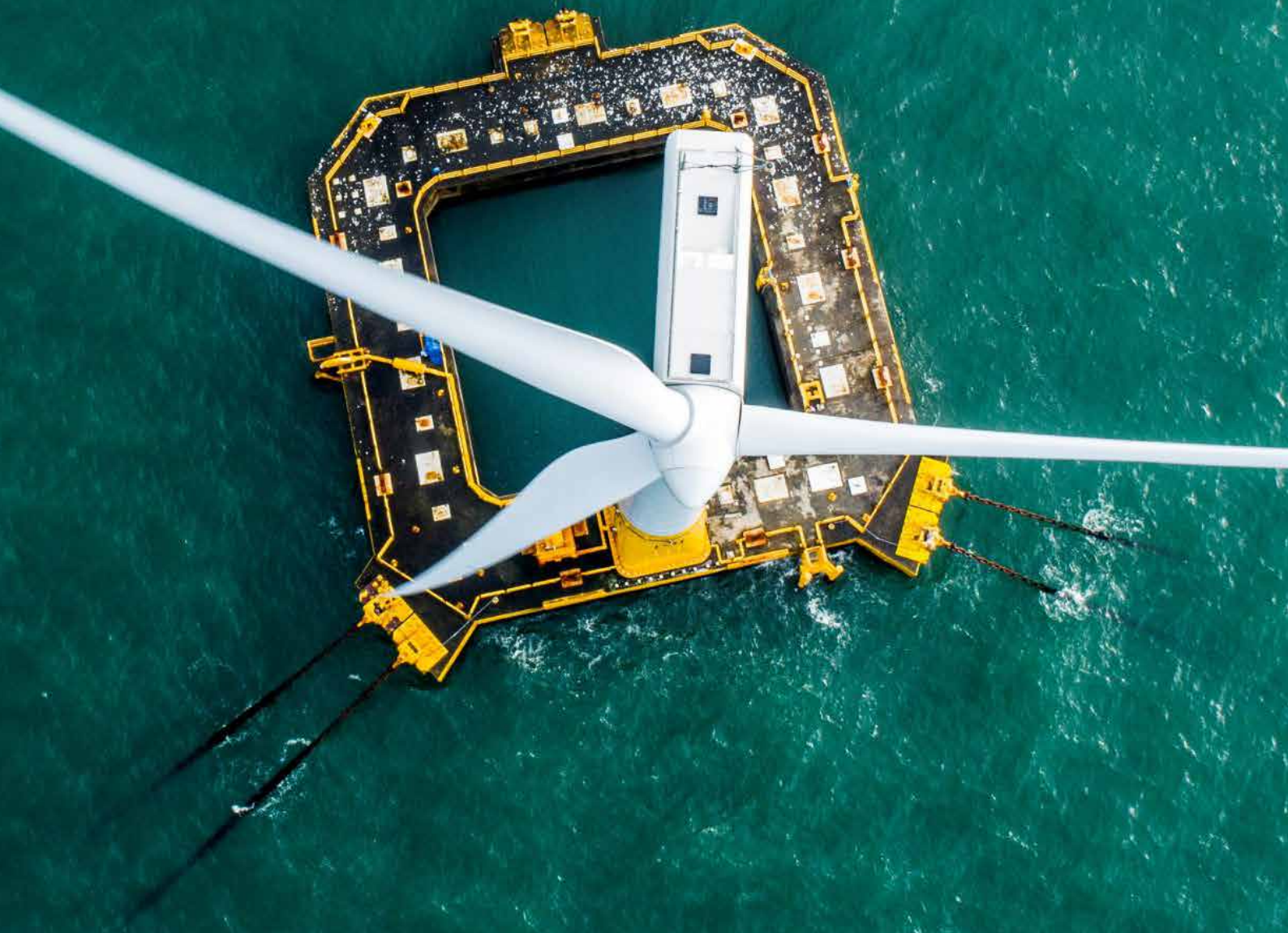


# ANNUAL REPORT 2022







BW Ideol is a leading fully integrated platform in floating wind with more than 12 years of experience from design, execution and development of floating wind projects based on its patented floating wind technology and engineering capabilities. The Company has a dual-leg growth strategy as a floater EPCI contractor and as a wind-farm project developer and co-owner.



BW Ideol has two full-scale offshore floating wind turbines in operation in France and Japan, has a 30 MW project under construction in France and is developing with its partners the 1 GW Buchan Offshore Wind project in Scotland. The Company is involved in a significant project pipeline, supported by BW Offshore's extensive experience from developing and operating offshore energy production systems.

## ONE OF THE MOST PROMISING CLEANTECH COMPANIES OF ITS GENERATION

### 2010

Year of creation (of Ideol SA)

### STAFF OF ~75

An experienced and multidisciplinary team

### 30 MW

under construction  
in France

### 1 GW project awarded

in Scotland

### 5 FAMILY OF PATENTS

supporting Damping Pool®  
technology

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# 2022 in brief

BW Ideol AS is a global leader in floating wind technology and project development. The Company was founded on 15 March 2021 following BW Offshore's strategic acquisition of Ideol SA, a private placement raising gross EUR 51.5 million of growth capital and subsequent listing of BW Ideol on Euronext Growth in Oslo. BW Ideol's main office is in La Ciotat, France.

## KEY EVENTS



# Message from the CEO

**BW Ideol is a global leader in floating wind technology and co-development. We are well positioned to capture a vast emerging global market driven by the urgent need to transition to clean renewable energy to support long-term sustainable economic growth. During the past year, we expanded our project pipeline and moved rapidly towards our target of engaging in 10 GW of floating offshore wind capacity by 2030.**

We see increased interest in floating wind solutions due to soaring energy prices as economic activity normalised with reduced Covid-19 restrictions and as the Russian invasion of Ukraine sparked widespread energy security concerns. European nations, now share a common goal of independence from Russian oil and gas supported by the accelerated development of renewable power generation.

Around the world, countries and corporations are also increasingly seeking innovative solutions to decarbonise industry value chains in response to another year of near record global temperatures. We are confident that floating wind offers a sustainable and profitable solution that addresses these challenges on a global scale. This is reflected in our mission to make floating wind a key contributor to the world's energy transition.

## Secure, affordable and clean energy

BW Ideol was founded in 2021 on two strong legacies with extensive experience and capabilities within renewable and offshore energy production, creating a strong platform for a growing floating wind business with significant long-term value

creation potential. We leverage more than a decade of experience from design, execution and development of floating wind projects to provide solutions that enable access to secure, affordable and clean energy.

Our value proposition is founded on our proven, in-house developed and patented floating wind technology and strong co-development partnerships. We design the most compact floating solutions in the market for tomorrow's largest wind turbines. This is reflected in a growing pipeline of commercial-scale projects, cooperation agreements and participation in tenders for floating wind farm developments.

We are committed to continuous innovation of our floating foundations to drive down the cost of developing offshore wind. We capture synergies with our partners and BW Offshore and seek to expand our product offering through new solutions for power-to-platform and floating power substation technology.



**We are committed to continuous innovation of our floating foundations to drive down the cost of developing offshore wind.**



## Progressing multiple projects worldwide

In 2022, we strengthened our position in core markets through the execution of our dual-leg strategy as a co-developer of floating wind projects and EPCI\* and offshore wind technology provider. A major milestone was the award of one of the most attractive ScotWind leases to the Floating Energy Alliance (FEA), with BW Ideol as an equal partner with BayWa r.e. and Elicio, in the first-ever large-scale lease award for floating wind farms.



We are currently performing preparatory work for the nearly 1 GW Buchan Offshore Wind project off the northeast coast of Scotland. BW Ideol is contracted by FEA for engineering services and technology licencing, thus securing project revenues ahead of the installation start sometime before 2030. Preparations also continue at the nearby Ardersier Port where we intend to establish a production line for concrete foundations to serve our own and potentially third-party developments with significant local job and value creation.

We further strengthened our position in France, where our Floatgen demonstrator delivers stable operations and power output. Our design and technology collaboration with EDF Renewables and Maple Power from the South Brittany tender was extended to also include two 250 MW wind tender in the Mediterranean Sea. We are a 5% owner in the 30MW pre-commercial EolMed wind farm based on our floater design in the Mediterranean Sea, which in May secured the industry's first non-recourse project financing on floating wind and made its final investment decision.

Our pipeline also includes maturing projects in Europe, the US, Taiwan and Japan. We have one of the largest floating wind pipelines under development in Japan totalling approximately 2 GW of capacity supported by the Hibiki demonstrator. Joint development agreements are in place with leading Japanese utilities and developers, and in 2022, we initiated feasibility studies together with Tohoku Electric Power Co for the joint development of a commercial scale floating offshore wind farm off the coast of the Iwate prefecture, based on our technology.

## Ready to lead and create significant value

We continue to build our organisation, adding capabilities and diversity to support our long-term growth. I would like to extend my gratitude to everyone for their continued dedication and hard work developing our business and for living up to our values - Upright, Trustful, Audacious, Committed and Solution-driven.

These reflect how we work as one team to make floating wind a key contributor to the world's energy transition and sustainably create value for all our stakeholders.

We remain mindful of our capacity to finance the execution of these developments. The current high inflation environment and increasing interest rates impacts availability of financing for renewable energy projects. We are in close dialogue with our main owner and partners to ensure we have the resources required to execute our strategy, including funding of co-development projects using our technology. These initiatives are expected to provide the required capital to deliver on our growth ambitions.

The need for clean energy solutions at scale and to decarbonise global energy systems is increasingly recognised across the world and was fully reiterated at the COP27 conference in Egypt in November. We believe floating wind will be one of the key technologies enabling the global energy transition. BW Ideol is at the forefront of this development with our unique execution platform as a leading project co-developer and a proven technology provider. As an early mover in this market, we are ready to take a leading position and create significant value for our stakeholders over time.

**Paul de la Guérivière**  
CEO of BW Ideol





# THIS IS BW IDEOL

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**BW Ideol's mission is to make floating wind a key contributor to the world's energy transition. By deploying its proprietary floating technology, the Damping Pool®, the Company seeks to unlock the vast potential of offshore wind.**

The ambition is to become a long-term owner of floating wind assets, with an investment strategy focused on agile and optimal deployment of capital. The Company is leveraging its technology, competence and experience via a dual-leg strategy.

### **Co-developer of floating wind projects**

BW Ideol forms joint-ventures with local utilities and financial sponsors to develop, build, install and operate floating wind farms, reinforcing its chances to be awarded sites and leveraging on its proprietary technology and accumulated pioneering experience to optimise bids on all scoring criteria – including local content – with the execution and financial backing of BW Offshore.

BW Ideol is building a strong co-development portfolio, as one of three equal partners in the 1 GW Buchan Offshore Wind project off Scotland and as a 5% owner in the 30 MW Eolmed project in the French Mediterranean Sea.

### **Floating wind EPCI contractor and maintenance and services provider**

BW Ideol leverages its highly competent engineering and execution workforces to design, manufacture and deliver floating foundations to its customers. This includes preparing for the optimum delivery plans in all key markets by potentially investing in strategic port infrastructure and production lines. BW Ideol has secured exclusivity on the port of Ardersier in Scotland, targeting a market exceeding 15 GW.

The Company is progressing both legs of its strategy by developing and maturing a pipeline of offshore wind projects with strong partners and is positioning itself to become a global leader in production of renewable energy from floating wind assets.

BW Ideol has two full-scale demonstrators in operation in France and Japan and is engaged in multiple pre-commercial and commercial-scale projects worldwide. The Company is on track to deliver on its ambition of engaging in a portfolio of approximately 10 GW gross floating offshore wind capacity by 2030.

# Mission and long-term ambitions



## STRATEGIC TARGETS

Expand and mature a significant portfolio of development projects

Growth as a technology and EPCI contractor

Become a long-term asset owner and operator



## KEY BUILDING BLOCKS

Building on existing pipeline and strong JV partnerships

Scaling and optimising technology

Extending organisation globally

Leveraging BW Offshore partnership



## MISSION AND VISION

Make floating wind a key contributor to the world's energy transition

Be the leading long-term owner of floating wind assets in key offshore wind markets across the globe



## 2030 GOALS

~10 GW gross portfolio of projects in France, Japan, UK and the US

Over 15% of portfolio in operation

Return on equity above 15%



# Activities

## BUCHAN OFFSHORE WIND PROJECT

**Capacity :** 960 MW  
**In partnership** with BayWa r.e., Elicio

## FLOATGEN PROJECT


Successfully operating since 2018



**Capacity :** 2 MW / Vestas V80  
**Floater :** built in concrete in Saint-Nazaire harbor (40 km from the installation site)  
**Mooring :** nylon fiber rope  
**Water depth :** 33 metres  
**Installation site :** SEM-REV test site, Le Croisic, France  
**Distance from shore :** 22 kilometres  
**In partnership** with Bouygues Travaux Publics, Ecole Centrale de Nantes,...

## PRE-COMMERCIAL AND COMMERCIAL PROJECTS

With a target of at least 10 GW under development, construction or operation by 2030, numerous pre-commercial and commercial-scale projects are currently under development across the globe

-  BW Ideol permanent presence
-  BW Ideol projects

## EOLMED PROJECT Under construction – Commissioning 2024



**Capacity :** 30 MW / 3 units  
**Water depth :** 55 metres  
**Installation site :** Gruissan (French Mediterranean)  
**Distance from shore :** 16 kilometres  
**In partnership** with Qair, TotalEnergies Renewables

## R&D PROJECTS

R&D projects with industrial and academic partners, all aiming at optimising serial production and reducing the LCOE of floating offshore wind.

## FLOATING POWER SERVICES

in partnership with BW Offshore

Floating substation based on BW Ideol's technology. Power to Platform solutions aiming at decarbonizing O&G production assets.

## JAPAN

Multiple site-specific and exclusive joint development agreements for commercial-scale projects with leading Japanese utilities and developers such as Tohoku Electric Power Company and Eneos.

## HIBIKI PROJECT Successfully operating since 2018



**Capacity :** 3 MW / 1 unit  
**Floater:** built in steel at Hitachi Zosen's Sakai works (Osaka)  
**Mooring :** Chainlink  
**Water depth :** 55 metres  
**Installation site :** Kitakyūshū, Japan  
**In partnership** with NEDO, Hitachi Zosen, Marubeni, University of Tokyo...

## SOUTH-BRITTANY TENDER

**Capacity :** up to 270 MW  
**In partnership** with EDF Renewables, Maple Power

## MEDITERRANEAN TENDER

**Capacity :** 2 X 250 MW  
**In partnership** with EDF Renewables, Maple Power

## TAIWAN

Joint development agreement for both pilot and commercial-scale wind projects with Taiya Renewable Energy



## A STRONG FLOATING OFFSHORE WIND MARKET OUTLOOK

Offshore wind offers numerous advantages such as stronger and more regular wind, less visual impact, fewer space restrictions and a cost-competitive long-term solution for clean energy production. These advantages are the driving force for a rapidly growing offshore wind market addressing a large untapped global potential.

Traditionally, offshore wind has been limited to shallow water by using bottom-fixed foundations. These require specialised offshore vessels for the installation of the foundation and the integration of the wind turbines, along with favourable weather conditions.

Floating wind unlocks the water depth constraints and allows for more cost-efficient quayside construction, assembly and maintenance. It also requires smaller specialised installation vessels. BW Ideol's Damping Pool® technology is engineered to facilitate serial production close to the wind farms and enable increased local content, job- and value-creation.

Offshore wind offers superior production performance compared to onshore wind and solar with a significant potential to scale up both project capacity and the size of turbines.

BW Ideol is closely tracking confirmed tenders for over 25 GW of co-development capacity, which are expected to be launched in the Company's target markets over the next three years, and over 45 GW of EPCI activities.

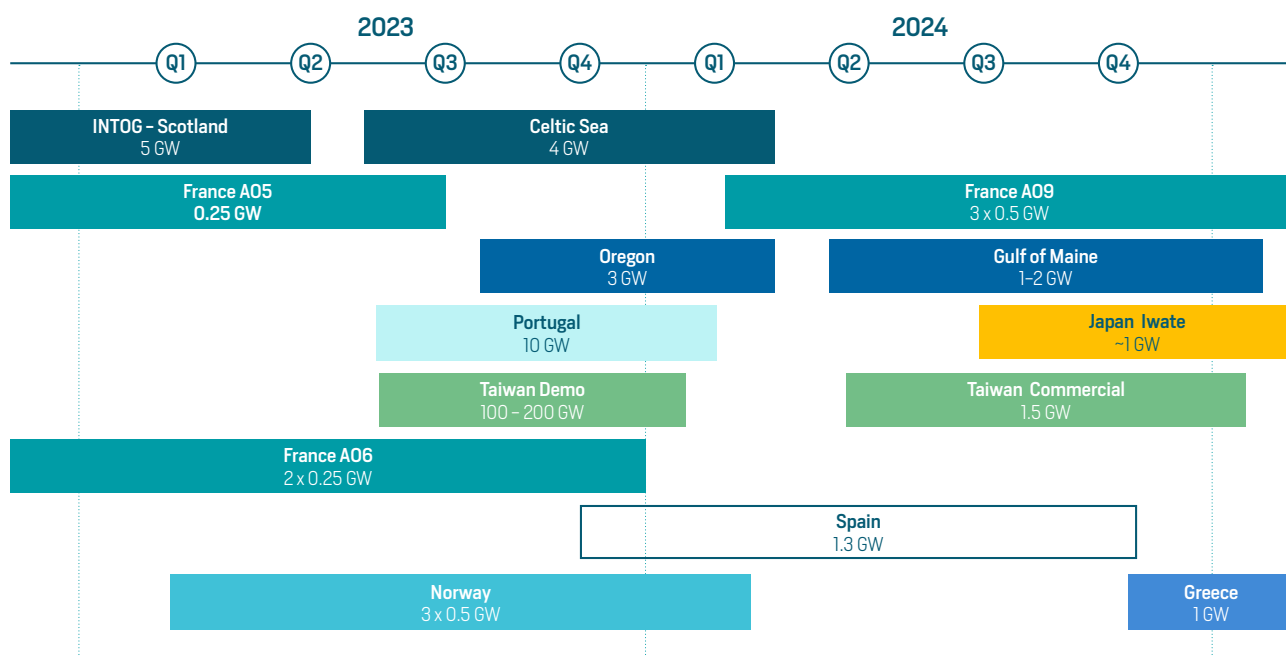
In October 2022, Renewables UK reported that the global floating wind project pipeline had more than doubled in the past 12 months to 185 GW spread over 230 projects. Renewables UK estimates a potential for 3,200 floating foundations to be installed by the end of 2030 as parts of the project pipeline are converted into developments.

The Global Wind Energy Council (GWEC) in their 2022 report "Floating Offshore Wind - A Global Opportunity", estimates a seven-fold increase in offshore wind by 2030, from 35 GW in 2020 to 270GW, of which 16.5 GW likely will be from floating wind. GWEC further predicts the offshore wind market may grow to 2,000 GW to achieve net zero emissions.

Floating wind is positioned to capture a significant share of this market due to access to larger areas for development where water depths are unsuitable for bottom-fixed solutions and due to a proven higher capacity factor<sup>1</sup>.

<sup>1</sup>Capacity factor measures the utilisation of the wind turbine by dividing actual unit electricity output by the maximum possible output.

## HIGH VISIBILITY ON NEAR-TERM CONFIRMED TENDERS > 25 GW



## FOCUS ON FOUR OFFSHORE WIND GROWTH MARKETS

BW Ideol's initial focus is centred on four core markets: France, Japan, the UK and the US. Additionally, the Company is closely monitoring market opportunities in other areas including Northern and Southern Europe, and East Asia, and Power-to-Platform solutions to decarbonise offshore oil and gas production.



**In France**, the electricity grid operator (RTE) issued a report in October 2021 presenting different energy mix scenarios for France to achieve carbon neutrality and secure its energy supply by 2050. RTE concluded that between 22 GW to 62 GW of offshore wind capacity will be needed to achieve the targets in any of the scenarios, depending on the share of nuclear power. The most probable scenario implies the installation of around 45 GW of offshore wind by 2050. It confirms a substantial market potential for BW Ideol as the most favourable areas for offshore wind in France require floating wind solutions. BW Ideol's portfolio in France includes Floatgen and the 30 MW EolMed pilot, which is under construction with commissioning expected by 2024. BW Ideol is also positioned in ongoing tender processes for development projects off the Brittany and Mediterranean coasts in collaboration EDF Renewables and Maple Power.



**In the US**, in October 2021, the Bureau of Ocean Energy Management (BOEM) outlined new offshore wind leasing for up to seven new leasing rounds by 2025, including potentially large areas dedicated to floating wind (California, Oregon, Maine) for a total capacity above 8 GW. In December 2022, the Bureau of Ocean Energy Management named five developers as provisional winners after pledging to spend over USD 750 million in a lease sale of areas offshore California, for a total of around 7 GW. Tenders for Oregon and Maine are expected in 2023 and 2024.



**In the UK**, 17 leases were awarded in the January 2022 ScotWind license round by Crown Estate Scotland for a total of 25 GW of installed capacity, of which 14.6 GW for floating wind. A further 1.8 GW of floating wind licenses were awarded by Scotland in August for development east of the Shetland Islands. These awards reflect a large market in the UK which is under active development for installation before the end of the decade. BW Ideol was awarded the NE8 lease for 960 MW as part of the Floating Energy Alliance. In addition, the Crown Estate has announced the preparation of a new leasing round dedicated to floating wind in the Celtic Sea. BW Ideol signed a strategic partnership agreement with Ardersier Port in September 2021, giving exclusive access for manufacturing concrete floaters. The plan is to set up a multi-project construction line in cooperation with the port owners to enable industrialisation and serial production of floaters.



**The Japanese** market also represents a great potential as the country is redefining its energy mix following the Fukushima nuclear disaster. The construction and installation of floating wind farms are considered a strategic requirement. The Japanese government has issued guidelines targeting between 30 GW and 45 GW of offshore wind to be installed before 2040, including a 10 GW target by 2030. BW Ideol has a strong presence in Japan with the Hibiki demonstrator and several cooperation agreements. In 2022, the Company signed an agreement with Tohoku Electric Power Co., Inc. for a joint development of a commercial-scale floating offshore wind farm of up to 700 MW. In total, the Company has established collaborations with three different partners and is pursuing the development of around 2 GW of pipeline.

**In addition, multiple tenders are progressing in Norway, the UK, Spain, Taiwan and Portugal confirming the rapid emergence of the floating wind market. Execution of these projects is likely to commence around 2028.**



## TECHNOLOGY AND SERVICES

**The market for floating wind solutions remains concentrated with a limited number of players with proven technology.**

### Floating foundation

BW Ideol's core technology is the patented state-of-the-art Damping Pool® floating foundation solution. The square-shaped structure comprises a central opening with specific hydrodynamic properties optimising foundation stability. Water trapped in the central opening counteracts the floater motions induced by the external waves. The solution can be implemented, without any major modification, with all standard offshore wind turbines.

The foundation is designed to manage a wide range of conditions and is proven by the Company's operating demonstrators installed offshore France and Japan. The floater technology can be deployed at any water depth deeper than 30 metres, independently from any seabed conditions, and can accommodate wind turbines of all capacities.

The foundations can be manufactured using both steel and concrete. The use of concrete allows construction located as close as possible to the deployment site supporting higher local content and job creation.

BW Ideol's floater technology enables quayside installation of wind turbines due to its very shallow draft. This reduces both wind turbine installation costs and risks compared to traditional bottom-fixed foundations. It enables efficient scale-up to accommodate larger wind turbines without the need for a large yard and deep harbour. The floater unit can later be easily towed back to port using standard vessels, reducing maintenance costs for major wind turbine overhauls. The decommissioning is simplified, and no components are left on-site.

### First&Only

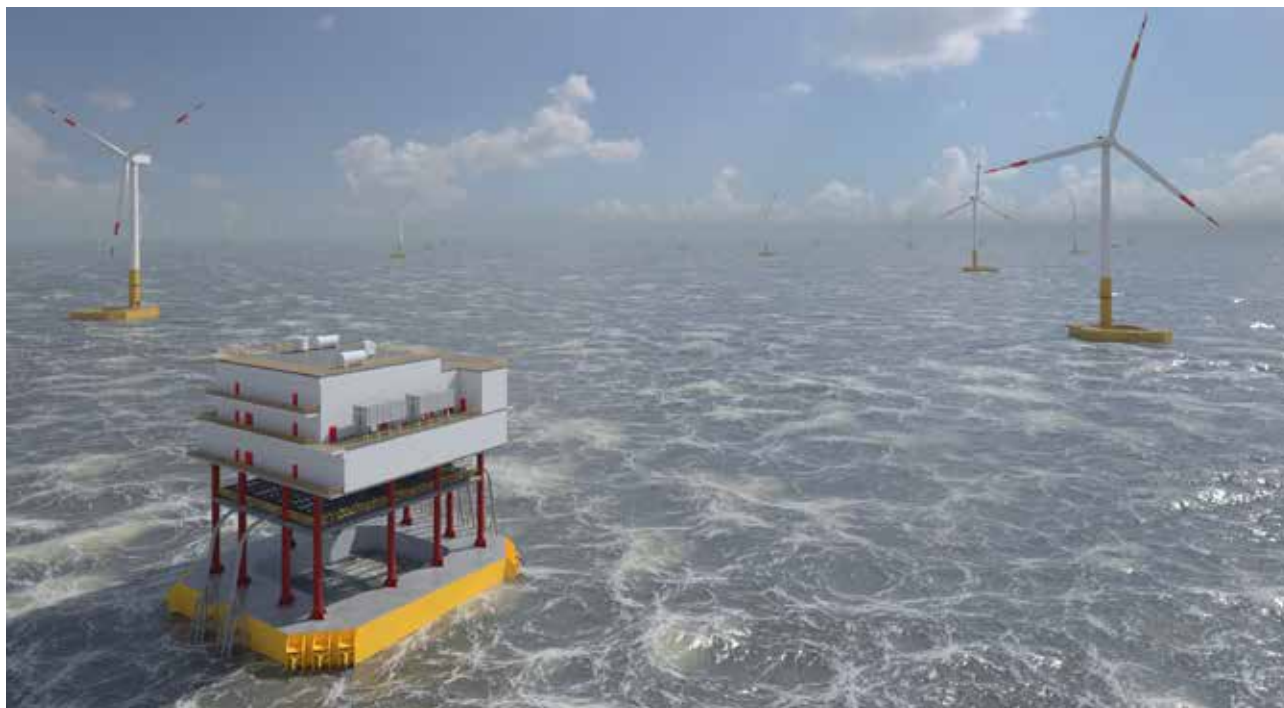
To scale up, to drive cost down and to secure on-time delivery, innovation is a prerequisite from conception to execution and O&M. BW Ideol intends to leverage on its pioneering role to grasp a significant market share.



## Floating substation

BW Ideol and several partners has developed a universal floating offshore substation solution. Based on the Damping Pool® concept, the modular substation is engineered to operate in the world's most extreme environments and to offer maximum modularity.

The design enables efficient quayside installation, testing and pre-commissioning of the topside and offshore installation without heavy-lift offshore operations. BW Ideol's proven supply chain supports onsite serial production and creation of local jobs. This substation is market-ready for upcoming commercial floating wind tenders world-wide.



## Power-to-platform pole

BW Ideol and BW Offshore jointly engages with the oil and gas industry to help decarbonise offshore energy production by using floating wind solutions to generate clean renewable power to offshore Installations. To date, the Company has been engaged in four pre-feasibility and feasibility studies for various oil and gas companies.



## R&D projects



### PIAFF&CO

BW Ideol is part of the PIAFF&CO project to improve knowledge of flying fauna – birds and bats – in the vicinity of offshore wind farms. The project captures and analyses unique data from Floatgen on the SEM-REV test site. The project is led by Centrale Nantes in conjunction with the Centre d'Écologie et des Sciences de la Conservation du Muséum national d'Histoire naturelle and the Saint Nazaire offshore wind farm.



### FLOATECH

FLOATECH aims at increasing the technical maturity and the cost competitiveness of floating offshore wind energy. This will be achieved by development of 1) a user-friendly and efficient design engineering tool (named QBlade-Ocean) performing simulations of floating wind turbines, and 2) development of two innovative control techniques (i.e., Active Wave-based feed-forward control and the Active Wake Mixing) for floating wind turbines and floaters, combining wave prediction and anticipation of induced platform motions.

FLOATECH is a Horizon 2020 project funded under the EU Energy programme. The consortium is coordinated by TU Berlin and implemented by nine partners from four EU countries. BW Ideol is mainly involved in the experimental offshore testing and validation.



### VELELLA

Velella is an innovation programme developed in consortium with IVM Technologies, IFREMER and ENSTA Bretagne. It aims to confirm the technology leadership of BW Ideol's proprietary Damping Pool® foundation for floating high-power wind turbines (20 MW) and to support the development of innovative products and services. This includes innovative mooring lines and new sensor technology with real-time inspection and monitoring of floater behaviour and mooring maintenance in all operational conditions.

In 2022, it was awarded EUR 2.3 million under the Government's "France 2030 Appel à projets national Innovation - DEMO-TASE" programme, which supports development of technological building blocks and pre-industrial demonstrators to accelerate new energy systems.



## OUR PEOPLE AND COMPETENCIES

**BW Ideol is a leading fully integrated provider of offshore floating wind technology and project co-developer with extensive in-house competencies and more than 12 years of experience from developing, installing and operating floating wind assets.**

The majority of the 74 employees have experience from engineering, development and execution of renewable energy projects.

The combined competence and capabilities of the BW Ideol team cover all the disciplines required to develop large-scale floating wind projects, act as a floater EPCI contractor and further develop the Company's floating offshore wind technology.

As a global leader in floating wind, BW Ideol engages in commercial discussions around the world. These dialogues are supported by business development teams in the US, Japan, Spain and Germany.

The Company has accumulated a unique track record and skills which are highly valuable in a market constrained by human resources availability.



# Operating assets & projects

BW Ideol has two floating wind demonstration units in operation. These provide unique operational data and experience related to construction methods, deployment and operation and reinforce the technology excellence of BW Ideol's patented Damping Pool® technology.

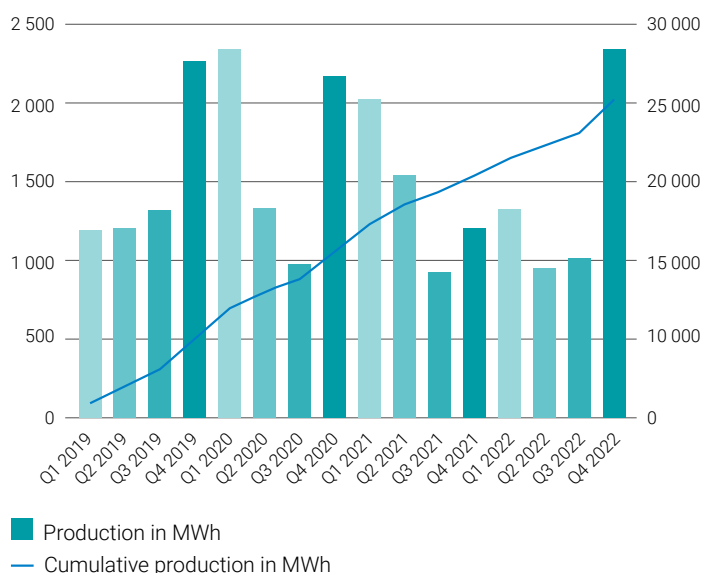
## FLOATGEN – FIRST FLOATER IN OPERATION

Floatgen is a 2 MW floating turbine demonstrator constructed with a concrete foundation and installed in 33 metres of water depth off the coast of Le Croisic since 2018. It is France's first offshore wind turbine, providing electricity to approximately 3,000 households.

At 31 December 2022, the Floatgen wind turbine had produced a total of 24.2 GWh since the commissioning. The wind turbine has faced challenging weather conditions including maximum wave heights of nearly 11 metres in February 2020, confirming the robustness of the Damping Pool® technology.

As the first demonstration unit for BW Ideol's floating technology, a unit owned, operated and fully maintained by the Company, it has provided, and will continue to provide an unparalleled experience, particularly in terms of operation and maintenance optimisation, in addition to its value as a showcase model and as a unique R&D platform to qualify new components and methods. In 2022, a project was initiated to deploy the world's first floating hydrogen production powered by green power from Floatgen. The target is to demonstrate the reliability of an electrolyser at sea and validate the offshore hydrogen production technology before large-scale industrial deployment.

Floatgen historical production



Record production day for Floatgen with 47,640 kWh on 7 November 2022! This was with an amazing average capacity factor of over 80% since 1 November, with waves of up to 4.5 metres.

## World's first offshore hydrogen plant soon powered by Floatgen

This pioneering clean hydrogen project is led by Lhyfe, a leading producer and supplier of green hydrogen for mobility and industry. The "Sealhyfe" hydrogen production facility will be, after a phase of dockside tests, connected to BW Ideol's floating wind unit anchored and operating at the Ecole Centrale de Nantes' SEM-REV site since 2018.

## HIBIKI – SECOND DEMONSTRATOR IN OPERATION

**Hibiki is a 3 MW floating wind turbine demonstrator constructed with a steel foundation and installed in 55 metres of water depth off the coast of Kitakyushu, Japan, with start of operations in 2018.**

It was developed for the New Energy and Industrial Technology Development Organisation (NEDO) as part of tenders to test different technologies aimed at reducing the cost of floating wind farms. The NEDO consortium was built around the Damping Pool® technology, identified as a leading cost-cutting technology.

Within the context of this project, BW Ideol, on behalf of its partner

Hitachi Zosen, was responsible for the design and engineering of one steel and one concrete foundation, as well as supporting the construction and installation of the Hibiki demonstrator.

The Hibiki demonstrator has weathered eight super-typhoons since installation with continued high operational availability throughout the entire period.





## ASSETS IN CONSTRUCTION

**BW Ideol is continuously monitoring developments in the offshore wind markets and pursuing accretive opportunities for deploying floating solutions around the world. The Company holds strong positions in key focus markets.**

### EolMed

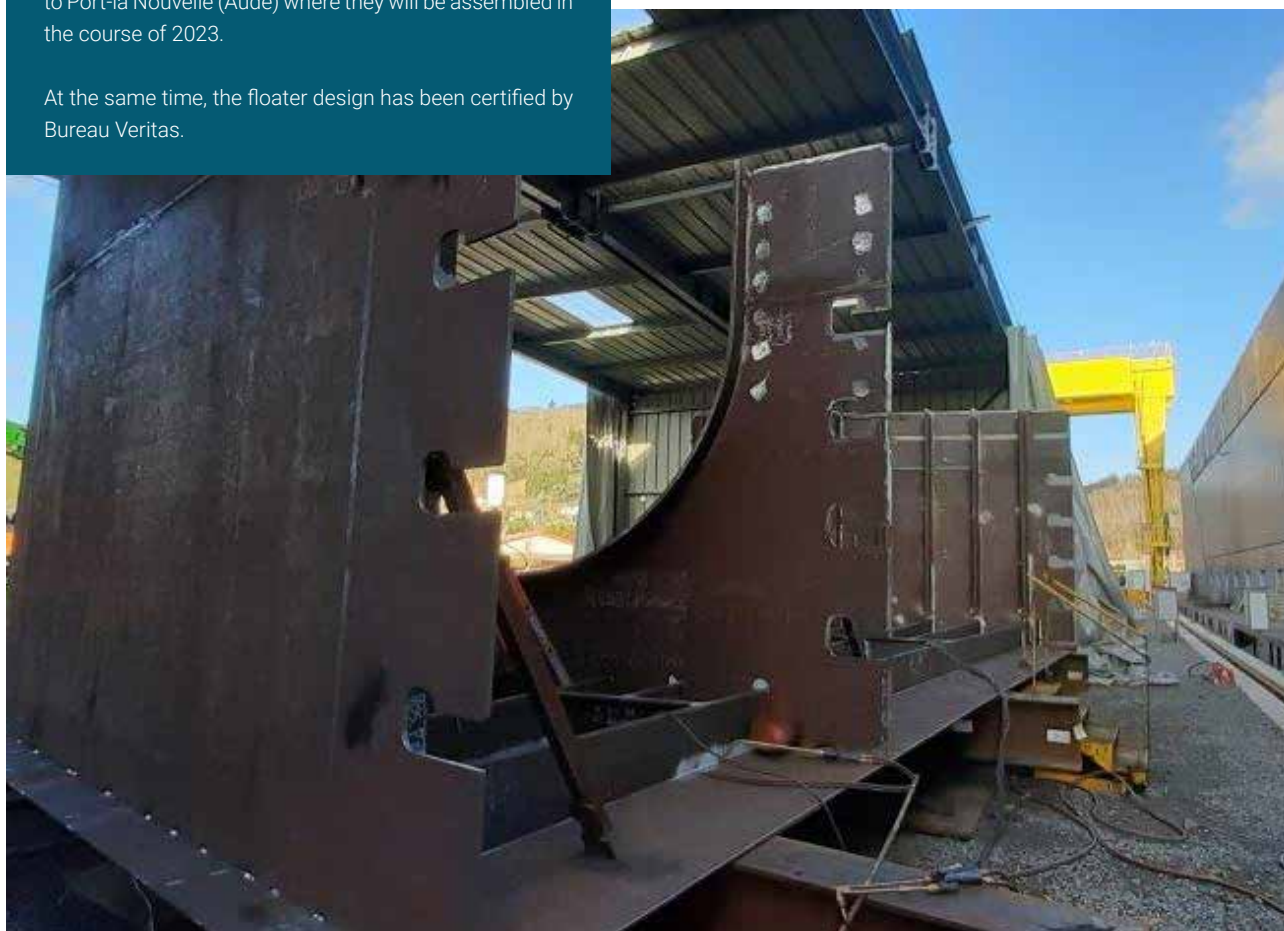
The French government has selected the EolMed project based on BW Ideol's floating technology for the development and construction of a 30 MW offshore wind farm consisting of three wind turbines supplied by Vestas in the Mediterranean Sea 18 kilometres off the coastal town of Gruissan.

The project is owned by the French independent renewable energy producer Qair with the participation of TotalEnergies and BW Ideol. BW Ideol is a project partner, holding a 5% equity ownership in the project, and a supplier of the floating foundation technology and engineering services. In May 2022, the EolMed made the final investment decision (FID) on the project, securing a world-first non-recourse financing for a floating wind project with a consortium of commercial banks and the EIB (European Investment Bank) for a total of EUR 170 million. The Mediterranean pilot wind farm is set to become one of the first three floating offshore wind farms in France when commissioned in 2024.



Following the FID, the floaters' construction started. The first steel plates were cut in September 2022 in Bagnac (center of France). The steel parts will then be transported to Port-la Nouvelle (Aude) where they will be assembled in the course of 2023.

At the same time, the floater design has been certified by Bureau Veritas.



## ASSETS UNDER DEVELOPMENT

### Buchan Offshore Wind (ScotWind)

The Floating Energy Alliance (FEA) has secured the rights to develop a floating offshore wind farm with an approximate capacity of 1 GW off the northeast coast of Scotland. FEA is a development partnership comprising BW Ideol, BayWa r.e., a global renewable energy business with UK offices in Glasgow and Edinburgh, and Elicio, an experienced Belgian offshore wind developer, owner and operator.

The "option agreement" is for the area designated NE8 in the Scottish Government's Sectoral Marine Plan for Offshore Wind, which is located some 75 km to the northeast of Fraserburgh on the Aberdeenshire coast. FEA has entered into an Option Lease Agreement with CES in April 2022, allowing the consortium to proceed with the environmental studies required for the consent application process.

## BUCHAN OFFSHORE WIND

Throughout the 2022 year, on top of the LiDAR installation (see the dedicated paragraph), the geotechnical and geophysical campaign contract have been finalised. Natural Power has also been appointed to lead the Environmental Impact Assessment, and the surveys of birds' and mammals' habitats are progressing.

The Alliance is also engaging with key stakeholders and progressing further work on design as it moves towards developing detailed proposals for the project ahead of applying for consent. BW Ideol has signed engineering service and technology licence agreements with FEA, which secures project revenues for the Company over the coming years.

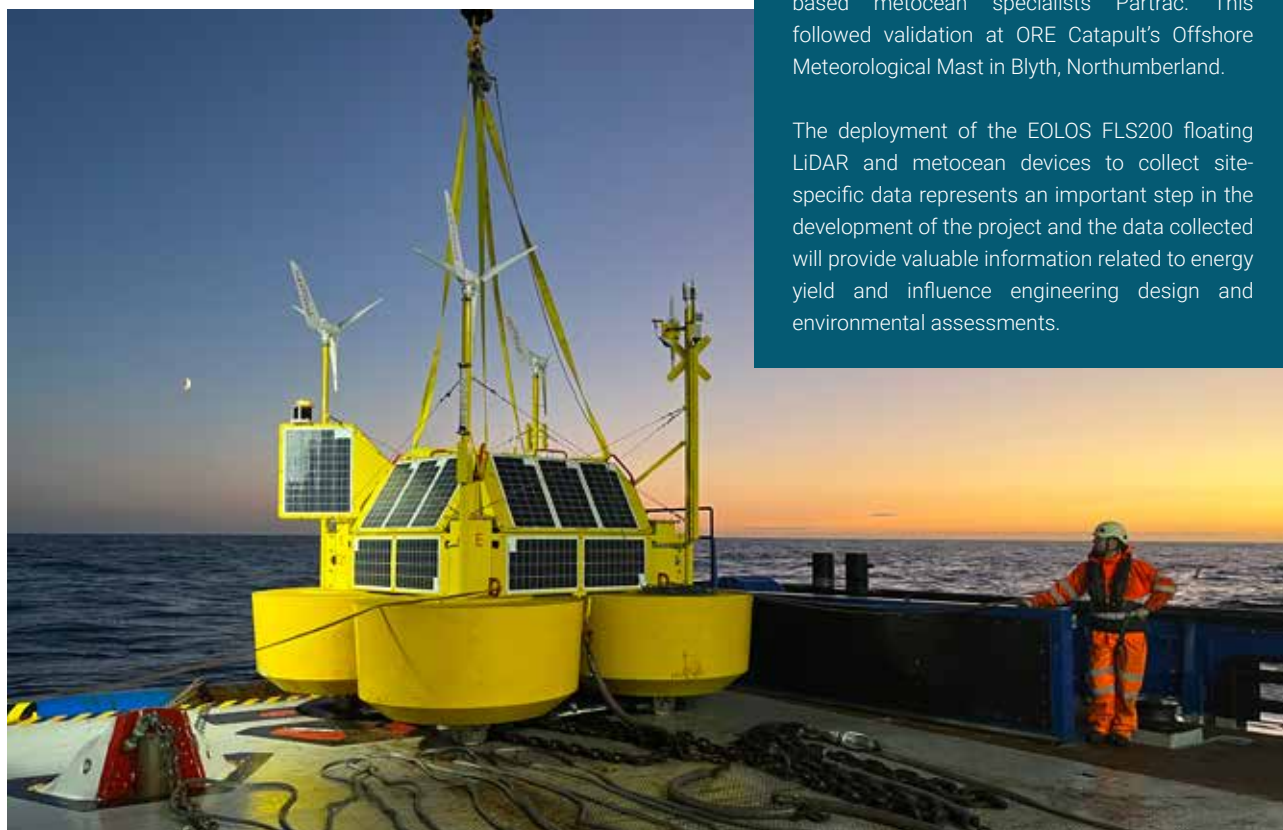


### Launch of the metocean measurement campaign

As part of the measurement of wind, metocean and environmental conditions to inform the design and assessment of its Buchan Offshore Wind project, FEA has deployed a floating LiDAR buoy within the option site, around 75 km off the Aberdeenshire coast.

The floating LiDAR device was deployed in end of November in the North Sea by Glasgow-based metocean specialists Partrac. This followed validation at ORE Catapult's Offshore Meteorological Mast in Blyth, Northumberland.

The deployment of the EOLOS FLS200 floating LiDAR and metocean devices to collect site-specific data represents an important step in the development of the project and the data collected will provide valuable information related to energy yield and influence engineering design and environmental assessments.





## ONGOING TENDERS

### South Brittany (A05)

The South Brittany project is France's first commercial-scale floating wind tender. The project will have a capacity of up to 270 MW and is part of France's national Multiannual Energy Programme aiming to tender 8.75 GW of offshore wind capacity by 2028.

BW Ideol has entered into a partnership agreement with EDF Renewables, a subsidiary of EDF Group, and Maple Power, a joint venture between CPP Investments and Enbridge Inc., to cooperate on the design of the technical solution for the floating foundations. EDF and Maple were pre-selected in September 2021 to participate in the tender process which has a final date for the bid-submission in June 2023 and the license award expected at the end of the year.

### Mediterranean (A06)

BW Ideol has signed an agreement with the EDF Renewables and Maple Power consortium to cooperate on the design of floating foundations for the A06 floating offshore wind tender for two sites with a capacity of up to 270 MW each. Combined, these two projects should produce the equivalent of the domestic electricity consumption of approximately one million inhabitants. The tender application is expected for end of 2023.

### Japan

BW Ideol has entered into multiple site-specific joint development agreements with leading Japanese utilities and developers. This includes Eneos Corporation, Japan's largest oil refiner and distributor, which in July 2021 signed an agreement with BW Ideol for a commercial-scale floating offshore wind farm off Japan.

In 2022, BW Ideol and Tohoku Electric Power Co., Inc. signed an agreement and initiated the feasibility studies necessary to jointly develop a commercial-scale floating offshore wind farm off the coast of Kuji city, Iwate prefecture, based on BW Ideol's technology. The two companies intend to collaborate very closely to contribute to the early commercialisation of cost-competitive floating offshore wind power in Japan through this Iwate prefecture project. Tohoku Electric Power Co., Inc. is one of the major Japanese utility companies, founded in 1951.

BW Ideol has one of the largest floating wind pipelines under development in Japan, with a total of around 2 GW.

### Taiwan

BW Ideol has signed a partnership agreement with Taiya Renewable Energy for the joint development, subject to further due diligence and negotiation of the final agreements among the parties, of a floating demo project off Taiwan.

BW Ideol is granted the exclusive EPCI contract to design, engineer, build and install the floating foundations based on its proven and highly competitive Damping Pool® technology. Subject to the project reaching FID, commissioning is targeted by end 2028, with construction expected to start as early as in 2026. The partnership agreement also covers the joint development of several commercial-scale projects. Environmental Impact Assessment efforts are ongoing to ensure a timely qualification by the time the tenders are officially launched. Final agreements are expected to be signed in early 2023.



## UK MANUFACTURING SITE

BW Ideol has gained exclusive, long-term access to the Ardersier Port in Scotland for manufacturing concrete floating wind foundations based on the Damping Pool® technology. In December 2021, the Ardersier Port Authority started transforming the 400 acres of port area with more than a kilometre of quayside into a fully circular energy transition facility.

It is the largest brownfield port in the UK. The planned local production line in Scotland will serve ScotWind tenders won by BW Ideol and its partners, as well as other consortiums which may base their projects on BW Ideol's floater technology through EPCI contracts.



In 2022, BW Ideol's engineers have finalised the feasibility studies for the serial production line with yard lay-out and configuration.

At the same time, dredging activities have made visible progress with the reopening of the access channel.





# Management



## Paul de la Guérivière

### Chief Executive Officer

Paul has been the CEO of BW Ideol since its creation in 2010. He has supported the development and transformation of the Company, since its early focus on technology development, to the deployment of demonstrators and now its worldwide expansion on a large portfolio of commercial projects. He has been involved in defining the strategy of the Company, structuring and financing the Company, managing the strategic acquisition by BW Offshore and the listing of the Company on Euronext Growth Oslo.



## Thomas Choisnet

### Chief Technology Officer

Thomas has extensive experience from all stages of offshore structures, from concept development to detailed design, installation, operation and construction. Prior to Ideol, he managed several teams and projects within Principia, designing ships, and fixed-base and floating structures. Thomas holds a Master of Science in Naval Architecture from ENSTA - ParisTech.



## Stéphane Toumit

### Engineering Director

Stéphane has vast experience in design and FEA simulation of offshore structures. He started his career at Technip as a Flexible Pipe Design Engineer before later joining Principia, where he spent 14 years successively in management and engineering roles. Stéphane graduated both in Hydrodynamics & Marine Technologies and in Structural Mechanics.



## Bruno Geschier

### Chief Sales & Marketing Officer

Bruno is an entrepreneur and international business development specialist with focus on the construction, engineering services and natural resources industries. He has experience from working in the US and Canada, before later managing the international expansion and export activities of French SME companies within consumer electronics, energy efficiency and renewable energy such as Aldes and Fonroche Energie. Bruno joined Ideol in March 2014 and holds a Master of Science degree in Management.



## Nicolas de Kerangal

### Chief Finance & Partnerships Officer

Nicolas started his career in the M&A department of Credit Agricole Indosuez in 2001. In 2008, he joined Amyris in California where he held various positions within finance and strategy before becoming a Managing Partner at Sparkling Partner in 2015 developing early stage technology companies. Nicolas joined BW Ideol in 2019, and holds an MBA from the University of California, Berkeley and a Master of Management from Neoma Business School.



### Ghislain Dufay

#### Chief Product & Operations Officer

Ghislain started his career at Saipem in 2004 before joining Vinci in 2008, working on major international engineering projects. He later became Business Development Manager and initiated LNG projects in Europe, Russia, the US and Australia and was also Commercial/Construction Director, overseeing projects in the construction phase.



### Sophie Fellah

#### Chief Legal Officer

Sophie is a legal counsel specialised in international business law and has 10 years' experience in the industrial sector. Before joining BW Ideol in 2021, Sophie began her career at AREVA as an international contract lawyer to support nuclear fuel transformation, as well as sales and decommissioning operations. Further, she has an extensive experience from contracts and financing from the Transdev group, Necotrans group and the VINCI Energies Oil & Gas group. Sophie holds a master's degree in International Business Law from the University of Tours. Sophie is multilingual.



### Cynthia Moutier

#### Chief Human Resources Officer

Cynthia's law studies first led her to the position of Legal and Social Relations Manager within large corporations such as IBM and Texas Instruments. She has since focused on Human Resources and has worked within start-up environments and SMEs with international activities within sectors such as biotechnology, agri-food and IT security. Before joining BW Ideol in 2022, Cynthia held the role of Human Resources Director at Bourbon Subsea Services, giving her an introduction to the floating wind industry.

# Board of Directors



## CHAIRPERSON

### Marco Beenen

**CEO BW Offshore - Board of Directors of BW Energy**

Senior leadership positions in BW Offshore since 2012, including positions as COO, VP Business Development and Senior VP Fleet. Prior experience from executive positions in the Netherlands and USA as President of Gusto MSC Inc and Vice President Engineering with SBM Offshore.



## BOARD MEMBER

### Yngvil Asheim

**Chief Executive Officer of BW LNG**

Joined BW in 2010 as Managing Director for BW Fleet Management and later became Managing Director for BW Shipping before becoming Managing Director for BW LNG in 2015. Prior experience from leadership positions in Höegh and DNV in addition to several board positions.



## BOARD MEMBER

### Julian Brown

**Non Executive Chair of AIM listed Tekmar Group plc**

Former VP and Country Manager for MHI Vestas, Chair of wind industry consultancy BVG Associates, Director and former Chair of trade association RenewableUK. Non Executive Director of SENSEWind Ltd and ORE Catapult.



## BOARD MEMBER

### Jean Huby

**Chief Executive Officer of Ocean Breeze Energy, owner and operator of the first commercial offshore wind park in Germany, BARD Offshore 1**

Experience in the energy sector as former CEO of AREVA Wind from 2011 to 2013 and as Senior Vice President, Strategy and Mergers & Acquisitions at AREVA group from 2008 to 2011. Started his career in the European Commission, where he worked in the antitrust division and was an advisor to the Commissioner for Transport.

# Board of Directors report

**The BW Ideol Group is a global pure player in floating wind listed on Euronext Growth Oslo. BW Ideol's mission is to make floating wind a key contributor to the world's energy transition.**

BW Ideol AS is registered in the Norwegian Register of Business with subsidiaries in France, the USA and Japan. Business activities are largely executed out of the main office at La Ciotat, France.

In 2022, the Group made material progress in executing its dual-leg strategy as co-developer of floating wind projects and as EPCI contractor of floating wind technology by maturing ongoing projects and adding new opportunities to the project pipeline. This was led by the award of close to 1 GW of floating offshore wind acreage in the ScotWind leasing round as part of the Floating Energy Alliance (FEA) and included new partnerships, tender participations and licence agreements.

BW Ideol has installed two operational demonstrator assets, Floatgen and Hibiki, both commissioned in 2018. BW Ideol operates Floatgen, which continued to record high availability and had produced an accumulated 24.2 GWh of electricity by end of 2022, reflecting the seakeeping performance of BW Ideol's floater design. The two demonstrators provide validation of the Damping Pool® technology. The Group is one of few market participants with proven full-scale solutions supporting marketing and positioning for new projects.

Interest in floating wind solutions increased in 2022 due to energy supply concerns and higher prices with increased economic activity as the Covid-19 pandemic eased and from uncertainty created by the Russian invasion of Ukraine. There is a shared ambition by most European nations to become independent of oil and gas from Russia supported by an accelerated development of renewable power generation. To date, the Company has not been subject to any direct negative impact of the war in Ukraine.

Interest is also increasing as nations and corporations seek innovative solutions to decarbonise various industry value chains. This is reflected in four feasibility studies for oil and gas companies for creating a framework for power-to-platform projects in cooperation with BW Offshore. BW Ideol is well positioned to contribute to the energy transition at scale as a leading project developer and technology provider with a unique platform for execution of offshore floating wind developments.

## Operational and commercial developments

In 2022, the Group significantly grew its portfolio. The main contributor was the January award to the development partnership FEA of the rights to develop a floating offshore wind farm with 960 MW of capacity off the northeast coast of Scotland through the Crown Estate Scotland's ScotWind leasing round. The formal option agreement was signed in April with FEA paying the stipulated option fee.

The consortium is currently proceeding with site investigations and environmental studies in preparation for the consent application process. FEA comprises BayWa r.e., Elicio and BW Ideol. In addition to a 33.3% equity holding in the wind-farm project, BW Ideol will design the floating foundations based on its proven and patented Damping Pool® technology. Construction is targeted to start in 2028 with commissioning of the wind farm in 2031.

BW Ideol holds a leading position in a rapidly emerging French floating wind market. In May, the EolMed partnership, comprising Qair, Totalenergies and BW Ideol, made the final investment decision (FID) for the 30 MW offshore floating wind development with EUR 170.0 million of non-recourse financing provided by the European Investment Bank (EIB) and several leading French banks. BW Ideol became a 5% owner in the project in late 2021. In 2022, BW Ideol received full payment of license royalties related to the development. Detail designs of the floater and mooring system were also completed and certified by Bureau Veritas. BW Ideol continues to provide engineering services during the construction phase. The Mediterranean pilot wind farm is set to become one of the first three floating wind farms in France when commissioned in 2024.

The collaboration with the EDF Renewables and Maple Power consortium for the 250 MW AO5 offshore floating wind tender near coast of South Brittany continued through the year. The final date of bid-submission is in June 2023 with the license award expected at the end of the year. In May, the Company extended its cooperation with the EDF Renewables and Maple Power to include the design of floating foundations for the AO6 floating wind tender in the Mediterranean Sea covering two 250 MW sites, building on the AO5 cooperation. The consortium was pre-selected for the AO6 tender with competitive dialogue launched in August. The bid submission for the tender is expected at the end of 2023. Both projects are part of France's national Multiannual



Energy Programme (Programmation Pluriannuelle de l'Energie) aiming at putting 8.75 GW of offshore wind capacity out to tender by 2028.

Japan is another strategically important market for BW Ideol. In May, the Group and Tohoku Electric Power Co., Inc. signed an agreement for a joint development of a commercial-scale floating wind farm of up to 700 MW. Feasibility studies for the project located off the coast of Kuji city and Hirono town in Japan's Iwate prefecture are ongoing. It will be based on BW Ideol's proven and patented floating foundations. This site is the most advanced floating wind project in Japan, in terms of impact studies and local stakeholder consultation. The tender is expected to be launched in 2024-2025.

The Group is also advancing several other initiatives. This includes a cooperation with Taiya Renewable Energy for the joint development of a floating demo project off Taiwan, subject to due diligence and signing of final partnership agreements. BW Ideol will design, engineer, build and install the floating foundations based on its proven Damping Pool® technology. Subject to the project reaching final investment decision, the commercial operating date (COD) is targeted before the end of 2028, with construction expected to start as early as 2026.

BW Ideol's commercial development is founded on the Group's floating wind technology and expertise. The Group is continuously seeking to advance its technology solutions to grow its team competencies and skills and apply them to new products supporting safe and cost-efficient development of industrial scale floating wind farms.

## Corporate matters

In early 2022, BW Ideol, ADEME Investissement, a French State-owned investment Company for innovative infrastructure projects, and the Japanese utility Company JERA announced a plan to create a joint Company for financing co-development of offshore wind projects using BW Ideol's patented Damping Pool® technology. During the year, JERA withdrew from the discussions before any formal investment decisions were made, while ADEME Investissement is still engaged in this process which the Group targets to finalise during the first half of 2023.

In September, BW Ideol and partners were awarded a EUR 2.3 million combined public grant and reimbursable advance to fund its R&D activities under France's DEMO-TASE programme, which supports development of technological building blocks and pre-industrial demonstrators to accelerate new energy systems.

The Group applies disciplined cash management. At 30 December 2022, the total cash holding amounted to EUR 9.1 million, compared to EUR 32.8 million at 31 December 2021. BW Offshore is anticipating to grant a lending facility of EUR 10 million, subject to shareholder approval in Q1 2023. The Group is exploring

various dialogues related to long-term corporate and project specific financing and expects to raise additional funding during the first half of 2023 to execute the growing pipeline of projects under development and upcoming tenders.

On 20 June, the Company received the resignation of Yasuhiro Matsui as a non-executive director of the Company effective 24 June, due to his nomination as President and CEO of DBJ Securities.

## Organisation

BW Ideol seeks to continuously strengthen the organisation as commercial and project activity increases. A key ambition as part of this is increase diversity and improve the gender balance. In November, the Group appointed Sophie Fellah as Chief Legal Officer and Cynthia Moutier as Chief Human Resources Officer. Both joined the executive management team which currently comprises eight members, two of which are female.

BW Ideol seeks to be an inclusive employer and believes diversity among employees and management contributes positively to the work environment and strengthens competitiveness and performance. There is no discrimination due to gender, nationality, culture or religion with respect to remuneration, promotion or recruitment. The Group is committed to recognise diversity and ensure equal opportunities, including fair employment conditions. At 31 December 2022, the Group had 74 employees after adding net 14 new full-time employees during the year. The Group's working environment and culture are considered strong with a continuous focus on improvement. In 2022, absence due to sickness was 2.36% (2021: 2.4%) of the total days worked by employees.

## Health, safety, security, environment and quality

Health, safety, security, environment and quality ("HSSEQ") have the highest priority throughout the BW Ideol organisation. The Company has established policies for safety, security, occupational health and environmental management. BW Ideol prioritises safety in all its operations and has "zero harm" as an overriding objective for personnel and the environment. The Company also shows due respect for the individual, human rights and employment practices.

BW Ideol is developing its framework for addressing material environmental, social and governance (ESG) related risks and opportunities and strengthening the focus on sustainability throughout the organisation. As a project developer and technology provider for the development of safe and sustainable renewable energy production solutions, sustainability is deeply integrated in the Company's long-term strategy for value-creation. More detailed information can be found in the separate sustainability section of this Annual Report. The group is engaged in being ISO 14001 certified in early 2023.

## Financial review

The consolidated financial figures for the BW Ideol Group presented below relate to the full-year 2022. Comparable figures from 2021 notably include the combination between BW Ideol AS (Norway) and Ideol SA (France) from 15 March 2021.

### Profit and loss

Group revenue from contracts with customers for 2022 was EUR 6.64 million compared to EUR 2.26 million in 2021, reflecting mainly design and engineering activities and royalties for projects in France, Scotland and Asia. Other operating income was EUR 2.11 million in 2022 compared to EUR 1.40 million in 2021 derived from the French R&D tax incentive scheme.

Operating loss before depreciation and amortisation for 2022 was EUR 2.74 million compared to a loss of EUR 7.76 million in 2021. Operating expenses in 2022 were EUR 11.5 compared to EUR 11.4 million in 2021, including EUR 8.37 million (2021: EUR 7.75 million) of headcount-related costs reflecting increased activity and a growing organisation, and EUR 3.12 million (2021: EUR 3.68 million) of other expenses. Other expenses include business development activities, tender-related expenses and other expenses related to operations (IT, offices) in France.

Depreciation and amortisation in 2022 amounted to EUR 13.90 million compared to EUR 8.82 million in 2021, of which EUR 6.89 million (2021: EUR 4.69 million) of depreciation was mainly related to the Floatgen demonstrator, EUR 3.98 million (2021: 3.52 million) was amortisation of the technology intangible assets recognised due to the purchase price allocation analysis, and EUR 2.17 (2021: EUR 0.61 million) million was depreciation of leases. The operating loss for the period was EUR 16.6 million, compared to a loss of EUR 16.6 million in 2021.

Net financial expense was EUR 0.80 million (2021: EUR 0.75 million). Net loss for the period was EUR 16.6 million (2021: EUR 16.6 million), after recognising a tax income of EUR 0.87 million (2021: EUR 0.69 million) million.

### Balance sheet

At 31 December 2022, total equity was EUR 97.9 million compared to EUR 113.6 million at the end of 2021, and the equity ratio was 77.5% (2021: to 79.7%). Total cash and cash equivalents were EUR 9.1 million, compared with 32.8 million at the end of 2021, and interest-bearing debt was EUR 5.88 million (2021: EUR 7.06 million).

As a result of the Purchase Price Allocation analysis conducted under IFRS3, the Company recognised intangible technology assets at the end of 2021 of EUR 59.8 million, and goodwill of EUR 25.3 million, of which EUR 13.1 million as a deferred tax liability and EUR 12.2 million as residual goodwill. Final adjustments were made to the purchase price allocation in 2022 within the one-year timeframe, resulting in a EUR 0.34 million increase in the goodwill balance. The remaining amortization period for Technology assets at 31 December 2022 is 13 years.

### Cash flow

Net cash flow from operating activities in 2022 was negative EUR 3.44, compared with negative EUR 5.88 million in 2021. Net cash outflow on investment activities was EUR 18.71 million and includes the share of the ScotWind option fee of GBP 11 million paid during the year. This compares with EUR 54.25 million in 2021, which included the cash consideration of the acquisition of Ideol SA. Net cash outflow from financing activities in 2022 was EUR 1.51 million, compared with a net cash inflow of EUR 92.9 million in 2021. The previous year figure included EUR 52.2 million from BW Offshore to finance the cash portion of the Ideol SA acquisition and EUR 51.6 million of gross IPO proceeds, partly offset by transaction costs and repayment of debt and lease liabilities.

### Liquidity and financing

The ending cash balance at 31 December 2022 was EUR 9.1 million, compared with EUR 32.8 million at the end 2021. The available liquidity is not expected to fund operations beyond the next 12 months. BW Ideol expects to raise additional funding during the first half of 2023 to execute the growing pipeline of projects under development and upcoming tenders. The Company is currently exploring various options to cover next years' financing needs.

### Parent Company result

The Parent Company, BW Ideol AS, had a net loss of EUR 0.92 million in 2022 compared to a net loss of EUR 3.36 million in 2021. At 31 December 2022, the Parent Company's total assets were EUR 127.0 million compared to EUR 127.2 million and total equity was EUR 126.8 compared to EUR 127.1 million in 2021.

## Corporate governance

As a Company admitted to trading on Euronext Growth in Oslo, BW Ideol is not subject to the Norwegian Code of Practice for Corporate Governance (the Code) issued by the Norwegian Corporate Governance Board (NUES/NCGB). The Board has adopted a Corporate Governance Policy and commits the Company to good corporate governance and seeks to comply with the most current version of the Code dated 14 October 2021. More detailed information can be found in the separate Corporate Governance Report section of this Annual Report.

### Directors and Officers Liability Insurance

BW Ideol's Board of Directors, CEO and any employees acting in a managerial capacity, including those for controlled subsidiaries, are covered under a Directors and Officers Liability Insurance held by BW Offshore Limited. The insurance policy is issued by a reputable insurer with an appropriate rating.

### Risk management

BW Ideol has identified three major groups of risks, which are tied to the business and industry in which the Company operates, to legal and regulatory factors and to the Company's financial

position. Some of these risks are out of BW Ideol's control, including certainty industry and market risks. Please see the Information Document dated 17 March 2021 available at [www.bw-ideol.com](http://www.bw-ideol.com) for more detailed information on risk factors.

#### **Business and industry risks**

The Group's profitability depends on the demand for the floater products and the realisation of projects, which to a certain extent is subject to the volume and prices of electricity and government support schemes. The Group and its partners will seek to reduce the effect of price fluctuations, or reliance on customers in doing so, by entering into long-term fixed-price contracts or equivalent risk-reducing measures (feed-in tariffs, contracts for difference and corporate power purchase agreements). The extent of government subsidies and support will lead to a significant degree depend on the evolution of electricity market prices over time.

The market for floating wind solutions is exposed to developments in global inflation, interest rates and the potential continued supply chain disruptions. These factors may over time impact the execution of the Group's long-term strategy and operations by potentially affecting the maturation of future new development projects and the cost of raw materials and financing.

#### **Legal and regulatory risks**

The Group positions for and engages in the development of offshore wind globally and uses a global footprint to support its business development. The Group is subject to a wide variety of national and international laws and regulations in relation to its operations in France, Japan, the United Kingdom or the United States of America and other countries it engages in to develop or support its business. Any breach of laws can be costly and expose the Group to liability and could limit its options. To mitigate local risk and capture opportunities, BW Ideol has established teams in Japan and the US to improve understanding of local regulations and development processes.

#### **Financial risk**

Construction of offshore wind projects and the supply of the products are highly capital intensive, and the Group will likely over time require additional debt and/or equity financing to secure operations and working capital. The availability and cost of such funding is uncertain, and lack of funding may prevent the Group from developing projects or supplying its products.

BW Ideol operates in countries with other currencies than the group's presentation currency EUR and is exposed to changes in foreign currency rates. Awareness of the exposure is materialised through precautions to minimise the risk. While currently not significant, the group will seek to further minimise multi-currency exposure by using hedging strategies.

#### **Events after the balance sheet date**

The Group's controlling shareholder BW Offshore Holdings Pte Ltd is anticipating to grant a lending facility of EUR 10 million to BW Ideol AS to finance working capital requirements and for investments approved by BW Ideol AS' board of directors. This facility is subject to board approval in Q1 2023.

#### **Outlook**

BW Ideol aims to be a leading long-term owner of floating wind assets in key offshore markets worldwide. The primary focus is to continuously progress, expand and de-risk the Group's project pipeline.

The goal is to be involved in an approximately 10 GW gross portfolio of floating wind projects by 2030 by developing the existing pipeline and strong joint venture partnerships, through scaling and optimisation of the patented Damping Pool® technology, and by developing the global organisation and leveraging the partnership with BW Offshore, including in the power-to-platform market.

The Group considers itself to be ahead of plan for the 10 GW target based on the recent progress. The rapid global expansion of the commercial scale floating wind market supports a continued strong market outlook, as BW Ideol's teams are preparing up to 25 GW of confirmed tenders in key markets.

# Board of Directors statement

**The Board of Directors has today considered and adopted the Annual Report of BW Ideol AS for the financial year 1 January to 31 December 2022.**

The Annual Report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements for Euronext Growth listed companies.

In our opinion, the Consolidated Financial Statements and Parent Company Financial Statements give a true and fair view of the financial position on 31 December 2022 of the Group and the Parent Company and of the results of the Group and Parent Company operations and cash flows for 2022.

In our opinion, Board of Directors report includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

**CHAIRPERSON**  
**Marco Beenen**

*Sign.*

**BOARD MEMBER**  
**Yngvil Asheim**

*Sign.*

**BOARD MEMBER**  
**Julian Brown**

*Sign.*

**BOARD MEMBER**  
**Jean Huby**

*Sign.*

**CEO**  
**Paul de la Guérivière**

*Sign.*



# Shareholder information

## Share price development

BW Ideol AS has one class of shares. There were 31,510,525 shares issued 31 December 2022, and the shares each had a nominal value of NOK 6.76. During 2022, the shares traded between NOK 33.78 and NOK 6.76 per share, and a total of 3.95 million shares were traded. The market capitalisation was NOK 213 million at 31 December 2022.



## Dividend and dividend policy

BW Ideol is in a growth phase and is not in a position to pay any dividends. After the growth phase, it is the Company's ambition to pay attractive dividends based on the consolidated net profit of the Group. However, no assurance can be made that in any given year a dividend will be proposed or declared, or if it can be proposed or declared.

## Analyst coverage

Four investment banks had coverage of BW Ideol at year-end 2022, an increase of one during the year. See [www.bw-ideol.com/en/investors](http://www.bw-ideol.com/en/investors) for more details and contact information.

## General meetings and Board authorisations

As at 31 December 2022, the Board of Directors held the following authorisations:

- authorisation to increase the share capital by up to NOK 200,000
- authorisation to acquire own shares on behalf of the Company of a total nominal value of NOK 200,000 for the purpose of deliver shares to employees under the incentive schemes implemented by the Company

BW Ideol will hold its annual general meeting on 18 May 2023. Information will be made available on the Company's website and Newsweb in due time.

## Financial calendar 2023

Event	Date		
First quarter 2023 update	16	May	2023
Annual General Meeting	16	May	2023
Half year 2023 results	23	Aug	2023
Third quarter 2023 update	9	Nov	2023

1) Please note that the financial calendar may be subject to changes.

## Largest shareholders as at 31 December 2022

	NAME	%	SHARES
1	BW Offshore Holdings PTE LTD	53,21%	16 767 219
2	KEROGEN INVESTMENTS NO 48 LTD	7,97%	2 510 638
3	NORIA	6,82%	2 150 000
4	PAUL DE LA GUERIVIERE - AIOGEN	6,23%	1 963 340
5	NOVAELIA	6,17%	1 943 340
6	HPC	2,37%	746 260
7	Institut Œnologique	2,02%	635 800
8	KRISTIAN FALNES AS	1,43%	450 000
9	MP PENSJON PK	1,01%	319 148
10	SPECIALFONDET KLP ALFA GLOBAL ENER	1,00%	315 333
11	CACEIS Bank	0,73%	230 000
12	Thomas Choisnet	0,72%	227 000
13	OLAV KRISTIAN FALNES	0,67%	210 000
14	Nordnet Bank AB	0,63%	197 530
15	BNP Paribas	0,54%	170 000
16	CON HOLDING 1 AS	0,50%	158 000
17	BNP Paribas	0,47%	147 426
18	SIX SIS AG	0,46%	144 050
19	AVKAST INVEST AS	0,32%	100 000
20	CLEARSTREAM BANKING S.A.	0,31%	98 932
Top 20		93,58%	29 484 016
Other		6,42%	2 026 509
<b>Total</b>		<b>100%</b>	<b>31 510 525</b>

# SUSTAINABILITY REPORT 2022

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**BW Ideol aims to be a leading long-term owner and operator of floating wind assets in key offshore markets worldwide. The goal is to be involved in an approximately 10 GW gross portfolio of floating offshore wind projects by 2030 through developing the existing pipeline and strong joint venture partnerships and by scaling and optimising the Company's patented Damping Pool® technology.**

BW Ideol aims to develop a global organisation and leverage the partnership with majority-owner BW Offshore - a global energy infrastructure specialist, to deliver on the following strategic targets:

- Expand and mature a significant portfolio of development projects,
- Growth as a technology and EPCI services provider,
- Become a long-term asset owner and operator.

The Company has two operating assets located in France and Japan, with a total installed production capacity of about 5 MW. The project portfolio includes 1.03 GW of awarded projects under

development, expected to come into production from 2024 and onwards. There is a further pipeline of 3 GW where BW Ideol has signed agreements with partners for specific sites or tenders (substantiated pipeline).

BW Ideol currently has 74 employees at its operational head office in France and at locations in Japan, Spain, Germany and the US. The number of office locations and staff is expected to increase as the existing pipeline is converted into firm projects. This will also increase BW Ideol's involvement with suppliers and partners and broaden the scope of sustainability matters the Company needs to address.

## MISSION AND VALUES

BW Ideol contributes to creating a sustainable future by using floating technology to unlock the vast potential of offshore wind.

The Company's mission is to make floating wind a key contributor to the world's energy transition.

The vision is to be the leading long-term owner of floating wind assets in key offshore wind markets across the globe.

The actions of the Company and its employees are guided by set of clear values.

### Core values



UPRIGHT



TRUSTFUL



AUDACIOUS



COMMITTED



SOLUTION-DRIVEN

## The UN Sustainability Development Goals

BW Ideol supports the UN Sustainable Development Goals (SDGs). The 17 global goals are at the heart of the UN's 2030 Agenda for Sustainable Development which was adopted by the United Nations General Assembly in 2015 to provide a shared blueprint for peace and prosperity for people and the planet, now and into the future.

The Company considers three of the SDGs as material where it believes it may have the most impact and a further three SDGs as important and where it seeks to contribute positively. The prioritisation will likely change over time as the nature of the Company's operations develops.



**Target 7.2: Increase substantially the share of renewable energy in the global energy mix**

BW Ideol contributes by developing floating wind power generation capacity globally as a project developer and technology provider



**Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life** - BW Ideol contributes through zero tolerance for discrimination and focus on general gender diversity



**Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation** - BW Ideol contributes by developing a nascent sector of the renewable energy market and the related value-chain for floating wind



**SDG 13: Take urgent action to combat climate change**

BW Ideol develops innovative technology and renewable power production solutions that enables decarbonisation of global energy systems



**Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure** - BW Ideol contributes to the development and industrialisation of sustainable energy infrastructure with decentralised value chain and significant local value creation



**Target 14.2: Conserve and sustainably use the oceans, seas and marine resources for sustainable development**

- BW Ideol contributes to sustainable offshore renewable energy production through technology and operational procedures which limits the negative impacts on marine and coastal ecosystems

# STRATEGY AND BUSINESS MODEL

BW Ideol has a dual-track strategy to achieve its overarching goal to be a long-term owner of floating wind assets.

- Be a co-developer of floating wind projects together with joint-venture partners within the energy and/or financial industry. This involves developing, building and operating wind farm projects and represents the main strategy for core markets where the Company has a strong position.

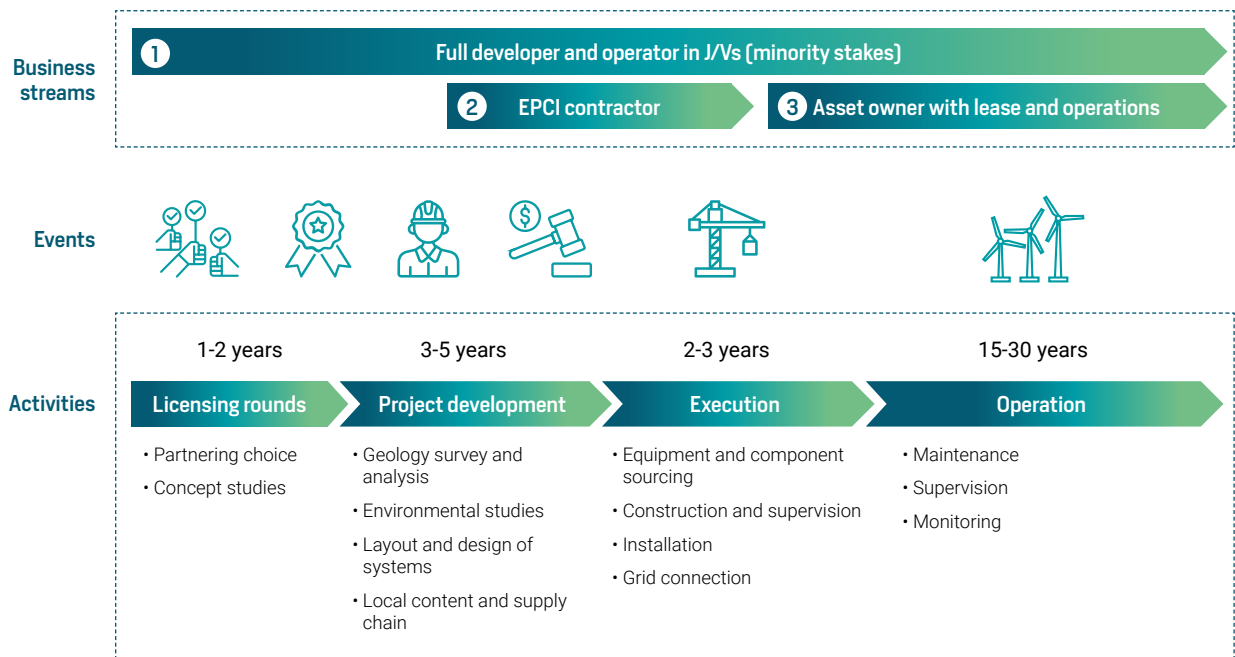
From a sustainability perspective, BW Ideol will engage throughout the entire value chain. Although, as minority owner in the J/V's, the Company will have limited operational control apart from the products and services rendered to the projects.

- Be an EPCI contractor of floating wind technology, combining BW Ideol's proprietary technology, engineering skills and project

management capabilities to deliver the physical assets to floating wind projects. The assets may be owned by BW Ideol and leased to the wind farms, including operational services. This strategy is intended for markets where there are already strong project developers.

From a sustainability perspective, BW Ideol would be responsible for the contracting, production and delivery of the assets, but the operational control in the production phase will lie with the project operator.

As floating wind is an emerging market, the sustainability framework will therefore evolve as the Company enters the different stages of the floating wind projects, depending on which of the two strategies and business models develop first. This is illustrated in the figure below.





## MATERIAL FACTORS

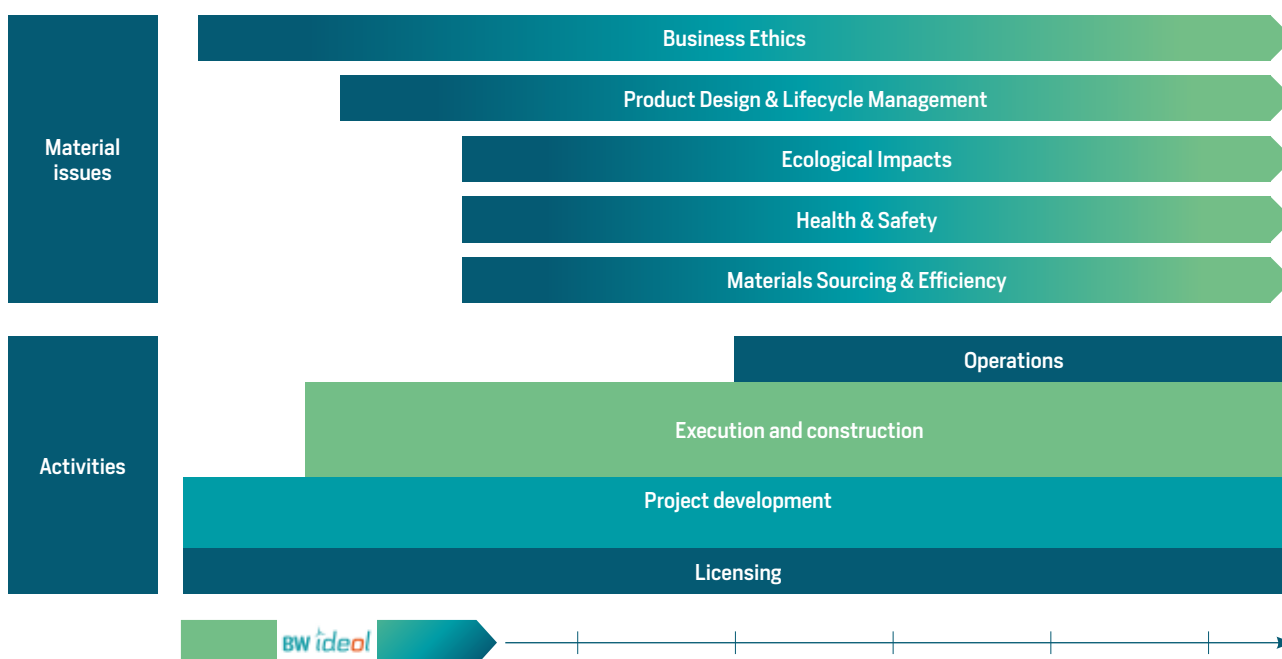
The SASB Standards for Wind Technology & Project Developers highlight three important issues for companies like BW Ideol. Due to the potential involvement as an EPCI contractor to offshore

wind farm projects, material issues for Engineering & Construction Services have also been included:

SASB Material Issue	Wind Technology & Project Developers	Engineering & Construction Services
Employee Health & Safety	x	x
Product Design & Lifecycle Management	x	x
Materials Sourcing & Efficiency	x	x
Ecological Impacts	x	x
Business Ethics		x

These material issues will grow in importance at different stages as BW Ideol expands and covers a wider range of its value chain. The development of the sustainability framework with related

focus areas, objectives and policies, action plans and targets will therefore be staggered to fit the Company's maturity and requirements, as illustrated in below figure:



To date, BW Ideol has therefore focused on developing a solid framework for business ethics and to develop a corporate culture that embodies the Company's vision, mission and values. The current priorities are to prepare a framework for assessing the life-cycle climate and environmental impact of its products and services, including the ISO 14001 certification of the company, to establish a proper health and safety framework as the Company prepares for the execution and construction stages, and to extend the human and labour rights focus to the upstream value chain.

BW Ideol's progress relies on successfully managing these material issues over time. While the Company's products and services will ultimately deliver significant benefits to society through their contribution to the green energy transition, there are obvious risks and impacts related to the climate and environmental footprint of its activities, personnel health and safety, human rights in the value chain, as well as reputational risk of its business conduct.

## GOVERNANCE AND RISK MANAGEMENT

The Management and the Board are responsible for ensuring that the Company conducts its business with integrity and with due focus on sustainable and responsible operations and that it applies principles for sound corporate governance. The Board holds the highest authority in the Company's decision-making hierarchy to approve matters of significance. The Company is committed to conduct business in a fair, ethical and transparent manner by adhering to the principles and guidelines stated in the Company's code of conduct ("Règlement intérieur"). The Company strives to uphold the highest ethical and responsibility standards. In 2023, BW Ideol intends to develop a more comprehensive structure for the management and monitoring of ESG objectives by defining roles and responsibilities and developing the required policies and guidelines.

BW Ideol has a risk management procedure, where the CEO has the ultimate responsibility, and the management team is responsible for the implementation and execution across the organisation. The procedure is based on the ISO 31000 risk management model and is fully embedded in the BW Ideol Management System. The procedure outlines the main risk management principles, work- and communication flows, methods for risk identification, assessment and response, as well as risk monitoring and review. HSE risks are separated as a specific process within the procedure.

More information about the composition of the Board of Directors and Senior Management can be found in the annual report and on the Company's web page.



# People

**BW Ideol seeks to be an inclusive employer and believes that equality and diversity among employees and management contributes positively to the work environment and strengthens competitiveness and performance.**

The company aims to achieve no discrimination due to gender, nationality, culture or religion with respect to remuneration, promotion or recruitment. The Group is committed to recognise diversity and ensure equal opportunities, including fair employment conditions.

## 74

69 at 2021 year-end

**Number of employees at year-end in 5 countries**

## 11%

14% in 2021

**Turn-over**

## 14

**Net new positions during the year**

## 2.36%

2,40% in 2021

**Sick leave**

## 9

7 in 2021

**Number of nationalities**

## 83%

71% in 2021

**Training programs:** percentage of employees having received at least one training

 **25%**

0% in 2021

 **75%**

100% in 2021

**Gender balance - Top management**

 **23%**

22% in 2021

 **77%**

78% in 2021

**Gender balance - Total organisation**

 **25%**

20% in 2021

 **75%**

80% in 2021

**Gender balance - Board of Directors**

 **21%**

36% in 2021

 **67%**

20% in 2021

**Gender balance - New hires in 2022**

## Policies

### Working conditions & work-life balance

Two policies were implemented during 2022: a "home working" policy and a "disconnection" policy. Statistics will be available during 2023 and will make it possible to estimate the impact of these measures on the quality of life at work. Since September 2022, La Ciotat teams are working in new offices. The choice of this new space was guided by the desire to improve day-to-day working conditions and to facilitate exchanges between the teams, which were previously separated in two different buildings.



### Performance

The Compensation Policy outlines BW Ideol's commitment to provide compensation based on performance, experience, critical competence and market value, without any bias towards gender or ethnicity. BW Ideol organises an annual salary review to ensure consistency and includes a collective bonus scheme in the total compensation structure, of which ESG factors are integrated into four of the eight criteria for allocation. These criteria cover the following factors:

- market value of the job,
- criticality of competency, retention, etc.,
- performance, contribution and key achievements for the last period,
- competency and experience level increase achieved the last period,
- attitude and respect of HQSE requirements.

Incentive programmes are also in place to reward and to keep employees with high potential.

### Other remuneration elements

In 2022, the Company also decided to increase the share of the costs' coverage for mutual health insurance (60% coverage compared to 50% previously).

BW Ideol has also introduced a bicycle allowance to encourage the use of non-polluting modes of transport. More and more employees are taking advantage of it (16 in 2022 versus 10 in 2021)

## Actions and Action Plans

**Training:** BW Ideol continuously invests in employee training and competencies. In 2022, 83% of employees received at least one training (including internal trainings), on various topics such as ethics, safety, compliance, etc..

**Gender Equality & Diversity:** BW Ideol has published an index of professional equality between men and women pursuant to the French labour code (see the dedicated figures). The gender balance has evolved positively between 2021 and 2022 (23% of women in 2022 versus 22% in 2021). The objective will be, in 2023, to confirm this trend. Moreover, the Company has adopted monthly metrics to closely monitor the gender repartition throughout the recruitment process, supported by active promotion of female applicants for engineering jobs. A network for female employees – "Idéelles" – has also been established to attract more female talent, promote the development of women's careers and diversity in general. The Company continues to enrich the diversity of origin of its teams (9 different nationalities represented in the workforce in 2022, compared to 7 in 2021).

### 2022 Gender equality index score

#### BW Ideol scores 81/100

Gender pay gap : 31/40

Difference in the distribution of individual pay increases : 35/35

Percentage of female employees who got a salary increase when returning from maternity leave : 15/15

Parity among the 10 highest wages : 0/10

**Career path:** Even if BW Ideol's turn-over rate is particularly low, retention remains key and is integrated in the Company HR priorities. The Company will set up a career management process to provide employees with a clear career development plan. A specific multi-year training programme was implemented for middle management in 2021, deepened in 2022 and will be reinforced in 2023.

**Onboarding:** A "Buddy" program has been set up in 2022 to facilitate the integration of new employees into the teams.

## KPIs and performance measurement

The actions mentioned above resulted in two female recruitments to the top management team.

The sickness leave rate remains particularly low, at 2.36% (even lower than in 2021, 2.40%).



# Health and Safety

**BW Ideol is active in the international, offshore, energy and industry markets, where health and safety is fundamental to responsible operations.**

The issue of health and safety is of utmost importance, particularly when the Company starts moving into the construction phase for floating wind assets. This applies not only to BW Ideol own personnel, but also for subcontractors and suppliers. In the operations phase, works at sea will also expose employees to potential hazards that need to be properly managed.

## Policies

The BW Ideol health and safety system is built to meet the ISO 45001 requirements. The Company has a systematic risk assessment approach from executive management to onsite operations. The QHSE policy highlight the ambitions related to health and safety, a complete system exists to sustain these ambitions and cover the training and competencies of personnel, process approach, audits and inspections, leading and lagging indicators, accident, incident and near misses recording and investigations, objectives and action plans, subcontractor's requirements and management.

BW Ideol has a separate procedure for supplier HSE requirements, which outlines separate requirements for standardised and large production projects on the one hand and customised services or products on the other. The policy was updated in 2022 to include the ISO 14001 norm, as well as requirements to provide carbon footprint calculations associated with the conception, transport and installation of a product or service, as well as requirements for recycling.

## Actions and action plans

In 2022, BW Ideol conducted a helicopter evacuation exercise on the Floatgen floating wind turbine in cooperation with French authorities. Practicing drills and evacuations during operations

at sea on this floating asset represent a valuable preparation for future operations. BW Ideol is an associate member of the G+ Global Offshore Wind Health and Safety Organisation, which is a global health and safety organisation bringing together the offshore wind industry to pursue shared goals and outcomes. It is run in partnership with the Energy Institute.

## KPIs and performance measurement

BW Ideol has developed an in-house action tracking system to ensure that improvements are managed. All "cases" (non-conformities, changes, accidents, incidents, near misses, risks, opportunities) are captured. For lighter issues where the solution is easily found, the response is swift. For issues of higher importance and where solutions are difficult to achieve, the Company conducts an annual review of health and safety where actions are converted into key objectives with dedicated responsible person and resources.

### Safety statistics for 2022

	BW Ideol 2022	Floatgen 2022 (including subcontractors)
Hours Worked	144 016	6 444
Fatalities	0	0
Lost Day Injuries	1*	1
Restricted work day injuries	0	0
Medical treatment injuries	0	0
Total		
Total recordable injury rate (TRIR**)	6,94	155,18
Lost time Injury Frequency (LTIF***)	6,94	155,18

\* The event reported in the Floatgen column is reflected in the BW Ideol column as Floatgen is an asset of BW Ideol

\*\* TRIR : Number of recordable injuries (fatalities + lost work day injuries + restricted work days injuries + medical treatment injuries) per 1 000 000 hours worked

\*\*\* LTIF : Number of recordable injuries (fatalities + lost work day injuries) per 1 000 000 hours worked



Helicopter exercise on the Floatgen wind turbine (March 2022)

# Climate and the Environment

**BW Ideol is supporting the transition to a net zero society and creating long-term value for its stakeholders with positive impacts for society at large.**

Wind power is a key enabler in the green energy transition and floating wind has clear benefits in that it offers access to better wind conditions, which results in higher production and lower intermittence, as well as reduced impact on the surrounding environment compared to other wind power solutions.

BW Ideol develops renewable energy solutions in a responsible manner, seeking to minimise the negative impacts of its operating activities and asset investments, while creating material positive effects through the responsible development of local value chains.

The key elements the Company considers include:

- The embodied carbon footprint of finished offshore wind farms
- Recycling of wind farm equipment, including turbines
- Accidental pollution
- Impact on fishing and marine ecosystems

The objective of the Company is to reduce the impact of its operations in a value chain context and with a life-cycle perspective to maximise the net benefits of the renewable energy its activities will contribute to.

## Policies

The BW Ideol Quality and Environmental Policy outlines the Company's commitment to demonstrate the reduced impact of its solution on the environment, to measure the carbon footprint and recycling rate of its solutions, meet the requirements for environmental compliance and prevent pollution associated with its activities. The policy also outlines commitments related to safety and quality.



*Gulls at rest on the floater of the Floatgen wind turbine*

## Actions and action plans

- BW Ideol launched the ISO 14001 environmental management system certification with expected completion and certification in 2023. Within the ISO 14001 framework, BW Ideol is working on a detailed assessment of the key environmental advantages of using concrete floaters as platforms for floating wind. This also includes a full life-cycle assessment of the technology of the Company.
- BW Ideol is involved in numerous R&D projects which have environmental components. The Velella project seeks to ensure environmental monitoring and is guided by an eco-design approach based on a lifecycle analysis of prototypes and farms including the recyclability of the solutions developed. The PIAFF&CO project aims to improve knowledge of flying fauna - birds and bats - in the vicinity of offshore wind farms. The project is using unique feedback from Floatgen and in situ data from the SEM-REV test site where Floatgen is installed. First results of these collaborative projects could be released in 2023.
- In 2022, BW Ideol continued to engage with a foundation dedicated to the preservation of the marine environment, the Pure Ocean Foundation. Pure Ocean's main mission is to support state-of-the-art applied research projects to conserve marine biodiversity, protect and restore fragile marine ecosystems, increase knowledge of the oceans and contribute to the fight against climate change. This commitment took the form of participation in the Pure Ocean regatta so the aim was to draw attention to the state of the oceans.

## KPIs and performance management

BW Ideol is in the process of developing a full reporting structure for climate-related performance measures, which will be completed during 2023. This also includes a life cycle assessment of the carbon footprint for projects where the Company is involved.



*BW Ideol's teams at the Pure Ocean Regatta*

# Business Conduct

**BW Ideol is committed to upholding high ethical standards in all its business activities. All employees and others performing work for and on behalf of BW Ideol and/or any of its affiliates are expected to adhere to all applicable laws and regulations, the Company's code of conduct, and to demonstrate ethical behaviour in their business relations and decisions.**

The Company operates globally and has a strategy which facilitates development of local manufacturing, value chains and job creation near sites for development of floating wind farms. This may include activities in countries which have a higher risk of corruption and bribery. The Company's main operating markets of France, the United Kingdom, the US and Japan, all rank among the top 27 of 180 nations included in Transparency International's 2021 Corruption Perceptions Index (CPI) with low levels of perceived public corruption.

BW Ideol AS is not subject to the Norwegian Transparency Act. Indeed, as a holding company, BW Ideol AS does not offer goods and services (the offer is made by its subsidiaries in France, Japan and the United States). BW Ideol and its subsidiaries are nonetheless committed to operating responsibly, respecting both human rights and decent working conditions.

## Policy framework

- *Anti-corruption Policy:* The objective of the policy is to ensure that BW Ideol always conducts its business and operations in an ethical manner. The policy outlines the key principles and is applicable to all employees. There is a zero tolerance for bribery in any form. A corporate anti-bribery and corruption risk assessment is completed regularly. The policy also outlines the due diligence requirements when dealing with third parties, the Company's stance towards gifts, entertainment and hospitality, conflicts of interest, the interaction with public officials, lobbying

and political contributions. Any person suspecting a breach of this policy is encouraged to speak up and use the Company's whistleblowing platform, which is available online. The Company is committed to ensuring no one suffers any detrimental treatment from the reporting of any suspected breach.

- *Whistleblowing policy:* The policy describes the process by which employees and other stakeholders should alert the Company to an issue of serious concern which cannot be resolved by local management. It defines the eligibility criteria for using the whistleblowing mechanism and explains the process for reporting and investigating any suspicion or breach of the Company's policies, values and principles. The mechanism includes on-line and anonymous reporting of concerns.

The full set of policies are available at <https://www.bw-ideol.com/en/sustainability>.

## KPIs and performance measurement

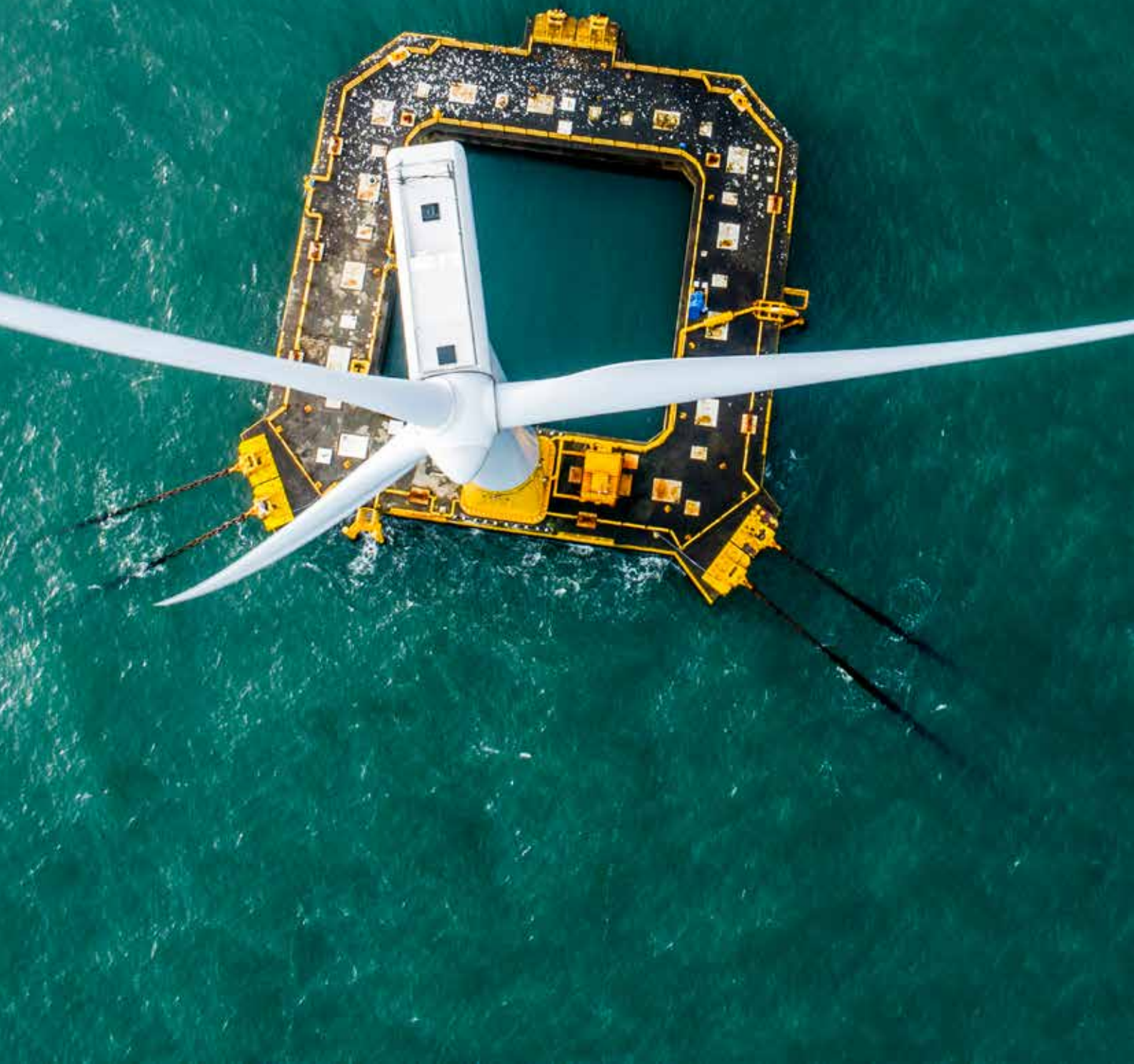
An e-learning module has been set up in December 2022, in connection with the ABC (Anti-Bribery and Corruption) policy, to update the knowledge or to apprehend better the ABC rules. At 31 December 2022, 16 employees had already taken this course.

No incident (bribery/corruption) was reported in 2022. The Company has not received any whistleblowing alerts.



# CORPORATE GOVERNANCE REPORT

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BW Ideol AS (hereinafter "BW Ideol" or "Company") is a Norwegian limited liability company. The Company's shares are admitted to trading on Euronext Growth Oslo. The Company's activities are primarily governed by the Norwegian Private Limited Liability Companies Act and the Company's Articles of Association.

Additional aspects of the Company's activities are governed by Norwegian law pursuant to the Listing Agreement between the Oslo Stock Exchange and the Company. In particular, the Norwegian Securities Trading Act and the Norwegian Stock Exchange Regulations will generally apply.

## 1. Implementation and reporting on corporate governance

The Board of Directors (the "Board") is of the opinion that the interests of the Company and its shareholders are best served by the adoption of business policies and practices which are legal, compliant, ethical and open in relation to all dealings with customers, potential customers and other third parties. These policies are fair and in accordance with best market practice in relationships with employees and are also sensitive to reasonable expectations of public interest.

The Board on 14 March 2021 adopted a Corporate Governance Policy in connection with the admission to trading of the Company's shares on Euronext Growth Oslo. While the Company

is not subject to the Norwegian Code of Practice for Corporate Governance (the "Code") prepared by the Norwegian Corporate Governance Board, the Board commits the Company to good corporate governance and seeks to comply with the most current version of the Code dated 14 October 2021.

The Board provides an overall overview of the Company's corporate governance in the Company's Annual Report. The review includes each individual point of the Code. If the Company does not fully comply with the Code, this is explained in the Company's Annual Report. As at 31 December 2022, the Company did not comply with the following recommendations of the Code:

Section 7: The Company does not have a nomination committee.

The full Board assumes the duties of the Audit Committee from Q4 2022.

Furthermore, a description of the most important corporate governance principles of the Company has been made available on the Company's website in accordance with the Company's "Investor Relations Policy". By publishing an overview of all aspects of the Company's corporate governance policy, shareholders, employees and other stakeholders are more equipped to evaluate the extent to which the Company follows principles of good corporate governance.

### Articles of association

*The Articles of Association are enclosed in Appendix A to the Information Document. Below is a summary of the provisions of the Articles of Association adopted on 14 March 2021 with effect of the first day of trading on Euronext Growth.*

#### 10.9.1 Objective of the Company

*Pursuant to section 3, the object of the Company is to conduct business within development and investment in floating offshore wind projects, engineering, procurement, construction and installation of floating wind foundations and everything in connection with this, including owning shares in other companies.*

#### 10.9.2 Share capital and par value

*Pursuant to section 4, the Company's share capital is NOK 3,109,319.80 divided into 31,093,198 shares, each with a nominal value of NOK 0.1. The shares shall be registered with a central securities depository (the Norwegian Central Securities Depository (VPS)).*

#### 10.9.3 The Board of Directors

*Pursuant to section 5, Board of Directors shall consist of 3 to 7 members, according to the decision of the general meeting.*

#### 10.9.4 Signatory right

*Pursuant to section 6, two Board members have the right to sign on behalf of the Company jointly.*

#### 10.9.5 Restrictions on transfer of shares

*Pursuant to section 7, the shares are freely transferable.*

#### 10.9.6 General meetings

*Pursuant to section 8, the annual general meeting shall deal with and resolve the following matters:*

- *approval of the annual accounts and the Annual Report, including distribution of dividends, and*
- *other issues, which according to applicable law or the articles of association is a matter for the general meeting to resolve. Documents relating to matters to be considered at the general meeting are not required to be sent to the shareholders if the documentation is available on the Company's website or similar electronic platform. This also applies to documents that are required by law to be attached to the notice of the general meeting, provided that a shareholder may require that documents to be considered at the general meeting shall be sent to that shareholder.*

## 2. The business

The Company's business objective, as set out in the Company's articles of association, reads as follows: "The object of the Company is to conduct business within development and investment in floating offshore wind projects, engineering, procurement, construction and installation of floating wind foundations and everything in connection with this, including owning shares in other companies."

The Company's operations shall comply with the business objective set forth in the Company's articles of association, which are presented in the Annual Report together with the Company's primary objectives and strategies.

The Board is responsible for and leads the Company's strategic planning, including the definition of clear objectives, strategies and risk profile for the Company's business activities such that the Company creates value for the shareholders and other stakeholders in a sustainable manner. The Company's objectives, main strategies and risk profile are described in the Annual Report, and considers both financial, social and environmental factors.

BW Ideol has implemented corporate values, ethical guidelines and guidelines for corporate social responsibility. These values and guidelines are described in BW Ideol's Code of Ethics and Business Conduct and internal policies.

## 3. Equity and dividends

At 31 December 2022, the Company's consolidated equity was EUR 98 million, which is equivalent to 78% of total assets. The Board continuously evaluates the Company's capital requirements to ensure that the capital structure is at a level which is suitable considering the Company's objectives, strategy and risk profile.

The Company is in a growth phase and is not expected to be in a position to pay any dividends. After the growth phase, it is the Company's ambition to pay attractive dividends based on the consolidated net profit of the Group. The amount of any dividend to be distributed will be dependent on, inter alia, the Company's investment requirements and rate of growth. There can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. The Company has not paid any dividends following its incorporation.

Any authorisation granted to the Board of Directors to increase the Company's share capital or to purchase treasury shares shall be restricted to defined purposes. If the Board proposes that the general meeting grants such authorisations, each authorisation shall be assessed and resolved separately by the general meeting. Any authorisation will be limited in time and may in no event last longer than two years. The Company will follow the recommendation of the Code and limit the time to the next annual general meeting, such that any authorisation granted is reassessed annually.

At 31 December 2022, the Board held the following authorisations:

- an authorisation to increase the share capital by up to NOK 200,000 to optimise capital structure and capitalise on potential growth opportunities, for example, but not limited to, in connection with acquisitions, mergers and similar transactions, and to carry out equity issues for the purpose of strengthening the Company's financial position. The authorisation is valid to the Company's annual general meeting in 2023, but no longer than 30 June 2023.
- an authorisation to acquire own shares on behalf of the Company of a total nominal value of NOK 200,000 for the purpose of deliver shares to employees under the incentive schemes implemented by the Company. The authorisation is valid to the Company's annual general meeting in 2023, but no longer than 30 June 2023.

## 4. Equal treatment of shareholders

The Company has one class of shares. Each share in the Company carries one vote, and all shares carry equal rights, including the right to participate in general meetings. All shareholders shall be treated on an equal basis, unless there is just cause for treating them differently.

Any decision to waive the pre-emption rights of existing shareholders to subscribe for shares in a share capital increase, shall be justified by the common interest of the Company and the shareholders. Where the Board of Directors resolves to issue new shares and deviate from existing shareholders' pre-emptive rights pursuant to an authorisation granted to the Board of Directors, the stock exchange announcement issued in connection with the share issue shall also include a justification for the deviation. There were no share capital increases in 2022.

Any transactions the Company carries out in its own shares shall be carried out either through the Oslo Stock Exchange or with reference to prevailing stock exchange prices if carried out in another way. If there is limited liquidity in the Company's shares, the Company shall consider other ways to ensure equal treatment of all shareholders. All transactions in treasury shares shall be publicly disclosed in a stock exchange announcement. There were no transactions in own shares in 2022.

## 5. Freely transferable shares

The shares of the Company are freely transferable and there are no limitations on any party's ability to own or vote for shares in the Company.

## 6. General meetings

The Board of Directors shall make effort to ensure that the Company's shareholders can participate and exercise their voting rights in the Company's general meeting, and that the general

meeting is an effective forum for shareholders and the Board of Directors.

This shall, among other actions, be facilitated through the following actions or documents:

- the notice of the general meeting and any ancillary documents and background information on the resolutions to be considered at the general meeting (if any) shall be available on the Company's website no later than 21 days prior to the date of the general meeting,
- the resolutions and any ancillary documentation shall be sufficiently detailed and comprehensive, thereby allowing shareholders to understand and make an opinion on all matters to be considered at the general meeting,
- the deadlines for shareholders to register their attendance at the general meeting shall be set as close to the date of the general meeting as practically possible. The deadline may not expire before the earliest of five days before the date of the general meeting,
- the Board of Directors and the chairperson of the general meeting shall ensure that the shareholders are able to vote separately on each matter and each candidate nominated for election to the Company's Board of Directors and other corporate bodies of the Company (if applicable),
- the chair of the Board of Directors and the CEO shall be present at general meetings. The other members of the Board of Directors are entitled to present at general meetings and should to the extent possible attend general meetings. The auditor shall be present at general meetings where matters of relevance are on the agenda.

Shareholders who are unable to attend the general meeting shall be given the opportunity to be represented by proxy, to vote by proxy or be present by using electronic means.

The Board of Directors shall in this respect, with regards to the notice of the general meeting:

- provide information on the procedure for attending by proxy,
- nominate a person who will be available to vote on behalf of non-attending shareholders as their proxy (normally being the chair of the Board of Directors), and
- prepare a proxy form, which shall, to the extent possible, be set up so that it is possible to vote separately on each individual matter on the agenda and each candidate nominated for election.

The minutes of the annual general meeting will be published on the Company's website no later than 15 days after the date of the meeting.

## 7. Nomination committee

The Company does not currently have a nomination committee, and this represents a deviation from the Code. The Board will on an annual basis evaluate if it should propose for the general meeting that a nomination committee is established.

## 8. The composition and independence of the Board

The Board shall consist of between three to seven directors as specified in the articles of association, which are elected by the general meeting for a period of two years unless otherwise determined by the general meeting. Members of the Board may be re-elected. The Board appoints the chairman amongst the elected Board members.

At least half of the members of the Board of Directors shall reside in Norway or another EEA country unless the Norwegian Ministry of Trade, Industry and Fisheries grants an exemption from this statutory residency requirement.

**Members of the Board are welcome to own shares in the Company.**

Name	Role	Considered independent of the main shareholders and management	Served since	Term expires	Participation in Board meetings in 2022	Shares in BW Ideol (direct/indirect)	Nationality
Mr. Marco Beenen*	Chairman	No	2021	2023	100%	21 276	Dutch
Ms. Yngvil Asheim	Board member	No	2021	2023	100%	10 638	Norwegian
Mr. Julian Brown	Board member	Yes	2021	2023	100%	2 446	English
Mr. Jean Huby	Board member	Yes	2021	2023	100%	0	French

\* Mr. Marco Beenen is the CEO of BW Offshore Ltd, the majority shareholder of BW Ideol.

The composition of the Board shall ensure that it can act independently of any special interests. A majority of the shareholder-elected members of the Board are independent of the Company's executive personnel and material business connections of the Company. In addition, at least two of the members of the Board are independent of the Company's major shareholder. The Board does not include the Company's chief executive officer or any other executive personnel.

Given the diverse qualifications, experience, background and profile of the Board member, the composition of the Board meets BW Ideol's need for expertise, capacity and diversity. A short description of the directors and their respective areas of expertise are presented in the Annual Report and on the Company's website [www.bw-ideol.com](http://www.bw-ideol.com).

BW Ideol held its annual general meeting (AGM) on 13 May 2022. None of the members of the Board of Directors were up for election. On 24 June 2022, Yasuhiro Matsui resigned as a member of the Board. He was not replaced during 2022.

## 9. The work of the Board of Directors

The Board is ultimately responsible for the management of the Company and for supervising its day-to-day management. The duties and tasks of the Board are detailed in the Company's articles of association.

The Board produces an annual plan for its work, with particular emphasis on objectives, strategy and implementation. The Board issues instructions for its own work, as well as for the executive personnel, with particular emphasis on clear internal allocation of responsibilities and duties.

The Board instructions state how the Board and executive management shall handle agreements with related parties. In case of material transactions between the Company and a shareholder, a shareholder's parent Company, director, officer, or persons closely related to any of these, the Board will obtain a valuation from an independent third party. Independent valuations shall also be obtained in respect of transactions between companies in the same group where any of the companies involved have minority shareholders. For more information regarding related party transactions, see note 23 of the consolidated financial statements.

Board members and executive management cannot consider or vote over matters in which they have a special interest. Board members and executive management shall inform the Board of any material interests that they may have in matters to be considered by the Board of Directors, so that these can be considered in an unbiased and satisfactory manner.

In order to conduct its work, the Board each year fixes in advance a number of regular scheduled meetings of the Board for the following calendar year, although additional meetings may be called by the chairman. The directors shall normally meet in person,

but if so allowed by the chairman, directors may participate in any meeting of the Board by electronic means. Minutes in respect of the meetings of the Board of Directors are kept by the Company in Norway.

The following Board committees were appointed at year-end 2022:

### Audit committee

The Audit Committee acts as a preparatory and advisory committee for the Board. The Audit Committee is responsible for approving the Board's annual review of the Company's most important areas of exposure to risk and its internal control arrangements, as well as an annual supervisory plan for internal audit work. The Audit Committee follows up on internal controls in connection with quarterly reviews of the Group's financial reporting, in addition to two meetings in which internal control issues are addressed specifically. The Chief Financial Officer, the Company's other relevant senior staff and representatives of the external auditor, attend the meetings of the Audit Committee. At least once a year, the Board and the Audit Committee review the Company's internal control procedures relating to its financial reporting process. As at 30 September 2022, the Audit committee consisted of Yngvil Asheim. From the fourth quarter of 2022, the Company has decided that the full Board will assume the duties of the Audit Committee.

### Remuneration Committee

The Remuneration Committee acts as a preparatory and advisory committee for the Board in order to ensure thorough and independent preparation of matters relating to compensation to the executive personnel. As at 31 December 2022, the Remuneration committee consisted of Jean Huby (Chair) and Marco Beenen.

The Board carries out an annual evaluation of its performance and expertise.

## 10. Risk management and internal control

The Board ensures that the Company has sound internal control procedures and systems to manage its exposure to risks related to the conduct of the Company's business, to support the quality of its financial reporting and to ensure compliance with laws and regulations. Such procedures and systems contribute to securing shareholders' investment and the Company's assets.

Management and internal control are based on Company-wide policies and internal guidelines in areas such as Finance and Accounting, HSE, Project Management, Operation, Technical and Business Development, in addition to implementation and follow-up of a risk assessment process. The Company's management system is central in the Company's internal control and ensures that the Company's vision, policies, goals and procedures are known and adhered to. The Company is ISO 9001 certified.



The Board annually reviews of the Company's most important areas of exposure to risk and its internal control arrangements and an annual supervisory plan for internal audit work is approved by the CEO, based on HSSEQ recommendations and risk assessments carried out.

The Board's Audit Committee follows up internal control in connection with quarterly reviews of the Group's financial reporting in addition to two meetings in which internal control issues are addressed specifically. The Chief Financial Officer, the Company's other relevant senior staff and representatives of the external auditor, attend the meetings of the Audit Committee.

The systems for risk management and internal control also encompass the Company's guidelines regarding how the Company integrates considerations related to stakeholders into its creation of value. Please see the sustainability section of the Annual Report for more information.

BW Ideol has established a Code of Conduct for the Company and its employees, providing guidance to employees on how they can communicate with the Board to report matters relating to illegal or unethical conduct by the Company.

## 11. Remuneration of the Board of Directors

The general meeting decides the remuneration of the Board. The remuneration of the Board and its individual directors shall reflect the Board's responsibility, competence, use of resources and the complexity of the business activities. The remuneration of the directors shall not be linked to the Company's performance and the directors do not receive profit-related remuneration or share options or retirement benefits from the Company. Any remuneration in addition to normal fees to the directors is specifically stated in the Annual Report.

Directors or companies related to BW Ideol shall not normally undertake special tasks for the Company in addition to the directorship. However, if they do so, the entire Board shall be informed, and the fee shall be approved by the Board.

Detailed information of Board remuneration can be found in note 21 of the consolidated financial statements.

## 12. Salary and other remuneration of executive management

The Board decides the salary and remuneration of the CEO. Remuneration of the executive personnel is reviewed annually by the Remuneration Committee, which generally considers the executive personnel's performance and also gathers information from comparable companies before making its recommendation to the Board for approval. Such recommendation aims to ensure convergence of the financial interests of the executive personnel and the shareholders.

Performance-related remuneration of the executive management shall be linked to value creation for shareholders or to the Company's profit over time. Any performance-related remuneration to executive personnel is subject to an absolute limit of 25% of the fixed salary. The limit is approved by the Board of Directors based on a recommendation from the Remuneration Committee.

Any share-based incentive programme in the Company available to the employees of the Company and subsidiaries requires the approval of the Board. Detailed information of remuneration, loans, shareholding of the management and any share option programmes can be found in note 21 of the consolidated financial statements.

## 13. Information and communications

The Company is committed to provide information in a manner that contributes to establishing and maintaining confidence with important interest groups and stakeholders. The information is based upon transparency, openness and equal treatment of all shareholders. A precondition for the share value to reflect the underlying values in the Company is that all relevant information is disclosed to the market. Based on this, BW Ideol will endeavour to keep the shareholders informed about profit developments, prospects and other relevant factors for their analysis of the Company's position and value. It is emphasised that the information is uniform and simultaneous.

*Please see the Investor Relations Policy available on [www.bw-ideol.com](http://www.bw-ideol.com).*

## 14. Take-overs

In the event of a takeover process, the Board shall ensure that the Company's shareholders are treated equally and that the Company's activities are not unnecessarily interrupted. The Board shall also ensure that the shareholders have sufficient information and time to assess the offer.

In the event of a takeover process, the Board shall abide by the principles of the Code, and also ensure that the following take place:

- the Board shall ensure that the offer is made to all shareholders, and on the same terms,
- the Board shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company,
- the Board shall strive to be completely open about the takeover situation,
- the Board shall not institute measures which have the intention of protecting the personal interests of its members at the expense of the interests of the shareholders, and

- the Board must be aware of the particular duty the Board carries for ensuring that the values and interests of the shareholders are safeguarded.

The Board shall not attempt to prevent or impede the takeover bid unless this has been decided by the shareholders in the general meeting in accordance with applicable laws. The main underlying principles shall be that the Company's shares shall be kept freely transferable and that the Company shall not establish any mechanisms which can prevent or deter takeover offers unless this has been decided by the shareholders in general meeting in accordance with applicable law.

If an offer is made for Company's shares, the Board shall issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. If the Board finds itself unable to give a recommendation to the shareholders on whether or not to accept the offer, it should explain the reasons for this. The Board's statement on a bid shall make it clear whether the views expressed are unanimous, and if this is not the case, it shall explain the reasons why specific members of the Board have disagreed or abstained from the statement.

A takeover process gives rise to a particular duty of care to disclose information, where openness is an important tool for the Board of Directors to ensure equal treatment of all shareholders. The Board of Directors shall strive to ensure that neither inside information about the Company, nor any other information that must be assumed to be relevant for shareholders in a bidding process, remains unpublished. In this respect, agreements entered into between the Company and the bidder that are material to the market's evaluation of the offer should be publicly disclosed no later than at the same time as the announcement that the offer will be made is published.

The Board shall consider whether to obtain a valuation from an independent expert. If any member of the Board, or close associates of such member, or anyone who has recently held a position but has ceased to hold such a position as a member of the Board, is either the bidder or has a particular personal interest in the bid, the Board shall obtain an independent valuation. This shall also apply if the bidder is a major shareholder (as defined in section 8 above). Any such valuation should either be enclosed with the Board's statement or reproduced or referred to in the statement.

## 15. Auditor

BW Ideol's external auditor is KPMG AS. The auditor is appointed by the general meeting and holds office for the term resolved by the general meeting or until a successor is appointed.

The auditor is independent of BW Ideol AS and annually confirms its independence in writing to the Audit Committee and/or the Board of Directors.

The auditor is responsible for the audit of the consolidated financial statements of the Company. The Board ensures that the auditor annually presents an audit plan to the Audit Committee/Board.

The Audit Committee and/or Board invites the auditor to participate in the review and discussion of the annual accounts and quarterly interim accounts. In these meetings, the Audit Committee/Board is informed of the annual and quarterly accounts and issues of special interest to the auditor. The Audit Committee/Board meets at least once a year with the auditor with no representative of the executive management present. Further, the auditor shall participate in meeting(s) of the Board that deal with the annual accounts. At these meetings the auditor should review any material changes in the Company's accounting principles, comment on any material estimated accounting figures and report all material matters on which there has been disagreement between the auditor and the management of the Company and/or the Audit Committee/Board.

At least once a year, the Audit Committee/Board reviews the Company's internal control procedures with the auditor, including weaknesses identified by the auditor and proposals for improvement. The Board has established guidelines that specify the right of the executive management to use the auditor for purposes other than auditing.

The auditor shall attend the general meeting if the matters to be dealt with are of such nature that his or her presence is deemed necessary. The auditor is in any case entitled to participate in the general meeting.

The general meeting authorises the Board to determine the remuneration of the auditor. For more information about remuneration of the auditor, see note 21 in the consolidated financial statements.

# FINANCIAL STATEMENTS

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# Consolidated financial statements

## Consolidated statement of income

(Figures in KEUR)

	Note	2022	For the period 22 October 2020 to 31 December 2021
Revenue from contracts with customers	19	6 639	2 259
Other operating income	19	2 106	1 402
Operating expenses	20	(11 488)	(11 424)
<b>Operating profit /(loss) before depreciation/amortisation</b>		<b>(2 743)</b>	<b>(7 763)</b>
Depreciation	5,8	(9 510)	(5 566)
Amortisation	6	(4 387)	(3 251)
<b>Operating profit/(loss)</b>		<b>(16 641)</b>	<b>(16 581)</b>
Net interest expense (expense) / income		15	(229)
Other financial items		(814)	(519)
<b>Net financial income/(expense)</b>		<b>(799)</b>	<b>(748)</b>
Share of profit/(loss) from equity accounted investments		(57)	0
<b>Profit/(loss) before tax</b>		<b>(17 497)</b>	<b>(17 329)</b>
Income tax (expense) / income	22	869	693
<b>Net profit/(loss) from continuing operations</b>		<b>(16 628)</b>	<b>(16 636)</b>
<b>Net profit/(loss) For the period</b>		<b>(16 628)</b>	<b>(16 636)</b>
Attributable to shareholders of the parent		(16 628)	(16 636)
Attributable to non-controlling interests		0	0
Basic and diluted earnings per share (in EUR)		(0.53)	(0.79)
Weighted average number of ordinary shares outstanding (in '000)		31 511	21 000



## Consolidated statement of comprehensive income

(Figures in KEUR)

	2022	For the period 22 October 2020 to 31 December 2021
Loss for the period	(16 628)	(16 636)
<b>Items that are or may be reclassified to profit or loss</b>		
Remeasurement of Retirement Provision	100	0
<b>Items that are or may be reclassified to profit or loss</b>		
Foreign operations – foreign currency translation differences	(9)	(2)
<b>Other comprehensive income for the period, net of tax</b>	<b>91</b>	<b>(2)</b>
<b>Total comprehensive income for the period</b>	<b>(16 537)</b>	<b>(16 638)</b>

## Consolidated statement of financial position

(Figures in KEUR)

ASSETS	Note	31 December 2022	For the period ending 31 December 2021
Other property, plant & equipment	5	530	154
Right-of-use assets	8	5 326	5 344
Technical installations	5	5 187	11 852
Other intangible assets	6	3 913	4 063
Goodwill	6	25 606	25 267
Technology asset	6	52 620	56 604
Equity Accounted Investments	7	16 032	
Other Investments	9	1 250	1 250
Other non-current assets	10	4 609	2 020
<b>Total non-current assets</b>		<b>115 073</b>	<b>106 553</b>
Trade receivables and other current assets		2 127	3 200
Cash and cash equivalents		9 133	32 792
<b>Total current assets</b>		<b>11 260</b>	<b>35 992</b>
<b>TOTAL ASSETS</b>		<b>126 332</b>	<b>142 545</b>

EQUITY AND LIABILITIES	Note	For the period Ending	
		31 December 2022	31 December 2021
Share capital	12	313	313
Share premium	12	130 591	130 591
Retained earnings		(33 017)	(17 300)
Foreign currency translation reserve		(5)	(2)
<b>Total equity</b>		<b>97 881</b>	<b>113 602</b>
Interest-bearing long-term debt	14	4 229	5 654
Pension obligations		176	229
Asset retirement obligations	17	2 393	2 172
Other long-term liabilities	15	3 349	3 539
Long-term lease liabilities	8	1 784	16
Deferred tax liability	4	11 576	12 453
<b>Total non-current liabilities</b>		<b>23 507</b>	<b>24 063</b>
Trade payables and other short-term liabilities	18	3 064	3 405
Interest-bearing short-term debt	14	1 650	1 408
Short-term lease liabilities		229	62
Income tax liabilities		1	6
<b>Total current liabilities</b>		<b>4 944</b>	<b>4 880</b>
<b>Total liabilities</b>		<b>28 451</b>	<b>28 943</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>126 332</b>	<b>142 545</b>

## Consolidated statement of changes in equity

(Figures in KEUR)

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Total equity
Incorporation and issue of share capital on 22 October 2020	3	1	0	4	0	4
Share capital decrease	(3)	(1)	0	(4)	0	(4)
Share-issuance - acquisition	203	79 123	0	79 326	0	79 326
Share-issuance - IPO	110	51 468	0	51 578	0	51 578
Profit/loss for the period	0	0	(16 636)	(16 636)	0	(16 636)
Transaction costs on issuance of shares	0	0	(2 286)	(2 286)	0	(2 286)
Other movements	0	0	(190)	(190)	0	(190)
Share based payment	0	0	1 812	1 812	0	1 812
Other comprehensive income / (loss)	0	0	0	0	(2)	(2)
<b>Total equity at 31 December 2021</b>	<b>313</b>	<b>130 591</b>	<b>(17 300)</b>	<b>113 604</b>	<b>(2)</b>	<b>113 602</b>

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Total equity
Total equity at 31 December 2021	313	130 591	(17 300)	113 604	(2)	113 602
Profit/loss for the period			(16 628)	(16 628)		(16 628)
Other movements			190	190		190
Share based payment			626	626		626
Other comprehensive income / (loss)			100	100	(9)	91
<b>Total equity at 31 December 2022</b>	<b>313</b>	<b>130 591</b>	<b>(33 012)</b>	<b>97 892</b>	<b>(11)</b>	<b>97 881</b>

## Consolidated statement of cash flows

(Figures in KEUR)

	Notes	2022	For the period 22 October 2020 to 31 December 2021
Profit/(loss) before taxes		(17 497)	(17 329)
Unrealised currency exchange loss/(gain)		730	2
Depreciation and amortisation	5, 6	13 897	8 818
Share-based payment expense		626	1 812
Change in subsidies & grants receivable		(319)	825
Add back of net interest expense		(15)	229
Changes in Working Capital		(868)	(241)
<b>Net cash flow from operating activities</b>		<b>(3 445)</b>	<b>(5 884)</b>
Investment in other property, plant & equipment	5	(1 461)	(1 815)
Investments in financial investments	9	(493)	(2 854)
Investment in subsidiaries, net of cash acquired			(49 577)
Acquisition of equity accounted investments	7	(16 753)	
<b>Net cash flow from investing activities</b>		<b>(18 707)</b>	<b>(54 246)</b>
Proceeds from share issuances			103 796
Transaction costs relating to the share issuance			(2 298)
Repayment of debt and other liabilities	14, 15	(1 160)	(2 264)
Interest paid		(105)	(438)
Payment of lease liabilities	8	(242)	(5 878)
<b>Net cash flow from financing activities</b>		<b>(1 507)</b>	<b>92 918</b>
<b>Net change in cash and cash equivalents</b>		<b>(23 659)</b>	<b>32 788</b>
Cash and cash equivalents at beginning of period		32 792	4
<b>Cash and cash equivalents at end of period</b>		<b>9 133</b>	<b>32 792</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1 – General

#### Organisation and principal activities

BW Ideol AS (hereafter "BW Ideol" or "the Company") was incorporated on 22 October 2020 and is a limited liability company ("aksjeselskap" or "AS") registered and domiciled in Norway. The Company is listed on Euronext Growth Oslo (Norway). As the Company was incorporated in October 2020, comparative figures are for the period 22 October 2020 until 31 December 2021 and for the period then ended, in accordance with the Norwegian Accounting Act section 1-7. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group" or "the BW Ideol Group"), most notably Ideol SAS. BW Ideol AS acquired 100% of the outstanding shares in Ideol SAS as of 15 March 2021, prior to this transaction, BW Ideol AS had no business activities. In December 2021, Ideol SA ("Société Anonyme") was converted into Ideol SAS ("Société par Action Simplifiée").

The Group is an offshore wind developer with operations internationally, most notably in France, Scotland and Japan. The Company's activities include the development, construction, financing and operations of floating wind farms as well as the engineering, procurement, construction and installation of floating wind foundations using its patented Damping Pool® technology. The main offices are in Oslo, Norway and La Ciotat, France.

The consolidated financial statements were approved by the Board of Directors on 16 February 2023.

### Note 2 – Significant account policies

#### Basis of preparation

The consolidated financial statements ending 31 December 2022 of BW Ideol have been prepared in accordance with the Norwegian Accounting Act and International Financial Reporting Standards (IFRS) as adopted by the European Union.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of complying with the BW Ideol Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

The financial tables below show figures in Euro thousands unless otherwise stated. As a result of rounding differences, numbers and/or percentages may not add up to the total.

#### Use of estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were significant.

#### Currency translation

##### *Functional and presentation currency*

The functional currency of BW Ideol AS and the presentation currency of the Group is Euro ("EUR").

#### Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the date of transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

#### Basis for consolidation

##### *Subsidiaries*

Subsidiaries are legal entities over which the Group has control. Control is achieved when the Group is exposed or has rights to variable returns from its involvement with a company in which it has invested and has the ability to use its power to affect its returns from this company. Subsidiaries are fully consolidated as of the date on which control is transferred to the Group and are de-consolidated as of the date control ceases.

##### *Interests In equity-accounted investees*

The Group's Interest In equity-accounted investees comprise joint ventures. Joint arrangements, which are arrangements of which the Group has joint control together with one or more parties, are classified into joint ventures and joint operations. Joint operations are joint arrangements in which the parties that share joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement. Interests in associates and joint ventures are accounted for using the equity method.

#### Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries are changed whenever necessary to ensure consistency with the policies adopted by the BW Ideol group.

#### Classification of assets and liabilities

Assets for long-term ownership or use are classified as non-current assets. Other assets are classified as current assets.

Liabilities which fall due more than one year from reporting date are classified as non-current liabilities. Liabilities which fall due less than one year from reporting date are classified as current liabilities.

### **Revenue recognition**

#### ***Revenue from contracts with customers***

The revenue in BW Ideol relates to delivery of services related to development projects within the offshore wind industry, primarily in deep water utilizing floating foundation technologies. Early parts of the development process include technical studies, environmental studies, wind studies and grid studies. Subject to the positive outcome of such studies and business case assessments, BW Ideol together with its partners advances to discussions and formal processes concerning licensing and lease agreements with appropriate authorities in order to become a co-developer and operator of offshore floating wind projects. Revenue is recognised over time using a cost progress method or according to delivered time and materials. All current contracts consist of a single performance obligation.

### **Interest income**

Interest income is recognised on a time proportion basis applying the effective interest method.

### **Employee benefits**

#### ***Share-based payment***

The grant date fair value of equity settled share-based payment arrangements granted to employees is recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

### **Taxes**

The BW Ideol Group may be subject to income tax in the countries in which it operates. The BW Ideol Group provides for tax on profit based on the profit for financial reporting purposes, adjusted for non-taxable revenue and expenses.

Income tax expense represents the sum of tax currently payable, changes in deferred tax liabilities and deferred tax assets. Deferred tax liabilities/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, except for:

- differences linked to goodwill which are not tax deductible,
- differences related to investments in subsidiaries, associates or joint ventures when the Group controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognised when it is probable that the Company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. Previously unrecognised deferred tax assets are recognised to the extent it has become probable that the deferred tax asset can be utilised. Similarly, the deferred tax asset is reduced to the extent that it is no longer regarded as probable that the deferred tax asset can be utilised.

Deferred tax assets and liabilities are recognised when assets with temporary differences are acquired through business combinations.

Deferred tax liabilities and deferred tax assets are measured on the basis of the enacted or substantially enacted tax rates applicable to the respective entity in the BW Ideol Group where temporary differences have arisen. Deferred tax liabilities and deferred tax assets are recognised at their nominal value. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income becomes taxable.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

### **Property, plant and equipment (PP&E)**

#### ***Measurement***

PP&E are measured at cost less accumulated depreciation and impairment charges. This includes costs of material, direct labour and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, attributable overheads and estimate of costs of demobilising the asset.

#### ***Depreciation***

Depreciation will start when an item of PP&E is ready for use as intended by management.

The estimated useful lives of the categories of PP&E are as follows:

- technical installations which includes the Floatgen demonstrator are depreciated over 5 years on a straight-line basis,
- other PP&Es, like IT equipment, IT software and office equipment are depreciated over a 3-5 year period on a straight-line basis.

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

### **Intangible assets and goodwill**

#### ***Goodwill***

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units (CGUs) for the purpose of the annual impairment testing.

### **Technology**

Technology acquired in a business combination are recognised at fair value at the acquisition date when intangible assets criteria are met and amortised on a straight-line basis over the useful life of fifteen years.

### **Research and development**

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Capitalised development costs are amortised over the period of expected future benefit, usually five years.

### **Impairment**

Non-current and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable amount, being the higher of an asset's fair value less cost of disposal and its value in use.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU. The use of a post-tax discount rate does not result in a different determination of the need for, or the amount of, impairment (reversal) that would be required if a pre-tax discount rate had been used.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **Investment grants**

The recognition of investment grants intended to finance non-current assets is recorded in other operating income as soon as the granting of the grant is certain, that is to say when the corresponding expenditure has been made.

### **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **Financial assets**

The Company's financial assets are trade- and related-party receivables, financial investments, and cash and cash equivalents. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. As of now the Company has financial assets measured at amortized cost and financial assets measured at fair value through OCI.

### **Financial assets at amortised cost**

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows,
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost includes trade- and intercompany receivables and cash and cash equivalents.

### **Financial assets at fair value through OCI**

The BW Ideol Group holds equity securities at FVOCI as these securities represent investments that the BW Ideol Group intends to hold for long term strategic purposes. These assets are measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

### **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either
  - a. the Company has transferred substantially all the risks and rewards of the asset, or
  - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### **Impairment of financial assets**

For intercompany receivables, the Company applies a simplified approach in calculating Estimated Credit Losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date, based on its historical credit loss experience.

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### **Derecognition of financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised and measured at amortised cost. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are denominated primarily in EUR, USD and NOK. Cash and cash equivalents include cash on hand, short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and short-term deposits with an original maturity of three months or less.

#### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in retained earnings as a deduction, net of tax, from the proceeds. Where the Company purchases the Company's own equity share capital (treasury shares), the consideration paid, including any

directly attributable incremental costs (net of income taxes), is deducted from retained earnings until the shares are cancelled or reissued.

#### **Provisions for other liabilities and charges**

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, when it is likely that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### **Asset retirement obligations (ARO)**

Provisions for ARO are recognised when the BW Ideol Group has a legal or constructive obligation to cover expenses associated with dismantling and removal of assets, and when a reliable estimate of this liability can be made.

The ARO is recognised based on the present value of the estimated cash outflows to be incurred to conduct abandonment activities, considering relevant risks and uncertainties. The corresponding amount is recognised to the related PP&E in the Consolidated Statement of Financial Position and depreciated using the same depreciation method used for the asset.

The ARO will be assessed annually to incorporate the annual revisions to the estimated retirement costs, a risk-free discount rate and retirement date estimates. Changes in estimates will be recognised as an adjustment to the provision and the corresponding PP&E.

In the event of decrease in the ARO provision related to a producing asset exceeds the carrying amount of the asset, the excess is recognised as a reduction of depreciation in the Consolidated Statement of Income.

When an asset has reached the end of its useful life, all subsequent changes to the ARO provision are recognised when they occur in operating expenses in the Consolidated Statement of Income.

#### **Classification of assets and liabilities**

Assets for long-term ownership or use, including technical installations and property, plant and equipment are classified as non-current assets. Other assets are classified as current assets. Interest-bearing liabilities which fall due more than one year after being incurred are classified as long-term, and the following year's instalments are classified as short term.



Other liabilities which fall due more than one year after being incurred are classified as long-term, and the following year's instalments are classified as short-term.

### Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Identifiable assets are recognised separately from goodwill and are assets for which it is probable that the expected future economic benefits that are attributable to the assets will flow to the entity and the fair value of the asset can be measured reliably. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

### Leases

The BW Ideol Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract transfers the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract transfers the right to control the use of an identified asset, the BW Ideol Group uses the definition of a lease in IFRS 16.

#### The group as a lessee

The BW Ideol Group applies a single recognition and measurement approach for all leases except for short-term leases and leases of low value. The BW Ideol Group recognises lease liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The BW Ideol Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. Right-of-use assets are measured at cost and depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right of use asset is assessed annually for impairment and reduced for any related impairment losses, and adjusted for certain remeasurements of the lease liability.

#### Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. In calculating the present value, the BW Ideol Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is

increased to reflect the accretion of interest and reduced for the lease payments made.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments,
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the BW Ideol Group changes its assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the Consolidated Statement of Income if the carrying amount of the right-of-use asset has been reduced to zero.

The BW Ideol Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

#### Short-term leases and leases of low value

The BW Ideol Group applies the short-term lease recognition exemption to its short-term leases. A short-term lease is a lease that has a lease term of 12 months or less from the commencement date. It also applies the low-value exemption to leases of office equipment that are considered to be of low value. Lease payments for these leases are recognised as an expense on a straight-line basis over the lease term. The BW Ideol Group has elected to not separate non-lease components and account for the lease and the non-lease components as a single lease component.

## Note 3 – Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires use of estimates and assumptions. The following is a summary of the assessments, estimates and assumptions made that could have a material effect on the consolidated financial statements. Actual results may differ from these estimates.

#### Asset retirement obligations

Asset retirement costs will be incurred by the BW Ideol Group at the end of the operating life of the demonstrator Floatgen. The BW Ideol Group assesses its retirement obligations at each reporting date. The ultimate asset retirement costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience gained through other actions. The expected timing, extent and amount of expenditure

can also change, for example in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions, including estimated retirement costs, discount rates, and estimated retirement dates, are made in determining the provision for asset retirement obligations. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at the reporting date represents management's best estimate of the present value of the future asset retirement costs required.

#### Impairment testing of goodwill and technology assets

Valuations performed in light of the impairment test of goodwill and technology assets demands a high degree of estimation. Management must make complex assessments of the expected cash flows arising and discount rates used in the valuation models. Changes to these estimates could have significant impact on the impairments recognised and future changes may lead to additional impairments.

The financial forecasts used in the goodwill and technology asset impairment test reflects management's judgment on the probability of realizing projects, and for those projects expected to be developed, the development and capital expenditures, operating expenses and the tariff applied to the electricity sold which is being determined using a target internal rate of return as well as the discount rate. This judgement is based on present circumstances at the valuation date, as to the most likely set of conditions and the course of action it is most likely to take. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period will almost always differ from the forecasts and as such differences may be material. In addition, floating offshore wind is a new industry with no commercial projects established yet globally, resulting in a high degree of estimation uncertainty related to the identification of prospective projects and chances of acquiring such projects.

#### Valuation of financial investment in Eolmed

The Group holds a 5% ownership interest in EolMed, a company incorporated for the development of a 30MW Mediterranean offshore wind farm which was acquired in November 2021 for an amount of EUR 1.25 million. Further a shareholder loan facility of EUR 1.6 million was granted in 2021 and EUR 0.5 million in May 2022 at Final Investment Decision.

The investment in EolMed is measured at fair value through other comprehensive income (FVOCI) as the investment in equity securities represent investments that the BW Ideol Group intends to hold for the long-term strategic purposes. During 2022 there was no dividend income recognised and there were no transfers of any cumulative gain or loss within equity relating to the investment.

As of 31 December 2022, the Company conducted a valuation of its equity stake in the Company using a discounted cash flow

method and a sensitivity analysis on the discount rate retained in line with IAS39 requirements. The projected cash flows were based on the most up-to-date forecast by management which includes management's judgement on the expected development, capital and operating expenses, tariffs and discount rates. Based on the fair value discounted cash flow model per 31 December 2022, no changes have been recorded to the fair value.

## Note 4 – Purchase price allocation

The table below presents the results of the purchase price allocation analysis that has been prepared following the acquisition of Ideol SAS (France) by BW Ideol AS (Norway) and the subsequent listing of BW Ideol AS on the Euronext Growth Exchange. On 15 March 2021, BW Ideol AS acquired 100% of the outstanding shares in Ideol SAS, 71.6% of the shares were acquired for a cash consideration of EUR 52.2 million and the remaining 28.4% of the shares were settled through the issuance of 5,815,240 new shares of BW Ideol AS. Subsequently, on 18 March 2021, BW Ideol AS completed a listing on the Euronext Growth exchange in Oslo of 11,655,625 shares (including greenshoe shares) at share price of NOK 47.00 by means of a private placing. This private placement share price was determined to be the fair value of the BW Ideol AS consideration shares issued as part of the acquisition of Ideol SAS.

For the period from 15 March 2021 to 31 December 2021, Ideol SAS contributed revenue of EUR 2.259 million and a loss of EUR 10.814 million to the Group's results. If the acquisition had occurred on 1 January 2021, management estimates that the consolidated revenue would have been EUR 2.361 million, and consolidated loss for the year would have been EUR 19.102 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

#### Consideration/acquisition price

Consideration in cash	52 219
Contribution in kind (5,815,240 shares @ NOK 47)	27 104
<b>Total consideration</b>	<b>79 324</b>

Included in the identifiable assets and liabilities acquired at the date of acquisition of Ideol SAS are inputs (primarily technology), processes and an organized workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business. The acquisition related costs, including legal fees and due diligence fees, amounted to approximately EUR 1.4 million, which were recorded as operating expenses.

Taking control of Ideol SAS enables the Group to establish itself as a leading global player in floating offshore wind. The combination of Ideol technology, operational track record and engineering capabilities and pipeline of projects with the execution capabilities focused on large-scale offshore projects within BW Offshore offers a unique combination.

The purchase price allocation analysis has led to the recognition of a technology intangible asset. As of the acquisition date, it was valued at EUR 59.8 million. It will be amortized on a straight-line basis over the remaining useful life of the asset estimated at 15 years, taking into consideration current industry experience, patents and know how associated with the technology. The fair value of the technology has been measured based on an income approach, calculating the present value of future royalty income the technology is expected to generate.

Final adjustments were made to the purchase price allocation in 2022 within the one-year timeframe, resulting in a EUR 0.34 million increase in the goodwill balance.

Purchase price allocation	Acquisition date
Consideration transferred	79 324
Fair value of identifiable assets & liabilities	(54 056)
Goodwill	25 268

The amounts of revenue and profit or loss of the acquiree since the acquisition date included in the consolidated statement of profit or loss and OCI for the reporting period amount to a loss of EUR 3.4 million.

The revenue and profit or loss of the combined entity for the current reporting period as though the acquisition date had been as of the beginning of the annual reporting period amount to a loss of EUR 19.1 million.

The amounts recognised as of the acquisition date for each major class of assets acquired and liabilities assumed are indicated below.

	15 March 2021
Other property, plant & equipment	94
Right-of-use assets	120
Technical installation tangible assets	14 096
Other intangible assets	3 883
Technology asset	59 758
Other non-current assets	420
Trade receivables and other current assets	3 098
Cash and cash equivalents	2 642
Interest-bearing long-term debt	(5 234)
Pension obligations	(190)
Asset retirement obligations	(1 217)
Other long-term liabilities	(5 282)
Long-term lease liabilities	(62)
Deferred tax liability	(13 147)
Trade payables and other short-term liabilities	(2 079)
Interest-bearing short-term debt	(2 784)
Short-term lease liabilities	(61)
<b>Total</b>	<b>54 056</b>

**Acquired receivables were estimated at the contractual amounts. The estimate at the acquisition date of the contractual cash flows not expected to be collected was zero and all amounts were collected during 2021.**

## Note 5 – Property, plant & equipment

	Technical installation	Other PP&E	Total
<b>Cost at 22 October 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions through business combinations	14 096	94	14 190
Additions	2 400	106	2 506
Impairment	0	0	0
<b>Cost at 31 December 2021</b>	<b>16 496</b>	<b>200</b>	<b>16 696</b>
<b>Accumulated depreciation and impairment charge at 22 October 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current year depreciation	(4 644)	(46)	(4 690)
Impairment	0	0	0
<b>Accumulated depreciation and impairment charge at 31 December 2021</b>	<b>(4 644)</b>	<b>(46)</b>	<b>(4 690)</b>
<b>Book value at 31 December 2021</b>	<b>11 852</b>	<b>154</b>	<b>12 006</b>

	Technical installation	Other PP&E	Total
<b>Cost at 1 January 2022</b>	<b>16 496</b>	<b>200</b>	<b>16 696</b>
Additions	221	490	711
Impairment			
<b>Cost at 31 December 2022</b>	<b>16 717</b>	<b>690</b>	<b>17 407</b>
<b>Accumulated depreciation and impairment charge at 1 January 2022</b>	<b>(4 644)</b>	<b>(46)</b>	<b>(4 690)</b>
Current year depreciation	(6 886)	(114)	(7 000)
Impairment			
<b>Accumulated depreciation and impairment charge at 31 December 2022</b>	<b>(11 530)</b>	<b>(160)</b>	<b>(11 690)</b>
<b>Book value at 31 December 2022</b>	<b>5 187</b>	<b>530</b>	<b>5 717</b>

Technical installation tangible asset comprises the Floatgen demonstrator, owned by the BW Ideol Group and operating off the Brittany coast in France since September 2018, and the related decommissioning costs. The demonstrator is being depreciated over a 5-year period.



## Note 6 – Intangible assets and goodwill

ASSETS	Goodwill	Technology	R&D	Software intangible assets	Total Intangible assets
<b>Cost at 22 October 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Additions through business combinations	25 268	59 758	3 830	52	88 908
Additions	0	0	478	67	545
Impairment	0	0	0	0	0
<b>Cost at 31 December 2021</b>	<b>25 268</b>	<b>59 758</b>	<b>4 308</b>	<b>119</b>	<b>89 453</b>
<b>Accumulated amortisation and impairment charge at 22 October 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current year amortisation	0	(3 154)	(347)	(18)	(3 519)
Impairment	0	0	0	0	0
<b>Accumulated amortisation and impairment charge at 31 December 2021</b>	<b>0</b>	<b>(3 154)</b>	<b>(347)</b>	<b>(18)</b>	<b>(3 519)</b>
<b>Book value at 31 December 2021</b>	<b>25 269</b>	<b>56 604</b>	<b>3 961</b>	<b>101</b>	<b>85 934</b>

ASSETS	Goodwill	Technology	R&D	Software intangible assets	Total Intangible assets
<b>Cost at 1 January 2022</b>	<b>25 268</b>	<b>59 758</b>	<b>4 308</b>	<b>119</b>	<b>89 453</b>
Additions through business combinations					
Purchase price allocation adjustments	338				338
Additions			224	29	253
Impairment					
<b>Cost at 31 December 2022</b>	<b>25 606</b>	<b>59 758</b>	<b>4 532</b>	<b>148</b>	<b>90 044</b>
<b>Accumulated amortisation and impairment charge at 1 January 2022</b>		<b>(3 154)</b>	<b>(347)</b>	<b>(18)</b>	<b>(3 519)</b>
Current year amortisation		(3 984)	(375)	(28)	(4 387)
Impairment					
<b>Accumulated amortisation and impairment charge at 31 December 2022</b>		<b>(7 138)</b>	<b>(722)</b>	<b>(45)</b>	<b>(7 905)</b>
<b>Book value at 31 December 2022</b>	<b>25 606</b>	<b>52 620</b>	<b>3 810</b>	<b>103</b>	<b>82 139</b>

R&D assets represent the accumulated capitalized development projects. BW Ideol is pursuing a number of initiatives around its Damping Pool® patented foundation technology including research and development of innovative building materials, mooring systems and construction methods. The remaining amortization period for R&D assets at 31 December 2022 is an average of 3 years.

The remaining amortization period for Technology assets at 31 December 2022 is 13 years.

Goodwill has an indefinite useful life and is tested for impairment at least annually. The goodwill was initially recognised in March 2021 as part of the acquisition of Ideol SAS (see note 4) consisting of one segment "Floating wind". Final adjustments were made to the

purchase price allocation in 2022 within the one-year timeframe, resulting in a EUR 0.34 million increase in the goodwill balance. Goodwill was tested for impairment as of 31 December 2022 and the impairment test also included the technology assets. A discounted cash flow model was used to determine the fair value less cost of disposal for the CGU. The projected cash flows were based on the most up-to-date forecast by management which includes: 1) A probability weighted pipeline of projects in co-development, with cash flows using end-of life cash flows for projects identified and 2) a probability weighted pipeline of EPCI contracts. The impairment calculation demonstrated that the value in use exceeded the carrying amount of the CGU, thus no impairment loss was recognized.

Key assumptions used in the impairment calculation include:

#### **Cash flows, project IRR, price of electricity**

For the co-development activity, cash flows related to the estimated projects in portfolio include: (i) development expenses, including expenses related to engineering services provided by BW Ideol to each project during this phase, (ii) capital expenditures during construction phase, including royalties derived from BW Ideol's technology licensing, (iii) wind farm operating expenses and (iv) reimbursement of project finance debt. The tariff applied to the electricity sold is being determined by using a target IRR estimated either at the start of the construction phase or at the start of the Development phase and takes into account the target financial structure and expenses profiles. For the co-EPCI activity, cash flows related to potential EPCI contracts include engineering services during the development phase, gross profit/EBITDA from procurement and construction and royalties derived from licensing the technology to each project.

#### **Discount rate and sectorial WACC**

In order to assess the relevance of our implied discount rate based approach to valuation, we have determined a sectorial post-tax Weighted Average Cost of Capital (WACC) derived from the Capital Asset Pricing Model (CAPM) methodology and incremental borrowing rate, assuming cash flows in Euro. A selected sample of comparable companies active in the renewable power sector was established. Due to the nature of the projects, a separate WACC is established for co-development projects and EPCI projects. The WACC for co-development projects is based on a risk-free rate in 2022 of 2.4% based on S&P capital IQ data, and a market risk premium of 6.3%. The estimated unlevered beta for equity was 0.53. The equity to total capital ratio was 71%. This resulted in a post-tax WACC of 5.6% (2021: 5.4%). The targeted Discount Rates being used as part of the impairment test ranges from 5.6% to 6.8% (2021: 6.7%), reflecting a risk premium ranging from 0.0% to 1.2% compared to the sectorial WACC reflective of the underlying risk for individual co-development prospects. The WACC for EPCI projects is based on a risk-free rate in 2022 of 2.4% based on S&P capital IQ data, and a market risk premium of 6.3%. The estimated unlevered beta for equity was 0.90. The equity to total capital ratio was 67%. This resulted in a post-tax WACC of 5.6%. The targeted Discount Rates being used as part of the impairment test is 13.0% for EPCI projects, reflecting the riskier nature of the pipeline of prospective contracts.

Testing procedures of BW Ideol's single CGU related goodwill as of 31 December 2022 are conducted to meet IFRS requirements, and especially IAS 36. In compliance with IAS 36, BW Ideol's recoverable value was based on the estimation of its value in use derived from a discounted cash flow approach and is equivalent to BW Ideol's enterprise value as of 31 December 2022. To determine the recoverable value of assets, the value in use derived from future cash flows was considered. Net probabilities have been updated to reflect current evolutions for projects and contracts.

#### **Sensitivities**

##### **Prospective capacity**

In the impairment test it is assumed the BW Ideol Group to secure 9.5GW (2021: 10.7GW) within the next 10 years, comprising 1.0GW of co-development projects under development or construction, 5.18GW of co-development across targeted prospects or anticipated licensing rounds and the equivalent of 3.32GW across 5 potential EPCI contracts. A sensitivity whereby the overall capacity would be reduced by 1.0GW (approximately 10%), by taking out a targeted prospect entering into operation in 2031, would result in an impairment to be recognized of EUR 4.2 million.

##### **Discount rate**

The impairment assessment is sensitive to changes in the discount rate on co-development projects. A 0.3% increase in the discount rate of co-development projects would result in an impairment of goodwill and technology assets of EUR 47.8 million. An increase in the discount rate on EPCI projects of 1.0% would not result in an impairment.

##### **Internal rate of return**

The impairment assessment is sensitive to changes in the target IRR of co-development projects. A 0.5% decrease in the internal rate of return of co-development projects would result in an impairment of goodwill and technology assets of EUR 46.7 million.

## **Note 7 – Equity Accounted Investees**

	2022	2021
Interest in Joint Ventures	16 032	0
<b>Balance at 31 December</b>	<b>16 032</b>	<b>0</b>

Equity-accounted investees relates to the 33.3% ownership interest in Floating Energy Alliance 1 Limited (FEA) acquired in April 2022 for an amount of GBP 0.1 thousand. Floating Energy Alliance 1 Limited (FEA) is incorporated in Scotland and this is its principal place of business. Further a shareholder loan facility of EUR 1.15 million and GBP 13.03 million was granted in 2022. The loan was subsequently converted to equity in December 2022. As at 31 December 2022 BW Ideol's 33.3% ownership corresponded to 14,033,130 ordinary shares of GBP 1 each.

In addition BW Ideol has a 33.3% ownership in Floating Energy Alliance 2 Limited acquired for an unpaid capital amount of GBP 0.1 thousand in 2022. As at 31 December 2022 the entity was dormant.

On 17 January 2022, Ideol SAS, as a partner of the Floating Energy Alliance 1 Limited (FEA) consortium, obtained the development rights for a floating offshore wind farm with a capacity of 960 MW off the northeast coast of Scotland by winning the ScotWind tender organized by Crown Estate Scotland. The development right relates to the area designated NE8 in the Scottish Government's Marine Sector Plan for Offshore Wind, which is located approximately 75km north-east of Fraserburgh on the Aberdeenshire coast. FEA is a consortium comprising BayWa r.e., a German-based renewable energy project developer with UK offices in Glasgow and Edinburgh, Elicio, an experienced Belgian offshore wind developer, owner and operator, and BW Ideol. FEA finalized the development rights contract with CES in April 2022.

The following table illustrates the summarised financial information of the Group's investment in Floating Energy Alliance 1 Limited (FEA), whose reporting currency is GBP.

	2022 EUR
Percentage Ownership Interest	33.33%
Non-current assets	45 296
Current assets	3 586
Current liabilities	(763)
Non-current liabilities	(25)
<b>Net Assets 100%</b>	<b>48 094</b>
Groups Share of Net Assets	16 032
<b>Carrying Amount of interest in associate</b>	<b>16 032</b>
<b>Revenue</b>	<b>0</b>
<b>Profit/(Loss) for the Year 100%</b>	<b>(171)</b>
<b>Total Comprehensive Income/(Loss) for the year</b>	<b>(171)</b>
<b>Groups Share of Comprehensive Income/(Loss) for the year</b>	<b>(57)</b>

## Note 8 – Leases

### Right-of-use assets and lease liabilities

BW Ideol leases office premises in La Ciotat, France (HQ). The Company re-located to a new office premises in the third quarter of 2022 and has signed a nine-year lease agreement beginning in April 2022 for the location.

BW Ideol entered into a lease agreement for exclusive port rights to gain long-term access to Ardersier Port in Scotland for local manufacturing of concrete floating substructures for in-house and third-party ScotWind developments. The initial right on the

site secured is for a period of 3 years and is then renewable for a further two additional extensions of 3 years. The two additional extensions of 3 years are not included in the lease liability. The Port of Ardersier is responsible for the re-development of the port in order to accommodate several activities including the potential serial manufacturing of floating wind foundations. Dredging works started in late 2021. The lease was fully prepaid in 2021.

### Amounts recognised in profit or loss

During 2021, interest on lease liabilities recognised in profit or loss amounted to EUR 1 thousand and expenses related to short-term leases amounted to EUR 0.070 million.

	Office Premises	Ports	Right-of-use assets	Lease liabilities
<b>On 22 October 2020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Addition through business combinations	120	0	120	62
Additions	3	5 831	5 834	61
Depreciation expense	(48)	(561)	(609)	0
Interest expense	0	0	0	1
Lease payments	0	0	0	(47)
<b>Balance at 31 December 2021</b>	<b>75</b>	<b>5 269</b>	<b>5 344</b>	<b>77</b>

During 2022, interest on lease liabilities recognised in profit or loss amounted to EUR 0.03 million and expenses related to short-term leases amounted to EUR 0.02 million.

	Office Premises	Ports	Right-of-use assets	Lease liabilities
<b>On 1 January 2022</b>	<b>75</b>	<b>5 269</b>	<b>5 344</b>	<b>77</b>
Addition through business combinations				
Additions	2 182		2 182	2 182
Adjustments	(31)		(31)	(31)
Depreciation expense	(226)	(1 943)	(2 170)	
Interest expense				26
Lease payments				(242)
<b>Balance at 31 December 2022</b>	<b>2 000</b>	<b>3 326</b>	<b>5 326</b>	<b>2 013</b>

## Note 9 – Other investments

Other investments amounting to EUR 1.25 million at 31 December 2022 related to:

	2022	2021
5% ownership interest in EolMed, FV	1 250	1 250
<b>Trade and other current assets</b>	<b>1 250</b>	<b>1 250</b>

### EolMed

The Group holds a 5% ownership interest in EolMed, a Company incorporated for the development of a 30MW Mediterranean offshore wind farm which was acquired in November 2021 for an amount of EUR 1.25 million. Further a shareholder loan facility of EUR 1.6 million was granted in 2021 and EUR 0.5 million in May 2022 at Final Investment Decision.

The investment in EolMed is measured at fair value through other comprehensive income (FVOCI) as the investment in equity securities represent investments that the BW Ideol Group intends to hold for the long term strategic purposes. During 2022 there was no dividend income recognised and there were no transfers of any cumulative gain or loss within equity relating to the investment.

As of 31 December 2022 the Company conducted a valuation of its equity stake in the Company using a discounted cash flow method and a sensitivity analysis on the discount rate retained in line with IAS39 requirements. If the discount rate would be +/- 1% the FV would be EUR 0.05 million lower / EUR 0.150 million higher. The projected cash flows were based on the most up-to-date forecast by management which includes managements judgement on the expected development, capital and operating expenses, tariffs and discount rates. Based on the fair value discounted cash flow model per 31 December 2022, no changes have been recorded to the fair value.

## Note 10 – Other non-current assets

Other non-current assets amounting to EUR 4.6 million at 31 December 2022 related to:

	2022	2021
Eolmed Shareholder Loan Facility	2 098	1 600
Eolmed Interest on Loan Facility	96	98
French Government Tax Incentive	1 959	0
Other	455	322
<b>Trade and other current assets</b>	<b>4 608</b>	<b>2 020</b>

### French Government Tax Incentive

EUR 2 million relates to a French government tax incentive on R&D activities performed during 2022. This is a recurring incentive which is calculated each year. The Company tax status changed in 2022 from a medium sized company to a large group as a result of the acquisition in 2021. As a result the incentive will no longer be paid each year but will be paid on a deferred basis in the third year following the R&D activities if the amount is not in the meantime offset against income tax profits. As a result the tax incentive has been classed as 'Other non-current assets' in 2022 versus 'Other current assets' in 2021. See note 19 on other income.



## Note 11 – Trade and other current assets

	2022	2021
Trade receivables	1 653	1 045
Other current receivables	163	33
Public duties receivables	111	1 831
Tax receivables	11	10
Prepaid expenses	190	280
<b>Trade and other current assets</b>	<b>2 127</b>	<b>3 200</b>

The fair value of trade and other current assets is equal to the carrying amount. As of 31 December 2022, there were no overdue balances and the expected credit loss for BW Ideol is immaterial.

Public duties receivables of EUR 1.83 million in 2021 relates to a French government tax incentive on R&D activities performed during 2022. This is a recurring incentive which is calculated each year. The Company tax status changed with regard to the French Tax Credit in 2022 from a medium sized company to a large group as a result of the acquisition in 2021. As a result the incentive will no longer be paid each year but will be paid on a deferred basis in the third year following the R&D activities if the amount is not in the meantime offset against income tax profits. As a result the tax incentive has been classed as 'Other non-current assets' in 2022 versus 'Other current assets' in 2021.

The carrying amount of the BW Ideol Group's trade and other receivables are denominated in EUR.

## Note 12 – Equity

The number of issued shares was 31,510,525 on 31 December 2022.

	Number of issued shares
<b>Incorporation and issue of share capital on 22 October 2020</b>	<b>1 000</b>
Capital reduction pre-transaction	-1 000
Share-issuance - cash portion of Ideol SAS acquisition	14 639 660
Share-issuance - share portion of Ideol SAS acquisition	5 815 240
Share-issuance - private placement Euronext Growth Oslo	10 638 298
Share-issuance - Greenshoe	417 327
<b>Total issued shares on 31 December 2021</b>	<b>31 510 525</b>

	Number of issued shares
<b>Incorporation and issue of share capital on 1 January 2022</b>	<b>31 510 525</b>
Share-issuance	0
<b>Total issued shares on 31 December 2022</b>	<b>31 510 525</b>

The Board of Directors has been granted an authorization to issue up to 2,000,000 shares (NOK 200,000 of share capital) to employees. As of 31 December 2021, 1,695,073 shares have been awarded under the continuation plan and the long-term incentive plan and subject to various vesting period. A further 337 162 shares have been awarded in 2022. 1 544 461 shares were vested at 31 December 2022.

## Note 13 – Earnings per share

### Basic

Basic earnings per share are calculated by dividing the net result attributable to the shareholders of the parent by the weighted average number of ordinary shares in issue during the year.

### Diluted

The Company had no instruments outstanding during the reporting period with a potentially dilutive effect.

	2022	2021
Profit attributable to ordinary shareholders	(16 628)	(16 636)
Weighted-average number of ordinary shares (in '000)	31 511	21 000
<b>Basic and diluted earnings per share (in EUR)</b>	<b>(0.53)</b>	<b>(0.79)</b>

There are no differences between basic and diluted earnings per share at 31 December 2022.

## Note 14 – Interest-bearing debt

The following table sets out the maturity profile of the Company's interest-bearing debt based on contractual undiscounted payments. All debt is in Euros. There are no debt covenants related to the interest-bearing debt. There is no difference between the carrying amount and face value for these loans.

	Effective interest rate	Year of maturity	Carrying amount 2022	Carrying amount 2021
Loan BPI France	5.0%	2022-25	250	325
Loan BPI France (FEI)	3.2%	2022-26	1 125	1 350
French state guaranteed loan (BNP)	0.8%	2022-26	1 311	1 532
French state guaranteed loan (CERA)	0.3%	2022-26	1 318	1 504
French state guaranteed loan (BPI)	1.8%	2022-26	1 875	2 000
Loan BPI France	3.5%	30-Sep-22	0	75
Loan BNP	2.5%	07-Jun-22	0	112
Loan Caisse Épargne FEI	2.3%	30-Jun-22	0	112
Loan HSBC	2.2%	12-Jul-22	0	52
<b>Total interest-bearing debt</b>			<b>5 879</b>	<b>7 063</b>

	Short-term				Long-term
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2024-2028
Loan BPI France	25	25	25	25	150
Loan BPI France (FEI)	75	75	75	75	825
French state guaranteed loan (BNP)	94	94	95	95	933
French state guaranteed loan (CERA)	93	93	93	93	946
French state guaranteed loan (BPI)	125	125	125	125	1 375
Loan BPI France	0	0	0	0	0
Loan BNP	0	0	0	0	0
Loan Caisse Épargne FEI	0	0	0	0	0
Loan HSBC	0	0	0	0	0
<b>Total interest-bearing debt</b>	<b>412</b>	<b>412</b>	<b>413</b>	<b>413</b>	<b>4 229</b>

## Note 15 – Other liabilities

The following table sets out the maturity profile of the Company's other liabilities based on contractual undiscounted payments.

Non-interest bearing debt relates to financing from Regional, European and National bodies for environmental and research and development activities. Most notably, management received

an advance from ADEME, the French Agency for Ecological Transition. The liability is recorded at its nominal value, repayment is fully contingent on the BW Ideol Group realizing certain revenue targets. The repayment schedule could therefore not be reliably determined, however, no repayments are expected within 4 years. No adjustment has been made for the time value of money due to the uncertainty of the payback timing.

	Year of maturity	Carrying amount 2021	Carrying amount 2022	Short-term	Long-term
Financing PACA region	2022	335	0	0	0
Repayable advance ADEME	NA	3 289	3 289	0	3 289
Zero-interest loan BPI	2022-25	350	275	267	8
<b>Total non-interest-bearing financing</b>		<b>3 974</b>	<b>3 564</b>	<b>267</b>	<b>3297</b>

	Short-term				Long-term	
	Q1 2023	Q2 2023	Q3 2023	Q4 2023	2024-2028	N/A
Financing PACA region	0	0	0	0	0	0
Repayable advance ADEME	0	0	0	0	0	3 289
Zero-interest loan BPI	67	67	67	67	8	0
<b>Total non-interest-bearing debt</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>67</b>	<b>8</b>	<b>3 289</b>

## Note 16 – Reconciliation of movements of liabilities and equity to cash flows arising from financing activities

	Share capital	Retained earnings	Foreign currency translation on reserve	Interest-bearing long-term debt	Interest-bearing short-term debt	Interest payable	Lease liabilities	2022
<b>Balance at 22 October 2020</b>								
Proceeds from share issue: parent Company	52 219							52 219
Proceeds from share issue: parent Company share of issuance on Oslo Stock Market	9 917							9 917
Proceeds from share issue: Oslo Stock Market	39 683							39 683
Proceeds from share issue: Greenshoe Oslo Stock Market	1 977							1 977
Transaction costs relating to the share issuance		(2 298)						(2 298)
Repayment of debt and other liabilities				(1 568)	(696)			(2 264)
Interest paid						(438)		(438)
Payment of lease liabilities							(5 878)	(5 878)
<b>Net cash flow from financing activities</b>	<b>103 796</b>	<b>(2 298)</b>	<b>-</b>	<b>(1 568)</b>	<b>(696)</b>	<b>(438)</b>	<b>(5 878)</b>	<b>92 918</b>
<b>Change arising from obtaining control of subsidiaries</b>				<b>7 222</b>	<b>2 178</b>		<b>123</b>	
Accrued interest					(74)			
New leases							5 831	
<b>Total liability related other changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(74)</b>	<b>-</b>	<b>5 831</b>	
<b>Total equity related other changes</b>	<b>27 107</b>	<b>(15 002)</b>	<b>(2)</b>					
<b>Balance at 31 December 2021</b>	<b>130 904</b>	<b>(17 300)</b>	<b>(2)</b>	<b>5 654</b>	<b>1 408</b>		<b>77</b>	

	Share capital	Retained earnings	Foreign currency translation on reserve	Interest-bearing long-term debt	Interest-bearing short-term debt	Interest payable	Lease liabilities	For the period 15 March 2021 to 31 December 2022
<b>Balance at 1 January 2022</b>	<b>130 904</b>	<b>(17 300)</b>	<b>(2)</b>	<b>5 654</b>	<b>1 408</b>		<b>77</b>	
Repayment of debt and other liabilities				(1 425)	265			(1 160)
Interest paid						(105)		(105)
Payment of lease liabilities							(242)	(242)
<b>Net cash flow from financing activities</b>				<b>(1 425)</b>	<b>265</b>	<b>(105)</b>	<b>(242)</b>	<b>(1 507)</b>
<b>Change arising from obtaining control of subsidiaries</b>								
Accrued interest					(23)			
New leases							2 178	
<b>Total liability related other changes</b>					<b>(23)</b>		<b>2 178</b>	
<b>Total equity related other changes</b>		<b>(15 717)</b>	<b>(3)</b>					
<b>Balance at 31 December 2022</b>	<b>130 904</b>	<b>(33 017)</b>	<b>(5)</b>	<b>4 229</b>	<b>1 650</b>		<b>2 013</b>	

## Note 17 – Asset retirement obligation

The BW Ideol Group has made a provision for asset retirement obligations (ARO) related to future decommissioning of the Floatgen demonstrator. The amount recognised is the present value of the estimated future expenditures determined in accordance with local conditions and requirements. The asset retirement obligation increased in 2021 due to a deeper understanding of the decommissioning scope and technical solutions for floating offshore wind turbines. The asset retirement provision was updated in December 2022 to reflect impacts from inflation and other price increases. The estimated retirement date is September 2023, hence no discounted cash flow impact estimate was necessary at 31 December 2022.

	Asset retirement obligation
Balance at 22 October 2020	0
Additions through business combinations	1 217
Additions	954
<b>Balance at 31 December 2021</b>	<b>2 171</b>

	Asset retirement obligation
Balance at 1 January 2022	2 171
Additions	221
<b>Balance at 31 December 2022</b>	<b>2 393</b>

## Note 18 – Trade and other short-term liabilities

	2022	2021
Trade liabilities	408	755
Other current liabilities	2 273	2 218
Public duties payable	382	403
Liabilities to related parties	1	28
<b>Trade and other payables</b>	<b>3 064</b>	<b>3 405</b>

The fair value of trade and other current payables is the same as the carrying amount.



Other current liabilities of EUR 2.3 million are mainly related to employee charges and employee social charges. The carrying amount of the BW Ideol Group's trade and other receivables are mainly denominated in EUR.

## Note 19 – Revenue

The business and reporting structure for the BW Ideol Group, based on information provided from its chief operating decision maker, consists of one operating segment (Floating wind).

### Revenue from contracts with customers

During the period, the Company generated EUR 6.6 million of design and engineering revenues related to projects in France (EUR 3.8 million), other European Countries (EUR 1.7 million), Asia (EUR 0.9 million) and US (EUR 0.2 million) including royalty-income of EUR 1.2 million from EolMed and re-invoicing and payment of bid-related expenses on Buchan Scotwind project (EUR 1.6 million). Revenue is recognised over time using a cost progress method or according to delivered time and materials.

### Other operating income

French R&D tax credit of EUR 2 million and other subventions of EUR 0.1 million were recorded as other operating income.

### Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	31 December 2022	31 December 2021
Receivables, included in "Trade receivables and other current assets"	1 227	647
Contract assets, included in "Trade receivables and other current assets"	426	398
Contract liabilities, included in "Trade payables and other short-term liabilities"	0	(57)

The contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date for engineering services. The contract liabilities primarily relate to the advance invoicing for engineering work to be performed.

### Remaining performance obligations

There were no remaining performance obligations at 31 December 2022 that have an original expected duration beyond one year. As allowed by IFRS 15, no information is provided about remaining performance obligations at 31 December 2022 that have an original expected duration of one year or less.

## Note 20 – Operating expenses

	2022 Total	2021 Total
Payroll expenses	8 199	7 747
Lawyer's, audit & consultant fees	1 253	1 538
Other operating expenses	1 598	1 710
Insurance	270	284
Directors fees	168	145
<b>Total operating expenses</b>	<b>11 488</b>	<b>11 424</b>

## Note 21 – Employee benefit expenses, remuneration to directors and auditors

### Employee benefit expenses

	2022	2021
Salary	4 685	3 323
Social contributions	2 108	1 953
Share based payments	626	1 812
Expenses related to defined contribution scheme	47	40
Bonus	429	449
Other benefits	304	170
<b>Total employee benefit expenses</b>	<b>8 199</b>	<b>7 747</b>
<b>Average number of employees</b>	<b>72</b>	<b>62</b>

In 2021 the issuance of stock options resulted in an upfront payment and expense of related social contributions for an amount of EUR 0.5 million.

### Remuneration to Top Management expenses total

	2022	2021
Salary	1 000	931
Social contributions	533	883
Bonus	138	116
Other benefits	31	18
<b>Total</b>	<b>1 702</b>	<b>1 948</b>

**Remuneration to CEO expenses**

	2022
Salary	267
Social contributions	124
Bonus	12
Other benefits	19
<b>Total</b>	<b>422</b>

In 2021 Top Management comprises of the followings:

Paul de la Guérivière - Chief Executive Officer  
 Thomas Choisnet - Chief Technology Officer  
 Stéphane Toumit - Engineering Director  
 Bruno Geschier - Chief Sales & Marketing Officer  
 Nicolas de Kerangal - Chief Finance & Partnerships Officer  
 Ghislain Dufay - Chief Product & Operations Officer

In 2022 Top Management comprises of the followings:

Paul de la Guérivière - Chief Executive Officer  
 Thomas Choisnet - Chief Technology Officer  
 Stéphane Toumit - Engineering Director  
 Bruno Geschier - Chief Sales & Marketing Officer  
 Nicolas de Kerangal - Chief Finance & Partnerships Officer  
 Ghislain Dufay - Chief Product & Operations Officer  
 Sophie Fellah - Chief Legal Officer  
 Cynthia Moutier - Chief Human Resources Officer

**Continuation Plan - Options**

On 18 March 2021, under the one-time award under the Continuation Program, BW Ideol awarded:

	No. Of Options 2021
CEO Paul de la Guérivière	578 910
CCO Bruno Geschier	300 490
CFO Nicolas de Kerangal	156 971
Engineering Director Stéphane Toumit	19 621
<b>Total No. of shares</b>	<b>1 055 992</b>

Under the Continuation Program for 2021, the total number of options awarded is 1,476,282. Each option will give the holder the right to acquire one BW Ideol share. A total of 30 BW Ideol employees have been invited to participate in the programme.

The strike price of the option under the Continuation Plan is NOK 47.00 and is equal to the listing price. The options have a vesting period of one year, followed by a three-year exercise period. The options will expire four years after the award date. As at 31 December 2022 1 476 282 options were vested.

**Long-term incentive program - Options**

Under the Long-term Incentive Program (LTIP), BW Ideol awarded:

	No. Of Options 2022	No. Of Options 2021
CEO Paul de la Guérivière	60 000	60 000
CTO Thomas Choisnet	20 000	12 000
CCO Bruno Geschier	20 000	20 000
CFO Nicolas de Kerangal	20 000	16 000
COO Ghislain Dufay	20 000	16 000
Engineering Director Stéphane Toumit	15 000	11 200
CLO Sophie Fellah	7 147	0
<b>Total No. of shares</b>	<b>162 147</b>	<b>135 200</b>

Under the LTIP for 2021, the total number of options awarded is 204,549. For 2022, the total number of options awarded is 315,105. Each option will give the holder the right to acquire one BW Ideol share. A total of 48 BW Ideol employees have been invited to participate in the programme.

The strike price of the option under the LTIP for 2021 is NOK 47.00 and is equal to the listing price. The strike price of the option under the LTIP for 2022 is NOK 14.72. The options have a vesting period of three years with annual instalment, followed by a three-year exercise period. The options will expire six years after the award date. As at 31 December 2022 68,179 options were vested.

### Long-term Incentive Program – Restricted Stock Units ("RSUs")

Under the Long-term Incentive Programme (LTIP), BW Ideol awarded:

	No. Of Shares 2022	No. Of Shares 2021
CTO Thomas Choynet	2 500	1 182
CCO Bruno Geschier	2 500	1 971
CFO Nicolas de Kerangal	2 500	1 576
COO Ghislain Dufay	2 500	1 576
Engineering Director Stéphane Toumit	1 890	1 104
CLO Sophie Fellah	455	
<b>Total No. of shares</b>	<b>12 345</b>	<b>7 409</b>

Under the LTIP for 2021, the total number of restricted stock units awarded is 14,242. For 2022, the total number of restricted stock units awarded is 22,057. Each RSU will give the holder the right to acquire one BW Ideol share. A total of 35 BW Ideol employees have been invited to participate in the programme. The RSUs will be vested after a period of three years.

### Measurement of fair value

The fair value of share options has been measured using the Black-Scholes formula. The inputs used in the measurement of the fair value at grant date were as follows:

	2021
Fair value at grant date	14.7
Share price at grant date	47.0
Exercise price	46.1
Expected volatility (weighted average)	57.4%
Expected life	2.12
Expected dividends	-
Risk free interest rate	0.5%

	Options 2022	RSU 2022
Fair value at grant date	5.79	15.3
Share price at grant date	15.3	15.3
Exercise price	14.7	NA
Expected volatility (weighted average)	50.1%	61.0%
Expected life	3	4
Expected dividends	0	0
Risk free interest rate	3%	3%

Because of BW Ideol's restricted amount of share price history, the expected volatility used in the calculations are estimated according to IFRS-2 Appendix B §B29 which states: "Alternatively, the entity could consider the historical or implied volatility of similar listed entities, for which the share price or option price information is available, to use when estimating expected volatility". The expected term of the instruments is adjusted for the constraints that BW Ideol employees have to exercise options.

The number and weighted-average exercise prices of share options under the share option programs were as follows:

### Share options

	2021	
	Number of options	Weighted average exercise price
Outstanding at 1 January	-	-
Granted during the year	1 680 831	47
Outstanding at 31 December	1 680 831	47
<b>Exercisable at 31 December</b>	<b>0</b>	<b>0</b>

	2022	
	Number of options	Weighted average exercise price
Outstanding at 1 January	1 680 831	47
Granted during the year	315 105	15
Forfeited during the year	(39 136)	0
Outstanding at 31 December	1 956 800	35
<b>Outstanding at 31 December</b>	<b>1 509 178</b>	<b>40</b>

**RSUs**

		2021
	Number of options	Weighted average exercise price
Outstanding at 1 January		
Granted during the year	14 242	
Outstanding at 31 December	14 242	
<b>Exercisable at 31 December</b>		

		2022
	Number of options	Weighted average exercise price
Outstanding at 1 January	14 242	
Granted during the year	22 057	
Forfeited during the year	(569)	
Outstanding at 31 December	35 730	
<b>Exercisable at 31 December</b>	<b>0</b>	

**Board of Directors' remuneration in EUR thousand**

	2022	2021
Directors Fees Marco Beenen	40.32	29.4
Directors Fees Yngvil Åsheim	40.32	29.4
Directors Fees Julian Brown	40.32	29.4
Directors Fees Jean Huby	40.32	29.4
Directors Fees Matsui Yasuhiro	6.72	29.4
Number of directors shares	0	0
Share options granted to directors	0	0

Matsui Yasuhiro resigned from the board in March 2022.

**Auditors' remuneration**

	2022	2021
Audit	196	187
Other assurance	6	38
<b>Total fees</b>	<b>202</b>	<b>225</b>

KPMG AS is the appointed auditor of the BW Ideol Group.

**Note 22 – Income tax expenses/income**

The tax income for the period predominantly comprises of deferred tax on the technology asset amortisation.

**Tax expense/income for the year**

	2022	2021
Deferred tax effect of changes in temporary differences	876	693
Tax payable	7	0
<b>Total tax income recognised in statement of income</b>	<b>869</b>	<b>693</b>

**Effective tax rate**

	2022	2021
Profit/(Loss) before tax from continuing operations	(17 497)	(17 329)
Income tax at Norwegian statutory income tax rate of 22%	(3 849)	(3 812)
Effect of tax rates in foreign jurisdictions	(370)	(658)
Tax effect on permanent differences related to R&D credits	(488)	(393)
Changes in unrecognised deferred tax assets	3 839	4 170
<b>Total income tax (expense)/ income at the effective income tax rate</b>	<b>869</b>	<b>693</b>
<b>Effective tax rate</b>	<b>5%</b>	<b>4%</b>

**Deferred tax liabilities**

As part of the purchase price allocation, the BW Ideol Group recorded a deferred tax liability of EUR 13.147 million in 2021 an amount of EUR 0.693 million was recognized in profit and loss, resulting in a deferred tax liability per 31 December 2021 of EUR 12.453 million. In 2022 an amount of EUR 0.869 million was recognized in profit and loss, resulting in a deferred tax liability per 31 December 2022 of EUR 11.577 million. All deferred tax liabilities relate to temporary differences arising from the recognition of technology intangible assets.

**Tax losses carried forward**

The Group has tax losses carried forward which are not recognised, amounting to EUR 63 million. The majority of those losses are related to France (EUR 62.4 million). These losses are not recognised as it is not possible to predict with reasonable certainty whether adequate taxable profit will be available in the future against which losses can be utilised. Of the total amount EUR 0.0 million will expire in 2023. Tax losses in France may be carried forward indefinitely.

## Note 23 – Related party transactions

BW Offshore Holdings Pte Ltd is the largest individual shareholder, having an ownership of 53.21% in BW Ideol AS.

Reference is made to note 19 for remuneration to the Board of Directors and Top Management.

**Intercompany receivables and payables**

	2022	2021
<b>Short-term related parties payables</b>		
BW Offshore Norway AS	0	15
BW Adolo Pte. Ltd.	0	10
BW Offshore Singapore Pte. Ltd.	1	43
<b>Total short-term related parties payables</b>	<b>1</b>	<b>68</b>

	2022	2021
<b>Short-term related parties receivables</b>		
BW Offshore GDM Pte. Ltd.	310	0
<b>Total short-term related parties payables</b>	<b>310</b>	<b>0</b>

There were no long-term related party payables at 31 December 2022.

All amounts relate to re-charges for business support services provided.

**Intercompany transactions : Revenues / (Expenses)**

	2022	2021
BW Offshore Norway AS	(14)	(34)
BW Adolo Pte. Ltd.		(10)
BW Offshore Singapore Pte. Ltd.	(32)	(131)
BW Offshore GDM Pte. Ltd.	310	
<b>Total related parties costs</b>	<b>264</b>	<b>(175)</b>

All amounts relate to re-charges for business and project support services provided.

The revenues from BW Offshore GDM Pte. Ltd relate to engineering services provided for a floating windfarm feasibility study.

In addition, BW Ideol recognised revenues from invoicing of cumulative tender costs and support service costs to Floating Energy Alliance 1 for an amount of EUR 1.6 million in 2022. See note 7.

## Note 24 – Financial risk management

**Financial risk factors****Financial risk management**

Activities expose the BW Ideol Group to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk, and liquidity risk.

The BW Ideol Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The finance management team will report to Top Management and the Board of Directors on the status of activities on a regular basis.

The BW Ideol Group does not use financial instruments, including financial derivatives, for trading purposes.

**Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income. All non Group debt is at fixed interest rates. For non-Euro operating activity, the Group's overall risk management programme focuses on the unpredictability of financial markets



and seeks to minimise potential adverse effects on the Group's financial performance. Financial risks are identified and evaluated and reported to the Group's Top Management and the Board of Directors on a regular basis.

**Foreign currency risk**

The functional currency of the combining companies is mainly EUR. In general, operating revenues and a significant portion of operating expenses are denominated in EUR. The BW Ideol Group is exposed to expenses and investments incurred in currencies other than EUR ("foreign currencies"). The BW Ideol Group has no financial instruments for currency hedging per 31 December 2022 that manages risk actively. The need to implement such instruments is monitored by Management and aligned to the business development.

**Interest rate risk**

Except for the amount due to and from related parties (Intercompany Loan between BW Ideol AS and Ideol SAS), the BW Ideol Group's operating cash flows are not affected by changes in market interest rates.

**Credit risk**

Credit risk is the risk of financial losses if a customer or counterparty to financial receivables and financial instruments fails to meet contractual obligations. Financial guarantees, derivatives and cash deposits are only conducted with approved counterparties and predominantly with investment grade financial institutions and are governed by standard agreements. The risk of counterparties being financially incapable of fulfilling their

obligations is regarded as minor as there have not historically been any losses on accounts receivable. Counterparties are large stable companies and receivables are invoiced and collected on a monthly or quarterly basis.

**Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions in order to meet obligations of finance liabilities when they become due. The BW Ideol Group monitors the liquidity through cash flow forecasting of operational and investment activities in the short-, medium- and long-term. Cash requirements related to overheads and provision of technical engineering services are covered by a mix of the related revenues, debt and capital acquired via the acquisition. For high investment projects related to the co-development and operation of offshore floating wind projects BW Ideol forms joint ventures with local utilities and financial sponsors to develop, build, install and operate floating wind farms, reinforcing its chances to be awarded sites by its increased execution and financing resources with the backing of BW Offshore.

**Fair values**

The BW Ideol Group has not engaged in any currency forward hedges, derivatives, cross currency or interest swaps as at 31 December 2022. For the financial assets and financial liabilities reported at 31 December 2022 the carrying amount is a reasonable approximation of fair value.

## 31 December 2022

Carrying amount					Fair value			
	Financial assets at amortised costs	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets not measured at fair value</b>								
Other non-current assets	4 608			4 608				
Trade receivables and other current assets	2 127			2 127				
Cash and cash equivalents	9 133			9 133				
	<b>15 868</b>			<b>15 868</b>				
<b>Financial assets measured at fair value</b>								
Other investments		1 250		1 250			1 250	1 250
		<b>1 250</b>		<b>1 250</b>			<b>1 250</b>	
<b>Financial liabilities not measured at fair value</b>								
Interest-bearing long-term debt			4 229	4 229				
Other long-term liabilities			3 349	3 349				
Long-term lease liabilities			1 784	1 784				
Trade payables and other short-term liabilities			3 064	3 064				
Interest-bearing short-term debt			1 650	1 650				
Short-term lease liabilities			229	229				
			<b>14 305</b>	<b>14 305</b>				

At 31 December 2022, FVOCI Other investments with a carrying amount of Euro 1.25 million were transferred from level 2 to level 3 due to the change in the valuation basis. In 2021 valuation was based on an observable market transaction. As of 31 December 2022 the Company conducted a valuation of its equity stake in the Company using a discounted cash flow method and a sensitivity analysis on the discount rate retained in line with

IAS39 requirements. The projected cash flows were based on the most up-to-date forecast by management which includes managements judgement on the expected development, capital and operating expenses, tariffs and discount rates. Based on the fair value discounted cash flow model per 31 December 2022, no changes have been recorded to the fair value.

## 31 December 2021

Carrying amount					Fair value			
	Financial assets at amortised costs	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets not measured at fair value</b>								
Other non-current assets	2 020			2 020				
Trade receivables and other current assets	3 200			3 200				
Cash and cash equivalents	32 792			32 792				
	<b>38 012</b>			<b>38 012</b>				
<b>Financial assets measured at fair value</b>								
Other investments		1 250		1 250		1 250		1250
		<b>1 250</b>		<b>1 250</b>		<b>1 250</b>		
<b>Financial liabilities not measured at fair value</b>								
Interest-bearing long-term debt			5 654	5 654				
Other long-term liabilities			3 539	3 539				
Long-term lease liabilities			16	16				
Trade payables and other short-term liabilities			3 405	3 405				
Interest-bearing short-term debt			1 408	1 408				
Short-term lease liabilities			62	62				
			<b>14 083</b>	<b>14 083</b>				

## Note 25 – List of subsidiaries and joint ventures

Subsidiaries	Country of incorporation	Ownership 2022
Ideol SAS	France	100%
Ideol Japan LLC	Japan	100%
Ideol US Inc.	US	100%

Joint ventures	Country of incorporation	Ownership 2022
Floating Energy Alliance 1 Ltd	UK	33.3%
Floating Energy Alliance 2 Ltd	UK	33.3%

Ideol SAS was acquired as of 15 March 2021, Ideol Japan was incorporated per 21 January 2019 and Ideol US per 15 August 2019. A 33.3% ownership interest in Floating Energy Alliance 1 Limited (FEA) and Floating Energy Alliance 2 Limited were acquired in April 2022.

## Note 26 – Commitments and guarantees

As of 31 December 2022 BW Ideol had off balance sheet guarantees relating to its 5% share in EolMed. The guarantees cover an eventual necessity to finance the project in proportion to the equity contribution amounting to EUR 1.4 million and bank guarantees covering breach of obligation during the construction phase amounting to EUR 0.8 million.

In addition, as of 31 December 2022 BW Ideol had an off balance sheet guarantee relating to its 33.3% share in Floating Energy Alliance 1 Ltd. The guarantee relates to the option lease agreement granted by the Crown Estate Scotland in respect of rights to develop the windfarm site NE8 off the northeast coast of Scotland and amounts to GBP 1.7 million.

## Note 27 – Impact of the Covid-19 pandemic

The Covid-19 pandemic that reached the French territory in March 2020 has had a relatively limited impact on BW Ideol's operations in 2022. The Company has maintained some measures implemented since the start of the pandemic to minimise the risk to people and operations including working from home and communicating guidelines for employees. Main projects experienced no impact as a result. Ideol remains vigilant and mobilized to adapt to any change that may impact its prospects in the short and medium term.

## Note 28 – Impact of the War In Ukraine

We see increased interest in floating wind solutions due to soaring energy prices as economic activity normalised with reduced Covid-19 restrictions and as the Russian invasion of Ukraine led to widespread energy security concerns. European nations, now share a common goal of independence of Russian oil and gas supported by accelerated development of renewable power generation.

## Note 29 – Impact of Climate Change

Around the world, countries and corporations are also increasingly seeking innovative solutions to decarbonise industry value chains in response to another year of near record global temperatures. We are confident that offshore floating wind offers a sustainable and profitable solution that address these challenges at a global scale. This is reflected in our mission to make floating wind a key contributor to the world's energy transition.

## Note 30 – Going Concern

The Group's controlling shareholder BW Offshore Holdings Pte Ltd is anticipating to grant a lending facility of EUR 10 million to BW Ideol AS to finance working capital requirements and for investments approved by BW Ideol AS' board of directors. The loan agreement will be set up based on regular market rates, is convertible at the request of BW Ideol AS and matures around two years or in connection with certain earlier financing events. In addition, BW Offshore Holdings Pte issued a support letter to BW Ideol AS and its subsidiaries which includes the commitment to support the Group in covering its financial liabilities for the 12-month period following the finalization of the annual accounts. These measures make that management considers it reasonable to prepare the financial statements on the basis of going concern. It is noted that the Group continues to explore options for future funding of development projects.

## Note 31 – Subsequent events

No subsequent events identified.

# Parent Company Financial Statements

The parent Company is BW Ideol AS (Norway).

## Parent Company statement of income

(Figures in KEUR)

	Note	2022	For the period 22 October 2020 to 31 December 2021
CONTINUING OPERATIONS			
Operating expenses	3	(1 297)	(3 153)
<b>Operating profit /(loss) before depreciation/amortisation</b>		<b>(1 297)</b>	<b>(3 153)</b>
<b>Operating profit/(loss)</b>		<b>(1 297)</b>	<b>(3 153)</b>
Net interest income		463	230
Other financial items		(91)	(437)
<b>Net financial income/(expense)</b>		<b>372</b>	<b>(207)</b>
<b>Profit/(loss) before tax</b>		<b>(924)</b>	<b>(3 359)</b>
Income tax expense		0	0
<b>Profit/(loss) from continuing operations</b>		<b>(924)</b>	<b>(3 359)</b>
<b>Net profit/(loss) for the period</b>		<b>(924)</b>	<b>(3 359)</b>
Attributable to shareholders of the parent		(924)	(3 359)
Attributable to non-controlling interests		0	0

## Parent Company statement of comprehensive income

(Figures in KEUR)

	2022	For the period 22 October 2020 to 31 December 2021
Loss for the period	(924)	(3 359)
<b>Items that are or may be reclassified subsequently to profit or loss</b>		
Foreign operations – foreign currency translation differences		
<b>Total comprehensive income for the period</b>	<b>(924)</b>	<b>(3 359)</b>



## Parent Company statement of financial position

(Figures in KEUR)

ASSETS	Note	31 December 2022	Period ending 31 December 2021
Investment in subsidiary		101 824	101 824
IC long-term receivables		23 267	22 825
<b>Total non-current assets</b>		<b>125 090</b>	<b>124 649</b>
Trade receivables and other current assets		85	130
Cash and cash equivalents		1 871	2 439
<b>Total current assets</b>		<b>1 955</b>	<b>2 570</b>
<b>TOTAL ASSETS</b>		<b>127 046</b>	<b>127 218</b>

EQUITY AND LIABILITIES	31 December 2022	Period ending 31 December 2021
Share capital	313	313
Share premium	130 591	130 591
Other equity	(3 207)	(474)
Retained earnings	(924)	(3 359)
<b>Total equity</b>	<b>126 772</b>	<b>127 070</b>
<b>Total non-current liabilities</b>	<b>0</b>	<b>0</b>
Trade payables and other short-term liabilities	274	148
<b>Total current liabilities</b>	<b>274</b>	<b>148</b>
<b>Total liabilities</b>	<b>274</b>	<b>148</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>127 046</b>	<b>127 218</b>

## Parent Company statement of changes in equity

(Figures in KEUR)

	Share capital	Share premium	Retained earnings	Shareholder's equity	Total equity
Total equity on 1 January 2022	313	130 591	(3 834)	127 070	127 070
Profit/loss for the period			(924)	(924)	(924)
Other equity – transaction costs					
Share-based payment			626	626	626
Exchange differences					
<b>Total equity on 31 December 2022</b>	<b>313</b>	<b>130 591</b>	<b>(4 132)</b>	<b>126 772</b>	<b>126 772</b>

	Share capital	Share premium	Retained earnings	Shareholder's equity	Total equity
Incorporation and issue of share capital on 22 October 2020	3	1		4	4
Share capital decrease	(3)	(1)		(4)	(4)
Share-issuance – acquisition	203	79 123		79 326	79 326
Share-issuance – IPO	110	51 468		51 578	51 578
Profit/loss for the period			(3 359)	(3 359)	(3 359)
Other equity – transaction costs			(2 287)	(2 287)	(2 287)
Share-based payment			1 812	1 812	1 812
Exchange differences					
<b>Total equity on 31 December 2021</b>	<b>313</b>	<b>130 591</b>	<b>(3 834)</b>	<b>127 070</b>	<b>127 070</b>

## Parent Company statement of cash flows

(Figures in KEUR)

	2022	For the period 22 October 2020 to 31 December 2021
Profit/(loss) before taxes	(924)	(3 359)
Share-based payment expense	626	1 812
Add back of net interest expense	(463)	(230)
Changes in other balance sheet items and items related to operating activities	193	29
<b>Net cash flow from operating activities</b>	<b>(568)</b>	<b>(1 749)</b>
Investment in subsidiaries		(77 719)
<b>Net cash flow from investing activities</b>	<b>0</b>	<b>(77 719)</b>
Proceeds from share issue: parent Company		52 219
Proceeds from share issue: Oslo Stock Market		51 577
Transaction costs relating to the share issuance		(2 298)
Intercompany loan		(19 500)
Interest paid		(95)
<b>Net cash flow from financing activities</b>	<b>0</b>	<b>81 903</b>
<b>Net change in cash and cash equivalents</b>	<b>(568)</b>	<b>2 435</b>
Cash and cash equivalents at beginning of period	2 439	4
Cash and cash equivalents acquired at beginning of period		
<b>Cash and cash equivalents at end of period</b>	<b>1 871</b>	<b>2 439</b>

# NOTES TO THE PARENT COMPANY CONSOLIDATED FINANCIAL STATEMENTS

## Note 1 – General

BW Ideol AS (hereafter "BW Ideol" or "the Company") was incorporated on 22 October 2020 and is a limited liability company ("aksjeselskap" or "AS") registered and domiciled in Norway. The Company is listed on Euronext Growth Oslo (Norway) since 18 March 2021. As the Company was incorporated in October 2020, the 2021 financial statements are for the period 22 October 2020 until 31 December 2021 and for the year then ended, in accordance with the Norwegian Accounting Act section 1-7. BW Ideol AS is the holding company and has not business activities prior to the acquisition of Ideol SAS on 15 March 2021.

All figures are in KEUR if not otherwise stated. As a result of rounding differences, numbers and or percentages may not add up to the total.

The financial statements were approved by the Board of Directors on 16 February 2023.

## Note 2 – Accounting policies

### Basis of preparation

The financial statements of BW Ideol AS have been prepared in accordance with the Norwegian Accounting Act and International Financial Reporting Standards (IFRS) as adopted by the European Union.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of complying with the BW Ideol Group's accounting policies.

The financial tables below show figures in Euro unless otherwise stated. As a result of rounding differences, numbers and or percentages may not add up to the total.

### Use of estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were significant.

### Currency translation

#### Functional and presentation currency

The functional currency of BW Ideol AS and the presentation currency of the Group is Euro ("EUR").

### Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the date of transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation of financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

### Classification of assets and liabilities

Assets for long-term ownership or use are classified as non-current assets. Other assets are classified as current assets. Liabilities which fall due more than one year after being incurred are classified as non-current liabilities. Liabilities which fall due less than one year after they are incurred are classified as current liabilities.

### Taxes

BW Ideol AS provides for tax on profit based on the profit for financial reporting purposes, adjusted for non-taxable revenue and expenses.

Income tax expense represents the sum of tax currently payable, changes in deferred tax liabilities and deferred tax assets.

Deferred tax liabilities / assets are calculated on all differences between the book value and tax value of assets and liabilities.

Deferred tax assets are recognised when it is probable that the Company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. Previously unrecognised deferred tax assets are recognised to the extent it has become probable that the deferred tax asset can be utilised. Similarly, the deferred tax asset is reduced to the extent that it is no longer regarded as probable that the deferred tax asset can be utilised.

Deferred tax liabilities and deferred tax assets are measured on the basis of the enacted or substantially enacted tax rates applicable in Norway if temporary differences have arisen. Deferred tax liabilities and deferred tax assets are recognised at their nominal value. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income becomes taxable.

Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

### Impairment

Non-current and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable amount, being the higher of an asset's fair value less cost of disposal and its value in use.

### Capitalisation of expenses

Capitalized expenses are deducted from operating expenses and recorded as R&D in progress. Upon entry into service, they are amortized over a maximum period of 5 years.

### Investment grants

The recognition of investment grants intended to finance non-current assets is recorded in other income as soon as the granting of the grant is certain, that is to say when the corresponding expenditure has been made.

### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

The Company's financial assets are trade- and intercompany receivables and cash and cash equivalents. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. As of now the Company measures its financial assets at amortised costs.

#### Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows,
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost includes trade- and intercompany receivables and cash and cash equivalents.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either,
  - a. the Company has transferred substantially all the risks and rewards of the asset, or
  - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### Impairment of financial assets

For intercompany receivables, the Company applies a simplified approach in calculating Estimated Credit Losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date, based on its historical credit loss experience.

The Company considers a financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised and measured at amortised cost. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

#### Cash and cash equivalents

Cash and cash equivalents are denominated primarily in EUR, USD and NOK. Cash and cash equivalents include cash on hand, short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and short-term deposits with an original maturity of three months or less.

#### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in other equity as a deduction, net of tax, from the proceeds. Where the Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly



attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.

#### Classification of assets and liabilities

Assets for long-term ownership or use, including technical installations and property, plant and equipment are classified as non-current assets. Other assets are classified as current assets. Interest-bearing liabilities which fall due more than one year after being incurred are classified as long-term, and the following year's instalments are classified as short term.

Other liabilities which fall due more than one year after being incurred are classified as long-term, and the following year's instalments are classified as short-term.

#### Subsidiaries

Subsidiaries are entities over which the Company has control. Control is achieved when the Company is exposed or has rights to variable returns from its involvement with a company in which it has invested and has the ability to use its power to affect its returns from this company. Investments in subsidiaries are stated at costs less any impairment.

### Note 3 – Operating expenses

	2022	For the period 22 October 2020 to 31 December 2021
Management and support services	47	46
Share-based payment expense	626	1 812
Director's fees	168	147
Lawyer's fee	35	844
Audit fees	129	179
Other expenses	292	124
<b>Total operating expenses</b>	<b>1 297</b>	<b>3 153</b>

### Note 4 – Share capital

On 18 March 2021, BW Ideol AS was publicly listed on Oslo Børs, a stock exchange operated by Oslo Børs ASA (the « Oslo Stock Exchange»). The Group raised 51.6 MEUR in equity capital through the share issue.

During the period 22 October 2020 to 31 December 2021 BW Ideol AS issued a total of 31 510 525 shares each with a nominal value of NOK 0.1. No additional shares were issued in 2022.

	KEUR
Proceeds from share issue: parent Company	52 219
Proceeds from share issue: parent Company share of issuance on Oslo Stock Market	9 917
Proceeds from share issue: Oslo Stock Market	39 683
Proceeds from share issue: Greenshoe Oslo Stock Market	1 977
Contribution in kind (5,815,240 shares @ NOK 47)	27 104
<b>Total consideration</b>	<b>130 900</b>

### Note 5 – Financial assets and liabilities

31 December 2022

	Financial asset	Financial liabilities
Cash and cash equivalents	1 871	
IC - Long-term receivables	23 267	
Other current assets	85	
Other current liabilities		273
IC - Short-term liabilities		1
<b>Total</b>	<b>25 223</b>	<b>274</b>

31 December 2021

	Financial asset	Financial liabilities
Cash and cash equivalents	2 439	
IC - Long-term receivables	22 825	
Other current assets	130	
Other current liabilities		147
IC - Short-term liabilities		1
<b>Total</b>	<b>25 395</b>	<b>148</b>

The fair value of financial assets and liabilities is the same as the carrying amount.

### Note 6 – Financial risk management

#### Financial risk factors

##### Financial risk management

Activities expose BW Ideol AS to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk, and liquidity risk.

BW Ideol AS overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

The finance management team will report to Top Management and the Board of Directors on the status of activities on a regular basis.

BW Ideol AS does not use financial instruments, including financial derivatives, for trading purposes.

#### Market risk

The parent Company does not have any operational activity. Due to this the market risk is deemed to be minimal at this point in time.

#### Foreign currency risk

The functional currency of BW Ideol AS is EUR. In general, operating revenues and a significant portion of operating expenses are denominated in EUR. BW Ideol AS is exposed to expenses and investments incurred in currencies other than EUR ("foreign currencies"). Per December 2022 such expenses and investments are not significant. BW Ideol AS has no financial instruments for currency hedging per 31 December 2022 that manages risk actively. The need to implement such instruments is monitored by Management and aligned to the business development.

#### Interest rate risk

Except for the amount due to and from related parties (Intercompany Loan between BW Ideol AS and Ideol SAS), BW Ideol AS operating cash flows are not affected by changes in market interest rates.

#### Credit risk

Credit risk is the risk of financial losses if a customer or counterparty to financial receivables and financial instruments fails to meet contractual obligations. Financial guarantees, derivatives and cash deposits are only conducted with approved counterparties and predominantly with investment grade financial institutions and are governed by standard agreements. The risk of counterparties being financially incapable of fulfilling their obligations is regarded as minor as there have not historically been any losses on accounts receivable. Counterparties are large stable companies and receivables are invoiced and collected on a monthly or quarterly basis.

#### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions in order to meet obligations of finance liabilities when they become due. BW Ideol AS monitors the liquidity through cash flow forecasting of operational and investment activities in the short, medium and long-term.

Cash requirements related to overheads and provision of technical engineering services are covered by a mix of the related revenues, debt and capital acquired via the acquisition. For high investment projects related to the co-development and operation of offshore floating wind projects BW Ideol AS subsidiaries will form joint ventures with local utilities and financial sponsors to develop, build, install and operate floating wind farms, reinforcing its chances to be awarded sites by its increased execution and financing resources with the backing of BW Offshore.

#### Fair values

BW Ideol AS has not engaged in any currency forward hedges, derivatives, cross currency or interest swaps as at 31 December 2021.

For the financial assets and financial liabilities reported at 31 December 2021 the carrying amount is a reasonable approximation of fair value.

Subsidiaries	Country of Incorporation	Ownership 2022	Ownership 2021
Ideol SAS	France	100%	100%

## Note 8 – Intercompany receivables and payables

	2022	2021
<i>Long-term related parties receivables</i>		
Ideol SAS	23 267	22 825
<b>Total long-term related parties receivables</b>	<b>23 267</b>	<b>22 825</b>
<i>Short-term related parties payables</i>		
BW Offshore Norway AS		15
BW Offshore Singapore Pte. Ltd.	1	27
<b>Total short-term related parties payables</b>	<b>1</b>	<b>42</b>

The parent Company BW Ideol AS granted its subsidiary Ideol SAS an intercompany loan amounting to EUR 45 million in 2021. EUR 22.5 million of the loan was converted to equity on 15 December 2021. Intercompany loan agreements with subsidiaries are set up based on regular market rates depending on the location of operation.

# Independent Auditor's Report



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To the General Meeting of BW Ideol AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of BW Ideol AS, which comprise:

- the parent company financial statements of BW Ideol AS (the Company), which comprise the parent company statement of financial position as at 31 December 2022, the parent company statement of income, parent company statement of comprehensive income, parent company statement of changes in equity and parent company statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of BW Ideol AS and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### In our opinion

- the financial statements comply with applicable statutory requirements,
- the parent company financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Offices in:

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knarvik	Stord	Ålesund
Drammen	Kristiansund	Straume	



#### Other Information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the



financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Oslo, 16 February 2023  
KPMG AS

*Sign.*

Hendrik L. Oostenrijk  
*State Authorised Public Accountant*

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