

# Financial Report

Q2 2024





# INTERIM FINANCIAL REPORT

## Q2 2024<sup>1</sup>

### RECENT HIGHLIGHTS

- Total revenue of EUR 12.6m for Q2 2024, a 133% increase from Q1 and a 143% increase compared with Q2 2023.
- Group EBITDA of EUR 1.6m for Q2 2024 compared with EUR -3.2m in Q1 and EUR -1.0m in Q2 2023. The positive EBITDA was driven by the charter operations of the first two vessels and positive contributions from IWS Services and PEAK Wind.
- Group net profit was EUR 0.6m for Q2 2024 compared with EUR -2.8 m in Q1 and EUR -0.7m in Q2 2023.
- IWS Fleet revenue of EUR 4.9m in Q2 2024 versus EUR 0.6m in Q1 and EUR 0.0m in Q2 2023. IWS Fleet had two vessels in operation in the quarter with IWS Skywalker on charter at the Dogger Bank Wind Farm for the full quarter, and IWS Windwalker on charter with Tenet TSO from early June. Furthermore, IWS Seawalker was delivered from the yard on 23 August and will arrive in Europe in late October.
- IWS Fleet signed two additional contracts as part of the frame term agreement with Siemens Gamesa. Both contracts were signed with additional firm days above the minimums defined in the frame agreement.
- IWS Services revenue of EUR 7.6m in Q2 2024, an increase of 65% from Q1, due to the nature of the project-driven construction business. The book-to-bill ratio in Q2 was well above 1, further improving the visibility for 2025. The guidance for the full year 2024 remains unchanged.
- PEAK Wind continues its strong growth with an increase in net revenue for Q2 by 26% compared with Q2 2023. The Group's share of the net profit in Q2 2024 was EUR 0.2m, after EUR -0.1m amortisation of acquisition-related intangible assets.
- IWS announced on 12 June the completion of a strategic partnership with Sumitomo Corporation ("Sumitomo"). IWS Fleet raised EUR 60m in equity in a private placement to Sumitomo for 25.38% ownership. Consequently, the equity attributable to the owners of the parent company increased by EUR 26.7m, corresponding to about NOK 8 per share.
- IWS Fleet has secured credit approval for an expanded Green Senior Secured Credit Facility of up to EUR 186.9m, securing debt financing for all six vessels. The expanded facility is expected to become effective in Q3.

Lars-Henrik Røren, CEO, commented: "The second quarter was eventful with two vessels in operation and the closing of the strategic partnership with Sumitomo Corporation. We are proud that the vessels have shown excellent capabilities, also recognised by our clients. Furthermore, we are pleased that IWS Services improved significantly in Q2, and we expect further improvements in the second half of the year, backed by higher revenues and margin improvements. IWS is now on a solid business- and financial track, and we are continuously exploring further growth initiatives."

---

<sup>1</sup> 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 three vessels delivered and an additional three under construction at the leading shipyard CMI. Sumitomo has in Q2 acquired an ownership interest of 25.38% of IWS Fleet.

For IWS Services<sup>2</sup>, the two Danish offshore wind service/consulting companies ProCon Group ApS<sup>3</sup> (“ProCon”) and Green Ducklings A/S<sup>4</sup> (“Green Ducklings”) form the base of the supply chain service offerings.

The 30%<sup>5</sup> owned PEAK Wind is the leading provider of operations and asset management services to wind farms and is classified as an associated company.

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 ready for departure from the yard*



*IWS Windwalker with a nearby OSS*



<sup>2</sup> 97% owned by Integrated Wind Solutions ASA

<sup>3</sup> 75% owned by IWS Services A/S (100% of the voting shares)

<sup>4</sup> 100% of the voting shares

<sup>5</sup> Fixed price option exercisable by September 2024 to acquire an additional 19% of voting shares, pre-dilution from share-based option program to key employees

# OFFSHORE WIND MARKET OBSERVATIONS



## *Continued high growth outlook despite current industry challenges*

The offshore wind market outlook remains positive with a global growth rate of 29% (CAGR) from 2024 to 2030. Europe is still expected to be the clear market leader, with 96 GW of installations expected by 2030 out of a forecasted 124 GW total offshore wind capacity (excluding China). The APAC region is set to become the second largest offshore wind market, with an installed capacity of 18 GW by 2030, followed by the Americas with 11 GW.

In the first half of 2024, projects totalling 6.2 GW reached FID, including Germany's Nordsee Cluster A and B, Windanker, the Dutch OranjeWind (previously Hollandse Kust West VII), and the American projects Sunrise Wind and CVOW Commercial.

Several auctions have also taken place or commenced in the first half of 2024, including the UK's Allocation Round 6, which also saw a £300 million increase in the offshore wind budget; Taiwan's Round 3.2, which announced five winners with a total project allocation of 2.7 GW; and Australia's seabed auctions, which awarded six projects totalling 12 GW. Further auctions for more than 40 GW are planned for the second half of 2024, including South Korea's 7-8 GW and the UK's Celtic Sea auction for floating wind. In total 113 GW of global offshore wind auctions are planned for the second half of 2024 and 2025.

Despite challenging market conditions, developers continue to advance FIDs and construction pipelines.

2023 was a challenging year for the offshore wind industry, and some developers, along with all turbine OEMs continued to struggle with low/no/negative profitability. In effect in 2024, the industry remains challenged, with continued high interest rates and inflation continuing to pressure the supply chain and negatively affecting project business cases for developers. Ørsted's 2024 H1 earnings were significantly impacted by the COD for Revolution Wind being delayed from 2025 to 2026.

Nevertheless, many dominant developers continue to expand construction pipelines significantly, especially RWE, which continues forward with FID on the 1.6 GW Nordsee Cluster and winning a total of 4 GW in two North Sea projects in the latest German auction in August.

Another interesting market development is Luxcara, a PE and investor in a German 1.5 GW project recently awarded a contract (N-9.3) for installation in 2029. Luxcara recently announced they had entered into a turbine supply agreement with the Chinese producer Mingyang, and Mingyang has

announced plans to establish a manufacturing footprint in Europe (Italy).

Overall, a more selective approach to market presence and prioritised auction bidding is already seen across most developers. This means developers are focusing on executing their existing secured construction pipeline, some are even downscaling the organisation. In addition, they are taking a more selective approach to market presence, favouring the most mature and favourable markets, especially in Northern Europe, and only remaining in the emerging markets with the most attractive auction schemes, e.g. in the US (e.g. inflation-adjusted CfD/OREC and with less expensive seabed leases, high expected electricity prices). This approach has led to several developers closing or scaling down their floating wind business activities.

## *Supply chain improvements*

The increased levels of FID have triggered significant investments in the supply chain, which will help unlock further growth by removing some of the existing constraints as new facilities come into operation. Siemens Gamesa has invested over EUR 135 million in expanding its Cuxhaven facility. However, GE has cancelled plans for its 18 MW turbine, leading to the cancellation of NYSERDA round 3 projects. Vestas is expanding its Lindø facility to enable series production of nacelles for its 15 MW WTG. Sif is expanding its production facility, while CS Wind has begun production at its new XXL monopile facility in Odense (albeit with significant losses reported in past years). Titan will commit more than EUR 300 million to their Cuxhaven foundation facility, and Haizea's new monopile facility is now operational.

The floating wind market continues to develop with planned auctions in the UK, France, Norway, Portugal, and Italy, although framework conditions and regulations still require further development. Continued challenges in business cases resulted in a shift of construction activity to the mid-2030s.

## *US mitigating challenges*

The pace must accelerate in the United States, where there is an ambition to develop 30 GW by 2030. However, Green Ducklings' forecast suggests that due to challenges over the past 12 months, including Jones Act constraints and supply chain issues, this target could be delayed by 4-6 years.

Market uncertainty in the US remains. The NY3 solicitation was concluded in April 2024 with no awards given to the winners announced in October 2023 (Attentive Energy 1, Community Offshore Wind, and Excelsior Wind), following GE's cancellation of its 18 MW turbine and factory in New York. Despite the fast rebidding in NY4, many US projects still have unclear timelines due to cancelled off-take agreements.

On a more positive note, Coastal Virginia Offshore Wind and Revolution Wind are now under construction, while Sunrise Wind has reached FID, enabling construction to begin.

Furthermore, Equinor and Virginia Electric and Power Co. (a subsidiary of Dominion Energy) have won lease areas in the Central Atlantic that could accommodate up to 6.3 GW.

New Jersey has launched its fourth solicitation with up to 4 GW to be awarded, with more than 10 projects expected to bid, including new and older projects with cancelled off-take agreements. New York has launched its fifth offshore wind

solicitation, where several developers with cancelled off-take agreements are expected to enter their projects in this or the next solicitation round. The solicitation includes provisions such as inflation indexing, labour provisions, stakeholder engagement requirements, and commitments to disadvantaged communities. The Bureau of Ocean Energy Management has cleared Oregon for offshore wind areas, with a seabed auction expected in the second half of 2024.

All eyes remain firmly fixed on the upcoming US election.

## MARKET FOR C/SOVs

The growing development pipeline and future ambitions for offshore wind are driving increased demand for CSOVs both in the short and long term. As offshore wind projects expand and the installed base of turbines grows, the demand for CSOV capacity during the construction, commissioning, and operations and maintenance (“O&M”) phases is expected to remain robust.

The global fleet of CSOVs and SOVs amounts to 52 vessels in operation, of which 41 are considered Tier 1 and 11 Tier 2. The orderbook consists of 50 vessels, of which three belong to IWS.

Although reports from Clarksons indicate a fleet utilisation of almost 100% for Tier 1 vessels, they still identify unmet market demand for projects scheduled to commence in Q3

and Q4 2024, with charterers struggling to find capacity that matches technical and commercial expectations.

In response, charterers have started securing tonnage earlier for upcoming projects, and Clarksons expects to see more requirements for upcoming projects in 2025 and 2026.

Offshore wind projects remain the main driver for C/SOV demand, along with requirements from the oil and gas sector.

The CSOV market maintains its appealing growth trajectory. With ongoing expansion in offshore wind projects and many government auctions anticipated over the coming years, the business environment remains favourable for O&M service vessels.

## MAIN EVENTS DURING Q2 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 vessel, IWS Skywalker, has been operating since 31 March at the Dogger Bank Wind Farm. This is the first out of three separate charter contracts at Dogger Bank Wind Farm.

The second vessel, IWS Windwalker, commenced its maiden charter contract with TenneT TSO in June.

The third vessel, IWS Seawalker, recently completed its final commissioning phase and was delivered from the shipyard on 23 August and will depart for Europe by the end of this week. IWS Starwalker is scheduled for delivery approximately three months later.

The fifth and sixth vessels, IWS Moonwalker and IWS Sunwalker, are currently under construction. The work is progressing on schedule.

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 Seawalker will sail around the Cape of Good Hope, as the two previous vessels.

Global shipyards are not exempt from the pressures on the global supply chain, posing potential risks to the commissioning process and the timely delivery of key components for vessels 5 and 6.

### *Financing*

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

IWS Fleet has, after the balance sheet date, secured credit approval for an expanded Green Senior Secured Credit Facility of up to EUR 186.9 million, securing debt financing for all six vessels. The expanded facility is expected to come into effect in Q3.

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

On 12 June, IWS completed its strategic partnership with Sumitomo Corporation, through IWS' subsidiary, IWS Fleet. IWS Fleet raised EUR 60 million in equity, with Sumitomo Corporation acquiring 25.38% of the company.

IWS and Sumitomo share ambitions in the offshore wind industry and will explore further expansion opportunities together. IWS Fleet is now in a strong financial position as a result of the proceeds from the transaction.

### *Employment*

Since the end of March, IWS Skywalker has been operating under the first of three separate contracts at the Dogger Bank Wind Farm. The vessel's performance has been satisfying to both the client and IWS, achieving high commercial uptime.

In early June, IWS Windwalker, commenced its 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. This vessel has also been operating to the client's and IWS' satisfaction.

IWS Fleet has a considerable frame term agreement with Siemens Gamesa Renewable Energy A/S, one of the leading turbine manufacturers in the offshore wind industry. With a duration of three years, commencing in 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 three charter contracts under the frame term agreement have been signed. The two contracts signed in the quarter included additional firm days above the minimums defined in the frame agreement.

Finally, IWS Fleet has a charter contract with Asso.subsea Single Member S.A. of Greece for up to eight months, commencing in early Q1 2025.

## FINANCIAL REVIEW

### *Income statement*

Total revenue for the second quarter of 2024 was EUR 12.6 million (Q1: EUR 5.4 million), of which IWS Services contributed EUR 7.6 million, IWS Fleet contributed EUR 4.9 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 second quarter of 2024 was EUR 0.2 million after EUR -0.1 million amortisation of acquisition-related intangible assets (EUR 0.2 million in Q1). IWS has a fixed-price option to acquire additional shares of PEAK Wind, which is valued at EUR 1.2 million on the balance sheet.

Operating expenses for the second quarter of 2024 were EUR 11.0 million compared with EUR 8.6 million in the previous quarter. The increase is mainly due to increased vessel operating expenses from operating two vessels.

Group EBITDA was EUR 1.6 million for the second quarter of 2024 compared with EUR -3.2 million in the previous quarter. IWS Fleet contributed EUR 2.3 million (Q1: EUR -0.5 million). IWS Services and PEAK Wind contributed EUR 0.2 million (Q1: EUR -1.0 million) and EUR 0.2 million (Q1: EUR 0.2 million), respectively, with the Company contributing EBITDA of -1.1 million (Q1: -1.9 million). 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 second quarter of 2024 was EUR 0.6 million compared with a net loss of EUR -2.8 million in the first quarter. The EUR 3.4 million difference primarily relates to IWS Fleet having two vessels in operation at the end of the quarter and fluctuations in the project-driven business in IWS Services.

### *Liquidity and financial position*

Total cash and cash equivalents amounted to EUR 78.0 million at quarter-end, up from EUR 26.9 million at the previous quarter-end. The net increase is explained primarily by the EUR 60.0 million of capital raised in IWS Fleet by issuing new shares

to Sumitomo Corporation, and capital expenditure on vessels under construction.

The carrying value of vessels increased to EUR 93.8 million (Q1: 48.2 million) as IWS Windwalker was reclassified from vessels under construction. The carrying value of vessels under construction of EUR 36.1 million (Q1: 78.9 million) 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 1.6 million include office and vehicle leases (Q1: EUR 1.6 million).

The intangible assets of EUR 6.1 million include goodwill and other acquisition-related intangible assets (Q1: EUR 6.1 million).

Other non-current assets of EUR 0.6 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 (Q1: EUR 0.7 million).

Trade receivables and contract assets of EUR 9.5 million and EUR 3.5 million, respectively, consist mainly of trade receivables and work in progress related to construction contracts in IWS Services, and the movement in the quarter is primarily the result of the timing of invoicing and increased revenue invoiced in IWS Fleet (Q1: EUR 8.5 million and EUR 0.9 million, respectively).

Interest-bearing debt includes the Green Senior Secured Credit Facility of EUR 53.3 million and lease liabilities of EUR 1.3 million for offices, vehicles and office equipment.

Other non-current liabilities of 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 June 2024 was EUR 181.1 million, and total assets were EUR 246.1 million, giving an equity ratio of 74% at quarter-end (Q1: 64%).

## 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 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.

The strategic partnership with Sumitomo Corporation strengthens IWS and IWS Fleet's financial position. IWS and Sumitomo share ambitions in the offshore wind industry and will explore further expansion opportunities together.

Our first vessel, IWS Skywalker, has been operating on its first out of three Dogger Bank Wind Farm contracts for the full quarter. IWS Windwalker commenced its charter contract with TenneT TSO from early June.

The third vessel, IWS Seawalker was successfully delivered by the yard on 23 August. The vessel is intended for already secured charter contracts from 2025. Charterers have shown

interest in the vessel, and the short-term availability is expected to be filled.

The delivery of the fourth vessel, IWS Starwalker, is scheduled for Q4. The fifth and sixth vessels, IWS Moonwalker and IWS Sunwalker, are scheduled to be delivered from the yard in the first half of 2025.

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.

IWS Fleet will continue to ramp up activity, with additional vessels entering operation. This, together with IWS Services growth and margin improvements, contribute to the Group's expected net profit growth in 2024 and 2025.



## STATEMENT OF RESPONSIBILITY

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half 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, 28 August 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)

<i>In EUR thousands</i>	Note	Q1 2024	Q2 2024	Q2 2023	H1 2024	H1 2023	2023
Operating revenue	2	5 226	12 433	5 273	17 659	10 916	22 600
Share of net profit of associates	5	175	155	-103	330	65	370
<b>Total revenue</b>		<b>5 401</b>	<b>12 588</b>	<b>5 170</b>	<b>17 989</b>	<b>10 981</b>	<b>22 970</b>
Operating expenses	2	-8 575	-10 980	-6 170	-19 555	-13 019	-25 618
<b>Earnings before interest, taxes and dep. (EBITDA)</b>		<b>-3 174</b>	<b>1 608</b>	<b>-1 000</b>	<b>-1 566</b>	<b>-2 038</b>	<b>-2 648</b>
Depreciation and amortisation	3	-153	-652	-126	-805	-223	-557
<b>Earnings before interest and taxes (EBIT)</b>		<b>-3 327</b>	<b>956</b>	<b>-1 126</b>	<b>-2 371</b>	<b>-2 261</b>	<b>-3 205</b>
Finance income		267	299	274	566	480	2 239
Finance expenses		-79	-593	-56	-672	-104	-229
Net foreign currency exchange gains		99	-6	234	93	600	174
<b>Net finance income</b>		<b>287</b>	<b>-300</b>	<b>452</b>	<b>-13</b>	<b>976</b>	<b>2 184</b>
<b>Profit before taxes</b>		<b>-3 040</b>	<b>656</b>	<b>-674</b>	<b>-2 384</b>	<b>-1 285</b>	<b>-1 021</b>
Income tax expense	4	236	-16	-24	220	-63	-159
<b>Profit for the period</b>		<b>-2 804</b>	<b>640</b>	<b>-698</b>	<b>-2 164</b>	<b>-1 348</b>	<b>-1 180</b>
Attributable to non-controlling interests		-198	73	15	-125	84	119
Attributable to shareholders of the parent		-2 606	567	-713	-2 039	-1 432	-1 299
Weighted average number of shares		39 144 258	39 144 258	39 144 258	39 144 258	37 327 750	38 243 469
Basic and diluted earnings per share in EUR		-0.07	0.02	-0.02	-0.05	-0.04	-0.03

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(interim financial information is unaudited)

<i>In EUR thousands</i>	Note	Q1 2024	Q2 2024	Q2 2023	H1 2024	H1 2023	2023
Profit for the period		-2 804	640	-698	-2 164	-1 348	-1 180
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss							
<i>Cash flow hedge, net of tax effect</i>	8	120	72	912	192	2 484	1 643
<i>Exchange differences on translation</i>		-20	2	-2 501	-18	-9 207	-5 593
<b>Total comprehensive income</b>		<b>-2 704</b>	<b>714</b>	<b>-2 287</b>	<b>-1 990</b>	<b>-8 071</b>	<b>-5 130</b>
Attributable to non-controlling interests		-167	92	36	-75	125	200
Attributable to shareholders of the parent		-2 537	622	-2 323	-1915	-8 196	-5 330

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

<i>In EUR thousands</i>	Note	30.06.2024	31.03.2024	31.12.2023	30.06.2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Vessels	3	93 803	48 204	-	-
Vessels under construction	3	36 104	78 928	95 672	60 993
Other fixed assets	3	1 550	1 639	1 692	1 828
Intangible assets	3	6 080	6 117	6 158	6 237
Investments accounted for using the equity method	5	13 449	13 293	13 127	12 801
Deferred tax assets	4	266	253	201	556
Other non-current assets		639	680	915	214
<b>Total non-current assets</b>		<b>151 891</b>	<b>149 114</b>	<b>117 765</b>	<b>82 629</b>
<b>Current assets</b>					
Contract assets		3 525	852	4 431	2 512
Trade receivables		9 513	8 471	5 127	6 433
Other current assets		3 229	3 147	1 852	800
Cash and cash equivalents	6	77 954	26 873	30 975	34 918
<b>Total current assets</b>		<b>94 221</b>	<b>39 343</b>	<b>42 385</b>	<b>44 663</b>
<b>Total assets</b>		<b>246 112</b>	<b>188 457</b>	<b>160 150</b>	<b>127 292</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
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		10 220	-17 088	-14 551	-17 417
Non-controlling interests		36 347	2 941	3 108	3 034
<b>Total equity</b>		<b>181 079</b>	<b>120 365</b>	<b>123 069</b>	<b>120 129</b>
<b>Non-current liabilities</b>					
Non-current interest-bearing debt	7	47 744	49 397	25 658	1 165
Deferred tax liability	4	309	268	420	453
Other non-current liabilities		882	912	745	659
<b>Total non-current liabilities</b>		<b>48 935</b>	<b>50 577</b>	<b>26 823</b>	<b>2 277</b>
<b>Current liabilities</b>					
Trade payables		7 121	5 418	1 689	1 318
Current interest-bearing debt	7	6 866	8 266	4 240	1 086
Other current liabilities		2 111	3 831	4 329	2 482
<b>Total current liabilities</b>		<b>16 098</b>	<b>17 515</b>	<b>10 258</b>	<b>4 886</b>
<b>Total equity and liabilities</b>		<b>246 112</b>	<b>188 457</b>	<b>160 150</b>	<b>127 292</b>

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

<i>In EUR thousands</i>	Note	Q1 2024	Q2 2024	Q2 2023	H1 Q2 2024	H1 Q2 2023	2023
<b>Cash flow from operating activities</b>							
Profit before tax		-3 040	656	-674	-2 384	-1 285	-1 021
Depreciation and amortisation	3	153	652	126	805	223	557
Gain on disposal of property, plant and equipment		-	-	-31	-	-31	-40
Net profit from associates	5	-175	-155	103	-330	-65	-370
Fair value gain on financial instruments	5	-	-	-	-	-	-1 200
Increase (-)/decrease (+) in trade and other receivables		-1 062	-3 796	-370	-4 858	160	782
Increase (+)/decrease (-) in trade and other payables		3 329	-47	-891	3 282	-910	763
Taxes paid		-	-	-	-	-	-165
<b>Net cash flow from operating activities</b>		<b>-795</b>	<b>-2 690</b>	<b>-1 737</b>	<b>-3 485</b>	<b>-1 908</b>	<b>-694</b>
<b>Cash flow from investing activities</b>							
Purchase of property, plant and equipment	3	-31 339	-4 887	-5 790	-36 226	-16 892	-49 059
Proceeds from sale of property, plant and equipment	3	-	-	53	-	53	53
Dividends received from associate		-	-	-	-	-	-
<b>Net cash flow from investing activities</b>		<b>-31 339</b>	<b>-4 887</b>	<b>-5 737</b>	<b>-36 226</b>	<b>-16 839</b>	<b>-49 006</b>
<b>Cash flow from financing activities</b>							
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 loan fees	7	28 173	-2 191	-1 405	25 982	-1 019	25 656
Government grants		-	975	-	975	-	516
Payment of lease liabilities		-111	-106	-64	-217	-82	-274
<b>Net cash flow from financing activities</b>		<b>28 062</b>	<b>58 678</b>	<b>-1 469</b>	<b>86 740</b>	<b>30 156</b>	<b>57 155</b>
Cash and cash equivalents at the beginning of the period		30 975	26 873	43 318	30 975	23 589	23 589
Net increase/(decrease) in cash and cash equivalents		-4 072	51 101	-8 943	47 029	11 409	7 455
Exchange rate effects		-30	-20	543	-50	-80	-69
<b>Cash and cash equivalents at the end of the period</b>	6	<b>26 873</b>	<b>77 954</b>	<b>34 918</b>	<b>77 954</b>	<b>34 918</b>	<b>30 975</b>

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

<i>In EUR thousands</i>	Attributable to owners of the Company					NCI	Total equity
	Share capital	Share premium reserve	Hedging reserve	Other equity	Total		
<b>Equity at 01.01.2023</b>	<b>5 758</b>	<b>97 497</b>	<b>1 114</b>	<b>-9 458</b>	<b>94 911</b>	<b>2 909</b>	<b>97 820</b>
Profit for the period	-	-	-	-1 432	-1 432	84	-1 348
Other comprehensive income	-	-	2 392	-9 156	-6 764	41	-6 723
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	-	-	-877	-	-877	-	-877
<b>Total equity at 30.06.2023</b>	<b>7 703</b>	<b>126 809</b>	<b>2 629</b>	<b>-20 046</b>	<b>117 095</b>	<b>3 034</b>	<b>120 129</b>
<b>Equity at 01.01.2024</b>	<b>7 703</b>	<b>126 809</b>	<b>152</b>	<b>-14 703</b>	<b>119 961</b>	<b>3 108</b>	<b>123 069</b>
Profit/Loss for the period	-	-	-	-2 039	-2 039	-125	-2 164
Other comprehensive income	-	-	140	-16	124	50	174
Transactions with non-controlling interests <sup>6</sup>	-	-	-	26 686	26 686	33 314	60 000
<b>Total equity at 30.06.2024</b>	<b>7 703</b>	<b>126 809</b>	<b>292</b>	<b>9 928</b>	<b>144 732</b>	<b>36 347</b>	<b>181 079</b>

<sup>6</sup> IWS Fleet AS has raised EUR 60 million in equity in a private placement to Sumitomo for 25.38% ownership. 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 first half 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. It includes some inter-segment cost allocations, and excludes inter-segment management fees, inter-segment guarantee fees and inter-segment interests.

The following table presents revenue and profit information for the Group's operating segments for Q2 2024 and Q2 2023, respectively:

<i>In EUR thousands</i>	IWS Fleet		IWS Services		Group functions/ eliminations <sup>7</sup>		Consolidated	
	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 2023
External customer revenue	4 870	-	7 554	5 258	9	15	12 433	5 273
Share of profit of associate PEAK Wind <sup>8</sup>	-	-	-	-	155	-103	155	-103
Operating expenses	-2 593	-269	-7 310	-5 363	-1 077	-538	-10 980	-6 170
<b>EBITDA</b>	<b>2 277</b>	<b>-269</b>	<b>244</b>	<b>-105</b>	<b>-913</b>	<b>-626</b>	<b>1 608</b>	<b>-1 000</b>
Depreciation and amortisation	-514	-	-80	-106	-58	-20	-652	-126
<b>EBIT</b>	<b>1 763</b>	<b>-269</b>	<b>164</b>	<b>-211</b>	<b>-971</b>	<b>-646</b>	<b>956</b>	<b>-1 126</b>
Net finance income	-609	-	-107	104	416	348	-300	452
<b>Profit before tax</b>	<b>1 154</b>	<b>-269</b>	<b>57</b>	<b>-107</b>	<b>-555</b>	<b>-298</b>	<b>656</b>	<b>-674</b>

The following table presents assets and liabilities information for the Group's operating segments as of 30 June 2024 and 2023, respectively. It excludes inter-segment assets and liabilities:

<i>In EUR thousands</i>	IWS Fleet	IWS Services	Group functions/ eliminations <sup>7</sup>	Consolidated
<b>Segment assets</b>				
30 June 2024	202 268	19 883	23 961	246 112
30 June 2023	63 933	20 047	43 312	127 292
<b>Segment liabilities</b>				
30 June 2024	57 998	4 257	2 778	65 033
30 June 2023	895	4 212	2 056	7 163

<sup>7</sup> Group functions/eliminations include revenue, expenses, assets, and liabilities of the parent company.

<sup>8</sup> The Group's share of the net profit in PEAK Wind for the second quarter of 2024 is net of EUR -0.1 million amortisation of acquisition-related intangible assets (EUR -0.1 million in Q2 2023).

## Note 3 – Tangible and intangible non-current assets

<i>In EUR thousands</i>	Vessels	Vessels under construction	Leased fixed assets	Other fixed assets	Intangible assets	Total
<b>Acquisition cost at 01.01.2024</b>	-	95 672	1 755	410	7 004	104 841
Acquisitions/instalments in the period	285	36 327	-	85	-	36 697
Reclassifications	94 023	-95 895	-	-	-	-1 872
Disposals in the period	-	-	-32	-	-	-32
Foreign exchange translation adjustments	-	-	-	-	-5	-5
<b>Acquisition cost at 30.06.2024</b>	<b>94 308</b>	<b>36 104</b>	<b>1 723</b>	<b>495</b>	<b>6 999</b>	<b>139 629</b>
<b>Accumulated depreciation at 01.01.2024</b>	-	-	-272	-201	-846	-1 319
Depreciation and amortisation	-505	-	-187	-40	-73	-805
Disposals in the period	-	-	32	-	-	32
Foreign exchange translation adjustments	-	-	-	-	-	-
<b>Accumulated depreciation at 30.06.2024</b>	<b>-505</b>	-	<b>-427</b>	<b>-241</b>	<b>-919</b>	<b>-2 092</b>
<b>Net carrying amount at 30.06.2024</b>	<b>93 803</b>	<b>36 104</b>	<b>1 296</b>	<b>254</b>	<b>6 080</b>	<b>137 537</b>

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 Q2 2024 (EUR 0.2 million in Q2 2023). Enova grants of EUR 1.9 million have been 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

<i>In EUR thousands</i>	Q2 2024	Q2 2023
Current income tax	-	-
Changes in deferred tax	-16	-24
<b>Total income tax expense</b>	<b>-16</b>	<b>-24</b>

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

IWS owns 30% of the shares in PEAK Wind Group ApS, a Danish non-listed company providing operations and asset management advisory and services to the offshore wind sector globally. The investment in PEAK Wind Group ApS is classified

as an associated company and accounted for using the equity method of accounting.

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

### Peak Wind Group ApS

<i>In EUR thousands</i>	2024	2023
Book value 01.01	13 096	12 754
Share of profit	499	235
Depreciation excess values	-170	-170
Exchange rate differences	-7	-18
<b>Book value 30.06</b>	<b>13 418</b>	<b>12 801</b>
Peak Wind Group ApS net assets (100% basis)	16 484	14 390
Group's share of net assets (30%)	4 945	4 317
Goodwill	8 473	8 484
<b>Book value 30.06</b>	<b>13 418</b>	<b>12 801</b>

IWS has a fixed-priced option to increase its ownership of PEAK Wind to 49% by September 2024 (pre-dilution from the share-based option program to key employees). The option is valued

at EUR 1.2m and is included within other current assets in the consolidated statement of financial position.

### Havfram Fleet Management AS

<i>In EUR thousands</i>	2024	2023
Book value 01.01	31	-
Share of profit	-	-
<b>Book value 30.06</b>	<b>31</b>	<b>-</b>

## Note 6 – Cash and cash equivalents

<i>In EUR thousands</i>	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Bank deposits denominated in NOK	1 165	1 096	1 079	2 773
Bank deposits denominated in NOK, restricted	107	93	130	66
Bank deposits denominated in DKK	2 876	2 885	3 255	2 693
Bank deposits denominated in EUR	70 469	21 249	26 030	29 018
Bank deposits denominated in other currencies	3 337	1 550	481	368
<b>Total cash and cash equivalents</b>	<b>77 954</b>	<b>26 873</b>	<b>30 975</b>	<b>34 918</b>

## Note 7 – Interest-bearing debt

<i>In EUR thousands</i>	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Borrowings	46 815	48 388	24 570	-
Lease liabilities	929	1 009	1 088	1 165
<b>Non-current interest-bearing debt</b>	<b>47 744</b>	<b>49 397</b>	<b>25 658</b>	<b>1 165</b>
Borrowings	6 455	6 455	3 261	-
Lease liabilities	411	411	416	412
Bank overdraft	-	1 400	563	674
<b>Current interest-bearing debt</b>	<b>6 866</b>	<b>8 266</b>	<b>4 240</b>	<b>1 086</b>
<b>Total interest-bearing debt</b>	<b>54 610</b>	<b>57 663</b>	<b>29 898</b>	<b>2 251</b>

The Group is continuously exploring alternatives to finance the remaining portion of its newbuilding program in the most cost-efficient way. 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 118.7 million, of which EUR 62.4 million remains undrawn, with SEB, SR-Bank, and Eksfin. 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 36.1 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. The Eksfin tranche qualifies for an attractive 12-year fixed interest rate option 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 168.9 million, of which EUR 89.1 million is due in 2024 and EUR 79.8 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*

<i>In EUR thousands, unless stated otherwise</i>	<b>Number of shares</b>	<b>Par value per share</b>	<b>Share capital</b>	<b>Paid-in premium</b>	<b>Total paid-in capital</b>
Share capital at 01.01.2024	39 144 258	NOK 2.00	7 703	126 809	134 512
<b>Share capital at 30.06.2024</b>	<b>39 144 258</b>	<b>NOK 2.00</b>	<b>7 703</b>	<b>126 809</b>	<b>134 512</b>

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 15<sup>th</sup> August 2024*

<b>Shareholder</b>	<b>Number of shares</b>	<b>Ownership (in %)</b>
Awilco AS	15 430 999	39.4
Clearstream Banking S.A.	10 553 640	27.0
State Street Bank and Trust Company	2 780 021	7.1
Skandinaviska Enskilda Banken AB	2 029 641	5.2
Danske Invest Norge Vekst	1 774 358	4.5
J.P. Morgan SE	1 397 572	3.6
Verdipapirfondet Nordea Norge Verdi	1 229 064	3.1
Must Invest AS	667 798	1.7
Skeie Kapital AS	535 303	1.4
Verdipapirfondet Nordea Avkastning	456 913	1.2
<b>Subtotal</b>	<b>36 855 309</b>	<b>94.2</b>
Other shareholders	2 288 949	5.8
<b>Total</b>	<b>39 144 258</b>	<b>100.0</b>

## Note 11 – Subsequent events

### *Vessels*

IWS Fleet took delivery of IWS Seawalker, the Group's third vessel, on 23 August. The vessel is en route to Europe in preparation for its first charter contract and will sail around the Cape of Good Hope.

IWS Starwalker completed sea trials in July and is undergoing final preparations before scheduled delivery in Q4.

IWS Moonwalker and IWS Sunwalker are currently under construction. The work is progressing on schedule.

### *Financing*

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

IWS Fleet has secured credit approval for an expanded Green Senior Secured Credit Facility of up to EUR 186.9 million, securing debt financing for all six vessels. The expanded facility is expected to become effective in Q3.

## 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 + Pension liabilities
- 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.

