products introduced by Chinese OEMs and a shift from BEV to other powertrain types. Several Chinese OEMs will reportedly absorb these tariffs to prevent any increase in prices to the end customer, according to Automotive News. S&P Global Mobility expects double-digit growth in Chinese exports to Europe in 2024 and 2025.

Auto markets and shipping[2]

Global light vehicles sales, excluding Russia, amounted to 21.3 million units in Q3 2024, representing a growth of 0.2% QoQ and a decline of (1.8)% YoY. The YoY decline is chiefly attributed to weaker demand in Europe and China.



In Q3, auto sales in China rose by 7% QoQ but dropped 5% YoY. August marked the third consecutive month of declining light vehicle sales compared to 2023, despite the Chinese government's move in July to double subsidies for scrapping old internal combustion engine (ICE) vehicles and purchasing battery electric vehicles (BEVs) or plug-in hybrid electric vehicles (PHEVs). Sales of new vehicles were partly dragged down on "wait & see" consumers, lower demand for ICE vehicles, and macroeconomic uncertainty related to sluggish property sector). However, the consumer sentiment seems to be shifting as China's passenger vehicle sales rose 4.3% YoY in September, the highest for a month in 2024. Sales were boosted by the government's latest stimuli package which encourages trade-ins of old vehicles (Source: Reuters).

North American sales in Q3 declined 4% relative to Q2 and remained flat year-over-year. New-vehicle inventory continues to trend towards pre-Covid levels of more than three million units.

[1] Original Equipment Manufacturer

[2] Source(s): S&P unless otherwise noted. Figures exclude exports to Russia.

This signals the resolution of supply shortages and a return of the buyer's market. Dealers are responding to growing inventories by lowering prices and increasing marketing and incentives, though the impact on consumer affordability remains limited. Despite YoY decline in overall sales, the demand for electric vehicles hit a record in Q3, with an 11% YoY growth and a market share of 8.9%. The strong demand has been fueled by higher incentives and discounts, more affordable EVs, and improving infrastructure.

In Europe, new car registrations fell by 10% quarter-over-quarter and 4% year-over-year, driven by weak demand in Germany, France, Spain, and Italy. The quarter also saw a decline in demand for battery electric vehicles (BEVs), with a 43.9% drop in BEV registrations in August compared to 2023. While part of this decline is due to weaker demand, the primary cause was the expiration of subsidies in Germany in 2023, which had led to an artificial surge in BEV registrations in August of that year.

Despite the above, deep-sea volumes in Q3 2024 ended at 3.9 million units up 2% QoQ and 5.5% YoY. The growth was driven by higher volumes out of China, Europe, and South Korea. The table below show S&P data on global deep-sea volumes and selected trades:

Trades, '000 of LVs[3]	Q3 2024	Q2 2024	% change QoQ	Q3 2023	% change YoY
AS-NA	997	962	4 %	868	15 %
AS-EU (ex Russia)	530	574	(8)%	556	(5)%
EU-AS	281	253	11 %	276	2 %
EU-NA	273	275	(1)%	267	2 %
Other trades	1,861	1,802	3 %	1,769	5 %
Total	3,942	3,866	2 %	3,735	6 %

Chinese exports (Excluding Russia) continued to grow and are up 6% QoQ and 19% YoY. While exports from China to Europe saw a moderate decline of 4% QoQ, exports to other regions continued to grow. Exports to the Middle East and Africa increased by 11% QoQ, while exports to North America were up 23%. Further, exports to South America and South Asia were up by 8% and 9%, respectively. The recent development indicates that a potential lower growth in exports to EU due to tariffs on battery electric vehicles can be offset by entering new markets and expanding market shares outside EU and the US.

Korean light vehicle exports continued to grow at 2% QoQ and 9% YoY, driven by higher exports to North America. Japanese exports declined 2% QoQ and 3% YoY driven by lower exports to Europe, partly offset by higher exports to the Middle East and Africa. The depreciation of the Yen against Dollar might have had positive impact on the YoY growth in exports.

As inventories increase and supply chain disruptions subside, supply is no longer a constraint on new vehicle sales growth. OEMs are now concentrating on aligning production with end-demand. With restocking nearly complete in all regions, near-term LV sales growth is likely to fluctuate in line with consumer demand. High vehicle prices, powertrain uncertainties, and elevated interest rates have previously fostered a "wait and see" approach among consumers. However, upcoming interest rate cuts, lower prices, enhanced incentives, and a wider range of affordable models in 2025 offer promising prospects.

[3] Source(s): S&P Mobility, January 2024 data. AS-EU excludes Russia

The global aging car fleet provides support to these prospects. Between 2020 and 2024, global sales averaged 81 million units, compared to 89 million units from 2015 to 2019, highlighting an aging vehicle fleet and significant pent-up demand. This sets the stage for a robust replacement cycle, with global sales and production forecasted to reach 88-89m units in 2025.

High and Heavy market

Our H&H volumes continued to decline, partly offset by an increase in breakbulk cargo. Based on our unprorated load data, we must go back to the lockdown in Q2-20 to find corresponding soft loaded volumes. For the first nine months of 2024 our total unprorated H&H volumes ended at 9.3 mill CBM, down 22% compared to the same period in 2023. Part of the decline can be linked to the Red Sea diversion. For the six major trades loaded H&H volumes were down 26% YoY and 21% QoQ. For three of the major trades the decrease in loaded volumes were down over 30% YoY. Two of these trades were North America bound. A possible explanation could be uncertainty ahead of the US election in November, combined with softer economic development. In our view the reduced H&H volumes are likely to be caused by the challenges several industries are facing, the health of the global economy and increased uncertainties. Nevertheless, we think the prospects are better than these numbers indicate, and we assume demand for H&H machinery will rebound.

The uncertainty of the US election is likely to have negative short-term impact on H&H demand as some projects and investment decisions may be postponed to after the election. That said, we believe the election outcome will have limited impact on the medium- to long-term demand for H&H. Global rate cuts and lower inflation are more important factors for global activity levels and demand for H&H machinery, especially for the construction industry. Investments in infrastructure, energy, and utilities are expected to be the key driver for construction machinery near-term, particularly in North America. For commercial real estate and residential construction, the uncertainty has been reduced, and we think activity levels will see a recovery in 2025. Also, Chinese stimulus packages are likely to have a long-term positive effect on the construction industry. From the early signals we can expect some lower short- and mid-term activity level for both real estate and infrastructure projects.

The farming economy remains weak, and the US farmer sentiment has reached the lowest level since 2016 due to soft income expectations. Key concerns are lower prices for crop/livestock, higher operating costs, the US election and the future of agricultural trade. Consequently, this outlook has a negative effect on farmers willingness to invest and on machinery demand. The duration of this sentiment is unclear, but lower interest rates and a normalized inflation is likely to reduce the production cost. The UN food price index has increased 4.3% YTD and is now at a higher level than same period in 2023, but is still relatively low compared with 2021 and 2022. Overall, we think the improvement in farmer economy will take some time, and we expect the demand recovery for agricultural equipment might take some time.

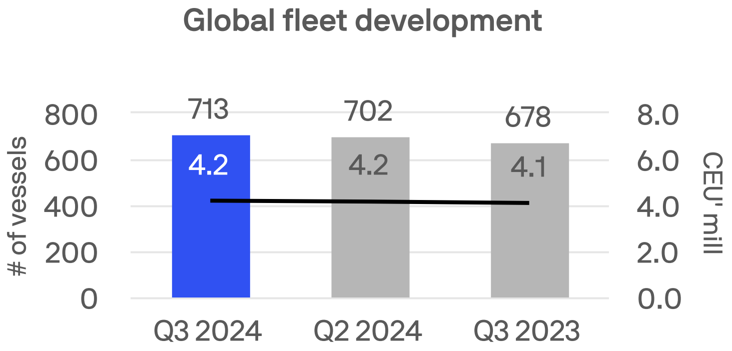
The mining industry has been strong, and we expect that this will continue as long as the demand and prices for metals and minerals are high. The introduction of the Chinese stimulus packages gave a positive price reaction for iron ore prices. Together with an uptick in the construction industry, increase in global economic activity and geopolitical tension, make us believe that over mid- and long-term the demand for metals and mineral will be strong. The trend with digitalization, electrification and automation remains strong within the mining industry, and we assume this trend will be persistent in several years. Consequently, we anticipate continued solid demand for mining machinery equipment in the time ahead.

Global fleet

The capacity of the global car carrier fleet with size >2,000 car equivalent units (CEU) is estimated to 4.2m CEU at the end of Q3. The fleet is comprised of 713[4] vessels. As per information from Clarkson, 18 new vessels were added to the fleet in Q3.

According to the same source, only one new order was confirmed for the official orderbook in Q3 (vessels >2,000 CEU). The orderbook for deep-sea vehicle carriers is now around 209 vessels (>2,000 CEU), representing approximately 38% of the global fleet in capacity terms (CEU).

As per the current delivery schedule some 16 newbuildings are planned for delivery during the remainder of 2024, 68 vessels in 2025, 64 vessels in 2026, 51 vessels in 2027.



The RoRo market is expected to experience high utilization throughout 2024 due to continued growth in exports out of Asia and the Red Sea situation.

[4] After reclassification of vessel size to >2000 CEU

ESG

This quarter we reduced our carbon emissions due to operational efficiencies. We also put our efforts to preparing for the upcoming corporate sustainability reporting directive.

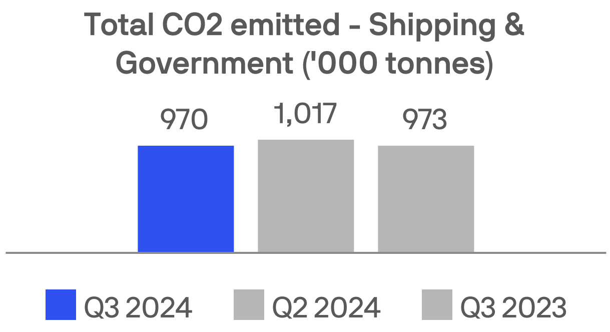
Environment

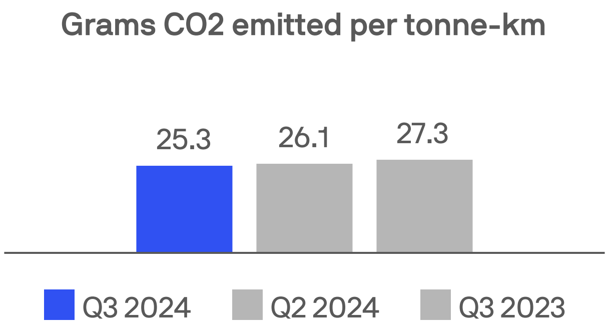
Wallenius Wilhelmsen has for several years been working to reduce our carbon emissions, both on land and at sea. This work will only accelerate as we aspire to lead the way in transforming Shipping and Logistics by committing to Net Zero 2040 in line with 1.5c degree target of the Paris agreement.

Our commitment is reflected in our corporate strategy and we will continue to make direct investments in operational and technical measures to reduce the emissions from land-operations, our current fleet, and by acquiring new methanol-capable and ammonia-ready vessels. For details of our new vessels, see Fleet section.

Our focus is to create long-term value for our stakeholders whilst reducing our emissions. Since launching our Sustainability-Linked Financing Framework v1.0 in 2022, we have issued more than USD 1.5 billion of bond and bank debt with pricing linked to reducing carbon intensity in our shipping operations. We recently signed USD 450 million of post-delivery financing for six SHAPER vessels in EUKOR.

In regards to our emissions figures, our total CO_2 emissions for Q3 was 970 thousand metric tonnes, down 4.6% QoQ. Our CO_2 intensity in Q3 was 25.3 gCO_2 per tonne-km[1], already below our 2024 intensity target of 28.7 gCO_2 per tonne-km.





Factors such as improved voyage efficiency, speed adjustment and increased biofuel consumption contributed to a reduction in total CO_2 emissions during Q3 2024.

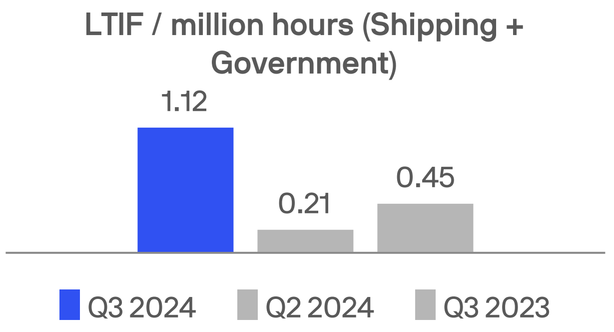
[1] Energy Efficiency Operational Indicator (EEOI)

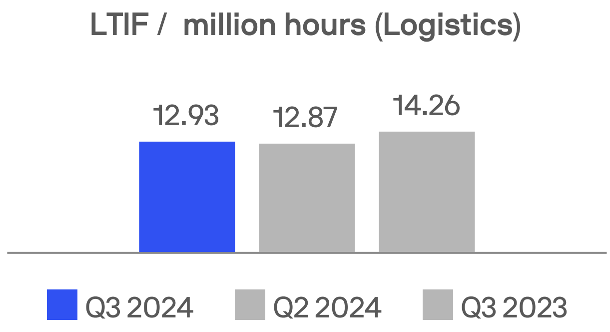
Social

Safety is the number one priority in Wallenius Wilhelmsen and we continuously introduce new measures to ensure strong safety performance across our operations.

Shipping's Lost Time Injury Frequency (LTIF) increased QoQ. Five Lost Time Injuries in which one case was considered a serious leg injury in Q3, resulting in a LTIF[2] of 1.12. Year-to-date LTIF for Shipping is at 0.49, below the target of 0.75 in 2024.

In the Logistics segment, the LTIF[3] increased from 12.87 in Q2 to 12.93 in Q3, with one serious injury reported. The injury involved fractures and was related to a slip, trip and fall accident. Year-to-date LTIF is at 12.54, below the target of 12.83 in 2024. We have implemented enhanced safety initiatives at sites that have experienced a higher frequency of incidents.





Governance

Wallenius Wilhelmsen adheres to good corporate governance standards to realize our strategy to lead the journey to zero emissions and communicate transparently to our shareholders and other stakeholders.

We have increased the share of our operations that is certified according to key ISO management standards. This will strengthen our operational efficiency, reporting structures, risk management and quality across our business segments. In the Americas, we are close to have all our vehicle and processing centers certified to ISO 14001, 45001 and 9001. Our land-based transportation activities will be certified in 2025, and global certification will follow.

[2] Per million exposure hours, which for our crew means 24 hours a day while at sea, including free time

[3] Per million man-hours, reflects actual hours worked

Risk update

As a global organization, Wallenius Wilhelmsen is exposed to a variety of risks through its worldwide ocean, land based and other operations. The risks span from strategic, financial, market, commercial, operational, personnel, to various regulatory, cyber, environmental and safety categories.

The Group's overall risks are analyzed and reported at business area and corporate levels. The Wallenius Wilhelmsen 2023 Annual Report provides further details about our key risks. For 2024, we foresee a continuation of the tight tonnage situation despite indications of softening world demand for Auto and H&H. Geopolitical unrest, most recently the situation in the Red Sea, and volatile international markets also impact our short-to-medium term risk assessment. See further discussion in our Prospects section. The restatement and change in accounting treatment highlights the potential financial obligation related to the EUKOR put option (see note 2 for details).

Wallenius Wilhelmsen's diversified portfolio of business activities, combined with a clear strategic direction and risk reducing measures will further strengthen and position the Company for the next years, and opportunities ahead.

Related parties

For detailed information on related party transactions, please refer to note 22 Related party transactions in the group's annual report 2023.

Prospects

2024 market balance: The RoRo shipping market continues to remain tight despite the addition of new tonnage and softer demand for H&H cargoes. The key positive demand driver remains strong growth in auto exports out of Asia. Further, we see solid demand for Logistics and Government services. The strong market backdrop lends support to both contract negotiations and continued high business activity.

Risks and challenges: Operating on a global scale, the company continues to face geopolitical risks, trade uncertainties, as well as supply chain challenges and costs. Furthermore, potential effects of newly introduced EV-tariffs in EU, trade tensions, the growing order book and the macro-economic situation are being closely monitored.

Impact of external events: The earnings impact of external disruptions is estimated to be around USD 100m for 2024. The estimate assumes that we do not transit the Red Sea during 2024.

Outlook for 2024: EBITDA in 2024 will be somewhat better than in 2023.

Lysaker, October 29, 2024

The board of directors of Wallenius Wilhelmsen ASA

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

Consolidated income statement

USD million	Note	Q3 2024	Q3 2023 restated[1]	YTD 2024	YTD 2023 restated[1]	2023 restated[1]
Total revenue	3	1,353	1,311	3,967	3,868	5,149
Operating expenses	3	(881)	(833)	(2,550)	(2,516)	(3,342)
Operating profit before depreciation, amortization and impairment (EBITDA)		**471**	**478**	**1,417**	**1,352**	**1,807**
Depreciation and amortization	4, 5, 6	(143)	(143)	(435)	(432)	(577)
Impairment	4, 5, 6	-	-	-	-	(5)
Operating profit (EBIT)		**328**	**335**	**981**	**920**	**1,225**
Share of profit from joint ventures and associates		1	1	2	2	3
Interest income and other financial income		60	43	112	114	122
Interest expense and other financial expenses		(116)	(93)	(263)	(255)	(309)
Financial items - net	7	**(55)**	**(50)**	**(151)**	**(141)**	**(186)**
Profit before tax		**274**	**285**	**833**	**781**	**1,042**
Tax expense	9	(15)	(7)	(58)	(30)	(68)
Profit for the period		**259**	**279**	**775**	**751**	**974**
Profit for the period attributable to:						
Owners of the parent		234	248	708	658	853
Non-controlling interests		25	31	67	93	121
Basic and diluted earnings per share (USD)		0.55	0.59	1.68	1.75	2.00

[1] Note that information for comparative periods are restated amounts. Please refer to note 2 for further information.

Consolidated statement of comprehensive income

USD million	Q3 2024	Q3 2023 *restated*[1]	YTD 2024	YTD 2023 *restated*[1]	2023 *restated*[1]
Profit for the period	259	279	775	751	974
Other comprehensive income/(loss):					
Items that may subsequently be reclassified to the income statement:					
Currency translation adjustment	7	(3)	(1)	(4)	4
Items that will not be reclassified to the income statement:					
Changes in the fair value of equity investments designated at fair value through other comprehensive income	–	–	1	–	(3)
Remeasurement pension liabilities, net of tax	–	–	–	–	(3)
Other comprehensive income/(loss), net of tax	**7**	**(3)**	**–**	**(4)**	**(1)**
Total comprehensive income for the period	**266**	**276**	**775**	**747**	**972**
Total comprehensive income attributable to:					
Owners of the parent	241	245	708	654	852
Non-controlling interests	25	31	67	93	121
Total comprehensive income for the period	**266**	**276**	**775**	**747**	**972**

[1] Note that information for comparative periods are restated amounts. Please refer to note 2 for further information.

Consolidated balance sheet

USD million	Note	Sep 30, 2024	Dec 31, 2023 restated[1]	Jan 1, 2023 restated[1]
Assets				
Non-current assets				
Deferred tax assets	9	46	53	59
Goodwill and other intangible assets	4	329	360	395
Vessels and other tangible assets	5	3,803	3,871	3,943
Right-of-use assets	6	1,363	1,443	1,599
Other non-current assets	11	118	125	142
Total non-current assets		**5,658**	**5,853**	**6,138**
Current assets				
Fuel/lube oil		137	138	139
Trade receivables		628	616	605
Other current assets		264	231	191
Cash and cash equivalents		1,829	1,705	1,216
		2,859	**2,690**	**2,151**
Disposal group held for sale	13	223	-	-
Total current assets		**3,082**	**2,690**	**2,151**
Total assets		**8,740**	**8,543**	**8,289**
Equity and liabilities				
Equity				
Share capital	8	28	28	28
Retained earnings and other reserves[2]		2,957	3,023	2,798
Total equity attributable to owners of the parent		**2,985**	**3,051**	**2,826**
Non-controlling interests		24	29	33
Total equity		**3,009**	**3,080**	**2,859**
Non-current liabilities				
Pension liabilities		37	39	40
Deferred tax liabilities	9	68	67	71
Non-current interest-bearing debt	10, 11	1,720	1,897	2,200
Non-current lease liabilities	10, 11	1,023	1,097	1,254
Other non-current liabilities		78	63	95
Total non-current liabilities		**2,926**	**3,163**	**3,659**
Current liabilities				
Trade payables		112	103	112
Current interest-bearing debt	10, 11	283	406	316
Current lease liabilities	10, 11	300	313	317
Current income tax liabilities	9	33	37	2
Current provisions	12	32	-	-
Written put option over non-controlling interest	2, 11	871	878	545
Other current liabilities	11	1,005	564	479
		2,606	**2,301**	**1,771**
Liabilities directly associated with the assets held for sale	13	167	-	-
Total current liabilities		**2,804**	**2,301**	**1,771**
Total equity and liabilities		**8,740**	**8,543**	**8,289**

[1] Note that information for comparative periods are restated amounts. Please refer to note 2 for further information.

[2] Includes accumulated currency translation adjustment on disposal group held for sale of USD 1.67 million

Consolidated cash flow statement

USD million	Notes	Q3 2024	Q3 2023 restated[1]	YTD 2024	YTD 2023 restated[1]	2023 restated[1]
Cash flow from operating activities						
Profit before tax		274	285	833	781	1,042
Financial items - net		55	50	151	141	186
Share of net income from joint ventures and associates		(1)	(1)	(2)	(2)	(3)
Depreciation and amortization	4,5,6	143	143	435	432	577
Impairment		-	-	-	-	5
(Gain)/loss on sale of tangible assets		-	1	-	-	(2)
Change in net pension assets/liabilities		-	1	(3)	(3)	(2)
Net change in other assets/liabilities		98	(71)	1	(76)	7
Tax paid		(16)	(2)	(66)	(20)	(39)
Net cash flow provided by operating activities[1]		**554**	**406**	**1,348**	**1,253**	**1,771**
Cash flow from investing activities						
Dividend received from joint ventures and associates		-	-	1	-	1
Proceeds from sale of tangible assets		-	-	2	1	2
Investments in vessels, other tangible and intangible assets		(69)	(28)	(122)	(85)	(163)
Interest received		21	17	62	49	69
Net cash flow used in investing activities		**(48)**	**(11)**	**(57)**	**(35)**	**(91)**
Cash flow from financing activities						
Investment in subsidiaries, net of cash acquired		-	-	-	(13)	(13)
Proceeds from loans and bonds		63	398	126	473	473
Repayment of loans and bonds	10	(211)	(404)	(410)	(592)	(655)
Repayment of lease liabilities	10	(65)	(91)	(239)	(239)	(319)
Interest paid including interest derivatives		(50)	(55)	(158)	(162)	(218)
Realized other derivatives		(31)	(16)	(40)	(26)	(30)
Dividend to non-controlling interests		(18)	(1)	(115)	(55)	(57)
Repurchase of own shares	8	-	(4)	-	(4)	(4)
Dividend to shareholders		-	-	(287)	(219)	(362)
Net change in cash collateral	7	9	11	(6)	(20)	(4)
Net cash flow used in financing activities		**(303)**	**(163)**	**(1,130)**	**(856)**	**(1,190)**
Net increase/(decrease) in cash and cash equivalents		**202**	**232**	**161**	**362**	**490**
Cash and cash equivalents at beginning of period		1,641	1,346	1,705	1,216	1,216
Cash and cash equivalents related to assets held for sale	13	(14)	-	(37)	-	-
Cash and cash equivalents at end of period[2]		**1,829**	**1,577**	**1,829**	**1,577**	**1,705**

[1] Note that information for comparative periods are restated amounts. This only impacts classification within cash flow from operating activities. Please refer to note 2 for further information.

[2] The group is located and operating world-wide and every entity has several bank accounts in different currencies. Unrealized currency effects are included in net cash provided by operating activities.

Consolidated statement of changes in equity

USD million	Note	Share capital	Own shares	Total share capital	Retained earnings and other reserves[1]	Total	Non-controlling interests	Total equity
2024								
Balance at January 1, 2024		**28**	**-**	**28**	**3,616**	**3,644**	**413**	**4,056**
Restatement[2]	2	-	-	-	(593)	(593)	(384)	(977)
Balance at January 1, 2024 (restated)		**28**	**-**	**28**	**3,023**	**3,051**	**29**	**3,080**
Profit for the period		-	-	-	708	708	67	775
Other comprehensive loss		-	-	-	-	-	-	-
Total comprehensive income		**-**	**-**	**-**	**708**	**708**	**67**	**775**
Own shares issued under long-term incentive plan	8	-	-	-	2	2	-	2
Change in non-controlling interests		-	-	-	(43)	(43)	43	-
Change in put option over non-controlling interest		-	-	-	7	7	-	7
Dividend to owners of the parent		-	-	-	(739)	(739)	-	(739)
Dividend to non-controlling interests		-	-	-	-	-	(115)	(115)
Balance at September 30, 2024		**28**	**-**	**28**	**2,957**	**2,985**	**24**	**3,009**

USD million	Note	Share capital	Own shares	Total share capital	Retained earnings and other reserves	Total	Non-controlling interests	Total equity
2023								
Balance at January 1, 2023		**28**	**-**	**28**	**3,125**	**3,153**	**355**	**3,508**
Restatement[2]	2	-	-	-	(327)	(327)	(322)	(649)
Balance at January 1, 2023 (restated)		**28**	**-**	**28**	**2,798**	**2,826**	**33**	**2,859**
Profit for the period		-	-	-	658	658	93	751
Other comprehensive loss		-	-	-	(4)	(4)	-	(4)
Total comprehensive income		**-**	**-**	**-**	**654**	**654**	**93**	**747**
Own shares issued under long-term incentive plan		-	-	-	3	3	-	3
Change in non-controlling interests		-	-	-	42	42	(42)	-
Change in put option over non-controlling interest		-	-	-	36	36	-	36
Dividend to owners of the parent		-	-	-	(359)	(359)	-	(359)
Dividend to non-controlling interests		-	-	-	-	-	(55)	(55)
Balance at September 30, 2023 (restated)		**28**	**-**	**28**	**3,170**	**3,198**	**29**	**3,227**

[1] Includes accumulated currency translation adjustment on disposal group held for sale of USD 1.67 million

[2] Note that information for comparative periods are restated amounts. Please refer to note 2 for further information on the restatement..

Note 1. Accounting principles

This consolidated interim financial report has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The consolidated interim financial reporting should be read in conjunction with the annual financial statements for the year ended December 31, 2023 for Wallenius Wilhelmsen ASA group (the group), which have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

The accounting policies implemented are consistent with those of the annual financial statements for the group for the year ended December 31, 2023, except for the accounting treatment of the put and call option over the 20% non-controlling interest in EUKOR. The revised accounting treatment and required restatement, implemented in Q2 2024, are explained in Note 2.

Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The effect of a change in an accounting estimate is recognized in profit or loss in the period in which the estimate is revised or in the period of the revision and future periods if the change affects both.

The significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those described in the most recent annual financial statements.

As a result of rounding amounts to the nearest million, totals presented may deviate from the sum of individual amounts.

Note 2. Written put option over non-controlling interest

Non-controlling shareholders in EUKOR hold a put option for their 20% interest, pursuant to the shareholder agreement entered into in 2002. The shareholder agreement also contains a call option held by the group on symmetrical terms.

Basis for calculation of the liability

The liability reflects the estimated exercise price, which is identical for the put and the call options. The amount is based on a stipulated methodology in local legislation in Korea (the Korean Inheritance and Donation Tax Act ("the Act") in effect at the date of the shareholder agreement). The exercise price is based on the highest of "earnings value per share" and "net asset value per share", both calculated in accordance with methodologies prescribed in the Act. For the periods presented and restated, the earnings value per share is higher than the net asset value per share and the exercise price is thus based on the earnings value per share. A key input factor is the taxable results in EUKOR for the three previous calendar years[1].

The calculation of earnings value per share is updated only at each year-end, meaning that the exercise price for Q4 2023 through Q3 2024 is calculated based on the results for 2021, 2022 and 2023, while Q4 2024 will be based on EUKOR's taxable results for 2022, 2023, and 2024. More weight is given to more recent years and a statutory cost of capital of 10% has been applied. Further, the calculation is based on amounts in local currency (KRW), which makes the recognized amount subject to currency fluctuations.

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[1] Formula applied: Weighted average of earnings per share =((after-tax profit of last year (y-1))/ total number of shares) x 3 + (after-tax profit of (y-2) / total number of shares) x 2 + (after-tax profit of (y-3) / total number of shares) x 1) / 6

In Q3 2024 the measurement change in the put option over non-controlling interest liability was an increase of USD 45 million reflected directly in equity. The measurement change is solely due to currency fluctuations.

Change in accounting treatment of put and call option arrangement

In periods prior to Q1 2024, the arrangement was recognized as a net derivative, calculated primarily based on the estimated intrinsic value of the call option. An asset was recognized in the balance sheet, with periodic changes in value recognized in the income statement.

This accounting treatment has been found not to be appropriate under IFRS and the group has thus changed the accounting treatment with retrospective restatement of the financial statements. This was implemented in Q2 2024.

A financial liability equalling the exercise price has been recognized, as the group has an obligation to purchase the non-controlling interest if the option were to be exercised by the holder. The liability is classified as current as the put option can be exercised at any time and could be payable in 30 days.

The policy for classification within equity adopted by the group involves partial recognition of the non-controlling interest and recognition of changes in the measurement of the liability directly in equity. This means that there is no non-controlling interest relating to EUKOR presented within equity on the balance sheet. Period changes in the measurement of the liability related to the put option over non-controlling interest are recognized directly in equity. The call option is reflected in the measurement of the liability for the potential obligation to purchase the non-controlling interest.

The restated amounts presented for each period and reporting date presented reflect the revised accounting treatment, starting from the reporting period commencing January 1, 2023.

Impact of the change in accounting method on the group consolidated financial statements

Impact on balance sheet

USD million	Mar 31, 2024 Adjustment	Dec 31, 2023 Adjustment	Jan 1, 2023 Adjustment
Assets			
Other non-current assets	(82)	(98)	(105)
Total non-current assets	**(82)**	**(98)**	**(105)**
Total current assets	-	-	-
Total assets	**(82)**	**(98)**	**(105)**
Equity and liabilities			
Retained earnings and other reserves	(613)	(593)	(327)
Total equity attributable to owners of the parent	**(613)**	**(593)**	**(327)**
Non-controlling interests	(316)	(384)	(322)
Total equity	**(929)**	**(977)**	**(649)**
Total non-current liabilities	-	-	-
Put option over non-controlling interest	847	878	545
Total current liabilities	**847**	**878**	**545**
Total equity and liabilities	**(82)**	**(98)**	**(105)**

Impact on income statement and comprehensive income USD million	Q3 2023 Adjustment	YTD 2023 Adjustment	2023 Adjustment	Q1 2024 Adjustment
Operating profit before depreciation, amortization and impairment (EBITDA)	-	-	-	-
Other gain/(loss)	(50)	(82)	6	17
Operating profit (EBIT)	**(50)**	**(82)**	**6**	**17**
Profit before tax	**(50)**	**(82)**	**6**	**17**
Profit for the period	**(50)**	**(82)**	**6**	**17**
Profit for the period attributable to:				
Owners of the parent	(50)	(82)	6	17
Non-controlling interests	-	-	-	-
Basic and diluted earnings per share (USD)	(0.12)	(0.20)	0.01	0.04

The change in accounting treatment did not have an impact on other comprehensive income for the periods presented or the group's operating, investing and financing cash flows.

Note 3. Segment reporting - QTD[1]

USD million	Shipping services		Logistics services		Government services		Holding & eliminations		Total	
	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023	Q3 2024	Q3 2023
Net freight revenue	853	843	-	-	58	56	-	-	911	899
Fuel surcharges	150	131	-	-	1	1	-	-	151	131
Operating revenue	1	1	259	261	30	18	-	-	291	280
Internal operating revenue	6	2	34	29	29	16	(69)	(47)	-	-
Total revenue	**1,010**	**976**	**294**	**290**	**117**	**91**	**(69)**	**(47)**	**1,353**	**1,311**
Cargo expenses	(151)	(154)	-	-	(13)	(4)	47	33	(117)	(125)
Fuel	(203)	(184)	-	-	(8)	(6)	-	-	(211)	(190)
Other voyage expenses	(84)	(104)	-	-	(2)	(4)	-	-	(86)	(108)
Ship operating expenses	(67)	(66)	-	-	(24)	(20)	-	-	(91)	(86)
Charter expenses	(39)	(34)	-	-	(1)	(2)	20	10	(21)	(25)
Manufacturing cost	-	-	(87)	(95)	(12)	(2)	1	3	(97)	(94)
Other operating expenses[2]	20	-	(115)	(109)	(2)	(2)	(20)	-	(118)	(111)
Selling, general and admin expenses	(82)	(43)	(45)	(39)	(6)	(6)	(8)	(6)	(140)	(94)
Total operating expenses	**(606)**	**(585)**	**(247)**	**(243)**	**(68)**	**(46)**	**40**	**40**	**(881)**	**(833)**
Operating profit/(loss) before depreciation, amortization and impairment (EBITDA)	**404**	**392**	**47**	**48**	**49**	**46**	**(29)**	**(7)**	**471**	**478**
EBITDA margin (%)	*40.0 %*	*40.1 %*	*16.0 %*	*16.4 %*	*41.9 %*	*50.1 %*	*42.3 %*	*15.4 %*	*34.8 %*	*36.5 %*
Depreciation	(104)	(106)	(21)	(20)	(9)	(9)	1	1	(133)	(134)
Amortization	(1)	(1)	(7)	(7)	(2)	(2)	-	-	(9)	(10)
Impairment	-	-	-	-	-	-	-	-	-	-
Operating profit/(loss) (EBIT)	**299**	**284**	**19**	**21**	**38**	**35**	**(28)**	**(6)**	**328**	**335**
Share of profit/(loss) from joint ventures and associates	-	-	-	1	-	-	-	-	1	1
Financial income/(expense)	(28)	(27)	(16)	(8)	(1)	(1)	(10)	(15)	(55)	(50)
Profit/(loss) before tax	**271**	**258**	**4**	**14**	**37**	**35**	**(38)**	**(21)**	**274**	**285**
Tax income/(expense)	(11)	(4)	(2)	(3)	(2)	-	-	-	(15)	(7)
Profit/(loss) for the period	**261**	**254**	**1**	**12**	**35**	**34**	**(38)**	**(21)**	**259**	**279**
Profit for the period attributable to:										
Owners of the parent	236	224	1	11	35	34	(38)	(21)	234	248
Non-controlling interests	24	30	-	-	-	-	-	-	25	31

[1] Note that information for comparative periods (Shipping services and total) are restated amounts. Please refer to note 2 for further information.

[2] Sale of a vessel from shipping to Government services in Q3 2024 resulted in a USD 20 million gain in the Shipping segment included in Other operating expenses. This is eliminated at group level.

Note 3. Segment reporting - YTD[1]

USD million	Shipping services			Logistics services			Government services			Holding & eliminations			Total		
	YTD 2024	YTD 2023	2023	YTD 2024	YTD 2023	2023	YTD 2024	YTD 2023	2023	YTD 2024	YTD 2023	2023	YTD 2024	YTD 2023	2023
Net freight revenue	2,489	2,450	3,277	-	-	-	143	136	182	-	-	-	2,632	2,587	3,459
Fuel surcharges	429	459	588	-	-	-	2	3	4	-	-	-	431	462	592
Operating revenue	11	4	7	804	763	1,024	89	52	67	-	-	-	904	819	1,098
Internal operating revenue	9	7	8	105	87	124	82	51	72	(196)	(145)	(204)	-	—	-
Total revenue	**2,938**	**2,920**	**3,881**	**909**	**850**	**1,148**	**316**	**243**	**324**	**(196)**	**(145)**	**(204)**	**3,967**	**3,868**	**5,149**
Cargo expenses	(431)	(461)	(601)	-	-	-	(42)	(25)	(31)	135	106	150	(338)	(379)	(482)
Fuel	(625)	(597)	(790)	-	-	-	(24)	(21)	(30)	-	-	-	(649)	(618)	(820)
Other voyage expenses	(248)	(316)	(409)	-	-	-	(10)	(10)	(12)	-	-	-	(258)	(326)	(420)
Ship operating expenses	(199)	(189)	(251)	-	-	-	(70)	(57)	(79)	-	-	-	(269)	(247)	(330)
Charter expenses	(113)	(100)	(132)	-	-	-	(4)	(5)	(6)	54	28	40	(64)	(76)	(98)
Manufacturing cost	-	-	-	(277)	(277)	(374)	(13)	(5)	(8)	4	7	9	(285)	(274)	(373)
Other operating expenses[2]	31	(1)	(1)	(349)	(326)	(442)	(5)	(6)	(7)	(32)	-	-	(354)	(332)	(450)
Selling, general and admin expenses	(163)	(122)	(170)	(130)	(116)	(158)	(17)	(16)	(21)	(22)	(9)	(20)	(333)	(263)	(369)
Total operating expenses	**(1,748)**	**(1,785)**	**(2,354)**	**(756)**	**(719)**	**(974)**	**(185)**	**(145)**	**(193)**	**139**	**133**	**179**	**(2,550)**	**(2,516)**	**(3,342)**
Operating profit/(loss) before depreciation, amortization and impairment (EBITDA)	**1,190**	**1,135**	**1,527**	**153**	**132**	**174**	**131**	**98**	**130**	**(57)**	**(12)**	**(25)**	**1,417**	**1,352**	**1,807**
EBITDA margin (%)	*40.5 %*	*38.9 %*	*39.3 %*	*16.8 %*	*15.5 %*	*15.2 %*	*41.4 %*	*40.5 %*	*40.3 %*	*29.2 %*	*8.4 %*	*12.2 %*	*35.7 %*	*35.0 %*	*35.1 %*
Depreciation	(311)	(321)	(427)	(70)	(56)	(76)	(28)	(27)	(36)	3	3	4	(407)	(401)	(536)
Amortization	(4)	(3)	(5)	(20)	(24)	(30)	(5)	(5)	(6)	-	-	-	(29)	(32)	(41)
Impairment	-	-	(5)	-	-	-	-	-	-	-	-	-	-	—	(5)
Operating profit/(loss) (EBIT)	**875**	**810**	**1,090**	**63**	**52**	**68**	**98**	**67**	**88**	**(54)**	**(9)**	**(21)**	**981**	**920**	**1,225**
Share of profit/(loss) from joint ventures and associates	-	-	-	2	2	3	-	-	-	-	-	-	2	2	3
Financial income/(expense)	(67)	(89)	(114)	(49)	(14)	(28)	(3)	(1)	(2)	(32)	(37)	(42)	(151)	(141)	(186)
Profit/(loss) before tax	**808**	**720**	**976**	**15**	**40**	**43**	**95**	**66**	**86**	**(86)**	**(46)**	**(62)**	**833**	**781**	**1,042**
Tax income/(expense)	(41)	(23)	(53)	(15)	(6)	(22)	(2)	(1)	(3)	-	-	10	(58)	(30)	(68)
Profit/(loss) for the period	**767**	**697**	**922**	**-**	**35**	**21**	**93**	**65**	**82**	**(86)**	**(46)**	**(52)**	**775**	**751**	**974**
Profit for the period attributable to:															
Owners of the parent	701	605	802	(1)	34	20	93	65	82	(86)	(46)	(52)	708	658	853
Non-controlling interests	66	92	120	1	1	1	-	-	-	-	-	-	67	93	121

[1] Note that information for comparative periods (Shipping services and total) are restated amounts. Please refer to note 2 for further information.

[2] Sale of two vessels from shipping to Government services in 2024 resulted in a USD 32 million gain an in the Shipping segment included in Other operating expenses (USD 12 million in Q1 and USD 20 million in Q3). The amount is eliminated at group level.

Note 4. Goodwill, customer relations/contracts and other intangible assets

USD million	Goodwill	Customer relations/ contracts	Other intangible assets[1]	Total goodwill and other intangible assets
2024				
Cost at January 1	**346**	**421**	**79**	**846**
Additions	-	-	-	-
Disposal	-	(82)	(2)	(84)
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Cost at September 30	**346**	**339**	**76**	**761**
Accumulated amortization and impairment losses at January 1	**(145)**	**(295)**	**(45)**	**(485)**
Amortization	-	(24)	(5)	(29)
Impairment	-	-	-	-
Disposal	-	82	-	82
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Accumulated amortization and impairment losses at September 30	**(145)**	**(238)**	**(49)**	**(432)**
Carrying amount at September 30	**201**	**101**	**27**	**329**

USD million	Goodwill	Customer relations/ contracts	Other intangible assets[1]	Total goodwill and other intangible assets
2023				
Cost at January 1	346	421	68	834
Additions	-	-	12	12
Disposal	-	-	(1)	(1)
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Cost at December 31	**346**	**421**	**79**	**846**
Accumulated amortization and impairment losses at January 1	(145)	(261)	(33)	(439)
Amortization	-	(34)	(7)	(41)
Impairment[2]	-	-	(5)	(5)
Disposal	-	-	-	-
Reclassification	-	-	-	-
Currency translation adjustment	-	-	-	-
Accumulated amortization and impairment losses at December 31	**(145)**	**(295)**	**(45)**	**(485)**
Carrying amount at December 31	**201**	**125**	**34**	**360**

[1] "Other intangible assets" primarily include port use rights and software.

[2] In the fourth quarter of 2023 an impairment loss of USD 5 million was recognized related to intangible assets under development in the Shipping services segment.

Note 5. Vessels and other tangible assets

USD million	Property & land	Other tangible assets	Vessels & docking	Vessel related projects[1]	Total tangible assets
2024					
Cost at January 1	**142**	**118**	**5,705**	**54**	**6,019**
Additions	6	14	42	66	128
Disposal	-	(5)	(37)	-	(42)
Reclassification[2]	(48)	(7)	109	(13)	42
Currency translation adjustment	(1)	(1)	-	-	(2)
Cost at September 30	**99**	**118**	**5,819**	**108**	**6,144**
Accumulated depreciation and impairment losses at January 1	**(38)**	**(60)**	**(2,050)**	**-**	**(2,148)**
Depreciation	(7)	(9)	(201)	-	(217)
Disposal	-	3	37	-	40
Reclassification	16	3	(36)	-	(17)
Currency translation adjustment	-	1	-	-	1
Accumulated depreciation and impairment losses at September 30	**(29)**	**(62)**	**(2,251)**	**-**	**(2,342)**
Carrying amount at September 30	**70**	**56**	**3,569**	**108**	**3,803**

USD million	Property & land	Other tangible assets	Vessels & docking	Vessel related projects[1]	Total tangible assets
2023					
Cost at January 1	121	117	5,584	8	5,829
Additions	9	17	66	59	151
Disposal	(1)	(6)	(43)	-	(50)
Reclassification	12	(13)	98	(12)	85
Currency translation adjustment	1	2	-	-	3
Cost at December 31	**142**	**118**	**5,705**	**54**	**6,019**
Accumulated depreciation and impairment losses at January 1	(29)	(52)	(1,806)	-	(1,887)
Depreciation	(9)	(12)	(261)	-	(282)
Disposal	1	5	43	-	49
Reclassification	-	-	(26)	-	(25)
Currency translation adjustment	(1)	(1)	-	-	(2)
Accumulated depreciation and impairment losses at December 31	**(38)**	**(60)**	**(2,050)**	**-**	**(2,148)**
Carrying amount at December 31	**104**	**58**	**3,655**	**54**	**3,871**

[1] Vessel related projects include installments on newbuilds and scrubber installations. The remaining capital commitment for the twelve contracted newbuilds at September 30, 2024 is approx. USD 1.2 billion.

[2] Wallenius Wilhelmsen entered into an agreement on May 27, 2024 to sell its shares in Melbourne International RoRo & Auto Terminal ("MIRRAT"). Tangible assets (cost USD 57 million and USD 19 million accumulated depreciation) have been reclassified to "Assets classified as held for sale". Please see note 13 for further details.

Note 6. Right-of-use assets

USD million	Property & land	Vessels	Other assets	Total leased assets
2024				
Cost at January 1	628	1,577	49	2,255
Additions	124	-	4	127
Lease modifications	129	52	1	181
Disposal	(6)	(13)	(7)	(27)
Reclassification[1]	(165)	(97)	-	(262)
Currency translation adjustment	-	-	-	-
Cost at September 30	**710**	**1,519**	**46**	**2,275**
Accumulated depreciation and impairment losses at January 1	(199)	(588)	(25)	(812)
Depreciation	(60)	(121)	(8)	(189)
Disposal	5	13	7	26
Reclassification	29	36	-	65
Currency translation adjustment	(1)	-	-	(1)
Accumulated depreciation and impairment losses at September 30	**(227)**	**(659)**	**(25)**	**(912)**
Carrying amount at September 30	**483**	**859**	**21**	**1,363**

USD million	Property & land	Vessels	Other assets	Total leased assets
2023				
Cost at January 1	553	1,641	44	2,237
Additions	29	-	8	37
Lease modifications	68	51	1	121
Disposal	(28)	(27)	(4)	(59)
Reclassification	-	(88)	-	(88)
Currency translation adjustment	6	1	-	7
Cost at December 31	**628**	**1,577**	**49**	**2,255**
Accumulated depreciation and impairment losses at January 1	(158)	(462)	(17)	(637)
Depreciation	(64)	(178)	(11)	(253)
Disposal	25	27	4	56
Reclassification	-	26	-	26
Currency translation adjustment	(2)	-	-	(2)
Accumulated depreciation and impairment losses at December 31	**(199)**	**(588)**	**(25)**	**(812)**
Carrying amounts at December 31	**429**	**990**	**25**	**1,443**

[1] Wallenius Wilhelmsen entered into an agreement on May 27, 2024 to sell its shares in Melbourne International RoRo & Auto Terminal ("MIRRAT"). The right of use assets (leased land cost USD 173 million and USD 43 million accumulated depreciation) have been reclassified to "Assets classified as held for sale". Please see note 13 for further details.

Note 7. Financial items - net

USD million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Financial income					
Interest income	21	17	62	49	69
Other financial income	1	1	2	3	6
Net financial income	**21**	**18**	**64**	**51**	**74**
Financial expenses					
Interest expenses	(59)	(63)	(195)	(181)	(244)
Interest rate derivatives - realized	7	7	21	19	27
Interest rate derivatives - unrealized	(24)	3	(20)	5	(17)
Other financial expenses	(3)	(4)	(8)	(13)	(16)
Net financial expenses	**(78)**	**(56)**	**(202)**	**(170)**	**(251)**
Currency					
Net currency gain/(loss)	2	(11)	24	38	21
Foreign currency derivatives - realized	(31)	(16)	(40)	(26)	(30)
Foreign currency derivatives - unrealized[1]	30	14	3	(35)	(1)
Net currency	**1**	**(12)**	**(13)**	**(23)**	**(10)**
Financial items - net	**(55)**	**(50)**	**(151)**	**(141)**	**(186)**

[1] On September 30, 2024, the group had posted USD 11 million in cash collateral relating to cross-currency swaps for the four outstanding NOK bonds to the counterparties. The cash collateral is recognized in Other current assets in the balance sheet. The transaction has no effect on profit or loss. The company regularly issues NOK debt in the Norwegian bond market, with proceeds swapped into USD via cross-currency swaps at the time of each issue. If the USD/NOK exchange rate increases above certain thresholds from the rate at the time of issue, the company will need to post cash collateral with the counterparties based on the mark-to-market value above the threshold. The cash collateral is released back to the company if the USD/NOK exchange rate decreases.

Note 8. Shares

Earnings per share takes into consideration the number of issued shares excluding own shares in the period. Basic earnings per share is calculated by dividing profit for the period attributable to the owners of the parent by the average number of total outstanding shares (adjusted for average number of own shares).

Basic and diluted earnings per share[1] for the third quarter of 2024 was USD 0.55 compared with USD 0.59 in the same quarter last year. Basic and diluted earnings per share for the six months ended September 30, 2024 was USD 1.68, the same as the corresponding period in the prior year. Basic and diluted earnings per share for the year ended December 31, 2023 was USD 2.00.

The company's number of shares:	Sep 30, 2024	Dec 31, 2023
Total number of shares (nominal value NOK 0.52)	423,104,938	423,104,938
Own shares	404,340	568,338

	NOK million	USD million
The company's share capital is as follows, translated to USD at the historical exchange rate:	220	28

Note 9. Tax

The effective tax rate for the group will, from period to period, change depending on gains and losses from investments inside the exemption method, and tax-exempt revenues from tonnage tax regimes. Tonnage tax is classified as an operating expense in the income statement.

The group recognized a tax expense of USD 15 million for the third quarter 2024, compared with a tax expense of USD 7 million for the same quarter in 2023. The change in tax expense QoQ relates primarily to withholding tax on dividends.

The group continues the non-recognition of net deferred tax assets in the balance sheet due to uncertain future utilization of tax losses carried forward and non-deductible interest cost carried forward in the Norwegian entities.

The group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Norway, the jurisdiction in which Wallenius Wilhelmsen ASA is incorporated, and came into effect from January 1, 2024. The group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. Under the legislation, the group is liable to pay a top-up tax for the difference between their GloBE (Global Anti-Base Erosion Rules) effective tax rate per jurisdiction and the 15 percent minimum rate. The group is in the process of assessing its exposure to the Pillar Two legislation.

Based on the current analysis, the exposure is limited and a total provision of USD 0.8 million pertaining to Pillar II top up tax is included in tax expense in the current quarter (year-to-date USD 2.1 million). The estimates are based on 15 % top up tax on net profit before tax in the entities defined as stateless according to the GloBE regulations.

[1] Note that earnings per share information for all comparative periods presented is based on restated profit for the period attributable to owners of the parent. See note 2 for more information.

Note 10. Interest-bearing debt

USD million	Sep 30, 2024	Dec 31, 2023
Non-current interest-bearing debt	1,720	1,897
Non-current lease liabilities	1,023	1,097
Current interest-bearing debt	283	406
Current lease liabilities	300	313
Total interest-bearing debt	**3,327**	**3,713**
Cash and cash equivalents	1,829	1,705
Net Interest-bearing debt	**1,498**	**2,007**

Repayment schedule for interest-bearing debt

USD million	Bank loans	Bonds	Lease liabilities	Other interest bearing debt	Sep 30, 2024
Due in 2024	56	-	77	-	133
Due in 2025	339	-	278	-	617
Due in 2026	275	191	212	-	678
Due in 2027	210	119	154	-	484
Due in 2028 and later	728	95	602	-	1,425
Total repayable interest-bearing debt	**1,608**	**405**	**1,324**	-	**3,338**
Amortized financing costs	(8)	(3)	-	-	(11)
Total	**1,600**	**403**	**1,324**	-	**3,327**

Reconciliation of liabilities arising from financing activities

USD million	Non-current interest bearing debt	Current interest bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total debt December 31, 2023	1,897	406	1,097	313	3,713
Proceeds from loans and bonds	109	17	-	-	126
Repayments of loans, bonds and leases	-	(410)	-	(239)	(650)
New lease contracts and amendments, net	-	-	217	93	310
Foreign exchange movements	(14)	(7)	4	1	(16)
Other non-cash movements	6	-	-	-	6
Reclassification[1]	(278)	278	(294)	132	(162)
Total interest-bearing debt September 30, 2024	**1,720**	**283**	**1,023**	**300**	**3,327**

[1] Wallenius Wilhelmsen entered into an agreement on May 27, 2024 to sell its shares in Melbourne International RoRo & Auto Terminal ("MIRRAT"). Lease liabilities of USD 162 million have been reclassified to "Liabilities directly associated with the assets held for sale". Please see note 13 for further details

USD million	Non-current interest-bearing debt	Current interest-bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total debt December 31, 2022	**2,200**	**316**	**1,254**	**317**	**4,087**
Proceeds from loans and bonds	473	-	-	-	473
Repayments of loans, bonds and leases	(50)	(605)	-	(319)	(975)
New lease contracts and amendments, net	-	-	26	128	154
Foreign exchange movements	12	(25)	4	-	(10)
Other non-cash movements	-	(18)	-	-	(17)
Reclassification	(738)	738	(187)	187	-
Total interest-bearing debt December 31, 2023	**1,897**	**406**	**1,097**	**313**	**3,713**

In Q1 2024, EUKOR repaid the debt for two vessels at maturity and exercised a purchase option for a third vessel with cash at the end of its long-term lease agreement. Also in Q1 2024, ARC purchased ARC Honor (formerly M/V Tulane) from Wallenius Wilhelmsen Ocean financed by a USD 63 million increase in its bank debt facility. Wallenius Wilhelmsen Ocean repaid USD 27 million of debt related to the sold vessel.

In Q2 2024, Wallenius Wilhelmsen Ocean repaid the USD 10m of remaining debt for one vessel two years prior to maturity and exercised a purchase option for a second vessel with cash at the end of its long-term lease agreement.

In the third quarter of 2024, Wallenius Wilhelmsen ASA repaid the WalWil 03 bond maturity of USD 138 million. ARC acquired the vessel M/V ARC Endeavor (formerly M/V Tugela) from Wallenius Wilhelmsen Ocean, resulting in an increase in debt of USD 63 million. Concurrently, Wallenius Wilhelmsen Ocean repaid USD 15 million of the drawn debt associated with the vessel. Additionally, Wallenius Wilhelmsen Ocean repaid USD 9 million of the remaining debt for another vessel, two years ahead of its maturity date.

Undrawn credit facilities were USD 354 million at September 30, 2024 (down USD 18 million from last quarter).

At September 30, 2024, the group had 22 unencumbered vessels with a total net carrying value of USD 443 million.

Note 11. Financial risk

Fair value hierarchy

USD million	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through income statement				
- Financial derivatives	—	18	—	18
Total assets at September 30, 2024	**—**	**18**	**—**	**18**
Financial liabilities at fair value through income statement				
- Financial derivatives	—	76	—	76
Total liabilities at September 30, 2024	**—**	**76**	**—**	**76**

USD million	Level 1	Level 2	Level 3	Total balance
Financial assets at fair value through income statement				
- Financial derivatives	—	36	—	36
Total assets at December 31, 2023	**—**	**36**	**—**	**36**
Financial liabilities at fair value through income statement				
- Financial derivatives	—	77	—	77
Total liabilities at December 31, 2023	**—**	**77**	**—**	**77**

Financial instruments by category

USD million	Assets at amortized cost	Assets at fair value through the income statement	Other	Total
Assets				
Other non-current assets	—	16	78	**94**
Trade receivables	628	—	—	**628**
Other current assets	11	—	252	**264**
Cash and cash equivalents	1,829	—	—	**1,829**
Assets at September 30, 2024	**2,469**	**16**	**331**	**2,816**

USD million	Liabilities at fair value through the income statement	Other financial liabilities at amortized cost	Total
Liabilities			
Non-current interest-bearing debt	—	1,720	**1,720**
Non-current lease liabilities	—	1,023	**1,023**
Other non-current liabilities	71	7	**78**
Trade payables	—	112	**112**
Current interest-bearing debt	—	283	**283**
Current lease liabilities	—	300	**300**
Written put option over non-controlling interest	—	871	**871**
Other current liabilities	5	488	**493**
Liabilities at September 30, 2024	**76**	**4,806**	**4,882**

USD million	Assets at amortized cost	Assets at fair value through the income statement	Other	Total
Assets				
Other non-current assets	—	32	72	**104**
Trade receivables	616	—	—	**616**
Other current assets	5	—	226	**231**
Cash and cash equivalents	1,705	—	—	**1,705**
Assets at December 31, 2023	**2,327**	**32**	**298**	**2,657**

USD million	Liabilities at fair value through the income statement	Other financial liabilities at amortized cost	Total
Liabilities			
Non-current interest-bearing debt	—	1,897	**1,897**
Non-current lease liabilities	—	1,097	**1,097**
Other non-current liabilities	56	7	**63**
Trade payables	—	103	**103**
Current interest-bearing debt	—	406	**406**
Current lease liabilities	—	313	**313**
Written put option over non-controlling interest	878	—	**878**
Other current liabilities	21	31	**52**
Liabilities at December 31, 2023	**956**	**3,853**	**4,809**

Note 13. Disposal group held for sale

USD million	Sep 30, 2024 Current	Sep 30, 2024 Non-current	Sep 30, 2024 Total
Deferred tax asset	-	10	10
Intangible assets	-	-	-
Property, plant and equipment	-	38	38
Right of use assets	-	130	130
Trade and other receivables	8	-	8
Cash and cash equivalents	37	-	37
Assets classified as held for sale	**45**	**178**	**223**
Lease liability	5	157	162
Trade and other payables	1	-	1
Taxes	4	-	4
Liabilities directly associated with assets classified as held for sale	**9**	**157**	**167**

Wallenius Wilhelmsen entered into an agreement on May 27, 2024 to sell its shares in Melbourne International RoRo & Auto Terminal ("MIRRAT") for USD 220 million (AUD 332.5 million) to Australian Amalgamated Terminals Pty Ltd, a wholly owned subsidiary of Qube Holdings Limited. MIRRAT is reported as part of the Logistics services segment. The sale is expected to be finalized in Q4 2024 or early 2025.

The sale of the company is considered the sale of a disposal group. The disposal group held for sale consists of the assets and liabilities of MIRRAT. The assets and liabilities in the disposal group are measured at the lower of the carrying amount and fair value less costs to sell. Because the fair value less costs to sell is higher than the carrying amount, the assets and liabilities included in the disposal group are stated at their carrying values. "Assets classified as held for sale" and "Liabilities directly associated with assets classified as held for sale" are presented separately in the balance sheet as current assets and current liabilities respectively. Non-current assets, including right-of-use assets, are no longer depreciated as of June 2024, in accordance with IFRS 5.

The carrying amount of assets classified as held for sale at September 30, 2024, is USD 223 million, with liabilities directly associated with assets classified as held for sale of USD 167 million.

Note 14. Events after the balance sheet date

On 10 October 2024 Wallenius Wilhelmsen distributed USD 452 millions in dividends linked to the second tranche of the 2023 dividend and the H1-2024 dividend payment.

Reconciliation of alternative performance measures

Definitions of Alternative Performance Measures (APMs)

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

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 IFRS. These APMs are intended to enhance comparability of the results and cash flows from period to period and it is the group's experience that these are frequently used by investors, analysts and other parties. Internally, these APMs are used by 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 revenue less operating expenses. EBITDA is used as an additional measure of the group's operational profitability, excluding the impact from financial items, taxes, depreciation and amortization and impairment/(reversal of impairment).

EBITDA adjusted is defined as EBITDA excluding items in the result which are not regarded as part of the underlying business. Examples of such items are restructuring costs, gain/loss on sale of vessels and other tangible assets and other income and expenses which are not primarily related to the period in which they are recognized.

EBIT is defined as Total revenue less Operating expenses, Other gain/loss and depreciation, amortization and impairment/(reversal of impairment). 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 and Profit/(loss) for the period adjusted is defined as EBIT/Profit/(loss) for the period adjusted excluding items in the result which are not regarded as part of the underlying business. Example of such items are restructuring costs, gain/loss on sale of vessels and other tangible assets, impairment, other gain/loss and other income and expenses which are not primarily related to the period in which they are recognized.

Capital employed (CE) is calculated based on the average of Total assets less Total liabilities plus total interest-bearing debt for the last twelve months. CE is measured in order to assess how much capital is needed for the operations/business to function and evaluate if the capital employed can be utilized more efficiently and/or if operations should be discontinued.

Return on capital employed (ROCE) adjusted is based on last twelve months EBIT adjusted divided by capital employed. ROCE is used to measure the return on the capital employed without taking into consideration the way the operations and assets are financed during the period under review. The group considers this ratio as appropriate to measure the return of the period.

Total interest-bearing debt is calculated as the end of period sum of Non-current interest-bearing loans and bonds, Non-current lease liabilities, Current interest-bearing loans and bonds and Current lease liabilities. The group considers this a good measure of total financial debt.

Net interest-bearing debt (NIBD) is calculated as the end of period Total interest-bearing debt less the end of period Cash and cash equivalents. The group considers this a good measure of underlying financial debt.

NIBD/EBITDA adjusted (leverage ratio) is calculated based on the end of period Net interest-bearing debt divided by the rolling last twelve months of EBITDA adjusted. The group considers this a good measure of leverage as it indicates how many years of EBITDA adjusted, being a proxy for normal cash flow from operations, is needed to cover the NIBD.

Net interest-bearing debt

USD million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Non-current interest-bearing loans and bonds	1,720	1,929	1,897
Non-current lease liabilities	1,023	1,134	1,097
Current interest-bearing loans and bonds	283	406	406
Current lease liabilities	300	279	313
Total interest-bearing debt	**3,327**	**3,749**	**3,713**
Less cash and cash equivalents	1,829	1,577	1,705
Net Interest-bearing debt	**1,498**	**2,171**	**2,007**

Net interest-bearing debt divided by last twelve months adjusted EBITDA (leverage ratio)

USD million	YTD 2024	YTD 2023	2023
Net Interest-bearing debt	1,498	2,171	2,007
Last twelve months adjusted EBITDA	1,903	1,841	1,807
Net interest-bearing debt/adjusted EBITDA ratio	**0.8x**	**1.2x**	**1.1x**

Equity ratio[1]

USD million	Sep 30, 2024	Sep 30, 2023	Dec 31, 2023
Total equity	3,009	3,227	3,080
Total assets	8,740	8,430	8,543
Equity ratio	**34.4 %**	**38.3 %**	**36.0 %**

[1] Note that information for comparative periods is based on restated amounts. Please refer to note 12 for further information.

Reconciliation of Total revenue to EBITDA and EBITDA adjusted

USD million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
Total revenue	1,353	1,311	3,967	3,868	5,149
Operating expenses	(881)	(833)	(2,550)	(2,516)	(3,342)
EBITDA	**471**	**478**	**1,417**	**1,352**	**1,807**
EBITDA Shipping services	404	392	1,190	1,135	1,527
Loss/(gain) on sale of vessel	(20)	-	(32)	-	-
Anti-trust expense/ (reversal of expenses)	32	—	32	—	—
EBITDA adjusted Shipping services	**416**	**392**	**1,190**	**1,135**	**1,527**
EBITDA Logistics services	47	48	153	132	174
EBITDA adjusted Logistics services	**47**	**48**	**153**	**132**	**174**
EBITDA Government services	49	46	131	98	130
EBITDA adjusted Government services	**49**	**46**	**131**	**98**	**130**
EBITDA holding/eliminations	(29)	(7)	(57)	(12)	(25)
Loss/(gain) on sale of vessel	20	-	32	-	-
EBITDA adjusted holding/eliminations	**(9)**	**(7)**	**(25)**	**(12)**	**(25)**
EBITDA adjusted	**503**	**478**	**1,449**	**1,352**	**1,807**

Reconciliation of Total revenue to EBIT and EBIT adjusted[2]

USD million	Q3 2024	Q3 2023	YTD 2024	YTD 2023	2023
EBITDA	471	478	1,417	1,352	1,807
Depreciation and amortization	(143)	(143)	(435)	(432)	(577)
Impairment	-	-	-	-	(5)
EBIT	**328**	**335**	**981**	**920**	**1,225**
Impairment goodwill and intangible assets	-	-	-	-	5
Total adjustments	**32**	**-**	**32**	**-**	**5**
EBIT adjusted	**360**	**335**	**1,013**	**920**	**1,229**
Profit for the period	259	279	775	751	974
Total adjustments	32	-	32	-	5
Profit for the period adjusted	**291**	**279**	**807**	**751**	**978**

[2] Note that information for comparative periods is based on restated amounts. Please refer to note 2 for further information.

Reconciliation of total assets to capital employed and ROCE calculation[3]

	LTM average		
USD million	Q3 2024	Q3 2023	2023
Total assets	8,614	8,346	8,404
Less Total liabilities	5,437	5,343	5,368
Total equity	**3,177**	**3,003**	**3,036**
Total interest-bearing debt	3,603	3,942	3,850
Capital employed	**6,780**	**6,945**	**6,885**
EBIT last twelve months adj	1,323	1,265	1,229
ROCE (adjusted)	**19.5 %**	**18.2 %**	**17.9 %**

[3] Note that information for comparative periods is based on restated amounts. Please refer to note 2 for further information.