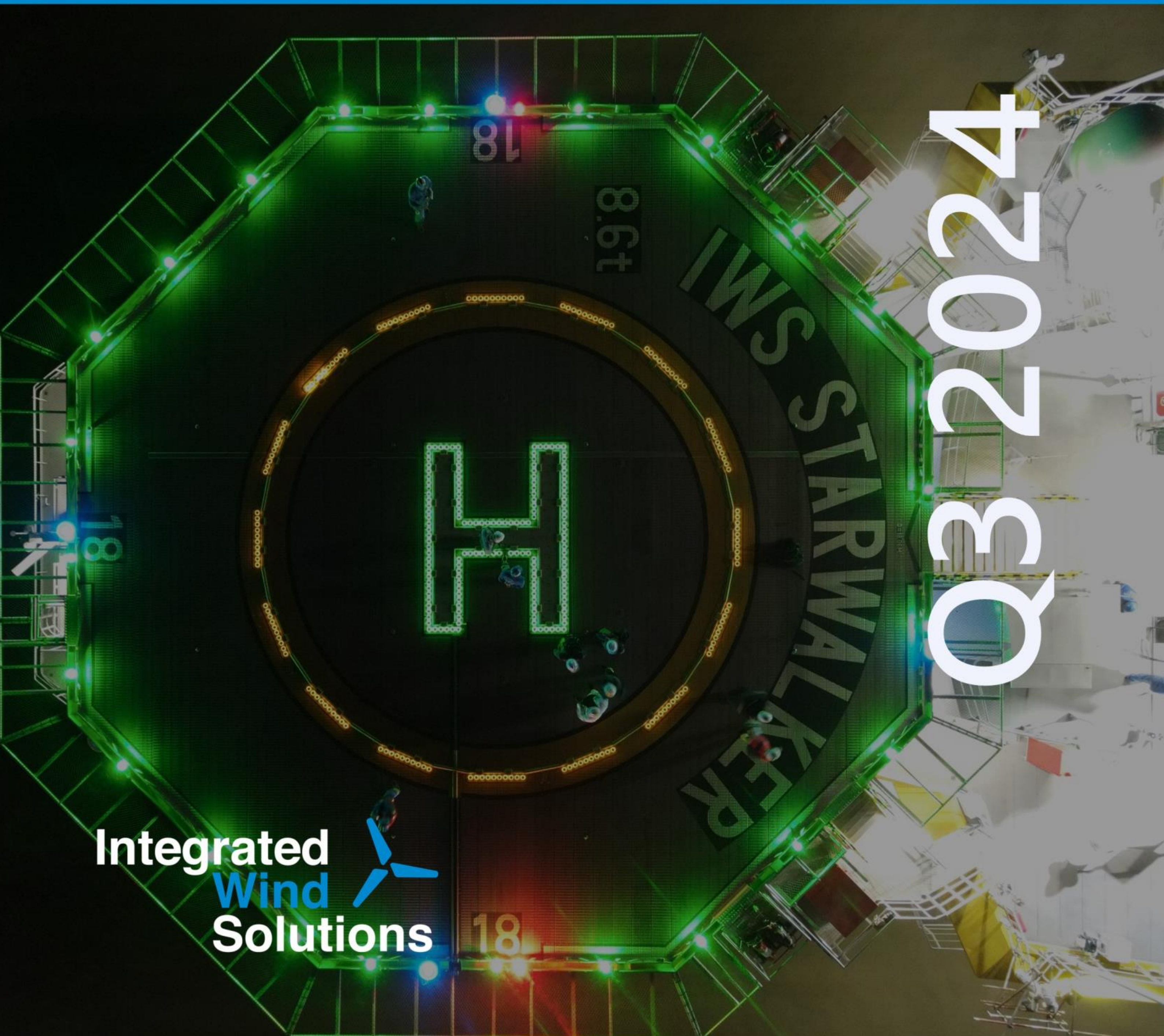
Financial Report



Q3 2024

Integrated Wind Solutions

INTERIM FINANCIAL REPORT

Q3 2024[1]

RECENT HIGHLIGHTS

- A record total revenue of EUR 17.0m for Q3 2024, a 35% increase from Q2 and a 207% increase compared with Q3 2023.
- Group EBITDA of EUR 3.9m for Q3 2024 compared with EUR 1.6m in Q2 and EUR -0.4m in Q3 2023. The EBITDA was driven by the operations of IWS Fleet's first two vessels for a full quarter and contributions from IWS Services and PEAK Wind.
- Group net profit was EUR 2.6m for Q3 2024 compared with EUR 0.6m in Q2 and EUR -0.6m in Q3 2023.
- IWS Fleet revenue of EUR 8.0m in Q3 2024 versus EUR 4.9m in Q2 and EUR 0.1m in Q3 2023. Two vessels were in operation during Q3 with IWS Skywalker on charter with the Dogger Bank consortium and IWS Windwalker on charter with TenneT TSO. IWS Seawalker was delivered from the yard on 23 August and started its first charter with the Dogger Bank consortium on 1 November. IWS Starwalker was delivered from the yard on 21 November and will arrive in Europe in January.
- IWS Services revenue of EUR 8.8m in Q3 2024, an increase of 16% from Q2, on improved EBIT margins.
- IWS exercised its fixed-price option to increase its ownership in PEAK Wind from 30% to 49% on 18 September. PEAK Wind continues its strong growth with an increase in net revenue for Q3 by 29% compared with Q3 2023. The Group's share of the net profit in Q3 2024 was EUR 0.3m, before EUR -0.1m amortisation of acquisition-related intangible assets.
- IWS Fleet signed the loan agreement for an expanded Green Senior Secured Credit Facility of up to EUR 186.9m, securing debt financing for all six CSOVs. The commercial terms of the new facility have been improved relative to the pre-existing facility, and the previous parent company guarantee and financial covenants from IWS have been removed.
- IWS Fleet and Asso.subsea agreed in November to terminate the charter contract that was due to start in Q1 2025 as Asso.subsea no longer requires the vessel within the agreed time frame. A termination fee will be booked as revenue in Q4 without any corresponding costs. IWS Fleet is in close discussions with charterers about alternative contracts for IWS Starwalker, and expects the vessel to be in commercial operations soon after arrival in Europe in Q1 2025.

Lars-Henrik Røren, CEO, commented: "We are proud that IWS Fleet continues to show excellent capabilities, also recognised by our clients. We are encouraged that we receive strong interest from current and new clients for our remaining newbuildings. Furthermore, we are pleased that IWS Services continued improving in Q3 in line with expectations. We have increased our ownership in PEAK Wind and are working closer with our co-owners to explore further growth initiatives. Overall, IWS is on a solid business- and financial track."

[1] Please see Appendix A for definitions, explanations, and reconciliations of Alternative Performance Measures (APMs)

OPERATIONS

Group structure

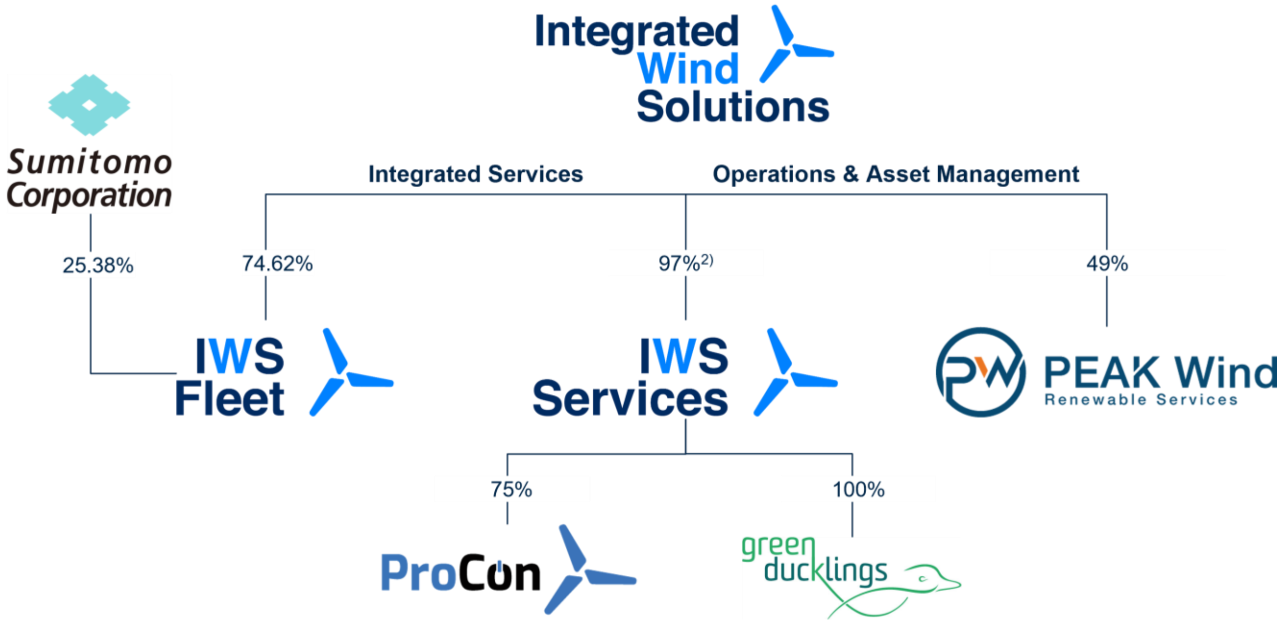
The activities of the Group are organised into IWS Fleet AS ("IWS Fleet"), IWS Services A/S ("IWS Services"), and the associated company PEAK Wind Group ApS ("PEAK Wind").

IWS Fleet is the owner and operator of high-end CSOVs, with four vessels delivered and an additional two under construction at the leading shipyard CMI.

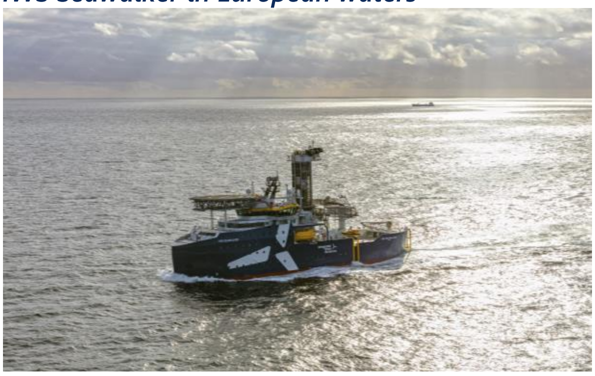
For IWS Services[2], the two Danish offshore wind service/consulting companies ProCon Group ApS ("ProCon") and Green Ducklings A/S ("Green Ducklings") form the base of the supply chain service offerings.

PEAK Wind is classified as an associated company. In Q3, IWS exercised the option to increase its ownership from 30% to 49%. PEAK Wind is the leading provider of operations and asset management services to wind farms.

These companies form the base of Integrated Wind Solutions' ("IWS" or the "Group") strategy of becoming the preferred service provider within the offshore wind sector.



IWS Seawalker in European waters



Credit: Flying Focus

IWS Skywalker approaching Hartlepool

Credit: Tom Collins

[2] IWS ASA owns 97% of the share capital (100% of the voting shares)

OFFSHORE WIND MARKET OBSERVATIONS

by green ducklings

High-growth market

Offshore wind continues to be a high-growth market with annual installations expected to increase from the current level of approximately 4 GW to a relatively flat level of around 10-12 GW between 2026-2028 and then again increasing to 16-20 GW in 2029-2030, resulting in a growth rate above 20% in the period (CAGR 2025 to 2030).

The global installed base is projected to grow from approximately 38 GW today to 121 GW by 2030 (excl. China). Excluding China, Europe is still set to remain the largest region, with 93 GW of all installations expected by 2030. The APAC region is the second largest offshore wind market with an installed capacity of 17 GW by 2030, followed by the Americas with 11 GW.

The UK is currently the most active country in terms of installations with approximately 5 GW of projects under construction/with partial generation. The US, Germany and Taiwan follow with approximately 2-4 GW per country. The UK is also the country with the largest preconstruction project pipeline of 6.6 GW, compared to 1.8 GW in Germany and 1.2 GW in Taiwan.

The 2030 forecast has been slightly adjusted due to recent project delays despite macroeconomic tailwinds. Between Q2 and Q3, over 4 GW of projects across Europe, APAC, and the US were postponed beyond 2030. As a result, the offshore wind forecast for 2030 experienced a modest reduction of 2% (equivalent to 3 GW) in Q3.

High auction momentum with mixed developer interest

Q3 lease rounds and awards were marked by contrasting dynamics. High auction activity in 2024 continued, with 55 GW of leases and offtake licenses awarded, of which offtake licences total 32 GW. Europe leads in offtake licenses, with approximately 22 GW awarded YTD, and plans for another 3.5 GW in Q4. However, developers remain selective, favouring mature offshore wind markets, leading to less competitive auctions in some cases.

In the US, Massachusetts and Rhode Island allocated 2.9 GW in their multi-state solicitation. Conversely, floating offshore wind prospects on the west coast suffered setbacks with the cancellation of the Oregon Lease auction and the Gulf of Mexico auction (GOMW-2) due to low bidder interest.

In Europe, UK's Allocation Round 6 (AR6) saw 10 successful bids, a significant improvement from last year's AR5 with zero bids. The administrative strike price of 58.87£/MWh corresponded to a 58% increase compared to AR4. Out of a total allocation of 6.2 GW, 3.4 GW of new bottom fixed capacity was awarded CfD, with Ørsted as the major winner of CfD contracts for Hornsea 3 (1 GW) and Hornsea 4 (2.4 GW). AR6 also awarded CfD to the 400MW Green Volt project, the first floating wind farm of commercial scale. 1.6 GW of the allocation went to AR4 project rebids.

In the UK, the Crown Estate also recently released a "Future for Offshore Wind" report outlining three potential major new offshore wind lease areas where a total of 16-34 GW worth of potential offshore wind capacity could receive future leases. In Germany, RWE was the major winner in the 5.5 GW tender for centrally examined sites, with 4 GW and Luxcara as the winner of the remaining 1.5 GW. Lower bids in recent German auctions indicate some developer uncertainty but also an expectation of more attractive opportunities.

European turbine OEMs face challenges from Chinese Mingyang

European turbine OEMs continue to face margin pressure, whilst competition from Chinese OEMs is intensifying. Mingyang secured a preferred supplier agreement for a 270 MW German project with Luxcara and signed a letter of intent with Italy's Renexia for a turbine manufacturing facility aimed at floating wind off Italy's South Coast. Prominent European developers, including RWE, are showing interest in Chinese turbines. This has prompted Germany's climate and energy minister to advocate for fair competition for European suppliers.

The European Union is focused on safeguarding its turbine supply chain, but Chinese OEMs warrant close monitoring, especially in projects leveraging marginal construction cost advantages or where the European supply chain faces constraints.

MARKET FOR C/SOVs

High offshore wind auction activity underlines continued growth in future government ambitions for offshore wind expansion, where Europe continues to lead the way. This ultimately drives vessel demand, both in the short and long term.

Clarksons reports a tight Q3 in the SOV and CSOV ("C/SOV") segment, with almost full utilisation for walk-to-work vessels in the North Sea.

Furthermore, Clarksons indicates a sustained demand for C/SOVs, with increased spot requirements in the beginning of Q4, after completion of the summer campaigns. Ongoing project commitments, in addition to extended summer campaigns running into winter, further improve the Tier 1 vessel demand. As a result, charterers are planning further ahead, with rising tender activity for projects starting in 2025 and 2026.

Offshore wind projects remain the primary driver for C/SOV demand. In addition, oil & gas companies are increasingly recognising the cost benefits walk-to-work vessels offer for unmanned platforms, wellheads, FPSOs, and other offshore structures, according to Clarksons. As a result, we expect oil and gas to take more C/SOV capacity, improving the market balance.

The global fleet of CSOVs and SOVs amounts to 58 vessels in operation, 47 of which are considered Tier 1 and 11 Tier 2. The order book indicates that the fleet size will almost double by 2028, with 53 vessels on order, two of which are owned by IWS Fleet.

The C/SOV market continues to demonstrate strong growth potential. With the increasing number and size of offshore wind projects in the coming years, the outlook for vessels remains promising. However, substantial newbuildings will be delivered in 2025 and 2026, which may impact the competitive landscape for vessel owners in the short term.

MAIN EVENTS DURING Q3 AND POST-QUARTER EVENTS

Newbuildings

The Group has ordered a fleet of six identical Skywalker class vessels. The firm average yard price for the six vessels is about EUR 48 million per vessel (turnkey contracts). About 50% of the vessel value is related to Norwegian export companies providing advanced technology, ensuring safe and efficient operations. The Group also has options for two additional vessels.

The first two vessels, IWS Skywalker and IWS Windwalker, were in operation for the full quarter.

The third vessel, IWS Seawalker, was delivered from the yard on 23 August and commenced a new charter contract with the Dogger Bank Wind Farm on 1 November.

IWS Starwalker, the fourth vessel, was delivered from the yard on 21 November and is scheduled to arrive in Europe in January. The fifth and sixth vessels, IWS Moonwalker and IWS Sunwalker, are currently under construction.

The Group is monitoring the situation in the Red Sea and will assess and seek to mitigate the risk for each of the remaining vessels. IWS Starwalker will sail around the Cape of Good Hope, following the same route as the three previous vessels.

Newbuilding projects have inherent risks, which may also impact the commissioning process and delivery times for vessels 5 and 6.

Financing

IWS Fleet has finalised the loan agreement for an expanded Green Senior Secured Credit Facility of up to EUR 186.9m, securing debt financing for all six vessels. The commercial terms of the new facility have been improved relative to the pre-existing facility, and the previous parent company guarantee and financial covenants from IWS have been removed.

After the balance sheet date, the Group has drawn down the fourth tranche of the Green Senior Secured Credit Facility (EUR 31 million) for the debt financing of the fourth vessel, IWS Starwalker.

The Group is continuously exploring alternatives to optimise its financing and commitments. This includes, but is not limited to, additional bank financing, lease financing, bond financing, and equity financing.

On June 12, IWS finalised a strategic partnership with Sumitomo Corporation through its subsidiary, IWS Fleet. As part of the partnership, IWS Fleet raised EUR 60 million in equity, with Sumitomo Corporation acquiring a 25.38% stake in the company.

This collaboration reflects the shared ambitions of IWS and Sumitomo in the offshore wind industry, as both parties aim to explore further opportunities for expansion and growth.

Employment

The first vessel, IWS Skywalker, has been on charter at the Dogger Bank Wind Farm for the full quarter. This is the first out of three separate charter contracts at Dogger Bank Wind Farm. The vessel's performance has been satisfying to both the client and IWS.

The second vessel, IWS Windwalker, was on contract with TenneT TSO, a leading European Transmission System Operator owned by the Dutch government, until the end of September. The vessel underwent minor quayside maintenance in early October before commencing a new charter with Siemens Gamesa Renewable Energy on 22 October. The charter marks the first commencement of contracts with commercial terms based on the frame agreement announced in February this year.

The third vessel, IWS Seawalker, commenced a new charter contract with the Dogger Bank Wind Farm on 1 November.

IWS Fleet has a considerable frame-term agreement with Siemens Gamesa Renewable Energy, one of the leading turbine manufacturers in the offshore wind industry. With a duration of three years from the first half of 2025, the agreement represents one of the largest contracts ever awarded in the walk-to-work turbine commissioning sector. IWS Fleet will provide three Skywalker-class CSOVs for turbine commissioning work in European waters. IWS Fleet will, when the charters commence, have a fleet of identical CSOVs in operation and has the option under the agreement to nominate which vessels will perform the services. The first four charter contracts under the frame term agreement have been signed, in addition to the charter that IWS Windwalker commenced on 22 October with consistent terms.

FINANCIAL REVIEW

Income statement

Total revenue for the third quarter of 2024 was EUR 17.0 million (Q2: EUR 12.6 million), of which IWS Services contributed EUR 8.8 million, IWS Fleet contributed EUR 8.0 million from the operation of two CSOVs and from the provision of third-party technical management services, and the group's share of net profit in PEAK Wind was EUR 0.2 million.

The Group's share of the net profit of PEAK Wind in the third quarter of 2024 was EUR 0.3 million before EUR -0.1 million amortisation of acquisition-related intangible assets (EUR 0.2 million in Q2). IWS exercised its fixed-price option to acquire additional shares of PEAK Wind in September 2024, increasing its ownership from 30% to 49%.

Operating expenses for the third quarter of 2024 were EUR 13.1 million compared with EUR 11.0 million in the previous quarter. The increase is mainly due to increased vessel operating expenses from operating two vessels for the full quarter and project expenses related to increased activity in IWS Services.

Group EBITDA was EUR 3.9 million for the third quarter of 2024 compared with EUR 1.6 million in the previous quarter. IWS Fleet contributed EUR 3.6 million (Q2: EUR 2.3 million). IWS Services and PEAK Wind contributed EUR 0.4 million (Q2: EUR 0.2 million) and EUR 0.2 million (Q2: EUR 0.2 million), respectively. For IWS Services' project-driven business model, the margins are expected to fluctuate quarterly due to the various project mix and progress.

The net profit for the third quarter of 2024 was EUR 2.6 million compared with EUR 0.6 million in the previous quarter. The EUR 2.0 million difference primarily relates to IWS Fleet having two vessels in operation for the full quarter and fluctuations in the project-driven business in IWS Services.

Liquidity and financial position

Total cash and cash equivalents amounted to EUR 59.5 million at quarter-end, down from EUR 78.0 million at the previous quarter-end. The net decrease is explained primarily by capital expenditure on vessels under construction, in part financed by the drawdown of the credit facility, the additional investment in PEAK Wind, and changes in working capital.

The carrying value of vessels decreased to EUR 93.1 million (Q2: EUR 93.8 million) primarily as a result of depreciation. The carrying value of vessels under construction is EUR 75.2 million (Q2: EUR 36.1 million) and includes yard instalments on the remaining four CSOVs and accumulated directly attributable project costs and borrowing costs during the construction period. Details on the payment structure of the newbuilding contracts are found in *Note 8 – Commitments and contingencies.*

Other fixed assets of EUR 1.5 million include office and vehicle leases (Q2: EUR 1.6 million).

The intangible assets of EUR 6.0 million include goodwill and other acquisition-related intangible assets (Q2: EUR 6.1 million).

Investments accounted for using the equity method of EUR 24.4 million (Q2: EUR 13.4 million) have increased primarily as a result of the Company exercising its option to increase its shareholding in PEAK Wind from 30% to 49%.

Other non-current assets of EUR 1.0 million relate to borrowing costs paid on the undrawn tranches of the Green Senior Secured Credit Facility, which are amortised over the term of the facility and capitalised as borrowing costs during the period of construction of the vessels (Q2: EUR 0.6 million).

Trade receivables and contract assets of EUR 16.3 million and EUR 4.7 million, respectively, consist of trade receivables and work in progress mainly related to construction contracts in IWS Services, and the movement in the quarter is primarily the result of the timing of invoicing (Q2: EUR 9.5 million and EUR 3.5 million, respectively).

Non-current and current interest-bearing debt includes the Green Senior Secured Credit Facility, which amounts to EUR 82.5 million (Q2: EUR 53.3 million). The increase is primarily due to the drawdown of the third tranche of the facility and loan repayments. It also includes lease liabilities of EUR 1.3 million (Q2: EUR 1.3 million), and a bank overdraft balance in IWS Services of EUR 3.3 million (Q2: nil).

Other non-current liabilities of EUR 1.1 million (Q2: EUR 0.9 million) relate to the fair value of synthetic share options granted under the Group's long-term incentive plan that become exercisable after more than 12 months, and pensions.

Book equity on 30 September 2024 was EUR 183.7 million, and total assets were EUR 284.9 million, giving an equity ratio of 64% at quarter-end (Q2: 74%).

OUTLOOK

The offshore wind market remains strong with a pipeline of development projects, auctions and political ambitions. The IWS group of companies is well positioned to take part in this growth.

IWS Fleet will continue to ramp up activity, with additional vessels entering operation over the coming quarters. The current charter backlog provides solid visibility for 2025 and we expect high commercial utilisation.

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 in line with previous guidance.

PEAK Wind Group is well-positioned to achieve revenue growth of more than 20% in 2024. Furthermore, we still expect PEAK Wind to continue its strong growth beyond 2024 and expand its geographical scope and offerings.

The growing fleet, together with growth and margin improvements in IWS Services, will contribute to the Group's significant net profit growth in 2025.

STATEMENT OF RESPONSIBILITY

We confirm, to the best of our knowledge, that the condensed set of financial statements for the third quarter of 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting and give a true and fair view of Integrated Wind Solutions' consolidated assets, liabilities, financial position and income statement, and that the interim report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, 25 November 2024

Sigurd E. Thorvildsen *Chair of the Board*	Jens-Julius Ramdahl Nygaard *Board member*	Synne Syrrist *Board member*
Cathrine Haavind *Board member*	Daniel Gold *Board member*	Lars-Henrik Røren *CEO*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
(interim financial information is unaudited)

In EUR thousands	Note	Q2 2024	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023	2023
Operating revenue	2	12 433	16 775	5 421	34 434	16 337	22 600
Share of net profit of associates	5	155	195	109	525	174	370
Total revenue and other income		**12 588**	**16 970**	**5 530**	**34 959**	**16 511**	**22 970**
Operating expenses	2	-10 980	-13 061	-5 903	-32 616	-18 922	-25 618
Earnings before interest, taxes and dep. (EBITDA)		**1 608**	**3 909**	**-373**	**2 343**	**-2 411**	**-2 648**
Depreciation and amortisation	3	-652	-934	-157	-1 739	-380	-557
Earnings before interest and taxes (EBIT)		**956**	**2 975**	**-530**	**604**	**-2 791**	**-3 205**
Finance income		299	666	270	1 232	750	2 239
Finance expenses		-593	-645	-65	-1 317	-169	-229
Net foreign currency exchange gains		-6	34	-231	127	370	174
Net finance income		**-300**	**55**	**-26**	**42**	**951**	**2 184**
Profit before taxes		**656**	**3 030**	**-556**	**646**	**-1 840**	**-1 021**
Income tax expense	4	-16	-402	-7	-182	-70	-159
Profit for the period		**640**	**2 628**	**-563**	**464**	**-1 910**	**-1 180**
Attributable to non-controlling interests		73	691	-18	566	66	119
Attributable to shareholders of the parent		567	1 937	-545	-102	-1 976	-1 299
Weighted average number of shares		39 144 258	39 144 258	39 144 258	39 144 258	37 939 907	38 243 469
Basic and diluted earnings per share in EUR		0.02	0.05	-0.01	0.00	-0.05	-0.03

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (interim financial information is unaudited)

In EUR thousands	Note	Q2 2024	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023	2023
Profit for the period		640	2 628	-563	464	-1 910	-1 180
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss							
Cash flow hedge, net of tax effect	8	72	1	-921	193	1 563	1 643
Exchange differences on translation		2	27	3 623	9	-5 584	-5 593
Total comprehensive income		**714**	**2 656**	**2 139**	**666**	**-5 931**	**-5 130**
Attributable to non-controlling interests		92	695	4	620	130	200
Attributable to shareholders of the parent		622	1 961	2 135	46	-6 061	-5 330

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (interim financial information is unaudited)

In EUR thousands	Note	30.09.2024	30.06.2024	31.12.2023	30.09.2023
ASSETS					
Non-current assets					
Vessels	3	93 111	93 803	-	-
Vessels under construction	3	75 162	36 104	95 672	65 126
Other fixed assets	3	1 478	1 550	1 692	1 800
Intangible assets	3	6 044	6 080	6 158	6 192
Investments accounted for using the equity method	5	24 385	13 449	13 127	12 892
Deferred tax assets	4	253	266	201	188
Other non-current assets		1 012	639	915	1 252
Total non-current assets		**201 445**	**151 891**	**117 765**	**87 450**
Current assets					
Contract assets		4 687	3 525	4 431	3 296
Trade receivables		16 297	9 513	5 127	4 890
Other current assets		3 056	3 229	1 852	962
Cash and cash equivalents	6	59 451	77 954	30 975	33 169
Total current assets		**83 491**	**94 221**	**42 385**	**42 317**
Total assets		**284 936**	**246 112**	**160 150**	**129 767**
EQUITY AND LIABILITIES					
Equity					
Share capital	10	7 703	7 703	7 703	7 703
Share premium reserve	10	126 809	126 809	126 809	126 809
Retained earnings/other comprehensive income		12 181	10 220	-14 551	-15 283
Non-controlling interests		37 042	36 347	3 108	3 039
Total equity		**183 735**	**181 079**	**123 069**	**122 268**
Non-current liabilities					
Non-current interest-bearing debt	7	73 366	47 744	25 658	1 157
Deferred tax liability	4	751	309	420	462
Other non-current liabilities		1 099	882	745	688
Total non-current liabilities		**75 216**	**48 935**	**26 823**	**2 307**
Current liabilities					
Trade payables		9 219	7 121	1 689	1 741
Current interest-bearing debt	7	13 750	6 866	4 240	511
Other current liabilities		3 016	2 111	4 329	2 940
Total current liabilities		**25 985**	**16 098**	**10 258**	**5 192**
Total equity and liabilities		**284 936**	**246 112**	**160 150**	**129 767**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (interim financial information is unaudited)

In EUR thousands	Note	Q2 2024	Q3 2024	Q3 2023	YTD Q3 2024	YTD Q3 2023	2023
Cash flow from operating activities							
Profit before tax		656	3 030	-556	646	-1 840	-1 021
Depreciation and amortisation	3	652	934	157	1 739	380	557
Gain on disposal of property, plant and equipment		-	-	-	-	-31	-40
Net profit from associates	5	-155	-195	-109	-525	-174	-370
Fair value gain on financial instruments	5	-	-	-	-	-	-1 200
Increase (-)/decrease (+) in trade and other receivables		-3 796	-8 973	973	-13 831	1 132	782
Increase (+)/decrease (-) in trade and other payables		-47	3 220	749	6 502	-161	763
Taxes paid		-	-	-	-	-	-165
Net cash flow from operating activities		**-2 690**	**-1 984**	**1 214**	**-5 469**	**-694**	**-694**
Cash flow from investing activities							
Purchase of property, plant and equipment	3	-4 887	-39 292	-1 511	-75 518	-18 403	-49 059
Proceeds from sale of property, plant and equipment	3	-	-	-	-	53	53
Investment in associate	5	-	-9 532		-9 532		
Dividends received from associate		-	-	-	-	-	-
Net cash flow from investing activities		**-4 887**	**-48 824**	**-1 511**	**-85 050**	**-18 350**	**-49 006**
Cash flow from financing activities							
Proceeds from issue of share capital/minority shareholder		60 000	-	-	60 000	32 086	32 086
Equity issue costs		-	-	-	-	-829	-829
Proceeds from (+)/repayment of (-) borrowings and fees	7	-2 191	32 278	-1 607	58 260	-2 626	25 656
Government grants		975	148	335	1 123	335	516
Payment of lease liabilities		-106	-114	-112	-331	-194	-274
Net cash flow from financing activities		**58 678**	**32 312**	**-1 384**	**119 052**	**28 772**	**57 155**
Cash and cash equivalents at the beginning of the period		26 873	77 954	34 918	30 975	23 589	23 589
Net increase/(decrease) in cash and cash equivalents		51 101	-18 496	-1 681	28 533	9 728	7 455
Exchange rate effects		-20	-7	-68	-57	-148	-69
Cash and cash equivalents at the end of the period	6	**77 954**	**59 451**	**33 169**	**59 451**	**33 169**	**30 975**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (interim financial information is unaudited)

	Attributable to owners of the Company						
In EUR thousands	Share capital	Share premium reserve	Hedging reserve	Other equity	Total	NCI	Total equity
Equity at 01.01.2023	**5 758**	**97 497**	**1 114**	**-9 458**	**94 911**	**2 909**	**97 820**
Profit for the period	-	-	-	-1 976	-1 976	66	-1 910
Other comprehensive income	-	-	1 447	-5 532	-4 085	64	-4 021
Equity issue per 31.01.2023	1 945	30 141	-	-	32 086	-	32 086
Equity issue costs	-	-829	-	-	-829	-	-829
Transfer to vessels under construction	-	-	-878	-	-878	-	-878
Total equity at 30.09.2023	**7 703**	**126 809**	**1 683**	**-16 966**	**119 229**	**3 039**	**122 268**
Equity at 01.01.2024	**7 703**	**126 809**	**152**	**-14 703**	**119 961**	**3 108**	**123 069**
Profit/Loss for the period	-	-	-	-102	-102	566	464
Other comprehensive income	-	-	141	7	148	54	202
Impact of functional currency change[3]	-	-	-293	293	-	-	-
Transactions with non-controlling interests[4]	-	-	-	26 686	26 686	33 314	60 000
Total equity at 30.09.2024	**7 703**	**126 809**	**-**	**12 181**	**146 693**	**37 042**	**183 735**

[3] The Company and IWS Fleet subsidiaries changed their functional currency from NOK to EUR on 1 October 2023. Upon completion of cash flow hedge accounting in Q3 2024, an incorrect allocation between components of equity from the change of functional currency was identified and corrected.
[4] IWS Fleet AS raised EUR 60 million in equity in a private placement to Sumitomo for 25.38% ownership in June 2024. The transaction is a change in ownership interest without a loss of control. The difference between the relative interest of the non-controlling interest and the fair value of the consideration is attributed to the owners of the parent.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Corporate information, basis of preparation and accounting policies

Corporate information

Integrated Wind Solutions ASA (the "Company") is a public limited liability company incorporated and domiciled in Norway. The Company's registered office is Støperigata 2, 0250 Oslo, Norway.

These condensed consolidated interim financial statements (the Statements) comprise the Company and its subsidiaries, together referred to as the Group or IWS.

Basis of preparation

The condensed consolidated interim financial statements are presented in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The Statements are presented in EUR rounded to the nearest thousand, except as otherwise indicated. The condensed consolidated interim financial statements are unaudited.

Accounting policies

Except as described below, the accounting policies applied in the preparation of the Statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

Revenue and operating expenses include the sale of the vessel's fuel inventory to the customer at the inception of a charter contract. The Group recognises as revenue the net margin when fuel is purchased on behalf of a customer.

The Statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) for a complete set of financial statements, and the Statements should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023, which includes a detailed description of the applied accounting policies. No new or revised International Financial Reporting Standards (IFRSs) have had a material impact on the Statements of the Group in the third quarter of 2024.

Note 2 – Operating segments

The Group is organised into business units based on its services and has two reportable segments:

- IWS Fleet is the owner & operator of CSOVs.
- IWS Services provides design, engineering and construction along with operations- and management services to the offshore wind industry.

No operating segments have been aggregated to form the above reportable operating segments.

Segment performance is evaluated based on profit or loss before tax and is measured consistently with profit or loss before tax in the consolidated financial statements.

The operating segment disclosure has been amended from Q3 2024 to present inter-segment revenue and balances separately from external customer revenue and consolidated balances. Comparative figures have been re-presented to align with the new presentation format. The amendment has no impact on IWS's consolidated financial statements.

The following table presents revenue and profit information for the Group's operating segments for Q3 2024 and Q3 2023, respectively:

	IWS Fleet		IWS Services		Group functions/ eliminations [5]		Consolidated	
In EUR thousands	Q3 2024	Q3 2023 *re-presented*	Q3 2024	Q3 2023 *re-presented*	Q3 2024	Q3 2023 *re-presented*	Q3 2024	Q3 2023
External customer revenue	7 990	76	8 763	5 343	22	2	16 775	5 421
Internal revenue	-	-	2	10	-2	-10	-	-
Share of profit of associate PEAK Wind [6]	-	-	-	-	195	109	195	109
Operating expenses	-4 415	-491	-8 370	-5 100	-276	-312	-13 061	-5 903
EBITDA	**3 575**	**-415**	**395**	**253**	**-61**	**-211**	**3 909**	**-373**
Depreciation and amortisation	-793	-	-82	-94	-59	-63	-934	-157
EBIT	**2 782**	**-415**	**313**	**159**	**-120**	**-274**	**2 975**	**-530**
Net finance income	63	1 185	-127	-175	119	-1 036	55	-26
Profit before tax	**2 845**	**770**	**186**	**-16**	**-1**	**-1 310**	**3 030**	**-556**

The following table presents assets and liabilities information for the Group's operating segments as of 30 September 2024 and 2023, respectively:

	IWS Fleet		IWS Services		Group functions/ eliminations		Consolidated	
In EUR thousands	30.09.2024	30.09.2023 *re-presented*	30.09.2024	30.09.2023 *re-presented*	30.09.2024	30.09.2023 *re-presented*	30.09.2024	30.09.2023
Equity-accounted investments	31	-	-	-	24 354	12 892	24 385	12 892
Other non-current assets	171 741	68 281	6 797	6 976	-1 478	-699	177 060	74 558
Other current assets	8 935	486	14 814	8 637	291	25	24 040	9 148
Cash and cash equivalents	50 594	2 343	3 534	3 670	5 323	27 156	59 451	33 169
Segment assets	**231 301**	**71 110**	**25 145**	**19 283**	**28 490**	**39 374**	**284 936**	**129 767**
Borrowings	90 284	40 174	3 583	469	-6 751	-38 975	87 116	1 668
Non-current liabilities	406	46	346	417	1 098	687	1 850	1 150
Current liabilities	5 961	2 046	5 423	2 509	851	126	12 235	4 681
Segment liabilities	**96 651**	**42 266**	**9 352**	**3 395**	**-4 802**	**-38 162**	**101 201**	**7 499**
Net assets	**134 650**	**28 844**	**15 793**	**15 888**	**33 292**	**77 536**	**183 735**	**122 268**

[5] Group functions/eliminations include revenue, expenses, assets, and liabilities of the parent company.
[6] The Group's share of the net profit in PEAK Wind for the third quarter of 2024 is net of EUR -0.1 million amortisation of acquisition-related intangible assets (EUR -0.1 million in Q3 2023).

Note 3 – Tangible and intangible non-current assets

In EUR thousands	Vessels	Vessels under construction	Leased fixed assets	Other fixed assets	Intangible assets	Total
Acquisition cost at 01.01.2024	**-**	**95 672**	**1 755**	**410**	**7 004**	**104 841**
Acquisitions/instalments in the period	377	75 385	25	99	-	75 886
Reclassifications	94 023	-95 895	-	-	-	-1 872
Disposals in the period	-	-	-33	-	-	-33
Foreign exchange translation adjustments	-	-	-	1	-4	-3
Acquisition cost at 30.09.2024	**94 400**	**75 162**	**1 747**	**510**	**7 000**	**178 819**
Accumulated depreciation at 01.01.2024	**-**	**-**	**-272**	**-201**	**-846**	**-1 319**
Depreciation and amortisation	-1 289	-	-278	-61	-110	-1 738
Disposals in the period	-	-	32	-	-	32
Foreign exchange translation adjustments	-	-	-	1	-	1
Accumulated depreciation at 30.09.2024	**-1 289**	**-**	**-518**	**-261**	**-956**	**-3 024**
Net carrying amount at 30.09.2024	**93 111**	**75 162**	**1 229**	**249**	**6 044**	**175 795**

The carrying value of vessels under construction includes yard instalments, other directly attributable project costs, guarantee fees and capitalised borrowing costs. IWS Skywalker and IWS Windwalker were reclassified from Vessels under construction to Vessels when they became available for their intended use. Borrowing costs of EUR 0.3 million relating to the Green Senior Secured Credit Facility have been capitalised in Q3 2024 (EUR 0.4 million in Q3 2023). Enova grants of EUR 1.9 million were reclassified from liabilities and deducted from the cost of vessels / vessels under construction upon the approval of the Enova project reports for IWS Skywalker and IWS Windwalker in Q2.

Depreciation commences when the vessels are available for their intended use. Depreciation is calculated on a straight-line basis over the useful life of the assets. Expected useful lives for vessels and dry-docking are 30 years and 5 years, respectively.

The group leases offices and vehicles. Rental contracts are for periods of up to five years. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and/or leases of low-value items.

Intangible assets include goodwill and other intangible assets recognised as part of the acquisitions of ProCon and Green Ducklings.

Note 4 – Corporation taxes

In EUR thousands	Q3 2024	Q3 2023
Current income tax	-	-
Changes in deferred tax	-402	-7
Total income tax expense	**-402**	**-7**

The Group's ship-owning subsidiaries are subject to tonnage tax. Companies subject to the tonnage tax regime are exempt from ordinary tax on their shipping income. In lieu of ordinary taxation, tonnage-taxed companies are taxed on a notional basis based on the net tonnage of the companies' vessels and reported as operating expenses. Income not derived from the operation of the vessels in international waters, such as financial income, is usually taxed according to the ordinary taxation rules applicable in the resident country of each respective company.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Note 5 – Associated Companies and Joint Ventures

PEAK Wind is a Danish non-listed company that provides operations and asset management advisory services to the offshore wind sector globally. The investment in PEAK Wind is classified as an associated company and is accounted for using the equity method of accounting.

IWS exercised its fixed-price option to increase its ownership of PEAK Wind Group ApS from 30% to 49% in September 2024 (pre-dilution from the share-based option program to key employees). Gross consideration for the additional 19% ownership amounted to EUR 9.5 million. Furthermore, the previously recognised fair value of the fixed-price option, EUR 1.2 million, has been added to the carrying value of the investment. A preliminary purchase price allocation has been performed. Purchase price in excess of book value of assets and liabilities has been allocated between acquisition-related intangible assets (contracts with customers) with useful lives of between 2 and 16 years, and goodwill. Goodwill recognised on the investment in PEAK Wind therefore increased from EUR 8.5 million to EUR 15.5 million. Retrospective adjustments of the purchase price allocation of the amounts recognised at the acquisition date may occur in order to reflect new information obtained about facts and circumstances that existed at the acquisition date, in accordance with IFRS 3.45.

IWS also owns 50% of the shares in Havfram Fleet Management AS, a technical ship management company.

Peak Wind Group ApS

In EUR thousands	2024	2023
Book value 01.01	13 096	12 754
Purchase price of additional shares (19%)	10 732	-
Share of profit	779	428
Depreciation excess values	-254	-255
Exchange rate differences	1	-35
Book value 30.09	**24 354**	**12 892**
Peak Wind Group ApS net assets (100% basis)	18 110	14 730
Group's share of net assets (49% at 30.09.2024, 30% at 30.09.2023)	8 874	4 419
Goodwill	15 480	8 473
Book value 30.09	**24 354**	**12 892**

Havfram Fleet Management AS

In EUR thousands	2024	2023
Book value 01.01	31	-
Share of profit	-	-
Book value 30.09	**31**	**-**

Note 6 – Cash and cash equivalents

In EUR thousands	30.09.2024	30.06.2024	31.12.2023	30.09.2023
Bank deposits denominated in NOK	1 588	1 165	1 079	1 511
Bank deposits denominated in NOK, restricted	99	107	130	83
Bank deposits denominated in DKK	2 561	2 876	3 255	2 640
Bank deposits denominated in EUR	52 064	70 469	26 030	28 054
Bank deposits denominated in other currencies	3 139	3 337	481	881
Total cash and cash equivalents	**59 451**	**77 954**	**30 975**	**33 169**

Note 7 – Interest-bearing debt

In EUR thousands	30.09.2024	30.06.2024	31.12.2023	30.09.2023
Borrowings	72 530	46 815	24 570	-
Lease liabilities	836	929	1 088	1 157
Non-current interest-bearing debt	**73 366**	**47 744**	**25 658**	**1 157**
Borrowings	10 013	6 455	3 261	-
Lease liabilities	441	411	416	419
Bank overdraft	3 296	-	563	92
Current interest-bearing debt	**13 750**	**6 866**	**4 240**	**511**
Total interest-bearing debt	**87 116**	**54 610**	**29 898**	**1 668**

The Group is continuously exploring alternatives to its financing and commitments. This includes, but is not limited to, bank financing, lease financing and bond financing. The Group may, as part of such exploration, initiate formal and/or informal dialogue with potential lenders and/or investors to explore and conclude on the preferable financing structure.

Green Senior Secured Credit Facility

IWS has a Green Senior Secured Credit Facility of up EUR 186.9 million, of which EUR 99.5 million remains undrawn, with SEB, SR-Bank, Eksfin and NIB. The facility is presented net of transaction costs.

The proceeds of the facility have been and will be used for long-term post-delivery financing of the Group's first four CSOVs. Final maturity of the EUR 54.4 million commercial tranche with SEB and SR-Bank is in 2028. Final maturity of the EUR 82.6 million Eksfin tranches, for which SEB and SR-Bank have provided bank guarantees of EUR 28.0 million, is in 2035 subject to the refinancing of the commercial tranche and bank guarantees. Final maturity of the EUR 50.0 million NIB tranches is in 2037 subject to the refinancing of the commercial tranche. The Eksfin tranche qualifies for an attractive 12-year fixed interest rate with the Commercial Interest Reference Rates ("CIRR") prevalent when the contracts and subcontracts for the vessels were signed.

Note 8 – Commitments and contingencies

Shipbuilding contracts

The remaining instalments to the yard CMI for vessels under construction amount to EUR 131.4 million, of which EUR 52.2 million is due in 2024 and EUR 79.2 million in 2025.

Foreign currency hedging contracts

IWS, including subsidiaries, has and will enter into foreign currency hedging contracts for certain long-term construction contracts. The change in the market value of these hedging contracts is reported net of tax effect under *Other comprehensive income*.

Note 9 – Related party transactions

Address commission

The Group has agreements to pay an address commission to Awilco AS for services in assisting IWS with the conclusion and execution of the contracts for the first six vessels. The address commission amounts to 1% of the yard price and is payable to Awilco AS on the same payment schedule as payments to the yard. Address commission is capitalised as part of the acquisition costs of the vessels under construction.

Note 10 – Share capital and shareholder information

Paid in capital

In EUR thousands, unless stated otherwise	Number of shares	Par value per share	Share capital	Paid-in premium	Total paid-in capital
Share capital at 01.01.2024	39 144 258	NOK 2.00	7 703	126 809	134 512
Share capital at 30.09.2024	**39 144 258**	NOK 2.00	**7 703**	**126 809**	**134 512**

Integrated Wind Solutions ASA is incorporated in Norway and the share capital is denominated in NOK. The share capital of the Company is NOK 78,288,516 divided into 39,144,258 shares, each with a nominal value of NOK 2.00. All issued shares have a par value of NOK 2.00 and are of equal rights.

10 largest shareholders as of 15th November 2024

Shareholder	Number of shares	Ownership (in %)
Awilco AS	15 430 999	39.4
Clearstream Banking S.A.	10 551 169	27.0
State Street Bank and Trust Company	2 780 021	7.1
Skandinaviska Enskilda Banken AB	2 050 000	5.2
J.P. Morgan SE	1 918 181	4.9
Danske Invest Norge Vekst	1 770 813	4.5
J.P. Morgan SE	1 510 802	3.9
Must Invest AS	700 000	1.8
Skeie Kapital AS	535 303	1.4
Wieco AS	350 060	0.9
Subtotal	**37 597 348**	**96.0**
Other shareholders	1 546 910	4.0
Total	**39 144 258**	**100.0**

Note 11 – Subsequent events

Vessels

IWS Windwalker started a new charter contract with Siemens Gamesa Renewable Energy on 22 October.

The naming ceremony for IWS Seawalker was held on 30 October in Denmark while the vessel was undergoing final quayside preparations. The vessel went on contract with Dogger Bank Wind Farm on 1 November.

IWS Fleet took delivery of IWS Starwalker, the Group's fourth vessel, on 21 November. The vessel will sail around the Cape of Good Hope on its way to Europe in preparation for its first charter contract.

IWS Moonwalker and IWS Sunwalker are currently under construction for expected delivery in Q2 2025 and Q3 2025, respectively.

Financing

The Group has drawn down the fourth tranche of the Green Senior Secured Credit Facility (EUR 31 million) for the debt financing of the fourth vessel, IWS Starwalker.

Chartering

IWS Fleet and Asso.subsea agreed in November to terminate the charter contract that was due to start in Q1 2025 as Asso.subsea no longer requires the vessel within the agreed time frame. A termination fee will be booked as revenue in Q4 without any corresponding costs. IWS Fleet is in close discussions with charterers about alternative contracts for IWS Starwalker, and expects the vessel to be in commercial operations soon after arrival in Europe in Q1 2025.

IWS announced on 25 October two new charter contracts with Siemens Gamesa Renewable Energy and the Dogger Bank consortium.

Market making

IWS has entered a market-making agreement with SpareBank 1 Markets AS. The purpose of the agreement is to improve liquidity in the trading of the company's shares. The agreement is in accordance with the standard requirements of Euronext Oslo Stock Exchange. The first day of market making was 18 October.

Uplisting

Integrated Wind Solutions has initiated a process to uplist from Euronext Growth to the main list of Oslo Stock Exchange, with a target completion in the first half of 2025.

APPENDIX A – ALTERNATIVE PERFORMANCE MEASURE

Alternative performance measures (APMs), i.e. financial performance measures not within the applicable financial reporting framework, are used by the Group to provide supplemental information to the stakeholders. Financial APMs are intended to enhance the comparability of the results and cash flows from period to period, and it is the Group's experience that these are frequently used by analysts and investors.

The APMs are adjusted IFRS measures that are defined, calculated, and used consistently over time. Operational measures such as, but not limited to, volumes and utilisation are not defined as financial APMs. Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. Disclosures of APMs are subject to established internal control procedures.

The Group's financial APMs are:

- EBIT: Operating revenue - Operating expenses - Administration expenses - Depreciation and amortisation
- EBITDA: EBIT + Depreciation and amortisation
- Interest-bearing debt: Long-term interest-bearing debt + Short-term interest-bearing debt
- Book equity ratio: Total equity / Total assets

The reconciliation of Total revenue, EBIT and EBITDA with IFRS figures can be derived directly from the Group's consolidated Income Statement.

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