



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 977 040 329  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: WÄRTSILÄ VALMARINE AS  
Forretningsadresse: Ingeniør Rybergs gate 99  
3027 DRAMMEN

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Ulrikke Iversen Hetland  
Dato for fastsettelse av årsregnskapet: 04.06.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 02.07.2025



### Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekter	2,21	168 400 000	172 153 000
<b>Sum inntekter</b>		<b>168 400 000</b>	<b>172 153 000</b>
<b>Kostnader</b>			
Varekostnad	21	64 154 000	76 709 000
Lønnskostnad	3	58 590 000	52 074 000
Avskrivninger	5,6,7	5 478 000	5 305 000
Andre driftskostnader	4,21	27 281 000	34 001 000
<b>Sum kostnader</b>		<b>155 503 000</b>	<b>168 089 000</b>
<b>Driftsresultat</b>		<b>12 897 000</b>	<b>4 064 000</b>
<b>Finansinntekter og finanskostnader</b>			
Andre finansinntekter	8	2 010 000	1 999 000
<b>Sum finansinntekter</b>		<b>2 010 000</b>	<b>1 999 000</b>
Annen finanskostnad	8	631 000	500 000
<b>Sum finanskostnader</b>		<b>631 000</b>	<b>500 000</b>
<b>Netto finans</b>		<b>1 379 000</b>	<b>1 499 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>14 276 000</b>	<b>5 563 000</b>
skattekostnad på ordinært resultat	9	3 174 000	1 239 000
<b>Ordinært resultat etter skattekostnad</b>		<b>11 102 000</b>	<b>4 324 000</b>
<b>Årsresultat</b>		<b>11 102 000</b>	<b>4 324 000</b>
Andre resultatkomponenter for IFRS-foretak	10	-1 591 000	-801 000
Sum resultatkomponenter for IFRS-foretak		-1 591 000	-801 000
<b>Totalresultat</b>		<b>9 511 000</b>	<b>3 523 000</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte		0	2 000 000
Overføringer til/fra annen egenkapital	10	9 511 000	1 521 000



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Sum overføringer og disponeringer		9 511 000	3 521 000



### Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	9	3 967 000	674 000
<b>Sum immaterielle eiendeler</b>		<b>3 967 000</b>	<b>674 000</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom	5	490 000	658 000
Right-to-use assets	6	13 621 000	16 338 000
<b>Sum varige driftsmidler</b>		<b>14 111 000</b>	<b>16 996 000</b>
<b>Sum anleggsmidler</b>		<b>18 078 000</b>	<b>17 670 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer	11	65 152 000	47 080 000
<b>Sum varer</b>		<b>65 152 000</b>	<b>47 080 000</b>
<b>Fordringer</b>			
Kundefordringer	12	41 383 000	57 799 000
Andre fordringer	13,14	8 417 000	18 183 000
Konsernfordringer	12,16, 17	93 658 000	42 133 000
<b>Sum fordringer</b>		<b>143 458 000</b>	<b>118 115 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter o.l	17	2 449 000	2 465 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>2 449 000</b>	<b>2 465 000</b>
<b>Sum omløpsmidler</b>		<b>211 059 000</b>	<b>167 660 000</b>
<b>SUM EIENDELER</b>		<b>229 137 000</b>	<b>185 330 000</b>

### BALANSE - EGENKAPITAL OG GJELD



### Balanse

Beløp i: NOK	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	10	7 000 000	7 000 000
Annen innskutt egenkapital	10	30 224 000	30 224 000
<b>Sum innskutt egenkapital</b>		<b>37 224 000</b>	<b>37 224 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		44 918 000	0
Udekket tap	10	0	3 332 000
<b>Sum opptjent egenkapital</b>		<b>44 918 000</b>	<b>-3 332 000</b>
<b>Sum egenkapital</b>		<b>82 142 000</b>	<b>33 892 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Warranty		13 184 000	12 725 000
Provisions		4 986 000	4 986 000
<b>Sum avsetninger for forpliktelser</b>		<b>18 170 000</b>	<b>17 711 000</b>
<b>Annen langsiktig gjeld</b>			
Lease liabilities (non-current)	6	7 553 000	11 105 000
<b>Sum annen langsiktig gjeld</b>		<b>7 553 000</b>	<b>11 105 000</b>
<b>Sum langsiktig gjeld</b>		<b>25 723 000</b>	<b>28 816 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	18	7 426 000	14 376 000
Betalbar skatt	9	6 008 000	5 858 000
Skyldige offentlige avgifter		4 923 000	3 915 000
Kortsiktig konserngjeld	13,16, 18	9 801 000	10 841 000
Annen kortsiktig gjeld	13,16, 19	86 881 000	82 322 000
Lease liabilities (current)	6	6 233 000	5 310 000
<b>Sum kortsiktig gjeld</b>		<b>121 272 000</b>	<b>122 622 000</b>
<b>Sum gjeld</b>		<b>146 995 000</b>	<b>151 438 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>229 137 000</b>	<b>185 330 000</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
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## Report from the Board of Directors 2023

### Business Concept

Wärtsilä Valmarine AS's main office is located in Drammen. The Company also has a branch office in Bergen.

Wärtsilä Valmarine AS's (*The Company*) principal activities are delivery of navigation and automation systems for the marine, oil and gas industry. The service business covers lifecycle support and technical support to service agreements and condition-based maintenance.

The ultimate parent company is Wärtsilä Corporation which is listed on the Large Cap list of Nasdaq Helsinki.

In 2023, Wärtsilä Corporation's net sales totalled EUR 6 billion with approximately 18 000 employees. The Corporation has operations in over 280 locations in more than 79 countries around the world. The Group's Annual Report 2023 is available on web page [www.wartsila.com](http://www.wartsila.com)

### 2023 In Short

During 2023 The Company reported net sales of 168 MNOK which is slightly lower than 2022. Result before tax for the same period was a surplus of 14,3 MNOK.

The Company had been affected by lower new build sales, but the business started to show improvements and the Company has been very busy handling the obligations.

In accordance with the Norwegian Accounting Act, the Board of Directors confirms that the going concern assumption, on which the financial statements have been prepared, is appropriate. The equity and liquidity of The Company is considered to be sound. By the end of 2023, The Company had cash and cash equivalents equal to 71 MNOK. It was decided to pay 0 MNOK in dividend to the group.

The New build market is still challenging but with a positive development. The order intake in 2023 was much higher than in 2022. There are still limited demands for new-build vessels, however, the geopolitical uncertainty drives the Navy business forward. On the same time, cruises are increasing after Covid. The economy in general is still suffering from the Russian invasion of Ukraine which increased the overall uncertainty in the global business environment and led to accelerating cost inflation and global supply chain challenges.



The Service market outlook continues the positive trend with growth opportunities in selected regions and customer segments.

## Financial risk

The Company is exposed to operational financial risk by the nature of the business. Freight rates, currency exchange rates and interest rates may impact the value of The Company's assets, liabilities and future cash flows. To reduce and manage these risk factors, management regularly reviews and reassesses the main market risks. Whenever a major risk factor is identified, actions to reduce the specific threat are considered. The Company is exposed to interest rate risk both through financing and contracts with clients. The Company's hedging strategy is to secure all cash flows with contract amount of more than 40 KEUR, but in some rare cases, also amounts under this threshold is considered to be hedged as the total amount could be significant.

The Company's liquidity is considered good. To secure sufficient liquidity towards our vendors, The Group is providing necessary funding in case cash is short for a period of time. In respect to sales to external customers, The Company use prepayment as a payment term, and also bank-guarantees. The sales-invoices are mainly in EURO, USD or NOK, which is hedged primarily with forward exchange contracts.

## Directors and officers liability insurance

The Company has in connection with The Group signed a directors and officers liability insurance from XL insurance Company. The limit of the liability is up to 10MEUR for all financial loss covered in the insurance agreement. This is also including defence costs and investigation costs. The insurance is valid all over the world.

## Norwegian transparency act reporting

The Norwegian Transparency Act is a new act relating to companies' transparency and responsibility in the supply chain and its purpose is to promote companies' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services.

Wärtsilä Corporation has global processes and instructions for all subsidiaries related to Transparency, Sustainability and how to act as a Responsible business. The extensive information and reporting can be found on the web site: [Wartsila.com/sustainability](https://www.wartsila.com/sustainability). The latest Sustainability report is available from the [Wärtsilä Corporation annual report 2023 pages 31-90](https://www.wartsila.com/investors/financial-materials/annual-reports/wartsila-annual-report-2023). (Ref.web site: [www.wartsila.com/investors/financial-materials/annual-reports/wartsila-annual-report 2023](https://www.wartsila.com/investors/financial-materials/annual-reports/wartsila-annual-report-2023).)



## Health, Safety, Environmental and Quality

In 2023, Wärtsilä Valmarine AS continued the process of implementing the business management system in compliance with recognized industry standards for HSE and Quality Management. Wärtsilä Valmarine AS has a working environment that is considered to be satisfactory.

The Company's sick leave was much lower compared to 2022 with only 2,9%. The reason is mainly that long term sick leave has been reduced. The need for continuous effort to reduce absence due to sickness, continues even though the numbers have decreased significantly. The Company has an IA agreement, which will be continued also in 2024.

Safety awareness helps us to reduce risk. The Company is committed to achieve the highest standards of safety and accident prevention, through systematic risk assessment and continuous improvement processes. The Company had no Lost Time injuries during 2023.

The Company ended up with a total of 53 reported WeCares. The system for proper reporting is continuously improved to find measures to reduce accidents from occurring.

Wärtsilä Valmarine AS is proactive in relation to climate challenges. The company policy is to reduce all feasible emissions to air, land and sea.

The Company reports under §29 of the Pollution Control Act. This includes similar requirements for emissions to air and water, as well as noise limits in previous permits. The requirements of this new law is compiled within 2019.

## Social Responsibility

Wärtsilä Valmarine AS takes a proactive role to safeguard and integrate the consideration of human rights, labour rights and social conditions.

Regardless of gender, background, religion, nationality or disability, all employees in Wartsila Valmarine has the same rights and possibilities. The Company promotes freedom from discrimination based on race, ethnic or national origin, colour, gender, family status, sexual orientation, creed, disability, age or political beliefs, or other characteristics protected by law. Wartsila Valmarine fosters equal opportunities and employees are selected and treated on the basis of their abilities and merits. The Company continues to employ fair employment practices, and these are in the essence of Wärtsilä's code of conduct. Recruitment & resourcing policies and practices support the actions that encourage the hiring of more females in senior and technical roles.

By the end of 2023, Wartsila Valmarine AS had a total of 50 employees, 5 females and 45 males. A full equality and diversity report for all Wartsila Valmarine AS can be found as an attachment to the financial statements.




WARTSILA VALMARINE AS




Wartsila Valmarine's management group consists of 2 females and 5 males while The Board of Directors consists of 4 males and 3 females. Both the Board and management are familiar with the social expectation for measures to promote gender equality, both within The Company and the Board.


On the Board of Wärtsilä Valmarine AS – Drammen 04.06.2024

  
Thomas Heldarskard-Winnerskjold (Jun 4, 2024 12:58 GMT+2)

**Thomas Heldarskard-Winnerskjold**  
*Chairman of the Board*

  
Geir Ove Sele (Jun 4, 2024 13:59 GMT+2)

**Geir Ove Sele**  
*Board Member*

  
Ulrikke Iversen Hetland (Jun 4, 2024 11:38 GMT+2)

**Ulrikke Iversen Hetland**  
*Board Member*



**Renè Wolf**  
*Board Member*

  
Kaija Venemies (Jun 4, 2024 16:25 GMT+3)

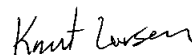
**Kaija Venemies**  
*Board Member*



**Jørn Engen**  
*Board Member*

  
Konstanse Akselvoll Løkken (Jun 4, 2024 12:29 GMT+2)

**Konstanse Løkken**  
*Board Member*



**Knut Larsen**  
*Managing Director*



To the General Meeting of Wärtsilä Valmarine AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Wärtsilä Valmarine AS (the Company), which comprise the balance sheet as at 31 December 2023, the profit and loss and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

PricewaterhouseCoopers AS, Strømsø Torg 9, Postboks 2078 Strømsø, NO-3003 Drammen  
T: 02316, org. no.: 987 009 713 MVA, [www.pwc.no](http://www.pwc.no)  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisionsberetninger>

Drammen, 4 June 2024

**PricewaterhouseCoopers AS**

Guro Skjeggerud  
State Authorised Public Accountant  
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning 2023

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Skjeggerud, Guro	BANKID_MOBILE	2024-06-11 12:50

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of the document.



**Wärtsilä Valmarine AS**

**Financial Statements 2023**



## Wärtsilä Valmarine AS

### Financial Statements 2023

#### Profit and Loss

NOK '000	Note	2023	2022
<b>REVENUE</b>			
Sales Revenue	2,21	168 400	172 153
Other Operational Income		-	-
<b>Total Revenues</b>		<b>168 400</b>	<b>172 153</b>
<b>OPERATING COST</b>			
Raw materials and consumables used	21	64 154	76 709
Payroll expense	3	58 590	52 074
Other operating expenses	4,21	27 281	34 001
Depreciation and amortisation	5,6,7	5 478	5 305
<b>Total operating expenses</b>		<b>155 504</b>	<b>168 090</b>
<b>Operating profit</b>		<b>12 896</b>	<b>4 063</b>
<b>FINANCIAL ITEMS</b>			
Other financial income	8	2 555	1 479
Other financial expenses	8	631	500
Exchange gains	8	544	520
<b>Net financial items</b>		<b>1 380</b>	<b>1 499</b>
<b>PROFIT BEFORE TAX</b>		<b>14 276</b>	<b>5 562</b>
Tax on ordinary result	9	3 174	1 239
<b>PROFIT (LOSS)</b>		<b>11 102</b>	<b>4 322</b>
<b>OTHER INCOME/ COST</b>			
Changes in fair value of hedging instruments with cash flow hedges	10	(2 035)	(1 027)
Tax on other comprehensive income	10	444	226
<b>Total other income and expenses</b>		<b>(1 591)</b>	<b>(801)</b>
<b>TOTAL RESULT</b>		<b>9 510</b>	<b>3 521</b>
<b>ALLOCATIONS</b>			
Group Contribution received	10		
Group Contribution given	10		
Dividend payment	10	-	2 000
Allocated to Other Equity	10	9 510	1 521
Transferred from Other Equity	10	-	-
<b>Total allocated</b>		<b>9 510</b>	<b>3 521</b>



## Wärtsilä Valmarine AS Financial Statements 2023

### Balance

NOK '000	Note	2023	2022
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Intangible assets</b>			
Deferred tax asset	9	3 967	674
Development	7	-	-
<b>Fixed assets</b>			
Property, plant & equipment	5	490	658
Right-to-use assets	6	13 621	16 338
		<b>18 078</b>	<b>17 670</b>
<b>Current assets</b>			
Inventories	11	65 152	47 080
<b>Debtors</b>			
Accounts receivables	12	41 383	57 799
Other short term receivables	13,14	8 417	18 183
Receivables from group companies	12,16,17	93 658	42 133
Cash	17	2 449	2 465
<b>Total current assets</b>		<b>211 059</b>	<b>167 660</b>
<b>Total Assets</b>		<b>229 138</b>	<b>185 330</b>



## Wärtsilä Valmarine AS Financial Statements 2023

### Balance

NOK '000	Note	2023	2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	7 000	7 000
Share premium	10	-	-
Other paid in capital	10	30 224	30 224
Total paid in capital		37 224	37 224
Retained earnings	10	44 918	(3 332)
<b>Total equity attributable to equity holders of the Company</b>		<b>82 142</b>	<b>33 892</b>
<b>Liabilities</b>			
Other provisions		13 184	12 725
Provisions		4 986	4 986
<b>Non-current liabilities</b>			
Deferred tax liabilities	9	-	-
Lease liabilities (non-current)	6	7 553	11 105
Other long term liabilities		-	-
Loans & borrowings		-	-
		<b>7 553</b>	<b>11 105</b>
<b>Current liabilities</b>			
Lease liabilities (current)	6	6 233	5 310
Liabilities to group companies	13,16,18	9 801	10 841
Trade payables	18	7 426	14 376
Tax payable	9	6 008	5 858
Public duties payable		4 923	3 915
Other current liabilities	13,16,19	86 881	82 322
		<b>121 273</b>	<b>122 622</b>
<b>Total Equity and Liabilities</b>		<b>229 138</b>	<b>185 330</b>

Drammen, 04.06.2024

  
Thomas Heldarskard-Winnerskjold (Jun 4, 2024 12:59 GMT+2)  
**Thomas Heldarskard - Winnerskjold**  
Chairman of the Board

  
Geir Ove Sele (Jun 4, 2024 18:44 GMT+2)  
**Geir Ove Sele**  
Board Member

  
Kaija Venemies (Jun 4, 2024 16:24 GMT+3)  
**Kaija Venemies**  
Board Member

  
Konstanse Aksevoll Løkken (Jun 4, 2024 12:31 GMT+2)  
**Konstanse Løkken**  
Board Member

  
René Wolf  
Board Member

  
Ulrikke Iversen Hetland (Jun 4, 2024 11:32 GMT+2)  
**Ulrikke Iversen Hetland**  
Board Member

  
Jørn Engen  
Board Member

  
Knut Larsen  
Managing Director



## Wärtsilä Valmarine AS Cash flow statement

Cash flow from operating activities	Note	2023	2022
Profit before tax		14 276	4 322
Income tax paid	9	-5 858	-
Profit/loss sale of shares		-	-
Ordinary depreciation	5,6	5 478	5 305
Change in inventory and projects	11	-21 466	-16 671
Write off inventory	11	3 394	5 496
Change in receivables excluding Bank deposits with Group Treasury	13,14	18 580	498
Changes in short-term debt	19	5 567	3 372
Change in accounts payable	18	-7 525	775
Change in working capital and provisions		37 426	-1 763
Effect of exchange rate changes		1 637	-374
<b>Net cash flow operating activities</b>		<b>51 509</b>	<b>960</b>
Cash flow from investing activities			
Cash from sale of investing activities		-	-
Increase in Bank deposits with Group Treasury	17	-46 026	3 479
Development and purchase of equipment		-	-
Received interest		2 555	1 481
<b>Net cash flow from investing activities</b>		<b>-43 471</b>	<b>4 960</b>
Cash flow from financing activities			
Paid dividend		-2 000	-
Decrease Bank deposits with Group Treasury		-	-
Received group contribution		-	-
Payment of lease liabilities		-5 468	-5 338
Paid interest		-586	-455
<b>Net cash flow from financing activities</b>		<b>-8 054</b>	<b>-5 793</b>
<b>Net increase /decrease) in cash and cash equivalents</b>		<b>-16</b>	<b>127</b>
Cash & cash equivalents at the beginning of the period		2 465	2 338
<b>Cash &amp; cash equivalents at the end of the period</b>	17	<b>2 449</b>	<b>2 465</b>



Wärtsilä Valmarine AS  
Financial Statements 2023

## Notes

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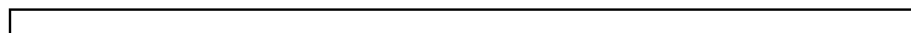
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### Note 1 General info and summary of significant accounting principles

Wärtsilä Valmarine AS is domiciled in Drammen Kommune, Norway.

The Company is engaged in the development, sales, production and service of navigation systems as well as electrical- and automation systems for the marine, oil and gas industry.

The Financial Statements includes the following:

- Income Statement
- Balance sheet
- Cash Flow analysis
- Notes

The financial statements are prepared by The Board of Management and should be read in context with the Report from The Board of Management.

#### 1.1 The Basis of preparation

The Financial Statements are prepared in accordance with the Norwegian Legislation and the International Financial Reporting Standards (IFRS). Interpretations are adopted by the International Accounting Standard Board (IASB) as approved by the European Union (EU).

The accounts are prepared on a historical cost basis, except for certain financial instruments, measured at fair value.

The Company has applied the following simplifications to the recognition and valuation rules in IFRS:

- IAS 16 no. 43 IFRS® Accounting Standards as adopted by the EU departs so that the same assessment of depreciation unit (decomposition) in company accounts are the same as in the consolidated accounts.
- IFRS 9.4.3.3-4.3.7 IFRS® Accounting Standards as adopted by the EU departs so that it is not considered whether there are embedded derivatives to be separated from the host contract for contracts entered into between group companies.

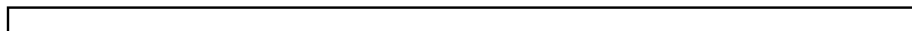
#### Exemption from simplified IFRS

The Company has elected to record proposed dividend in the balance sheet per year end



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### 1.2 Classification and valuation of balance sheet items

Current assets and liabilities include items due for payment within one year, and entries related to goods circulation. Other items are classified as fixed assets/ liabilities.

Current assets are valued at the lower of cost and net realizable value. Current liabilities are recognized at their nominal value at the time.

Assets are only recognized if they meet the definition of an asset, it is probably that future economic benefits associated with the asset will flow to The Company and the cost or fair value can be measured reliably.

Assets intended for long- term ownership or use, are classified as non-current. By long- term ownership it is normally mentioned assets held for more than 12 months.

### 1.3 Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates available at the dates of the transactions. All currency changes raising from the difference in spot rates between Group Treasury and the closing spot, whether unrealized or realized, are continuously booked to profit and loss.

### 1.4 Use of estimates

The Management uses estimates and assumptions that affect assets, liabilities, revenues, expenses and information on potential liabilities. This especially concern depreciations of fixed assets and assumptions made in relation to write down of shares.

Future events may cause the estimates to change. Estimates and assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period the change occurs. If the change also apply to future periods, the effect of the current and future periods are accrued over the different periods.

### 1.5 Recognition of revenue

General: Revenue from sale of services is recognized when it is possible that transactions will generate future economic benefits, and the amount can be reliably measured. Revenues are shown as the net value excluding VAT and discounts.

Revenue recognised over time is measured in accordance with the input method (percentage of completion method based on costs incurred) when the outcome of the contract can be estimated



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reliably. If revenue for goods and services is recognised at a point in time, it is when control is transferred to the customer. The transfer of control is based mainly on transferring risks and rewards according to the delivery terms.

Revenue is presented net of indirect sales taxes, penalties and discounts. Revenue is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

A major share of The Company's contracts are defined as goods in process and are valued at production cost. The revenue are recognised over time. A contract with a customer can internally be divided between several sub-projects related to various deliveries.

Both business areas Marine Solutions and Services do normally use the percentage-of-completion-method on their projects. The basis for this assessment is that the businesses are the driver of the construction and installation of the main project.

The valuation includes the cost of raw materials, direct salaries and related social costs for employees in manufacturing, engineering and project management, as well as indirect costs. Direct labour including project management is valued at standard hourly cost rates based on an estimated, normal activity level of the business.

Contract balances consist of customer-related assets. When control over goods or services is transferred to a customer before the customer pays the consideration, the receivable is recognised as a contract asset. The contract asset represents the right to future consideration.

### 1.6 Assets

Fixed assets excluding investment properties are measured at acquisition costs deducted accumulated depreciations and impairments. When an asset is sold or scrapped, the carrying amount is derecognized and profit or loss booked to income statement.

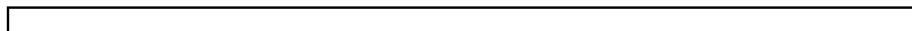
Acquisition costs for fixed assets are the purchasing price including taxes and costs related to installation to the asset. Maintenance costs are booked to income statement, while other expenses leading to future earnings, will be booked to the balance sheet.

Land is not depreciated. Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period. Additions and movements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/ improvements is calculated in proportion to the asset's condition at the acquisition date.



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Impairment test are carried out if there is indication that the carrying amount of an asset exceeds the estimated recoverable amount. The test is performed on the lowest level of fixed assets at which independent cash flows can be identified

Intangible assets acquired separately are capitalized at cost. The cost of intangible assets acquired through acquisitions are recognized at fair value in the opening balance of The Company. Capitalized intangible assets are carried at cost less depreciation and impairment.

### *Software:*

Expenses related to the purchase of new software are capitalized as an intangible asset if these costs are not part of the hardware acquisition costs. Software is depreciated over three years.

Maintenance costs are directly charged unless the change in the software increases the future economic benefit.

### 1.7 Cash and cash equivalents

The statement of cash flow is presented in accordance with the indirect method.

Cash and cash equivalents include cash, bank deposits and other short term highly liquid investments that can easily be converted into known amounts of cash, and with maturity date less than three months from acquisition.

### 1.8 Taxation

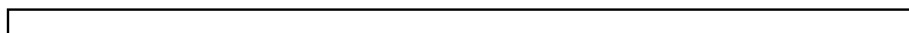
The tax expense in the period consists of taxes payable and changes in deferred taxes. Deferred tax assets are recognized when there is a probability that The Company will have a future taxable income. Deferred taxes are based on expected future tax rates where the temporary differences are calculated.

Deferred tax liabilities and assets are measured based on anticipated future tax relating to items on which the temporary difference has arisen. Deferred tax liabilities and assets are recognized at nominal value and are classified as financial assets (non-current liabilities) in the balance sheet. Current and deferred taxes are recognized directly in equity if the tax items relate to equity transactions.



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### 1.9 Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price for ordinary operations deducted estimated costs of completion, marketing and distribution. Cost is determined using the FIFO method and includes expenses incurred in acquiring the inventories and bringing them to their present location. Manufactured goods include variable and fixed costs that can be allocated based on normal capacity utilization.

### 1.10 Derivatives and hedge accounting

Derivatives are measured at fair value. Gains and losses from fair value measurement are treated as determined by the purpose of the derivatives. The effects on results of changes in the value of derivatives that are eligible for hedge accounting and that are effective hedging instruments are presented consistently with the hedged item. The effective portion of the change in the fair value is deferred into the cash flow reserve through OCI and will be recognised in profit or loss when the hedged item affects profit or loss. Impact from ineffective hedging instruments is recognised in financial income and expenses immediately.

For derivatives eligible for hedge accounting, The Company documents the relationship between each hedging instrument and the hedged asset upon entering into a hedging arrangement, along with the risk management objective and the strategy applied. Through this process, the hedging instrument is linked to the relevant assets and liabilities, projected business transactions or binding contracts. The Company also documents its ongoing assessment of the effectiveness of the hedge regarding the relationship between a change in the derivative's fair value and a change in the value of the hedged cash flows or transactions.

Wärtsilä hedges its sales and purchases in foreign currencies with foreign exchange derivatives or currency options. Certain foreign exchange derivatives are eligible for hedge accounting. Changes in the fair value of derivative contracts designated to hedge future cash flows are recognised in other comprehensive income and presented in the fair value reserve in equity, provided that the hedging is effective. The ineffective portion is immediately recognised in the financial items in the statement of income for the financial period. Changes in fair value due to interest rate differences are recognised in the statement of income. Any gain or loss in the fair value reserve accumulated through other comprehensive income is reported as an adjustment to net sales or material and services in the same period as any transactions relating to the hedged obligations or estimates. Currency forwards are measured at forward rates at the end of the financial period and currency options at their market value at the end of the financial period.



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Before a hedging transaction is carried out, The Company assesses whether a derivative is used to:

- a) Hedge the fair value of a recognized asset, liability or a firm commitment
- b) Hedge future cash-flows of a recognized asset or liability, an identified highly probable forecasted transaction or, in the case of currency risk, a firm commitment
- c) Hedge of a net investment in a foreign operation.

In order for The Company to apply hedge accounting, certain conditions need to be met:

- 1) The hedge is expected to be highly effective in offsetting changes in fair value or cash flows from an identified object. Hedge effectiveness must be expected to be between 80-125%
- 2) Effectiveness of the hedge can be reliably measured,
- 3) There is adequate documentation at its inception including that the hedge is effective,
- 4) For cash flow hedges, the preceding transaction must be probable, and

The Company mainly use cash flow hedges (forward contracts) to hedge against currency rate movements. As long as the hedge meet the qualifications, changes in fair value are booked to income statement. When a hedge matures, changes in fair value remain in equity until the object or commitment is cost/revenue recognized.

### 1.11 Financial assets and liabilities

The Company's financial assets at amortised cost includes trade receivables and other receivables. Financial assets recognised at fair value through other comprehensive income include derivatives eligible for hedge accounting.

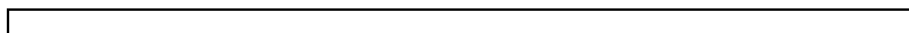
Financial liabilities recognised at amortised cost include trade and other payables, loans and borrowings. Realised and unrealised gains and losses from changes in fair values of derivatives are recognised in the statement of income in the period in which they have arisen.

All accounting principles and estimates were reviewed as part of the transition from NGAAP to IFRS light. The only change in OCI due to the transition to IFRS light was the inclusion of fx hedge as liability per 01.01.2019. Implementation of IFRS 15 did not give raise to any change in OCI per 01.01.2018.



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### 1.12 Accruals

A provision is recognized when The Company has an obligation (legal or constructive) as a result of a past event. An accrual should be considered if it is probable that there will be a financial settlement as a result of this obligation and the amount can be reliably measured. If the effect is significant, provision is determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessments.

A provision for warranties is recognized when the underlying products or services will be sold. The provision is based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Provisions for restructuring are recognized when The Company has approved a detailed and formal restructuring plan and restructuring has either started or been publicly announced.

Provisions for onerous contracts are recognized when the group's expected income from a contract is lower than unavoidable costs of meeting the obligations under the contract.

### 1.13 Investments in other companies

The cost method is applied to investments in other companies.

### 1.14 Leasing

Operating leases: Leases where substantially all the risk and rewards of ownership of the asset are not transferred are classified as operating leases. The company uses IFRS 16 IFRS® Accounting Standards as adopted by the EU that changes the accounting for operating leases by requiring companies to recognise lease assets and lease liabilities in the balance sheet, initially measured at the present value of unavoidable future lease payments, and to depreciate those assets and interest on lease liabilities in the statement of income over the lease term.

The Company does not hold any financial leases.

### 1.15 Trade receivables

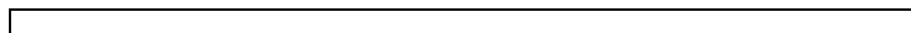
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost.



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### 1.16 Employee Benefits

#### *Pensions*

Defined contribution pension plan is recorded for all employees of The Company (previously defined benefit plan). The Company's pension scheme meets the requirements of the Law on Occupational Pensions. The premium is expensed as incurred through operations. Employer's taxes are expensed based on actual paid pension.

#### *Share-based remuneration*

Agreements that gives employees (only relevant for two employees) the right to a cash compensation based on share price development in the parent company are treated as compensation expenses in the period of the cash consideration.

### 1.17 Government Grants

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and The Company will comply with all attached conditions.

### 1.18 Contingent liabilities and assets

Contingent liabilities and assets are not recognized in the financial statement. Information is provided about material contingent liabilities except for contingent liabilities where the probability of the liability is low.

### 1.19 Equity

Financial instruments are classified as liabilities or equity in accordance with the underlying financial asset.

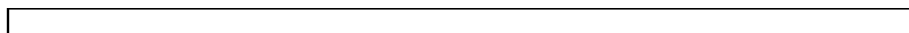
Interest, dividends, gains and losses relating to a financial instrument classified as a liability will be presented as an expense or income.

A contingent asset is not recognized in the financial statements but disclosed in the notes if there is a certain probability that a benefit will addressed to The Company.



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### 1.20 Subsequent events

New information after the balance sheet date about The Company's financial position are included in in the accounts. Subsequent events that do not affect The Company's financial position at the reporting date, but will affect The Company's future financial position are reported if they are considered significant.



## Wärtsilä Valmarine AS Financial Statements 2023

### Notes

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#### Note 2 Sales Revenue

Business area	2023	2022
Service *)	130 321	92 264
New build **)	38 079	79 889
<b>Total Sales Revenue</b>	<b>168 400</b>	<b>172 153</b>

\*) Revenues related to services related to reconditioning of equipment, routine maintenance on equipment and installation of equipment.

\*\*\*) Revenues related to the sale of navigation and automation systems

Provisions for warranty liabilities, ref other short term liabilities, on products delivered, amounts to 11,5 MNOK per 31.12.2023 (12,7 MNOK per 31.12.2022).

Geographical distribution	2023			in % av total
	External	Internal	Total	
Africa	193		193	0,1 %
America	15 793	12 779	28 572	17,0 %
Asia	3 630	5 835	9 465	5,6 %
Europe	101 089	29 081	130 170	77,3 %
<b>Total Sales Revenue</b>	<b>120 705</b>	<b>47 695</b>	<b>168 400</b>	<b>100,0 %</b>

Geographical distribution	2022			in % av total
	External	Internal	Total	
Africa				0,0 %
America	13 361	14 577	27 938	16,2 %
Asia	7 607	1 451	9 058	5,3 %
Europe	111 463	23 694	135 157	78,5 %
<b>Total Sales Revenue</b>	<b>132 431</b>	<b>39 722</b>	<b>172 153</b>	<b>100,0 %</b>



## Wärtsilä Valmarine AS

### Financial Statements 2023

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#### Note 3 - Wages, number of employees, benefits and loans to employees

Salaries	2023	2022
Wages and salaries	48 413	44 083
Social security cost	7 441	5 375
Pension cost	2 737	2 617
Other personnel cost	0	0
<b>Total</b>	<b>58 590</b>	<b>52 074</b>

Average number of employees during the fiscal year

	43	42
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Salary (incl bonus) for Managing Director	1 718	1 464
Other remuneration	16	296

#### Bonus schemes

Senior executives are participating in the bonus scheme entitling bonuses from 16 % upto 36 % of annual salary based on the achievement of specified objectives related to the company and personal goals.

Accrued bonuses per 31.12.2023 amount to MNOK 3,5

#### Composition of total pensions

The Company's pension plan is a defined contribution plan, and satisfies the requirements in "Lov om obligatorisk tjenestepensjon".

In 2018 The Company chose to change the pension scheme from defined benefit-plan to defined contribution-plan.

In addition to the above, The Company also participates in "AFP- ordning" through "tariffavtale". At the end of 2023, 43 persons are included in this "AFP"- agreement.

With effect from 01.01.2011 The Company was introduced to a new scheme of contractual pensions. The new scheme is a multi-employer-plan and is administered by LO/NHO. In the absence of sufficient information to calculate the required provisions under the new scheme, this is not done per 31.12.2023.

Pension cost	2023	2022
Defined contribution plans	2 737	2 617
<b>Total pension cost recognized in the net income</b>	<b>2 737</b>	<b>2 617</b>

Audit fees from Auditors	2023	2022
Fees for audit and audit related services, excl VAT	330	207
Tax advisor fees	0	0
Other fees	25	21
<b>Total</b>	<b>355</b>	<b>228</b>



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**Note 4 Other Operating Expenses**

<b>Other operating expenses</b>	<b>2023</b>	<b>2022</b>
Other operating expenses	25 265	32 000
Office cost	135	94
Rental cost	1 787	2 028
Losses on claims and change in provision for bad debts	94	-121
<b>Total other operating expenses</b>	<b>27 281</b>	<b>34 001</b>





## Note 6 Leases

	Land and buildings	Machinery & equipment	2023 Total
<i>Carrying amount, Right-of use assets</i>			
At 1. January 2023	16 254	84	16 338
Additions	2 593	-	2 593
Depreciations and impairment	(5 276)	(35)	(5 311)
Decreases and reclassifications	-	-	-
<b>At 31 December 2023</b>	<b>13 571</b>	<b>49</b>	<b>13 620</b>
<i>Carrying amount, Lease liabilities</i>			
At 1. January 2023	16 329	84	16 413
Additions	2 593	-	2 593
Interest expense	247	1	248
Payments	(5 433)	(35)	(5 468)
Other adjustments	-	-	-
<b>At 31. December 2023</b>	<b>13 736</b>	<b>50</b>	<b>13 786</b>
<i>Total lease liabilities</i>			
			7 553
Non-current			6 233
Current			
<i>Amounts recognised in profit and loss</i>			
			5 311
Depreciation and impairment of right-of-use assets			248
Interest expense			78
Expense - short-term leases			101
Expense - low-value assets			1 608
Expense - variable lease payments			7 346

	Land and buildings	Machinery & equipment	2022 Total
<i>Carrying amount, Right-of use assets</i>			
At 1. January 2022	21 394	119	21 513
Additions	(40)	-	(40)
Depreciations and impairment	(5 100)	(35)	(5 135)
Decreases and reclassifications	-	-	-
<b>At 31 December 2022</b>	<b>16 254</b>	<b>84</b>	<b>16 338</b>
<i>Carrying amount, Lease liabilities</i>			
At 1. January 2022	21 385	-	21 385
Additions	(40)	119	79
Interest expense	286	1	287
Payments	(5 302)	(36)	(5 338)
Other adjustments	-	-	-
<b>At 31. December 2022</b>	<b>16 329</b>	<b>84</b>	<b>16 413</b>
<i>Total lease liabilities</i>			
			11 105
Non-current			5 310
Current			
<i>Amounts recognised in profit and loss</i>			
			5 135
Depreciation and impairment of right-of-use assets			287
Interest expense			87
Expense - short-term leases			363
Expense - low-value assets			1 578
Expense - variable lease payments			7 450



## Wärtsilä Valmarine AS

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### Notes

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#### Note 7 Intangible Assets

	Research and Development	2023 Total
Cost		
At 1. January 2023	2 992	2 992
Additions and transfers		
Disposals at cost/ retirement		-
<b>Cost at 31 December 2023</b>	<b>2 992</b>	<b>2 992</b>
Accumulated depreciation and impairment losses at 01.01 2023	2 992	2 992
This years depreciation	-	-
Disposal of depreciation		-
<b>Cost at 31 December 2023</b>	<b>2 992</b>	<b>2 992</b>
<b>Carrying amount 31. December 2023</b>	<b>-</b>	<b>-</b>

	Research and Development	2022 Total
Cost		
At 1. January 2022	2 992	2 992
Additions and transfers		
Disposals at cost/ retirement		-
<b>Cost at 31 December 2022</b>	<b>2 992</b>	<b>2 992</b>
Accumulated depreciation and impairment losses at 01.01 2022	2 989	2 989
This years depreciation	3	3
Disposal of depreciation		-
<b>Cost at 31 December 2022</b>	<b>2 992</b>	<b>2 992</b>
<b>Carrying amount 31. December 2022</b>	<b>-</b>	<b>-</b>
Expected economic life	Up to 15 years	
Depreciation schedule	Linear	



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**Note 8 Financial Items**

<b>Financial items</b>	<b>2023</b>	<b>2022</b>
Interest income from Group Companies	2 020	373
Other interest income	14	4
<b>Other financial income from Group Companies</b>	<b>520</b>	<b>1 102</b>
<b>Total Other financial income</b>	<b>2 554</b>	<b>1 479</b>
Interest Expense to other Group Companies	15	123
Other interest expense	405	297
Other financial expense to Group Companies	170	41
<b>Other financial expense</b>	<b>40</b>	<b>38</b>
<b>Total Other financial expense</b>	<b>631</b>	<b>500</b>
Currency Gains	1 415	1 678
Currency Loss	1 959	1 158
<b>Exchange loss gain</b>	<b>544</b>	<b>520</b>



## Wärtsilä Valmarine AS Financial Statements 2023

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#### Note 9 - Tax

	31.12.2023	31.12.2022	Change
<b>Deferred Tax</b>			
Fixed assets	(35)	(10)	25
Inventories	(18 407)	(15 014)	3 393
Receivables	(452)	(354)	98
Projects	25 936	34 714	8 778
Leasing	(166)	(75)	91
Guarantees and other accruals	(20 837)	(20 377)	460
Profit- and loss account	359	449	90
Total temporary differences	(13 602)	(668)	12 934
Tax loss carry forward	-	-	-
Net temporary differences	(13 602)	(668)	12 934
<b>Basis for deferred tax</b>	<b>(13 602)</b>	<b>(668)</b>	<b>12 934</b>
<b>Deferred tax 22%</b>	<b>(2 992)</b>	<b>(147)</b>	<b>(2 846)</b>
Temporary differences in equity	(4 430)	(2 395)	(2 035)
<b>Net deferred tax recognized in equity</b>	<b>(975)</b>	<b>(527)</b>	<b>(448)</b>
<b>Total deferred tax</b>	<b>(3 967)</b>	<b>(674)</b>	<b>(3 293)</b>

<b>Payable tax</b>	<b>2023</b>	<b>2022</b>
Profit before tax	14 276	5 562
Non- deductible expenses	101	7
Received/ paid Group Contribution with tax effect	-	-
This year's change in temporary differences	12 934	27 853
Tax on income/ expenses recognized directly in equity	-	(6 797)
Applied carryforwards	-	(6 797)
Additional tax on interest	-	-
Taxable income	27 311	26 624
<b>Tax payable 22 %</b>	<b>6 008</b>	<b>5 858</b>
<b>Income tax expense</b>	<b>2023</b>	<b>2022</b>
Payable tax for the year	6 008	5 858
Settlement tax in prior years	-	-
Withholding tax	15	13
Tax on Group Contribution with tax effect	-	-
Additional tax on interest	-	-
Change in deferred tax liabilities/ assets	(3 293)	(4 858)
Tax on income/ expenses recognized directly in equity	444	226
<b>Total income tax expense</b>	<b>3 174</b>	<b>1 239</b>



## Wärtsilä Valmarine AS Financial Statements 2023

### Notes

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#### Note 10 Equity and shareholders information

Equity	Share capital	Share premium account and other paid in capital	Retained earnings	Total
Equity per 01.01.2023	7 000	30 224	-3 332	33 892
Annual result			11 102	11 102
Conversion from loan*			38 739	38 739
Dividends				0
	<b>7 000</b>	<b>30 224</b>	<b>46 509</b>	<b>83 733</b>
Hedging gains and losses 2023			-1 591	-1 591
Effects of first time adoption of IFRS				0
Equity per 31.12.2023	<b>7 000</b>	<b>30 224</b>	<b>44 918</b>	<b>82 142</b>

Other income and expenses in the income statement related to the change in fair value of the hedging instrument in a cash flow hedge

\* For several years ago the company had a restructuring, and a debt to the current parent company was recorded. This was settled in shares and was incorrectly recorded as a debt. The error was corrected in 2023 by adjusting it against equity."

Share Capital in Wärtsilä Valmarine AS per 31.12.2023	No of shares	Nominal value	Carrying amount
Sum	100	70	7 000

#### Shareholders information

Wärtsilä Technology Oy, holds 100% of the shares in the Company. Wärtsilä Valmarine AS is included in the consolidated financial statement for Wärtsilä Corporation, Finland. The consolidated financial statements are available at [www.wartsila.com](http://www.wartsila.com). The consolidated financial statements are presented in other currency, EUR, than the company accounts.



## Wärtsilä Valmarine AS

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#### Note 11 Inventory

Stock of goods for production and spare parts are valued at acquiring cost deducted obsolescence. Obsolescence is determined by the item's age.

Finished goods are valued by using the lowest value method of manufacturing cost and net realizable value.

Finished goods are defined as goods intended for direct resale or sub-components of these goods.

Goods are valued at manufacturing costs. The valuation includes cost of raw materials, direct salaries and social securities, engineering and project management, as well as indirect cost.

<b>Inventory</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>Change</b>
Inventories of goods for production and spare parts	48 504	39 699	8 805
Obsolete Provision goods for production and spare parts	-18 408	-15 014	-3 394
Work in progress - accrued cost	35 056	22 395	12 661
<b>Inventory</b>	<b>65 152</b>	<b>47 080</b>	<b>18 072</b>

#### Note 12 Trade and other receivables

<b>Accounts Receivable</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>Change</b>
Trade receivables external	41 383	57 799	-16 416
Trade receivables group (classified as Receivables from group companies)	15 657	11 560	4 097
<b>Total Accounts Receivable</b>	<b>57 040</b>	<b>69 359</b>	<b>-12 319</b>

Accounts receivable are valued at nominal value less provision for bad debts.

#### Accounts receivable- provision for bad debts

Provision for bad debts amount to MNOK 0,45 at 31.12.2023 (2022: 0,4MNOK). Change in provision for uncollectable accounts receivable are classified as other operating expenses in the income statement.

<b>Bad debts</b>	<b>2023</b>	<b>2022</b>
New accruals	448	232
Realized losses	0	197
Reversal of previous provisions	-354	-550
<b>Bad debts in income statement</b>	<b>94</b>	<b>-121</b>

#### Note 13 Contract Balances

Contract assets primarily relate to the Group's right to consideration for transferred goods or services, but which is not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. The contract assets arise from long-term service agreements and projects recognised over time

Unbilled revenue is the net amount of accumulated operating revenue, reduced accumulated invoices for all current contracts, where accumulated operating revenues exceed accumulated invoicing.

Deferred income from customers is the net amount of accumulated operating revenue minus the invoiced amount for all ongoing contracts where the accumulated invoices exceed the accumulated operating revenue.

<b>Results of projects in progress</b>	<b>2023</b>	<b>2022</b>
Work in progress - accrued cost	71 336	131 713
Estimated margin on work in progress	25 936	34 714
<b>Total value of work in progress</b>	<b>97 272</b>	<b>166 427</b>

<b>Loss of projects in progress</b>		
Provision for foreseeable losses	1 656	16

#### Balance sheet values of over time projects in progress

Unbilled revenue (Other short term receivables)	7 698	15 759
Deferred income (Other current liabilities)	10 403	5 816



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**Note 14 Other receivables**

	<u>31.12.2023</u>	<u>31.12.2022</u>
Advances paid on inventory		
Prepaid expenses and other receivables	617	1 974
Unbilled revenue - over time contracts	7 698	15 759
Receivables Group Contribution	-	-
Accounts receivable VAT/ taxes	102	450
<b>Total other receivables</b>	<b><u>8 417</u></b>	<b><u>18 183</u></b>



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#### Note 15 Pledges and guarantees

<b>Guarantees that are not recognized</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
Guarantee for payment of tax per 31.12		
Parent Company guarantee	3 311	3 311
<b>Guarantees prepayments from customers</b>	<b>11 201</b>	<b>16 940</b>
<b>Total</b>	<b>14 512</b>	<b>20 251</b>

The Company has no assets as security for long-term or short-term debt as of 31.12.2023

The Company did not pledge collateral or guarantees in favour of group companies per 31.12.2023

#### Note 16 Balances with group companies

	<b>31.12.2023</b>	<b>31.12.2022</b>
Trade receivable	15 657	11 560
Other receivable/ Group Contribution	9 083	7 306
Balance in Group Account	68 918	23 267
	<b>93 658</b>	<b>42 133</b>
Trade Payables	9 801	10 841
Other short term debt	-	38 736
	<b>9 801</b>	<b>49 577</b>

#### Note 17 Cash and cash equivalents

	<b>31.12.2023</b>	<b>31.12.2022</b>
Restricted bank deposits	2 449	2 465
Balance in Group Account	68 918	23 267
<b>Total</b>	<b>71 367</b>	<b>25 732</b>

The Company participates in the cash pool arrangement with the parent company in Finland. The amount on the consolidated account are presented as Receivables from group companies.

#### Note 18 Trade payables

<b>Accounts Payable</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>Change</b>
Accounts payables external	7 426	14 376	-6 950
Amount due to Group Companies (classified as Liabilities to group companies)	9 801	10 841	-1 040
<b>Total Accounts Payable</b>	<b>17 227</b>	<b>25 217</b>	<b>-7 990</b>

#### Note 19 Current liabilities

	<b>31.12.2023</b>	<b>31.12.2022</b>
Provision accrued project-cost	18 111	10 496
Provision Wages and Holiday Pay	9 050	5 386
Other accruals	4 764	1 716
Payable Group Contribution	-	-
Other short term and borrowings	-	38 735
Advances received	12 324	13 958
Payable Dividends	-	2 000
Deferred income - completed contract	32 229	4 215
Deferred income - over time projects	10 403	5 816
Taxes	-	-
<b>Total other current liabilities</b>	<b>86 881</b>	<b>82 322</b>



## Wärtsilä Valmarine AS Financial Statements 2023

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#### Note 20 Financial Risk Management

##### Financial risk Factors

The Company is exposed to a variety of financial risks, market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk through the operational business. The Wärtsilä Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on both the Group's and also the Company's financial performance.

To reduce and manage these risks, certain procedures for risk-management are adopted by the Company and undertaken by a Central Finance-department in co-operation with the individual operating units.

The main financial risks the Company is exposed to are interest rate risk, liquidity risk, currency risk and credit risk. The Company's management team has an ongoing assessment of the risks and has established guidelines for how they should be handled. The Company uses financial instruments to hedge risks associated with changes in foreign currency.

##### (i) Credit risk

The Company is exposed to credit risk through its trade receivables. The Company mainly trades with creditworthy third-parties which has been pre-approved to reduce this risk. Exposure to bad debt is steady at a relatively low level due to differences in the credit risk in the customer group.

##### (ii) Cash flow and fair value Interest rate risk

The Company's exposure to the risk of moving market interest rates are mainly related to the Company's short term obligations with floating interest rates. Borrowings issued at variable rates expose the Company to fair value interest rate risk. The Company has currently no external debt.

##### (iii) Liquidity risk

The Company's strategy to cope with liquidity risk is always to have cash in hand. This is controlled by regularly cash/currency calculations and funds can be arranged via short term-loans from Corporate.

##### (iv) Market Risk

**Foreign exchange risk:** The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to NOK, USD, and EURO.

Foreign exchange risk arises when future commercial transactions recognised as assets or liabilities are denominated in a currency that is not the Company's functional currency. The Company aims to achieve a natural hedge between cash inflows and cash outflows while the remaining exposure is hedged mainly using forward contracts.

The Company's risk management policy is to hedge anticipated transactions in each major currency.

**Price risk:** The Company is exposed to commodity price risk at two main levels:

The demand for new builds is sensitive to oil price development, fluctuations in production levels and general activity within the oil industry.

The cost of construction of future units is sensitive to changes in market prices of the input factors.

##### (v) Other

Fair value of derivatives are recognized directly in equity to avoid fluctuations in profit and loss.

##### Hedge- activities- cash flow hedges

All contracts are recognised at fair value and net unrealized gains on cash flow hedges are accrued in equity.

For contracts accrued for by the complete-contract method, unrealized gain/ loss is fully booked to equity. These accruals are reversed via income statement when delivery takes place. For projects which are recorded under the percentage-of-completion method, unrealized gains and losses are reversed according to the percentage calculated by revenue recognition.

	31.12.2023	31.12.2022	Change
The fair value of forward contracts recognized in equity (in KNOK)	-4 430	-2 395	-2 035



**Wärtsilä Valmarine AS**  
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**Note 21 Transactions with related parties**

Wärtsilä Group is a global leader in complete energy solutions for the marine and energy market. Our solutions support our customers throughout the product lifecycle. By emphasizing technological innovation and total efficiency, Wärtsilä maximizes the environmental and economic results of client's vessels and power plants.

In 2023 Wärtsilä Group had a net sale of EUR 6.015 Million and nearly 18.000 employees. The Group has operations in over 280 locations in 79 countries around the world. Wärtsilä is listed on Nasdaq OMX Helsinki, Finland.

Wärtsilä Valmarine AS has two different business areas: New build and Services.

New build contribute to the Group's strategy of engineering, research and development of navigation-systems for the marine and cruise market

Services perform a wide range of services to existing facilities

By the end of 2023 the Company had 47 employees.

Total net sales to other Group Companies amounted to MNOK 34 in 2023 (MNOK 30 in 2022).

The most significant sales- transactions with related parties are ( in KNOK):

Wärtsilä North America Inc	11 118
Wärtsilä APSS Srl	6 528
Wärtsilä LLC Emirates	5 081

Total procurement of goods and services from other Group companies amounts to 34 MNOK in 2023 (MNOK 42 in 2022).

The most significant acquisitions from related parties are (KNOK)

Wärtsilä Corporation Oy	10 920
Wärtsilä Voyage GMBH	9 042
Wärtsilä Finland Oy	7 338

Marine Voyage in Norway buys equipment from other affiliates in those cases where they have contract with a 3rd party. Purchases related to Wärtsilä Corporation are basically Management and IM fee offered by the headquarter.



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**Note 21 Subsequent events**

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. By the reporting in 2023 the consequences from the Ukrainian war were still visible in the form of high oil prices, high raw material prices, fluctuations in interests, and increasing inflation.

In February 2023 it was announced to transfer the company from the Marine Power business to the Portfolio business. This is indicating that the company will be put for sale. As of reporting financial statements of 2023, still no sale has been agreed upon, and the company continue it's operations as normal



Skatteetaten

Vår dato 25.04.2019	Din/Deres dato 11.04.2019	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Ulrikke iversen Hetland	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5861901	Postadresse Postboks 9200 Grønland 0134 OSLO

WÄRTSILÄ VALMARINE AS  
Postboks 881  
3007 DRAMMEN

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Wärtsilä Valmarine Holdings AS, org.nr. 986 552 706

Vi viser til deres brev av 11. april 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Wärtsilä Valmarine Holdings AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Wärtsilä Valmarine Holdings AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Fra søknaden gjengis:

*Wärtsilä Marine Holdings AS norsk aksjeselskap med hovedkontor i Drammen. Selskapet er heleid datterselskap av Wärtsilä Technology Oy, igjen eid av Wärtsilä Finland Oy, begge hjemmehørende i Finland, og notert på Helsinki Børs.*

*Wärtsilä Finland Oy utarbeider konsernregnskap for alle selskaper i gruppen. Konsernregnskapet omfatter også Wärtsilä Marine Holdings AS. Konsernregnskapet utarbeides på engelsk.*

*Våre kunder strekker seg alt fra lokale rederiselskaper, til store internasjonale konsernselskaper— ofte involvert i olje- og gassvirksomhet, samt shippingvirksomhet. Kommunikasjonen med våre kunder og samarbeidspartnere foregår på engelsk.*

*Selskapet har virksomhet som strekker seg internasjonalt. Vi leverer mye til Italia, samt at vi har serviceteknikere som reiser world-wide for å utføre serviceoppdrag for kunder.*

*Som presentert over er brukerne av vårt regnskap i stor grad utenlandske selskaper og personer.*

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et datterselskap til et utenlandsk selskap. Selskapets virksomhet er internasjonal. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke  
seniorrådgiver  
Juridisk avdeling  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*