

Q1 2024 Presentation

31 May 2024

IWS | A fully integrated offshore wind solutions provider

- 1 **IWS** is an offshore wind service and consultancy company that integrates construction and CSOVs with engineering, product and manpower services in a windfarm's installation, commissioning and operations phases

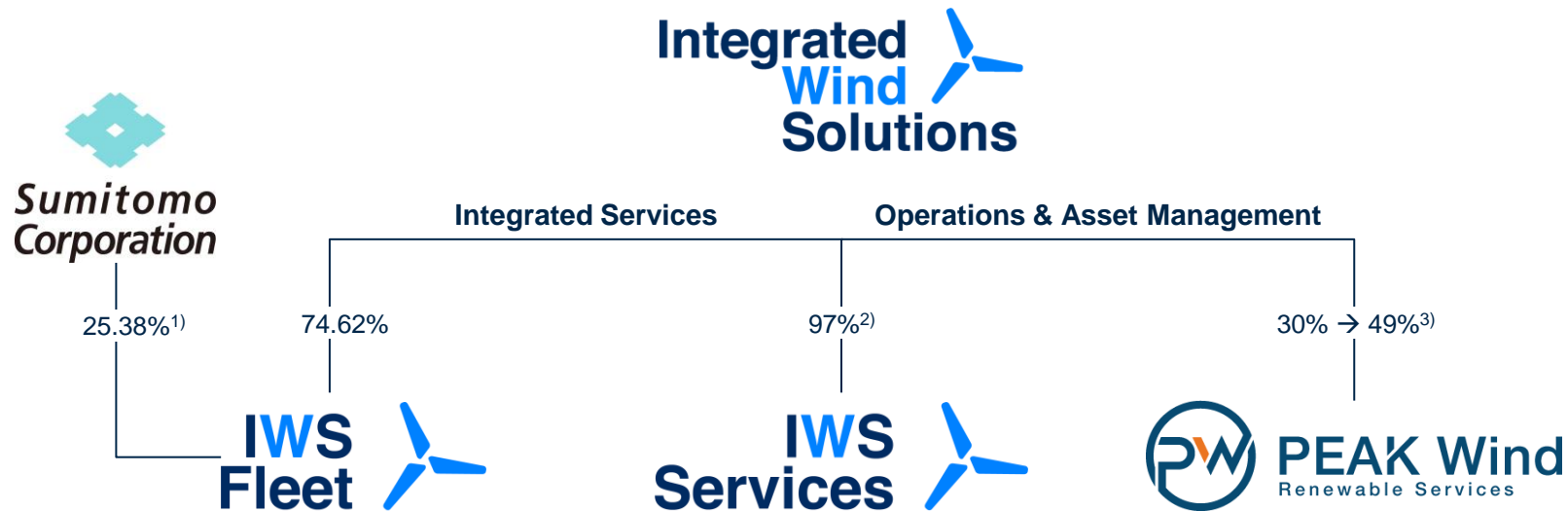
- 2 **IWS Services** focus on solutions where time-to-market, entry barriers, and unique competencies will enable IWS to build and sustain premium margins

- 3 **IWS Fleet** is the owner and operator of high-end CSOVs, with two vessels delivered and an additional four under construction, in a market where CSOV demand is expected to increase 3x by the end of the decade¹

- 4 **PEAK Wind**² is a leading renewable energy consultancy, operations & asset management service company with strong international growth



IWS | A fully integrated offshore wind solutions provider



Q1 2024 | Recent highlights

- 1 Total revenue of EUR 5.4m for Q1 2024, a 16% reduction from Q4 2023 and a 7% reduction compared with Q1 2023.
- 2 IWS Services revenue of EUR 4.6m in Q1 2024, a decrease of 24% from Q4 2023, due to the nature of the project-driven construction business. However, the backlog remains strong, and the full year guidance remains unchanged.
- 3 PEAK Wind continues its strong growth with an increase in net revenue for Q1 by 23% compared with Q1 2023. The Group's share of the net profit in Q1 2024 was EUR 0.3m, before EUR -0.1m amortisation of acquisition-related intangible assets.
- 4 Group EBITDA of EUR -3.2m for Q1 2024 compared with EUR -0.2m in Q4 2023 and EUR -1.0m in Q1 2023. The result was impacted by the project-driven construction business and activities in the quarter prior to vessel operation from Q2 onward.



Q1 2024 | Recent highlights (cont.)

- 5 IWS Fleet took delivery of IWS Windwalker on 26 March. The vessel arrived in Denmark on 25 May and is undergoing final quayside preparations before commencing its charter contract with TenneT TSO in June.
- 6 IWS Skywalker started its first charter contract at the Dogger Bank Wind Farm on 31 March and has commercially performed to our full satisfaction up time up to the date of this report.
- 7 IWS Fleet has on 2 February entered a three-year frame term agreement starting in 2025 with Siemens Gamesa Renewable Energy A/S - the minimum commitment covers about 1,300 days with a revenue backlog of EUR 51-55m. The first charter contract under the frame term agreement was signed on 25 March.
- 8 IWS Fleet has on 20 February entered a time charter contract at market terms for a minimum of 4 months that will start in June with TenneT TSO B.V., a leading European Transmission System Operator owned by the Dutch government.
- 9 IWS announced on 27 May that it has entered a strategic partnership with Sumitomo Corporation. IWS Fleet AS will raise EUR 60 million in equity by issuing new shares to Sumitomo based on a pre-money valuation of EUR 176 million. Sumitomo Corporation will own 25.38% of IWS Fleet AS, with Integrated Wind Solutions ASA continuing to own the remaining shares.



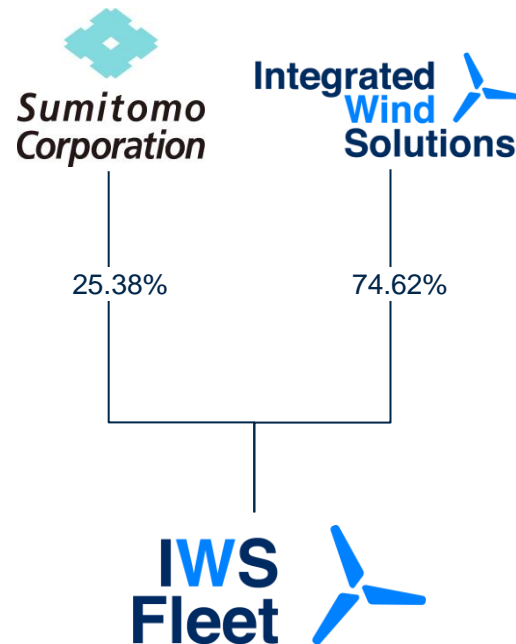
Sumitomo Corporation | IWS Fleet strategic partnership

Transaction summary

- IWS has through IWS Fleet entered into a strategic partnership with Sumitomo Corporation
- IWS Fleet AS will raise EUR 60 million in equity by issuing new shares
- Pre-money valuation of EUR 176 million
- IWS and Sumitomo Corporation share ambitions in the offshore wind industry and will together explore further expansion opportunities

Sumitomo overview

- One of the largest general trading companies, listed on the Tokyo stock exchange
- Market cap. of USD ~32 billion and net profit of USD ~3.8 billion (FY2022)¹⁾
- For more than 25 years Sumitomo has been ranked in the Fortune Global 500
- Globally, Sumitomo has 636 consolidated subsidiaries and 250 associated companies



Havfram Fleet Management | A strategic joint venture

1

IWS and Havfram Wind have joint ownership of Havfram Fleet Management AS (HFM). HFM provides technical services to Havfram Wind's two Wind Turbine Installation Vessels (WTIVs)

2

IWS provides management- and technical services to HFM. However, both parties provide technical expertise into HFM, creating synergies from the operation of a range of vessels across the offshore wind value chain

3

Havfram Wind's two WTIVs are scheduled for delivery in 2025, and will be among the world's largest when in operation



Havfram Wind WTIVs

Lifting capacity

- The crane has a lifting capacity of 3,250 tons

Extreme lift heights

- Capable of installing offshore wind turbines with a rotor diameter of 300+ meters

Water depths

- Capable of installing foundations at water depths of up to 70 meters



IWS Fleet | Recent contract highlights



- Time charter contract with Asso.subsea Single-member S. A., an expert in cable installation, protection, repair and support and turn-key solution provider
- The contract will commence in Q4 2024/Q1 2025 and have a duration of up to eight months



- Frame term agreement with leading offshore wind turbine manufacturer, Siemens Gamesa Renewable Energy A/S (SGRE)
- IWS Fleet will support turbine commissioning works across multiple SGRE offshore projects in North Europe over a three-year period starting in 2025
- The minimum commitment under the charter agreement covers about 1,300 days with a revenue backlog of EUR 51-55 million
- The first contract under the frame term agreement was signed in March 2024



- Time charter contract with TenneT TSO B.V., a leading European Transmission System Operator owned by the Dutch government.
- The charter contract has a minimum duration of 4 months and will commence after the vessel has been delivered from the shipyard and sailed to Europe
- The vessel will support maintenance of offshore substations in the Netherlands



IWS Fleet | Strong revenue backlog¹ to tier 1 clients



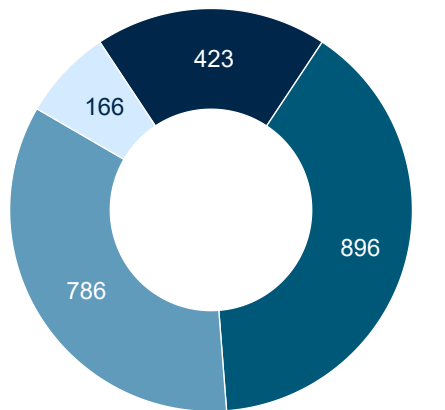
Firm charter days **2,271**



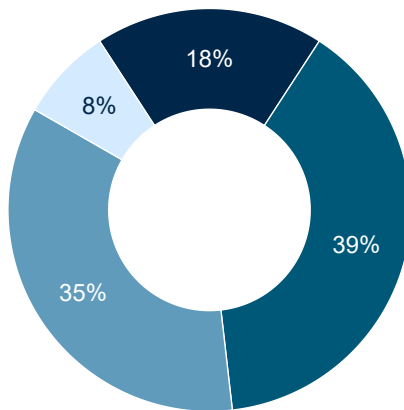
Firm revenue **€94m**



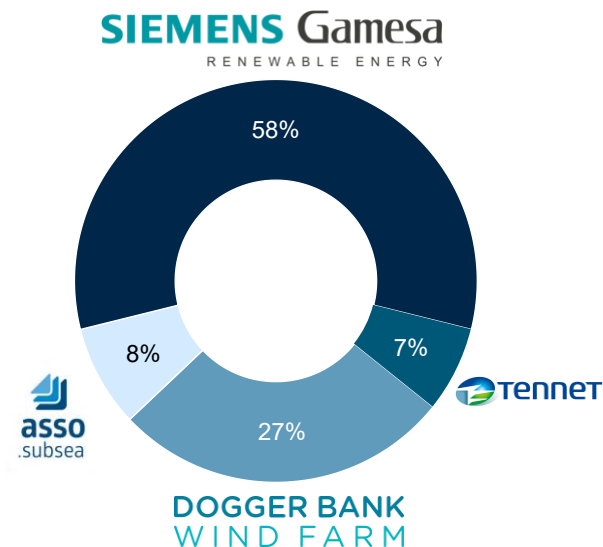
Revenue split by client



2024 2025 2026 2027

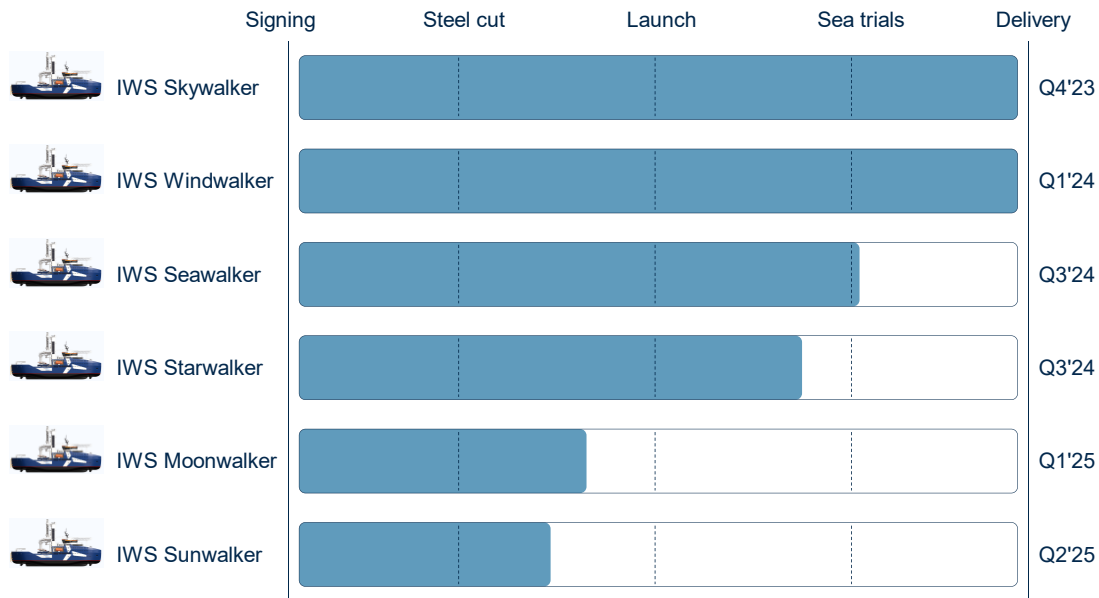


2024 2025 2026 2027

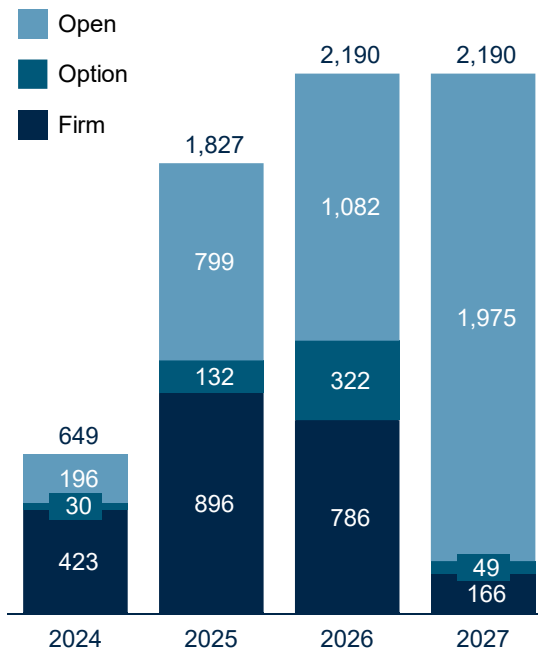


IWS Skywalker class | Overview

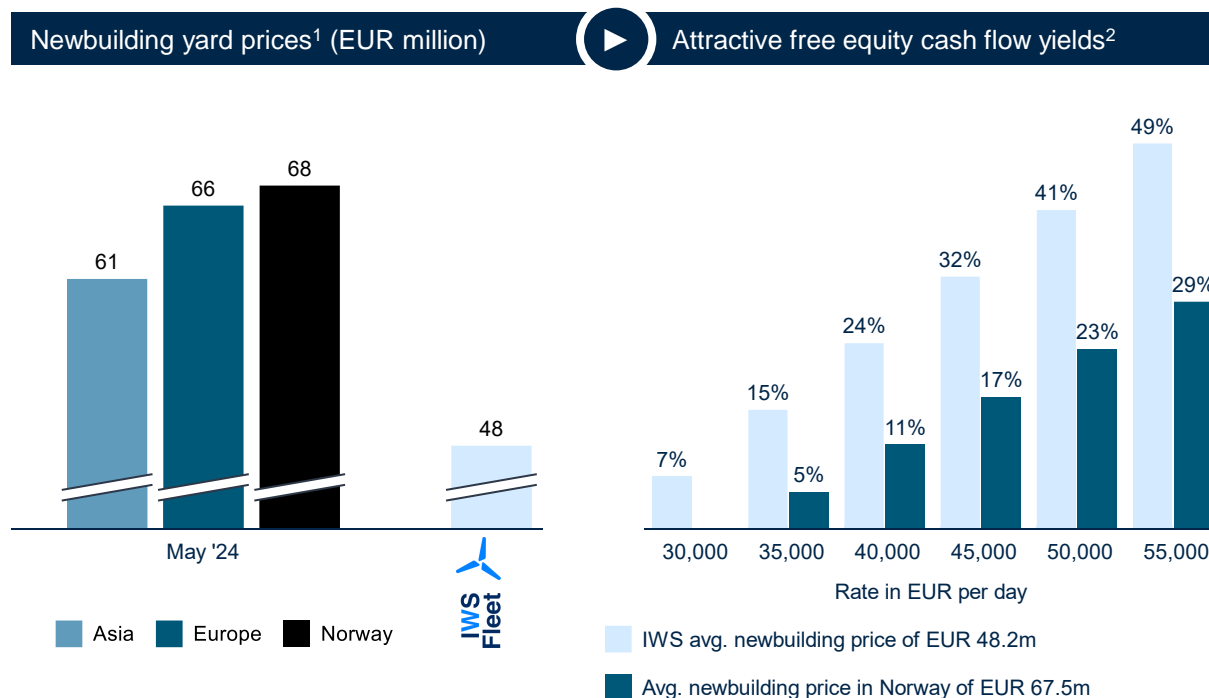
» Construction overview



Total charter days¹



IWS Fleet | Favourable yard prices → attractive cash flow yields



IWS's favourable capex improves free cash flow yield in a rising market.

IWS Fleet's **six** CSOVs ordered at an attractive average fixed yard price of EUR 48m per vessel, which includes additional equipment and features that would add EUR ~5m to standard yard prices.

IWS Fleet's yard price is based on about 50% Norwegian equipment and content.

1) Source: Clarksons







2) Assumed for comparison only: 60% loan with 12-year amortisation profile and 6% interest, 90% utilisation, operating expenses of EUR 13k per day and EUR 1k net margin on victualling





IWS Windwalker | Port of Hånstholt, Denmark

IWS Skywalker class | Vessel overview

- 1** IWS Skywalker

Operating at Dogger Bank
- 2** IWS Windwalker

Soon in operation
- 3** IWS Seawalker

In commissioning
- 4** IWS Starwalker

Soon ready for sea trials
- 5** IWS Moonwalker

Keel laying in April '24
- 6** IWS Sunwalker

Keel laying in April '24



Key financials | Q1 2024

Income statement (EUR '000)

	Q4 2023	Q1 2024	Q1 2023	
Operating revenue	6,263	5,226	5,643	
Share of net profit of associates	196	175	168	PEAK Wind share of net profit of EUR 0.3m less EUR 0.1m amortisation of acqn-related intangible assets.
Total revenue	6,459	5,401	5,811	
Operating expenses	-6,696	-8,575	-6,849	EUR 5.5m relates to IWS Services
EBITDA	-237	-3,174	-1,038	
Depreciation and amortisation	-177	-153	-97	
EBIT	-414	-3,327	-1,135	
Finance income	1,489	267	206	Q4 included EUR 1.2m fair value gain on fixed-price option to acquire additional shares in Peak Wind.
Finance expense	-60	-79	-48	
Net foreign currency exchange gains	-195	99	366	
Net financial income / expense	1,234	287	524	
Profit before tax	820	-3,040	-611	
Tax benefit / expense	-89	236	-39	
Net profit	731	-2,804	-650	
Attributable to non-controlling interests	53	-198	69	
Attributable to shareholders of the parent	678	-2,606	-719	



Key financials | Segment reporting

Operating segments (EUR'000)

In EUR thousands	IWS Fleet		IWS Services		Group functions/ eliminations		Consolidated	
	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023
External customer revenue	571	-	4,569	5,618	86	25	5,226	5,643
Share of profit of associate	-	-	-	-	175	168	175	168
Operating expenses	-1,091	-169	-5,527	-5,281	-1,957	-1,399	-8,575	-6,849
EBITDA	-520	-169	-958	337	-1,696	-1,206	-3,174	-1,038
Depreciation and amortisation	-	-	-87	-97	-66	-	-153	-97
EBIT	-520	-169	-1,045	240	-1,762	-1,206	-3,327	-1,135
Net finance income	505	7	36	-63	-254	580	287	524
Profit before tax	-15	-162	-1,009	177	-2,016	-626	-3,040	-611



Key financials | Q1 2024

Balance sheet (EUR '000)

	Q4 2023	Q1 2024		Q4 2023	Q1 2024
Vessels	0	48,204	Share capital	7,703	7,703
Vessels under construction	95,672	78,928	Share premium reserve	126,809	126,809
Other fixed assets	1,692	1,639	Retained earnings	-14,551	-17,088
Intangible assets	6,158	6,117	Non-controlling interests	3,108	2,941
Investments, equity method	13,127	13,293	Total equity	123,069	120,365
Other assets	1,116	933			
Total non-current assets	117,765	149,114	Non-current interest-bearing debt	25,658	49,397
			Deferred tax liability	420	268
			Other non-current liabilities	745	912
			Total non-current liabilities	26,823	50,577
Contract assets	4,431	852			
Trade receivables	5,127	8,471	Trade payables	1,689	5,418
Other short term assets	1,852	3,147	Current interest-bearing debt	4,240	8,266
Cash and cash equivalents	30,975	26,873	Other current liabilities	4,329	3,831
Total current assets	42,385	39,343	Total current liabilities	10,258	17,515
Total assets	160,150	188,457	Total equity and liabilities	160,150	188,457



IWS Fleet | Yard payments & financing

IWS Fleet | Total yard payments (EUR million)

	Paid-in per Q1'24	Q2-Q4 2024	2025	Total payments	Status
IWS Skywalker	43	-	-	43	Delivered Dec' 23
IWS Windwalker	43	1	-	43	Delivered Mar' 24
IWS Seawalker	12	37	-	49	Under construction
IWS Starwalker	12	37	-	49	Under construction
IWS Moonwalker	5	8	40	53	Under construction
IWS Sunwalker	5	8	40	53	Under construction
Total	120	90	80	290	
Equity financed	64	27	11	102	
Debt financed	56	-	-	56	
Committed debt financing	-	62	-	62	
Expected debt financing	-	-	69	69	



Outlook

- 1 The offshore wind market remains strong with a pipeline of development projects, auctions and political ambitions.

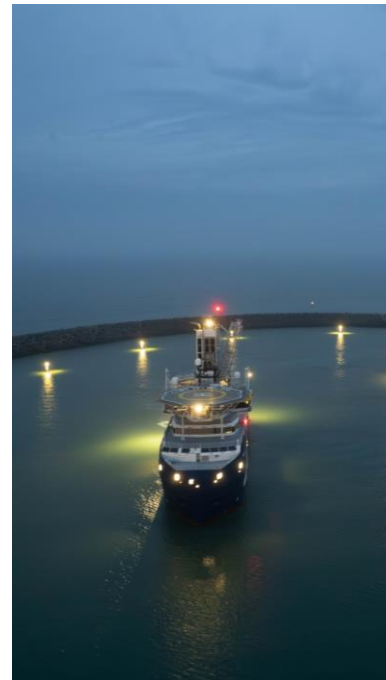
- 2 The IWS group of companies is well positioned to take part in this growth within its relevant segments providing CSOVs (IWS Fleet), electrical works and above-waterline services (ProCon), offshore wind market intelligence and supply-chain consultancy (Green Ducklings), and the consultancy & advisory and operations & asset management services of wind farms provided by the PEAK Wind Group.

- 3 Our first vessel, IWS Skywalker, commenced its first out of three Dogger Bank Wind Farm contracts in March 2024. IWS Windwalker was delivered in March 2024 and starts the charter contract with TenneT in early June. Deliveries of IWS Seawalker and IWS Starwalker will both follow in Q3, and IWS Moonwalker and IWS Sunwalker are scheduled to be ready for operations mid-2025.

- 4 The construction and engineering subsidiary of IWS Services, ProCon, mainly works on long-lead contracts, secured 3-12 months in advance. IWS Services is well-positioned to achieve revenue growth of more than 20% in 2024 backed by secured projects.

- 5 We expect PEAK Wind Group to continue its strong growth and expand its geographical scope and offerings. PEAK Wind has doubled in size (revenues and staff) over the last two years and is well-positioned to achieve revenue growth of more than 20% in 2024.

- 6 IWS Fleet will continue to ramp up operations, which will contribute to the Group reporting a net profit from Q3. The Group's net profit will continue to improve as further vessels enter operation in 2024 and 2025.





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