



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

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: KNut Larsen
Dato for fastsettelse av årsregnskapet: 20.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2,21	248 469 000	168 400 000
Sum inntekter		248 469 000	168 400 000
Kostnader			
Varekostnad	21	105 344 000	64 154 000
Lønnskostnad	3	68 173 000	58 590 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	5,6,7	6 446 000	5 478 000
Annen driftskostnad	3,4,21	40 496 000	27 281 000
Sum kostnader		220 459 000	155 503 000
Driftsresultat		28 010 000	12 897 000
Finansinntekter og finanskostnader			
Annen finansinntekt	8	5 569 000	2 555 000
Sum finansinntekter		5 569 000	2 555 000
Annen finanskostnad	8	635 000	631 000
Exchange loss	8	912 000	545 000
Sum finanskostnader		1 547 000	1 176 000
Netto finans		4 022 000	1 379 000
Resultat før skattekostnad		32 032 000	14 276 000
Skattekostnad	10	7 173 000	3 174 000
Årsresultat		24 859 000	11 102 000
Andre resultatkomponenter for IFRS-foretak	10	-2 532 000	-1 591 000
Sum resultatkomponenter for IFRS-foretak		-2 532 000	-1 591 000
Totalresultat		22 327 000	9 512 000
Overføringer og disponeringer			
Avgitt konsernbidrag	10	24 180 000	
Overføringer til/fra annen egenkapital	10	-1 853 000	9 512 000



Resultatregnskap

Beløp i: NOK	Note	2024	2023
Sum overføringer og disponeringer		22 327 000	9 512 000



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	9	5 020 000	3 967 000
Sum immaterielle eiendeler		5 020 000	3 967 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	5	322 000	490 000
Right-to-use assets	6	13 747 000	13 621 000
Sum varige driftsmidler		14 069 000	14 111 000
Sum anleggsmidler		19 089 000	18 078 000
Omløpsmidler			
Varer			
Varer	11	67 278 000	65 152 000
Sum varer		67 278 000	65 152 000
Fordringer			
Kundefordringer	12	45 694 000	41 383 000
Andre fordringer	13,14	15 904 000	8 417 000
Konsernfordringer	12,16, 17	156 410 000	93 658 000
Sum fordringer		218 008 000	143 458 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	17	2 579 000	2 449 000
Sum bankinnskudd, kontanter og lignende		2 579 000	2 449 000
Sum omløpsmidler		287 865 000	211 059 000
SUM EIENDELER		306 954 000	229 137 000

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2024	2023
Egenkapital			
Innskutt egenkapital			
Selskapskapital	10	7 000 000	7 000 000
Annen innskutt egenkapital	10	30 224 000	30 224 000
Sum innskutt egenkapital		37 224 000	37 224 000
Opptjent egenkapital			
Annen egenkapital	10	43 066 000	44 918 000
Sum opptjent egenkapital		43 066 000	44 918 000
Sum egenkapital		80 290 000	82 142 000
Gjeld			
Langsiktig gjeld			
Warranty		14 892 000	13 184 000
Provisions		4 986 000	4 986 000
Sum avsetninger for forpliktelser		19 878 000	18 170 000
Annen langsiktig gjeld			
Lease liabilities (non-current)	6	7 941 000	7 553 000
Sum annen langsiktig gjeld		7 941 000	7 553 000
Sum langsiktig gjeld		27 819 000	25 723 000
Kortsiktig gjeld			
Leverandørgjeld	18	10 637 000	7 426 000
Betalbar skatt	9	577 000	6 008 000
Skyldige offentlige avgifter		3 559 000	4 923 000
Kortsiktig konserngjeld	12,16, 18	26 380 000	9 801 000
Annen kortsiktig gjeld	13,16, 19	151 651 000	86 881 000
Lease liabilities (current)	6	6 041 000	6 233 000
Sum kortsiktig gjeld		198 845 000	121 272 000
Sum gjeld		226 664 000	146 995 000
SUM EGENKAPITAL OG GJELD		306 954 000	229 137 000



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 2024, 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 2024, 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.

PricewaterhouseCoopers AS, Strømsø Torg 9, Postboks 2078 Strømsø, NO-3003 Drammen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no

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Auditor's Responsibilities for the Audit of the Financial Statements

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/revisjonsberetninger>

Drammen, 20 June 2025
PricewaterhouseCoopers AS

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



 Securely signed with Brevio

Revisjonsberetning 2024

Signers:

Name	Method	Date
Skjeggerud, Guro	BANKID	2025-06-23 21:08

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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.



Wärtsilä Valmarine AS

Financial Statements 2024



Wärtsilä Valmarine AS

Financial Statements 2024

Profit and Loss

NOK '000	Note	2024	2023
REVENUE			
Sales Revenue	2,21	248 469	168 400
Other Operational Income		-	-
Total Revenues		248 469	168 400
OPERATING COST			
Raw materials and consumables used	21	105 344	64 154
Payroll expense	3	68 173	58 590
Other operating expenses	3,4,21	40 496	27 281
Depreciation and amortisation	5,6,7	6 446	5 478
Total operating expenses		220 459	155 504
Operating profit		28 010	12 896
FINANCIAL ITEMS			
Other financial income	8	5 569	2 555
Other financial expenses	8	(635)	(631)
Exchange gains (loss)	8	910	544
Net financial items		4 024	1 380
PROFIT BEFORE TAX		32 034	14 276
Tax on ordinary result	9	7 173	3 174
PROFIT (LOSS)		24 861	11 102
OTHER INCOME/ COST			
Changes in fair value of hedging instruments with cash flow hedges	10	(3 246)	(2 035)
Tax on other comprehensive income	10	714	444
Total other income and expenses		(2 532)	(1 591)
TOTAL RESULT		22 327	9 510
ALLOCATIONS			
Group Contribution received	10	-	-
Group Contribution given	10	24 180	-
Dividend payment	10	-	-
Allocated to Other Equity	10	-	9 510
Transferred from Other Equity	10	(1 853)	-
Total allocated		22 327	9 510



Wärtsilä Valmarine AS

Financial Statements 2024

Balance

NOK '000	Note	2024	2023
ASSETS			
Non current assets			
Intangible assets			
Deferred tax asset	9	5 020	3 967
Development	7	-	-
Fixed assets			
Property, plant & equipment	5	322	490
Right-to-use assets	6	13 747	13 621
		19 089	18 078
Current assets			
Inventories	11	67 278	65 152
Debtors			
Accounts receivables	12	45 694	41 383
Other short term receivables	13,14	15 903	8 417
Receivables from group companies	12,16,17	156 410	93 658
Cash	17	2 579	2 449
Total current assets		287 865	211 059
Total Assets		306 954	229 138



Wärtsilä Valmarine AS Financial Statements 2024

Balance

NOK '000	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
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	43 066	44 918
Total equity attributable to equity holders of the Company		80 290	82 142
Liabilities			
Other provisions		14 892	13 184
Provisions		4 986	4 986
Non-current liabilities			
Deferred tax liabilities	9	-	-
Lease liabilities (non-current)	6	7 941	7 553
Other long term liabilities		-	-
Loans & borrowings		-	-
		7 941	7 553
Current liabilities			
Lease liabilities (current)	6	6 041	6 233
Liabilities to group companies	12,16,18	26 380	9 801
Trade payables	18	10 637	7 426
Tax payable	9	577	6 008
Public duties payable		3 559	4 923
Other current liabilities	13,16,19	151 650	86 881
		198 844	121 273
Total Equity and Liabilities		306 954	229 138

Drammen, 20.06.2025

Thomas Heldarskard-Winnerskjold (Jun 20, 2025 08:12 GMT+2)

Thomas Heldarskard - Winnerskjold
Chairman of the Board

Kaija Venemies (Jun 20, 2025 06:54 GMT+3)

Kaija Venemies
Board Member

Konstanse Løkken
Board Member

Renè Wolf
Board Member

Jørn Engen (Jun 20, 2025 10:16 GMT+2)

Jørn Engen
Board Member

Knut Larsen (Jun 20, 2025 11:28 GMT+2)

Knut Larsen
Managing Director



Wärtsila Valmarine AS

Cash flow statement

Cash flow from operating activities	Note	2024	2023
Profit before tax		32 034	14 276
Income tax paid	9	-6 008	-5 858
Profit/loss sale of shares		-	-
Ordinary depreciation	5,6	6 446	5 478
Change in inventory and projects	11	-2 270	-21 466
Write off inventory	11	144	3 394
Change in receivables excluding Bank deposits with Group Treasury	12,14	-3 713	20 308
Changes in short-term debt	19	63 405	5 567
Change in accounts payable	18	19 791	-7 991
Change in working capital and provisions		-32 449	39 395
Net cash flow operating activities		77 380	53 103
Cash flow from investing activities			
Cash from sale of investing activities		-	-
Increase in Bank deposits with Group Treasury		-70 836	-45 651
Development and purchase of equipment		-	-
Net cash flow from investing activities		-70 836	-45 651
Cash flow from financing activities			
Paid dividend		-	-2 000
Decrease Bank deposits with Group Treasury		-	-
Received group contribution		-	-
Payment of lease liabilities		-6 414	-5 468
Net cash flow from financing activities		-6 414	-7 468
Net increase /decrease) in cash and cash equivalents		130	-16
Cash & cash equivalents at the beginning of the period		2 449	2 465
Cash & cash equivalents at the end of the period		2 579	2 449



Wärtsilä Valmarine AS
Financial Statements 2024

Notes

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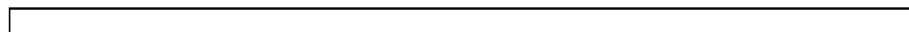
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Wärtsilä Valmarine AS
Financial Statements 2024

Notes



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.

1.2 Simplified IFRS

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

- IAS 16 no. 43 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 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.

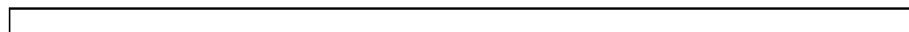
Exemption from simplified IFRS

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



Wärtsilä Valmarine AS
Financial Statements 2024

Notes



1.3 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.

1.4 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.

1.5 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.

1.6 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.



Wärtsilä Valmarine AS
Financial Statements 2024

Notes

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 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.

The Company implemented IFRS 15 effective from 1 January 2019 using the full retrospective method. IFRS 15 is based on the principle that revenue is recognized when control of a good or service is transferred to a customer. The Company is reporting under the new standard using the full retrospective method. The standard was investigated in 2017 and The practical expedient according to IFRS 15.63 concerning significant financing components arising from contracts with customers and the practical expedient stated in IFRS 15.94 according to which an entity can recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the entity would have recognised is one year or less have been applied. Company found that this did not have any significant impact due to most of the projects being short term orders.

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.

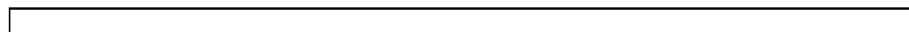
The valuation includes the cost of raw materials, direct salaries and related social costs for employees in manufacturing, engineering and project management, as well as indirect costs. Direct labour including project management is valued at standard hourly cost rates based on an estimated, normal activity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



Wärtsilä Valmarine AS
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1.7 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.

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.

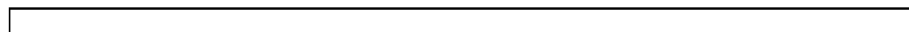
1.8 Cash and cash equivalents

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



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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.

1.9 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.

1.10 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.

1.11 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



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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.

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:

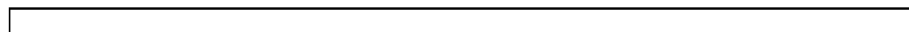
- 1) The hedge is expected to be highly effective in offsetting changes in fair value or cash flows from an identified object. Hedge effectiveness must be expected to be between 80-125%
- 2) Effectiveness of the hedge can be reliably measured,
- 3) There is adequate documentation at its inception including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



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1.12 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.

1.13 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.

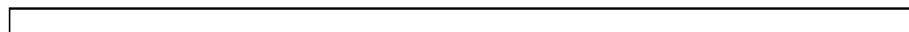
1.14 Investments in other companies

The cost method is applied to investments in other companies.



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1.15 Leasing

Operating leases: Leases where substantially all the risk and rewards of ownership of the asset are not transferred are classified as operating leases. In 2019, The Company implemented IFRS 16 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.

1.16 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.

1.17 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.

Bonus

All employees participates in the company's bonus scheme. This entitles a potential maximum payout of 8%. Managers have their own bonus schemes with maximum payouts from 16-34%. The criterias are set out by the group.

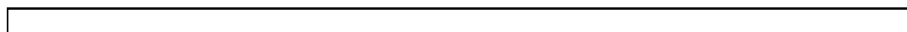
1.18 Government Grants

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.



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1.19 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.

1.20 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 be addressed to The Company.

1.21 Subsequent events

New information after the balance sheet date about The Company's financial position are included 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.



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Note 2 Sales Revenue

Business area	2024	2023
Service *)	161 997	130 321
New build **)	86 472	38 079
Total Sales Revenue	248 469	168 400

*) 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 10,8 MNOK per 31.12.2024 (11,5 MNOK per 31.12.2023).

Geographical distribution	2024			in % av total
	External	Internal	Total	
Africa	24		24	0,0 %
America	28 764	14 468	43 232	17,4 %
Asia	12 158	5 001	17 160	6,9 %
Australia	1 614		1 614	0,6 %
Europe	159 776	26 663	186 439	75,0 %
Total Sales Revenue	202 336	46 133	248 469	100,0 %

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 %
Total Sales Revenue	120 705	47 695	168 400	100,0 %



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

Salaries	2024	2023
Wages and salaries	55 639	48 413
Social security cost	9 063	7 441
Pension cost	3 471	2 737
Other personnel cost	0	0
Total	68 173	58 590

Average number of employees during the fiscal year	48	43
Salary (incl bonus) for Managing Director	1 673	1 718
Other remuneration	60	16

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 31.12.2024 amount to 5,7 MNOK

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 2024, 59 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 31.12.2024.

Pension cost	2024	2023
Defined contribution plans	3 471	2 737
Total pension cost recognized in the net income	3 471	2 737

Audit fees from Auditors	2024	2023
Fees for audit and audit related services, excl VAT	252	330
Tax advisor fees	50	25
Other fees	0	0
Total	302	355



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Note 4 Other Operating Expenses

Other operating expenses	2024	2023
Other operating expenses	37 626	25 265
Office cost	389	135
Rental cost	1 336	1 787
Losses on claims and change in provision for bad debts	1 145	94
Total other operating expenses	40 496	27 281



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Note 5 Tangible assets

	Buildings	Machinery & Equipment	2024 Total
Cost			
At 1. January 2024		840	840
Additions and transfers		-	-
Disposals at cost/ retirement		-	-
			-
Cost at 31 December 2024	-	840	840
Accumulated depreciation and impairment losses at 01.01.2024		350	350
This years depreciation		168	168
Impairment losses		-	-
Disposal of depreciation		-	-
Per 31. December 2024	-	518	518
Carrying amounts at 31. December 2024	-	322	322
Economic life cycle	until 20 years	until 10 years	
Depreciation plan	linear	linear	

	Buildings	Machinery & Equipment	2023 Total
Cost			
At 1. January 2023		840	840
Additions and transfers		-	-
Disposals at cost/ retirement		-	-
			-
Cost at 31 December 2023	-	840	840
Accumulated depreciation and impairment losses at 01.01.2023		182	182
This years depreciation		168	168
Impairment losses		-	-
Disposal of depreciation		-	-
Per 31. December 2023	-	350	350
Carrying amounts at 31. December 2023	-	490	490
Economic life cycle	until 20 years	until 10 years	
Depreciation plan	linear	linear	



Note 6 Leases

	Land and buildings	Machinery & equipment	2024 Total
<i>Carrying amount, Right-of-use assets</i>			
At 1. January 2024	13 571	49	13 620
Additions	6 404		6 404
Depreciations and impairment	(6 243)	(35)	(6 278)
Decreases and reclassifications			-
At 31 December 2024	13 733	14	13 747
<i>Carrying amount, Lease liabilities</i>			
At 1. January 2024	13 736	50	13 786
Additions	6 404		6 404
Interest expense	205	0	206
Payments	(6 379)	(36)	(6 414)
Other adjustments			
At 31. December 2024	13 966	15	13 982
<i>Total lease liabilities</i>			
	Non-current		7 941
	Current		6 041
<i>Amounts recognised in profit and loss</i>			
	Depreciation and impairment of right-of-use assets		6 278
	Interest expense		206
	Expense - short-term leases		98
	Expense - low-value assets		36
	Expense - variable lease payments		1 202
			<u>7 820</u>

	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	-	-	-
At 31 December 2023	13 571	49	13 620
<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			
At 31. December 2023	13 736	50	13 786
<i>Total lease liabilities</i>			
	Non-current		7 553
	Current		6 233
<i>Amounts recognised in profit and loss</i>			
	Depreciation and impairment of right-of-use assets		5 311
	Interest expense		248
	Expense - short-term leases		78
	Expense - low-value assets		101
	Expense - variable lease payments		1 608
			<u>7 346</u>



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Note 8 Financial Items

Financial items	2024	2023
Interest income from Group Companies	4 726	2 020
Other interest income	7	14
Other financial income from Group Companies	836	520
Total Other financial income	5 569	2 554
Interest Expense to other Group Companies	31	15
Other interest expense	247	405
Other financial expense to Group Companies	321	170
Other financial expense	37	40
Total Other financial expense	635	631
Currency Gains	1 211	1 415
Currency Loss	2 121	1 959
Exchange loss (gain)	-910	-544



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Note 9 - Tax

	2024-12-31	2023-12-31	Change
Deferred Tax			
Fixed assets	(90)	(35)	55
Inventories	(18 552)	(18 407)	145
Receivables	(1 586)	(452)	1 134
Projects	27 582	25 936	(1 646)
Leasing	(235)	(166)	69
Guarantees and other accruals	(22 546)	(20 837)	1 709
Profit- and loss account	288	359	71
Total temporary differences	(15 139)	(13 602)	1 536
Tax loss carry forward	-	-	-
Net temporary differences	(15 139)	(13 602)	1 536
Basis for deferred tax	(15 139)	(13 602)	1 536
Deferred tax 22%	(3 331)	(2 992)	(338)
Temporary differences in equity	(7 677)	(4 430)	(3 247)
Net deferred tax recognized in equity	(1 689)	(975)	(714)
Total deferred tax	(5 020)	(3 967)	(1 053)

	2024	2023
Payable tax		
Profit before tax	32 034	14 276
Non- deductible expenses	51	101
Received/ paid Group Contribution with tax effect	(31 000)	-
This year's change in temporary differences	1 536	12 934
Tax on income/ expenses recognized directly in equity	-	-
Applied carryforwards	-	-
Additional tax on interest	-	-
Taxable income	2 622	27 311

Tax payable 22 %	577	6 008
Income tax expense	2024	2023
Payable tax for the year	577	6 008
Settlement tax in prior years	(15)	-
Withholding tax	131	15
Tax on Group Contribution with tax effect	6 820	-
Additional tax on interest	-	-
Change in deferred tax liabilities/ assets	(1 053)	(3 293)
Tax on income/ expenses recognized directly in equity	714	444
Total income tax expense	7 174	3 174



Why the tax cost does not correspond to 22%

	2024	2023
22% on profit before tax	7 047	3 141
Permanent differences 22%	11	22
Effect of change in tax rate		
Additional tax on interest		
Deviations on deferred taxes in previous years		
Withholding tax	131	15
Settlement tax payable previous years		(5)
Calculated tax cost	7 189	3 174
Effective tax (**)	22,4 %	22,2 %

**) Includes non-deductible expenses such as representation.

***) Tax cost in relation to profit before tax.



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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 01.01.2024	7 000	30 224	44 918	82 142
Annual result			24 861	24 861
Group Contribution given (net after tax)			-24 180	-24 180
Dividends				0
	7 000	30 224	45 599	82 823
Hedging gains and losses 2024			-2 532	-2 532
Equity per 31.12.2024	7 000	30 224	43 066	80 290

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

Share Capital in Wärtsilä Valmarine AS per 31.12.2024	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. The consolidated financial statements are presented in other currency, EUR, than the company accounts.



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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.

Inventory	31.12.2024	31.12.2023	Change
Inventories of goods for production and spare parts	45 869	48 504	-2 635
Obsolete Provision goods for production and spare parts	-18 552	-18 408	-144
Work in progress - accrued cost	39 961	35 056	4 905
Inventory	67 278	65 152	2 126

Note 12 Trade and other receivables

Accounts Receivable	31.12.2024	31.12.2023	Change
Trade receivables external	45 694	41 383	4 311
Trade receivables group	8 584	15 657	-7 073
Total Accounts Receivable	54 278	57 040	-2 762

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

Accounts receivable- provision for bad debts

Provision for bad debts amount to 1,6 MNOK at 31.12.2024 (2023: 0,45MNOK). Change in provision for uncollectable accounts receivable are classified as other operating expenses in the income statement.

Bad debts	2024	2023
New accruals	1 258	448
Realized losses	15	0
Reversal of previous provisions	-127	-354
Bad debts in income statement	1 145	94

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

Advances from customers, ref other payables, 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.

	2024	2023
Work in progress - accrued cost	119 086	71 336
Estimated margin on work in progress	27 582	25 936
Total value of work in progress	146 668	97 272

Loss of projects in progress

Provision for foreseeable losses	4 114	1 656
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Balance sheet values of over time projects in progress

Unbilled revenue (Other short term receivables)	14 082	7 698
Deferred income (Other current liabilities)	23 452	10 403



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Note 14 Receivables

	<u>31.12.2024</u>	<u>31.12.2023</u>
Advances paid on inventory		
Prepaid expenses and other receivables	1 718	617
Unbilled revenue - over time contracts	14 082	7 698
Receivables Group Contribution	-	-
Accounts receivable VAT/ taxes	103	102
Total trade and other receivables	<u>15 903</u>	<u>8 417</u>



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Note 15 Pledges and guarantees

	31.12.2024	31.12.2023
Guarantees that are not recognized		
Guarantee for payment of tax per 31.12		
Parent Company guarantee	2 510	3 311
Guarantees prepayments from customers	37 056	11 201
Total	39 566	14 512

The Company has no assets as security for long-term or short-term debt as of 31.12.2024

The Company did not pledge collateral or guarantees in favour of group companies per 31.12.2024

Note 16 Balances with group companies

	31.12.2024	31.12.2023
Trade receivable	8 584	15 657
Other receivable	8 072	9 083
Balance in Group Account	139 754	68 918
	156 410	93 658
Trade Payables	26 380	9 801
Other short term debt / Group Contribution	31 000	-
	57 380	9 801

*) Other short term debt per 31.12.2024

	Amount	Interest	Due Date
Loan from Wärtsilä Corporation, Group Treasury			
	0		

Note 17 Cash and cash equivalents

	31.12.2024	31.12.2023
Restricted bank deposits	2 579	2 449
Bank deposits		
Balance in Group Account	139 754	68 918
Total	142 333	71 367

The Company participates in the cash pool arrangement with the parent company in Finland. The amount on the consolidated account are presented as bank deposits.

Note 18 Trade payables

	2024-12-31	2023-12-31	Change
Accounts Payable			
Accounts payables external	10 637	7 426	3 211
Amount due to Group Companies	26 380	9 801	16 579
Total Accounts Payable	37 018	17 227	19 791

Note 19 Current liabilities

	2024-12-31	2023-12-31
Provision accrued project-cost	13 608	18 111
Provision Wages and Holiday Pay	12 991	9 050
Other accruals	5 496	4 764
Payable Group Contribution	31 000	-
Other short term and borrowings	-	-
Advances received	42 626	12 324
Payable Dividends	-	-
Deferred income	45 929	42 632
Taxes	-	-
Total other current liabilities	151 650	86 881



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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.

	2024-12-31	2023-12-31	Change
The fair value of forward contracts recognized in equity (in KNOK)	-7 677	-4 430	-3 247



Wärtsilä Valmarine AS Financial Statements 2024

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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 2024 Wärtsilä Group had a net sale of EUR 6.449 Million and more than 18.000 employees. The Group has operations in 230 locations in 77 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 2024 the Company had 50 employees.

Total net sales to other Group Companies amounted to MNOK 46 in 2024 (MNOK 34 in 2023).

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

Wärtsilä Voyage GmbH	14 667
Wärtsilä North America Inc	9 759
Wärtsilä LLC Emirates	4 789

Total procurement of goods and services from other Group companies amounts to 39,5 MNOK in 2024 (MNOK 34 in 2023).

The most significant acquisitions from related parties are (KNOK)

Wärtsilä Voyage GmbH	16 497
Wärtsilä Corporation	8 371
Wärtsilä Finland Oy	6 697

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.



Wärtsilä Valmarine AS
Financial Statements 2024

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Note 22 Subsequent events

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date on which the financial statements are authorised for issue.

As of the 2024 reporting period, global conditions remained uncertain, with ongoing trade barriers and geopolitical tensions shaping the market landscape. These developments have led to increased investments in naval capabilities, strengthening the position of the navy sector. Additionally, a thriving cruise industry supported favourable market conditions for our service business.

In February 2023, it was announced that the company would be transferred from the Marine Power business to the Portfolio business, signalling a potential sale. By the end of 2024, a new owner had been identified; however, the transaction had not yet been completed. The company is expected to continue its operations as normal under the new ownership once the sale is finalised.



EQUALITY STATEMENT

Wärtsilä Valmarine AS 2024

Wärtsilä is committed to embrace an inclusive corporate culture where everyone is appreciated regardless of gender, age, sexual orientation, ethnicity, social background or disability. We recognise that diversity is important for many different reasons in today's world

Status gender equality

	2023	2024	2025	2026
Number of employees	5	47	0	6
Percentage of employees	10 %	90 %	0 %	100 %

The work community in Wärtsilä is characterized by male-dominated occupations. This is reflected in the number of applicants for open vacancies as most of the applicants are men. As shown in above figure around 90 % of our employees are males.

In 2024 we onboarded 7 new employees. Out of this 1 female and 6 males.

We have a professional recruiting process and use tools and descriptions that contributes to prevent discrimination. As stated in our job ads: *"At Wärtsilä we value, respect and embrace all our differences, and are committed to diversity, inclusion and equal employment opportunities; everyone can be their true self and succeed based on their job-relevant merits and abilities"*.

As part of a global organisation this is also reflected due to several nationalities hired in Wärtsilä in Norway.



Gender balance

Description of position level/group	Women	Men	Share of women	Total
Total	5	47	10%	52
Level/group 1	0	5	0 %	5
Level/group 2	2	30	6%	32
Level/group 3	3	10	23%	13
Level/group 4	0	2	0%	2
Level/group 5	0	0		0

Total cash benefits

Description of position level/group	Average cash benefits women (NOK)	Average cash benefits men (NOK)	Differences cash benefits (%)	Differences cash benefits (NOK)	Average cash benefits (total)
Level/group 1	-	1 488 353	-	-	1 488 353
Level/group 2	1 034 059	1 173 942	88,1%	-139 883	1 104 000
Level/group 3	736 151	964 999	76,3%	-228 848	850 575
Level/group 4	-	668 794	-	-	668 794
Level/group 5	-	-	-	-	-

Description of position levels and salary

For the calculation of differences in salary we have split fixed salary and variables. We have also considered similar work and work of same value when creating the position levels. The position levels are based on existing job categories in the company and an evaluation of which positions those fits into the different levels. The position groups are used actively in the yearly local salary negotiations. Union representatives for the employees have participated when we have planned, implemented and evaluated the salary of the employees. Most of the variables are travelling time and overtime related to travel. There are mostly male applicants to positions with extensive travel activity.



Temporary employees

Temporary employees	
Temporary employees female	Temporary employees male
0	

Employees in part time positions

Part time			
Actual part time		Involuntary part time	
Part time women	Part time men	Involuntary part time women	Involuntary part time men
0	0	0	0

Parental leave

Parental Leave	
Parental leave for women (average number of weeks)	Parental leave for men (average number of weeks)
0	2

The company encourage both male and female to take their parental leave by offering full salary for this period. That is of course if the employee is entitled to parental benefits according to National insurance decisions.



Our work to ensure equality and non-discrimination in practice

Diversity is an asset that is valued in Wärtsilä. Our culture is an inclusive one where diversity is promoted and respected. All individuals are given the same opportunity to grow and advance in their careers, irrespective of their nationality, gender identities, age, sexual orientations, educational background etc. Diversity and inclusion are important elements when driving for culture of high performance.

Our work with equality and non-discrimination is an integral part of the company's strategic framework work and operations. This is reflected in our guidelines, procedures and standards.

Work regulations

The work regulations which all employee sign upon appointment, address issues that involve respect for and recognition of human rights and equality for all.

Wärtsilä Code of Conduct

Wärtsilä 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 characteristic protected by law. Wärtsilä fosters equal opportunity and employees are selected and treated based on their abilities and merits. Wärtsilä continues to employ fair employment practices, and these are in the essence of Wärtsilä code of conduct.

Well-being, harassment and bullying

Each person has the right to maintain their mental and physical integrity. Any kind of harassment or bullying is not tolerated in the work community and any incidences must be dealt with immediately. In Wärtsilä we have procedures related to notification of censurable conditions.

Equality and non-discrimination in practice

The prohibition against discrimination applies to all aspect of an employment relationship, including amongst other: job posting, hiring, onboarding, relocation and promotion of employees, training and competence development, pay and working condition and the termination of an employment relationship.

In Wärtsilä we have a close and good cooperation with Unions and Safety Representatives. We have scheduled meetings every month. In these meetings HR, unions and safety representatives are participating.



Development discussion is held on annual basis to all Wärtsilä employees. Development discussions includes an evaluation of the past, reflection of the present and planning of the future. Development discussions are held once a year (beginning) and check-in discussion are made regularly during the year.

Assessment of required skills and development needs can be done in the development discussion. A development plan to acquire the needed skills is made based on the position's requirements and accountabilities.

The basis for training and personnel development rests upon the know-how needs and requirements of the business operations.

Everyone must have an opportunity to participate in the training necessitated by their work and the business operations, taking into consideration the principles of non-discrimination and equal treatment.

A global employee survey is conducted regularly, and everyone has the opportunity to participate. These surveys are used to gain information to help us to improve our policies and procedures. In addition, during the year, Impulse Surveys are conducted within the different business in the company.

In Wärtsilä we maintain the employees' physical and psychological well-being and behaving in a decorous and respectful manner. We do cooperate with external Occupational Health Services. They perform health controls, both related to the individuals and to Working environment.

Our rewarding principles are designed for Wärtsilä purposes reflecting commonly accepted position evaluation methods. The job grading structure describes position requirements, scope of responsibility and impact of the position. A common global framework provides the basis for transparent, fair and equal treatment of employees across the company. This also provides us means to analyse salaries and their competitiveness, internally and externally, in all Wärtsilä countries and entities.

There should be no pay differences based on gender in comparative roles. Salary differences or increases depend on performance and development.

Possible causes for risks and obstacles

The low number of females in the company is largely due to the type of positions and we still see that there are few females applying for the most of our open positions.

We see that there is a risk in the recruiting process that manager might have bias. To avoid bias there should always be a neutral third party, like HR, participating in the interview to challenge any kind of bias.



The company contribute to transfer of skills and experience within their teams and across the departments. When searching for candidates to new positions the company are seeking skilled and experienced candidates but should perhaps seek for these in own organisation and hire more junior employees externally instead. A risk is that knowledge is not shared internally, and that majority of our employees are 40+. By developing own employees, we could fill up the gap with younger employees.

Wärtsilä rewarding principles is a good framework. A risk might be that when an employee's performance is evaluated by his/her manager this may lead to unfair treatment. Although the company has a procedure related to the off-cycle process and overall performance evaluation, managers might need more information and instructions how this should be used, and grandfather should challenge. Also, for the company to focus on the importance to make sure that no one is treated unfair.

In our facilities the entrances are easy to access and there are elevators.



Report from the Board of Directors 2024

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 2024, Wärtsilä Corporation's net sales totalled EUR 6.4 billion with more than 18 000 employees. The Corporation has operations in 230 locations in 77 countries around the world. The Group's Annual Report 2024 is available on web page www.wartsila.com

2024 In Short

During 2024 The Company reported net sales of 248 MNOK which is significantly higher than 2023. Result before tax for the same period was a surplus of 32 MNOK.

The Company succeeded in New Build segment where activity more than tripled. Additionally, Field Services segment recorded considerable improvement.

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 2024, The Company had cash and cash equivalents equal to 142 MNOK. It was decided to pay 0 MNOK in dividend to The Group.

The newbuild market recovered well in 2024 after a weak performance in 2023, with significantly higher order intake. Geopolitical uncertainty has driven increased activity in the naval segment, while the commercial segment continues to face challenges due to high market competition and increasing pressure on margins. The cruise industry is steadily growing in the post-COVID period. Although supply chains have stabilized, inflation remains a key concern, contributing to rising costs across the industry.

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 25MEUR 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.

Wärtsilä complies with local legislation, regulations and agreements concerning human and labour rights. The **Code of Conduct** defines Wärtsilä's approach to responsible business practices and governs all our business operations and relations with our stakeholders. The Code of Conducts is extended to business partners, sub-contractors and suppliers with the **Wärtsilä Supplier Requirements**.

Contractor **EHS requirements** is also linking to our Code of Conduct, Safety Handbook and Supplier Handbook.

The extensive information and reporting can be found on the web site: <https://www.wartsila.com/sustainability>



Health, Safety, Environmental and Quality

In 2024, 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 2,5% and slightly lower compared to 2023 (2,8%). 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 gradually. The Company has an IA agreement, which will be continued also in 2025.

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 2024.

The Company ended up with a total of 60 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 requirements similar to those in previous permits, covering emissions to air and water, as well as noise limits. These requirements have been in effect since 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.

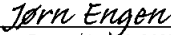
By the end of 2024, Wartsila Valmarine AS had a total of 52 employees, 5 females and 47 males. A full equality and diversity report for all Wartsila Valmarine AS can be found as an attachment to the financial statements.

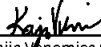



Wartsila Valmarine's management group consists of 6 males while The Board of Directors consists of 3 males and 2 females. Both the Board and management are familiar with the social expectation for measures to promote gender equality, both within The Company and the Board.

On the Board of Wärtsilä Valmarine AS – Drammen 20.06.2025



Thomas Heldarskard-Winnerskjold (Jun 20, 2025 08:12 GMT+2)
Thomas Heldarskard-Winnerskjold
Chairman of the Board


Jørn Engen (Jun 20, 2025 10:16 GMT+2)
Jørn Engen
Board Member


Kaija Venemies (Jun 20, 2025 06:54 GMT+3)
Kaija Venemies
Board Member


René Wolf
Board Member


Konstanse Løkken
Board Member


Knut Larsen (Jun 20, 2025 11:28 GMT+2)
Knut Larsen
Managing Director