ZITON ANNUAL REPORT 2024

Poised for the next phase of growth

CAN DO. WILL DO.

TABLE OF CONTENT

Management report

Financial statements

OVERVIEW

POISED FOR THE NEXT PHASE OF GROWTH

CEO Thorsten Jalk shares his perspective on a year that propelled ZITON to the next level.

Poised for the next phase of growth

Dear stakeholders

As CEO, I am delighted to present ZITON's Annual Report for 2024.

This year marks a pivotal moment in ZITON's journey. As part of our ongoing development, our former owners recognised that the time had come to find a new, stronger partner who could help propel us forward and support our continued growth. In September 2024, we were thrilled to announce that Macquarie Asset Management would be acquiring ZITON, with the deal successfully closing in January 2025.

This is a significant milestone for ZITON, as Macquarie's investment is a testament to the strong foundation we have built. With our solid market position, exceptional customer relationships, and some of the brightest talent in the industry, we are well-positioned for the future.

Macquarie has made a strategic investment in equity to acquire J/U WIND DISCOVERY, which is capable of servicing some of the largest installed turbines, up to 10 MW. Operated by ZITON and owned by our sister company, this addition enhances our fleet, which now includes three vessels in the up to 5 MW segment and three vessels in the up to 10 MW segment. As a result, ZITON proudly operates the largest fleet of vessels dedicated to major component replacements. With such a robust fleet, we can offer our customers flexibility and versatility, enabling us to service virtually every offshore wind farm in the northern Europe, ranging from 2 MW to 10 MW turbines. Looking ahead, we are committed to further investing in larger vessels to meet the growing demands of the offshore wind industry.

We are living in a time of geopolitical uncertainty, which naturally causes concern for many people and businesses. However, I am encouraged by the proactive approach taken by European politicians to ensure energy security through initiatives like the Clean Industrial Deal, which also supports the growth of renewable energy. This forward-thinking strategy is crucial for Europe's future. At ZITON, we are proud to be part of this transformative journey, contributing to the vital work of keeping turbines running. To date, we have successfully repaired turbines with a total capacity of 6.2 GW, a remarkable achievement that underscores ZITON's essential role in enhancing energy security for Europe.

Thank you for your ongoing support as we continue to grow and innovate in this exciting industry.

Sincerely,

Thorsten Jalk,
CEO, ZITON A/S

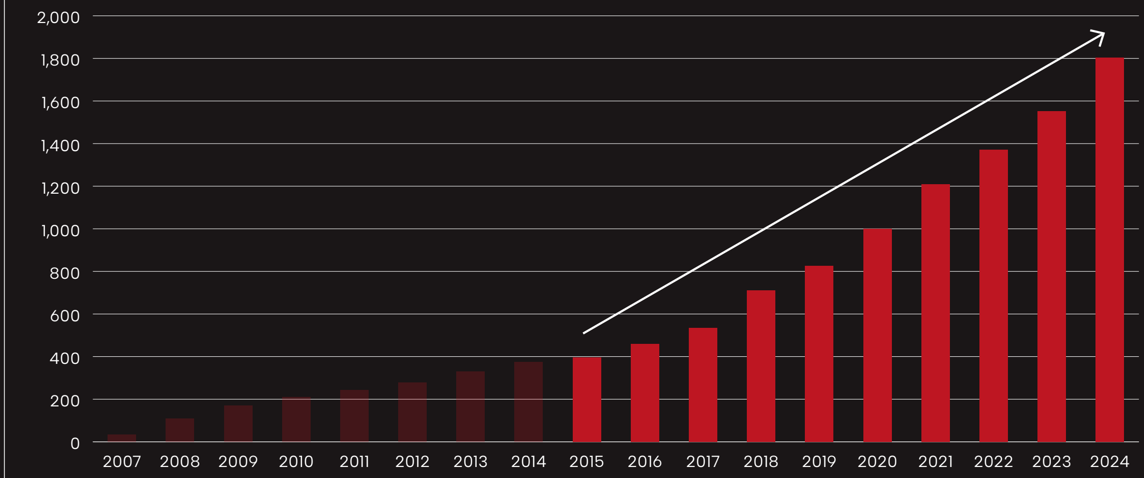
OUR EXPERIENCE

ZITON is the market-leading service provider in offshore wind operations and maintenance, specialising in major component replacements ("MCRs"). We have completed over 1,850 MCRs at 84 wind farms across eight countries.

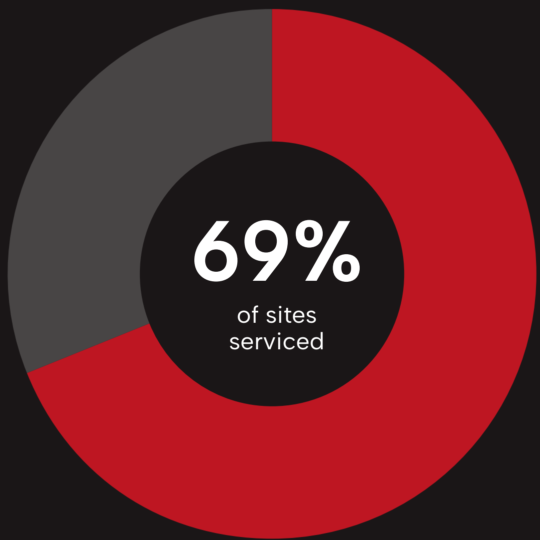
ACCUMULATED NUMBER OF MAJOR COMPONENT REPLACEMENTS

+17%

Over the past ten years, ZITON has achieved an annual growth rate of 17% in the number of MCRs performed.



SITES SERVICED



ZITON has serviced more than two-thirds of all offshore wind farms in the northern Europe.

MARKET SHARE

Over the past three years, ZITON has held a market share of 55% for regular MCRs in the northern Europe – nearly three times that of our closest competitor.

OUR FINANCIAL DEVELOPMENT

Over the past years, ZITON has demonstrated strong financial development, showcasing improvements in weighted average utilisation, EBITDA, and net cash flow from operating activities, reflecting solid operational performance and growth.

The weighted average utilisation rate at standard day rates expresses our ability to effectively utilise and capture the value of our fleet of vessels. This performance measure is a key driver of profitability.

Over the past six years, ZITON has improved its weighted average utilisation by 56 percentage points.

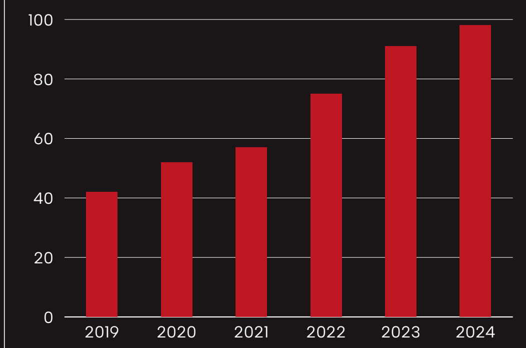
EBITDA is a good approximation of pre-tax operating cash flow before working capital variations. This performance measure is a key driver of overall operational efficiency.

Over the past six years, ZITON has improved its EBITDA by 735%.

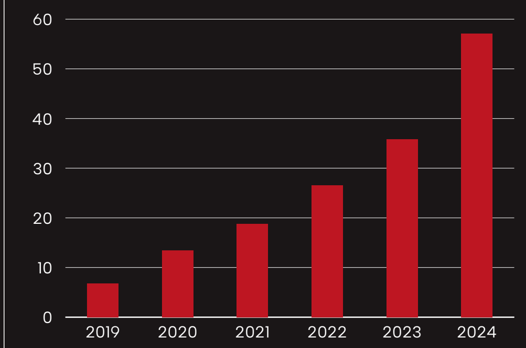
Net cash flows from operating activities is a good measure of the company's cash generating power, and the ability to pay interest, service loans and carry out investments.

Over the past six years, ZITON has improved its net cash flows from operating activities by 314%.

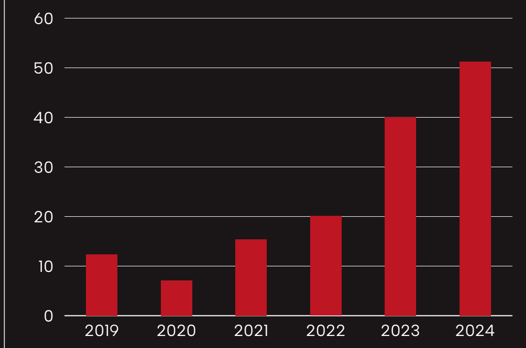
WEIGHTED AVERAGE UTILISATION
Per cent



EBITDA
EUR million



CASH FLOWS FROM OPERATING ACTIVITIES
EUR million



HIGHLIGHTS OF 2024

January–December

J/U WIND ENTERPRISE working on time charter.

February–December

J/U WIND ENERGY initiated her 6-year charter with SGRE.

April–May

J/U WIND SERVER working on time charter.

May

Turbine decommissioned at the Nysted wind farm in Denmark.

June–July

J/U WIND PIONEER working on time charter.

July

Met mast decommissioned at the Gwynt y Mor wind farm in the UK.

September

Macquarie Asset Management entered into an agreement to acquire ZITON.

MACQUARIE




September–October
J/U WIND SERVER working on time charter.

November
J/U WIND DISCOVERY was acquired by DiscoveryCo ApS, a sister company to ZITON A/S.

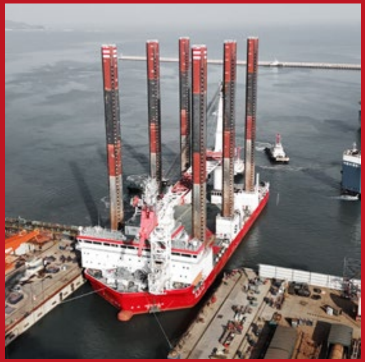
November
Met mast decommissioned at the Stora Middelgrund wind farm in Sweden.

November–December
Docking of J/U WIND DISCOVERY in China for removal of existing living quarters and upgrades.

December
Met mast decommissioned at the Rampion wind farm in the UK.

December
Departure of J/U WIND DISCOVERY from China to Denmark.

December
247 major component replacements completed throughout the year – new industry record.


EXPERTISE

OFFSHORE WIND TURBINE

At ZITON, we are dedicated to the offshore wind operations and maintenance market, specialising in major component replacements. As the market leader, we have gained extensive expertise through the completion of over 1,850 replacements across the northern Europe. We have serviced all installed turbine models up to 10 MW and have experience with all seabed types and weather conditions. Our services include jack-up operations and manpower for replacing the components shown in the illustration.

OUR SERVICE OFFERINGS

ZITON's business is built on owning and operating specialised jack-up vessels designed for operations and maintenance ("O&M") services on turbines at offshore wind farms. Our business model focuses on delivering full-service and turnkey solutions.

FULL-SERVICE SOLUTIONS

ZITON's core business is owning and operating specialised jack-up vessels. This platform has been enhanced with value-added services to provide full-service solutions for major component replacements ("MCRs"), including maritime project planning and execution, lift planning and execution, specialised tools and lifting equipment, technicians, and jack-ups with experienced crews, as illustrated in the diamond on the following page.

Full-service solutions offer clear advantages for customers, whose expertise lies in day-to-day O&M routines rather than MCRs. Since MCRs are

infrequent, building the necessary experience to execute replacements efficiently and smoothly can be challenging.

With over 1,850 MCRs completed, ZITON has developed processes and procedures that ensure safe and efficient operations. This includes the ZITON Portal, which facilitates cost-effective project documentation and other value-adding features.

TURNKEY SOLUTIONS

ZITON specialises in turnkey solutions, particularly for regular MCRs, blade or main bearing campaigns, and decommissioning projects. For turnkey solutions and campaigns, ZITON collaborates with sub-suppliers to repair and upgrade components, provide facilities, and meet other necessary requirements. For decommissioning, ZITON works with sub-suppliers as needed to deliver comprehensive solutions that include cutting, waste material recycling, seabed inspections, and more.

In a turnkey solution, ZITON assumes full responsibility, managing risks that customers are willing to delegate. With extensive expertise in project management and coordination with sub-suppliers, ZITON minimises risks and streamlines operations for customers. This approach offers clear advantages: customers face reduced risks and deal with only one contracting partner, while ZITON strengthens its differentiated service offering.

Examples of our work include major blade campaigns at West of Duddon Sands (2019–2020) and Meerwind (2021), as well as the decommissioning of the Swedish Utgrunden site in 2018 and decommissioning of several other turbines and meteorological masts across the northern Europe.

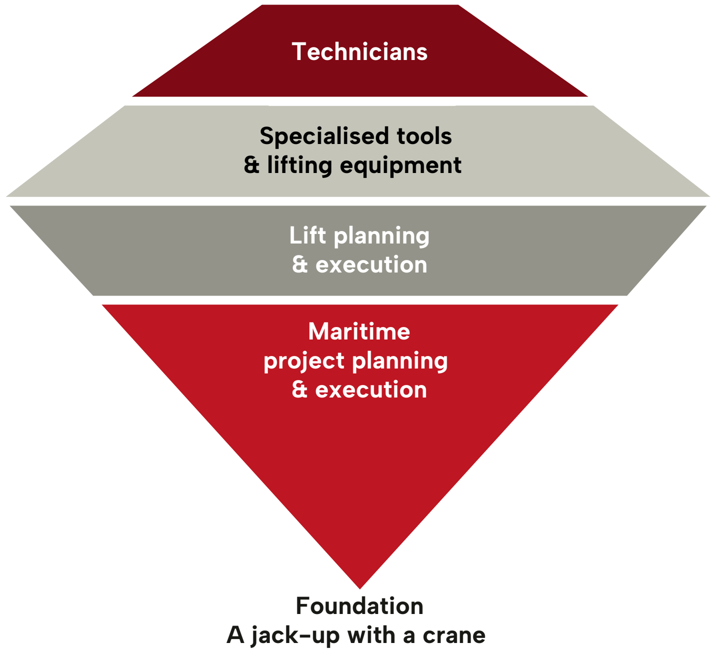
MAJOR COMPONENT REPLACEMENTS

While daily O&M of offshore wind farms includes routine inspections, minor repairs, and remote monitoring, MCRs require a different approach. Remote onshore monitoring can sometimes detect critical faults in key components such as gearboxes, blades, and generators. When these faults cannot be repaired within the turbine, full component replacements become necessary.

Unlike daily O&M routines, which are managed through crew transfer vessels and service operation vessels, MCR tasks demand specialised jack-up vessels. Wind farm operators typically do not own these vessels, making them reliant on chartering or fixed-price contracts to secure access when major components need replacement.

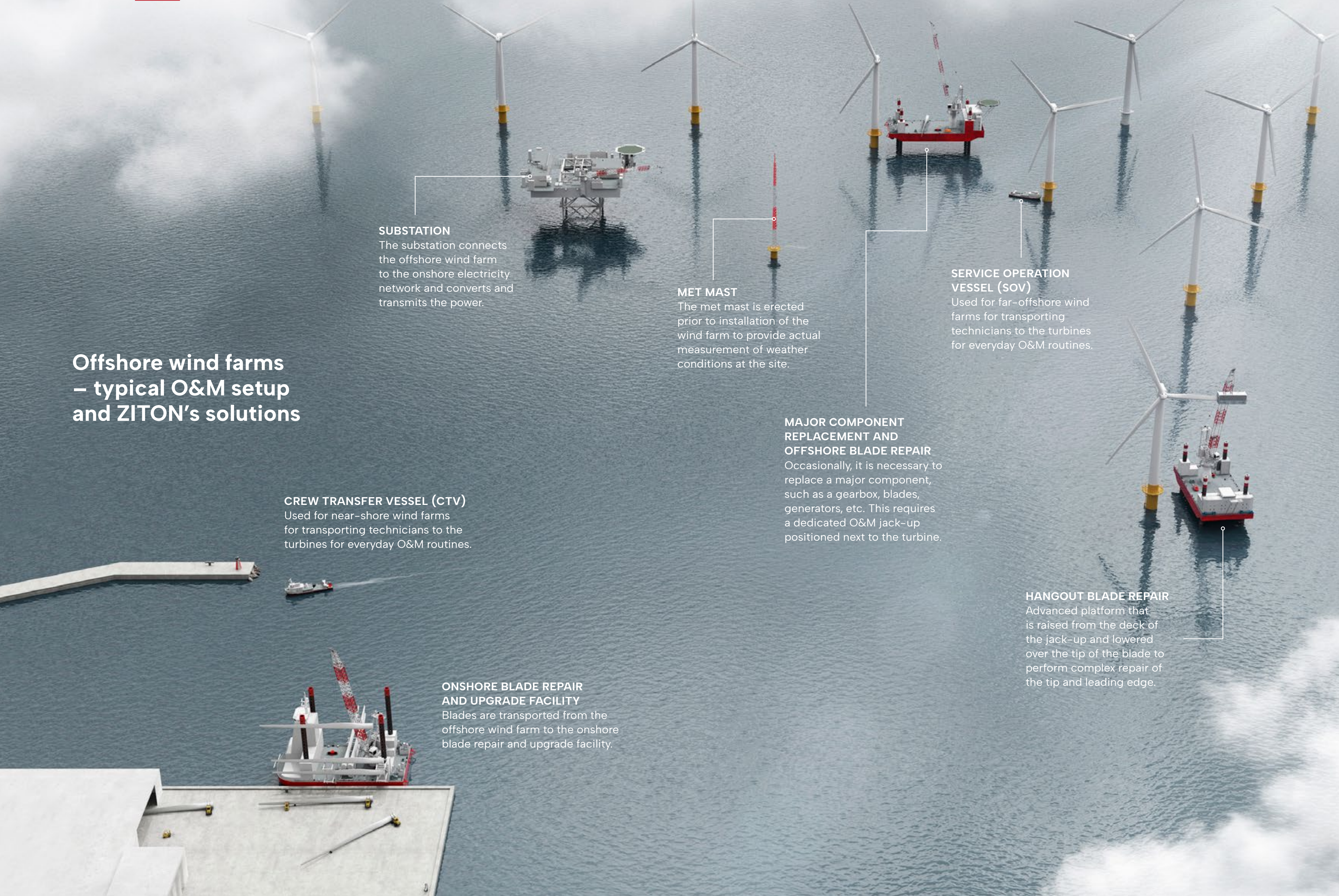
ZITON’s service offering specialises in this unplanned maintenance for offshore wind farms, focusing on the efficient replacement of essential components to minimise turbine downtime. To deliver these services, ZITON operates a dedicated fleet of jack-up vessels, which are specifically designed for O&M tasks, such as replacing gearboxes, blades, generators, and transformers.

In today's energy security-focused environment, rapid and efficient major component replacements are crucial to minimising costly downtime. At ZITON, our dedicated O&M fleet ensures swift, reliable support to keep offshore wind farms running efficiently.



A typical O&M setup and ZITON’s solutions are illustrated on the following page.

Offshore wind farms – typical O&M setup and ZITON's solutions



SUBSTATION
The substation connects the offshore wind farm to the onshore electricity network and converts and transmits the power.

MET MAST
The met mast is erected prior to installation of the wind farm to provide actual measurement of weather conditions at the site.

SERVICE OPERATION VESSEL (SOV)
Used for far-offshore wind farms for transporting technicians to the turbines for everyday O&M routines.

MAJOR COMPONENT REPLACEMENT AND OFFSHORE BLADE REPAIR
Occasionally, it is necessary to replace a major component, such as a gearbox, blades, generators, etc. This requires a dedicated O&M jack-up positioned next to the turbine.

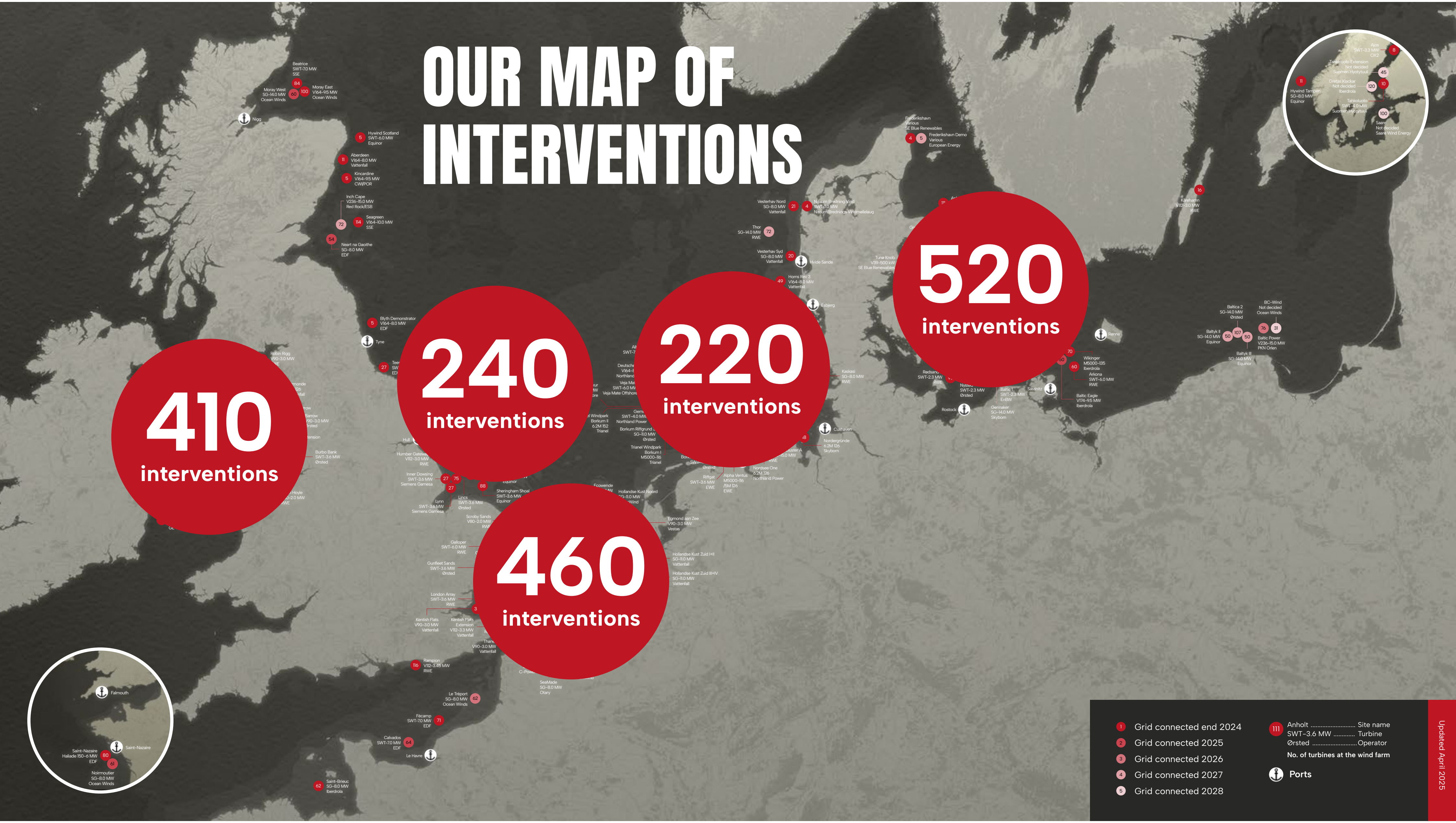
CREW TRANSFER VESSEL (CTV)
Used for near-shore wind farms for transporting technicians to the turbines for everyday O&M routines.

HANGOUT BLADE REPAIR
Advanced platform that is raised from the deck of the jack-up and lowered over the tip of the blade to perform complex repair of the tip and leading edge.

ONSHORE BLADE REPAIR AND UPGRADE FACILITY
Blades are transported from the offshore wind farm to the onshore blade repair and upgrade facility.

OFFSHORE WIND FARMS IN EUROPE

OUR MAP OF INTERVENTIONS



WE CAN.

With record-high demand for ZITON's jack-up fleet and services, we have strengthened our organisational and technical capabilities to ensure efficient, robust operations while upholding top health, safety, and environmental standards.

Alfred Andresen
COO, ZITON A/S

OUR VESSELS

ZITON operates a fleet of six dedicated O&M jack-up vessels, offering the flexibility and versatility to serve nearly every offshore wind farm in the northern Europe.

ZITON is the largest dedicated provider of jack-up vessels for O&M assignments, including major component replacements ("MCRs"), blade campaigns, and decommissioning. Unlike installation jack-ups, which are often tied to long-term installation charters, our fleet of specialised O&M jack-ups offers the flexibility and versatility to operate at almost every wind farm in the northern Europe.

Our fleet enables a cost-effective setup, with our generally smaller and lighter vessels consuming less fuel than their installation counterparts, resulting in a relatively low carbon footprint for our customers.

Five of the vessels are owned by ZITON A/S, while its sister company, DiscoveryCo ApS, owns J/U WIND DISCOVERY. All six vessels are operated by ZITON and presented here.

J/U WIND

J/U WIND is our smallest vessel and was one of the first jack-ups in offshore wind, as well as the first dedicated to O&M. ZITON has owned her since 2007, and she boasts an impressive track record with over 625 MCRs. J/U WIND also offers a relatively low carbon footprint and is ideal for smaller turbines. She is equipped with a 30 tonnes crane and capable of operating in water depths of up to 35 meters.

J/U WIND PIONEER

J/U WIND PIONEER was bought in 2012 by ZITON and rebuilt at Ørskov Yard. The vessel is very well-suited for MCRs on smaller turbines up to 4 MW, while she also provides a relatively low carbon footprint. J/U WIND PIONEER has a track record of more than 390 MCRs, and she is equipped with a 150 tonnes crane and capable of working in water depths of up to 34 meters.

J/U WIND SERVER

J/U WIND SERVER is the only jack-up vessel in the industry specifically designed for the O&M market. Built by ZITON in 2014, she is ideally suited for MCRs on turbines up to 5 MW. J/U WIND SERVER has a track record of over 580 MCRs, and she is equipped with a 400 tonnes crane and capable of operating in water depths of up to 45 meters.

J/U WIND ENTERPRISE

J/U WIND ENTERPRISE is one of the E-class sister vessels, capable of servicing turbines up to 10 MW. The vessel was acquired in 2021 and is currently working on a long-term time charter. Over the past years, she has built a track record of more than 220 MCRs. J/U WIND ENTERPRISE is equipped with an 800 tonnes crane and capable of operating in water depths of up to 48 meters.

J/U WIND ENERGY

J/U WIND ENERGY is the second of the E-class sister vessels, capable of servicing turbines up to 10 MW. The vessel was acquired in 2023 and is currently working on a long-term time charter. Like her sister, J/U WIND ENERGY is equipped with an 800 tonnes crane and is capable of working in water depths of up to 48 meters.

J/U WIND DISCOVERY

J/U WIND DISCOVERY is the largest in the fleet of ZITON operated vessels. She is also capable of servicing turbines up to 10 MW. Acquired in 2024, the vessel will begin a time charter in Q2 2025 following extensive upgrades during yard stays in China and Denmark. J/U WIND DISCOVERY is equipped with an 800 tonnes crane and capable of operating in water depths of up to 55 meters.

01 J/U WIND

GENERAL INFORMATION

Length, overall	55.1 m
Width, overall	18.1 m
Hull depth	4.0 m
Pre-drive capacity, active	600 t/leg
Elevating speed	0.7 m/minute
Transit speed	Approx. 6 knots
Accommodation	20 single cabins for charterer and 11 single cabins for crew
Ownership	Owned since 2007

CARGO CAPACITY

Payload	220 t
Main deck area	Approx. 430 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Liebherr LTR 11200
Main crane boom length	28–110 (telescopic)
Main crane max. lifting capacity	30 t at 30 m radius at 100 m height above deck

OPERATING CONDITIONS

Service	Weather restricted, site specific
Endurance	30 days
Jacking operations – wave height	Up to 0.75 m
Jacking operations – wind	Up to 10 m/s
Jacking operations – tidal current	Up to 1.0 kn
Jacking operations – max. depth	Up to 35 m

02 J/U WIND PIONEER

GENERAL INFORMATION

Length, overall	56.0 m
Width, overall	28.0 m
Hull depth	4.5 m
Pre-drive capacity, active	1,200 t/leg
Elevating speed	0.5 m/minute
Transit speed	Approx. 5 knots (towed)
Accommodation	22 single cabins for charterer and 12 single cabins for crew
Ownership	Owned since 2012

CARGO CAPACITY

Payload	650 t
Main deck area	Approx. 530 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Liebherr BOS 7500
Main crane boom length	78.0 m
Main crane max. lifting capacity	150 t at 19 m radius at 78 m height above deck

OPERATING CONDITIONS

Service	R2 (as per DNV rules)
Endurance	30 days
Jacking operations – wave height	Up to 1.35 m
Jacking operations – wind	Up to 14 m/s
Jacking operations – tidal current	Up to 2.5 kn
Jacking operations – max. depth	Up to 34 m

03 J/U WIND SERVER

GENERAL INFORMATION

Length, overall	79.6 m
Width, overall	32.3 m
Hull depth	7.4 m
Pre-drive capacity, active	2,700 t/leg
Elevating speed	1.0 m/minute
Transit speed	Approx. 9 knots
Accommodation	24 single cabins for charterer and 15 single cabins for crew
Ownership	Owned since 2014

CARGO CAPACITY

Payload	1,500 t
Main deck area	Approx. 1,000 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Liebherr BOS 14000
Main crane boom length	87.0 m
Main crane max. lifting capacity	400 t at 20 m radius at 96 m height above deck

OPERATING CONDITIONS

Service	Unrestricted (as per DNV rules)
Endurance	30 days
Jacking operations – wave height	Up to 2.6 m
Jacking operations – wind	Up to 15 m/s
Jacking operations – tidal current	Up to 3.0 kn
Jacking operations – max. depth	Up to 45 m

04 J/U WIND ENTERPRISE

GENERAL INFORMATION

Length, overall	100.0 m
Width, overall	40.0 m
Hull depth	8.0 m
Pre-drive capacity, active	6,750 t/leg
Elevating speed	0.7 m/minute
Transit speed	Approx. 6 knots
Accommodation	28 single cabins for charterer and 20 single cabins for crew
Ownership	Owned since January 2021

CARGO CAPACITY

Payload	4,500 t
Main deck area	Approx. 2,850 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Liebherr BOS 35000
Main crane boom length	102.0 m
Main crane max. lifting capacity	800 t at 25 m radius at 116 m height above deck

OPERATING CONDITIONS

Service	Unrestricted (as per DNV rules)
Endurance	21 days
Jacking operations – wave height	Up to 2.0 m
Jacking operations – wind	Up to 15 m/s
Jacking operations – tidal current	Up to 1.2 kn
Jacking operations – max. depth	Up to 48 m

05 J/U WIND ENERGY

GENERAL INFORMATION

Length, overall	100.0 m
Width, overall	40.0 m
Hull depth	8.0 m
Pre-drive capacity, active	6,750 t/leg
Elevating speed	0.7 m/minute
Transit speed	Approx. 6 knots
Accommodation	28 single cabins for charterer and 20 single cabins for crew
Ownership	Owned since June 2023

CARGO CAPACITY

Payload	4,500 t
Main deck area	Approx. 2,850 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Liebherr BOS 35000
Main crane boom length	102.0 m
Main crane max. lifting capacity	800 t at 25 m radius at 116 m height above deck

OPERATING CONDITIONS

Service	Unrestricted (as per DNV rules)
Endurance	21 days
Jacking operations – wave height	Up to 2.0 m
Jacking operations – wind	Up to 15 m/s
Jacking operations – tidal current	Up to 1.2 kn
Jacking operations – max. depth	Up to 48 m (to be upgraded to 53 m)

06 J/U WIND DISCOVERY

OWNED BY DISCOVERYCO APS - OPERATED BY ZITON

GENERAL INFORMATION

Length, overall	138.6 m
Width, overall	40.8 m
Hull depth	10.0 m
Pre-drive capacity, active	7,000 t/leg
Elevating speed	0.7 m/minute
Transit speed	Approx. 11.7 knots
Accommodation	30 single cabins for charterer and 30 single cabins for crew
Ownership	Owned since November 2024

CARGO CAPACITY

Payload	6,000 t
Main deck area	Approx. 3,600 m²

MAIN CRANE AND LIFTING CAPACITY

Main crane	Gusto MSC GCC-100-HD
Main crane boom length	124.0 m
Main crane max. lifting capacity	800 t at 25 m radius at 138 m height above deck

OPERATING CONDITIONS

Service	Unrestricted (as per ABS rules)
Endurance	45 days
Jacking operations – wave height	Up to 2.0 m
Jacking operations – wind	Up to 15 m/s
Jacking operations – tidal current	Up to 1.2 kn
Jacking operations – max. depth	Up to 55 m

J/U WIND DISCOVERY is not part of the consolidated financial accounts for ZITON A/S. For further elaboration, please refer to the section 'Corporate Structure'.

DIGITAL TRANSFORMATION

ZITON continuously invests in digitalisation to enhance operations and improve customer interactions. Digitalisation is one of ZITON's four key strategic initiatives.

Digital transformation at ZITON spans all company processes, from operations to customer connectivity, and includes automating processes and enabling data-driven decision-making. Each process is reviewed step by step: first to simplify and streamline, and then to explore its potential for digitalisation and automation. We also monitor technology trends to identify solutions that can support our digital transformation. In 2025, we plan to take steps towards compliance with the NIS2 Directive to enhance cybersecurity, and for the development of an overall data strategy including a comprehensive data platform.

Over the past decade, we have successfully developed the ZITON Portal through a dedicated effort to enhance connectivity with our customers. The portal facilitates seamless exchange of project documentation via a cloud-based platform, accessible to customers through a web browser. This cost-effective solution centralises all documentation, providing customers with easy access in one place. Additionally, the ZITON Portal houses our safety and quality management documentation for both internal and customer use. It also supports the tracking and reporting of environment, social, and governance ("ESG") key performance indicators, ensuring efficient monitoring and compliance.

ZITON has implemented a data ethics policy to guide its use of machine learning and advanced analytics. The company collects proprietary data on historical major component replacements, as well as current and future offshore wind farms, to forecast market demand in the coming years. This information helps optimise vessel utilisation. ZITON ensures that its data usage does not involve personal data, and its algorithms do not discriminate against individuals or groups.

ZITON's data ethics policy goes beyond legal compliance, emphasising transparency and continuous improvement in data use. Employees sign a confidentiality declaration and follow strict guidelines for handling personal data. Data security is a priority, ensuring personal data is processed securely and not retained longer than necessary. A whistleblower scheme allows employees to report violations, and ongoing training ensures awareness of data ethics, security, and proper data handling.

Our seven focus areas for digital transformation are detailed on the following pages.

Digital transformation focus areas

Connectivity

- Collaboration with customers on project documentation is enabled through our cloud-based portal, facilitating seamless interactions.
- The portal serves as a document repository, providing customers with access to daily progress reports, HSE plans, operating procedures, vessel certificates, crew certificates, technical vessel information, and more.
- An app-based reporting system onboard our vessels is used to report information for customer invoicing and to ensure alignment with customer data.

Automation of processes

- In 2023, we migrated our ERP system to a cloud-based platform. To further automate processes, we are utilising add-on modules for expense management, invoice payment processing, and account reconciliation.
- Before, we used robotic process automation ("RPA") to automate processes and integrate systems. Following the implementation of the new ERP system, we replaced RPA with an API-based integration with our asset management system for our vessels.

Operations

- Geographic information systems are used for turbine locations, jack-up positioning, and related tasks.
- Sensor data is used to support the operation of cranes and jacking systems.
- An app-based system onboard our vessels enables real-time reporting of operational information.

Business intelligence

- A business intelligence system is used to visualise market data and information collected from various operational systems.
- Preparations are underway for a comprehensive data platform.

Digital transformation focus areas (continued)

Collaboration

- We adhere to flag state laws and requirements, best practices in offshore wind, and the policies, practices, and procedures of the International Maritime Organization ("IMO") to ensure vessel safety and protect the marine environment. These are regulated through our safety management system, integrated with our portal, making safety information, shared learnings, and best practices accessible to everyone.
- The portal is also used for project management collaboration for major component replacements and other projects.
- We utilise Microsoft Teams and SharePoint for online meetings, collaboration, and document sharing across different locations.

Data-driven decision making

- Machine learning and advanced analytics are used to predict future market demand.
- A cloud-based financial planning and analysis platform is employed for both short- and long-term planning.

Cyber security

- Cyber security is a top priority, underscoring its critical importance to the organisation.
- Cyber security is the foundation of our ongoing digitalisation efforts. As we generate more digitally stored data, protecting digital information, personal data, and systems becomes increasingly critical.
- We are taking steps to implement the requirements outlined in the NIS2 Directive.

MARKET

WE CAN.

As the world continues to battle the effects of global warming and energy security, our turnkey services are essential for wind farm owners, ensuring offshore infrastructure with skilled technicians, tools, and jack-ups.

Bent Thambo Jensen
CCO, ZITON A/S

The global outlook for offshore wind remains highly positive, despite some minor setbacks in some markets. The European market, in particular, continues to show strong potential, driven by an increasing focus on the transition to net-zero emissions and ambitious capacity targets. For ZITON, the extended operation of existing sites with older WTG models presents a market with sustainable long-term opportunities.

DEVELOPMENT OF OFFSHORE WIND & THE O&M MARKET

DEVELOPMENT OF OFFSHORE WIND

Offshore wind has evolved from a predominantly European industry into a global one, with China and Taiwan emerging as international front-runners. In the coming years, offshore wind is expected to gain momentum in several other countries, particularly in Asia. Meanwhile, many nations are beginning to explore opportunities and develop solutions tailored to their meteorological and geological conditions.

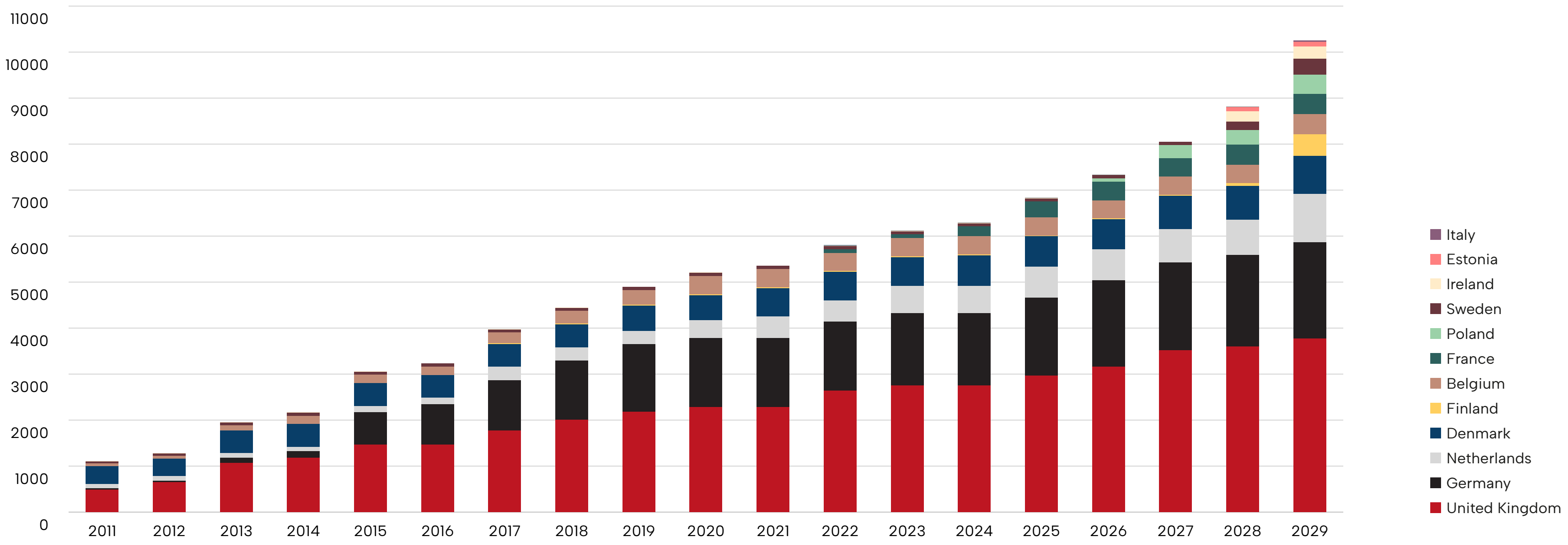
In Europe, the EU's commitment to achieving climate neutrality by 2050, as outlined in the European Green Deal, led to the adoption of the EU Offshore Renewable Energy Strategy in 2020. This strategy initially set targets of at least 60 GW of offshore wind capacity by 2030 and 300 GW by 2050. However, in December 2024, EU Member States revised these goals, agreeing to install approximately 88 GW of offshore renewable energy capacity by 2030 and around 360 GW by 2050.

The majority of this capacity is expected to come from offshore wind projects in the North Sea. In April 2023, nine countries – Denmark, Belgium, Germany, the Netherlands, France, Ireland, Luxembourg, Norway, and the UK – signed the Ostend Declaration, committing to make the North Sea the world's largest 'green energy power plant'. The declaration set ambitious targets of at least 120 GW of offshore wind power by 2030 and over 300 GW by 2050.

Individual countries have also established their own offshore wind capacity goals. The UK aims for 50 GW by 2030, while EU countries such as Germany, the Netherlands, France, Denmark, Portugal, Belgium, Ireland, Poland, and Spain have set targets of 30 GW, 21 GW, 18 GW, 12.9 GW, 10 GW, 8 GW, 7 GW, 5.9 GW, and 3 GW respectively. Collectively, these targets amount to more than

EXPECTED GROWTH IN THE NUMBER OF TURBINES INSTALLED IN EUROPE

Turbines grid connected, end of period



Source: ZITON data

165 GW by 2030, with over 115 GW from EU countries, aligning with the EU's revised objectives.

In September 2024, Mario Draghi released "The Future of European Competitiveness – A Competitiveness Strategy for Europe," outlining strategies to enhance the EU's global economic standing. The report emphasises the necessity for the EU to enhance its industrial policy, expedite decision-making processes, and make massive investments to compete with the economic prowess of the United States and China.

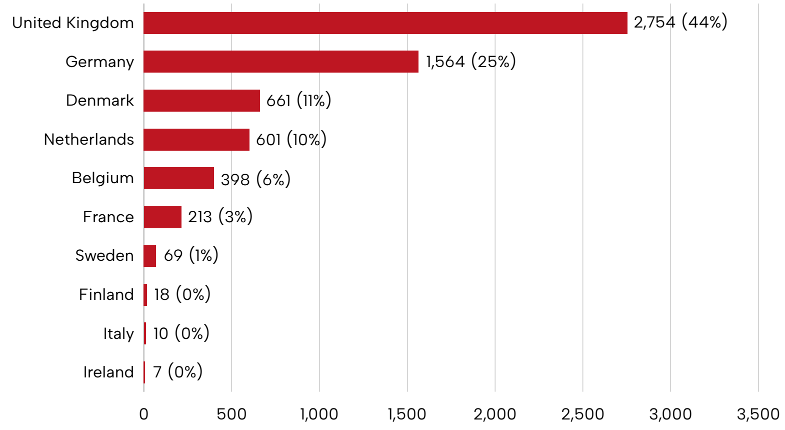
Achieving these ambitious targets necessitates accelerated development, including the rapid progression of new projects through planning and installation phases. However, the industry faces challenges such as rising costs, regulatory hurdles, and insufficient policies, which have led to criticism of tender systems in several countries and skepticism regarding the feasibility of these goals. For instance, Europe has installed less than 40 GW of offshore wind capacity to date, significantly short of the 120 GW target by 2030. Overcoming these obstacles will require addressing the need for increased production capacity, raw materials, skilled workforce, infrastructure, and offshore installation vessels.

To cope with these obstacles, and to support the ambitious renewable energy targets, the EU presented the Clean Industrial Deal in February 2025, which aims to strengthen Europe's industrial competitiveness while accelerating the green transition. The initiative focuses on securing supply chains for clean technologies, ensuring access to critical raw materials, and simplifying permitting processes to speed up infrastructure development. It also prioritises investment in innovation, workforce upskilling, and trade policies that promote fair competition. By addressing these structural challenges, the Clean Industrial Deal will help ensure that Europe's offshore wind industry remains a global leader while contributing to economic resilience and climate neutrality.

In the European market, a more substantial development is also expected over the next five years, with an average of approximately 790 new turbines being commissioned annually following a period of relatively modest increases in installed capacity. The most significant growth is anticipated in the UK, with over 1,000 new turbines, and in Germany, where fully commissioned sites will add more than 500 turbines. Other well-established offshore wind markets, such as the Netherlands and Denmark, are expected to contribute with approximately 440 and 170 new turbines, respectively. Meanwhile, countries with smaller existing capacities or emerging countries – such as France, Poland, Finland, Sweden, Ireland, and Estonia – will collectively add around 1,730 new turbines.

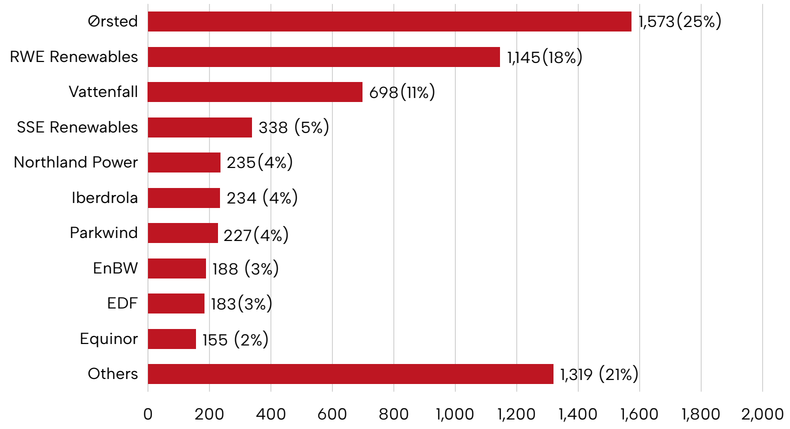
Both in the short and long term, the overall development of offshore wind remains highly positive for ZITON. When considering fully commissioned sites and those relevant to our operations, the number of offshore wind turbines is expected to increase by 63% over the next five years, with the majority located in ZITON's primary markets. Additionally, the assumed operational lifetimes of wind farms have now extended to at least 30 years, and potentially even longer – an increase from the initial expectation of around 20 years, later revised to 25 years. For ZITON, this means that many sites with older, smaller turbines, which

COUNTRY DISTRIBUTION
Turbines on fully commissioned sites in Europe, end 2024



Source: ZITON data

WIND FARM OPERATOR DISTRIBUTION
Turbines on fully commissioned sites in Europe, end 2024



Source: ZITON data

are well-suited to our smallest vessels, will remain active for a longer period. This extended lifespan will create more work opportunities and allow our vessels to be utilised for more years than previously anticipated.

2024 STATUS OF OFFSHORE WIND IN EUROPE

In 2024, the UK remained the leading nation in European offshore wind, accounting for 44% of the installed capacity on fully commissioned sites. Germany followed as the second-largest market with 25%. Other key contributors included Denmark, Belgium, and the Netherlands, which collectively accounted for the remaining 31%.

Ørsted remained the largest offshore wind farm operator ("WFO") in Europe at the end of 2024, managing 25% of the installed capacity. Other major European WFOs included RWE Renewables ("RWE") and Vattenfall, operating 18% and 11%, respectively. The remaining capacity is relatively fragmented among several operators. However, an increasing number of large energy companies are shifting towards renewable energy, with major players from the oil and gas industry making significant investments in offshore wind in recent years.

The European offshore wind turbine manufacturing sector is dominated by Siemens Gamesa Renewable Energy ("SGRE"), which has supplied 67% of the installed turbine base, and Vestas Offshore Wind ("Vestas"), which accounts for 26%. GE Renewable Energy ("GE") is expected to become a more significant player in the coming years, particularly with its involvement in the Dogger Bank cluster.

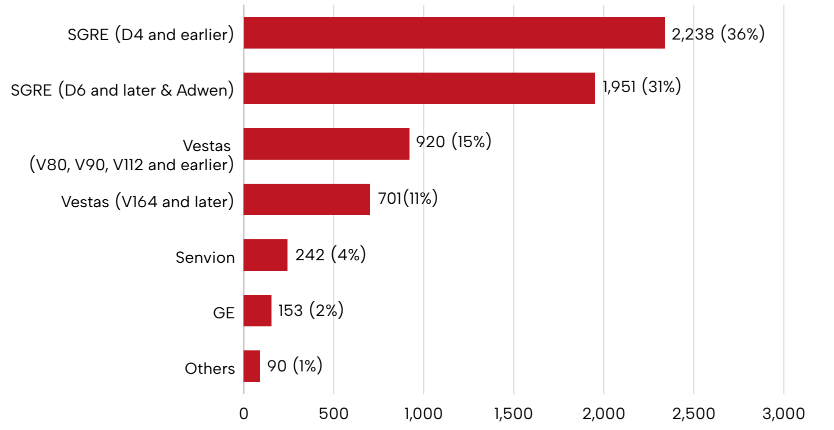
By the end of 2024, SGRE had installed a total of 1,951 turbines from its direct drive series, as well as Adwen models, on fully commissioned sites. Vestas, meanwhile, had installed 701 turbines of its V164 and V174 models. Additionally, SGRE had an installed base of 2,238 smaller turbine models from previous generations, while Vestas had 920.

At the end of 2024, larger turbine models accounted for 42% of the installed base, and in the coming years, even bigger models are expected to dominate offshore installations. With the exception of the French market, where smaller turbines are still being installed, nearly all new project announcements involve the largest models currently in development and testing.

These include GE's Haliade-X 14 MW turbine, which can reach up to 14.7 MW with a 220-metre rotor diameter and 107-metre blades, SGRE's SG 14-236 DD turbine, which can reach up to 15 MW with a 236-metre rotor diameter and 115-metre blades, and Vestas' V236-15.0 MW turbine featuring a 236-metre rotor diameter and 115.5-metre blades. Additionally, some Chinese manufacturers have introduced even larger models, with DongFang's 26 MW model currently the most powerful, which could potentially enter the European market.

As shown in the illustration on the following page, the average size of installed turbines is set to increase significantly over the next three years. Current expectations suggest that traditional OEMs in the European market will continue offering their 14-15 MW models for the remainder of the decade while simultaneously developing larger models for deployment in the early 2030s. However, if Chinese manufacturers gain a foothold in Europe with their larger turbines, the shift towards even bigger models may happen sooner than anticipated.

TURBINE MODEL DISTRIBUTION
Turbines on fully commissioned sites in Europe, end 2024



Source: ZITON data

ZITON'S ADRESSABLE MARKET

The first key driver of demand for major component replacements ("MCRs") is the number of installed turbines. Based on currently known and relevant projects, the total number of installed offshore turbines in Europe is expected to reach approximately 10,250 within the next five years, all of which will require servicing throughout their operational lifespan of at least 30 years.

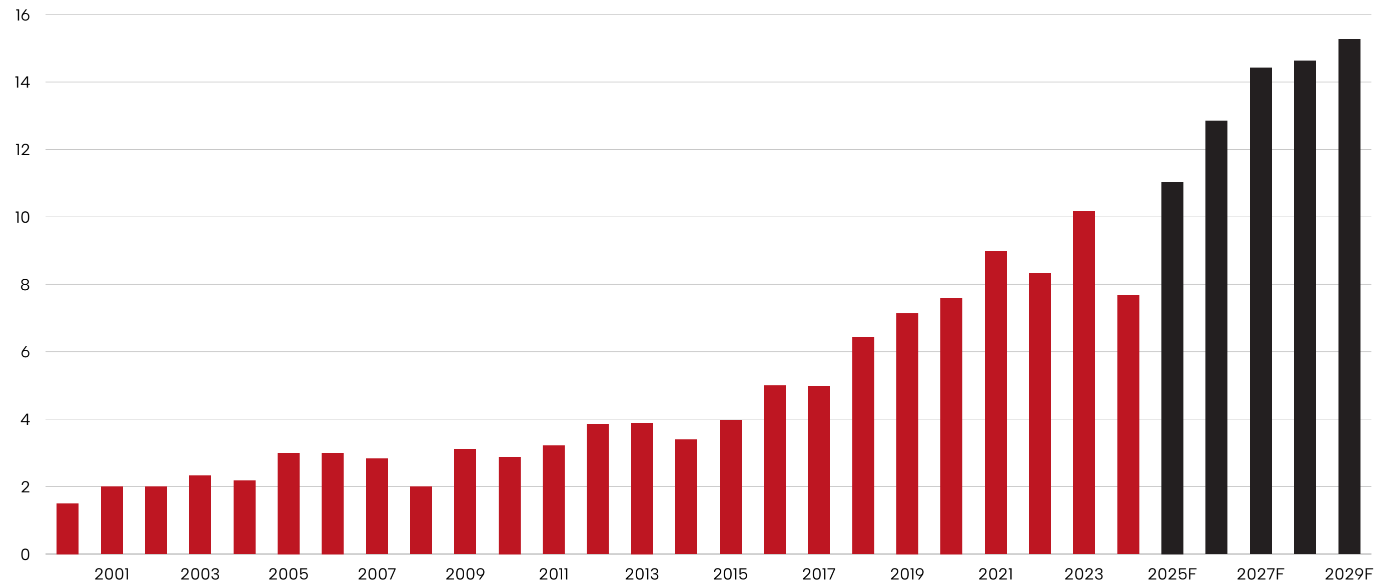
The second driver is turbine failure rates. With the first generation of offshore turbines, installed in the early 2000s, still in operation, there is limited publicly available long-term empirical data on major component failure rates. Furthermore, these rates vary depending on turbine generation, OEM, location, and other factors.

Although the offshore wind industry in Europe remains relatively young, the distribution of turbine ages has shifted in recent years. Due to a period of relatively modest growth in installed capacity, a larger share of the installed turbines have now exceeded six years in operation. Currently, 73% of all turbines on fully commissioned sites are six years or older, compared to 69% the previous year. This equates to a total of 4,606 turbines, with an additional 680 turbines set to pass the six-year mark over the next two years.

ZITON's data indicates that failure rates increase significantly from year six due to wear and tear, meaning the demand for MCRs on already installed turbines will continue to rise in the coming years. This presents a significant opportunity for ZITON, as it will maintain a high utilisation of our vessels.

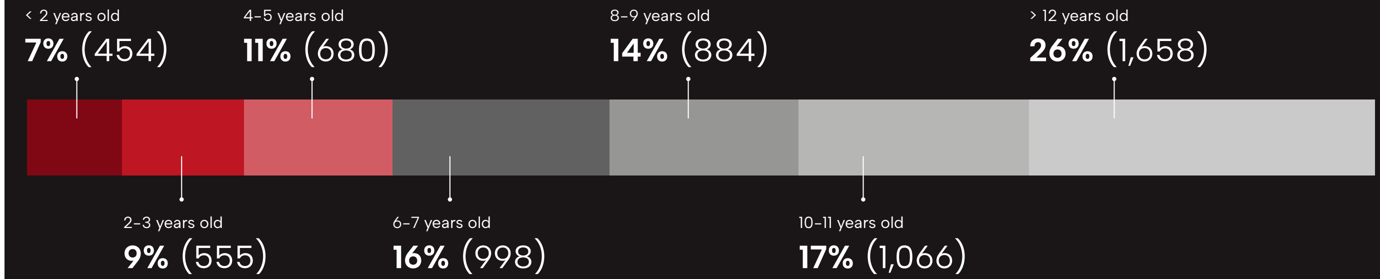
By tracking the age of installed turbines, the forecasted installation pipeline, and the expected

AVERAGE SIZE OF TURBINES INSTALLED PER YEAR
MW/turbine



Source: ZITON data

AGE OF TURBINES ON FULLY COMMISSIONED SITES
Percentage of total number of turbines and number of turbines, end 2024



Source: ZITON data

failure rates of turbines, it is possible to estimate the number of MCRs required until 2029. Previously, ZITON has also carried out three major blade campaigns, but moving forward, we expect to achieve full utilisation of our vessels solely through MCRs. This is due to the projected increase in MCR demand and an anticipated shortage of jack-up vessels in the O&M market.

As illustrated in the chart below, the total number of MCRs per year has risen by 84% over the past three years, while the forecasted number of MCRs is expected to grow by 50% over the next five years, reaching a total of 712 MCRs in 2029.

Finally, as the European offshore wind market matures, older WTGs will eventually reach the end of their operational life and require decommissioning. ZITON has already completed the decommissioning of several met masts and turbines and expects this area to become an increasingly significant contributor to overall revenue in the future. However, lifetime extensions to at least 30 years, rather than the previously expected 25 or 20 years, have delayed these projects until the early 2030s.

COMPETITIVE ENVIRONMENT

Throughout the history of the industry, ZITON has been the clear market leader in dedicated O&M services for regular MCRs, holding a total market share of 52% – and 55% over the past three years.

For most other jack-up vessel owners in the industry, the primary business remains the installation of new offshore wind farms. However, installation vessel operators like Cadeler occasionally use their vessels for O&M services in the 6-11 MW segment between installation projects. The only clear exceptions to this are Harren & Partner, which operates two jack-up vessels dedicated to O&M, Gulf Marine Services, which has secured an O&M time charter tender for Ørsted with a single vessel, and Van Oord, which regularly deploys two of its vessels for O&M activities.

Despite this, ZITON remains confident in maintaining its market-leading position through its six specialised vessels, which are appropriately sized and equipped to handle all types of MCRs across fully commissioned sites in Europe. This confidence is further reinforced by our extensive industry expertise, strong customer relationships, and existing contracts. In late 2022 and in 2023, new agreements were signed with RWE and SGRE, two of the largest players in the industry. These agreements secure revenue for ZITON until 2026 for our three smaller vessels, until the end of 2029 for J/U WIND ENTERPRISE, and until the end of February 2030 for J/U WIND ENERGY.

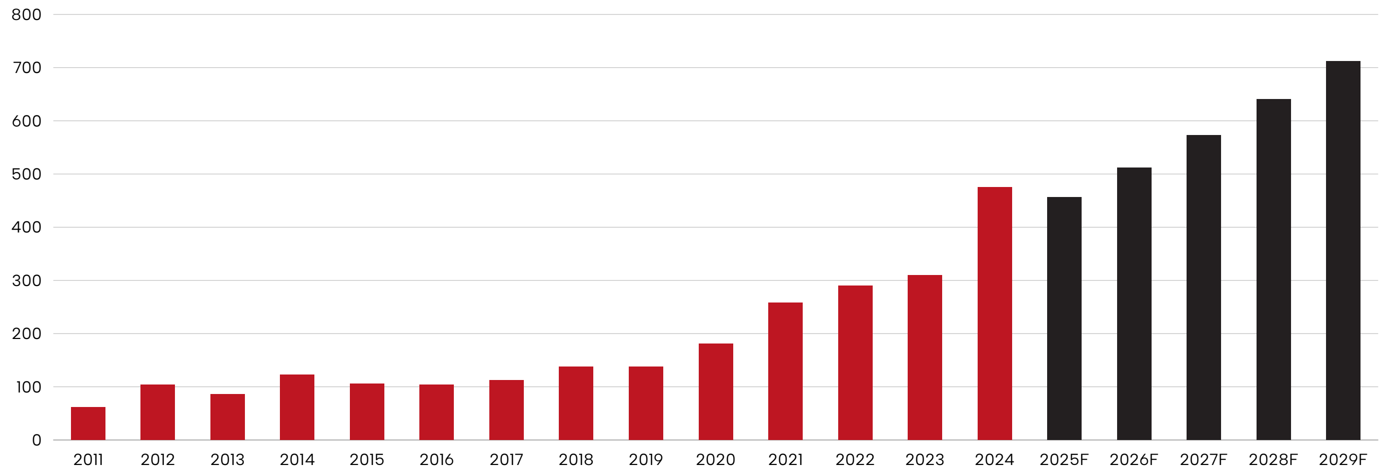
Additionally, the increasing demand for MCRs, coupled with a shortage of suitable vessels, has created a favourable competitive environment for ZITON.

CUSTOMER CONTRACTS

ZITON employs a range of contract types with its customers, including time charters ("T/C"), framework agreements, and turnkey contracts.

A T/C involves the hire of a vessel for a predetermined period at a fixed daily rate, following

TOTAL MARKET FOR REGULAR MAJOR COMPONENT REPLACEMENTS
Number of regular major component replacements, actual and forecasted



Source: ZITON data

international standards, typically based on a BIMCO contract. Under T/C agreements, the customer is generally responsible for variable operational expenses in addition to the day rate, and any delays caused by adverse weather conditions are also borne by the customer.

ZITON also enters into framework agreements with its customers, which predefine contract terms, including pricing. This reduces response times for MCR requests and enhances operational efficiency. These agreements can be based on either fixed prices or T/C rates and may cover vessel hire only or full-service solutions, including technicians and additional services. When operating under fixed-price agreements, ZITON assumes all costs, including fuel, port calls, and any delays caused by adverse weather or vessel maintenance.

Turnkey contracts are used in market segments where ZITON has a competitive advantage – primarily in areas that require specialised maritime expertise, access to jack-up vessels with cranes, and in-depth knowledge of the offshore wind industry. These segments include the decommissioning of met masts, foundations, and turbines, as well as major blade or main bearing replacement campaigns. Under lump sum agreements, ZITON bears the costs of fuel, port calls, and weather-related delays, along with the risks associated with any underperformance by sub-suppliers.

As outlined on the following page, ZITON has had contracts with the five leading offshore wind companies, as well as agreements with other operators of offshore wind sites. More agreements are currently under negotiation.

LONG-TERM CHARTER WITH SGRE

In December 2020, ZITON and SGRE signed a time charter agreement for J/U WIND ENTERPRISE, initially for three years and eight months, which has since been extended until June 2025. Additionally, in April 2023, two new time charter agreements were signed: one for J/U WIND ENTERPRISE, running from June 2025 to December 2029, and another for J/U WIND ENERGY, covering the period from February 2024 to February 2030. As is standard for time charter agreements, SGRE pay fixed time charter rates and cover variable operational expenses throughout the contract period. SGRE assume full weather-related risk, while ZITON is responsible for ensuring the vessels' operational uptime.

FRAMEWORK AGREEMENT WITH RWE

In December 2022, ZITON and RWE signed a four-year framework agreement, running until December 2026. Under this agreement, ZITON will supply RWE with jack-up vessels, as well as lifting and auxiliary services, with a minimum annual commitment of EUR 10m – equivalent to 180 charter days collectively for J/U WIND SERVER, J/U WIND PIONEER, and J/U WIND. The agreement encompasses all of RWE's European operational offshore wind assets that are accessible by ZITON's fleet.

FRAMEWORK AGREEMENT WITH ØRSTED

ZITON has a framework agreement with Ørsted, running from May 2019 until the end of 2025. The agreement covers nine of Ørsted's offshore wind farms and is not tied to a specific vessel. It allows Ørsted to charter ZITON's vessels when available, with charter rates dependent on the number of MCRs Ørsted undertakes.

FRAMEWORK AGREEMENT WITH VESTAS

ZITON has had a framework agreement with Vestas since 2014, covering the smaller Vestas turbines on offshore wind farms where Vestas held service agreements. The agreement was not vessel-specific and allowed Vestas to charter ZITON's vessels when available, at a fixed price per MCR. A new agreement is currently under negotiation.

FRAMEWORK AGREEMENT WITH VATTENFALL

ZITON entered into a four-year framework agreement with Vattenfall in December 2020. Under this agreement, ZITON was designated as the second supplier, meaning that if the primary supplier declined to carry out a specific component replacement, ZITON had the opportunity to assist Vattenfall. A new agreement is currently under negotiation.

FRAMEWORK AGREEMENTS WITH SSE AND EDF

In February 2023, ZITON and SSE Renewables signed a framework agreement covering the Greater Gabbard site in the UK, running until December 2025. An extension until December 2028 is currently under negotiation. ZITON also holds several other framework agreements, including one with EDF Renewables for their Teesside site in the UK, which runs until December 2029.

WE CAN.

ZITON proudly operates the largest fleet of vessels dedicated to major component replacements. With such a robust fleet, we can offer our customers flexibility and versatility, enabling us to service virtually every offshore wind farm.

Thorsten Jalk
CEO, ZITON A/S

DIRECTION

STRATEGIC DIRECTION

With new ownership and a newly appointed Board of Directors, we are in the process of developing a revised strategic direction to drive the company's future growth. For now, the current strategic direction remains unchanged and is built on four key elements, which are outlined in the following, along with recent strategic results and focus areas for 2025.

Zero-emission

Value-added services

Fleet expansion

Digitalisation

Zero-emission

ZITON's versatile vessel fleet is designed for a relatively low carbon footprint, as our vessels are generally lighter and smaller than others. As a result, ZITON operates some of the most carbon-efficient vessels, particularly for servicing turbines below 4 MW. These turbines make up the majority of the installed base and represent an even larger portion of major component replacements, as they have surpassed the six-year mark, when the need for replacements typically increases.

RESULTS ACHIEVED IN 2024

During 2024, we focused on aligning our operations with the ESG targets outlined in the ESG loan agreement signed in June 2023. Key priorities included preparing progress reports for these targets to ensure transparency and accountability.

FOCUS AREAS FOR 2025

We remain committed to reducing emissions through SEEMP and are exploring solutions like hybrid systems and operational improvements to optimise fuel usage. In addition to that, the Executive Management Team and the newly appointed Board of Directors is actively working on a revised long-term strategy, which is expected to include emission targets for new build programs, adopting new propulsion systems, and incorporating alternative fuels.

Value-added services

ZITON offers value-added services in maritime project planning and execution, lift planning and execution, specialised tools and lifting equipment, and highly skilled technicians, in addition to a jack-up vessel with an experienced crew. In a full-service solution, ZITON takes full responsibility for the solution and assumes risks that we are better equipped to handle than our customers, and that customers are willing to delegate.

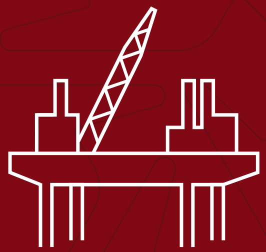
From the customer's perspective, a full-service solution means reduced risk and a single contracting partner. From ZITON's perspective, this arrangement further differentiates our service offering from that of our competitors.

RESULTS ACHIEVED IN 2024

In 2024, we saw a significant increase in demand for full-service solutions for major component replacements and decommissionings, with a more than doubled number of replacements compared to 2023. This surge reflects the growing preference for comprehensive service offerings. We have consistently achieved high customer satisfaction, successfully delivering projects as full-service solutions that address complex needs and mitigate risks for our clients.

FOCUS AREAS FOR 2025

The focus for 2025 remains on further enhancing and expanding our full-service solutions for major component replacements, aiming to deliver greater value to customers and strengthen ZITON's market differentiation.



Fleet expansion

Historically, and continuing into the future, offshore wind turbines have grown in size to drive down the levelised cost of energy. As a result, the reach and capabilities of jack-up vessels must also increase to meet evolving industry demands. To ensure we can continue supporting our customers as they develop new wind farms with larger turbines, ZITON has made it a strategic priority to expand our fleet with larger, more advanced vessels, strengthening our market position and service capabilities.

RESULTS ACHIEVED IN 2024

In 2024, J/U WIND ENERGY completed her yard-stay in Denmark after being acquired in China and began her long-term charter with Siemens Gamesa Renewable Energy. Additionally, ZITON expanded its fleet with another vessel capable of servicing 6-10 MW turbines through the acquisition of J/U WIND DISCOVERY. J/U WIND DISCOVERY is operated by ZITON A/S, but owned by its sister company, DiscoveryCo ApS.

FOCUS AREAS FOR 2025

The initial focus for 2025 is to have J/U WIND DISCOVERY complete her yard-stay before beginning her time charter in mid-April. Additionally, we are committed to minimising unexpected off-hire days by ensuring J/U WIND ENTERPRISE, J/U WIND ENERGY, and J/U WIND DISCOVERY remain in optimal condition. Furthermore, we will continue exploring opportunities to expand our fleet to support the growing demand for servicing larger turbines.

Digitalisation

ZITON continuously invests in the digitalisation of its operations to enhance efficiency and customer interactions. Achieving operational effectiveness during major component replacements in the offshore wind industry is highly dependent on weather conditions and requires seamless coordination between ZITON, customers, and suppliers. To address this, ZITON aims to digitise and integrate internal processes and key supply chain touchpoints.

RESULTS ACHIEVED IN 2024

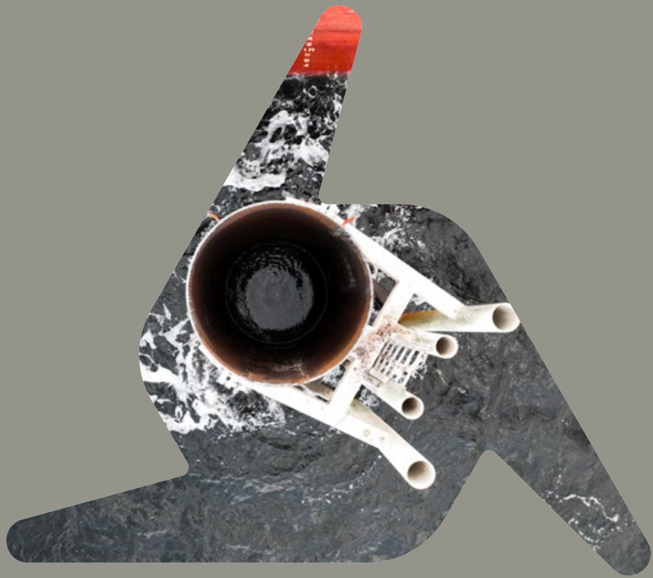
During 2024, we revisited our machine learning platform to leverage Microsoft's advancements in artificial intelligence and integrated the latest developments in the market for major component replacements. Our analysis confirms a clear correlation between turbine age and failure rates – older turbines experience more failures, driving increased demand for major component replacements. Additionally, we strengthened our cybersecurity measures to safeguard our digital infrastructure, ensuring the integrity and security of our data-driven operations.

FOCUS AREAS FOR 2025

In 2025, we will continue to invest in digitalisation and the development of our data platform to enhance operational efficiency and strengthen decision-making processes. We aim to streamline workflows, improve data accessibility, and enhance collaboration across our operations. Additionally, as cyber threats continue to evolve, we will further strengthen our cybersecurity measures to ensure the protection of critical systems, operational data, and customer information.

Building on the expertise in owning and operating jack-up vessels, ZITON's business model has expanded to offer full-service and turnkey solutions. Operating within the offshore wind industry, we are positioned to play a vital role in the transition to a low-carbon, climate-resilient economy.

BUSINESS MODEL



01

Climate-related risks and opportunities

ZITON operates in the offshore wind industry, which is expected to play a key role in the transition to a low-carbon, climate-resilient economy. This industry presents significant growth opportunities for ZITON, as the number of installed turbines in the northern Europe is expected to rise in the foreseeable future.

Operating vessels inherently involves fuel consumption. However, ZITON's fleet consists of generally lighter and smaller vessels compared to installation counterparts, allowing customers to choose a more fuel-efficient option with a relatively lower carbon footprint. For further details, please refer to the ESG section of this annual report.

Key resources

Operating jack-up vessels is highly capital-intensive due to the substantial initial investment required for their construction or acquisition.

Ensuring high standards for vessel maintenance is essential to achieving optimal operational uptime and extending their lifespan. Additionally, well-executed dock stays during routine five-year renewal surveys, conducted in accordance with class requirements, provide a valuable opportunity for thorough maintenance of critical components such as legs, spudcans, cranes, jacking systems, and engines.

Strong project management capabilities are essential for effective planning and successful execution. ZITON utilises a customer portal to streamline project documentation and enhance collaboration with customers.

Human capital is a key resource for the business's operations. Although the offshore wind industry is still relatively young, many of our employees have been involved from its inception. As a result, ZITON has built a strong and experienced workforce with valuable know-how and skills, developed over many years of specialising in major component replacements.

03

Value to customers

In the current environment with focus on energy security, it has become more imperative than ever for customers to have rapid and efficient responses to their requirements for major component replacements. Timely action is crucial to contain the costs associated with unscheduled downtime, which can significantly impact the profitability of offshore wind farms.

At ZITON, we understand the urgency of these situations and ensure that our vessels are fully dedicated to operations and maintenance ("O&M") tasks. Our fleet is always ready to provide swift and reliable assistance, ensuring that we can quickly address any issues and help 'keep the blades turning' at offshore wind farms, minimising operational disruptions and maximising energy production. With our experience and specialised equipment, we are well-equipped to meet the demands of the industry and support our customers in maintaining the efficiency and reliability of their wind farms.

Customer segments

The offshore wind industry has two main customer segments: turbine manufacturers and wind farm operators.

– Turbine manufacturers include leading players such as Siemens Gamesa Renewable Energy, Vestas Offshore Wind, and GE Vernova, while some Chinese manufacturers are also entering the European market.
– Wind farm operators are predominantly utilities like Ørsted, RWE Renewables, Vattenfall, SSE Renewables, EnBW, Equinor, and Eneco, among others.

Once an offshore wind farm is installed, turbine manufacturers typically provide O&M services under their warranty programs, which usually last between two to five years. After the warranty period concludes, wind farm operators generally take on full O&M responsibility to ensure the continued operation and performance of the turbines.

Cost structure

Owning a fleet of jack-up vessels requires a significant initial investment, which must be recouped over the vessel's operational lifetime.

Operating a maritime organisation dedicated to servicing offshore wind farms implies a largely fixed-cost structure with relatively low variable costs. Fixed costs, particularly in the short term, include administrative and operational expenses such as crew salaries, insurance, and certifications. Variable costs primarily involve operational expenses like bunker fuel, lubricants, and port fees. Under time charter contracts, customers usually pay a fixed time charter rate, as well as for the variable operational expenses.

Providing turnkey solutions requires ZITON to take full responsibility for the entire project, including managing all associated risks and working with subcontractors. If project costs exceed the budget, ZITON may be held accountable not only for its own expenses but also for those incurred by subcontractors. This could significantly increase ZITON's fixed cost base.

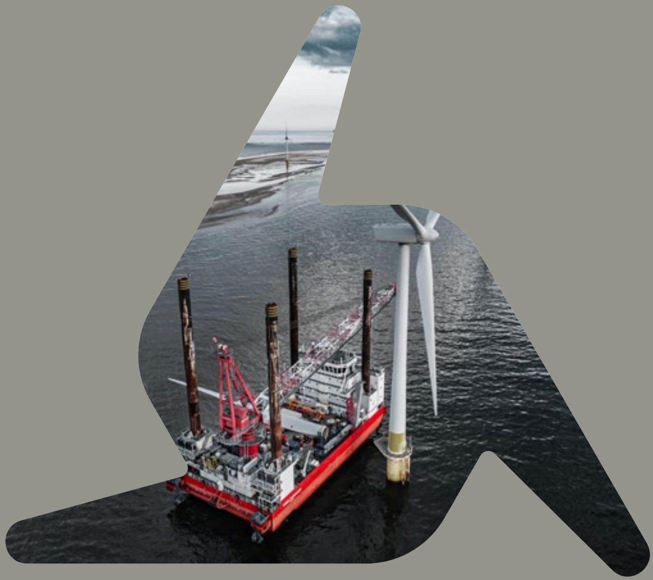
Revenue streams

Revenue streams at ZITON are generally categorised into different types of contracts:

- Long-term time charter contracts accounted for approximately 36% of revenue in 2024. These contracts provide ZITON with a fixed day rate, while the customer assumes the risk of the vessel not operating in adverse weather conditions. Consequently, ZITON's revenue relies heavily on maintaining the vessel in optimal condition to avoid off-hire days.
- Framework agreements consisting of multiple short-term time charter contracts represented about 14% of revenue in 2024. In these agreements, the customer also bears the weather risk and covers variable operational expenses. These contracts offer relatively good predictability, supported by machine learning models that forecast the number of major component replacements required at each customer site.
- Framework agreements that typically include full-service contracts with a fixed price per major component replacement made up around 50% of revenue in 2024. In these contracts, ZITON assumes the weather risk and covers variable operational expenses. While these agreements provide less predictability due to the weather risk, machine learning tools help forecast major component replacements required for each customer and site.
- Other contracts usually consist of tenders with customers without long-term agreements or specialised projects such as decommissioning, accommodation, blade or other types of campaigns. This category did not account for any revenue in 2024 and tends to be less predictable.

Each of these categories can be provided on a spectrum, ranging from just a jack-up vessel to a full-service solution. For more details, please refer to the section 'ZITON's service offerings'.

Securing long-term contracts with predictable revenue may not always be possible, and as a result, revenue can vary from quarter to quarter. This variability increases the potential for fluctuations in earnings and cash flows.



The differentiation of a dedicated O&M service providers

There are between 25 and 30 jack-up vessels regularly operating in the European offshore wind industry, with ZITON being the largest dedicated O&M provider. While many of these vessels are primarily used for installing new wind farms, there are several key differences between ZITON, as a dedicated O&M provider, and installation-focused providers:

DEDICATED PROVIDER OF O&M SERVICES
ZITON operates vessels specifically for major component replacements, blade campaigns, and decommissioning. Our vessels are not tied to long-term installation assignments, allowing us to focus exclusively on O&M tasks.

COVERAGE OF TURBINES FROM 2 MW TO 10 MW
We offer versatile and cost-effective services across nearly all offshore wind farms in the northern Europe, providing solutions for turbines ranging from 2 MW to 10 MW, with the flexibility to operate in locations with varying drafts and soil conditions.

LOWER CARBON FOOTPRINT
Our lighter, smaller O&M jack-up vessels consume less bunker fuel compared to installation vessels. This results in a relatively low carbon footprint, providing customers with the option to select vessels that support more sustainable operations.

TECHNICAL CAPABILITY OF THE VESSELS
Our smaller vessels and crew configurations translate to significantly lower operational and capital expenses, which allows us to offer more competitive charter rates while maintaining high service quality.

EXPERIENCE OF THE CREWS
Our crews possess years of experience working across various wind turbine models, sites, ports, and operating conditions. Their familiarity with operations ensures high efficiency and seamless execution of major component replacements, always prioritising 'safety first' in all operations.

ORGANISATION
ZITON is geared to execute efficient O&M operations quickly, often at short lead times. Unlike larger organisations that typically focus on projects with extended timelines, we keep O&M operations streamlined, helping to reduce overall costs and improve turnaround time.

RISK MANAGEMENT

At ZITON, we define risk as “anything that can adversely affect our ability to execute our strategy and achieve our objectives”.

RISK MANAGEMENT PROCESS

The risk assessment process is anchored in the Executive Management Team, which conducts regular reviews of risk identification, analysis, and evaluation. The team also considers appropriate mitigation steps, as illustrated on the following page. At regular board meetings, the Board of Directors and the Executive Management Team assess and discuss any significant changes to key risks, ensuring a proactive approach to risk management.

Risk factors are categorised based on their origin into strategic, operational, financial, or compliance risks. Financial risks – such as those related to credit, liquidity, interest rates, and market conditions – are addressed in note 4.1 of the consolidated financial statements. At ZITON, risk factors are not solely viewed as threats but also as opportunities to further develop and refine the company’s strategy. In some cases, strategic responses to risks can strengthen ZITON’s market position and drive long-term growth.

RISK HEAT MAP

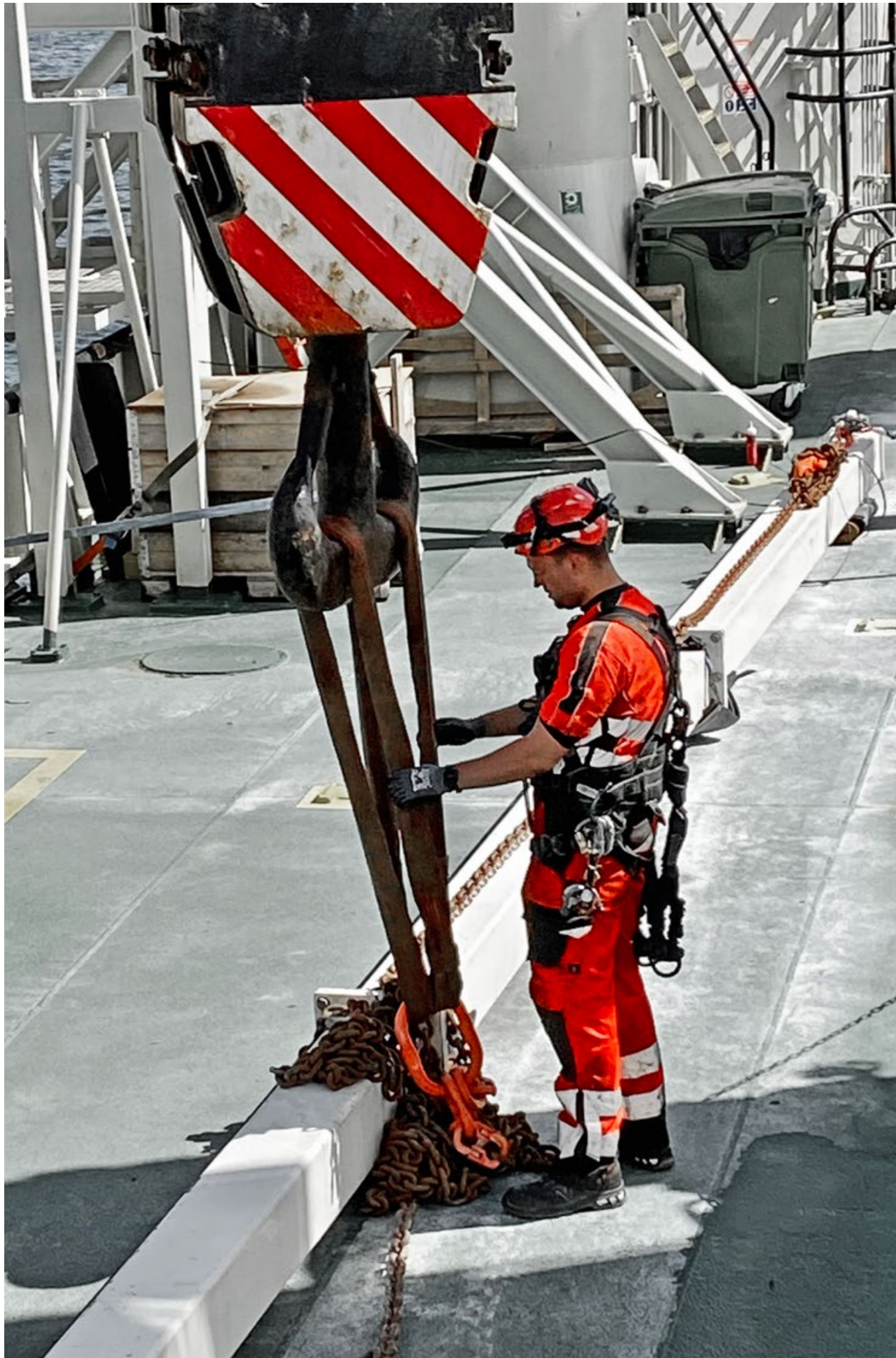
ZITON uses a heat map to visualise risks and opportunities, illustrating net risks after mitigation measures. Risk is defined as the combination of the likelihood of an event occurring and its potential impact on EBITDA and/or cash flow. Risks positioned beyond the dotted red line on the heat map represent the most significant risks to which the company is exposed.

EVALUATION OF MAIN CHANGES TO RISK

The Board of Directors and the Executive Management Team have reviewed ZITON’s risk assessment for 2024 and compared it with the previous year’s evaluation in the 2023 annual report. No new significant risk factors have been identified.

The risk factor “Major breakdown of vessels” has been reassessed and is now considered to have diminished. This is due to an increase in insurance coverage following Macquarie Asset Management’s investment in ZITON. The enhanced loss of hire coverage significantly reduces the financial impact of any vessel downtime.

In addition, the Board has determined that the two other significant risk factors from the 2023 annual report – “Key customer contracts” and “Talent loss” – remain largely unchanged.



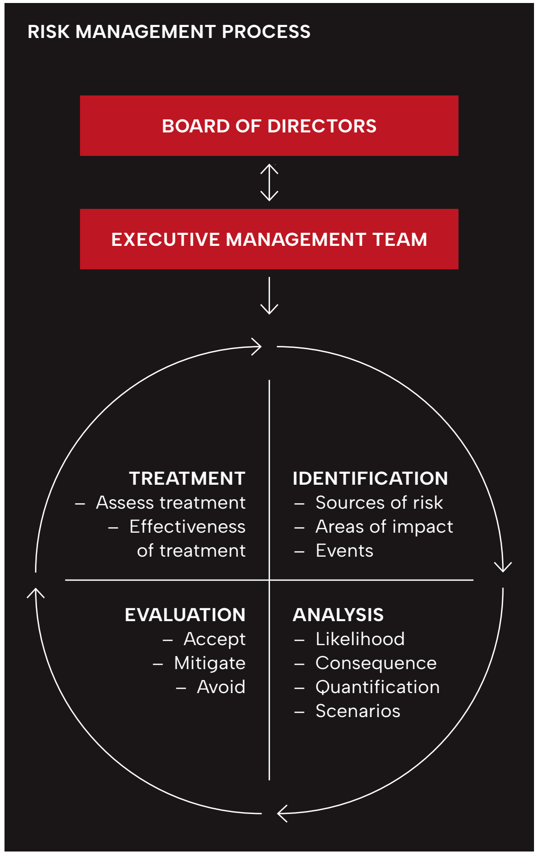
These risks continue to be monitored closely and are further detailed in the table on the following page.

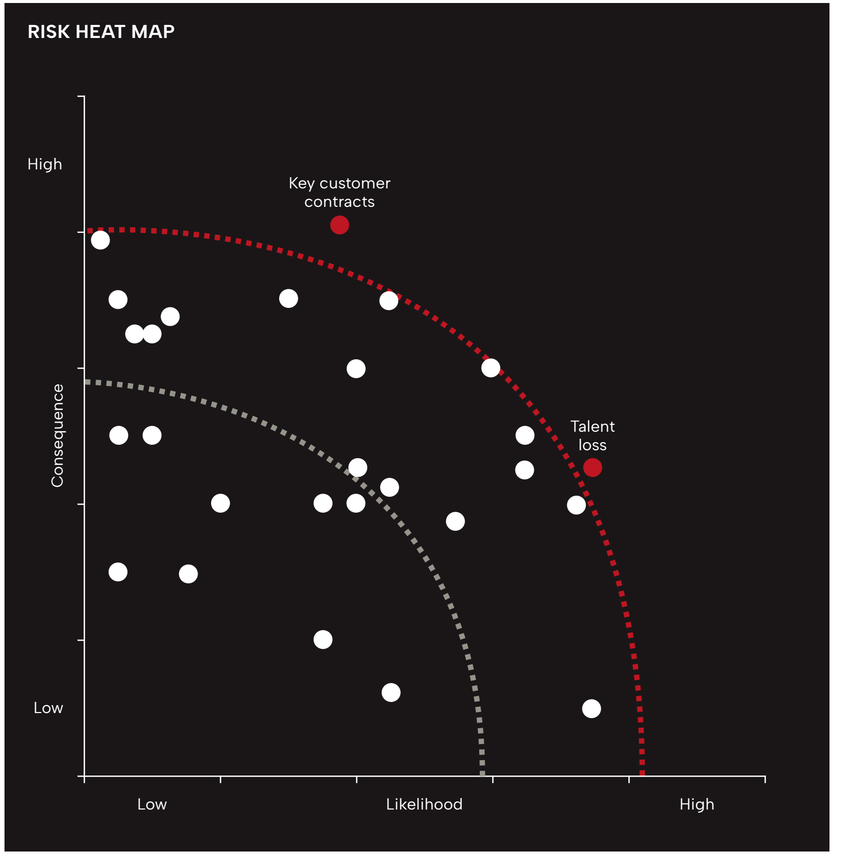
The Board has reviewed the risk of "Talent loss" in light of ZITON's track record of maintaining a relatively high retention rate, although there was a slight decline in 2024. Further details can be found in the 'Environment, social & governance' ("ESG") section of this annual report. The Board believes that the company's ability to sustain a high retention rate is a result of the measures implemented to mitigate talent loss. However, despite this strong retention, the Board recognises that ZITON's experienced workforce is crucial to servicing customers and efficiently executing major component replacements. As such, "Talent loss" remains a key risk factor.

The Board reviewed the potential impact of the geopolitical environment on the ongoing support for renewable energy, particularly offshore wind. On 20 January 2025, the newly elected US administration withdrew plans for establishing offshore wind projects across all areas of the outer continental shelf, effectively halting the development of new offshore wind farms in the US. Additionally, the US is attempting to influence the political agenda in Europe towards a more right-wing stance, which generally opposes renewable energy initiatives.

Despite this, there remains strong support for renewable energy within the EU. On 26 February 2025, the European Commission introduced the Clean Industrial Deal, aimed at making decarbonisation a driver of growth for European industries. This initiative includes measures to lower energy prices, create quality jobs, and foster favourable conditions for businesses. The clean-tech sector, which is central to industrial transformation, circularity, and decarbonisation, was highlighted as a key area for future competitiveness. This further underscores the EU's political commitment to renewable energy.

Moreover, on 14 March 2024, the incoming German Chancellor, Friedrich Merz, reached an agreement with the Green Party on a EUR 500b spending package dedicated to defence and infrastructure. Of this, EUR 100b was allocated to Germany's existing Climate and Transformation Fund, reinforcing the country's commitment to sustainable energy. Further details can be found in the 'Development of offshore wind & the O&M market' section of this annual report.





THE TWO MOST IMPORTANT RISK FACTORS

Risk factors	Possible causes	Potential consequences	Ensuing mitigation
Key customer contracts	ZITON relies on being able to fulfil contracts with its key customers to secure future revenue. Inability to meet requirements of contracts with key customers will have material consequences for the company's cash flows. In the medium to long term, the company relies on the extension of existing contracts and/or on winning new contracts.	Contracts with SGRE and RWE Renewables collectively accounted for more than half of the revenue in 2024.	ZITON is in continuous interaction with customers to understand their requirements and strategy for sourcing vessels. ZITON seeks to retain customers by providing value to customers through offering turnkey solutions, by being a dedicated O&M supplier with a diverse fleet, by offering experienced crews, and by having an organisation capable of and geared to provide efficient O&M services.
Talent loss	ZITON and the offshore wind industry in general are showing tremendous prospects for future growth. ZITON is an established company in the industry with talented and experienced employees that may be recruited by other industry participants. In general, the labour market is tight which makes it more challenging and expensive to recruit and retain employees.	It may be challenging to replace talented and experienced employees as well as recruit new employees to grow the company.	ZITON maintains a retention programme to retain key employees. ZITON focuses on being an attractive employer and maintains an employer branding campaign to inform potential employees of what it is like to work at ZITON. ZITON applies succession planning to ensure that we have qualified replacements in our organisation.

COMPANY

WE CAN.

Our customers are increasingly asking us to provide full-service solutions for major component replacements. This is leading to good utilisation of our vessels, which has resulted in strong improvement of financial performance in recent years.

Jens Michael Haurum
CFO, ZITON A/S

VISION & MISSION

OUR VISION

Renewables are the preferred future source of energy.

OUR MISSION

To provide second-to-none services and turnkey solutions to the renewable energy industries through our dedication to skilled people, specialist equipment and safe operations.

MANAGEMENT & BOARD OF DIRECTORS

ZITON's governance structure is designed to support the company's strategic development and long-term value creation.

RESPONSIBILITIES OF THE BOARD

In accordance with Danish legislation, ZITON operates under a two-tier management structure, consisting of the Board of Directors and the Executive Management Team. The division of responsibilities between these two bodies is outlined in the Rules of Procedure for the Board of Directors.

In 2024, the Board of Directors held a total of nine board meetings, with an attendance rate of 100%. The annual cycle of board meetings, illustrated on the following page, ensures that the Board regularly reviews key matters, including Health, Safety, and Environment (HSE) & ESG issues, remuneration, operational and financial performance, and risk management.

RESPONSIBILITIES OF THE AUDIT COMMITTEE

The Board of Directors holds overall responsibility for ZITON's control environment. The audit committee is responsible for continuously monitoring of internal control and risk management

systems related to the financial reporting process. The Board of Directors also approves the overarching policies and procedures governing financial reporting. ZITON has implemented formalised processes for both internal and external financial reporting to ensure transparency and compliance.

The key elements in the control system and what they include are as follows:

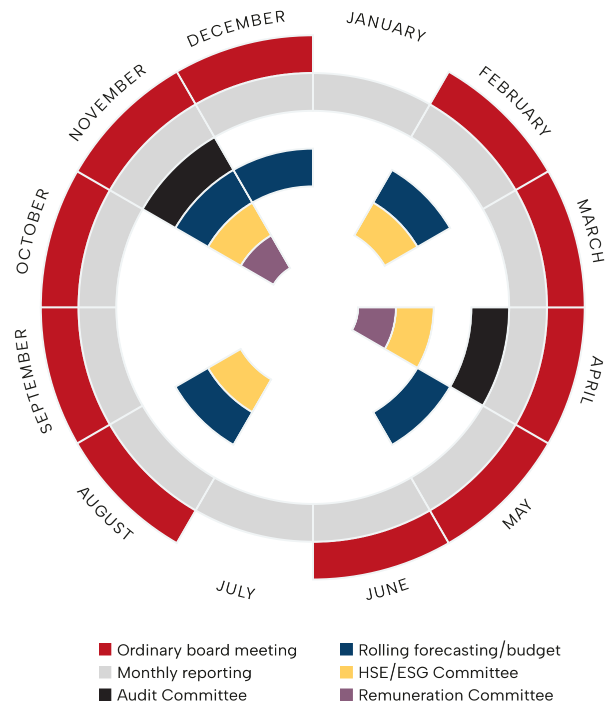
– Preventive controls include segregation of duties, ensuring no single person has control over all aspects of a financial transaction. They also cover the approval process for financial transactions, a standard chart of accounts for both financial reporting and planning, as well as access controls for IT and financial management systems.
– Detective controls include the monthly closing process, including reconciliations of, for example, bank accounts, accounts payable, accounts receivable, cost control, project control, performance reviews, and cash flow monitoring.
– Corrective controls include procedures for error correction, policy and procedure revisions, as well as ongoing training and education.

DIVERSITY IN MANAGEMENT

ZITON's Articles of Association specify that the Board of Directors must consist of between three and seven members, elected by shareholders at the Annual General Meeting. As of the approval of this annual report, the Board comprised five members, each serving a one-year term.

ZITON is committed to selecting the most qualified candidates for all roles, with competence being the primary factor in both internal and external recruitment processes. Nominations for the Board of Directors are based on an evaluation of various factors, including expertise, diversity, independence, and prior performance.

Recognising the value of diversity, including gender diversity, ZITON is committed to increasing representation at all management levels by providing equal opportunities for men and women. To further this goal, in 2024, ZITON launched a campaign highlighting workplace diversity and demonstrating that a good work-life balance is achievable, even with the industry's unique work patterns – such as four weeks at sea followed by four weeks at home. Additionally, ZITON plans to recruit more employees directly after they complete their education, as well as providing onboard training to encourage young professionals to consider a career in offshore wind.



BOARD MEETING ATTENDANCE RATES

	2020	2021	2022	2023	2024
Board meeting attendance rate (Number of board meetings attended / number of board meetings × 100)	95%	96%	100%	100%	100%

	2020	2021	2022	2023	2024
Diversity at Board of Directors level (Board members of underrepresented gender to board members)	0 of 7	0 of 6	0 of 5	0 of 5	1 of 5
Diversity at management level (Managers of underrepresented gender to total managers)	0 of 5	0 of 5	0 of 5	0 of 5	0 of 6

Executive Management Team

Thorsten Jalk

Chief Executive Officer

Appointed CEO in 2011

Born 1967

PREVIOUS ENGAGEMENTS

Mr Jalk has 25 years of experience from the offshore wind industry and has held numerous high-level positions prior to being appointed CEO of ZITON A/S. During the period from 2000 to 2011, Mr Jalk worked for A2SEA A/S where he held the following positions: Head of Service Solutions, Director of Marine Operations and Logistics Manager.

CURRENT ENGAGEMENTS

Mr Jalk serves as member of the board of DBB Dredging ApS, the maritime organisation Danish Shipping and companies in the group of MEIF 7 Wind Services Investments ApS. In addition, Mr Jalk is Director of Waypoint Capital ApS and Waypoint Consult ApS.

EDUCATIONAL BACKGROUND

Mr Jalk has completed the Executive Board Programme at INSEAD, and holds a Master of Transport & Maritime Management (MTMM) from the University of Southern Denmark. In addition, Mr Jalk has completed the Executive Management Programme at INSEAD.

Jens Michael Haurum

Chief Financial Officer

Appointed CFO in April 2015

Born 1966

PREVIOUS ENGAGEMENTS

Mr Haurum was CFO with Borg Automotive A/S and Head of Group Finance and Investor Relations with BioMar Group and has also held various positions in the financial services industry.

CURRENT ENGAGEMENTS

Mr Haurum serves as member of the board of companies in the group of MEIF 7 Wind Services Investments ApS. In addition, Mr Haurum is Director of Contrarian Capital ApS.

EDUCATIONAL BACKGROUND

Mr Haurum has completed the Executive Board Programme at INSEAD and the Board Programme specialising in Green Transition at Aarhus University, and he holds a MBA from Henley Business School, Graduate Diplomas in Business Administration (Accounting) from Aarhus University and in Business Administration (International Management) from Copenhagen Business School.

Rasmus Mühlebach

Chief Legal Officer

Appointed CLO in April 2015

Born 1980

PREVIOUS ENGAGEMENTS

Prior to joining ZITON, Mr Mühlebach held positions as CFO and Business Developer with NordEstate A/S. Mr Mühlebach joined ZITON in June 2012 as Chief Financial Officer and was appointed Chief Legal Officer in April 2015.

EDUCATIONAL BACKGROUND

Mr Mühlebach has completed the Executive Management Programme at AVT Business School and Kromann Reumert, and holds a Master of Science in Business Administration & Commercial Law and a Bachelor of Science in Economics & Corporate Law from Aarhus School of Business (Aarhus University).

Bent Thambo Jensen

Chief Commercial Officer

Appointed CCO in September 2015

Born 1972

PREVIOUS ENGAGEMENTS

Prior to joining ZITON, Mr Jensen held positions as Key Account Manager with A2SEA A/S, Sales and Marketing Manager with Statoil Gazelle A/S, Commercial Sales Manager at Siemens Wind Power A/S and as Regional Manager with Energi Danmark A/S.

EDUCATIONAL BACKGROUND

Mr Jensen has completed the Executive Management Practice at Henley Business School, and holds a Master of Arts in Business, Language & Culture from Odense University.

Mads Albér

Chief Technology & Innovation Officer

Appointed CTIO in September 2024

Born 1970

PREVIOUS ENGAGEMENTS

Prior to joining ZITON, Mr Albér worked as Operations Manager with Fred. Olsen Windcarrier. He worked for ZITON from 2008 to 2011, first as HSEQ Manager and since as Master Mariner. Before joining ZITON, Mr Albér held positions as Marine Superintendent and SQE Manager with the Clipper Group. Mr Albér rejoined ZITON in April 2015 as Chief Operating Officer and was appointed Chief Technology and Innovation Officer in September 2024.

EDUCATIONAL BACKGROUND

Mr Albér is a Master Mariner and holds a degree in navigation from Marstal Navigationsskole.

Alfred Andresen

Chief Operating Officer

Appointed COO in September 2024

Born 1982

PREVIOUS ENGAGEMENTS

Prior to joining ZITON, Mr Andresen held positions as Project Manager with DEME Group, Project Manager, Operational HSE Manager and Chief Officer with A2SEA A/S, Chief Officer with DBB Jack-Up Services A/S (now ZITON A/S), Well Service Supervisor with Mærsk Olie og Gas A/S, Maritime Engineer & Navigator with Maersk Supply Service A/S, Maritime Officer with A.P. Møller – Mærsk A/S and as Chief Officer & Engineer with Danske Færger A/S.

EDUCATIONAL BACKGROUND

Mr Andresen has completed the Project Management Programme (IPMA) at Mannaz, and holds a Bachelor of Maritime Transport and Ship Management from Svendborg International Maritime Academy.

Board of Directors

Thorsten Jalk

Member of the board
since September 2022

Born 1967

Company representative

See more information under the Executive Management Team.

Jens Michael Haurum

Member of the board
since September 2022

Born 1966

Company representative

See more information under the Executive Management Team.

William Burton Blair Ainslie

Chair of the board
since February 2025

Born 1963

Independent board member

William Burton Blair Ainslie is founder and former CEO of Seajacks International Ltd.

CURRENT ENGAGEMENTS

Mr Ainslie serves as chairman of the board of companies in the group of MEIF 7 Wind Services Investments ApS.

PREVIOUS ENGAGEMENTS

Mr Ainslie co-founded Seajacks International Ltd. in 2007 and worked for 17 years as the CEO.

EDUCATIONAL BACKGROUND

Mr Ainslie holds a Bachelor of Science in Physical Geography from University of London.

Anna Sofia Arhall Bergendorff

Member of the board
since February 2025

Born 1969

Independent board member

Anna Sofia Arhall Bergendorff is a full-time board member, having previously worked in the tech industry and business consulting.

CURRENT ENGAGEMENTS

Mrs Bergendorff serves as a member of the board of nuuday A/S, Stena Line AB, Norstat AS and companies in the group of MEIF 7 Wind Services Investments ApS.

PREVIOUS ENGAGEMENTS

Mrs Bergendorff has previously worked for a decade at Google eventually as Managing Director of Platforms and Partnerships for Northern Europe.

EDUCATIONAL BACKGROUND

Mrs Bergendorff holds a MBA from INSEAD and a Bachelor of Journalism from University of Oregon.

Jonathan Brazier Duffy

Member of the board
since February 2025

Born 1977

Appointed by Macquarie Asset Management

Jonathan Brazier Duffy is a Managing Director at Macquarie Asset Management. He has more than 15 years of experience from the offshore wind industry.

CURRENT ENGAGEMENTS

Mr Duffy serves as a member of the Board of Directors of Anwei Wind Power Co. Ltd, Bilbao Offshore TopCo Limited, Broadhelm Renewables Group Limited, Chingfeng Wind Power Co. Ltd, Chiwei Wind Power Co. Ltd, Euston Solar Farm Limited, Evryo Power SA, Galloper Extension Investco Limited, Glid Wind Farms TopCo Limited, Gwynt Y Mor Offshore Wind Farm Limited, Inner Dowsing Wind Farm Limited, Island Green Power Limited, Lightsource India Limited, Lincs Wind Farm (Holding) Limited, LMIF Sage Investments S.à r.l., Luwei Wind Power Co. Ltd, Lyle JV Holdings Limited, Lynn Wind Farm Limited, Ocean Breeze GmbH, Ovidiu Development SA, Principia Energy Generation S.M.S.A., Principia Energy Societe Anonyme, Rhyl Flats Wind Farm Limited, Sage Ventures S.à r.l., Scira Offshore Energy Limited, Tomis Team SA, Tungwei Wind Power Co. Ltd, UK Green Investment Climate International Limited, UK Green Investment Gwynt Y Mor Limited, UK Green Investment LID Limited, UK Green Investment Rhyl Flats Limited, UK Green Investment Sheringham Shoal Limited as well as companies in the group of MEIF 7 Wind Services Investments ApS.

PREVIOUS ENGAGEMENTS

Mr Duffy joined Macquarie Asset Management in 2016 and is a Managing Director and member of the portfolio management team, specialising in the technical, operational, and commercial management of Macquarie Asset Management's renewable energy portfolio alongside transactional activities.

EDUCATIONAL BACKGROUND

Mr Duffy holds a MBA from Imperial College London and a Master of Science in Renewable Energy from Loughborough University.

CORPORATE STRUCTURE

The ownership and legal structure of the ZITON group is set out below.

In the beginning of 2024, ZITON announced that its board had initiated a process to review strategic alternatives including, among other options, a sale of the company.

On 27 September 2024, ZITON announced that Macquarie European Infrastructure Fund 7 ("Macquarie"), advised by Macquarie Asset Management, had entered into a share purchase agreement with funds advised by Permira Credit and other existing shareholders to acquire all issued and outstanding shares of Zappy Topco ApS and its wholly-owned subsidiary ZITON A/S, subject to regulatory approvals.

During the sales process, Zappy Topco ApS founded DiscoveryCo ApS which consequently is a sister company to ZITON. DiscoveryCo ApS has purchased the vessel J/U WIND DISCOVERY in China and transported it back to Europe to be upgraded to current European industry standards to be able to service the 6-10 MW segment of turbines for major component replacements.

DiscoveryCo ApS has no employees, but has entered into a ship management agreement with ZITON A/S who performs all services related to sales, technical management, operations, crewing, administration etc. The structure enables that there is no intercompany balances or leakage of cash flow between ZITON A/S and DiscoveryCo ApS.

On 1 November 2024, ZITON announced that bondholders and lenders had provided consent for Macquarie as new majority owner. On 2 December 2024, ZITON announced that Macquarie had obtained the required regulatory approvals, and the transaction was completed on 7 January 2025 after which Macquarie became the majority owner of ZITON A/S, its parent company Zappy Topco ApS and its sister company DiscoveryCo ApS.

LEGAL STRUCTURE

The ZITON group consists of the parent company ZITON A/S, the wholly-owned operational subsidiary ZITON Contractors A/S and subsidiaries in the UK and Germany. In addition, ZITON owns 50% of Hangout A/S. ZITON A/S owns five vessels directly; J/U WIND, J/U WIND PIONEER, J/U WIND SERVER, J/U WIND ENTERPRISE and J/U WIND ENERGY.

ZITON's sister company, DiscoveryCo ApS owns the vessel J/U WIND DISCOVERY.

MACQUARIE ASSET MANAGEMENT

Macquarie Asset Management is the world's largest infrastructure manager. It manages approximately EUR 170b across its infrastructure, green investments, and natural assets platforms. Macquarie Asset Management's Real Assets portfolio spans more than 170 companies and over 105 GW of green energy assets in construction, operations or development. Macquire has invested in ZITON A/S and its parent company Zappy Topco ApS through its EUR 8b Macquarie European Infrastructure Fund 7 ("MEIF 7").

PERMIRA CREDIT SOLUTIONS III SUB MASTER EURO S.À R.L.

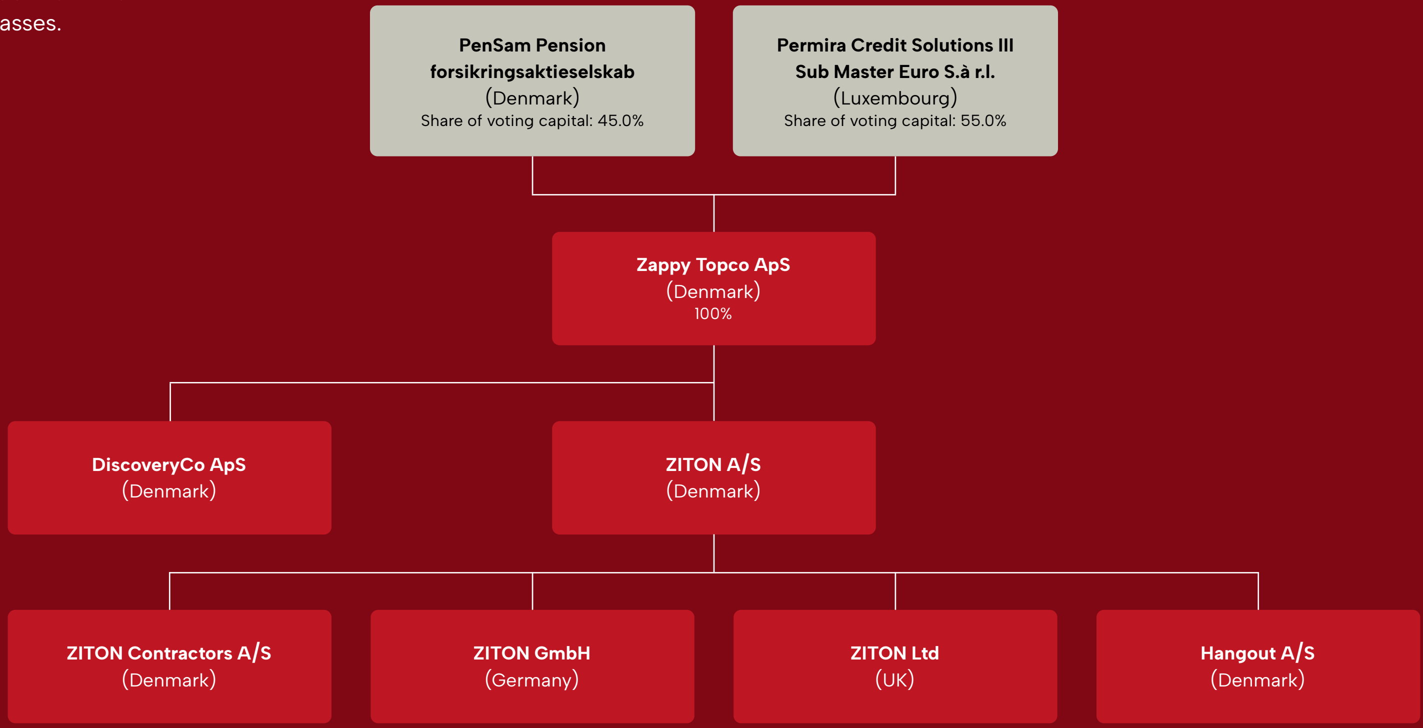
Permira Credit Solutions III Sub Master Euro S.à r.l. is an investment fund managed by Permira. Permira is a global investment firm that multiplies the potential of companies and people to build successful businesses with growth ambitions. Permira is a global investment firm founded in Europe in 1985, which employs more than 480 people in 15 offices spanning Europe, the United States and Asia. Permira's Buyout, Growth Equity and Credit funds have total committed capital of EUR 78b.

PENSAM PENSION FORSIKRINGSAKTIESELSKAB

PenSam is a Danish labour market pension fund. Pensam has approximately EUR 25b under management and manage pension schemes for around 480,000 people within eldercare, cleaning, technical service, and pedagogical care in Danish municipalities, regions, and private companies.

Ownership structure during 2024

Zappy Topco ApS owns 100% of the share capital of ZITON A/S. ZITON A/S' shareholder own their shares indirectly through Zappy Topco ApS. During 2024, Permira Credit Solutions III Sub Master Euro S.à r.l. was the controlling shareholder of ZITON A/S as it owned 55% of the voting capital. PenSam Pension forsikringsaktieselskab held 45% of the voting capital. Zappy Topco ApS also had other non-voting share classes.

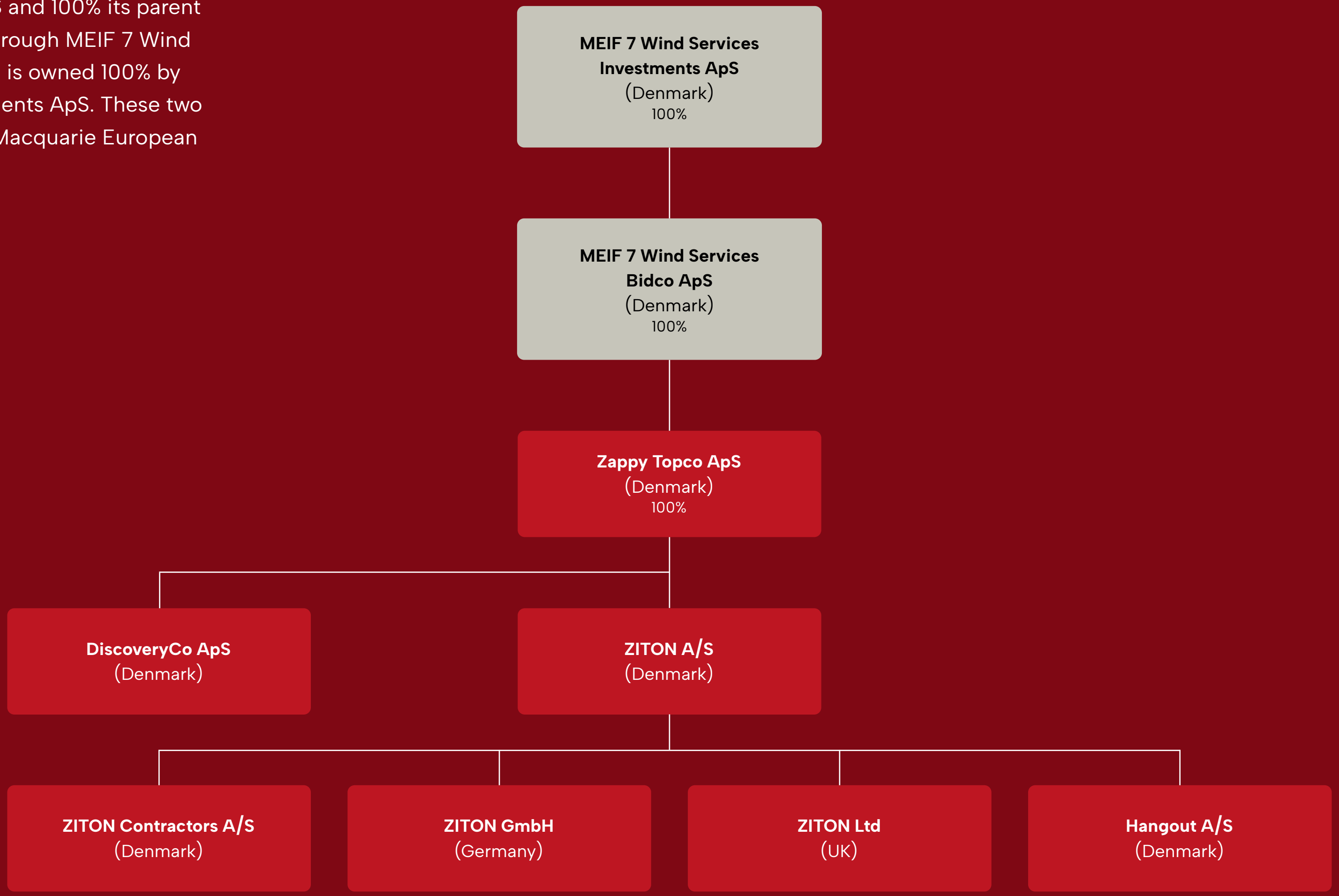


All subsidiaries of ZITON A/S are fully owned with the exception of Hangout A/S which is 50% owned.
The illustration includes only operational companies, for a full list of legal entities please refer to note 6.6 of the financial statements.

Ownership companies
Group companies

Ownership structure from January 7 2025

From January 7 2025, Macquarie Asset Management owns ZITON A/S and 100% its parent company Zappy Topco ApS through MEIF 7 Wind Services Bidco ApS that again is owned 100% by MEIF 7 Wind Services Investments ApS. These two companies are controlled by Macquarie European Infrastructure Fund 7.



All subsidiaries of ZITON A/S are fully owned with the exception of Hangout A/S which is 50% owned.
The illustration includes only operational companies, for a full list of legal entities please refer to note 6.6 of the financial statements.

Ownership companies
Group companies

ENVIRONMENTAL, SOCIAL & GOVERNANCE

At ZITON, we acknowledge our responsibilities in environmental, social and governance ("ESG"), and remain committed to transparency and accountability in our policies and reporting.

This section details statutory ESG reporting requirements in accordance with section 99a of the Danish Financial Statements Act, covering social and employee conditions, climate impact, environmental impact, human rights, and anti-corruption measures.

ESG STRATEGY

ZITON's ESG strategy includes a structured roadmap for ESG initiatives and an ESG working committee overseeing their implementation. Progress is regularly reported at least semi-annually to the Board. The committee prioritises initiatives, allocates resources, and fosters competency development across the organisation to ensure effective execution of ESG efforts.

Safety takes the highest priority at ZITON. We have a relentless focus on health, safety, environment and quality ("HSEQ") for our employees, subcontractors and customers. We are committed to be an attractive workplace, prioritising safe working conditions, employee well-being, and equal treatment. Human capital is essential to our operations, making it crucial to retain and attract skilled offshore crews and turbine technicians.

As a key player in maintaining offshore wind farms in the northern Europe, we remain committed to decarbonising our fleet and operations and minimise any kind of pollution to meet rising demands from customers, regulators, and suppliers.

ESG REPORTING

On 26 February 2025, the European Commission published a series of Omnibus proposals to simplify EU sustainability reporting rules. While the timeline for adoption of the proposals is not yet clear, it seems unlikely that ZITON will be required to report according to the European Sustainability Reporting Standards ("ESRS") for the calendar year 2025. In fact, ZITON may not be required to report according to ESRS for the foreseeable future.

We will closely monitor the development in EU reporting requirements including the Voluntary SME ("VSME") standard that is contemplated to be introduced in the Omnibus proposals. ZITON has for years reported environmental and safety data to our customers on their request, and we will continue to provide our customers with data they need for their reporting. If the VSME standard becomes best practice for value chain reporting, ZITON intend to report according to VSME even if not legally required.

ENVIRONMENTAL

CARBON EMISSIONS

ZITON operates under a DNV-GL-certified Ship Energy Efficiency Management Plan ("SEEMP") to optimise fuel consumption, ensuring minimal energy use. This approach makes our vessels more environmentally friendly compared to many others in the market.

ZITON's fuel consumption complies with Annex VI of the MARPOL 73/78 convention, which limits sulphur content to 0.5% outside emission control areas and 0.1% within them. Since both the Baltic and North Seas fall within such areas, ZITON has consistently used Marine Gas Oil, which meets the strictest sulphur limits. Additionally, all ZITON vessels adhere to the NO_x control requirements outlined in Annex VI, regulation 13.

Our adoption of industry-compliant calculation methodologies for consumption and emissions has led to a shift from reporting CO_2, NO_x, and SO_x emissions to CO_2 equivalent (CO_2e), which measures total greenhouse gas emissions in terms of CO_2. These figures now include the fuel consumption of tugboats towing J/U WIND PIONEER but only account for operational emissions (tank-to-wake), excluding emissions from fuel production and transportation.

Emissions are monitored according to recognised industry standards. With a significant higher

EMISSIONS FROM VESSELS IN OPERATIONS AND PER REPLACEMENT

	2020	2021	2022	2023	2024
CO_2e emissions from vessels (Tonnes CO_2e)	18,557	21,576	20,159	16,991	24,452
CO_2e emissions per replacement (Tonnes CO_2e / replacements)	105	102	125	93	97

activity level in 2024, with 38% more major component replacements completed, CO_2e emissions from our vessels increased to 24,452 tonnes from 16,991 tonnes in 2023. Emissions per major component replacement increased due to J/U WIND ENERGY entering the market, as it consumes relatively more fuel per replacement than our smaller vessels. This led to an increase in emissions per replacement to 97 tonnes from 93 tonnes in 2023.

In monitoring and reporting our carbon emissions, we work with Greenhouse Gas Protocol's definitions of Scope 1, 2, and 3 emissions, for which we have gathered data over the past three reporting years. Scope 1 covers direct emissions from sources we control, while Scope 2 includes emissions from the production of purchased energy. Scope 3 encompasses all other indirect emissions from our value chain. The breakdown of emissions by scope is presented in the table to the right.

Our Scope 1 emissions include bunker consumption from our vessels (tank-to-wake) as well as fuel consumption from our warehouse truck and management cars. The increase from 2023 to 2024 was driven by the addition of J/U WIND ENERGY, which commenced operations in February 2024.

Our location-based Scope 2 emissions cover indirect emissions from electricity and heat used in our offices and warehouse facilities. In previous reporting years, all these emissions were included in the location-based part of Scope 2. However, since emissions from our natural gas and district heating are market-based, we have adjusted the calculations from 2024.

Scope 3 emissions include fuel- and energy-related activities, waste generated in operations, business travel, and upstream leased assets. This includes well-to-tank bunker consumption from our vessels and well-to-wake bunker consumption for tugboats. In 2023, the vessels used to transport J/U WIND ENERGY to Denmark were also included, which were one-time emissions as can be seen in the decrease from 2023 to 2024.

Water consumption on the vessels increased significantly in 2024, primarily due to the inclusion of J/U WIND ENERGY. Most of the water is used for onboard cleaning, with smaller amounts allocated for kitchen and bathing needs. ZITON follows a strict policy to minimise water consumption, and our sewage and waste water management complies with Annex IV of the MARPOL 73/78 convention, which all crew members are informed about.

POLLUTION

ZITON upholds an environmental policy aimed at preventing spills, including oil, ballast water, and waste. Compliance is regularly tested through port stay inspections by maritime authorities, who assess vessel certifications, overall condition, and adherence to environmental regulations. Non-compliant vessels may be detained until issues are resolved. ZITON has maintained full compliance, with zero detentions over the past five years.

Accidental fuel and hydraulic oil spills are significant environmental concerns. To mitigate impact, ZITON uses biodegradable hydraulic oil. In 2021, J/U WIND PIONEER experienced a spill due to premature wear on hydraulic hoses, prompting more frequent inspections and early replacements. A minor spill also occurred on J/U WIND ENTERPRISE. In 2023, no oil

SCOPES 1, 2 AND 3 EMISSIONS

	2022	2023	2024
CO_2e emissions from scope 1 (Tonnes CO_2e)	18,328	15,526	24,429
CO_2e emissions from scope 2 (market-based) (Tonnes CO_2e)	0	0	12
CO_2e emissions from scope 2 (location-based) (Tonnes CO_2e)	9	20	18
CO_2e emissions from scope 3 (Tonnes CO_2e)	150	17,355	7,912

WATER CONSUMPTION ON VESSELS

	2020	2021	2022	2023	2024
Water consumption on vessels (Cubic metres water)	5,511	5,805	5,943	6,924	9,925

was released into the environment, though two onboard-contained spills were recorded, supporting ZITON's efforts to monitor high-risk operations and equipment. ZITON had zero accidental oil spills in 2024.

In our commitment to minimising environmental impact and maintaining transparency, we monitor and report all substance releases, including those not formally required by authorities. In 2023, we recorded two minor incidents: the loss of a 10-kilo friction rubber mat into the sea during a lift and the accidental release of approximately three kilos of CO_2 from a vessel's firefighting system. ZITON had zero releases of other substances to the environment in 2024.

In relation to garbage, our management policy aims to minimise waste generation both onboard our vessels and at our warehouse and office premises. Aligned with Annex V of the MARPOL 73/78 convention, the policy emphasises reducing packaging volume, favouring two-way or recyclable materials where necessary. All crew members are familiar with this policy and are required to acknowledge it by signing a statement.

SOCIAL

HEALTH AND SAFETY

At ZITON, we maintain a strong focus on health, safety, environment, and quality ("HSEQ") for our employees, subcontractors, and customers. As a key risk factor for ZITON, HSEQ is proactively managed through comprehensive policies, systems, and procedures, effectively mitigating the company's risk exposure.

Our HSEQ system is certified by Bureau Veritas, meeting the requirements of the ISM Code / MLC 2006 and the ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards. While these ISO standards are voluntary, we adopt them to enhance our safety and quality standards. As part of the annual ISM review, Bureau Veritas evaluates ZITON's performance based on various HSEQ performance measures.

Our 'safety first' culture is embedded throughout our organisation and serves as the fundamental rule onboard our vessels. We conduct at least one annual ship-to-shore drill to strengthen coordination between the onshore emergency group and vessel masters, ensuring preparedness for unexpected situations. Additionally, we have implemented a vessel risk assessment management system, which includes toolbox talks before each assignment and a safety observation card system, allowing us to proactively address potential hazards. In 2024, we conducted 907 toolbox talks, recorded 615 safety observation cards, carried out 282 safety drills, issued 96 non-conformity reports, and shared 12 safety flashes.

Group management diligently ensures that established procedures for operations, projects, and vessel work are strictly followed and carefully reviews the monthly HSEQ report. This report includes incident reporting aligned with the Oil Companies International Marine Forum's Marine Injury Reporting Guidelines, which are among the most widely used in the industry:

- Near miss reports – events or sequences of events that did not result in injury but could have under slightly different circumstances.

ENVIRONMENTAL DETENTIONS, SPILLS AND VIOLATIONS

	2020	2021	2022	2023	2024
Port stay control detentions (Number of detentions)	0	0	0	0	0
Accidental oil spills over board (Number of oil spills)	0	2	0	0	0
Releases of any other substances to the environment	0	0	2	2	0

SAFETY REPORTS, CASES AND INJURIES

	2020	2021	2022	2023	2024
Near miss reports (Number of reports)	13	11	5	9	11
Medical treatment cases (Number of cases)	2	1	0	1	1
Lost-time injuries (LTIs) (Number of injuries)	0	1	1	0	1
Lost-time injury frequency (LTIF) (Number of injuries / exposure hours × 1,000,000)	0.0	1.7	1.8	0.0	1.1
Total recordable incident rate (TRIR) (Number of recordable incidents / exposure hours × 1,000,000)	5.5	3.4	1.8	1.5	2.1

- Medical treatment cases – any work-related loss of consciousness (unless due to illness), injury, or condition requiring treatment beyond first aid by a physician, dentist, surgeon, or registered medical personnel.
- Lost-time injuries ("LTIs") – any work-related incident that results in the injured person being unable to work the following day.
- Lost-time injury frequency ("LTIF") – the number of lost-time incidents per million hours that vessel crews are exposed to risk offshore.
- Total recordable incident rate ("TRIR") – the number of total recordable incidents per million hours that vessel crews are exposed to risk offshore.

Despite our high safety standards, incidents can still occur across the three different categories, but our objective remains zero incidents. In 2024, we recorded one medical treatment case due to an off-synced lift between two colleagues, resulting in a twisted back. The lift itself was not complex, and the load was manageable for two people. Additionally, we had one lost-time injury when a WTG technician accidentally pressed a release switch on a torque wrench, causing a jammed finger.

OFFICER RETENTION

Maintaining a zero-incident objective is closely linked to retaining experienced officers, as their expertise is crucial for upholding high HSEQ standards onboard our vessels. Over the past five years, ZITON has successfully maintained a relatively high officer retention rate, primarily by ensuring good working conditions. However, in 2024, we observed a decrease in our officer retention rate. This is something we are actively aware of and discussing internally to identify mitigation strategies for the future. To monitor and track retention, we apply the BIMCO Shipping KPI system.

DRUG AND ALCOHOL TESTING

To further reinforce safety at sea, ZITON upholds a strict zero-tolerance policy on drugs and alcohol – an unwavering principle that applies to all staff, customers, subcontractors, and suppliers. Unannounced tests are conducted by an independent external agency specialising in drug and alcohol testing. In 2021, we had a single incident involving an external worker, who was dismissed and permanently denied future work with ZITON. In 2022, three incidents occurred, leading to the immediate dismissal of two internal employees and the expulsion of one external worker. In 2023, two additional externals were dismissed following positive test results, and in 2024, we had a single incident, resulting in the immediate removal of the individual involved. Whenever such incidents occur, we reiterate our zero-tolerance policy to all offshore staff to prevent future occurrences.

SICKNESS ABSENCE

Working offshore is a demanding occupation with uneven working hours (four weeks on duty, four weeks off). Additionally, maintaining a healthy lifestyle with a proper diet and regular exercise can be challenging onboard a vessel. To support our crews, ZITON maintains a policy of offering good working conditions, including access to a healthy and balanced diet as well as a well-

OFFICER RETENTION RATES

	2020	2021	2022	2023	2024
Officer retention rate ((Officers end period - officers resigned) / officers end period × 100)	98.7%	96.5%	96.1%	94.9%	88.0%

DRUG AND ALCOHOL POSITIVE TESTING

	2020	2021	2022	2023	2024
Drug and alcohol positive testing (Positive tests / number of tests × 100)	0.0%	1.4%	3.3%	2.3%	0.8%

SICKNESS ABSENCE RATIO

	2020	2021	2022	2023	2024
Sickness absence ratio (Number of days of sickness / exposure days × 100)	1.2%	2.3%	1.6%	1.6%	2.8%

equipped gym. In 2024, our sickness absence ratio was slightly higher than in the previous years mainly due to more long-term leaves due to health issues.

WORKFORCE

In addition to our offshore staff, ZITON also employs technicians and warehouse employees through ZITON Contractors A/S, as well as office staff based in Denmark, the UK, and Germany. As of 31 December 2024, ZITON had a full-time workforce of 320 employees, with 170 being Danish citizens and the rest representing various other nationalities.

HUMAN RIGHTS

ZITON upholds a strict policy against employing individuals under the age of 18 onboard its vessels to prevent young workers from performing hazardous tasks. This policy is enforced for both our own employees and those of our suppliers and subcontractors. We are certified under the Maritime Labour Convention by the Danish Maritime Authority, ensuring compliance with these standards. As in previous years, the policy was successfully applied in 2024, with no employees – whether direct hires or from suppliers and subcontractors – under the age of 18 working on our vessels.

GOVERNANCE

BRIBERY AND CORRUPTION

ZITON maintains a comprehensive anti-bribery and anti-corruption policy, ensuring that all business activities are conducted lawfully, ethically, and with integrity towards stakeholders. This policy is reinforced through strong leadership that promotes our values across the organisation. Additionally, all expenses require receipts and must be approved by a superior to maintain transparency and accountability. To the best of our knowledge, this policy was successfully applied in 2024, with no indications of bribery or corruption.

FULL-TIME WORKFORCE

	2020	2021	2022	2023	2024
Full-time workforce, Danish (Number of Danish employees)	111	119	121	146	170
Full-time workforce, foreign (Number of foreign employees)	67	67	67	103	150

EMPLOYEES UNDER THE AGE OF 18

	2020	2021	2022	2023	2024
Employees under the age of 18 (Number of employees under 18)	0	0	0	0	0

BRIBERY AND CORRUPTION CASES

	2020	2021	2022	2023	2024
Bribery and corruption cases (Number of incidents revealed)	0	0	0	0	0

WE CAN.

To date, we have successfully repaired turbines with a total capacity of 6.2 GW, a remarkable achievement that underscores ZITON's essential role in enhancing energy security for Europe.

Thorsten Jalk
CEO, ZITON A/S

HISTORY OF THE COMPANY

ZITON was one of the first companies to be involved in the offshore wind industry dating back to 2007. We have expanded our fleet from one to six vessels during the last more than 18 years and throughout maintained our position as the market leader within O&M services for major component replacements.

2007–2011
ZITON's operations began in 2007 under the name Dansk Bjergning og Bugsering A/S with the acquisition of the vessel J/U WIND and the initiation of the first long-term charter with Vestas. J/U WIND was one of the first jack-up vessels in offshore wind and helped install some of the earliest offshore wind farms.

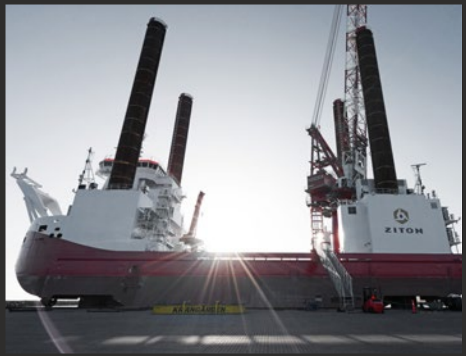
In 2008, jack-up operations were separated into a new entity, DBB Jack-Up Services A/S.

In 2010, J/U WIND underwent a major rebuild and upgrade, leading to a three-year charter with Siemens beginning in 2011.

2012–2015
In 2012, BWB Partners invested in DBB Jack-Up Services A/S, becoming the majority owner. The same year, the fleet expanded with the purchase of J/U WIND PIONEER in South Korea and the order of J/U WIND SERVER from Nordic Yards in Germany.

A one-year framework agreement with Vestas and a three-year charter with Siemens Gamesa Renewable Energy ("SGRE") were signed in 2014.

J/U WIND SERVER became operational in March 2015, followed by J/U WIND PIONEER in September 2015 after a complete rebuild at Orskov Yard. The Vestas agreement was also extended by two years.



2016–2018
In 2016, DBB Jack-Up Services A/S rebranded as ZITON A/S, and the SGRE charter for J/U WIND SERVER began. That year also saw three-year framework agreements signed with Ørsted and Vattenfall.

In 2017, the Vestas agreement was extended, and in 2018, ZITON carried out its first full-service major component replacement with technicians from ZITON Contractors. The same year, ZITON secured EUR 125m in new financing and established subsidiaries in Germany and the UK.

ZITON also completed the decommissioning of Utgrunden Offshore Windfarm, marking its first full wind farm decommissioning.

2019–2021
In 2019, ZITON chartered the vessel J/U WIND ENTERPRISE (formerly MPI Enterprise), enabling it to service larger turbines up to 10 MW. That year, framework agreements with both Vattenfall, Vestas, and Ørsted were also extended.

In 2020, ZITON purchased J/U WIND ENTERPRISE and signed a long-term, three-year-and-eight-month charter with SGRE, which began in 2021.

From 2019 to 2021, ZITON completed two full turnkey blade campaigns at the West of Duddon Sands and Meerwind wind farms for SGRE. These projects demonstrated ZITON's growing capabilities in large-scale offshore wind operations.

2022–2023
In September 2022, Permira Credit Solutions III Sub Master Euro S.à r.l. became ZITON's new controlling shareholder.

In January 2023, ZITON initiated a strategic agreement with RWE Renewables. By April 2023, ZITON and SGRE signed two additional agreements, extending the J/U WIND ENTERPRISE charter and adding a new charter for J/U WIND ENERGY, which will run until 2030.

In June 2023, ZITON raised EUR 296m to refinance existing debt and acquire J/U WIND ENERGY. The vessel, which departed China in August 2023, arrived in Denmark in November 2023, marking a significant step in ZITON's fleet expansion.

2024–2025
In early 2024, J/U WIND ENERGY completed her yard stay and began her long-term SGRE charter. September 2024 marked the beginning of ZITON 2.0, with a new brand identity and ownership changes, as Macquarie Asset Management, through Macquarie European Infrastructure Fund 7, entered an agreement to acquire ZITON.

The company also announced plans for a new warehouse in the port of Esbjerg. In November 2024, ZITON acquired J/U WIND DISCOVERY, which completed a yard stay in China before heading to Denmark in December 2024.

In January 2025, Macquarie's acquisition of ZITON was completed, and in April 2025, J/U WIND DISCOVERY began her time charter after upgrades in Esbjerg.

PERFORMANCE

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures ("APMs") are non-IFRS financial measures used as supplements to financial statements.

ZITON prepares its consolidated financial statements in accordance with IFRS. Key figures and ratios are presented following CFA Society Denmark's online version of "Recommendations & Ratios." In addition to IFRS reporting, ZITON applies APMs in line with the European Securities and Markets Authority (ESMA) directives. These APMs serve as valuable tools for management in decision-making, financial analysis, and performance evaluation, offering additional insights beyond the standard financial statements. However, as APMs are not defined under IFRS, they may not be directly comparable with those used by other companies. The following pages provide comprehensive disclosures required by ESMA, including definitions, reconciliations, explanations of use, comparative insights, and coherence of each APM.

OVERVIEW OF ALTERNATIVE PERFORMANCE MEASURES

APMs	Definition	Reconciliation	Explanation of use	Comparison	Coherence
Weighted average utilisation rate	Weighted average utilisation rate is calculated as vessel revenue plus other operating income less project-related expenses during the period divided by full utilisation at standard rates. The combined standard rate for the five operational vessels is EUR 268k per day. Each vessel has a different weighting depending on its specifications.	Revenue - non-vessel related revenue + other operating income (during the period) - project-related expenses / EUR 268k × days (in the period) × 100.	The weighted average utilisation rate at standard day rates reflects our ability to efficiently utilise and capture the value of our vessel fleet. This performance measure is a crucial driver of profitability.	Prior-year comparative figures are presented in the 'How we measure performance' section. However, before J/U WIND ENTERPRISE was included in Q2 2019, the standard rate was EUR 135k per day, and before J/U WIND ENERGY was included in March 2024, the standard day rate was EUR 185k per day.	The criteria used to calculate the weighted average utilisation rate remain unchanged from previous years.
EBITDA	EBITDA is short for earnings before interest, tax, depreciation, and amortisation.	Income before tax + financial payments, net + depreciation and amortisation.	EBITDA is a strong approximation of pre-tax operating cash flow before changes in working capital. This performance measure is a key indicator of overall operational efficiency.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate EBITDA remain unchanged from previous years.
EBITDA margin	EBITDA divided by revenue.	Income before tax + financials, net + depreciation and amortisation / revenue × 100.	EBITDA margin is an effective measure of operating efficiency.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate EBITDA margin remain unchanged from previous years.
Cash flows from operating activities	Cash flows from operating activities is defined as EBITDA less working capital adjustments and other adjustments.	Income before tax + reversal of financial expenses, net + depreciation and amortisation + other adjustments + working capital adjustments.	Cash flows from operating activities is an important measure of the company's ability to generate cash, pay interest, service loans, and make investments.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate cash flows from operating activities remain unchanged from previous years.
Subordinated capital	Subordinated capital consists of equity, subordinated loan and a second lien bond. Subordinated capital ranks last if the company goes into liquidation.	Equity + subordinated loan + second lien bond loan.	Subordinated capital can be considered as risk capital provided to the company. It includes equity and loans that are subordinated to the first lien bond loan, working capital facility, and guarantees.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate subordinated capital remain unchanged from previous years.
Subordinated capital ratio	Subordinated capital ratio is subordinated capital as a percentage of total assets.	Equity + subordinated loan + second lien bond loan / total assets × 100.	Subordinated capital can be considered risk capital provided to the company. It consists of equity and loans that are subordinated to the first lien bond loan, working capital facility and guarantees.	Prior-year comparative figures are presented in the 'Key figures' section.	The subordinated capital ratio covenant was removed as of 30 September 2022, therefore we reverted to the current more common definition replacing the definition of "subordinated capital as a percentage of total assets in ZITON excluding Wind Enterprise P/S".

OVERVIEW OF ALTERNATIVE PERFORMANCE MEASURES (CONTINUED)

APMs	Definition	Reconciliation	Explanation of use	Comparison	Coherence
Net interest-bearing debt (adjusted for capitalised financing costs)	Net interest-bearing debt ("NIBD") is senior debt with the highest priority level. It ranks ahead of subordinated debt if the company goes into liquidation.	First lien bond loan + ESG loan (both current and non-current) + lease obligations (current and non-current) – capitalised financing costs – cash and cash equivalents.	NIBD (adjusted for capitalised financing costs) measures the senior debt minus cash and cash equivalents.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate NIBD remain unchanged from previous years.
Loan to vessels ratio	The loan-to-vessels ratio expresses NIBD (adjusted for capitalised financing costs) compared to the book value of the company's vessels.	First lien bond loan + ESG loan (both current and non-current) + lease obligations (current and non-current) – capitalised financing costs - cash and cash equivalents / vessels	NIBD (adjusted for capitalised financing costs) is a measure of the senior debt less cash and cash equivalents.	Prior-year comparative figures are presented in the 'Key figures' section.	The criteria used to calculate NIBD are unchanged from previous years.
Available liquidity	The liquidity available to the company less cash on retention account, which is provided as security for the company's credit facilities, and less cash on CAPEX accounts reserved for the upgrade of J/U WIND ENERGY, plus available working capital credit facilities.	Cash and cash equivalents - cash on retention account - cash on CAPEX accounts - draw on working capital facility + available draw on facility.	Available liquidity is a key measure of the company's financial flexibility, including access to drawing rights on the working capital facility, ensuring its ability to meet interest and installment payments while managing fluctuations in future operating cash flows.	Prior-year comparative figures are presented in the 'Review of cash flows' section of the financial statements.	The criteria used to calculate available liquidity was changed from 2023 from when cash on CAPEX accounts is deducted as this cash is not available to the business, but reserved for the upgrade of J/U WIND ENERGY.
Liquidity	The liquidity available to the company less cash on retention account, which is provided as security for the company's credit facilities, and less cash on CAPEX accounts reserved for the upgrade of J/U WIND ENERGY.	Cash and cash equivalents - cash on retention account - cash on CAPEX accounts.	Liquidity is a key indicator of the company's available funds, its capacity to meet interest and installment payments, and its ability to manage fluctuations in future operating cash flows.	Prior-year comparative figures are presented in the 'Review of cash flows' section of the financial statements.	The criteria used to calculate liquidity was changed from 2023 from when cash on CAPEX accounts is deducted as this cash is not available to the business, but reserved for the upgrade of J/U WIND ENERGY.
Leverage ratio	Leverage ratio is NIBD at end of the reporting period divided by the last twelve month's EBITDA.	NIBD / last twelve month's EBITDA.	Leverage ratio is a financial covenant measured the first time at the end of 2024.	As the leverage ratio was not included prior to 2024, no comparative figures are presented.	As 2024 was the first time leverage ratio was included as a covenant, no changes to the calculation have been made.
Cash interest expenses	Paid or payable interest, commission, fees, discounts, premiums or charges paid excluding non-cash payments interest on any financial indebtedness.	Last twelve month's financial payments, net from the cash flow statement.	Cash interest expenses are used for calculation of the interest cover ratio.	Used for calculation of new covenant therefore no prior-year comparative figures are presented.	As 2024 was the first time interest cover ratio was included as a covenant, no changes to the calculation have been made.
Interest cover ratio	Interest cover ratio is the last twelve month's EBITDA divided by the last twelve month's cash interest expenses.	Last twelve month's EBITDA / last twelve month's cash interest expenses.	Interest cover ratio is a financial covenant measured the first time at the end of 2024.	As the interest cover ratio was not included prior to 2024, no comparative figures are presented.	As 2024 was the first time interest cover ratio was included as a covenant, no changes to the calculation have been made.

HOW WE MEASURE PERFORMANCE

The Board of Directors and the Executive Management Team track key performance indicators ("KPIs") to assess the long-term effectiveness of our strategy.

The Board of Directors and the Executive Management Team monitor a range of KPIs to evaluate the performance of our strategy over time. These KPIs include both financial and operational metrics, covering internal and external, as well as leading and lagging indicators. KPIs are maintained for various purposes across the organisation. At the group level, we track HSEQ reporting, vessel utilisation, day rates, return on invested capital, and employee turnover, among other factors. The three primary KPIs disclosed externally are detailed on the following pages. For specific KPI definitions and an explanation of their use, please refer to the section 'Alternative performance measures'.

WEIGHTED AVERAGE UTILISATION RATE

In March 2016, J/U WIND SERVER entered into a three-year time charter with Siemens Gamesa Renewable Energy ("SGRE"), providing a stable base utilisation for the company's fleet from 2016 to 2018. In 2018, utilisation of J/U WIND and J/U WIND PIONEER improved significantly, resulting in a weighted average utilisation rate of 86% for the year. However, utilisation dropped sharply to 42% in 2019, primarily due to the expiration of J/U WIND SERVER's three-year charter. The vessel continued on the West of Duddon Sands ("WoDS") blade campaign, which faced delays of several months, alongside a steep learning curve when the project commenced.

In May 2019, J/U WIND ENTERPRISE was bareboat chartered, and the vessel saw strong utilisation in 2020 while working on various framework agreements. J/U WIND SERVER remained on the WoDS blade campaign for almost all of 2020, achieving satisfactory utilisation, despite very low activity during the first two months due to adverse weather and a COVID-19 outbreak in the fourth quarter impacting operations.

From March 2021, J/U WIND ENTERPRISE commenced a long-term time charter with SGRE,

while J/U WIND SERVER operated on the Meerwind blade campaign for the final ten months of the year. However, utilisation was negatively impacted by COVID-19 precautions, reducing the fleet's average utilisation by five percentage points in 2021.

In 2022, utilisation improved due to the full-year effect of J/U WIND ENTERPRISE being on charter, compared to only ten months the previous year, along with better utilisation of J/U WIND SERVER. The positive trend continued in 2023, with all three of the smaller vessels benefiting from a stronger market for major component replacements, leading to higher day rates.

In 2024, J/U WIND ENERGY entered into a six-year time charter with SGRE, which commenced at the end of February. J/U WIND ENTERPRISE continued its time charter with SGRE, extended until the end of 2029. Meanwhile, high utilisation of all three smaller vessels persisted due to the strong demand for major component replacements.

Looking ahead to 2025, projected vessel utilisation reflects J/U WIND ENTERPRISE and J/U WIND ENERGY remaining on time charter with SGRE, with minimal off-hire days. The three smaller vessels are expected to continue benefiting from the favourable balance between demand and supply of jack-up vessels for O&M services.

EBITDA

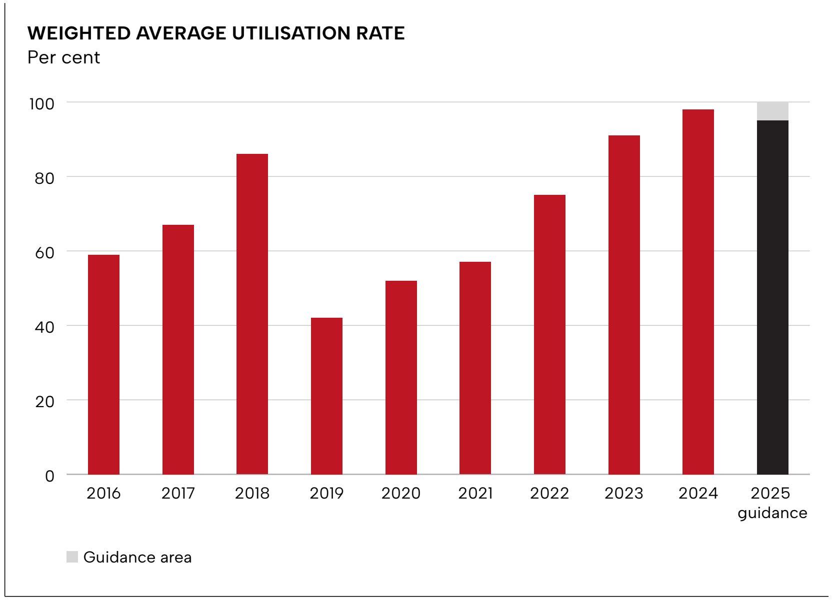
EBITDA improved steadily from 2016 to 2018, primarily due to increased vessel utilisation. However, in 2019, EBITDA declined sharply as a result of lower vessel utilisation and ZITON's cost structure, which consists largely of fixed operating costs and a smaller proportion of variable costs. Consequently, the drop in utilisation and revenue led to a significant reduction in EBITDA.

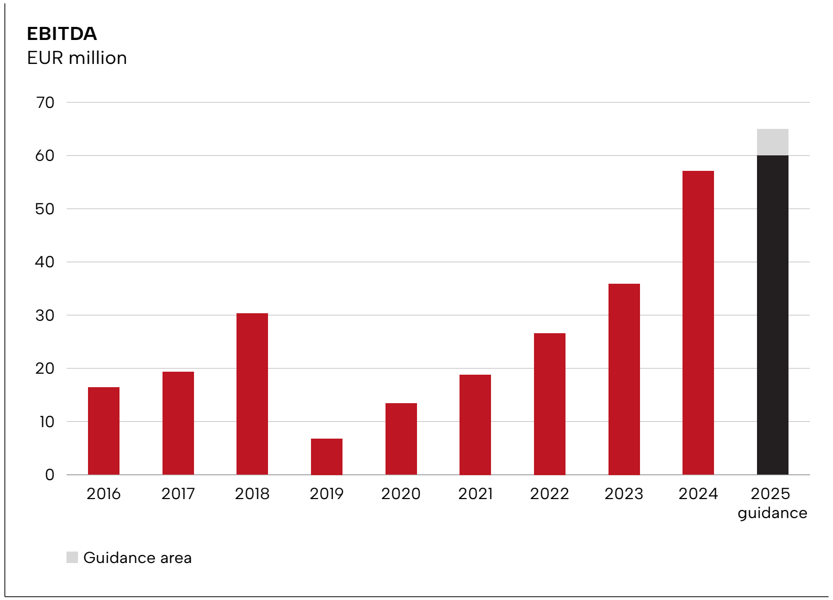
In 2020, EBITDA improved, mainly due to better execution of the WoDS blade campaign, which increased utilisation of J/U WIND SERVER, along with the full-year contribution from J/U WIND ENTERPRISE. In early 2021, J/U WIND ENTERPRISE did not generate revenue for the first two months while undergoing ten-year dry-dock surveys and repairs to maintain its condition and prevent unexpected off-hire days before commencing its long-term charter with SGRE. As mentioned, J/U WIND ENTERPRISE began its time charter with SGRE, while J/U WIND SERVER completed the Meerwind blade campaign. However, COVID-19 precautions negatively impacted EBITDA by EUR 3.0m in 2021.

In 2022, EBITDA saw strong improvement due to the full-year effect of J/U WIND ENTERPRISE's charter with SGRE and increased utilisation of J/U WIND SERVER. This positive trend continued in 2023, driven by improved utilisation and higher day rates for all three smaller vessels.

In 2024, J/U WIND ENERGY contributed to EBITDA growth as it commenced its time charter with SGRE at the end of February. Additionally, J/U WIND ENTERPRISE remained on time charter with SGRE for the full year, while the three smaller vessels benefited from a strong market for major component replacements, further boosting EBITDA.

For 2025, we anticipate further EBITDA growth due to the full-year effect of J/U WIND ENERGY's time charter with SGRE, which started in late February 2024. However, J/U WIND ENERGY may undergo a leg extension towards the end





of 2025. Additionally, the day rate for J/U WIND ENTERPRISE is set to increase significantly from mid-2025, following the contract extension signed in April 2023. Meanwhile, the three smaller vessels, servicing the below 6 MW market, will continue performing major component replacements under framework agreements and other tenders attained.

CASH FLOWS FROM OPERATING ACTIVITIES

Cash flows from operating activities are defined as EBITDA less working capital and other adjustments. As such, they provide a good indication of the company's cash flow generation power.

Cash flows from operating activities increased from 2016 to 2018, in line with improvements in utilisation and EBITDA. In 2019, the decline in cash flows from operating activities was not as sharp as the drop in EBITDA, as ZITON received an advance payment of approximately EUR 6.5m for the WoDS blade campaign. This advance payment was reversed at the end of 2020 upon completion of the campaign.

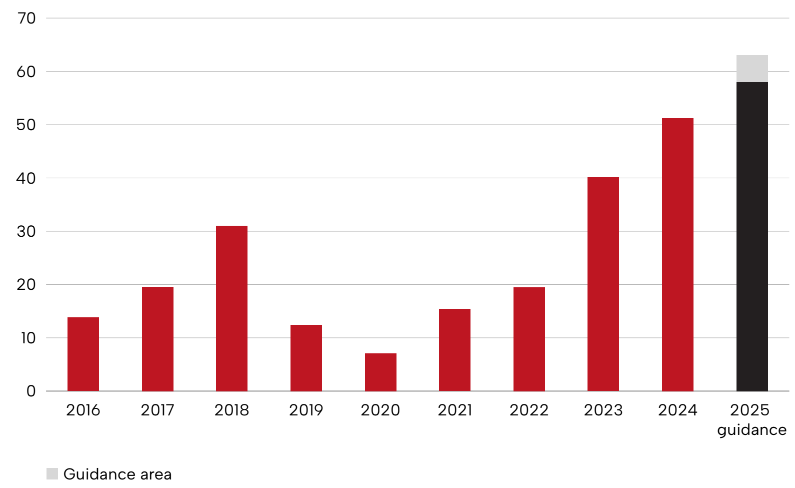
In 2021, cash flows from operating activities increased in line with higher utilisation and EBITDA. However, the rise in revenue also led to an increase in trade receivables, partially offsetting the improvement in EBITDA. In 2022, cash flows from operating activities did not fully reflect the same level of improvement as EBITDA, mainly due to non-recurring cash items amounting to EUR 4.0m related to debt restructuring and a EUR 1.8m delayed payment from a customer at year-end.

The significant increase in operating cash flows in 2023 was primarily due to CAPEX for the upgrade of J/U WIND ENERGY, which was incurred towards the end of 2023 but paid at the beginning of 2024, leading to a EUR 6.5m increase in trade payables for 2023.

In 2024, the strong increase in trade payables was partially reversed as the upgrade of J/U WIND ENERGY was completed. Additionally, the overall improvement in 2024 reflected EBITDA growth, driven by the initiation of J/U WIND ENERGY's time charter.

For 2025, we anticipate a further increase in cash flows from operating activities due to the full-year effect of J/U WIND ENERGY's time charter with SGRE, a higher day rate for J/U WIND ENTERPRISE from mid-2025, and continued strong utilisation of the three smaller vessels.

CASH FLOWS FROM OPERATING ACTIVITIES
EUR million



2024 PERFORMANCE REVIEW

The following is a review of the guidance provided to bondholders on our performance in 2024.

We initially provided guidance for 2024 in the Q4 2023 interim report, published on 27 February 2024. This guidance was revised upwards in August 2024 following strong performance in Q2 2024 and a positive outlook for the remainder of the year.

WEIGHTED AVERAGE UTILISATION RATE

When publishing our Q4 2023 interim report, we expected utilisation to be in the range of 85%-95%. This was increased to 90%-100% in our Q2 2024 interim report and remained unchanged for the rest of the year. We achieved a weighted average utilisation of 98% in 2024, aligning with our revised guidance range.

Weighted average utilisation rate increased as a result of higher revenue. The fully consolidated results for ZITON show net revenue for 2024 of EUR 104.5m compared to EUR 70.1m for 2023. The increase in revenue reflect that J/U WIND ENERGY went on time charter at the end of February 2024 as well as strong revenue growth from the three smaller vessels as the market for major component replacements was strong.

EBITDA

Our initial EBITDA guidance for 2024 was set at EUR 52-56m in the Q4 2023 interim report. In August 2024, we upgraded expectations to EUR 55-59m, which remained unchanged for the rest of the year. We achieved an EBITDA of EUR 57.1m, in line with our revised guidance range.

EBITDA was a EUR 57.1m profit in 2024 compared to a profit of EUR 35.9m in 2023. The improvement was due to an increase in revenue reflecting that J/U WIND ENERGY went on time charter with SGRE at the end of February 2024, as well as improved contribution from the three smaller vessels due to a stronger market for major component replacements, which was partly offset by one-off income of EUR 0.8m in Q1 2023 for J/U WIND ENTERPRISE and one-off transaction costs related to the sale of ZITON A/S.

CASH FLOW FROM OPERATING ACTIVITIES

We initially projected cash flows from operating activities of EUR 47-51m in the Q4 2023 interim report. This was revised upwards in August 2024 to EUR 50-54m and remained unchanged thereafter. We achieved cash flows from operating activities of EUR 51.2m, aligning with our revised guidance.

Cash flows from operating activities amounted to EUR 51.2m in 2024 compared to EUR 40.1m in 2023. The cash flow is driven by EBITDA and working capital adjustments. Negative working capital adjustments of EUR 5.8m were related to J/U WIND ENERGY initiating the time charter at the end of February 2024, thereby increasing trade receivables. In addition, trade payables for CAPEX for the upgrade of J/U WIND ENERGY were reduced as the upgrade of the vessel was largely completed during Q1 2024.

CAPEX

We initially expected CAPEX of approximately EUR 7m, excluding the upgrade of J/U WIND ENERGY, as per our Q4 2023 interim report. This was revised in August 2024 to EUR 7-9m and remained unchanged for the rest of the year. We achieved net CAPEX of EUR 9.0m, excluding J/U WIND ENERGY, in line with our revised guidance.

Additionally, we originally projected CAPEX for J/U WIND ENERGY, including leg extension, at approximately EUR 22m in the Q4 2023 interim report. This was revised to approximately EUR 26m in May 2024 and further increased to EUR 26-28m in October 2024. However, we realised net CAPEX of EUR 18.0m for J/U WIND ENERGY, significantly lower than expected because the leg extension was postponed into 2025-2026.

In 2024, investing activities amounted to an outflow of EUR 27.0m compared to an outflow of EUR 92.0m in 2023. The decrease in cashflow from investing activities in 2024 was mainly due to the purchase, upgrade and transport of J/U WIND ENERGY in 2023. For 2024, EUR 18.0m were related to the upgrade of J/U WIND ENERGY and EUR 9.0m were related to the other vessels.

OUTLOOK FOR 2025

The strong results achieved in 2024 are expected to continue into 2025, with further improvements in financial performance.

THE OUTLOOK FOR 2025, IS BASED ON THE FOLLOWING KEY ASSUMPTIONS:

- The long-term charter agreement with Siemens Gamesa Renewable Energy ("SGRE") for J/U WIND ENERGY. The vessel is expected to operate successfully with limited off-hire days. However, in late 2025, the vessel may undergo a leg extension, during which the day rate on the time charter will be reduced.
- The long-term charter agreement with SGRE for J/U WIND ENTERPRISE. The vessel's day rate is set to increase significantly by mid-2025, in accordance with the contract extension signed in April 2023.
- The three smaller vessels, servicing the market below 6 MW, will continue to carry out regular major component replacements under framework agreements and other tenders attained.

THE FOLLOWING SETS OUT OUR KPI GUIDANCE FOR 2025:

- We expect a weighted average utilisation rate to be in the range of 95-100%.
- We expect EBITDA to be in the range of EUR 60-65m.
- We expect cash flows from operating activities to be in the range of EUR 58-63m.
- We expect CAPEX to be in the range of EUR 24-28m, including CAPEX for leg extension on J/U WIND ENERGY.

KPI GUIDANCE FOR 2025

Weighted average utilisation rate

95–100%

EBITDA (EUR)

60–65m

Cash flow from operating activities (EUR)

58–63m

CAPEX (EUR)

24–28m

CAPITAL STRUCTURE

Unchanged capital structure in 2024, but a step down in margins.

In 2024, no changes were made to the capital structure implemented in 2023. On 25 May 2023, ZITON completed the financing for the purchase of J/U WIND ENERGY. At the same time, ZITON refinanced its existing debt to optimise and extend its capital structure. ZITON raised EUR 250m in senior debt, consisting of EUR 150m in first lien bonds and DKK 745m (EUR 100m) in an ESG loan. Additionally, ZITON issued EUR 31.3m in second lien bonds and raised EUR 15m in equity.

The terms of the first lien bond loan (ISIN NO0012928185) and the second lien bond loan (ISIN NO0012928169) included a definition of margins stating that if the leverage ratio were reduced below 4.25x, the margin would be reduced by 300 basis points ("bps"). Similarly, for the ESG loan, the margin would be reduced by 270 bps. At the end of Q3 2024, the leverage ratio stood at 3.83x, thereby falling below 4.25x. Consequently, the margins on the first lien bonds, second lien bonds, and ESG loan were reduced, effective from 9 December 2024.

Following the reduction in margins:

- The EUR 150m in first lien bonds, maturing on 9 June 2028, now carries a floating rate coupon of 3m EURIBOR + 650 bps per annum.
- The DKK 745m (EUR 100m) ESG loan, also maturing on 9 June 2028, has two-thirds of the loan carrying a fixed interest rate of 9.53%, while one-third carries a floating rate coupon of 3m CIBOR + 630 bps per annum.
- The EUR 38.9m second lien bonds, maturing on 9 December 2028, now carry a floating rate coupon of 3m EURIBOR + 950 bps per annum.

HISTORICAL DEVELOPMENT OF CAPITAL STRUCTURE

The charts on the following page illustrate the evolution of ZITON's capital structure from 2017 to 2024. The assets chart shows that vessels accounted for 87% of total assets at the end of 2024, while the liabilities chart reflects the development in vessel financing.

Jack-Up InvestCo 3 Plc was established in 2013 as a joint venture between ZITON A/S and Blue Water Capital SA for the purpose of constructing J/U WIND SERVER. By the end of 2017, Jack-Up InvestCo 3 Plc was fully consolidated into ZITON's financial statements. As a result, Blue Water Capital SA's share of equity was recorded as non-controlling interests, amounting to EUR 19.0m.

In October 2018, ZITON A/S acquired Blue Water Capital SA's 50% ownership interest, eliminating non-controlling interests from ZITON's financial statements. Additionally, as part of the refinancing in October 2018, EUR 17.0m of a subordinated loan was partially repaid. The non-controlling interests and partially repaid

subordinated loan, amounting to EUR 36.0m, were partially replaced by a new second lien bond loan of EUR 25m during the same refinancing.

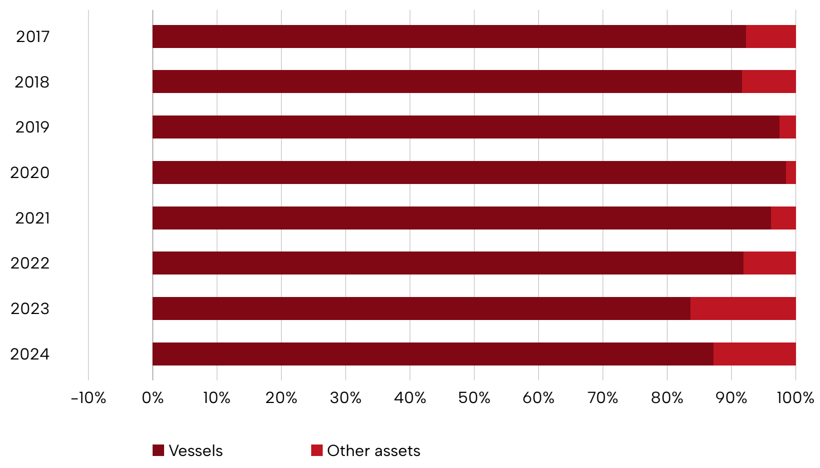
In May 2019, ZITON bareboat chartered J/U WIND ENTERPRISE until 31 March 2021, with an option to purchase the vessel. Under IFRS 16, the bareboat charter commitments and the option's exercise price were discounted and capitalised in the balance sheet as assets and lease liabilities. In January 2021, ZITON replaced the lease obligations related to J/U WIND ENTERPRISE with a EUR 35m bond issue in Wind Enterprise P/S to purchase the vessel.

Between 2019 and 2021, ZITON's balance sheet deteriorated significantly as operational earnings declined. This was primarily due to the less profitable than anticipated blade campaigns at West of Duddon Sands and Meerwind. Additionally, the fleet expansion – through the bareboat charter of J/U WIND ENTERPRISE in May 2019 and its subsequent purchase in January 2021 – increased debt levels.

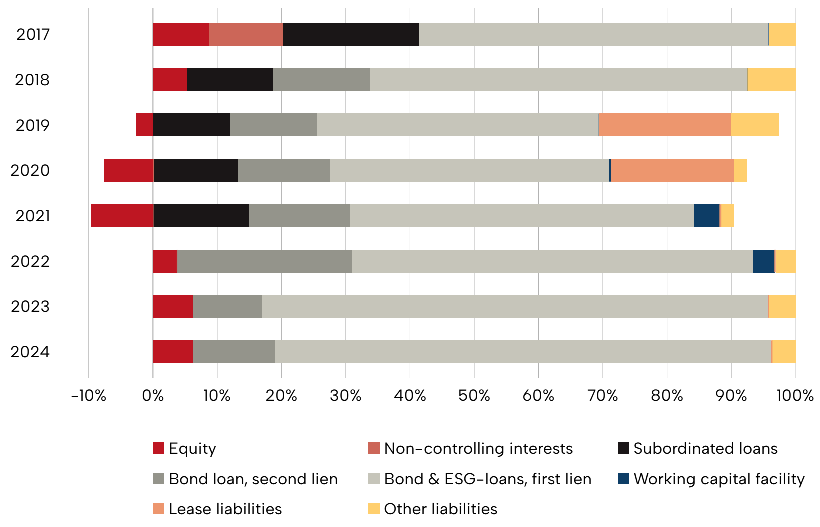
In Q1 2022, due to excessive leverage, ZITON and its shareholders initiated negotiations with its financial creditors to establish a long-term, viable capital structure. This resulted in a debt restructuring completed on 30 September 2022, which significantly strengthened the company's capital structure and liquidity. The restructuring involved converting EUR 38.7m of subordinated debt into equity, extending the maturities of the first and second lien loans, increasing the second lien bond loan, and thereby improving the subordinated capital ratio.

In 2023, ZITON completed the financing for the purchase of J/U WIND ENERGY on 25 May 2023. Simultaneously, the company refinanced its existing debt to optimise and extend its capital structure. This involved raising EUR 250m in senior debt, consisting of EUR 150m in first lien bonds and DKK 745m (EUR 100m) in an ESG loan. Additionally, ZITON issued EUR 31.3m in second lien bonds and raised EUR 15m in equity. The refinancing proceeds were partially used to repay existing debt, including debt issued by ZITON A/S and Wind Enterprise P/S. Furthermore, EUR 92.7m was allocated to finance the acquisition of the jack-up vessel J/U WIND ENERGY.

ASSETS



LIABILITIES



KEY FIGURES

EUR´000	2020	2021	2022	2023	2024
Income statement					
Revenue	49,637	58,051	57,746	70,113	104,526
EBITDA	13,416	18,801	26,596	35,875	57,132
Net financial expenses	-19,756	-22,788	-23,781	-26,855	-39,041
Income before tax	-17,252	-15,072	-8,632	-2,801	-112
Income after tax	-12,356	-15,355	-8,457	-2,819	-180
Balance sheet items					
Non-current assets	187,939	182,404	175,694	255,694	264,163
Current assets	2,869	7,167	15,104	49,783	38,751
Total assets	190,808	189,571	190,798	305,477	302,914
Investments in vessels, property and fixtures & equipment	2,556	5,196	4,521	91,836	26,974
Equity	-16,910	-22,245	7,304	19,072	18,884
Equity and subordinated capital	44,986	49,314	59,244	51,962	57,811
Current liabilities	49,825	116,548	12,663	20,325	31,240
Cash flows					
Net cash flows from operating activities	7,107	15,434	20,093	40,059	51,254
Net cash flows before investment activities	1,021	5,013	9,788	16,795	21,531
Net cash used in investing activities	-2,556	-5,196	-4,570	-91,984	-26,974
Net cash used/received in financing activities	-188	1,397	-2,108	107,703	-9,732
Net change in cash and cash equivalents	-1,723	1,214	3,109	32,515	-15,175
Financial ratios and other key figures					
EBITDA margin	27.0%	32.4%	46.1%	51.2%	54.7%
Subordinated capital ratio	31.1%	27.0%	30.9%	17.0%	19.1%
NIBD (adjusted for capitalised financing costs)	142,917	134,629	120,973	203,987	212,376
Interest cover ratio	–	–	–	–	1.92
Leverage ratio	–	–	–	–	3.65
Loan to vessel ratio	76.2%	76.7%	69.0%	79.8%	80.4%
Total number of operating vessels (average)	4	4	4	4	5

Key ratios have been prepared in accordance with CFA Society Denmark's online version of "Recommendations & Ratios".

Financial ratios and other key figures are described in the management review section 'Alternative performance measures'.

EUR´000	Q1-24	Q2-24	Q3-24	Q4-24
Revenue	19,793	31,007	31,064	22,660
Other operating income	–	7	–	8
Project-related expenses	-373	-1,024	-1,118	-1,634
Operational expenses	-7,586	-7,901	-8,239	-9,259
Gross profit	**11,834**	**22,089**	**21,707**	**11,775**
SG&A	-2,290	-2,518	-2,257	-3,209
EBITDA	**9,544**	**19,571**	**19,450**	**8,566**
Weighted average utilisation	87%	114%	112%	76%

EUR´000	Q1-23	Q2-23	Q3-23	Q4-23
Revenue	16,239	20,205	18,885	14,783
Other operating income	–	–	–	205
Project-related expenses	-195	-1,106	-1,225	-728
Operational expenses	-5,124	-5,732	-5,691	-5,646
Gross profit	**10,920**	**13,367**	**11,970**	**8,614**
SG&A	-2,236	-2,230	-2,096	-2,434
EBITDA	**8,684**	**11,137**	**9,874**	**6,180**
Weighted average utilisation	88%	108%	93%	76%

CONSOLIDATED

FINANCIAL STATEMENTS & REVIEW

Jump to our

PARENT COMPANY FINANCIAL STATEMENTS →

Income statement & statement of comprehensive income **1 January – 31 December**

Income statement

EUR´000	Note	2024	2023
Revenue	2.1	**104,526**	**70,113**
Other operating income		15	205
Project-related expenses		-4,149	-3,255
Operating expenses	2.2	-32,985	-22,192
Gross profit		**67,406**	**44,871**
Administrative expenses		-3,014	-2,204
Staff costs, office staff	2.3	-7,261	-6,792
EBITDA		**57,132**	**35,875**
Depreciation, amortisation & impairment losses	3.1-3.2	-18,203	-11,821
EBIT		**38,929**	**24,054**
Financial income	4.4	773	875
Impairment losses on financial assets	4.4	-	-86
Financial expenses	4.4	-39,815	-27,643
Income before tax		**-112**	**-2,801**
Tax on profit (loss)	5.1	-68	-18
Income for the year		**-180**	**-2,819**
Attributable to:			
Shareholders of ZITON A/S		-87	-2,738
Non-controlling interests		-93	-80
Income for the year		**-180**	**-2,819**

Statement of comprehensive income

EUR´000	2024	2023
Income for the year	**-180**	**-2,819**
Items that will subsequently be reclassified to the income statement when specific conditions are met:		
Exchange adjustments of foreign entities, net of tax	-8	-28
Total comprehensive income for the year, after tax	**-188**	**-2,847**
Attributable to:		
Shareholders of ZITON A/S	-95	-2,766
Non-controlling interests	-93	-80
Total comprehensive income for the year, after tax	**-188**	**-2,847**

Review of the income statement

REVENUE
The fully consolidated results for ZITON show net revenue for 2024 of EUR 104.5m compared to EUR 70.1m for 2023. The increase in revenue reflects that J/U WIND ENERGY went on time charter at the end of February 2024 as well as strong revenue growth from the three smaller vessels as the market for major component replacements was strong.

EXPENSES
Total expenses in ZITON increased to EUR 47.4m in 2024 from EUR 34.4m in 2023. The increase was mainly due to increases in OPEX from J/U WIND ENERGY as well as employment of additional personnel to manage her operations.

Project-related and operating expenses
Project-related costs and operating expenses increased to EUR 37.1m in 2024 from EUR 25.4m in 2023. The main reason was OPEX for J/U WIND ENERGY as well as costs for providing full-service solutions, which was at a strong level for 2024.

Administrative and salary expenses
SG&A expenses increased to EUR 10.3m for 2024 from EUR 9.0m for 2023 mainly due to one-off transaction costs related to the sale of ZITON A/S as well as employment of additional personnel to manage the operations of J/U WIND ENERGY.

EBITDA
EBITDA was a EUR 57.1m profit in 2024 compared to a profit of EUR 35.9m in 2023. The improvement was due to an increase in revenue reflecting that J/U WIND ENERGY went on time charter with SGRE at the end of February 2024, as well as improved contribution from the three smaller vessels due to a stronger market for major component replacements, which was partly offset by one-off income of EUR 0.8m in Q1 2023 for J/U WIND ENTERPRISE and one-off transaction costs related to the sale of ZITON A/S.

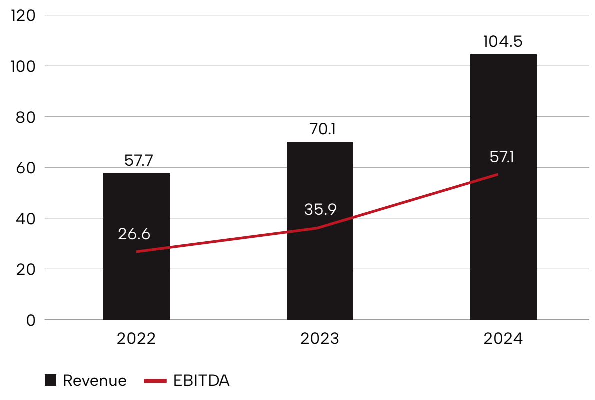
DEPRECIATION AND AMORTISATION
Depreciation charges increased to EUR 18.2m in 2024 from EUR 11.8m in 2023. The increase was largely related to depreciation of J/U WIND ENERGY.

NET FINANCIALS
Net financials was an expense of EUR 39.0m in 2024 compared to an expense of EUR 26.9m in 2023. The increased financial costs were a consequence of increased debt to finance the purchase and upgrade of J/U WIND ENERGY as well as higher interest margins on the debt following the refinancing in June 2023.

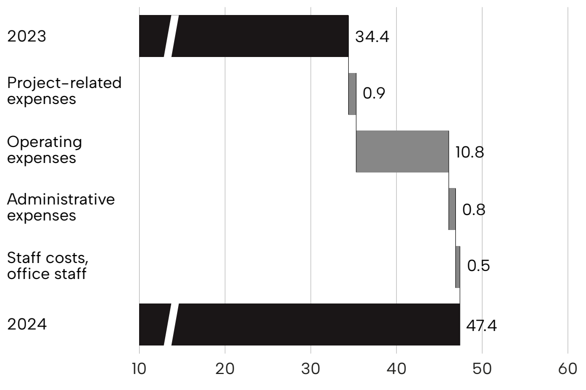
TAX ON PROFIT (LOSS)
Tax on profit was an expense of EUR 68k. Taxation is described further in note 5.1.

NON-CONTROLLING INTERESTS
A loss of EUR 93k representing 50% of the losses for the year in Hangout A/S is attributed to non-controlling interests.

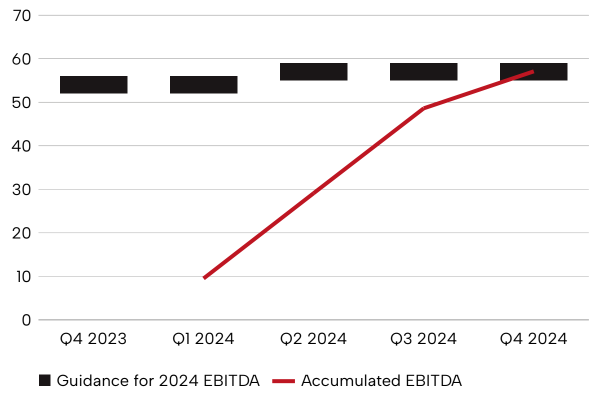
REVENUE & EBITDA
EUR million



EXPENSES
EUR million



ACCUMULATED EBITDA & EXPECTED RANGE
EUR million



Balance sheet
31 December

Assets

EUR´000	Note	2024	2023
ASSETS			
Non-current assets			
Vessels, including property and fixtures & equipment	3.1	264,035	255,463
Intangible assets	3.2	128	192
Deferred tax asset	5.2	–	39
Total non-current assets		**264,163**	**255,694**
Current assets			
Inventories		228	310
Contract assets	3.5	793	1,717
Trade and other receivables	3.4	15,784	10,635
Cash and cash equivalents	4.1-4.4	21,947	37,121
Total current assets		**38,751**	**49,783**
Total assets		**302,914**	**305,477**

Equity and liabilities

EUR´000	Note	2024	2023
EQUITY			
Share capital		54	54
Reserves		-160	-152
Retained earnings		19,014	19,101
Total equity attributable to shareholders of ZITON A/S		**18,908**	**19,003**
Non-controlling interests		-23	70
Total equity		**18,884**	**19,072**
LIABILITIES			
Non-current liabilities			
ESG loan	4.1-4.4	92,905	96,098
Bond loan, second lien	4.1-4.4	38,927	32,890
Bond loan, first lien	4.1-4.4	120,740	136,815
Lease obligations	4.1-4.4	201	276
Deferred tax liability	5.2	17	–
Total non-current liabilities		**252,790**	**266,079**
Current liabilities			
ESG loan	4.1-4.3	4,003	–
Bond loan, first lien	4.1-4.4	16,191	7,687
Lease obligations	4.1-4.4	284	232
Current tax payable		11	6
Trade and other payables	3.6	7,215	9,284
Provision for other liabilities	3.3	3,537	3,116
Total current liabilities		**31,240**	**20,325**
Total liabilities		**284,030**	**286,404**
Total equity and liabilities		**302,914**	**305,477**

Review of the balance sheet

VESSELS, INCLUDING PROPERTY AND FIXTURES & EQUIPMENT
The total value of the vessels (including property and fixtures & equipment) amounted to EUR 264.0m at the end of 2024. This compares to EUR 255.5m at the end of 2023. The increase of EUR 8.6m was mainly due to the purchase of J/U WIND ENERGY in June 2023 and subsequent costs for the upgrade of the vessel.

NET WORKING CAPITAL
Working capital increased by EUR 8.6m in 2024.

Trade receivables & contract assets
Trade receivables and contract assets amounted to EUR 14.4m at the end of 2024 compared to EUR 9.5m at the end of 2023. The increase was mainly related to J/U WIND ENERGY initiating the time charter at the end of February 2024.

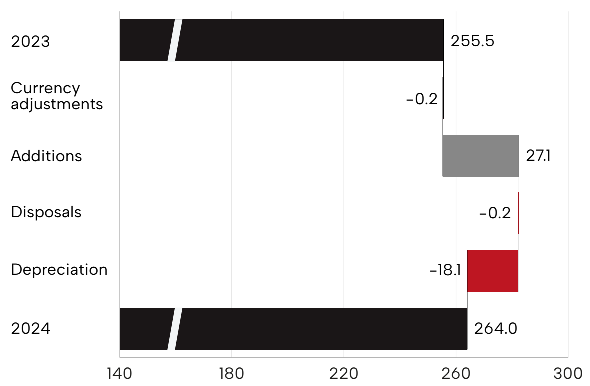
Trade payables
Trade payables decreased to EUR 5.2m in 2024 from EUR 8.9m in 2023. The decrease in trade payables was mainly due to an increase in trade payables related to the purchase of J/U WIND ENERGY in 2023.

EQUITY
Equity was positive at EUR 18.9m at the end of 2024, compared EUR 19.1m at the end of 2023. The decline was mainly due to negative net income for the year.

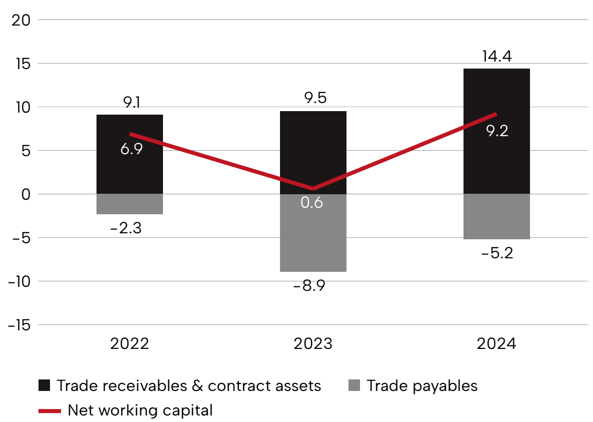
NET INTEREST BEARING DEBT (NIBD)
NIBD includes bond debt (adjusted for capitalised expenses), the amount drawn on the working capital facility, and finance lease liabilities less cash and cash equivalents.

Change in NIBD
NIBD amounted to EUR 212.4m at the end of 2024 compared to EUR 204m at the end of 2023.

VESSEL, INCLUDING FIXTURES & EQUIPMENT
EUR million



NET WORKING CAPITAL
EUR million



Cash flow statement
1 January – 31 December

EUR´000	Note	2024	2023
Income before tax		-112	-2,801
OPERATING ACTIVITIES			
Adjustments for non-cash items			
Reversal of financial expenses, net	4.4	39,041	26,855
Depreciation and writedowns for the period	3.1	18,203	11,821
Other adjustments		-86	-77
Working capital adjustments			
Change in inventories		82	110
Change in contract assets		924	-1,717
Change in trade receivables		-5,149	-558
Change in trade payables		-1,648	6,426
Net cash flows from operating activities		**51,254**	**40,059**
FINANCIAL PAYMENTS			
Financial receipts		747	867
Financial payments		-30,463	-24,129
Income tax expenses			
Income tax expenses		-7	-2
Net cash flows before investing activities		**21,531**	**16,795**

EUR´000	Note	2024	2023
INVESTING ACTIVITIES			
Purchase of tangible fixed assets	3.1	-27,111	-92,293
Disposal of tangible fixed assets		137	457
Purchase of intangible fixed assets		-	-148
Net cash used in investing activities		**-26,974**	**-91,984**
FINANCING ACTIVITIES			
Repayment of debt to bondholders	4.5	-9,600	-172,365
Loan costs		-89	-9,377
Proceeds from bank and bond loans	4.5	-	281,339
Draw on working capital facility	4.1-4.4	-	-6,248
Capital injection from parent		-	15,000
Cost of capital increase		-	-385
Lease payments	4.1-4.4	-43	-260
Net cash used/received in financing activities		**-9,732**	**107,703**
Net change in cash and cash equivalents		**-15,175**	**32,515**
Cash and cash equivalents at beginning of period	4.2	37,121	4,607
Cash and cash equivalents at end of period	4.2	**21,947**	**37,121**

Review of cash flows

OPERATING ACTIVITIES

Cash flows from operating activities amounted to EUR 51.2m in 2024 compared to EUR 40.1m in 2023. The cash flow is driven by EBITDA and working capital adjustments. Negative working capital adjustments of EUR 5.8m were related to J/U WIND ENERGY initiating the time charter at the end of February 2024, thereby increasing trade receivables. In addition, trade payables for CAPEX for the upgrade of J/U WIND ENERGY were reduced as the upgrade of the vessel was largely completed during Q1 2024.

For the full year 2024, net financial payments amounted to negative EUR 29.7m compared to EUR 23.3m for 2023. The increased financial payments were a consequence of increased debt to finance the purchase and upgrade of J/U WIND ENERGY as well as higher interest margins on the debt following the refinancing in June 2023.

INVESTING ACTIVITIES

In 2024, investing activities amounted to an outflow of EUR 27.0m compared to an outflow of EUR 92.0m in 2023. The decrease in cashflow from investing activities in 2024 was mainly due to the purchase, upgrade and transport of J/U WIND ENERGY in 2023. For 2024, EUR 18.0m were related to the upgrade of J/U WIND ENERGY and EUR 9.0m were related to the other vessels.

FINANCING ACTIVITIES

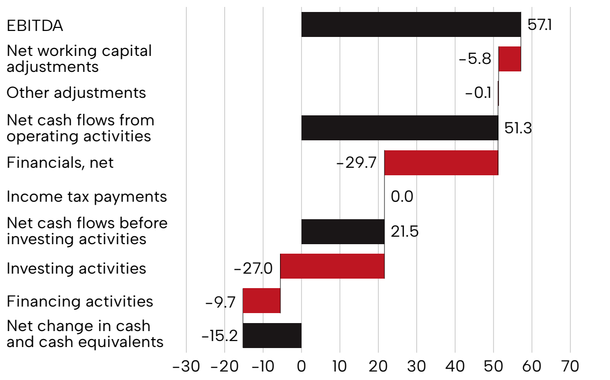
Financing activities in 2024 amounted to a cash outflow of EUR 9.7m compared to a cash inflow of EUR 107.7m in 2023. The outflow for 2024 was mainly related to the initiation of amortisation on the first lien bond loan. The inflow for 2023 was mainly net proceeds from the refinancing completed in June 2023 which were used for the purchase and upgrade of J/U WIND ENERGY.

AVAILABLE LIQUIDITY

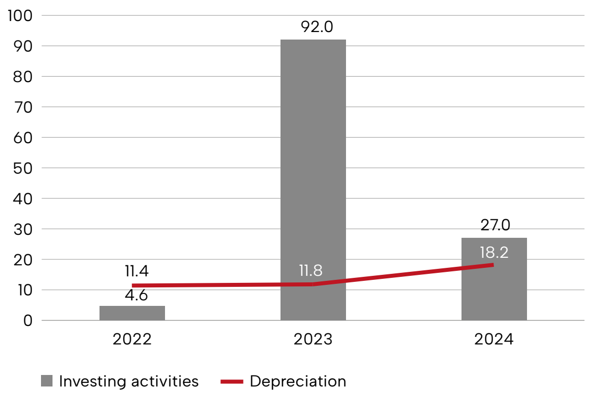
Available liquidity including available drawings on the working capital facility amounted to EUR 28.7m at the end of 2024 compared to EUR 43.8m available at the end of 2023.

EUR´000	2024	2023	2022
Liquidity	**21.9**	**37.1**	**4.6**
Available draw on working capital facility	6.7	6.7	0.4
Available liquidity	**28.7**	**43.8**	**5.0**

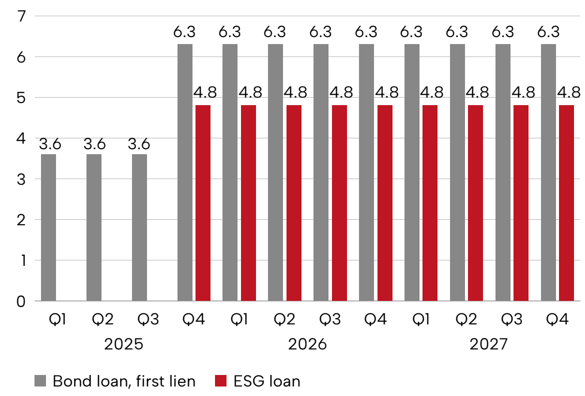
CASH FLOWS
EUR million



INVESTING ACTIVITIES VS. DEPRECIATION
EUR million



DEBT REPAYMENTS NEXT THREE YEARS
EUR million



Statement of changes in equity

2024 EUR´000	Share capital	Translation reserves	Total reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to shareholders of ZITON A/S						
Balance at 31 December 2023	**54**	**-152**	**-152**	**19,101**	**19,003**	**70**	**19,072**
Total comprehensive income for the year, after tax	-	-8	-8	-87	-95	-93	-188
Balance at 31 December 2024	**54**	**-160**	**-160**	**19,014**	**18,908**	**-23**	**18,884**

SHARE CAPITAL

At 31 December 2024, ZITON A/S' registered share capital was DKK 400.000 and comprised 400.000 shares of DKK 1 each. The share capital was unchanged from last year. No shares are subject to special rights or restrictions on voting rights. All shares are fully paid up.

ACCOUNTING POLICIES

Reserves on equity consist of the following:
The translation reserve comprises foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK and translation from the functional currency to the presentation currency.

2023 EUR´000	Share capital	Translation reserves	Total reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to shareholders of ZITON A/S						
Balance at 31 December 2022	**54**	**-124**	**-124**	**7,225**	**7,154**	**150**	**7,304**
Total comprehensive income for the year, after tax	-	-28	-28	-2,738	-2,766	-80	-2,847
Capital injection from parent	-	-	-	15,000	15,000	-	15,000
Cost of capital increase	-	-	-	-385	-385	-	-385
Balance at 31 December 2023	**54**	**-152**	**-152**	**19,101**	**19,003**	**70**	**19,072**

SHARE CAPITAL

At 31 December 2023, ZITON A/S' registered share capital was DKK 400.000 and comprised 400.000 shares of DKK 1 each. The share capital was unchanged from 2022. No shares were subject to special rights or restrictions on voting rights. All shares were fully paid up.

Notes to the consolidated financial statements

READING GUIDE
The following abbreviations I/S, B/S and C/F used in the notes to these financial statements indicate amounts that can be found in the income statement, balance sheet and cash flow statement respectively.

Note 1 / Basis of reporting

1.1 Basis of reporting

GENERAL INFORMATION
ZITON A/S is a public limited company incorporated in Horsens, Denmark.

ZITON A/S is controlled by Zappy Topco ApS, which holds 100% of the share capital in ZITON A/S. The ultimate parent of the group on the balance sheet date is Permira Credit Solutions III Sub Master Euro S.à r.l., Luxemborg, by virtue of 55% holding of shares with voting rights in Zappy Topco ApS. On 7 January 2025, Macquarie Asset Management, through Macquarie European Infrastructure Fund 7, acquired all shares in Zappy Topco ApS.

The ultimate controlling party of ZITON A/S after closing of the transaction is MEIF 7 Luxembourg GP S.à r.l.

ZITON Group financials are included in the consolidated financial statements for Zappy Topco ApS.

The consolidated financial statements of ZITON A/S have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and additional Danish disclosure requirements for annual reports of reporting class D companies.

The consolidated financial statements are presented in EUR thousands (EUR´000).

The consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments and balances required to be measured at fair value. Other than as set out in the section 'Relevant new accounting standards', the principal accounting policies adopted are consistent with the consolidated financial statements for the year ended 31 December 2023.

Significant accounting policies adopted in the preparation of these consolidated financial statements are disclosed in relevant notes. If no relevant note exists, the accounting policies are listed in this note. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the group consisting of ZITON A/S and its subsidiaries.

Furthermore, significant accounting judgements, estimates and assumptions used in these consolidated financial statements are disclosed in relevant notes. If no relevant note exists, the significant accounting judgements, estimates and assumptions are listed in this note.

ACCOUNTING POLICIES

BASIS OF CONSOLIDATION
The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company. Control is achieved when the company:
- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee, and;
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:
- the size of the company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties;
- rights arising from other contractual arrangements, and;
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the company obtains control over the subsidiary and ceases when the company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the company gains control until the date when the company ceases to control the subsidiary.

The consolidated financial statements of the ZITON A/S group consist of the wholly-owned, ZITON Contractors A/S, ZITON Ltd, ZITON GmbH, Green Wind Enterprise ApS, Wind Enterprise P/S, and the 50% owned company Hangout A/S, which management has evaluated can be 100% consolidated according to IFRS 10.

Financials of Green Wind Enterprise ApS and Wind Enterprise were consolidated until their dissolution during the financial year.

Profit or loss and each component of other comprehensive income are attributed to the shareholders of ZITON A/S and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

FOREIGN CURRENCIES
Functional and presentational currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Although the functional currency for ZITON A/S is DKK, the consolidated financial statements are presented in EUR because the main financing is in EUR.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in profit or loss. They are deferred in equity if they are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement under financial income or expenses. All other foreign exchange gains and losses are presented in

Note 1 / Basis of reporting

1.1 Basis of reporting (continued)

the income statement on a net basis under revenue or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Group companies
The results and financial position of foreign operations (none of which have the currency of a hyperinflationary economy) that have a functional currency other than the presentational currency are translated into the presentational currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and;
- all resulting exchange differences are recognised in other comprehensive income.

Foreign currency translation
On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

INVENTORIES
Inventories primarily comprise bunker onboard vessels. Inventories are measured at the lower of cost according to the FIFO method and net realisable value.

INCOME STATEMENT
Project-related expenses
Project-related expenses consist of expenses in relation to projects and primarily involve expenses to subcontractors, tugboat, seabed analyses and special equipment used for operations. Like revenue, project-related expenses are recognised upon delivery of the service.

Operating expenses
Operation of vessels comprises expenses other than project-related expenses incurred to generate the revenue for the year. Vessel operating costs are divided into fixed and variable expenses. As vessels are obligated by law to have a minimum crew, staff expenses for employees are considered a fixed expense. Fixed expenses include insurance, maintenance expenses, staff costs, etc. Variable expenses include bunker, lubricants and other expenses to move the vessel. Like revenue, operating costs are recognised upon delivery of the service.

Administrative expenses
Administrative expenses comprise cost of rent, travel, external expenses and other office expenses, etc. Administrative expenses are also recognised upon delivery of the service.

CASH FLOWS
The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated according to the indirect method as the income before tax adjusted for non-cash operating items and changes in working capital.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of intangible assets, property, plant and equipment and other non-current assets.

Cash flows from financing activities comprise changes in the share capital and related costs as well as the raising of loans, repayment of bank and bond debt, instalments on leases, acquisition and disposal of subordinated debt and payment of dividends to shareholders and changes on the working capital facility.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the group's consolidated financial reporting requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets and liabilities affected in future periods.

The consolidated financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. The transactions are presented in classes of similar items in the consolidated financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the consolidated financial statements or in the notes.

Accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the measurement of assets and liabilities in the following reporting period. Management bases its estimates on historical experience and various other assumptions that are held to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. If necessary, changes are recognised in the period in which the estimate is revised. Management considers the key accounting estimates to be reasonable and appropriate based on currently available information. The actual amounts may differ from the amounts estimated as more detailed information becomes available.

In addition, management makes judgements and estimates in the process of applying the entity's accounting policies, for example regarding recognition and measurement of deferred income tax assets or the classification of transactions.

Please refer to the specific notes for further information on the key accounting estimates and judgements as well as assumptions applied.

There are substantial disclosure requirements throughout IFRS. Management provides specific disclosures required by IFRS unless the information is not applicable or is considered immaterial to the economic decision-making of the users of these financial statements.

JUDGEMENTS
In the process of applying ZITON A/S's accounting policies, management has made the following judgement, which has the most significant effect on the amounts recognised in the financial statements.

Full consolidation of Hangout A/S:
According to IFRS, the consolidation principle is an overall evaluation of the

- power over the investee;

Note 1 / Basis of reporting

1.1 Basis of reporting (continued)

- exposure, or rights, to variable returns from its involvement with the investee, and;
- the ability to use its power over the investee to affect the amount of the investor´s return.

Based on management's evaluation of the above, Hangout A/S has been fully consolidated in the balance sheet since 5 March 2019.

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that involve a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed in the relevant notes listed below.

The accounting estimates and assumptions which management deems to be significant to the preparation of the consolidated financial statements are:

- Revenue from contracts with customers (note 2.1)
- Impairment of vessels (note 3.1)
- Leases (note 3.1 and 6.1)
- Trade receivables (note 3.4)
- Deferred tax (note 5.2)
- Provisions (note 3.3)
- Contingent liabilities (note 6.1)

GOING CONCERN

In May 2023 ZITON refinanced is existing debt and successfully raised EUR 250m in senior debt consisting of EUR 150m first lien bonds and EUR 100m in an ESG loan. Further, ZITON issued EUR 31.3m in second lien bonds and received a capital injection of EUR 15m from its parent Zappy Topco ApS.

The EUR 150m first lien bonds have a tenor of five years and carry a floating rate coupon of 3m EURIBOR + 950 basis points per annum, stepping down by 300 basis points when "Net interest-bearing debt / EBITDA" is reduced to below 4.25x. The reduced margin of 650 basis points were applied for the interest period beginning 9 December 2024.

The EUR 100m ESG loan is denominated in DKK, has a tenor of five years and two thirds of the loan carry a fixed rate of 12.23% and one third carries a floating rate coupon of 3m CIBOR + 900 basis points per annum initially, both tranches stepping down by 270 basis points when "Net interest-bearing debt / EBITDA" is reduced to below 4.25x. The margin on both tranches of the ESG loan was reduced by 270 basis points with effect from the interest period beginning 9 December 2024. Further, the ESG loan defines specific ESG targets which, if not met by the defined date, will trigger a penalty margin increase of up to 25 basis points per annum.

Management assesses the entity's ability to continue as a going concern to be met and the consolidated financial statements have therefore been prepared on a going concern basis and no changes to recognition or measurement have been made.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

As of 1 January 2024, ZITON adopted all relevant new or revised International Financial Reporting Standards and IFRIC Interpretations with effective date 1 January 2024 or earlier. The new or revised standards and interpretations did not affect recognition and measurement materially nor did they result in any material changes to disclosures in the notes. Apart from this, the annual report is presented in accordance with the accounting policies applied in previous years' annual reports.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

ZITON intends to adopt these new and amended accountings standards and interpretations, if applicable, when they become mandatory.

The new or amended standards and interpretations are not expected to have a significant impact on recognition and measurement in the consolidated financial statements.

Management assesses that none of the issued standards and amendments not yet in effect will significantly impact the recognition and measurement policies of the Group. The Group has initiated but has not yet completed its analysis of the impact of IFRS 18 Presentation and Disclosure in Financial Statements on the Group's financial statements and accompanying notes.

Note 2 / Operating activities

2.1 Revenue from contracts with customers

The internal reporting framework used for reporting on revenue and expenses to the Executive Management Team and the Board of Directors has been set up to reflect and report on vessels, ZITON Contractors A/S and Hangout A/S's revenue and expenses. As all five vessels, ZITON Contractors A/S and Hangout A/S operate on similar assignments, management reviews the results of the group as a whole to assess performance. Thus, there is only one operating segment.

REVENUE
The group operates in northern Europe. The geographical distribution of non long-term time charter revenue is based on the country in which the wind farm is located (revenue recognised point in time). For long-term time charter contracts, the geographical distribution is based on the country in which the customer is invoiced (revenue recognised over time).

GEOGRAPHICAL DISTRIBUTION OF REVENUE

EUR´000		2024	2023
Non long-term time charter (revenue recognised point in time)			
United Kingdom		45,510	32,320
Denmark		18,971	16,894
Germany		1,516	882
Sweden		1,098	763
Belgium		-	738
Netherlands		-	351
Total non long-term time charter		**67,095**	**51,949**
Long-term time charter (revenue recognised over time)			
Denmark		37,431	18,164
Total long-term time charter		**37,431**	**18,164**
Total revenue	I/S	**104,526**	**70,113**

Sales to the largest customers, accounting for more than 10% of revenue, made up 36%, 31%, 15% and 10% of total revenue in 2024 (2023: 31%, 29% and 19%, respectively).

ACCOUNTING POLICIES

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are reduced for estimates for trade allowances, rebates and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each engagement.

For vessels on fixed price contracts, the type of service provided is analysed as either a lease, service or construction contract.

REVENUE FROM CONTRACTS WITH CUSTOMERS
Revenue from vessel services is recognised when the performance obligations identified in contracts have been satisfied. The transaction price of each contract is measured considering contract payments and reductions for trade allowances, rebates, penalties and amounts collected on behalf of third parties. The transaction price is allocated to each performance obligation.

Where contracts are identified as services or contracts with customers, revenue is recognised at the point in time when all performance obligations have been delivered according to the contract.

The transaction prices deemed in the identified contracts are primarily based on fixed price agreements and fixed milestone payments. The variable elements in the transaction prices may include penalties based on compliance with "downtime on wind turbines" and "liquidated damages" in accordance with contractually agreed deadlines.

Trade receivables are recognised when services are invoiced to the customer. Trade receivables are not adjusted for financing components due to short credit terms, typically ranging from 14 to 90 days, rendering the financing component insignificant. Where services rendered have yet to be invoiced and invoices on services received from vendors still have to be received, contract assets and accrued cost of services are recognised at the reporting date.

LEASES
Where contracts are identified as a lease (long-term time charter), revenue is recognised over time on a straight-line basis over the term of the lease period.

The amount of revenue stated in the table to the left for both the current financial year and the comparable financial year include the agreed time charter rates earned during leases. The lease and service components are recognised as revenue under the same pattern of transfer to customers. A seperate disclosure of the lease components and the service income components has not been provided as it is impracticable to establish such a disclosure.

Note 2 / Operating activities

2.2 Operating expenses

TOTAL OPERATING EXPENSES

EUR´000		2024	2023
Other operating expenses		17,562	10,876
Vessel staff costs		15,423	11,316
Total operating expenses	I/S	**32,985**	**22,192**

2.3 Staff costs

TOTAL STAFF COSTS

EUR´000		2024	2023
Staff costs, office staff			
Wages and salaries		6,719	6,287
Pensions – defined contribution plans		455	403
Other social security costs		87	102
Total staff costs, office staff	I/S	**7,261**	**6,792**
Staff costs, vessel staff (included in 'Operating expenses')			
Wages and salaries		14,639	10,598
Pensions – defined contribution plans		765	608
Other social security costs		19	109
Total staff costs, vessel staff		**15,423**	**11,316**
Total staff costs		**22,684**	**18,108**

AVERAGE NUMBER OF EMPLOYEES

	2024	2023
Office staff, Danish nationality	60	47
Office staff, other nationalities	5	5
Technicians, Danish nationality	4	5
Technicians, other nationalities	31	1
Vessel staff, Danish nationality	106	94
Vessel staff, other nationalities	114	97
Total employees	**320**	**249**

Note 3 / Operating assets and liabilities

3.1 Vessels and equipment

2024 EUR´000		Property	Fixtures & equipment	Vessels	Total
Cost at 1 January		885	5,490	340,681	347,056
Exchange rate adjustments		-1	-5	-301	-307
Additions		–	1,212	25,482	26,694
Disposals		–	–	–	–
Additions to right-of-use assets		–	406	–	406
Disposals of right-of-use assets		–	-262	–	-262
Cost at 31 December		**884**	**6,841**	**365,862**	**373,587**
Depreciation at 1 January		-597	-1,830	-88,858	-91,285
Exchange rate adjustments		1	2	64	67
Depreciation	I/S	–	-522	-17,240	-17,762
Disposals		–	–	–	–
Depreciation of right-of-use assets	I/S	-144	-129	–	-273
Disposals of right-of-use assets		–	111	–	111
Depreciation at 31 December		**-740**	**-2,367**	**-106,034**	**-109,142**
Impairment losses at 1 January		–	-309	–	-309
Impairment during the year		–	-101	–	-101
Impairment losses at 31 December		**–**	**-410**	**–**	**-410**
Carrying amount at 31 December	B/S	**144**	**4,063**	**259,828**	**264,035**

The balance sheet shows the following amounts related to leases:

EUR´000	2024	2023
Right-of-use assets		
Office rents	144	289
Cars	416	265
Total right-of-use assets	**560**	**554**

The statement of profit or loss shows the following amounts related to leases:

EUR´000	2024	2023
Depreciation charge of right-of-use assets		
Office rents	144	177
Cars	129	100
Total depreciation charge of right-of-use assets	**273**	**277**
Interest expenses (included in 'Finance costs')		
Office rents	4	9
Cars	15	14
Total interest expenses	**19**	**23**

Note 3 / Operating assets and liabilities

3.1 Vessels and equipment (continued)

2023 EUR´000		Property	Fixtures & equipment	Vessels	Total
Cost at 1 January		1,121	4,044	251,186	256,350
Exchange rate adjustments		-18	-9	-503	-530
Additions		–	1,657	90,477	92,134
Disposals		–	-65	-479	-545
Additions to right-of-use assets		24	141	–	165
Disposals of right-of-use assets		-242	-277	–	-519
Cost at 31 December		**885**	**5,490**	**340,681**	**347,056**
Depreciation at 1 January		-1,017	-1,603	-78,090	-80,709
Exchange rate adjustments		13	5	223	241
Depreciation	I/S	–	-365	-10,996	-11,361
Disposals		–	48	5	53
Depreciation of right-of-use assets	I/S	-177	-100	–	-277
Disposals of right-of-use assets		584	184	–	769
Depreciation at 31 December		**-597**	**-1,830**	**-88,858**	**-91,284**
Impairment losses at 1 January		–	-214	–	-214
Impairment during the year		–	-95	–	-95
Impairment losses at 31 December		**–**	**-309**	**–**	**-309**
Carrying amount at 31 December	B/S	**289**	**3,351**	**251,823**	**255,463**

Note 3 / Operating assets and liabilities

3.1 Vessels and equipment (continued)

ASSESSMENT OF IMPAIRMENT ON VESSELS
Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In 2024, ZITON realised a loss for the year and as a result, ZITON performed an impairment test. An impairment loss is recognised in the amount by which an asset's carrying amount exceeds its recoverable amount – measured using the higher of the fair value less cost to sell and value in use. An impairment loss is recognised if the higher of the fair value less cost to sell and value in use is less than the carrying amount of the assets.

The value in use is calculated as the present value of total expected cash flows during the rest of the vessels' economic lives. This includes any concluded framework agreements and signed charters as well as estimated utilisation and average day rates for the "open charter periods".

- The estimated utilisation is based on the projected future installation of offshore turbines, the average rate at which a turbine needs assistance from a jack-up vessel in the turbine's lifetime, and ZITON's expected market share.
- Average day rates are based on estimated future market prices and/or contracts.

Hence, the exact value used to measure impairment charges is subject to some degree of uncertainty and is based on what the company believes is the best estimate of the fair value. The budget used for impairment testing is based on a five-year period, including a terminal period.

Management's assessment of indication of impairment of vessels is based on the cash-generating unit ("CGU") in which all vessels, ZITON Contractors A/S and Hangout A/S are included (jack-up vessel operating segment).

An impairment test is carried out based on value in use. The impairment test is performed by estimating the recoverable amount at value in use calculated as the present value of the total expected cash flows during the rest of the vessels' economic lives, a determined WACC of 10.3% (2023: 11.0%) before tax, and a growth rate in the terminal period of 0%.

The value in use was estimated to be higher than the carrying amount of EUR 264.0m.

Management assesses that the long-term value at the close of the financial period exceeds the carrying amounts, and accordingly, there is no indication of impairment loss.

In addition, an impairment test has been carried out of an asset within fixtures & equipment. The impairment test for the specific asset was carried out as the potential market for use of the asset did not develop as expected, hence resulting in an adverse outlook for future earnings. The impairment test shows that the carrying amount exceeds the recoverable amount and consequently an impairment loss of EUR 101k has been recognised in the annual report for 2024.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS – IMPAIRMENT OF VESSELS

Significant accounting estimates include i.e. estimates of useful lives, residual values and impairment of tangible assets.

USEFUL LIVES OF THE VESSELS
The remaining useful lives of the vessels are assessed annually by the Chief Operating Officer. At the current depreciation rate, the vessels are fully depreciated over 20 to 25 years.

RESIDUAL VALUES
The residual values of the vessels are estimated at zero as it is expected that scrapping of the vessels will include expenses equivalent to the value of steel.

IMPAIRMENT
Revenue for "open charter periods" is estimated based on projected future installation of offshore turbines, the average rate at which a turbine needs assistance from a jack-up vessel in the turbine's lifetime and ZITON's expected market share. Average day rates are based on either already signed framework agreements or historical prices. The value applied in the calculation is sensitive to fluctuations in expected day rates and vessel utilisation. However, an increase of the WACC of two percentage points to 12.3% or a reduction of 20% in utilisation (excluding the long-term time charters) will not lead to a value in use lower than the current carrying amount of the vessels. The estimated weighted average financial utilisation used in the forecast period of the impairment test varies from 110% to 120%, partly because of significantly higher day rates under J/U WIND ENTERPRISE's time charter with SGRE from June 2025. This compares to realised figures of 91% and 98% in 2023 and 2024, respectively.

ACCOUNTING POLICIES

The group's accounting policy for vessels, office rent and fixtures & equipment is stated at historical costs less depreciation. Historical costs include expenditures directly attributable to the acquisition of the items. This includes capitalised staff costs and interests.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The basis of depreciation is allocated on a straight-line basis over the estimated useful lives of the assets as follows:

Vessels:	between 20 and 30 years
Installed equipment on vessels:	between 3 and 12 years
Machinery & tools:	between 3 and 10 years
Cars and office rent:	between 1 and 5 years

Docking costs of the vessels are capitalised and depreciated over the period until the next docking, typically five to ten years.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

LEASES
The group leases offices and vehicles. Rental contracts are typically made for fixed periods of two to five years, but may have extension options. Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Note 3 / Operating assets and liabilities

3.1 Vessels and equipment (continued)

Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and;
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the implied interest rate of the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:
- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by ZITON A/S, and;
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and;
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of twelve months or less. Low-value assets comprise IT equipment and small items of office furniture.

Note 3 / Operating assets and liabilities

3.2 Intangible assets

2024 EUR´000		Patents	Software	Total
Cost at 1 January		66	260	326
Additions		–	–	–
Disposals		–	–	–
Cost at 31 December		**66**	**260**	**326**
Amortisation and impairment at 1 January		-47	-86	-133
Exchange rate adjustments		–	–	–
Impairment	I/S	-14	–	-14
Amortisation		-5	-46	-50
Disposals	I/S	–	–	–
Amortisation and impairment at 31 December		**-66**	**-132**	**-198**
Carrying amount at 31 December	B/S	**–**	**128**	**128**

2023 EUR´000		Patents	Software	Total
Cost at 1 January		62	242	304
Additions		4	143	148
Disposals		–	-126	-126
Cost at 31 December		**66**	**260**	**326**
Amortisation and impairment at 1 January		-32	-141	-173
Exchange rate adjustments		–	–	–
Impairment	I/S	-13	–	-13
Amortisation		-2	-71	-73
Disposals	I/S	–	126	126
Amortisation and impairment at 31 December		**-47**	**-86**	**-133**
Carrying amount at 31 December	B/S	**19**	**174**	**193**

ASSESSMENT OF IMPAIRMENT
Intangible assets include patents and software. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised if the amount by which an asset's carrying amount exceeds its recoverable amount.

During the financial year 2024 no revenue was generated in Hangout A/S and consequently the asset including the related patent was tested for impairment. As there is uncertainty of the timing of any potential lease contracts for the HangOut solution it was not possible to perform an impairment test estimating the recoverable amount at value in use calculated as the present value of the total expected cash flows during the rest of the asset's economic lives. Due to the high uncertainty of any future income from lease of the HangOut solution, the value of patents has been fully written off during the year.

The impairment test of patents shows that the carrying amount of patents exceeds the recoverable amount and consequently an impairment loss of EUR 14k has been recognised in the annual report for 2024.

Management assesses that the long-term value of the other immaterial assets at the close of the financial period exceeds the carrying amounts, and accordingly, there is no indication of impairment loss.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS – IMPAIRMENT

Significant accounting estimates include i.e. estimates of useful lives, residual values and impairment of intangible assets.

The remaining useful lives of the intangibles are assessed annually by management.

The residual values of the intangibles are estimated at zero as it is expected that scrapping of the assets will not result in further expenses.

Management determines the key assumptions for each impairment test by considering past experience as well as market analysis and future expectations.

ACCOUNTING POLICIES

The group's accounting policy for intangible assets is stated at historical cost less amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of an item.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

The basis of amortisation is allocated on a straight-line basis over the estimated useful lives of the assets as follows:

Patents: between 10 and 20 years
Software: between 3 and 7 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Note 3 / Operating assets and liabilities

3.3 Provisions for other liabilities

PROVISIONS FOR EMPLOYEE BENEFITS

EUR´000		2024	2023
Provisions at 1 January		**3,116**	**1,866**
Change in employee bonus provision		-63	663
Change in provision for employee earned leave days		289	279
Change in holiday provisions for employees		48	217
Change in other provisions		146	92
Provisions at 31 December		**3,537**	**3,116**
Recognised in the balance sheet as follows:			
Non-current		-	-
Current	B/S	3,537	3,116
Total provisions		**3,537**	**3,116**

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

The determination of provisions is based on management's best estimate of future events and is therefore subject to significant uncertainty. The employee bonus program is based on realised EBITDA, ESG targets and individual business targets.

ACCOUNTING POLICIES

Provisions are recognised when, as a consequence of an event that has occurred before or on the reporting date, the group has a legal or constructive obligation, and it is likely that economic benefits will flow from the company to meet the obligation. Employee benefits include provisions for employee bonus, earned leave days and holiday provisions.

EMPLOYEE BONUS
The group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders. The group recognises a provision when contractually obliged or where there is a past practice that has created a constructive obligation.

EARNED LEAVE DAYS
Vessel staff earn overtime (earned leave days) during the year. A liability and an expense for earned leave days has been recognised at the amounts expected to be paid when the liabilities are settled. The group recognises a provision when contractually obliged or where there is a past practice that has created a constructive obligation.

HOLIDAY PROVISION
Liabilities for holiday provisions are expected to be settled within twelve months after the end of the period in which the employees render the related service and are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

POST-EMPLOYMENT OBLIGATIONS
The group operates only post-employment schemes which are defined as contribution pension plans. For defined contribution plans, the group pays contributions to publicly and/or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee expense (pension - defined contribution plans) when they are due.

Note 3 / Operating assets and liabilities

3.4 Trade and other receivables

EUR´000		2024	2023
Trade receivables		13,562	7,800
Other receivables		270	2,557
Intercompany receivables		1,725	115
Prepayments		227	162
Total trade and other receivables	B/S	**15,784**	**10,635**
Recognised in the balance sheet as follows:			
Non-current		-	-
Current		15,784	10,635
Total		**15,784**	**10,635**

The carrying amount of receivables is in all material respects equal to the fair value.

No significant trade receivables were overdue at 31 December 2024 (2023: no trade receivables were overdue at 31 December 2023).

SIGNIFICANT ESTIMATES AND ASSUMPTIONS – TRADE AND OTHER RECEIVABLES

Provisions for bad debts are determined on the basis of customers' ability to pay, considering historical information about payment patterns, doubtful debts, customer concentrations, customer creditworthiness and collateral received as well as prevailing economic conditions. Estimates made are updated if the debtor's ability to pay changes. The historical loss rates are adjusted for current and forward-looking information on macroeconomic factors affecting the group's customers. The group has identified the interest level, inflation rate and gross domestic product as the key macroeconomic factors in the countries where the group operates.

The group has not suffered any losses from any single major debtor in the last couple of years. The group's customers are primarily large international utilities and wind turbine manufacturers with a solid record of on-time payments.

Management estimated that there was no need for provisions on receivables at 31 December 2024 (2023: no provision on receivables).

In 2019, ZITON entered into a legal dispute with the Danish tax authorities regarding a VAT claim, and as a result, ZITON paid the claim. However, despite paying the claim from the Danish tax authorities and based on consulting with the company's legal advisers it is management's assessment that the claim will be repaid in full, and hence the payment has been recognised under other receivables. In 2024, there are no changes to the above statement and management still expects that the claim will be repaid in full.

ACCOUNTING POLICIES

TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less allowance for expected credit losses. The group applies the simplified approach to measuring expected credit losses which uses lifetime expected credit losses for all trade receivables at each reporting date. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risk characteristics, i.e. geographical region and customer type.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit before other items. Subsequent recovery of amounts previously written off are credited against the same line item.

OTHER RECEIVABLES AND PREPAYMENTS

Other receivables comprise deposits and miscellaneous receivables.

Prepaid expenses comprise expenses paid related to subsequent financial years such as rent, insurance premiums, subscription fees, and interest and fees.

Other receivables and prepaid expenses are measured at the lower of amortised cost and net realisable value.

Note 3 / Operating assets and liabilities

3.5 Contract assets

EUR´000		2024	2023
Contract assets		793	1,717
Total contract assets	B/S	**793**	**1,717**

SIGNIFICANT ESTIMATES AND ASSUMPTIONS – CONTRACT ASSETS

Contract assets are primarily related to a full-service solution for a major component replacement which was initiated at the end of 2024 and completed in the beginning of 2025. The revenue from contract assets was recognised in the beginning of 2025. There are no contract liabilities recognised as all liabilities to fulfil the contract assets have been expensed in the income statement.

ACCOUNTING POLICIES

Contract assets are recognised when the company has provided services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Contract assets relate to the work in progress of projects executed by the group and services rendered. Work in progress shows the balance of revenue recognised on those contracts less progress billings, advance payments and potential provisions for losses.

Contract assets are the group's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. A contract asset arises when the group performed works for a customer that are recognised as revenue to date but are not yet invoiced or paid. As such the revenue recognition reflects the rate at which the group's performance obligations are fulfilled corresponding to the transfer of control of a good or service to the customers. When there is no transfer of control throughout the contract, revenue is still recognised over time, based on the fact that the asset created has no alternative use, as well as the fact that the group has an enforceable right to the payment for performance completed to date. Contract assets turn into receivables when those works are accepted by the client.

3.6 Trade and other payables

EUR´000		2024	2023
Trade payables		5,203	8,896
Other payables		2,012	388
Total trade and other payables	B/S	**7,215**	**9,284**

ACCOUNTING POLICIES

Trade payables represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Other liabilities represent accruals for VAT and withheld taxes.

Trade payables and other payables are presented as current liabilities unless payment is not due within twelve months after the end of the reporting period. They are recognised initially at their fair values and subsequently measured at amortised cost using the effective interest method.

Note 4 / Capital structure and financing

4.1 Risk management

The group's risk management is described in the section 'Risk management' elsewhere in this annual report. The financial risks are elaborated on below.

CREDIT RISK

Credit risk arises from cash and cash equivalents and trade receivables but is considered to be modest for the group.

Cash and cash equivalents are only placed with Systemically Important Financial Institutions ("SIFI banks").

The group has not suffered any losses from any single major debtor in the last couple of years. The group's customers are primarily large international utilities and wind turbine manufacturers with a solid record of on-time payments.

LIQUIDITY RISK

Liquidity risk includes the risk of the group becoming short of liquidity and unable to refinance its maturing credit lines as and when needed. In June 2023, ZITON completed a refinancing of its existing debt to simplify and extend its capital structure.

The capital structure consists of first lien bonds maturing in June 2028 and a second lien bond issue maturing in December 2028.

The terms to maturity of financial assets and liabilities are disclosed by category and class distributed on maturity periods. All interest payments and repayments of financial assets and liabilities are based on contractual agreements.

	Maturities				
EUR´000	In 2025	Between 2026 to 2027	2028 and onwards	Total	Book value
Cash and receivables					
Cash	21,947	-	-	**21,947**	21,947
Trade receivables	13,562	-	-	**13,562**	13,562
Other receivables	270	-	-	**270**	270
Financial liabilities					
ESG loan	4,786	38,336	56,491	**99,612**	96,907
Bond loan, second lien	-	-	39,682	**39,682**	38,927
Bond loan, first lien	17,100	50,400	72,566	**140,066**	136,931
Lease liabilities	284	201	-	**485**	485
Trade and other payables	7,215	-	-	**7,215**	7,215

Response

Current assets and liabilities were well balanced during 2024. The company has no current assets that mature after 2025, as assets mainly consist of vessels with an average lifetime of around 20 years. These assets are financed by loans maturing between June 2028 and December 2028. The company intends to refinance the bond loans in due time before maturity of the loans.

Covenants

The bond loan agreement includes financial covenants that, if breached, involve a default on credit facilities. The key terms of the bonds are listed in the table 'Key terms for bond loans as of 31 December 2024' under accounting policies.

MARKET RISK

Interest rate risk

Most of the group's financing, including the bond issues, carry a floating rate of interest. Consequently, an increase in the general level of interest rates, as denoted by 3m EURIBOR for the bond issues and 3m CIBOR for the ESG linked loan, will have an adverse effect on the group's interest expenses.

A change of one percentage point in interest rates would increase or decrease interest expenses by approximately EUR 2.1m.

KEY CURRENCIES

Exchange rate EUR per 100	2024	2023
GBP		
Average	1.18	1.15
Year-end	1.21	1.15
Year-end change	4.8%	2.1%

Response

Given the modest impact on cash flows, the group accepts that interest rates will vary, and has chosen not to swap into fixed rate debt. However, the company has partly hedged itself against changes in CIBOR as part of the ESG loan carries fixed interest rates. The loan carrying a fixed coupon amounted to 23% of total loans at the end of 2024.

Foreign exchange risk

Foreign exchange risk is an important financial risk for ZITON and can have a significant impact on the income statement, statement of comprehensive income, balance sheet and cash flow statement.

The overall objective of foreign exchange risk management is to reduce the short-term negative impact of exchange rate fluctuations on earnings and cash flows, and thereby contribute to the predictability of the financial results.

The majority of ZITON's sales are in EUR, DKK and GBP. ZITON's loans are in EUR and DKK. The foreign exchange risk is most significant in GBP, while the EUR exchange rate risk is regarded as low because of Denmark's fixed exchange rate policy towards EUR. In 2024, around 10 percent of ZITON's revenue originated for contracts denominated in GBP. A change of 10 percentage points in the GBP to EUR exchange rate would increase or decrease revenue and EBITDA by approximately EUR 1.0m.

ZITON did not carry out foreign currency hedging during the current or previous financial year.

Note 4 / Capital structure and financing

4.1 Risk management (continued)

FINANCIAL INSTRUMENTS BY CATEGORY

EUR´000	2024 Carrying amount	2024 Fair value	2023 Carrying amount	2023 Fair value
Financial assets				
Trade receivables	13,562	13,562	7,800	7,800
Other receivables	2,221	2,221	2,835	2,835
Cash and cash equivalents	21,947	21,947	37,121	37,121
Financial assets measured at amortised cost	**37,730**	**37,730**	**47,756**	**47,756**
Financial liabilities				
Issued bonds measured at amortised cost	175,858	181,972	177,392	176,642
ESG loan measure at amortised cost	96,907	96,907	96,098	96,098
Lease obligations	485	485	508	508
Trade and other payables	7,215	7,215	9,284	9,284
Financial liabilities measured at amortised cost	**280,465**	**286,580**	**283,282**	**282,532**

4.2 Working capital facility

CASH AND BANK OVERDRAFT

EUR´000		2024	2023
Cash and cash equivalents[1]	B/S	21,947	37,121
Total	C/F	**21,947**	**37,121**

At 31 December 2024, the group had an undrawn working capital facility with the bank of EUR 6.7m (2023: EUR 6.7m).

1) Cash and cash equivalents include an amount of EUR 3.2m on CAPEX accounts reserved for J/U WIND ENERGY.

Note 4 / Capital structure and financing

4.3 Loans

2024 EUR´000		Interests type	Current debt	Non-current debt	Total
ESG loan	B/S	Fixed and floating rate	4,003	92,905	96,907
Bond loan, second lien	B/S	Floating rate	–	38,927	38,927
Bond loan, first lien	B/S	Floating rate	16,191	120,740	136,931
Lease obligations	B/S	Floating rate	284	201	485
Total loans			**20,477**	**252,773**	**273,250**

2023 EUR´000		Interests type	Current debt	Non-current debt	Total
ESG loan	B/S	Fixed and floating rate	–	96,098	96,098
Bond loan, second lien	B/S	Floating rate	–	32,890	32,890
Bond loan, first lien	B/S	Floating rate	7,687	136,815	144,502
Lease obligations	B/S	Floating rate	232	276	508
Total loans			**7,919**	**266,079**	**273,998**

FAIR VALUE 2024
At 31 December 2024, the latest trading price on Frankfurt Open Market quoted for the first lien bond issued by ZITON A/S on the stock exchanges was 104. The fair value (hierarchy level 1) of the bond was equivalent to EUR 147,264k, compared to the carrying amount of EUR 136,931k. The carrying amount included the nominal bond debt with the addition of accrued interests and a deduction of capitalised bond fees of EUR 3,135k.

The fair value of the unlisted ESG loan issued by ZITON A/S was EUR 99,865k (DKK 745,000k), which was equivalent to the nominal bond debt. The carrying amount was EUR 96,907k and included nominal debt with the addition of accrued interests and a deduction of capitalised loan costs of EUR 2.705k.

At 31 December 2024, the fair value (hierarchy level 1) of the unlisted second lien bond issued by ZITON A/S was EUR 39,791k equivalent to the nominal bond debt. The carrying amount was EUR 38,927k and included nominal bond debt with the addition of accrued interests and a deduction of capitalised bond fees of EUR 755k.

At 31 December 2024, the total fair value of the bond loans including accrued interest and adjustment for capitalised fees of EUR 6,595k was EUR 286,921k.

FINANCIAL COVENANTS 2024
- FIRST LIEN BOND LOAN (ISIN NO 0012928185)
- SECOND LIEN BOND LOAN (ISIN NO 0012928169)
- ESG loan

The terms of bonds and loans included a covenant of minimum available liquidity of EUR 15m, which was applicable from the end of Q2 2023 until Q3 2024. Available liquidity through the financial year has exceeded the required minimum available liquidity thus fulfilling the conditions of the liquidity covenant until the end of the period for which the covenant was applicable.

Further, an interest covenant is applicable whereby an interest cover ratio above 1.25x from and including year-end 2024 is required, stepping up to 1.75x, 2.25x, 2.50x and 2.75x from and including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027, respectively. The interest cover ratio at the end of December 2024 was 1.92x thereby fulfilling the conditions of the covenant.

A leverage ratio covenant is also applicable to the loans. The leverage ratio covenant requires leverage below 6.00x from and including year-end 2024, stepping down to 4.25x, 3.00x, 2.50x and 2.00x from and including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027, respectively. At the end of December 2024, the leverage ratio was 3.65x thereby fulfilling the covenant.

The key terms of the bonds are listed in the table 'Key terms for bond loans as of 31 December 2024' under accounting policies.

FAIR VALUE 2023
At 31 December 2023, the latest trading price on Frankfurt Open Market quoted for the first lien bond issued by ZITON A/S on the stock exchanges was 99.5. The fair value (hierarchy level 1) of the bond was equivalent to EUR 149,250k, compared to the carrying amount of EUR 144,502k. The carrying amount included the nominal bond debt with the addition of accrued interests and a deduction of capitalised bond fees of EUR 4,887k.

The fair value of the unlisted ESG loan issued by ZITON A/S was EUR 99,961k (DKK 745,000k), which was equivalent to the nominal bond debt. The carrying amount was EUR 96,098k and included nominal debt with the addition of accrued interests and a deduction of capitalised loan costs of EUR 3,492k.

At 31 December 2023, the fair value (hierarchy level 1) of the unlisted second lien bond issued by ZITON A/S was EUR 33,863k equivalent to the nominal bond debt. The carrying amount was EUR 32,890k and included nominal bond debt with the addition of accrued interests and a deduction of capitalised bond fees of EUR 1,283k.

At 31 December 2023, the total fair value of the bond loans including accrued interest and adjustment for capitalised fees of EUR 9,662k was EUR 272,740k.

FINANCIAL COVENANTS 2023
- FIRST LIEN BOND LOAN (ISIN NO 0012928185)
- SECOND LIEN BOND LOAN (ISIN NO 0012928169)
- ESG loan

The terms of bonds and loans included a covenant of minimum available liquidity of EUR 15m, which was applicable from the end of Q2 2023 until Q3 2024. At the end of 2023, available liquidity amounted to EUR 26.3m, thereby substantially exceeding the covenant of EUR 15m.

Further an interest covenant is applicable whereby an interest coverage ratio above 1.25x from and including year-end 2024 is required, stepping up to 1.75x, 2.25x, 2.50x and 2.75x from and

Note 4 / Capital structure and financing

4.3 Loans (continued)

including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027, respectively.

A leverage ratio covenant is also applicable to the loans. The leverage ratio covenant requires leverage below 6.00x from and including year-end 2024, stepping down to 4.25x, 3.00x, 2.50x and 2.00x from and including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027, respectively.

ACCOUNTING POLICIES

Loans are initially recognised at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost.

Loans are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or has expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or financial expenses.

Loans are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

ESG LOAN TERMS

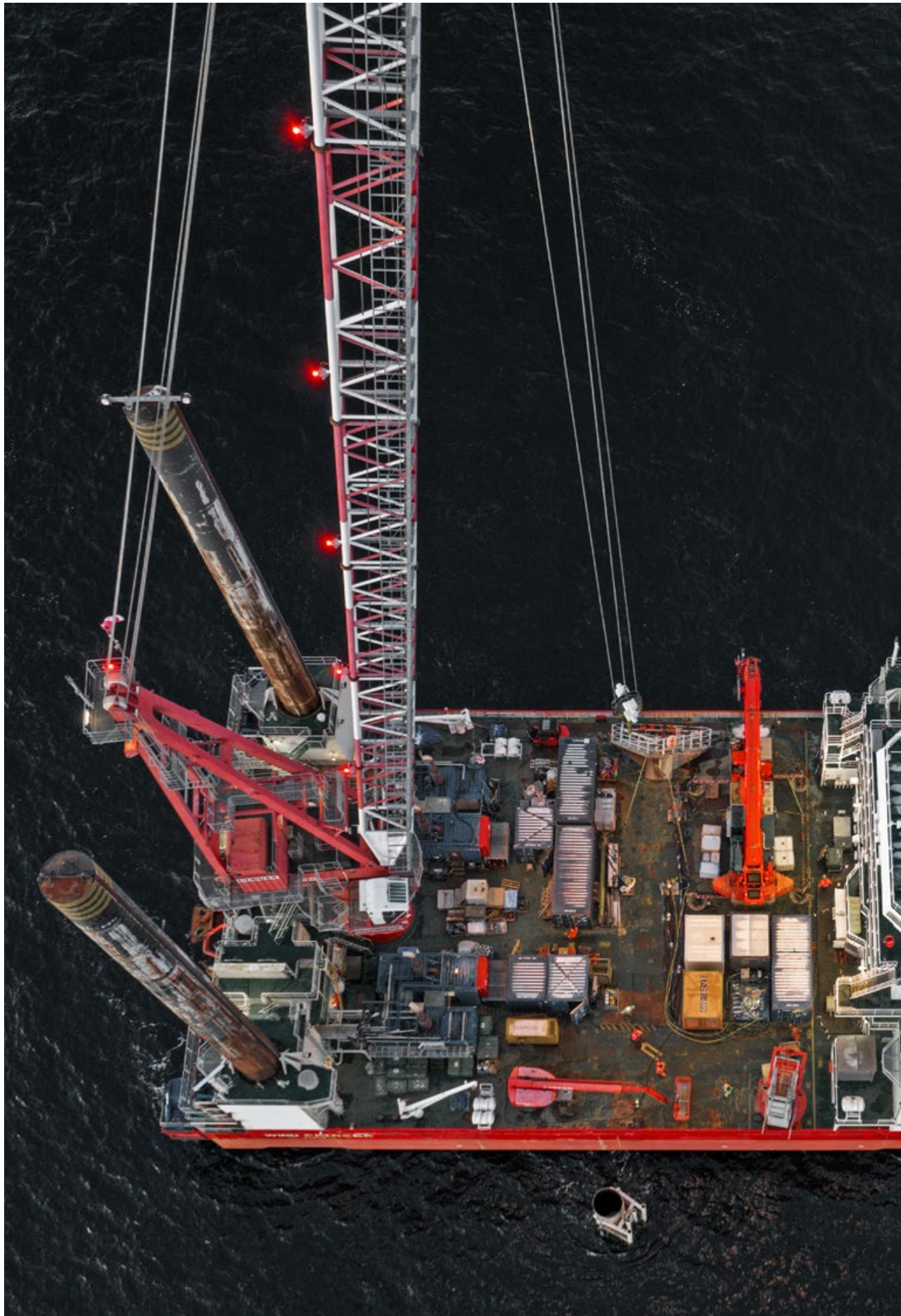
The ESG loan defines specific ESG targets, which - if not met by the date - will trigger a penalty margin increase of up to 25 basis points per annum.

The outstanding amount on the ESG loan is approximately EUR 100m, therefore the maximum annual increase in interest payments amount to EUR 250k.

For 2024, all the ESG targets were fulfilled. The ESG targets for 2024 were:

- implementation of ZITON code of conduct;
- twelve safety flash reports published during 2024. We publish safety flashes on our portal and present them to all vessel crew. A safety flash includes a description of an actual non-conformities and its potential consequence with the purpose of increasing awareness of the specific cases and for vessel crew to learn from non-conformities and to augment ZITON's safety culture in general;
- achieve a total recordable incident rate (please refer to the ESG section for elaboration) below 3.6 per 1 million exposure hours, and;
- prepare progress reports on Principal Adverse Impacts in accordance with EU's Sustainable Finance Disclosure Regulation (SFDR).

Similar ESG targets have been defined for each calendar year until maturity in June 2028.



Note 4 / Capital structure and financing

4.3 Loans (continued)

KEY TERMS FOR BOND LOANS AS OF 31 DECEMBER 2024

	EUR 150m first lien	DKK 745m ESG loan	EUR 31.1m second lien
Listing/ISIN	Oslo Stock Exchange and Frankfurt Open Market – ISIN NO 0012928185.	Direct loan	Option for listing on Oslo Børs – ISIN NO 0012928169.
Coupon	3m EURIBOR + 6.50%.	One third of the loan 3m CIBOR + 6.30%. Two thirds of the loan at fixed rate of 9.53%.	3m EURIBOR + 9.50%.
Security	Joint security with ESG loan in five vessels, pledge in insurances, shares of ZITON, security in retention account etc.	Joint security with first lien loan in five vessels, pledge in insurances, shares of ZITON, security in retention account etc.	Same security package with second priority.
Maturity	Five years (9 June 2028).	Five years (9 June 2028).	Five and a half years (9 December 2028).
Amortisation	EUR 1.2m from and inclusive May 2024 – September 2025. EUR 2.1m and inclusive October 2025 until maturity. Cash sweep, on or after 31 December 2025, of liquidity in excess of EUR 20m at 102% pro rata with ESG loan.	DKK 11.9m (EUR 1.6m) from and inclusive October 2025 until maturity. Cash sweep, on or after 31 December 2025, of liquidity in excess of EUR 20m at 102% pro rata with first lien loan.	
Call structure	Make whole until 8 December 2026 + 101.95%. 101.95% from 9 December 2026 – 8 June 2027. 101.30% from 9 June 2027 – 8 Dec 2027. 100.65% from 9 December 2027 – 8 June 2028.	Make whole until 16 December 2026 + 101.89%. 101.89% from 9 December 2026 – 8 June 2027. 101.26% from 9 June 2027 – 8 December 2027. 100.63% from 9 December 2027 – 8 June 2028.	Make whole until 13 December 2026 + 101.95%. 101.95% from 9 December 2026 – 8 June 2027. 101.30% from 9 June 2027 – 8 December 2027. 100.65% from 9 December 2027 – 8 June 2028.
Maintenance covenants	– Interest cover ratio above 1.25x from and including year-end 2024, stepping up to 1.75x, 2.25x, 2.50x and 2.75x from and including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027. – Leverage ratio below 6.00x from and including year-end 2024, stepping down to 4.25x, 3.00x, 2.50x and 2.00x from and including year-end 2025, year-end 2026, 30 June 2027 and year-end 2027.		
Change of control	"Permitted Transferee" is an approval by bondholders' with a majority of at least half (50%) of the voting bonds. If the lenders decline the designation as a "Permitted Transferee" and such person thereafter (directly or indirectly) acquires shares in the borrower, thereby triggering a "change of control event", the borrower shall have the right, by giving no less than five business days' prior written notice to the facility agent, to prepay all (but not only some) of the loan at a price equal to 101%.		
Early prepayment	10% of the outstanding may annually be repaid at 102%.	10% of the outstanding may annually be repaid at 102%.	Permitted repayment of EUR 10m when leverage is below 4.0x.
CAPEX accounts	CAPEX accounts are funded with EUR 38.5m in total to fund costs for inspection, upgrades, leg extension, transit and other works for J/U WIND ENERGY. As the vessel is on hire, any residual amounts (not needed for remaining work to be funded from the CAPEX accounts) may be released to the issuer either for its general corporate purposes or for application to prepay the Senior Secured Loan and redeem the Senior Secured Bonds together with accrued unpaid interest.		
Deferred amortisation	The issuer shall have the option to defer payment of one quarter's amortisation (applied to both first lien and ESG loan).		

Note 4 / Capital structure and financing

4.4 Net financial expenses

EUR´000		2024	2023
Financial income			
Interest from parent		26	7
Other		747	867
Total financial income	I/S	**773**	**875**
Impairment losses on financial assets			
Impairment losses on financial assets		–	86
Total impairment losses on financial assets	I/S	**–**	**86**
Financial expenses			
Bank loans		280	161
Transaction costs		3,240	2,982
ESG loan		12,397	6,912
Bond loan, second lien		5,920	5,691
Bond loan, first lien		19,648	17,378
Capitalised interest of bond loans		-1,922	-6,402
Working capital facility loan		–	267
Finance lease liabilities		19	23
Foreign exchange loss		232	474
Other interest expenses		–	158
Total financial expenses	I/S	**39,815**	**27,643**
Net financial expenses		**39,041**	**26,769**

ACCOUNTING POLICIES

BORROWING COSTS
General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Any difference between the proceeds of loans (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loans using the effective interest method.

Other borrowing costs are expensed in the period in which they are incurred.

Note 4 / Capital structure and financing

4.5 Reconciliation of financing liabilities

EUR´000	2024	Cash flow	Other non-cash movements	Non-cash interests	Foreign exchange movements	2023
ESG loan	92,905	–	-3,216	118	-95	96,098
ESG loan – current liability	4,003	–	4,003	–	–	–
Bond loan, second lien	38,927	-411	528	5,920	–	32,890
Bond loan, first lien	120,740	-9,600	-6,752	277	–	136,815
Bond loan – current liability	16,191	–	8,504	–	–	7,687
Lease liabilities	201	-75	–	–	–	276
Lease liabilities – current liability	284	32	–	19	–	232
Total financing liabilities	**273,250**	**-10,054**	**3,067**	**6,333**	**-95**	**273,998**

Note 5 / Tax

5.1 Income tax expense

INCOME TAX EXPENSE

EUR´000	2024	2023
Current tax		
Current tax on income for the year	-613	-163
Total current tax	**-613**	**-163**
Deferred tax (note 5.2)		
Deferred tax on the income (profit/loss) for the year	-56	-43
Adjustments in respect of prior years - deferred tax	601	188
Total deferred tax	**545**	**145**
Income tax expense	**-68**	**-18**

The tax on the group's profit differs from the theoretical amount that would arise using the Danish tax rate to profits of the consolidated entities as follows:

RECONCILIATION OF TAX RATE

EUR´000	2024	2023
Profit/loss before tax	-112	-2,801
Profit/loss subject to Danish and foreign tonnage taxation	2,912	3,467
Profit/loss before tax subject to corporate income tax	**2,800**	**666**
Tax, using Danish corporation tax rate of 22%	-616	-147
Tax from deviation in foreign subsidiaries' tax rates compared to Danish tax rate	-	-1
Tax from non-taxable income or expense	-	-19
Tax from other adjustments	-55	-40
Adjustments in tax in respect of prior years	601	188
Income tax expense	**-70**	**-18**
Effective tax rate (%)	-61.8	-0.6
Effective tax rate before adjustment of prior years' tax (%)	-548.0	-6.0

The majority of income in the group is subject to Danish tonnage tax schemes where the taxable income is calculated on the tonnage deployed during the year and not the actual profits generated. Taxable income related to other activities is taxed according to the normal corporate income tax rules and at the standard corporate income tax rate.

ZITON recognised a loss of EUR 0.1m for 2024 resulting in a tax expense of EUR 70k. The group realised an effective tax rate adjusted for changes in taxes of prior years of -548.0% (2023: -6.0%).

ZITON A/S and its Danish subsidiaries are subject to compulsory joint taxation with Zappy Topco ApS and its Danish controlled enterprises. Zappy Topco ApS (business reg. no. 43520636) is the administration company in the joint taxation and settles all payments of corporation tax due by the joint taxed enterprises with the tax authorities. In accordance with the Danish rules on joint taxation, ZITON A/S and its Danish subsidiaries are liable for their own corporate tax due and are only subsidiary and pro rata liable for the corporation tax liabilities towards the Danish tax authorities for all other enterprises that are part of the Danish joint taxation.

There was no tax liability of the jointly taxed income as of 31 December 2024.

Note 5 / Tax

5.1 Income tax expense (continued)

ACCOUNTING POLICIES

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unutilised tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

5.2 Deferred tax

EUR´000	2024	2023
Deferred tax 1 January	39	134
Change in deferred tax recognised in the income statement	-56	-43
Adjustments in respect of prior years	-601	-240
Adjustments in respect of prior years recognised in income statement	601	188
Total deferred tax, net at 31 December	**-17**	**39**
Deferred tax gross		
Deferred tax assets	-	39
Deferred tax liabilities	-17	-
Total deferred tax, net at 31 December	**-17**	**39**

SPECIFICATION OF DEFERRED TAX

EUR´000	2024	2023
Vessels and equipment	-17	39
Total deferred tax, net at 31 December	**-17**	**39**

The group has unrecognised tax losses carried forward of EUR 24m with a tax value of EUR 5m (2023: tax losses of EUR 26m, tax value of EUR 6m). The deferred tax asset of the tax losses in some group entities have not been recognised as it has been assessed that the losses cannot be substantially utilised in the foreseeable future.

The majority of the activities in the group are included in Danish tonnage tax schemes. If group entities under tonnage taxation withdraw from the tonnage taxation schemes, a deferred tax liability amounting to a maximum of EUR 17m may be recognised (2023: EUR 14m). The deferred tax liability can be offset in the deferred tax on tax losses carried forward. ZITON A/S does not intend to withdraw from the tonnage tax scheme and therefore no tax liability has been recognised.

The companies are not expected to withdraw from the scheme and consequently no deferred tax relating to assets and liabilities subject to tonnage taxation has been recognised.

Note 5 / Tax

5.2 Deferred tax (continued)

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

Deferred tax is recognised based on the assumption that ZITON A/S continues under Danish tonnage tax regime for most of the profit and a minor income to be taxed under the Danish corporate tax regime, and on expectations of future activity. Deferred tax assets related to tax losses carried forward are recognised, when management assesses that these can be offset against positive taxable income in the foreseeable future. The assessment is made at the reporting date taking into account the impact from limitation in interest deductibility and restrictions in utilisation of tax losses in local tax legislation. The assessment of future taxable income is based on financial budgets approved by management and management's expectations on the operational development, mainly in terms of organic growth and operating margin in the following five years. Planned adjustments to capital structure in each country are also taken into consideration.

ACCOUNTING POLICIES

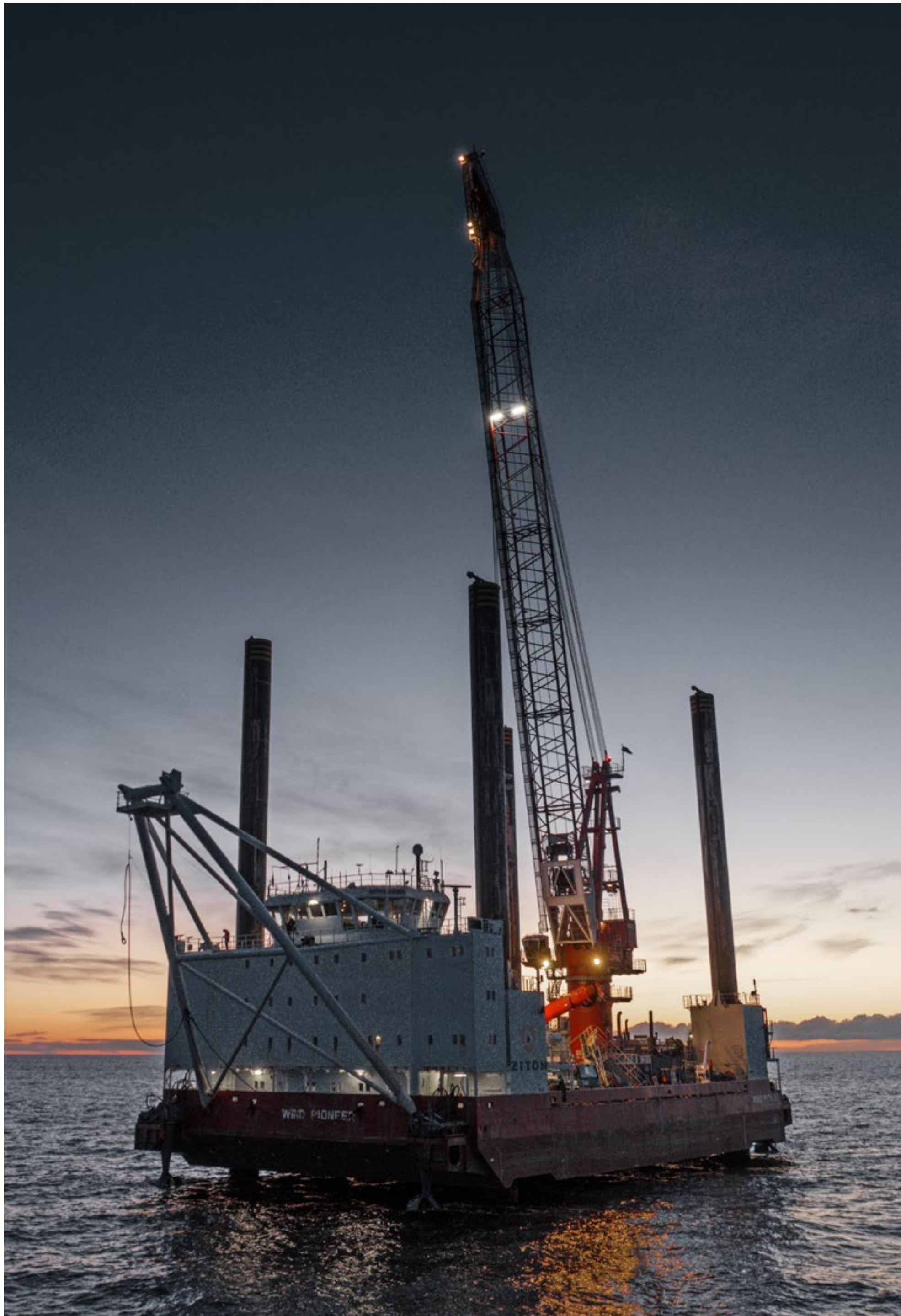
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

ZITON A/S is jointly taxed with the subsidiaries ZITON Contractors A/S and Hangout A/S, and the parent company Zappy Topco ApS. Zappy Topco ApS is the administration company for the jointly taxed companies. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income.



Note 6 / Other disclosures

6.1 Collateral, commitments and contingencies

COLLATERAL SECURITY FOR BORROWINGS
ZITON A/S' credit facilities include a first lien bond loan (ISIN NO 0012928185) with a nominal outstanding of EUR 141.6m, an ESG loan with a nominal outstanding of DKK 745m, and a second lien bond loan (ISIN NO 0012928169) with a nominal outstanding of EUR 39.8m at year-end 2024.

These facilities and loans hold a joint security package with security in all the five vessels (J/U WIND, J/U WIND PIONEER, J/U WIND SERVER, J/U WIND ENTERPRISE and J/U WIND ENERGY) owned by the parent company ZITON A/S as well as entitlements under insurances related to the vessels which have a book value of EUR 259.8m as at 31 December 2024.

Further, the security package includes a pledge over 100% of the shares of ZITON A/S, a pledge in the CAPEX accounts, assignment of any subordinated loans, and any current and future intercompany loans. The security package also includes, subject to any "Quiet enjoyment letter" and any "Supply chain finance program", an assignment of the rights of under the contracts with Siemens Gamesa Renewable Energy ("SGRE") for J/U WIND ENTERPRISE and J/U WIND ENERGY including all income payable.

In addition, the first lien bond loan (ISIN NO 0012928185) and the ESG loan hold a pledge against amounts on the individual retention accounts for each loan.

GUARANTEE COMMITMENTS
As part of the Super Senior Working Capital Facility, the group's bank has previously provided bank guarantees for SGRE. At the end of 2024 and 2023, there are no outstanding guarantees.

UNRECOGNISED CONTINGENT LIABILITIES
There are pending disputes with individual customers, suppliers and public authorities. Management believes that the outcome of these will not have a material impact on the group's financial position.

CONTRACTUAL OBLIGATIONS NOT RECOGNISED IN THE BALANCE SHEET
During the financial year ZITON A/S entered into an agreement for the lease of a warehouse to be constructed on Dokvej in the Port of Esbjerg in 2025. It is expected that the construction will be completed in Q3 2025 following which ZITON A/S can commence use of the warehouse facilities. The lease agreement has a binding period of ten years and the annual lease is expected to be approximately EUR 0.5m.

The total lease liability is EUR 3.8m and will be recognised in accordance with IFRS 16 in the balance sheet for Q3 2025 when the warehouse is taken into use.

The expected lease payments due within one year is EUR 0.2m, due within one and five years is EUR 1.9m and after five years is EUR 1.6m.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

Information on contingent assets and liabilities and when recognition should be made as an asset and a liability, respectively, is based on assessments of the expected outcome of each claim. The assessments are made on the basis of legal assessments of the signed agreements, which in substantial claims also include assessments obtained from external advisers, including lawyers.

In 2019, ZITON entered into an legal dispute with the Danish tax authorities regarding a VAT claim, and as a result, ZITON paid the claim. However, despite paying the claim from the Danish tax authorities and based on the consulting with the company's legal advisers it is management's assessment that the claim will be repaid in full, and hence the payment has been recognised under other receivables (note 3.4).

ACCOUNTING POLICIES

Contingent assets are recognised when it is considered reasonably certain that the claim will have a positive outcome for the group. A contingent liability is recognised if it is likely that the claim will have a negative outcome and when it is possible to estimate the amount. If this is not the case, the matter is an unrecognised contingent liability.

Note 6 / Other disclosures

6.2 Fees to auditors

The group's fees to auditors appointed at the annual general meeting are listed below:

FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

EUR´000	2024	2023
BDO Statsautoriseret revisionsaktieselskab		
Statutory audit	76	73
Assurance engagements	–	1
Other services	9	3
Total	**85**	**78**

6.3 Related party transactions

ZITON A/S is a wholly owned subsidiary of Zappy Topco ApS, which was established in September 2022 in the course of the debt restructuring of ZITON A/S completed as of 30 September 2022. At 31 December 2024, Permira Credit Solution III Sub Master Euro S.à r.l. ("Permira") held 55% of the voting shares in Zappy Topco ApS.

At 31 December 2024, Permira was the controlling shareholder of ZITON A/S. On 7 January 2025, Macquarie Asset Management, through Macquarie European Infrastructure Fund 7, acquired all shares in Zappy Topco ApS. The ultimate controlling party of ZITON A/S after closing of the transaction is MEIF 7 Luxembourg GP S.à r.l.

The above-mentioned companies are considered related parties, including their subsidiaries and associates, members of the Board of Directors and Executive Management of these entities together with their immediate families.

Furthermore, ZITON's subsidiaries, as well as members of the Board of Directors and the Executive Management of ZITON A/S together with their immediate families, including companies in which the above persons have control or joint control, are considered related parties. A complete list of entities of the group can be found in note 6.6.

The group's transactions with related parties consist of remuneration to members of the Board of Directors and Executive Management and trading with related parties.

REMUNERATION

	Executive Management		Board of Directors	
EUR´000	2024	2023	2024	2023
Wages and salaries	885	538	622	443
Pensions – defined contributions plans	–	–	25	24
Other social security costs	1	1	1	1
Total	**886**	**539**	**648**	**468**

Note 6 / Other disclosures

6.3 Related party transactions (continued)

TRADING AND ACCOUNTS WITH RELATED PARTIES

EUR´000	2024	2023
BALANCE SHEET ITEMS		
Intercompany balances		
Repayment of second super senior working capital loan – Permira	–	3,105
Repayment of second lien bond loan – Permira	–	17,811
Issue of new second lien bond loans – Permira	–	30,168
Capital injection from parent – Zappy Topco ApS	–	15,000
Outstanding balance – second lien bond loans – Permira	38,710	32,995
Intercompany balance – Zappy Topco ApS	–	115
Intercompany balance – DiscoveryCo ApS	1,725	-
PROFIT AND LOSS ITEMS		
Interest on Second Super Senior Working Capital Facility – Permira	–	131
Interest on second lien bond loan – Permira	5,715	5,826
Interest on intercompany balance – Zappy Topco ApS	26	7
Administration service fee – Zappy Topco ApS	8	-
Reimbursements of outlay – Zappy Topco ApS	388	-
Reimbursements of outlay – DiscoveryCo ApS	831	-
Reinvoiced costs including staff costs – DiscoveryCo ApS	2,685	-
Settlement of joint taxation contribution	2	-

No other material transactions took place during the year with members of the Board of Directors, the Executive Management, controlling shareholders or other related parties.

6.4 Subsequent events

On 7 January 2025, Macquarie Asset Management, through Macquarie European Infrastructure Fund 7, acquired all shares in Zappy Topco ApS.

The ultimate controlling party of ZITON A/S after closing of the transaction is MEIF 7 Luxembourg GP S.à r.l.

No other significant events have occurred between the reporting period and the publication of the annual report that have not been included and adequately disclosed in the annual report and that materially affect the income statement, balance sheet and disclosure requirements.

The financial statements were approved by the Board of Directors and have been submitted for adoption at the annual general meeting to be held on 28 April 2025.

6.5 Legal entities

Name and place of domicile	Ownership (%)
Parent company	
ZITON A/S, Horsens, Denmark	
Subsidiaries	
ZITON Contractors A/S, Horsens, Denmark	100%
ZITON Ltd, London, United Kingdom	100%
ZITON GmbH, Hamburg, Germany[1]	100%
Green Wind Enterprise ApS, Horsens, Denmark[2]	100%
Wind Enterprise P/S, Horsens, Denmark[2]	100%
Hangout A/S, Horsens, Denmark	50%

1) Due to the limited size and complexity of the company, the local financial statements of the foreign company have not been audited in compliance with local legislation.
2) Green Wind Enterprise ApS and Wind Enterprise P/S were dissolved on 19 February 2024.

PARENT COMPANY FINANCIAL STATEMENTS

Jump to our

CONSOLIDATED FINANCIAL STATEMENTS & REVIEW →

Income statement
1 January – 31 December

Income statement

EUR´000	Note	2024	2023
Revenue		**104,568**	**55,606**
Other operating income		224	208
Project-related expenses		-13,464	-8,694
Operating expenses		-17,289	-8,855
Gross profit		**74,038**	**38,265**
Administrative expenses		-2,360	-1,724
Staff costs	2.1	-17,648	-14,241
EBITDA		**54,030**	**22,299**
Depreciation and amortisation	3.1-3.2	-17,655	-9,411
EBIT		**36,376**	**12,888**
Income from equity investments		2,228	7,715
Impairment losses on financial assets		–	-6
Financial income	2.2	770	3,093
Financial expenses	2.2	-40,058	-26,624
Income before tax		**-685**	**-2,933**
Tax on profit (loss)	2.3	597	188
Income for the year		**-87**	**-2,745**

Balance sheet
31 December

Assets

EUR´000	Note	2024	2023
ASSETS			
Intangible assets	3.1	128	174
Intangible assets		**128**	**174**
Vessels	3.2	259,828	251,823
Fixtures & equipment	3.2	2,931	2,307
Tangible assets		**262,758**	**254,130**
Investments in subsidiaries	3.4	2,891	15,176
Financial assets		**2,891**	**15,176**
Inventories		228	310
Trade receivables		13,562	7,800
Contract assets		767	1,717
Receivables from group enterprises		1,740	150
Joint tax receivable		604	188
Other receivables		269	2,557
Prepayments		223	157
Cash and cash equivalents		21,653	36,907
Current assets		**39,047**	**49,787**
Total assets		**304,824**	**319,266**

Equity and liabilities

EUR´000	Note	2024	2023
EQUITY			
Share capital		54	54
Reserve for net revaluation according to equity method		2,476	14,724
Reserves		103	81
Retained earnings		16,275	4,148
Total equity		**18,907**	**19,007**
LIABILITIES			
Non-current liabilities			
ESG loan	4.1	92,905	96,098
Bond loan, second lien	4.1	38,927	32,890
Bond loan, first lien	4.1	120,740	136,815
Lease obligations		201	127
Total non-current liabilities		**252,773**	**265,930**
Current liabilities			
ESG loan	4.1	4,003	-
Bond loan, first lien	4.1	16,191	7,687
Lease obligations		135	88
Trade payables		4,699	8,462
Payables to group enterprises		3,322	15,112
Provision for other liabilities		4,795	2,980
Total current liabilites		**33,144**	**34,329**
Total liabilities		**285,917**	**300,259**
Total equity and liabilities		**304,824**	**319,266**

Statement of changes in equity

2024 EUR´000	Share capital	Translation reserves	Reserve for equity value	Total reserves	Retained earnings	Total equity
Balance at 31 December 2023	**54**	**81**	**14,724**	**14,805**	**4,148**	**19,007**
Exchange rate adjustments	–	22	3	25	–37	–12
Total income for the year, after tax	–	–	–12,251	–12,251	12,164	–87
Balance at 31 December 2024	**54**	**103**	**2,476**	**2,578**	**16,275**	**18,907**

SPECIFICATION OF MOVEMENTS IN THE SHARE CAPITAL

EUR´000	2024	2023	2022	2021	2020
Share capital	54	54	54	14,473	13,098

SHARE CAPITAL

There were no changes to the company's registered share capital during the financial year ended 31 December 2024.

On 30 September 2022, ZITON A/S held an extraordinary general meeting. The company's share capital was reduced from 108,013,705 shares of DKK 1 each (EUR 14,473k) to zero and all of the company's share classes and warrants were cancelled. Subsequently, the company's share capital was increased by EUR 54k by conversion of existing debt. The increase in share capital of EUR 54k resulted in a share premium of EUR 38,707k.

The company has only one class of shares which are wholly owned by Zappy Topco ApS.

At 31 December 2024, Permira was the controlling shareholder of ZITON A/S. On 7 January 2025, Macquarie Asset Management, through Macquarie European Infrastructure Fund 7, acquired all shares in Zappy Topco ApS. The ultimate controlling party of ZITON A/S after closing of the transaction is MEIF 7 Luxembourg GP S.à r.l.

Notes to the parent company financial statements

Note 1 / Basis of reporting

1.1 Basis of reporting

ACCOUNTING POLICIES

The financial statements of ZITON A/S have been prepared in accordance with the provisions for class D enterprises of the Danish Financial Statements Act.

As the accounting policies of ZITON A/S differ from those of the group, which follow IFRS, with respect to only a few items, only policies that differ from those of the group are detailed below. Reference is made to the accounting policies of the ZITON group for the other items. ZITON A/S has not implemented IFRS 16.

INCOME STATEMENT AND BALANCE SHEET

Earnings from equity investments

Earnings from investments in subsidiaries and joint ventures. In the parent company income statement, the proportional share of earnings is recognised under the item "Income from equity investment".

Investments in subsidiaries

Investments in ZITON Contractors A/S, Hangout A/S, ZITON Ltd and ZITON GmbH are recognised and measured according to the equity method.

The subsidiaries Green Wind Enterprise ApS and Wind Enterprise P/S were dissolved on 19 February 2024.

The proportional ownership share of the companies' net asset value is recognised in the balance sheet under the items "Investments in subsidiaries".

The total net revaluation of investments in subsidiaries is transferred through the distribution of profit to "Reserve for equity value" under equity. The reserve is reduced by dividend payments to the parent company and is adjusted for other changes in equity in subsidiaries.

No subsidiaries with negative net asset value are recognised, and a provision to cover the negative balance is recognised.

Other accounting policies

With reference to the provisions of the Danish Financial Statements Act, the parent company has refrained from preparing a cash flow statement. For this information, see the consolidated financial statements of the ZITON group.

Note 2 / Operating activities

2.1 Staff costs

TOTAL STAFF COSTS

EUR´000		2024	2023
Staff costs			
Wages and salaries		16,219	13,174
Pensions – defined contributions plans		1,113	901
Other social security costs		316	273
Total staff costs	I/S	**17,648**	**14,348**
of which remuneration to:			
Executive Management[1]		886	539
Board of Directors		648	468
Average number of employees			
Total employees		**259**	**235**

1) Executive Management registered with the Danish Business Authority (Erhvervsstyrelsen)

2.2 Net financial expenses

EUR´000		2024	2023
Financial income			
Financial income, related parties		26	2,282
Other financial income		774	811
Total financial income	I/S	**770**	**3,093**
Financial expenses			
Financial expenses, related parties		319	160
Other financial expenses		39,739	26,464
Total financial expenses	I/S	**40,058**	**26,624**
Net financial expenses		**39,288**	**23,531**

Note 2 / Operating activities

2.3 Income tax expense

EUR´000		2024	2023
Current tax			
Current tax on income for the year		–	–
Total current tax		**–**	**–**
Deferred tax (note 3.3)			
Deferred tax on the income (profit/loss) for the year		–	–
Adjustments in respect of prior years – deferred tax		–597	–188
Total deferred tax		**–597**	**–188**
Income tax expense	I/S	**–597**	**–188**

Note 3 / Operating assets and liabilities

3.1 Intangible assets

2024 EUR´000		Software	Total
Cost at 1 January		259	259
Exchange rate adjustments		–	–
Additions		–	–
Disposals		–	–
Cost at 31 December		**259**	**259**
Depreciation at 1 January		–85	–85
Exchange rate adjustments		–	–
Depreciation		–46	–46
Disposals		–	–
Depreciation at 31 December		**–131**	**–131**
Carrying amount at 31 December	B/S	**128**	**128**

Note 3 / Operating assets and liabilities

3.2 Vessels and equipment

2024 EUR´000		Fixtures & equipment	Vessels	Total
Cost at 1 January		3,395	340,681	344,076
Exchange rate adjustments		-3	-301	-305
Additions		738	25,482	26,220
Additions of leased assets		406	–	406
Disposals		–	–	–
Disposals of leased assets		-262	–	-262
Cost at 31 December		**4,274**	**365,862**	**370,136**
Depreciation at 1 January		-1,088	-88,858	-89,946
Exchange rate adjustments		1	64	65
Depreciation		-238	-17,240	-17,478
Depreciations on leased assets		-129	–	-129
Disposals		–	–	–
Disposals on leased assets		111	–	111
Depreciation at 31 December		**-1,343**	**-106,034**	**-107,377**
Carrying amount at 31 December	B/S	**2,931**	**259,828**	**262,759**
– of which car finance leases		416	–	416

3.3 Deferred tax

EUR´000		2024	2023
Deferred tax 1 January		–	–
Utilisation of tax loss in joint taxation		-597	-188
Adjustment to deferred tax asset		597	188
Total deferred tax, net at 31 December	B/S	**–**	**–**
Deferred tax gross			
Deferred tax asset		–	–
Deferred tax liability		–	–
Total deferred tax, net at 31 December	B/S	**–**	**–**

ZITON A/S has unrecognised tax losses carried forward of EUR 24m with a tax value of EUR 5m (2023: tax losses of EUR 26m, tax value of EUR 6m). The deferred tax asset of the tax losses have not been recognised as it has been assessed that the losses cannot be substantially utilised in the foreseeable future.

The majority of ZITON A/S' income is taxed under the Danish tonnage tax scheme. If ZITON A/S withdraws from the tonnage taxation scheme, a deferred tax liability amounting to a maximum of EUR 17m may be realised (2023: EUR 14m). ZITON A/S does not intend to withdraw from the tonnage tax scheme and therefore no tax liability has been recognised.

Note 3 / Operating assets and liabilities

3.4 Financial assets

EUR´000		2024
Cost at 1 January		451
Exchange rate adjustments		-
Disposals		-59
Cost at 31 December		**392**
Adjustments at 1 January		14,724
Exchange rate adjustments		3
Dividend received		-403
Profit during the year		2,228
Disposals		-14,077
Adjustments at 31 December		**2,476**
Total		**2,868**
Transfer to other liabilities		23
Carrying amount at 31 December	B/S	**2,891**

Legal entitites	Registered office	Ownership share
ZITON Ltd	London, United Kingdom	100%
ZITON GmbH	Hamburg, Germany	100%
Hangout A/S	Horsens, Denmark	50%
ZITON Contractors A/S	Horsens, Denmark	100%

Note 4 / Capital structure and financing

4.1 Loans

2024 EUR´000		Current debt Within one year	Non-current debt One to five years	Non-current debt After five years	Total
ESG loan		4,003	92,905	–	96,907
Bond loan, second lien		–	38,927	–	38,927
Bond loan, first lien		16,191	120,740	–	136,931
Lease obligations		135	201	–	336
Total	B/S	**20,328**	**252,773**	**–**	**273,100**

2023 EUR´000		Current debt Within one year	Non-current debt One to five years	Non-current debt After five years	Total
ESG loan		–	96,098	–	96,098
Bond loan, second lien		–	32,890	–	32,890
Bond loan, first lien		7,687	136,815	–	144,502
Lease obligations		88	127	–	215
Total	B/S	**7,775**	**265,930**	**–**	**273,705**

4.2 Proposed distribution of profit

EUR´000	2024	2023
Reserve for equity value	-12,251	14,729
Accumulated profit (loss)	12,164	-17,474
Proposed distribution of profit	**-87**	**-2,745**

Note 5 / Other disclosures

5.1 Commitments and contingencies

COMMITMENTS (OPERATING LEASE ARRANGEMENTS)
See note 6.1 to the consolidated financial statements.

CONTINGENCIES
Lease obligations
Operating leases in 2024 and 2023 were related to lease of office, warehouse and cars.

OPERATING LEASES

EUR´000	2024	2023
Within one year	284	232
Between one and five years	201	276
After five years	–	–
In total	**485**	**508**

CONTRACTUAL OBLIGATIONS NOT RECOGNISED IN THE BALANCE SHEET
During the financial year, ZITON A/S entered into an agreement for the lease of a warehouse to be constructed on Dokvej in the Port of Esbjerg in 2025. It is expected that the construction will be completed in Q3 2025 following which ZITON A/S can commence use of the warehouse facilities. The lease agreement has a binding period of ten years and the annual lease is expected to be approximately EUR 0.5m.

The total lease liability is EUR 3.8m and will be recognised in accordance with IFRS 16 in the balance sheet for Q3 2025 when the warehouse is taken into use.

The expected lease payments due within one year is EUR 0.2m, within one and five years is EUR 1.9m, and after five years is EUR 1.6m.

SECURITY
See note 6.1 to the consolidated financial statements.

GUARANTEES
See note 6.1 to the consolidated financial statements.

UNRECOGNISED CONTINGENT LIABILITIES
See note 6.1 to the consolidated financial statements.

5.2 Fees to auditors

See note 6.2 to the consolidated financial statements.

5.3 Related party transactions

See note 6.3 to the consolidated financial statements.

All agreements relating to transactions between ZITON A/S and subsidiaries are based on market prices (arm's length).

The ownership shares above 5% are listed under 'Corporate structure' in this report.

5.4 Subsequent events

See note 6.4 to the consolidated financial statements.

Management's statement by the Board of Directors and the Executive Management

The Board of Directors and the Executive Management have today discussed and approved the annual report of ZITON A/S for 2024.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and the financial statements of the parent company have been presented in accordance with the Danish Financial Statements Act. The management review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and the annual financial statements of the company give a true and fair view of the group's and the company's assets, liabilities and financial position at 31 December 2024 and of the results of the group's and the company's operations and cash flows for the financial year 2024.

Further, in our opinion the management review includes a fair review of the development in the group's and the parent company's operations and financial matters, of the result for the year, and of the group's and the parent company's financial position, as well as describing the significant risks and uncertainties affecting the group and the parent company.

In our opinion, the annual report of ZITON A/S for the financial year 1 January to 31 December 2024, with the file name ziton-2024-12-31-en.zip, has been prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend the annual report be approved at the annual general meeting.

Horsens, 28 April 2025

Executive Management

Thorsten Henrik Jalk

Board of Directors

William Burton Blair Ainslie
Chair

Anna Sofia Arhall Bergendorff

Jonathan Brazier Duffy

Thorsten Henrik Jalk

Jens Michel Haurum

Independent auditor's report

To the shareholders of ZITON A/S

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of ZITON A/S for the financial year 1 January – 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including material accounting policy information for both the group and the parent company, and cash flow statement and total income statement for the group. The consolidated financial statements are prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act, and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the group at 31 December 2024, and of the results of the group operations and cash flows for the financial year 1 January – 31 December 2024 in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act.

Furthermore, it is our opinion that the parent company financial statements give a true and fair view of the financial position of the parent company at 31 December 2024, and of the results of the parent company operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our extract from audit book to the audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the audit of the consolidated financial statements and the parent company financial statements" section of our report. We are independent of the group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our belief we have not performed any prohibited non-audit services, as stated in article 5, subarticle 1, in regulation (EU) no. 537/2014.

We were first appointed auditor of ZITON A/S on 22 January 2008 for the financial year 2008.

We were reappointed annually by a resolution of a general meeting for a total continuous period of 17 years until and including the financial year 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of vessels

Key audit matter

Vessels consist of several jack-up vessels and the value amounts to EUR 259,828k (2023: EUR 251,823k). Vessels are presented as a part of "Vessels, including property, fixtures and equipment". Refer to note 3.1 in the consolidated financial statements. Vessels are subject to an impairment test when indicators of impairment exist. In 2024, ZITON realized a loss for the year, which has given rise to an indicator of impairment for the vessel fleet. Significant judgements are required by management in determining the recoverability of the carrying amount of vessels. Management's estimates of cash flow and determining WACC are therefore the most significant judgements. The judgement in determining expected cash flow includes long-term estimates on charter rates, utilisation of the vessels, operating costs and capital expenditure.

The key assumptions related to vessels are described in note 3.1 to the consolidated financial statements. Combined with the significance of vessels to the financial statements as a whole the valuation of vessels is considered to be a key audit matter.

How our audit addressed the key audit matter

Based on our risk assessment we assessed the relevant internal controls for vessels primarily relating to management's impairment test. We obtained management's impairment test of vessels. We considered and challenged management's assessment for indicators of impairment of vessels. We considered and challenged the judgements used to determine the value in use of the vessels. This includes those relating to charter rates, expected utilisation rates and operating costs. We tested the judgements by reference to third-party documentation such as signed framework agreements with customers. We also assessed the management's underlying key judgements including challenge of future market and market share and utilisation rates. Valuation specialists assessed the discount rates (WACC) applied by management. We assessed and challenged the appropriateness of management's presentation of these matters in the financial statements.

STATEMENT ON MANAGEMENT´S REVIEW

Management is responsible for management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

MANAGEMENT'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act, and for the preparation of the parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act.

Moreover, management is responsible for the internal control which management deems necessary to prepare the consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, management is responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate them all relationships and other matters that may reasonably thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

REPORT ON COMPLIANCE WITH THE ESEF REGULATION

As part of our audit of the consolidated financial statements and the parent company financial statements of ZITON A/S we performed procedures to express an opinion on whether the annual report of ZITON A/S for the financial year 1 January to 31 December 2024 with the file name ziton-2024-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of ZITON A/S for the financial year 1 January to 31 December 2024 with the file name ziton-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Hobro, 28 April 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Michael Graversen
State Authorised Public Accountant
MNE no. mne34099