

Treasure ASA

Annual report 2017

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Directors' report for 2017

Treasure ASA

Main development and strategic direction

Treasure ASA was incorporated in 2016, following a demerger from Wilh. Wilhelmsen ASA, now named Wallenius Wilhelmsen Logistics ASA (WWLASA), and listed on the Oslo Stock Exchange 8 June 2016. The company has no own operations nor employees. The group purchases management and necessary corporate services from Wilh. Wilhelmsen Holding ASA (WWH) based on Service Level Agreements (SLAs).

Through Den Norske Amerikalinje AS (NAL), a 100%-owned subsidiary of Treasure ASA, the company owns 12.04% of the shares in Hyundai Glovis, a global transportation and logistics provider based in Seoul, Korea.

The group's fundamental objective is to generate significant total shareholder return from investments within the maritime and logistics industries. The group can generate shareholder return by growth in the market value of its shares, through dividends or other distributions to shareholders.

The primary focus is on managing the shareholding in Hyundai Glovis and the financial capabilities of the group are strong. The board and management will continue to

- enhance the relationship with the Hyundai Group and other stakeholders
- identify other attractive investment opportunities to balance the asset base further.

A shareholder agreement (SHA) exists between Treasure ASA group and the controlling shareholders of Hyundai

Glovis, M.K. Chung and E.S. Chung. The SHA contains a set of provisions regarding ownership and governance, details of which were disclosed in the Listing Prospectus of Treasure ASA. Treasure ASA is currently entitled to appoint two members to the Board of Directors at Hyundai Glovis.

During 2017 the share price of Treasure ASA moved from 16,70 to 14,40 NOK and the company paid dividends of 0,30 NOK in the second quarter and 0,65 NOK in the third quarter.

Financial summary – the group financial accounts

Going concern assumption

Pursuant to section 4, sub-section 5, confer section 3, sub-section 3a of the Norwegian Accounting Act, it is confirmed that the annual accounts have been prepared under the assumption that the enterprise is a going concern and that the conditions are present.

Income statement

The group's main source of income is the dividend paid to the shareholders of Hyundai Glovis (historically paid in Q2 of each year).

The Treasure ASA group's financial accounts for 2017 showed a total income of USD 12,1 million and an operating loss of USD 125,5 million. Operating costs amounted to 137,6 million following an impairment of the stake of Hyundai Glovis of USD 137,4 million in the fourth quarter. Other expenses consisted mainly of SLA cost charged by WWH. Net financials was an expense of USD 0,1 million

in 2017. Tax was included with an expense of USD 2 million and net loss after tax was USD 127,7 million in 2017.

Comprehensive income

The shareholding in Hyundai Glovis is classified as "Available-for-sale financial asset" under non-current assets. The change in market value has decreased slightly during the year, following a significant decrease during 2016. As a consequence of the accumulated decrease being prolonged and significant, the accumulated loss, previously charged to other comprehensive income is recycled through the income statement. Recognition of the impairment loss does not affect the equity of the group.

Total comprehensive income for the year was a profit of USD 5,9 million. This mainly reflected the share price performance of Hyundai Glovis, currency translation differences and dividend from Hyundai Glovis net after tax.

From 2018, there will be a change in presentation of the changes in value of the investment in Hyundai Glovis. The changes in market value will now be recognised through the income statement (as operating income or expense).

Balance Sheet

Total assets for Treasure ASA group at the end of 2017 was USD 578 million, of which USD 2 million in cash and cash equivalents. The group has no interest-bearing debt.

Hyundai Glovis

Hyundai Glovis reported a net profit of KRW 681 billion in 2017, up from KRW 506 billion for the previous year. Revenues and profitability are closely linked to the performance of the main customer, Hyundai Motor Group.

The Hyundai Glovis share price did not follow the general performance of the Korean Stock Market during 2017. Increased uncertainty regarding the future ownership structure of the Hyundai Motor Group, of which Hyundai Glovis is an integral part, and the negative performance reflects the lack of anticipated growth prospects. In addition, the global investor sentiment has led to foreign investors allocating less capital to the stocks of small- and medium-sized corporates in Emerging Markets (including South Korea) and more to liquid stocks of larger corporations. However, we believe

the current share price of Hyundai Glovis does not reflect the underlying financial fundamentals, as the shares trade at a significant discount both to peers and to historical average valuation levels.

The market value of Treasure ASA's shareholding in Hyundai Glovis was USD 575 million at the end of the year, representing a Net Asset Value (including cash) of 21 NOK per outstanding share in Treasure ASA.

Cash flow, liquidity and debt

The Treasure ASA group had a net decrease in cash and cash equivalents of USD 14 million for the year, mainly due to distribution of two dividends during 2017.

Risk

The shareholding in Hyundai Glovis represents the risk of Treasure ASA group, through its capital intensity and cyclical exposure to demand and supply of vehicles.

Internal control and risk management

The group is committed to manage risks in a sound manner related to its investments. The responsibility of governing boards and management is to be aware of the current environment in which they operate, implement measures to mitigate risks, prepare to act upon unusual observations, threats or incidents and respond to risks to mitigate consequences. The group has put in place a risk monitor process based on identification of risks for each investment (owned or potential), with a consolidated report presented to the board regularly for review and mitigating actions.

Market risk

Treasure ASA has indirect exposure to the global automotive industry in general and the Hyundai Motor Group in particular. Changes in trade conditions and global demand for Hyundai and Kia vehicles may affect transportation flows.

Operational risk

The Treasure ASA group has no employees. Corporate functions as general management, accounting, investor relations, legal, tax, communication etc. are covered via extensive and detailed SLAs with WWH. The board is familiar and confident with the quality of these services.

Financial risk

The Treasure ASA group remains exposed to a range of financial risk factors, particularly stemming from the equity market conditions

globally and in Korea as well as from movements in the Korean Won.

The group's exposure to and management of financial risk are further described in Note 8 of the 2017 accounts. This includes foreign exchange rate risk, credit risk and liquidity risk. While the main investment is of a long-term nature, any fluctuations in values will have impact on the net asset value and solidity of the group and may affect profitability.

Corporate governance, control and compliance

Treasure ASA group observes the Norwegian Code of Practice for corporate governance, in addition to requirements as specified in the Norwegian Public Companies Act and the Norwegian Accounting Act.

It is the board's view that, given the company's business model, the company has an appropriate governance structure and that it is managed in a satisfactory way.

Health, working environment, gender diversity and safety

The board is unaware of any material issues concerning work related issues nor is it aware of any material alleged violations stemming from the SLAs between WWH and Treasure ASA.

Sustainability

Since the company's main asset is a shareholding in a listed company, the board has not developed a separate sustainability report for the company. As the group's main activity is investments, the potential environmental impacts of its own business activities are not material.

However, the company builds its social responsibility guidelines on the foundation set by its majority shareholder and includes environmental, social and corporate governance issues in its investment analysis, business decisions, ownership practises and financial reporting.

Treasure ASA's majority shareholder (WWH) issues an annual sustainability report, which is available on wilhelmsen.com.

Through clearly expressed expectations to Hyundai Glovis, the group will contribute to promote human rights, sound working standards, reduce environmental impact, and work towards eliminating corruption in own operations and investments, as

well as the operations of suppliers and business partners.

Allocation of profit, dividend and buy back

The board's proposal for allocation of the net profit for the year is as follows:

Parent company accounts (NOK thousand)	
Loss for the year	NOK (964 244)
From equity	NOK 1 173 244
Proposed Dividend	NOK 66 000
Interim Dividend paid	NOK 143 000
Total Allocation	NOK (964 244)

The board is proposing a NOK 0.30 dividend per share payable during the second quarter of 2018, representing a total payment of NOK 66 million.

The Treasure ASA board of directors is proposing to the AGM to renew the annual authorization to, on behalf of the company, acquire up to 10% of the company's own issued shares and to issue up to 10% of new shares.

Prospects

Treasure ASA is an investment company with currently one main asset. The prospects for the group correlates strongly with the general development of the Hyundai Glovis financial and share price performance.

Projections for 2018 indicates an improvement in global growth relative to previous years. The current political landscape with potential for increased protectionism, however, adds uncertainty.

The main customers of Hyundai Glovis, Hyundai Motor Group and Kia Motor Group, are experiencing an increasing global demand for their vehicles from a shipping volume perspective. The establishment of further manufacturing sites outside of Korea will benefit the "Complete-Knock-Down"-segment of Hyundai Glovis, under which, main parts of vehicles are shipped from Korea to the different plants, where vehicles are assembled in combination with locally sourced auto parts. During 2017 Hyundai Glovis was awarded a new contract with HMC and KMC regarding shipping of

up to 60% of the total volume of finished vehicles overseas, announced in the fourth quarter.

Extensive information on Hyundai Glovis can be found on ir.glovis.net

Outlook

In 2018, Treasure ASA will continue to build and extend its strategic relationship with Hyundai Glovis.

Given the strong balance sheet, the investment

capacity is significant. Management will continue its strategy development, including a systematic assessment of potential investment opportunities within the maritime and logistics segments.

In February 2018, Hyundai Glovis announced that the company will pay an annual cash dividend for FY 2017 of 3.000 KRW per share.

The board expects the value of the group's main asset to fluctuate in line with the general equity indexes of the Korean Stock Exchange.

Lysaker, 22 March 2018
The board of directors of Treasure ASA



Thomas Wilhelmsen
chair



Marianne Lie



Bente Brevik



Christian Berg



Magnus Sande
CEO

Income statement Treasure group

USD thousand	Note	2017	2016
Dividend from available-for-sale financial asset		11 780	
Other income		364	201
Total income		12 144	201
Impairment loss available-for-sale financial asset	4	(137 354)	
Other expenses	1	(265)	(595)
Total operating expenses		(137 619)	(595)
Operating profit/ (loss)		(125 475)	(394)
Financial income	1	73	33
Financial expenses	1	(216)	(782)
Financial income/(expenses)		(142)	(749)
Profit/(loss) before tax		(125 617)	(1 143)
Tax income/(expense)	2	(2 036)	440
Profit/(loss) for the year		(127 653)	(704)
Basic / diluted earnings per share (USD)	3	(0.58)	0.00

Comprehensive income Treasure group

USD thousand	Note	2017	2016
Profit/(loss) for the year		(127 653)	(704)
Items that may be reclassified to the income statement			
Changes in fair value of available-for-sale financial asset	4	(4 779)	(132 576)
Changes in fair value of available-for-sale financial assets reclassified to income statement	4	137 354	
Currency translation differences		1 022	334
Other comprehensive income, net of tax		133 597	(132 242)
Total comprehensive income for the year		5 943	(132 945)

Notes 1 to 11 on the next pages are an integral part of these consolidated financial statements.

Balance sheet Treasure group

USD thousand	Note	31.12.2017	31.12.2016
ASSETS			
Non current assets			
Deferred tax asset	2	316	458
Available-for-sale financial assets	4/5/8	575 415	580 194
Total non current assets		575 731	580 652
Current assets			
Account Receivables			90
Prepaid expenses	8	6	53
Cash and cash equivalents	8	2 132	16 416
Total current assets		2 138	16 559
Total assets		577 869	597 211
EQUITY AND LIABILITIES			
Equity			
Paid-in capital		2 719	2 719
Retained earnings and other reserves		575 091	594 425
Attributable to equity holders of the parent		577 811	597 144
Current liabilities			
Other current liabilities		59	68
Total current liabilities		59	68
Total equity and liabilities		577 869	597 211

Lysaker, 22 March 2018
The board of directors of Treasure ASA



Thomas Wilhelmsen
chair



Marianne Lie



Bente Brevik



Christian Berg



Magnus Sande
CEO

Notes 1 to 11 on the next pages are an integral part of these consolidated financial statements.

Cash flow statement Treasure group

USD thousand	Note	2017	2016
Cash flow from operating activities			
Profit/(loss) before tax		(125 617)	(1 143)
Financial (income)/expenses	1	142	749
Impairment loss available-for-sale financial asset	1	137 354	
Change in working capital		1 126	(411)
Tax paid (company income tax, withholding tax)	2	(1 871)	(24)
Net cash provided by operating activities		11 135	(829)
Cash flow from investing activities			
Interest received	1	73	33
Financial income/(expenses)	1	(216)	
Net cash flow from investing activities		(142)	33
Cash flow from financing activities			
Dividend to shareholders		(25 276)	
Demerger WWL ASA	4		17 212
Net cash flow from financing activities		(25 276)	17 212
Net increase/(decrease) in cash and cash equivalents		(14 284)	16 416
Cash and cash equivalents at the beginning of the period		16 416	
Cash and cash equivalents at 31.12		2 132	16 416

The group has bank accounts in different currencies. The cash flow effect from revaluation of cash and cash equivalents is included in net cash flow provided by operating activities.

Notes 1 to 11 on the next pages are an integral part of these consolidated financial statements.

Equity Treasure group

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD thousand	Share capital	Retained earnings	Total equity
Balance 31.12.2016	2 719	594 425	597 144
Profit for the period		(127 653)	(127 653)
Dividend to shareholders		(25 276)	(25 276)
Other comprehensive income		133 597	133 597
Balance 31.12.2017	2 719	575 091	577 811

USD thousand	Share capital	Retained earnings	Total equity
Demerger WWL ASA	2 719	727 370	730 089
Profit for the period		(704)	(704)
Other comprehensive income		(132 242)	(132 242)
Balance 31.12.2016	2 719	594 425	597 144

The company paid dividends of NOK 0.30 in May 2017 and NOK 0.65 in August 2017.

The proposed dividend for fiscal year 2017 is NOK 0.30 per share, payable in the second quarter of 2018.

A decision on this proposal will be taken by the annual general meeting on 26 April 2018. The proposed dividend is not accrued in the year-end balance sheet.

The dividend will have effect on retained earnings in second quarter of 2018.

Notes 1 to 11 on the next pages are an integral part of these consolidated financial statements.

Accounting policies Treasure group ASA and Treasure group ASA

GENERAL INFORMATION

Treasure ASA (referred to as the parent company) is domiciled in Norway. The parent company's consolidated accounts for fiscal year 2017 include the parent company and its subsidiary (referred to collectively as the group).

The annual accounts for the group and the parent company were adopted by the board of directors on 22 March 2018.

The parent company is a public limited liability company which is listed on the Oslo Stock Exchange.

BASIC POLICIES

The financial accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union, to the extent applicable.

The main assets of the Treasure group are shares held in Hyundai Glovis, which are accounted for as "available-for-sale". The share price of Hyundai Glovis are quoted in KRW and traded on the KRX.

Background

The principal activity of the company is investment in financial assets and investments in other companies with similar activities. The company was incorporated on 12 February 2016 and was a wholly owned subsidiary of Wallenius Wilhelmsen Logistics ASA (WWLASA). For the period prior to this, the Company has no historical financial information.

Treasure ASA and Den Norske Amerikalijnje AS ("NAL") comprise the group (the "Group"). NAL own 12.04% in Hyundai Glovis Co. Ltd., Korea. WWLASA's shares in NAL were transferred to Treasure ASA by a demerger on 8 June 2016. Before the demerger the group has no historical figures.

The group accounts are presented in US dollars (USD), rounded off to the nearest thousand. Treasure ASA is a subsidiary of Wilh. Wilhelmsen Holding ASA (own 72.73% of the shares). Since Wilh. Wilhelmsen Holding group presents its group accounts in USD, the same presentation currency is chosen for Treasure's group accounts.

The parent company accounts are presented in its functional currency NOK.

The income statements and balance sheets for group companies with a functional currency which differs from the presentation currency (USD) are translated as follows:

- the balance sheet is translated at the closing exchange rate on the balance sheet date
- income and expense items are translated at a rate that is representative as an average exchange rate for the period, unless the exchange rates fluctuate significantly for that period, in which case the exchange rates at the dates of transaction are used
- the translation difference is recognised in other comprehensive income and split between controlling and non-controlling interests

Preparing financial statements in conformity with IFRS and simplified IFRS requires the management to make use of estimates and assumptions which affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses.

Estimates and associated assumptions are based on historical experience and other factors regarded as reasonable in the circumstances. The actual result can vary from these estimates.

Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the consolidated financial statements are described in more detail below in the section on critical accounting estimates and assumptions.

The accounting policies outlined below have been applied consistently for all the periods presented in the accounts.

Standards, amendments and interpretations

There are no new or amended standards adopted by the group or parent company from 1 January 2017 or later.

New standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the group;

- IFRS 9 The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments.
- IFRS 15 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.
- IFRS 16 Leases, issued in January 2016 and effective from 1 January 2019 covers the recognition of leases and related disclosure in the financial statements, and will replace IAS 17 Leases.

The group has evaluated the impact of above IFRS standards and currently IFRS 15 and 16 have no impact of the financial statements for the group. See note 4 "Available-for-sale financial asset" for evaluation of IFRS 9's presentation options, for assets accounted for as "Available-for-sale" under IAS 39, available from the effective date of 01.01.2018.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the group and the parent company.

CONSOLIDATION POLICIES

The group consolidate the 100% owned subsidiary Den Norske Amerikalijnje AS.

SEGMENT REPORTING

The group's main investment is the investment in Hyundai Glovis Ltd. Segment information is therefore not relevant.

RELATED PARTIES TRANSACTIONS

The group and the parent company have contracts and transactions with sisters companies in Wilh. Wilhelmsen Holding group. These are based on market terms and cover management services.

See note 9 to the group accounts for transactions and 7 to the parent company accounts.

FOREIGN CURRENCY TRANSACTION AND TRANSLATION

Transactions

Transactions in foreign currencies are initially recorded in the functional currency by applying the rate of exchange as of the transaction. Monetary assets and liabilities denominated in foreign currencies are subsequently retranslated into the functional currency at the rate of the exchange at the balance sheet date. The realised and unrealised currency gains or losses are included in financial income or expense.

Translations

In the consolidated financial statements, the assets and liabilities of non USD functional currency subsidiaries, including any related goodwill, are translated into USD using the rate of exchange as of the balance sheet date. The results and cash flow of non USD functional currency subsidiaries, are translated into USD using average exchange rate for the period reported (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

Exchange adjustments arising when the opening net assets and the net income for the year retained by non USD operation are translated into USD are recognised in other comprehensive income. On disposals of a non USD functional currency subsidiary, the deferred cumulative amount recognised in equity relating to that particular entity is recognised in the income statement.

REVENUE RECOGNITION

Revenue is recognised when it is probable that a transaction will generate a future economic benefit that will accrue to the entity and the size of the amount can be reliably estimated. Dividend from the investment in Hyundai Glovis is recognised when it is confirmed at a shareholder's meeting.

Revenues are recognised at fair value and presented net of value added tax and discounts. Other income is mainly consultant fee to Hyundai Glovis.

FINANCIAL ASSETS

The group and the parent company classify financial assets in the following categories: trading financial assets at fair value through the income statement, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose of the asset.

Management determines the classification of financial assets at their initial recognition.

Financial assets subsequently carried at fair value are initially recognised at fair value, and transaction costs are expensed in the income statement.

Short term investments

This category consists of financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of profit from short term price gains. Short term investments are valued at fair value (market value). The resulting unrealised gains and losses are included in financial income and expense. Derivatives are also placed in this category unless designated as hedges. Assets in this category are classified as current.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments, which are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. Loans and receivable are classified as other current assets or other non current assets in the balance sheet.

Loans and receivables are recognised initially at their fair value plus transaction costs. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred, and the group has transferred by and large all risk and return from the financial asset.

Realised gains and losses are recognised in the income statement in the period they arise.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Available-for-sale assets are measured at fair value through other comprehensive income, unless there is objective evidence of impairment, for which a reclassification to the income statement is done.

In case of equity investments classified as available-for-sale financial investments, objective evidence of impairment would include a significant or prolonged decline in the fair value of the investments below its cost. Where there is evidence of impairment, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the income statement, is reclassified to the income statement, with a reversal in other comprehensive income. Impairment losses on equity investments are not reversed through the income statement. Subsequent increases in fair value are recognized in other comprehensive income.

The fair value of the investments that are actively traded in organised financial markets is determined by reference to quoted market bid price at the close of business on the balance sheet date. For investments where there is no active market fair value are determined applying commonly used valuation methodology.

Available-for-sale financial assets are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

DEFERRED TAX / DEFERRED TAX ASSET

Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates and laws which have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit.

Deferred tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include, deposits held at call with banks, other current highly liquid investments with original maturities of three months or less.

DIVIDEND DISTRIBUTION IN THE GROUP ACCOUNTS

Dividend payments to the parent company's shareholders are recognised as a liability in the group's financial statements from the date when the dividend is approved by the general meeting.

DIVIDEND AND GROUP CONTRIBUTION IN PARENT ACCOUNTS

Proposed dividend for the parent company's shareholders is recognised in the parent company account as a liability at 31 December in the current year.

Note 1 Operating expenses, Income statement

USD thousand	Note	2017	2016
OTHER EXPENSES			
Personell expenses		(55)	(16)
IT and office expenses			(5)
Travel expenses		(4)	(8)
Audit fee		(37)	(6)
Consultant, and legal fees		(22)	(385)
Reversal of accrual		73	
Other operating expenses		(28)	
Management fee	9	(192)	(175)
Total other expenses		(265)	(595)

FINANCIAL INCOME AND EXPENSES

Other financial income		73	33
Other financial expenses		(78)	(424)
Net currency gain/(loss)		(138)	(358)
Financial income/(expenses)		(142)	(749)

REMUNERATION BOARD OF DIRECTORS

	2017	2016
Marianne Lie	12	
Bente Brevik	12	
Thomas Wilhelmsen		
Christian Berg		

The boards remuneration for the fiscal year 2017 will be approved by the general assembly 26 April 2018.

REMUNERATION SENIOR EXECUTIVES

Remuneration of the nomination committee totalled USD 10 for 2017.

Treasure ASA does not have any employees. The CEO and CFO who composes the management of Treasure ASA are employed by Wilh.Wilhelmsen Holding ASA (WWH) and are hired in on the basis of an Service Level Agreement. See note 9 for further details.

EXPENSED AUDIT FEE

USD thousand	2017	2016
Statutory audit	(34)	(4)
Other assurance services	(4)	(2)
Total expensed audit fee	(37)	(6)

Note 2 Tax

ORDINARY TAXATION

The ordinary rate of corporation tax in Norway is 24% of net profit for 2017. Norwegian limited liability companies are encompassed by the participation exemption method for share income. Thus, share dividends and gains are tax free for the receiving company. Corresponding losses on shares are not deductible. The participation exemption method does not apply to share income from companies considered low taxed and that are located outside the European Economic Area (EEA), and on share income from companies owned by less than 10% resident outside the EEA.

For group companies located in the same country and within the same tax

regime, taxable profits in one company can be offset against tax losses and tax loss carry forwards in other group companies. Deferred tax/deferred tax asset has been calculated on temporary differences to the extent that it is likely that these can be utilised in each country and for Norwegian entities the group has applied a rate of 23%.

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method.

Dividends from Hyundai Glovis Co Ltd are subject to 15% withholding tax in Republic of Korea.

Allocation of tax income/(expense) for the year

Withholding tax	(1 871)	(24)
Change in deferred tax	(165)	464
Total tax income/(expense)	(2 036)	440

The tax expense for 2017 is mainly driven by the withholding tax on received dividend.

Reconciliation of actual tax cost against expected tax cost in accordance with the ordinary Norwegian income tax rate of 24%

Profit/(loss) before tax	(125 617)	(1 143)
24% tax (25% 2016)	30 148	286

Tax effect from:

Permanent differences	(30 217)	88
Currency translation from USD to NOK for Norwegian tax purpose	(14)	91
Change in different tax rate	(82)	
Withholding tax	(1 871)	(24)
Calculated tax income/(expense) for the group	(2 036)	440

Effective tax rate for the group	(1.6%)	38.5%
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Deferred income tax assets and liabilities are offset when there is a legal enforceable right to offset current tax assets against current liabilities and when the deferred income taxes relates to the same fiscal authority.

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method.

USD thousand	2017	2016
Deferred tax assets to be recovered after more than 12 months	316	458
Net deferred tax assets	316	458
Opening balance 01.01	458	
Currency translation differences	24	(6)
Income statement charge	(165)	464
Net deferred tax assets at 31.12	316	458

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

USD mill	Tax losses carried forward	Tax losses carried forward
Deferred tax assets/(liability)		
Deferred tax assets 01.01	458	
Through income statement	(165)	464
Currency translations	24	(6)
Deferred tax assets/(liability) 31.12	316	458

Deferred income tax assets are recognised for tax loss carried-forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

Note 3 Earnings per share

Earnings per share take into consideration the number of outstanding shares in the period.

Earnings per share is calculated based on 220 000 000 shares for 2017.

Note 4 Available-for-sale assets

USD thousand	2017	2016
Available-for-sale financial assets		
Opening balance 31.12	580 194	
Demerger from WWL ASA		712 769
Change in value of available-for-sale assets	132 576	(132 576)
Impairment charge through income statement	(137 354)	
Total available-for-sale financial assets	575 415	580 194
Available-for-sale financial assets		
Hyundai Glovis Ltd.	575 415	580 194

The fair value of the investment has decreased from previous year. The volatility of the stock price of Hyundai Glovis has resulted in an impairment at the year end. The effect is that the cumulative loss, measured as the difference between the acquisition cost (the value at the demerger date) and the current fair value as of 31 December 2017, has been reclassified from equity and recognized in the income statement.

Available-for-sale financial assets are denominated in KRW.

Note 5 Financial level

USD thousand	2017	2016
	Level 1	Level 1
Financial assets at fair value		
Available-for-sale financial assets	575 415	580 194
Total financial assets 31.12	575 415	580 194

The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date.

A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the group is the current close price. These instruments are included in level 1. Instruments included in level 1 at the end of 2017 are liquid investment grade equities.

Note 6 Principal subsidiaries

	Business office/ country	Nature of business	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)
Den Norske Amerikaline AS	Lysaker, Norway	Investments	100%	100%

The group's principal subsidiary at 31 December 2017 are set out above, and has share capital consisting solely of ordinary shares that is held directly by the group, and the proportion of ownership interests held equals the voting rights

held by the group. The country of incorporation or registration is also their principal place of business.

Note 7 Segment reporting

SEGMENT

The chief operating decision-maker monitors the business by combining similar operational characteristics such as product services, market and underlying asset base, into operating segments. The group's main investment is the shareholding in Hyundai Glovis Ltd. Segment information is therefore not relevant.

Note 8 Financial risk

The group has exposure to the following financial risks from its ordinary operations:

- Market risk
 - Hyundai Glovis share price risk
 - Foreign exchange rate risk
- Credit risk
- Liquidity risk

MARKET RISK

Share price risk

The group has exposure to risk connected with the movements in the share price of Hyundai Glovis. Although fundamentals have been stable over time and reflecting the underlying stable business model of Hyundai Glovis, valuation has been volatile, causing the share price to periodically move heavily and not always in sync with the broader Korean Equity Market.

Foreign exchange rate risk

The group has exposure to currency risk mainly on balance sheet items denominated in currencies other than non-functional currencies (translation risk, mainly share price of Hyundai Glovis, denominated in KRW), and to a much

lesser extent on revenues and costs in non-functional currencies (transaction risk, mainly dividends from Hyundai Glovis, denominated in KRW).

The group has not established hedging strategies to mitigate risks originating from movements in share price and/or currencies.

Credit risk

The group has very limited exposure to credit risk due to lack of material receivables.

Off-balance sheet item

The Norwegian Company Act Law § 14-11, section 3 decide that the company under certain conditions will support repayment of certain debt issued by its former parent company Wallenius Wilhelmsen Logistics ASA at the date of the demerger. This joint liability is treated as an off-balance sheet item.

Liquidity Risk

The group's liquidity risk is low in that it holds significant liquid assets in operational bank accounts. The group's approach to managing liquidity is to secure that it will always have sufficient liquidity to meet its liabilities under both normal and stressed conditions.

USD thousand

Sensitivities	(20%)	(10%)	0%	10%	20%
Share price of Hyundai Glovis (KRW)	108 800	122 400	136 000	149 600	163 200
Change in value	(115)	(58)	0	58	115

USD thousand

Sensitivities	(20%)	(10%)	0%	10%	20%
USDKRW exchange rate	853	960	1 067	1 173	1 280
Change in value	(115)	(58)	0	58	115

CAPITAL RISK MANAGEMENT

The group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future investment capabilities. Treasure ASA's main source of liquidity is the annual dividend payment from its shares in Hyundai Glovis. The board of Hyundai Glovis has proposed to their

Annual General Meeting a dividend payment of 3.000 KRW per share payable in the second quarter of 2018. Treasure ASA, holding 4.513.582 shares in Hyundai Glovis, will utilize these proceeds in addition to available cash and cash equivalents to cover the payment of the proposed 2017 dividend to its shareholders.

Note 8 Financial risk

Financial instruments by category

USD thousand	Note	Loans and receivables	Available-for-sale financial asset	Total
Assets				
Available-for-sale financial assets	4		575 415	575 415
Other current assets		6		6
Cash and cash equivalent		2 132		2 132
Assets at 31.12.2017		2 138	575 415	577 553

USD thousand	Note	Loans and receivables	Available-for-sale financial asset	Total
Assets				
Available-for-sale financial assets	4		580 194	580 194
Other current assets		143		143
Cash and cash equivalent		16 416		16 416
Assets at 31.12.2016		16 559	580 194	596 753

Note 9 Related party transactions

The ultimate owner of the group Treasure ASA is Tallyman AS, which controls about 60% of voting shares of the group Wilh. Wilhelmsen Holding ASA. Wilh. Wilhelmsen Holding ASA controls 72.73% of the Treasure group. The ultimate beneficial owners of Tallyman AS are the Wilhelmsen family. Mr Wilhelm Wilhelmsen controls Tallyman AS.

The group had transactions with related parties in 2017. All transactions are entered on market terms.

The services are:

- Management team (CEO and CFO)
- Shared services

Generally, shared services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually.

Material related parties for Treasure group are:

Business office, country

Wilh. Wilhelmsen Holding ASA (WWH)	Lysaker, Norway	Owns 72.73% of Treasure ASA
Wilhelmsen Accounting Services AS	Lysaker, Norway	Owned by WWH

USD mill	2017	2016*
OPERATING EXPENSES TO RELATED PARTY		
Purchase of services from Wilh Wilhelmsen Holding group:		
Management and accounting services	(192)	(161)
Operating expenses to related party	(192)	(161)

* 2016 figures does not reflect a full year

Note 10 Income statement – pro forma figures for Q1 2016 and full year 2015

USD mill	Pro forma	
	Q1 2016	Full year 2015
Income		
Dividend from available -for-sale financial asset	11.9	8.2
Total income	11.9	8.2
Operating expenses		
Other expenses		(0.4)
Total operating expenses	0.0	(0.4)
Operating profit	11.9	7.8
Financial income/(expenses)	(1.1)	(0.0)
Profit/(loss) before tax	10.8	7.8
Income tax	(1.8)	(1.4)
Profit/(loss)	9.0	6.3
STATEMENT OF COMPREHENSIVE INCOME		
Profit for the period	9.0	6.3
Items that will be reclassified to income statement		
Changes in fair value of available-for-sale financial asset	8.4	(465.7)
Other comprehensive income, net of tax	8.4	(465.7)
Total comprehensive income for the period	17.4	(459.4)

Note 11 Events after the balance sheet date

No material events occurred between the balance sheet date and the date when the accounts were presented which provide new information about conditions prevailing on the balance sheet date.

Income statement Treasure ASA

NOK thousand	Note	2017	2016 (08.06.2016- 31.12.2016)
Operating income			
Other income	1	3 011	1 680
Dividend and group contribution from subsidiary	1	215 000	10 000
Total operating income		218 011	11 680
Operating expenses			
Impairment subsidiary		(1 178 271)	
Operating expenses	1	(2 471)	(4 634)
Total operating expenses		(1 180 742)	(4 634)
Operating profit/(loss)		(962 731)	7 046
Financial income/(expenses)			
Net financial income	1	303	77
Net financial expenses	1	(942)	(3 541)
Financial income/(expenses)		(640)	(3 464)
Profit before tax		(963 370)	3 582
Tax income/(expenses)	3	(874)	1 336
Profit for the year		(964 244)	4 918
Transfers and allocations			
From equity	5	(1 173 244)	(61 082)
Proposed dividend	5	66 000	66 000
Interim dividend paid	5	143 000	
Total transfers and allocations		(964 244)	4 918

Notes 1 to 9 on the next pages are an integral part of these financial statements.

Balance sheet Treasure ASA

NOK thousand	Note	31.12.2017	31.12.2016
ASSETS			
Non current assets			
Deferred tax asset	3	1 499	1 540
Investments in subsidiaries	4	4 728 586	5 906 857
Total non current assets		4 730 085	5 908 398
Current assets			
Account receivables		777	
Other current assets		47	452
Cash and cash equivalents		8 784	2 149
Total current assets		8 832	3 378
Total assets		4 738 917	5 911 775
EQUITY AND LIABILITIES			
Equity			
Paid-in capital	5	22 000	22 000
Retained earnings	5	4 650 531	5 823 775
Total equity		4 672 531	5 845 775
Current liabilities			
Accounts payable	7	386	
Dividend	5	66 000	66 000
Total current liabilities		66 386	66 000
Total equity and liabilities		4 738 917	5 911 775

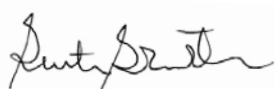
Lysaker, 22 March 2018
The board of directors of Treasure ASA



Thomas Wilhelmsen
chair



Marianne Lie



Bente Brevik



Christian Berg



Magnus Sande
CEO

Notes 1 to 9 on the next pages are an integral part of these financial statements.

Cash flow statement Treasure ASA

NOK thousand	Note	2017	2016
Cash flow from operating activities			
Profit before tax		(963 370)	3 582
Financial (income)/expenses	1	640	3 464
Impairment subsidiary	1	1 178 271	
Change in working capital		1 265	(1 247)
Tax paid (withholding tax)	3	(833)	(204)
Net cash provided by operating activities		215 972	5 595
Cash flow from investing activities			
Interest received	1	303	18
Net cash flow from investing activities		303	18
Cash flow from financing activities			
Dividend to shareholders		(209 000)	
Financial expenses	1	(640)	(3 464)
Net cash flow from financing activities		(209 640)	(3 464)
Net increase in cash and cash equivalents		6 635	2 149
Cash and cash equivalents, at the beginning of the period		2 149	
Cash and cash equivalents at 31.12		8 784	2 149

The company has bank accounts in both USD and NOK. Unrealised currency effects are included in net cash provided by operating activities.

Note 1 Combined items, income statement

NOK thousand	Note	2017	2016
OPERATING INCOME			
Consultant fee Hyundai Glovis		3 011	1 680
Dividend and group contribution from subsidiary	7	215 000	10 000
Total operating income		218 011	11 680
OTHER EXPENSES			
Board of directors fee (incl soc. sec.)	2	(325)	
Expenses to group companies	7	(1 317)	(1 045)
Communication and IT expenses			(33)
External services	2	(437)	(3 237)
Travel and meeting expenses		(159)	(199)
Other administration expenses		(233)	(120)
Total other expenses		(2 471)	(4 634)
FINANCIAL INCOME/(EXPENSES)			
Financial income			
Interest income		303	18
Net currency gain			59
Net financial income		303	77
Financial expenses			
Other financial items	6	(837)	(3 541)
Net currency loss		(105)	
Net financial expenses		(942)	(3 541)
Net financial income		(640)	(3 464)

Note 2 Remuneration board of directors

NOK thousand	2017	2016
Marianne Lie	100	
Bente Brevik	100	
Thomas Wilhelmsen		
Christian Berg		

The boards remuneration for the fiscal year 2017 will be approved by the general assembly 26 April 2018. Remuneration of the nomination committee totalled NOK 85 for 2017.

REMUNERATION SENIOR EXECUTIVES

Treasure ASA does not have any employees. The CEO and CFO who composes the management of Treasure ASA are employed by Wilh. Wilhelmsen Holding ASA (WWH) and are hired in on the basis of an Service Level Agreement. See note 7 for further details.

EXPENSED AUDIT FEE (EXCLUDING VAT)

NOK thousand	2017	2016
Statutory audit	(257)	
Total audit fee expenses	(257)	0

Note 3 Tax

NOK thousand	2017	2016
Allocation of tax income/(expense)		
Withholding tax	(833)	(204)
Change in deferred tax	(41)	1 540
Total tax income/(expense)	(874)	1 336
Basis for tax computation		
Profit before tax	(963 370)	3 582
24% tax	231 209	(896)
Tax effect from		
Permanent differences	(231 185)	2 500
Withholding tax	(833)	(204)
Change in tax rate	(65)	(64)
Current year calculated tax	(874)	1 336
Effective tax rate	0.1%	37.3%
Deferred tax asset/(liability)		
Tax losses carried forward	1 499	1 540
Deferred tax asset/(liability)	1 499	1 540
Deferred tax asset 01.01	1 540	
Change of deferred tax through income statement	(41)	1 540
Deferred tax asset/(liability) 31.12	1 499	1 540

Note 4 Investments in subsidiaries

Investments in subsidiaries are recorded at cost. Where a reduction in the value of shares in subsidiaries is considered to be permanent and significant, an impairment to net realisable value is recorded.

NOK thousand	Business office country	Nature of business	Volting share/ ownership share	2017 Book value	2016 Book value
Den Norske Amerikalinje AS	Lysaker, Norway	Investment	100%	4 728 586	5 906 857
Total investments in subsidiaries				4 728 586	5 906 857

The company's subsidiary at 31 December 2017 is set out above. Per year end 2017 an impairment was made related to the investment in Den Norske Amerikalinje AS due to the fair value of shareholding in Hyundai Glovis. The impairment amounted to NOK 1 178 mill.

The share capital consist solely of ordinary shares that are held directly by the company, and the proportion of ownership interest held equals the voting

rights held by the company. The country of incorporation or registration is also their principal place of business.

Treasure ASA was demerged from Wallenius Wilhelmsen Logistics ASA on 8 June 2016, and as a consequence the investment in Den Norske Amerikalinje AS was transferred to Treasure ASA.

Note 5 Equity

NOK thousand	Share capital	Retained earnings	Total
Current year's change in equity			
Equity 31.12.2016	22 000	5 823 775	5 845 775
Profit for the year		(964 244)	(964 244)
Interim dividend paid		(143 000)	(143 000)
Proposed dividend		(66 000)	(66 000)
Equity 31.12.2017	22 000	4 650 531	4 672 531

NOK thousand	Share capital	Retained earnings	Total
2016 change in equity			
Equity 12.02.2016	1 000		1 000
Repayment share capital WWLASA	(1 000)		(1 000)
Share capital Treasure ASA	22 000		22 000
Opening balance 08.06.2016		5 884 857	5 884 857
Profit for the year		4 918	4 918
Proposed dividend		(66 000)	(66 000)
Equity 31.12.2016	22 000	5 823 775	5 845 775

At 31 December 2017 the company's share capital comprises 220 000 000 shares with a nominal value of NOK 0.10 each.

Dividend

The company paid dividends of NOK 0.30 in May 2017 and NOK 0.65 in August 2017. The proposed dividend for fiscal year 2017 is NOK 0.30 per share, payable in the second quarter 2018. A decision on this proposal will be taken by the annual general meeting on 26 April 2018.

The largest shareholders at 31 December 2017

Shareholders	Total number of shares	% of total shares
Wilh. Wilhelmsen Holding ASA	160 000 000	72.73%
VPF Nordea Norge Verdi	8 225 379	3.74%
Folketrygdfondet	7 628 031	3.47%
Danske Invest Norske Instit. II.	4 981 608	2.26%
Brown Brothers Harriman (LUX) SCA	3 864 942	1.76%
Danske Invest Norske Aksjer Inst	2 490 312	1.13%
Storebrand Norge i verdipapirfond	2 112 724	0.96%
VPF Nordea Kapital	1 818 842	0.83%
JP Morgan Chase Bank, N.A., London	1 461 147	0.66%
J.P. Morgan Securities LLC	1 317 418	0.60%
VPF Nordea Avkastning	1 219 364	0.55%
Danske Invest Norge II	1 165 518	0.53%
Tallyman AS	1 109 095	0.50%
Verdipapirfondet SR-Utbytte	1 082 314	0.49%
Nordnet Bank AS	898 435	0.41%
Herfo Finans AS	671 743	0.31%
Bras Kapital AS	650 000	0.30%
KLP Aksjenorge Indeks	623 375	0.28%
Verdipapirfondet Nordea Norge Plus	590 188	0.27%
Kvaal Invest AS	568 965	0.26%
Other	17 520 600	7.96%
Total number of shares	220 000 000	100.00%

Shares on foreigners hands

At 31. December 2017 – 16 340 012 (7.43%) shares.

Note 6 Financial risk

CREDIT RISK

Off-balance sheet item

The Norwegian Company Act Law § 14-11, section 3 decide that the company under certain conditions will support repayment of certain debt issued by its former parent company Wallenius Wilhelmsen Logistics ASA at the date of the demerger. This joint liability is treated as an off-balance sheet item.

The parent general policy's is that no financial guarantees are provided by the parent company.

The parent general policy's is that no financial guarantees are provided by the parent company.

Cash and bank deposits

The parent's exposure to credit risk on cash and bank deposits is considered to be very limited as the parent maintain banking relationships with a selection of well-known and good quality banks.

LIQUIDITY RISK

The parent's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to at all times meet its liabilities, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the parent and group's reputation.

Note 7 Related party transaction

The ultimate owner of Treasure ASA is Tallyman AS, which controls the company through its ownership in Wilh. Wilhelmsen Holding ASA. Tallyman AS control about 60% of voting shares of Wilh. Wilhelmsen Holding ASA who has an ownership of approximately 73% in Treasure ASA. In addition, Tallyman AS directly owns 0.5% of Treasure ASA.

The ultimate beneficial owners of Tallyman AS are the Wilhelmsen family. Mr Wilhelm Wilhelmsen controls Tallyman AS.

The company has undertaken several transactions with related parties within

the Wilh. Wilhelmsen Holding group. All transactions are entered into in the ordinary course of business of the company and the agreements pertaining to the transactions are all entered into on market terms.

Shared Services delivered to Treasure ASA relates to management, tax, communication, treasury, legal services, accounting and rent of office facilities. Generally, Shared Services are priced using a cost plus 5% margin calculation, in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually.

NOK thousand

Note

2017

2016

OPERATING EXPENSES TO GROUP COMPANIES

Wilservice AS			8
Wilhelmsen Accounting Services AS		267	89
Wilh. Wilhelmsen Holding ASA		1 050	949
Operating expenses to group companies	1	1 317	1 045

DIVIDEND AND GROUP CONTRIBUTION FROM SUBSIDIARIES

Den Norske Amerikalinje AS		215 000	10 000
Dividend and group contribution from subsidiary	1	215 000	10 000

ACCOUNT PAYABLES TO GROUP COMPANIES

Wilh. Wilhelmsen Holding ASA		(328)	
Account payables to group companies		(328)	0

Note 8 Events after the balance sheet date

No material events occurred between the balance sheet date and the date when the accounts were presented which provide new information about conditions prevailing on the balance sheet date.

Auditors' Report



To the Annual Shareholders' Meeting of Treasure ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Treasure ASA. The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2017, and income statement, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2017, and income statement, comprehensive income, statement of changes in equity, 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 are prepared in accordance with the law and regulations.
- The accompanying financial statements present fairly, in all material respects, the financial position of the parent company as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to § 3-9 of the Norwegian Accounting Act.
- The accompanying financial statements present fairly, in all material respects, the financial position of the group as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 and the Group as required by laws and regulations, 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.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Auditors' Report



Independent Auditor's Report - Treasure ASA

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

During our 2016 audit, we focused on management's impairment assessment of financial assets available-for-sale. This issue was also present in 2017, and it was relevant to focus our attention on this issue, partly because of the impairment charge recognized in 2017 and partly because the issue is no less complex this year. Further, we noted that changes in fair value of financial assets available-for-sale will be recognised through the Income Statement from 2018, following the adoption of IFRS 9.

Key Audit Matter	How our audit addressed the Key Audit Matter
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<p><i>Impairment assessment of financial assets available-for-sale</i></p> <p>The Group holds 12.04 % of the shares in Hyundai Glovis Co.Ltd. The assets are available for sale and held at fair value with USD 575 million as of 31 December 2017.</p> <p>An impairment charge of USD 137 million was recognised in 2017. The charge is a result of the accumulated decline in fair value below cost in during 2016 and 2017, being significant and prolonged. The accumulated loss, previously charged to Other Comprehensive Income was recycled through the Income Statement.</p> <p>At each reporting date management reviews whether there is objective evidence that financial assets available-for-sale is impaired. This includes an assessment of whether the decline in fair value is significant or prolonged. The fair value of the financial assets available-for-sale was determined by reference to quoted market bid price at the close of business expressed in US Dollar.</p> <p>We focused on this area due to the relative size of the amounts and the judgement inherent in the impairment review.</p> <p>See further information in note 4 to the Group financial statements.</p>	<p>We assessed management's impairment review, the underlying analysis and the assumptions adopted by management when they assessed whether the decline in fair value was significant and prolonged or if other objective evidence was present. The fair value of the financial assets available-for-sale was tested against external sources.</p> <p>We corroborated management's documentation against external market information such as unexpected corrections or volatility in the quoted market price. We also assessed the period the fair value was below original cost. We found management's assessment to be reasonable.</p> <p>We satisfied ourselves about the appropriateness of the disclosures in note 4 of the Group financial statements by comparing them to the requirements in IFRS.</p>
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Auditors' Report



Independent Auditor's Report - Treasure ASA

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report and the statement on Corporate Governance, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer for the Financial Statements

The Board of Directors and the Chief Executive Officer (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the parent company in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation and fair presentation of the financial statements of the group in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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Auditors' Report



Independent Auditor's Report - Treasure ASA

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company or the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company or the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Auditors' Report



Independent Auditor's Report - Treasure ASA

Report on Other Legal and Regulatory Requirements

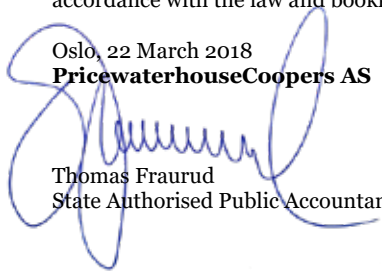
Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statement on Corporate Governance concerning the financial statements, the going concern assumption, and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company and the Group's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 22 March 2018
PricewaterhouseCoopers AS



Thomas Fraurud
State Authorised Public Accountant

(5)

Responsibility statement

We confirm, to the best of our knowledge, that the financial statements for the period from 1 January to 31 December 2017 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit for the entity and the group taken as a whole.

We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Lysaker, 22 March 2018
The board of directors of Treasure ASA



Thomas Wilhelmssen
chair



Marianne Lie



Bente Brevik



Christian Berg



Magnus Sande
CEO

Corporate governance

The board's corporate governance report for 2017

Corporate governance comply or explain overview			
Principle		Deviations	Reference in this report
1.	Implementation and reporting on corporate governance	None	On page 35
2.	The business	None	On page 35
3.	Equity and dividends	None	On page 36
4.	Equal treatment of shareholders and transactions with close associates	None	On page 36
5.	Freely negotiable shares	None	On page 36
6.-9.	General meetings	The chair of the board also acts as chair of the general meeting as stated in the company's Articles of Association. The board elects its own chair. Given the size of the board and the fact that the board jointly is responsible for its decisions, separate committees are not valued as necessary. The board therefore acts as remuneration and audit committee. Last, the Articles of Association does not include a reference to the nomination committee and the company has not developed a formal way for shareholders to submit proposals for candidates to the committee.	On page 36
10.	Risk management and internal control	None	On page 38
11.	Remuneration of the board of directors	None	On page 39
12.	Remuneration of the executive personnel	None	On page 39
13.	Information and communications	None	On page 39
14.	Take-overs	None	On page 39
15.	Auditor	None	On page 39

Reducing risk and creating value over time

This report is, amongst others, based on the requirements covered in the Norwegian Code of Practice for Corporate Governance.

The board believes sound corporate governance reduces risk and contributes to value creation in the best interest for the company's shareholders and other stakeholders.

The board discussed and approved this report 22 March 2018 – with all directors present – and assessed the company's corporate governance performance to be of a high standard.

The report will be presented to the annual general meeting 26 April 2018.



Thomas Wilhelmssen
chair

1. Implementation and reporting on corporate governance

Treasure ASA is a public limited company organised under Norwegian law. Listed on the Oslo Stock Exchange, the company is subject to Norwegian securities legislation and stock exchange regulations.

This report originates from the requirements covered in the Norwegian Code of Practice for Corporate Governance (“the code”), the Public Limited Companies Act and the Norwegian Accounting Act, approved by the board and published as part of the company’s annual report.

This report is available on treasureasa.com.

Comply or explain principle

In addition to provisions and guidance that in part elaborate on company, accounting, stock exchange and securities legislations, as well as the Stock Exchange Rules (dated 1 October 2014), the code also covers areas not addressed by legislation. Building on a “comply or explain” principle, the code requires the company to justify deviations from its 15 provisions and to describe alternative solutions where and if applicable. A summary of Treasure ASA’s adherence to the code can be found on [page 34](#) in this report.

Sustainable business model

A responsible business model must be sustainable. With a majority shareholder, Treasure ASA’s sustainability targets and achievements are included in Wilh. Wilhelmsen Holding ASA’s sustainability report, based on the requirements stated by the Global Reporting Initiative. The report describes how the majority shareholder combines long-term profitability with emphasis on ethical business conduct including respect for human rights, the natural environment and the societies in which the company operates. The report includes how the group addresses employee rights and working environment, human rights, health and safety issues, the environment, prevention of corruption and last, but not least how the group works to the best of the communities in which it operates. The report is available on wilhelmsen.com.

Governing elements

Employees and others working for and on behalf of Treasure ASA should carry out their business in a sustainable, ethical and responsible manner and in accordance with current legislation and the company’s standards. The group has no employees.

Management functions (CEO and CFO) are covered via an extensive and detailed Service Level Agreement with Wilh. Wilhelmsen Holding ASA.

To ensure the right results are achieved the right way, Wilh. Wilhelmsen Holding ASA has a set of governing elements including its vision “shaping the maritime industry”, values, leadership expectations, and code of conduct. A sustainability policy is part of the group’s policy framework. As the core of the company’s governance framework, the governing elements guide the employees in making the right decisions and navigating safely in a dynamic global environment.

A summary of the governing elements is available electronically on the majority shareholder’s intranet, as written documentation, as e-learning and on wilhelmsen.com. In 2017, anti-corruption, competition law, fraud and theft as well as whistleblowing received particular attention. Substantial efforts were put into combating cyber risk where appropriate risk reduction methods and tools were implemented. In addition, work was started on the adoption to the new EU General Data Protection Regulation (GDPR) that comes into force in May 2018 and will continue in 2018.

Deviations from the code: None

2. The business

Articles of Association

Treasure ASA’s business activities and the scope of the board’ authority are restricted to the business specified in its Articles of Association.

Strategy

The group’s fundamental objective is to generate strong total shareholder returns from investments within the maritime and logistics industries, by growing the market value of its shares, through dividends or other distributions to shareholders.

Whereas the primary focus is on managing the shareholding in Hyundai Glovis, the financial capabilities of the group are strong. The board and management will continue to

- enhance the relationship with the Hyundai Group and other stakeholders
- identify other attractive investment opportunities to balance the asset base further.

Deviations from the code: None

The board’s corporate governance report for 2017

3. Equity and dividend

Equity

The parent company has a suitable level of equity considering its objectives, strategy and risk profile.

Total assets for Treasure ASA group at the end of 2017 was USD 578 million, of which USD 2 million in cash and cash equivalents. The company has no interest-bearing debt.

Dividend 2017

The company paid dividends of NOK 0.30 in May 2017 and NOK 0.65 in August 2017.

Dividend 2018

The board is proposing to the AGM a dividend of NOK 0.30 per share payable during the second quarter of 2018, representing a total payment of NOK 66 million.

Deviations from the code: None

4. Equal treatment of shareholders and transactions with close associates

Shareholders

As of 31 December 2017, the company had more than 2 800 shareholders. The Norwegian shareholders count for 92.57% of the total number of shares.

One share class

The company has one share class, comprising 220 000 000 shares. No share options nor other rights to subscribe nor acquire shares issued by the company exist. Neither the company nor its subsidiary directly or indirectly own shares in the company.

Share capital

Where the board resolves to carry out an increase in share capital and waive the pre-emption rights of existing shareholders based on a mandate granted to the board, the justification should be publicly disclosed in a stock exchange announcement issued in connection with the increase in share capital.

Transactions with close associates

Any transactions the company carries out in its own shares are carried out through the stock exchange and at prevailing stock exchange prices. Any transactions taking place between a principal shareholder or close associates and the company will be conducted on arm's length terms. A similar principle will be used for certain transactions between companies within the group. In the event of material transactions, the company will seek independent valuation. Relevant transactions will be publicly disclosed to seek

transparency. Pursuant to the instructions issued by and for the board, directors are required to inform the board if they have interests and/or relations, directly or indirectly, with Treasure ASA or the majority shareholder (including subsidiaries).

Overview of insiders

On the website of the Oslo Stock Exchange – oslobors.no – a list of insiders is available under the company's ticker TRE.

Deviations from the code: None

5. Freely negotiable shares

The shares with the ticker TRE is listed on the Oslo Stock Exchange and are freely negotiable. There are no restrictions on negotiability in the company's Articles of Associations.

Deviations from the code: None

6.–9. Governing bodies

The company's governing bodies consist of the general meeting, the board of directors and the management team.

General meeting

The general meetings deal with and decides on the following matters:

- Adoption of the annual report and accounts including the consolidated accounts and the distribution of dividend
- Adoption of the auditor's remuneration
- Determination of the remuneration for board and committee members
- Election of members to the board and election of the auditors
- Any other matter that belongs under the annual general meeting by law or according to the Articles of Association.

The general meeting is held 26 April 2018.

Shareholders are notified by mail no later than 21 days prior to the meeting and all relevant documents are published on treasureasa.com no later than 21 days prior to the meeting. Hard copies of the material are available to shareholders upon request.

Shareholders wishing to attend the general meeting must notify the company at least two working days before the meeting takes place. Shareholders may participate at the meeting without being present in person, and can vote in advance through electronic communication. Guidelines for voting are included in the notice to the meeting. Last, but not least, the shareholders can appoint a proxy to vote for their shares. Shareholders

receive a proxy appointment form by mail. The form is also downloadable from treasureasa.com.

The chair, auditor and representatives from the company are present at the general meeting, which is organised in a way that facilitates dialogue between shareholders and representatives from the company.

The chair of the board opens and directs the general meeting, as described in the Articles of Association.

The minutes from the AGM are available on treasureasa.com immediately after the meeting and may be inspected by shareholders at the company's office.

Nomination committee

The general meeting appoints the nomination committee and has approved guidelines for the committee's work. The committee nominates candidates to the board and proposes board members' remuneration. As part of its nomination process, the committee will have contact with major shareholders, the board and the company's executives to ensure the process takes the board's and company's needs into consideration. A justification for a candidate will include information on each candidate's competence, capacity and independence.

The nomination committee currently consists of Wilhelm Wilhelmsen (chair), Gunnar Frederik Selvaag and Jan Gunnar Hartvig. The committee members are up for election in 2018.

The majority of the committee is independent of the board and executives in the company. None of the committee members are executives in the company.

In 2017, the nomination committee held one meeting proposing the board for the company and the remuneration.

Board of directors – composition and independence

The company does not have a corporate assembly (see executive committee), and therefore the general meeting elects the board. The board comprises four directors, of which two are women. Two of the directors are independent of the majority owner and the executive management. The board does not include executive personnel. However, the CEO and/or CFO are present at the board meetings depending on agenda and issues to

be discussed.

Information on the background and experience of the directors is available on treasureasa.com, which also lists the number of shares in the company held by each director.

All the board members have attended a seminar hosted by the Oslo Stock Exchange. The objective of the course was to provide information on legislation, rules, regulations and best practice that are relevant for board members of listed companies.

Board member	Elected	Period	Elected to
Thomas Wilhelmsen	April 16	2 years	2018
Marianne Lie	April 16	2 years	2018
Bente Brevik	April 16	2 years	2018
Christian Berg	April 16	2 years	2018

Board responsibility and work

The instruction for the board includes rules on the work of the board and its administrative procedures determining what matters should be considered by the board. The board has the ultimate responsibility for the management of the company and that the business is run in a sustainable and responsible way.

The board head the company's strategic planning and makes decisions that form the basis for the execution of the agreed strategy by the management.

The chair of the board has an extended duty to ensure the board operates well and carries out its duties.

The board establishes an annual plan for its work. In 2017, the company hosted six board meetings, including a strategy meeting where all directors were present.

The company keeps the board regularly updated on development in the group through a variety of communication channels, including a board portal containing timely and relevant information.

Audit committee

The board serves as the company's audit committee.

Remuneration committee

The board has not deemed it as relevant to have a separate remuneration committee, and therefore acts collectively as the remuneration committee.

Management team

The management team consists of the chief executive officer and chief financial officer.

The management team discusses and coordinates all main business and management issues relevant for the group of companies. It also makes benefit of the majority shareholders' total expertise and knowledge when executing strategies and goals set by the board. An overview of the background and expertise of the management is available on treasureasa.com.

Governance of subsidiaries

Treasure ASA owns 100% of Den Norske Amerikalinje (NAL), which again holds the 12.04% shareholding in Hyundai Glovis.

Treasure ASA's ambition is to be a demanding and reliable owner, taking the long-term interests of the companies and the total group into consideration when developing its future strategy, including how ownership will be exercised, financial prospects as well as expectation towards code of conduct, environmental and sustainable standards and aspirations.

Control and management of subsidiaries and shareholdings are based on the same governance principles applicable to Treasure ASA.

Deviations from the code: The chair of the board also acts as chair of the general meeting as stated in the company's Articles of Association. The board elects its own chair. Given the size of the board and the fact that the board jointly is responsible for its decisions, separate committees are not valued as necessary. The board therefore acts as remuneration and audit committee. Last, the Articles of Association does not include a reference to the nomination committee and the company has not developed a formal way for shareholders to submit proposals for candidates to the committee.

10. Risk management and internal control

Board responsibility

The board is responsible for the company's internal control and risk management, and believes that the company's systems are sound and appropriate given the extent and nature of the company's activities.

The system contributes to sound control characterised by integrity and ethical attitudes throughout the organisation. It is based on the majority shareholder's governing elements including the guidelines for business standard and corporate social responsibility.

The board reviews the company's risk matrix regularly and internal control arrangements at least annually, preferable together with the company's auditor.

About the system

Governing documents, code of conduct, policies (including sustainability) and policy descriptions, and procedures are documented and electronically available through the majority shareholder's global integrated management system. Various internal control activities give management assurance that the internal control of financial systems is working adequately and according to management's expectations.

The internal control is a process designed to provide reasonable assurance of:

- Effective and efficient operations
- Sound risk management
- Reliable financial reporting
- Compliance with laws and regulations
- Necessary resources provided and used in cost efficient ways

Internal control includes:

- Activities established to evaluate and confirm the quality of internal control regarding financial reporting
- Procedure for year-end financial statement and Treasure ASA's board's responsibility statement semi-annually and annually
- Enterprise risk assessment
- Quarterly reporting on risk assessment to the board
- Risk factors are described and made public to the market in the company's second quarter and annual reports

External reassurance

Confirmation from external auditors and internal procedures i.e. business reviews (financial, operational and quality) give the management and board confidence that the group complies with external and internal rules and regulations.

The company's auditors conduct audit in accordance with the laws, regulations and auditing standards and practices generally accepted in Norway and give reasonable assurance as to whether the consolidated

financial statements are free from material misstatements and whether internal control over financial reporting were appropriate in the circumstances relevant to the audit. The audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting policies used and the reasonableness of accounting estimates made by management as well as evaluation of the overall financial statement presentation including the disclosures.

Whistleblowing

Treasure ASA is part of the majority shareholder's global whistleblowing system including procedures and channels for giving notice about potential non-compliance, e.g. corruption, theft, fraud, sexual harassment or other breaches to the company's business standards. The whistleblowing channel is available for both internal and external parties. Strengthening transparency and safeguarding that the business standards are applied the way they are intended, the procedures also ensure that the group has a professional way of handling potential breaches to laws and regulations, self-imposed business standards or other serious irregularities. The procedures also include guidelines to safeguard the whistle-blower.

Deviations from the code: None

11. Remuneration of the board of directors

Remuneration of directors are described in note 4 to the group accounts and 2 to the parent company accounts.

No director holds share options in the company.

Deviations from the code: None

12. Remuneration of executive personnel

Remuneration policy

The group has no employees. Management functions (CEO and CFO) are covered via an extensive and detailed Service Level Agreement with Wilh. Wilhelmsen Holding ASA.

Deviations from the code: None

13. Information and communication

Communication principles and standards

Transparency, accountability and timeliness guides the group's communication activities. The company follow the guidelines set out by the Oslo Stock Exchange.

Communication channels and activities

Financial reports are available on treasureasa.com. In addition, an update is presented to the financial markets and stakeholders as part of the majority shareholder's quarterly presentations and capital markets day (if applicable).

The market will be informed about the company's activities and results through stock exchange notices, annual and interim reports, press releases and updates on treasureasa.com. Mr Morten Lertrø is the company's Investor relations contact.

The company is not present on social media.

Silent period

Two weeks before the planned release of quarterly financial reports – the silent period – the company will not comment on matters related to the general financial results or expectations, and contact with external analysts, investors and journalists will be minimised. This is done to reduce the risk of information leakages and that the market has access to different information.

Deviations from the code: None

14. Takeovers

The board has not established a policy for its response to possible takeover bids. The board and management will seek to treat any takeover bids for the company's activities or shares in a professional way and in the best interest of the company's shareholders. If such circumstances arise, the board and the company's management will seek to treat all shareholders equally and take action to secure that shareholders receive sufficient and timely information to consider the offer.

Deviations from the code: No policy developed, but intention described above.

15. Auditor

The company's auditor – PricewaterhouseCoopers AS (PwC) – attends board meetings as required and is always present when the annual accounts are approved.

To ensure the board has solid understanding of the accounts and any changes in the accounting principles, the auditor discuss changes in IFRS relevant for the group's accounting principles or other law requirements relevant for the company with the board. The auditor also runs through the main features of the audits carried out.

There were no disagreements between the management and PwC during 2017.

It is of importance to the board that the auditor is independent of management. The board therefore has at least one meeting with PwC without senior management being present. If used for other services than accounting, the parties will follow guidelines as described in the Auditing and Auditors' Act. The auditor provides the board with a confirmation of independence in relation to non-audit services provided.

In 2017, PwC has audited accounts and notes and read through and commented on

the director's report and the board's report on corporate governance and the majority shareholder's sustainability report, which Treasure ASA is a part of.

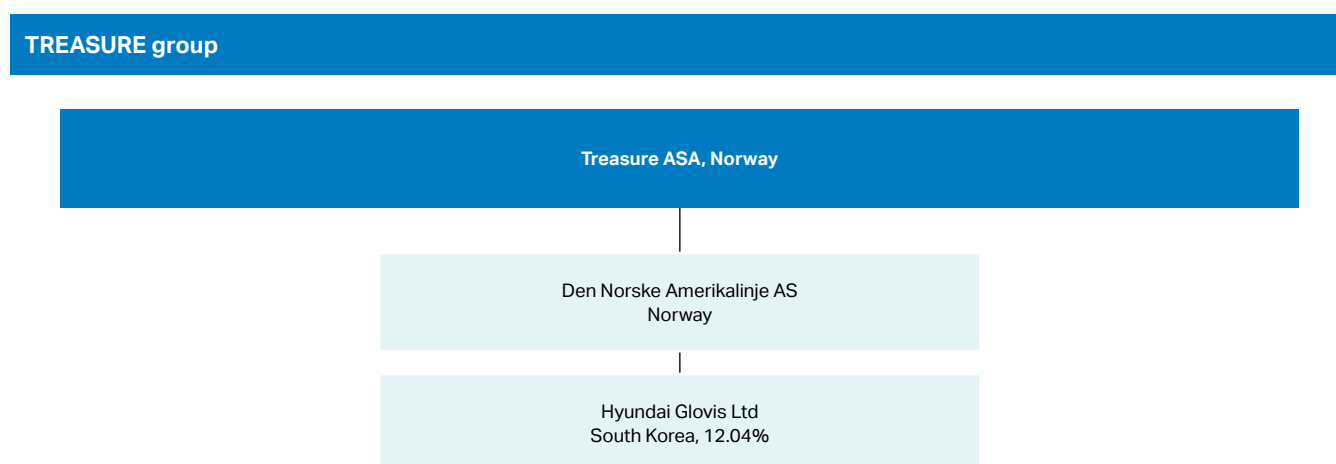
The auditor's fee, broken down by audit work, audited related services, tax services and other consultancy services, is specified in note 1 to Treasure ASA's group accounts and note 2 to the parent company accounts.

For the financial year 2017, Thomas Fraurud has been the company's engagement partner from PwC.

Deviations from the code: None

Corporate structure

As of 31 December 2017



Unless otherwise stated,
the company is wholly-owned

treasureasa.com

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