STRONG CASH FLOW, BUT BUSINESS STILL HAMPERED BY COVID-19

• Order intake increased by 14%, growth in all businesses
• Good progress in services:
  – Order intake increased by 24%
  – Net sales increased by 16%
• Profitability improved despite lower net sales
• Strong cash flow from operating activities
• COVID-19 continued to have a significant impact on Wärtsilä’s business
## GOOD DEVELOPMENT IN KEY FIGURES

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Order intake</strong></td>
<td>1,154</td>
<td>1,011</td>
<td>14%</td>
<td>2,398</td>
<td>2,259</td>
<td>6%</td>
</tr>
<tr>
<td>of which services</td>
<td>604</td>
<td>486</td>
<td>24%</td>
<td>1,308</td>
<td>1,120</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Order book</strong></td>
<td></td>
<td></td>
<td></td>
<td>5,238</td>
<td>5,401</td>
<td>-3%</td>
</tr>
<tr>
<td>of which current year deliveries</td>
<td>2,225</td>
<td>2,165</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net sales</strong></td>
<td>1,131</td>
<td>1,220</td>
<td>-7%</td>
<td>2,078</td>
<td>2,390</td>
<td>-13%</td>
</tr>
<tr>
<td>of which services</td>
<td>591</td>
<td>510</td>
<td>16%</td>
<td>1,141</td>
<td>1,103</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Book-to-bill</strong></td>
<td>1.02</td>
<td>0.83</td>
<td></td>
<td>1.15</td>
<td>0.95</td>
<td></td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>58</td>
<td>49</td>
<td>18%</td>
<td>94</td>
<td>101</td>
<td>-7%</td>
</tr>
<tr>
<td>% of net sales</td>
<td>5.1</td>
<td>4.0</td>
<td></td>
<td>4.5</td>
<td>4.2</td>
<td></td>
</tr>
<tr>
<td><strong>Comparable operating result</strong></td>
<td>71</td>
<td>55</td>
<td>30%</td>
<td>112</td>
<td>111</td>
<td>1%</td>
</tr>
<tr>
<td>% of net sales</td>
<td>6.3</td>
<td>4.5</td>
<td></td>
<td>5.4</td>
<td>4.7</td>
<td></td>
</tr>
</tbody>
</table>
SECOND QUARTER HIGHLIGHTS

Net sales EUR 1,131 million
- -7% due to lower equipment deliveries
- Service net sales increased by 16% on the back of a weak comparison period

Comparable operating result EUR 71 million
- +30% despite lower net sales
- More favourable sales mix between equipment and services

Net sales

<table>
<thead>
<tr>
<th>Q219</th>
<th>Q319</th>
<th>Q419</th>
<th>Q120</th>
<th>Q220</th>
<th>Q320</th>
<th>Q420</th>
<th>Q121</th>
<th>Q221</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,217</td>
<td>1,220</td>
<td>1,131</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comparable operating result

<table>
<thead>
<tr>
<th>Q219</th>
<th>Q319</th>
<th>Q419</th>
<th>Q120</th>
<th>Q220</th>
<th>Q320</th>
<th>Q420</th>
<th>Q121</th>
<th>Q221</th>
</tr>
</thead>
<tbody>
<tr>
<td>113</td>
<td>55</td>
<td>71</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The number of vessels ordered in the review period increased to 829 (312 in the corresponding period in 2020, excluding late reporting of contracts).

Activity in the cargo sector has continuously improved from the lows seen in 2020, whereas vessel contracting in the cruise and ferry markets remains low.

The fuelling transition is increasingly gaining traction. There were 170 orders for alternative fuel capable units in the first half of the year.

Source: Clarksons Research, contracting as per 7 July 2021 (+100 gt, excluding late reporting of contracts)
Specialised vessels include LNG carriers, LPG carriers, cruise & ferry, offshore, and special vessels.
The COVID-19 pandemic and the resulting weakening of the investment environment continued to negatively impact the energy market.

Recovery will most likely take time in a large part of our core markets.

Activity in the energy storage markets has continued at a good level.

Wärtsilä’s market share decreased to 8%.

Market for gas and liquid fuel power plants <500 MW

The total market, including also power plants with prime movers above 500 MW, declined by 13% to 40.5 GW during the twelve-month period ending in March 2021 (46.4 at the end of December). The market data includes all Wärtsilä power plants and other manufacturers’ gas and liquid fuelled gas turbine based power plants with prime movers below 500 MW, as well as the estimated output of steam turbines for combined cycles. The data is gathered from the McCoy Power Report. The main gas turbine competitors are GE, Siemens, Mitsubishi, and Ansaldo. Other combustion engines are not included.
ORDER INTAKE INCREASED BY 14%

- Order intake increased across businesses
- Equipment order intake increased by 4%
- Service order intake increased by 24%, reflecting improved economic activity in general
SLIGHT DECREASE IN ORDER BOOK DUE TO DIVESTMENTS

BOOK-TO-BILL IMPROVING

Order book by business

Order book delivery schedule

* As published in the Interim report January-March 2020, order book figures for 2019 have been restated due to stricter requirements for booking new orders.
NET SALES DECREASED BY 7%

- Equipment net sales decreased by 24%, mainly due to fewer scrubber deliveries and delays in energy equipment deliveries.
- Service net sales increased by 16%.
TECHNOLOGY AND PARTNERSHIP HIGHLIGHTS

ENABLING INDUSTRY DECARBONISATION

Testing hydrogen and ammonia
• An engine and plant concept for pure hydrogen ready by 2025
• An engine concept with pure ammonia ready in 2023

Autonomous, zero-emission barge with Port of Rotterdam
• Collaborating to demonstrate a commercially viable autonomous intra-port inter-terminal container shuttle

Power-to-Gas
• Pre-engineering and developing a Power-to-Gas plant that would produce carbon-neutral, synthetic methane for Vantaa Energy
MARINE POWER
MARINE POWER: INCREASE IN ALL KEY FIGURES

SERVICE ORDERS INCREASED BY 30%

Order intake

<table>
<thead>
<tr>
<th>Quarter</th>
<th>MEUR 2019</th>
<th>MEUR 2020</th>
<th>MEUR 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q219</td>
<td>532</td>
<td>391</td>
<td>463</td>
</tr>
<tr>
<td>Q419</td>
<td>1,759</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Q220</td>
<td>2,500</td>
<td>2,000</td>
<td>2,500</td>
</tr>
<tr>
<td>Q420</td>
<td>2,000</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Q221</td>
<td>2,000</td>
<td>1,500</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Comparable operating result

<table>
<thead>
<tr>
<th>Quarter</th>
<th>MEUR 2019</th>
<th>MEUR 2020</th>
<th>MEUR 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q219</td>
<td>24</td>
<td>44</td>
<td>0</td>
</tr>
<tr>
<td>Q419</td>
<td>0</td>
<td>2.0%</td>
<td>0</td>
</tr>
<tr>
<td>Q220</td>
<td>2.0%</td>
<td>6.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Q420</td>
<td>6.0%</td>
<td>14.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Q221</td>
<td>16.0%</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Net sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>MEUR 2019</th>
<th>MEUR 2020</th>
<th>MEUR 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q219</td>
<td>447</td>
<td>429</td>
<td>466</td>
</tr>
<tr>
<td>Q419</td>
<td>1,763</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Q220</td>
<td>2,500</td>
<td>2,000</td>
<td>2,500</td>
</tr>
<tr>
<td>Q420</td>
<td>2,000</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Q221</td>
<td>2,000</td>
<td>1,500</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Marine Power: Increase in all key figures

Order intake increased by 30%.

Comparable operating result:
- MEUR 2019: Q219 24, Q419 0, Q220 2.0%, Q420 6.0%, Q221 16.0%
- MEUR 2020: Q219 447, Q419 429, Q220 466

Net sales:
- MEUR 2019: Q219 532, Q419 1,759, Q220 2,500, Q420 2,000, Q221 2,000
- MEUR 2020: Q219 391, Q419 1,500, Q220 2,000, Q420 1,500, Q221 1,500
- MEUR 2021: Q219 463, Q419 2,000, Q220 2,500, Q420 2,000, Q221 2,000

In Q220, the comparable operating result was positive.

Key factors:
- Sales volumes increase
- Equipment/service mix
- Cost efficiency actions

Factors affecting net sales:
- Factory load
- Cost inflation
Second renewal of optimised maintenance agreement with Rederi Ab Eckerö

• This latest 5-year agreement covers the main and auxiliary engines in six vessels.

• The agreement will ensure the engines operate safely and with optimal fuel efficiency, while minimising downtime and unplanned maintenance.
MARINE SYSTEMS
MARINE SYSTEMS: STRONG ORDER INTAKE

SERVICE ORDER INTAKE INCREASED BY 34%

Order intake

Comparable operating result

Net sales

Comparable operating result
VOYAGE: HIGHER NET SALES
SERVICE ORDER INTAKE INCREASED BY 61%

Order intake

Net sales

Comparable operating result

MEUR 245
+9%

MEUR 250
+21%

Q220 Q221

+ Sales volumes

MEUR 250
+ Cost inflation

Q220 Q221

+9%

MEUR Q220

-12

MEUR Q221

-11

12m rolling -16.4%

12m rolling -16.4%

+21%

-12 -11

-10 -9

-8 -7

-6 -5

-4 -3

-2 -1

0
Wärtsilä and Tanger Med enabled the first real-life digital port call

- The containership ‘Kobe Express’ docked safely and on time at Tanger Med port in Morocco using the Wärtsilä Navi-Port system.

- Navi-Port is a digital platform that facilitates the exchange of real-time data between ships and their destination ports to allow accurate arrival times, thereby saving fuel and costly waiting time at anchor.
ENERGY: ORDER INTAKE AND PROFITABILITY IMPROVED

SERVICE ORDERS INCREASED BY 22%

Order intake

Comparable operating result

Net sales

Comparable operating result

Order intake

Comparable operating result

Net sales

Comparable operating result
Flexible thermal balancing power gaining traction

- Wärtsilä received an order to supply equipment for a 156 MW multi-fuel balancing power plant to Omaha Public Power District in Nebraska, the United States. Wärtsilä’s technology will be used to balance renewable power generation in the grid and ensure system stability.

- Execution of a 380 MW project for Metaenergia in Italy began in June. Wärtsilä will supply six power plants operating on natural gas to provide flexible system balancing, as Italy strives to incorporate more renewable energy.
A long-term optimised maintenance agreement signed for power plants in three locations in Nigeria

- The plants covered by the five-year agreement produce a combined total output of approx. 132 MW.
- The aim of the agreement is to ensure the plants’ continued high levels of availability, reliability and efficiency.
## OTHER KEY FINANCIALS – NET DEBT DECREASED

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>245</td>
<td>252</td>
<td>312</td>
<td>293</td>
</tr>
<tr>
<td>Working capital</td>
<td></td>
<td></td>
<td>73</td>
<td>492</td>
</tr>
<tr>
<td>Net interest-bearing debt</td>
<td></td>
<td></td>
<td>253</td>
<td>643</td>
</tr>
<tr>
<td>Gearing</td>
<td></td>
<td></td>
<td>0.12</td>
<td>0.31</td>
</tr>
<tr>
<td>Solvency, %</td>
<td></td>
<td></td>
<td>37.8</td>
<td>35.0</td>
</tr>
<tr>
<td>Basic earnings/share, EUR</td>
<td>0.06</td>
<td>0.04</td>
<td>0.10</td>
<td>0.09</td>
</tr>
</tbody>
</table>
**STRONG CASH FLOW FROM OPERATING ACTIVITIES**

RECORD HIGH CASH FLOW IN THE FIRST HALF OF THE YEAR

Cash flow from operating activities

<table>
<thead>
<tr>
<th>MEUR, 12m rolling</th>
<th>MEUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>252</td>
<td>700</td>
</tr>
<tr>
<td>245</td>
<td></td>
</tr>
<tr>
<td>Q219</td>
<td></td>
</tr>
<tr>
<td>Q319</td>
<td></td>
</tr>
<tr>
<td>Q419</td>
<td></td>
</tr>
<tr>
<td>Q120</td>
<td></td>
</tr>
<tr>
<td>Q220</td>
<td></td>
</tr>
<tr>
<td>Q320</td>
<td></td>
</tr>
<tr>
<td>Q420</td>
<td></td>
</tr>
<tr>
<td>Q121</td>
<td></td>
</tr>
<tr>
<td>Q221</td>
<td></td>
</tr>
</tbody>
</table>

Second quarter development

- **Profit**: -37 MEUR
- **Depreciation and amortisation**: 42 MEUR
- **Trade receivables**: 94 MEUR
- **Inventories**: 19 MEUR
- **Trade payables**: 14 MEUR
- **Other working capital**: 46 MEUR
- **Other**: -5 MEUR
- **Operating cash flow**: 245 MEUR

Cash flow from operating activities

- Cash flow from operating activities
- Cash flow from operating activities, 12m rolling MEUR 700
Wärtsilä expects the demand environment in the third quarter to be better than that of the corresponding period in the previous year. However, the prevailing market conditions make the outlook uncertain.
SAVE THE DATE:
WÄRTSILÄ CAPITAL MARKETS DAY
18 NOVEMBER 2021
ORDER INTAKE
SECOND QUARTER DEVELOPMENT

Order intake by business:
- Marine Power: 40% (39)
- Marine Systems: 16% (12)
- Voyage: 5% (5)
- Energy: 1% (5)
- Portfolio Business: 38% (39)

Order intake by business type:
- Services: 48% (52)
- Equipment: 52% (48)
NET SALES
SECOND QUARTER DEVELOPMENT

Net sales by business
- Marine Power: 37% (37)
- Marine Systems: 3% (4)
- Voyage: 6% (5)
- Energy: 13% (20)
- Portfolio Business: 41% (34)

Net sales by business type
- Services: 48% (58)
- Equipment: 52% (42)
SECOND QUARTER DEVELOPMENT BY BUSINESS TYPE

**Order intake**

- **Marine Businesses**
  - EUR 706 million (566)
  - 45% (48)
  - 26% (28)
  - 14% (18)
  - 8% (4)
  - 7% (2)

- **Energy**
  - EUR 433 million (390)
  - 53% (57)
  - 18% (18)
  - 6% (5)
  - 7% (0)

**Net sales**

- **Marine Businesses**
  - EUR 684 million (715)
  - 45% (56)
  - 26% (23)
  - 14% (13)
  - 8% (4)
  - 7% (4)

- **Energy**
  - EUR 416 million (457)
  - 53% (60)
  - 18% (17)
  - 5% (5)
  - 19% (14)
  - 5% (4)
## JANUARY–JUNE ORDER INTAKE BY CUSTOMER SEGMENT

<table>
<thead>
<tr>
<th>Marine Businesses</th>
<th>Gas carriers</th>
<th>Cruise &amp; ferry</th>
<th>Offshore</th>
<th>Navy</th>
<th>Special vessels</th>
<th>Merchant</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marine Power</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>7% (6)</td>
<td>38% (32)</td>
<td>6% (7)</td>
<td>15%</td>
<td>22% (24)</td>
<td>11% (19)</td>
<td>0%</td>
</tr>
<tr>
<td>Services</td>
<td>20% (16)</td>
<td>19% (13)</td>
<td>14% (16)</td>
<td>7%</td>
<td>14% (15)</td>
<td>25% (25)</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Marine Systems</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>71% (42)</td>
<td>8% (3)</td>
<td>0% (3)</td>
<td>3%</td>
<td>1% (1)</td>
<td>16% (45)</td>
<td>0%</td>
</tr>
<tr>
<td>Services</td>
<td>3% (5)</td>
<td>8% (9)</td>
<td>6% (6)</td>
<td>30%</td>
<td>7% (7)</td>
<td>42% (38)</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Voyage</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>1% (1)</td>
<td>32% (32)</td>
<td>7% (6)</td>
<td>4%</td>
<td>17% (18)</td>
<td>18% (20)</td>
<td>21%</td>
</tr>
<tr>
<td>Services</td>
<td>4% (3)</td>
<td>22% (35)</td>
<td>6% (8)</td>
<td>2%</td>
<td>7% (5)</td>
<td>56% (45)</td>
<td>3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Energy</th>
<th>Utilities</th>
<th>Independent Power Producers</th>
<th>Industrials</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>31% (30)</td>
<td>57% (59)</td>
<td>12% (11)</td>
<td>0% (0)</td>
</tr>
<tr>
<td>Services</td>
<td>33% (33)</td>
<td>26% (24)</td>
<td>30% (30)</td>
<td>11% (14)</td>
</tr>
</tbody>
</table>
ORDERS RECEIVED FOR ENERGY EQUIPMENT GLOBALLY

ORDER INTAKE 1-6/2021:
MEUR 461 (486)