Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	925 905 674
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	BW IDEOL AS
Forretningsadresse:	Karenslyst allé 6 0278 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Olga Solheim
Dato for fastsettelse av årsregnskapet:	14.02.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 04.09.2024

Resultatregnskap

Beløp i: EUR	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Operating expenses		562 000	1 297 000
Sum kostnader		**562 000**	**1 297 000**
Driftsresultat		**-562 000**	**-1 297 000**
Finansinntekter og finanskostnader			
Annen finansinntekt		-103 000	463 000
Sum finansinntekter		**-103 000**	**463 000**
Nedskrivning av investering i datterselskap		17 766 000	
Annen finanskostnad		133 000	90 000
Sum finanskostnader		**17 899 000**	**90 000**
Netto finans		**-18 002 000**	**373 000**
Ordinært resultat før skattekostnad		**-18 564 000**	**-924 000**
Ordinært resultat etter skattekostnad		**-18 564 000**	**-924 000**
Årsresultat		**-18 564 000**	**-924 000**

Balanse

Beløp i: EUR	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap		107 324 000	101 824 000
Lån til foretak i samme konsern		5 078 000	23 267 000
Sum finansielle anleggsmidler		**112 402 000**	**125 091 000**
Sum anleggsmidler		**112 402 000**	**125 091 000**
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		99 000	84 000
Sum fordringer		**99 000**	**84 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		1 481 000	1 871 000
Sum bankinnskudd, kontanter og lignende		**1 481 000**	**1 871 000**
Sum omløpsmidler		**1 580 000**	**1 955 000**
SUM EIENDELER		**113 982 000**	**127 046 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		313 000	313 000
Beholdning av egne aksjer		130 591 000	130 591 000
Sum innskutt egenkapital		**130 904 000**	**130 904 000**
Opptjent egenkapital			

Balanse

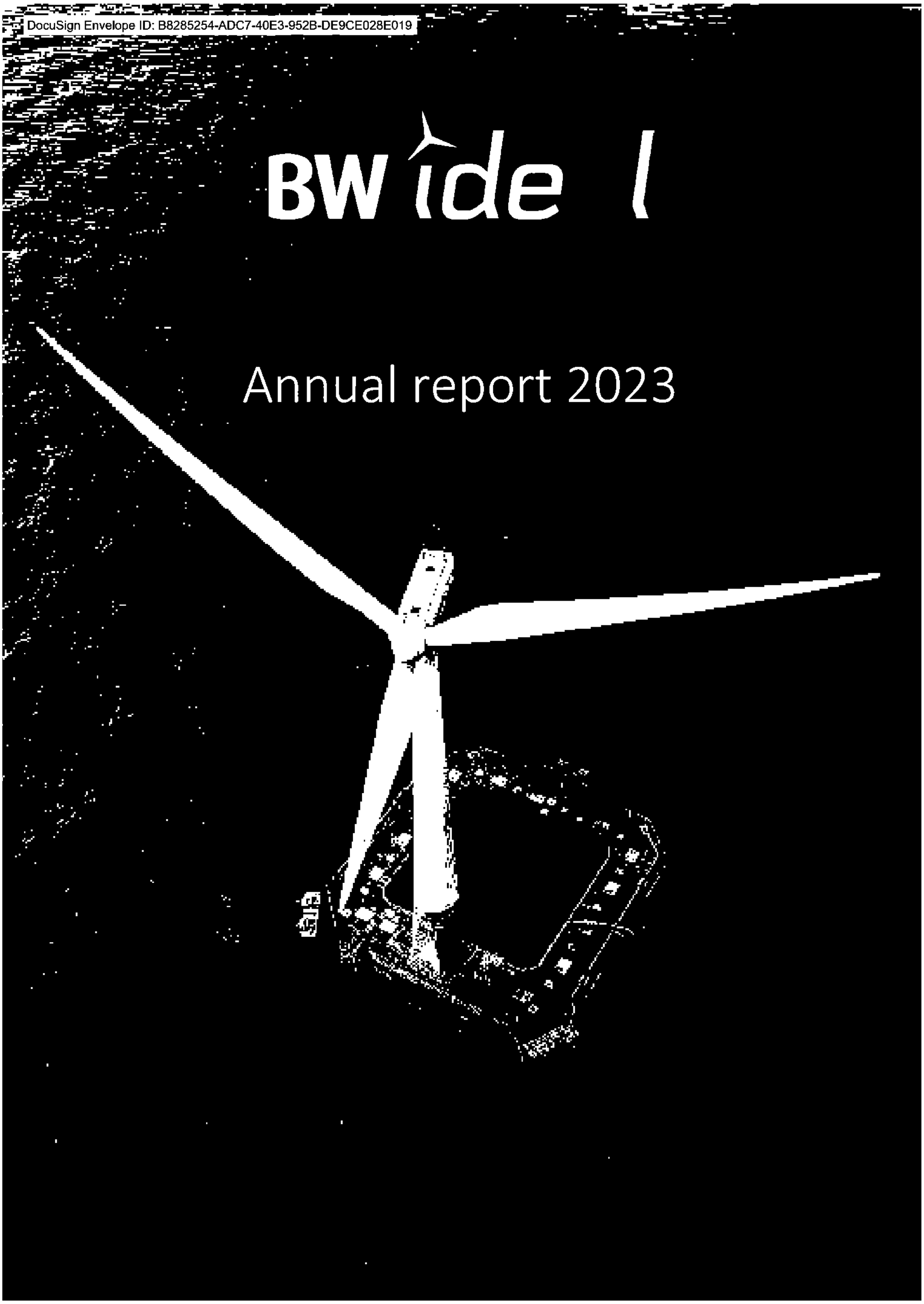
Beløp i: EUR	Note	2023	2022
Udekket tap		22 490 000	4 132 000
Sum opptjent egenkapital		**-22 490 000**	**-4 132 000**
Sum egenkapital		**108 414 000**	**126 772 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Lån til aksjonær		5 288 000	
Sum annen langsiktig gjeld		**5 288 000**	
Sum langsiktig gjeld		**5 288 000**	**0**
Kortsiktig gjeld			
Annen kortsiktig gjeld		280 000	274 000
Sum kortsiktig gjeld		**280 000**	**274 000**
Sum gjeld		**5 568 000**	**274 000**
SUM EGENKAPITAL OG GJELD		**113 982 000**	**127 046 000**

Konsernets resultatregnskap

Beløp i: EUR	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		3 613 000	6 639 000
Annen driftsinntekt		1 831 000	2 106 000
Sum inntekter		**5 444 000**	**8 745 000**
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler		12 269 000	13 898 000
Annen driftskostnad		11 661 000	11 488 000
Sum kostnader		**23 930 000**	**25 386 000**
Driftsresultat		**-18 486 000**	**-16 641 000**
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		-239 000	-57 000
Annen finansinntekt		-197 000	15 000
Sum finansinntekter		**-436 000**	**-42 000**
Minoritetsinteresser			
Annen finanskostnad		127 000	814 000
Sum finanskostnader		**127 000**	**814 000**
Netto finans		**-563 000**	**-856 000**
Ordinært resultat før skattekostnad		**-19 049 000**	**-17 497 000**
Skattekostnad på ordinært resultat		-875 000	-869 000
Ordinært resultat etter skattekostnad		**-18 174 000**	**-16 628 000**
Årsresultat		**-18 174 000**	**-16 628 000**
Overføringer og disponeringer			
Minoritetsinteresser		-634 000	
Udekket tap		-17 540 000	-16 628 000
Sum overføringer og disponeringer		**-18 174 000**	**-16 628 000**

Konsernets balanse

Beløp i: EUR	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Sum anleggsmidler		**0**	**0**
Omløpsmidler			
Varer			
Sum omløpsmidler		**0**	**0**
SUM EIENDELER		**0**	**0**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Sum egenkapital		**0**	**0**
Sum langsiktig gjeld		**0**	**0**
Sum gjeld		**0**	**0**
SUM EGENKAPITAL OG GJELD		**0**	**0**


DocuSign Envelope ID: B8285254-ADC7-40E3-952B-DE9CE028E019
Annual report 2023

BW ideol

Table of content

Board of Directors report

The BW Ideol Group is executing its dual-leg strategy as co-developer of floating offshore wind projects and as EPCI contractor of floating wind technology.

Progress was reflected in new partnerships, tender participations, engineering contracts and licence agreements during 2023, as well as securing a financial partnership with ADEME Investissement to support co-development activities.

BW Ideol AS was established as a global pure player in floating offshore wind technology on 15 March 2021 following the acquisition of Ideol SA and a private placement raising gross EUR 51.5 million of growth capital and subsequent listing on Euronext Growth Oslo on 18 March. BW Ideol 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.

BW Ideol has installed two operational demonstrator assets, Floatgen and Hibiki, both commissioned in 2018. The Group operates Floatgen, which continued to record high availability and delivered an average capacity factor of 59.2% over a 3-month period ranging from November 2022 to January 2023. Floatgen also experienced Storm Ciaran in November 2023 and broke new records in terms of wave heights and wind speeds without any damage. Wind speeds in excess of 40 m/s and over 7 meters of significant wave height (= waves over 12 meters) were recorded on 2 November 2023. The two demonstrators provide validation of BW Ideol's Damping Pool® technology. They position the Group as one of few market participants with proven full-scale solutions and with important assets supporting marketing and positioning for new projects.

Operational and commercial developments

BW Ideol has since inception made good commercial progress by maturing ongoing projects and adding new opportunities to the commercial pipeline.

In late April 2023, assembly of the three floating offshore wind turbines for the 30 MW EolMed project commenced at Port-la Nouvelle, France with the arrival of the initial prefabricated steel blocks which will make up the floating substructures based on BW Ideol's patented Damping Pool design. BW Ideol has completed the detailed designs for the project and is currently providing design support to construction and T&I (transport and installation) contractors during the execution phase. The electrical hub has also been installed offshore in late 2023. The Company has a 5% ownership stake in the project.

In May 2023, BW Ideol signed a Head of Terms with Elawan Energy, an ORIX company based in Spain, for the joint development of a multi-GW floating offshore wind pipeline off Spain and Portugal. Elawan Energy is a leading player in the field of renewable energy in Spain, with more than 2.6 GW of projects (solar, hydro and wind) already built and more than 8.4 GW portfolio under development. Elawan Energy is fully owned by the ORIX Corporation, a multinational financial group headquartered in Japan, with whom BW Ideol already collaborates in Japan as co-development partners. This exclusive agreement covers the joint development of several commercial-scale projects, within the framework of the upcoming tenders expected in Spain and in Portugal.

At Buchan Offshore Wind off the northeast coast of Scotland, the site investigations and environmental studies in preparation for the consent application were completed. In July, Ocean Infinity commenced the geophysical and geotechnical site investigations, starting with the export cable route followed by the offshore lease area later in 2023. Further, the Buchan Offshore Wind Limited (BOWL) partnership has awarded three large advisory contracts to experienced local Scottish consultancy firms covering key areas such as onshore and offshore stakeholder engagement and consultation, onshore project development and Environmental Impact Assessment, and property support including securing land rights for the substation and onshore cabling. Later in the year, the development team submitted its offshore scoping report to the Scottish Government's Marine Directorate, representing the project's first major step within the consenting process. Three public consultation events in Peterhead, Fraserburgh and St Combs were also organized from 20 to 22 of November. In addition to a 33.3% equity holding in Buchan Offshore Wind Limited (BOWL), BW Ideol will design the floating foundations based on its proven and patented Damping Pool® technology.

In addition to a 33.3% equity holding in BOWL, BW Ideol will design the floating foundations based on its proven and patented Damping Pool® technology. In parallel, BW Ideol has finalized a feasibility study to establish a floater production line in the Ardersier port, where BW Ideol holds an exclusivity agreement for a concrete floater production line to address the Scottish market. The port has received an initial commitment by US based investment firm Quantum Energy to accelerate the port redevelopment for up to GBP 300 million equity investment, in 2023.

BW ideol

Also, in October 2023, EDF Renewables and Maple Power submitted the final offer for France's first commercial scale floating offshore wind tender in South Brittany. BW Ideol has a technological partnership with EDF Renewables and Maple Power. The project will be located off the coast of South Brittany with a capacity of up to 270MW. This tender is part of France's national Multiannual Energy Programme (Programmation Pluriannuelle de l'Energie) aiming at putting 8.75GW of offshore wind capacity out to tender by 2028. BW Ideol extended its partnership with EDF renewables and Maple Power for a second tender on France, in the Mediterranean, for 2 X 250 MW. The bid submission for AO6 will occur in mid-2024.

In Asia, BW Ideol has initiated discussions with partners for a pilot project in Japan. In August, BW Ideol signed a Head of Terms with an undisclosed Asian partner and local leader in South Korea for the exclusive co-development and co-EPCI of a GW scale floating offshore wind farm.

The Group is also advancing several other initiatives. In November, BW Ideol and Associated British Ports (ABP), the largest port operator in the UK, signed a Memorandum of Understanding (MOU) to investigate the feasibility of serialised production of concrete substructures for floating offshore wind turbine foundations based on the BW Ideol design at ABP's port of Port Talbot. This agreement has been signed in preparation for the Celtic Sea leasing round announced by The Crown Estate offering a market of significant multi-GW development potential.

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 and apply them to new products supporting safe and cost-efficient development of industrial scale floating offshore wind farms.

In May, the world's first offshore hydrogen production pilot SeaLhyfe produces its first kilos of green hydrogen in the Atlantic Ocean, at the SEM-REV test site powered by the renewable electricity coming from Floatgen.

Finally, BW Ideol has delivered several feasibility studies during the course of 2023 for major O&G players for power to platform projects and has started to perform detailed studies for one of them in the North Sea together with BW Offshore.

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. Following two years of preparation, BW Ideol has received the ISO 14001 certification in March 2023.

In May 2023, BW Ideol and several partners launched the Velella R&D Project. Velella has for objective to qualify several technology bricks & innovative methods needed to prepare the deployment of commercial floating wind projects under the best economic, social & environmental conditions. This project will be a first in the marine renewable sector: each innovation will be driven by an eco-design approach, from life cycle analysis to recyclability and impact on the underwater environment. The Velella R&D project brings together multiple internationally recognized industrial and academic players: BW Ideol, as consortium and project leader, Centrale Nantes, the OPEN-C Foundation, IFREMER, ENSTA Bretagne and IVM technologies.

Organisation

BW Ideol seeks to be an inclusive employer and believes that 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 2023, the Group had 72 employees after adding net 9 new full-time employees during the year. The Group's working environment and culture are considered strong with a continuous focus on improvement.

Among our 72 employees at year-end, we have 19 women and 53 men. In comparison with the previous year, there is an improvement in gender balance, with women comprising 26% of the workforce, up from 23% at year-end 2022. 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. In 2023, 40% of new hires were female. 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 are represented in the workforce in 2023, compared to 7 in 2021). There are 3 males and one female on the board of directors.

Financials

ADEME transaction

On 3 October 2023, BW Ideol and its partner Ademe Investissement completed the first financial closing of the newly created BW Ideol Projects company SAS with a new capital injection of EUR 17.9 million. This subsidiary has been created to support all activities linked to the co-development business line.

Following first closing, BW Ideol owns 75.81% of the projects company. BW Ideol manages the development company through a service agreement with Ideol SAS. BW Ideol retains full ownership of its other business activities and assets, including technology and related IP and know-how portfolio, the floater EPCI business line and the exclusivity with the Port of Ardersier in Scotland for a floater production line, the Floatgen demonstrator, and the ownership in the EolMed project. BW Ideol will also retain all its teams, including engineering, business development, project execution, supply chain, legal, innovation, finance.

Delisting operation

On 9 November 2023, BW Sirocco Holdings AS (the "Offeror"), a company owned by BW Offshore Limited, Kerogen Investments No. 48 Limited, Larochette Invest SARL and certain other existing investors and management shareholders of BW Ideol (the "Initiating Shareholders"), has announced a recommended voluntary offer to acquire all issued and outstanding shares in BW Ideol AS not already held by the Initiating Shareholders at an offer price of NOK 12 per Share to be settled in cash or shares in the Offeror. On 30 November 2023, as at the expiry of the Offer Period, the Offeror has agreed to acquire, subject to final verification of acceptances, 30,000,561 Shares, representing approximately 95.21% of the total number of Shares, which for the avoidance of doubt includes the Shares to be acquired from the Initiating Shareholders, pursuant to the contribution agreements the Offeror has entered into with the Initiating Shareholders. On 20 December 2023, Oslo Børs has officially delisted the BW Ideol Shares from Euronext Growth.

Financial review

The consolidated financial figures for the BW Ideol Group presented below relate to the full-year 2023 and comparable full-year 2022.

Profit and loss

Group revenue from contracts with customers for 2023 was EUR 3.6 million compared to 6.6 million in 2022 reflecting mainly design and engineering activities for projects in France, Norway, US and Canada. Other operating income was EUR 1.8 million in 2023 compared to EUR 2.1 million in 2022 and mainly derived from the French R&D tax incentive scheme.

Operating loss before depreciation and amortisation for the period was EUR 6.2 million compared to a loss of EUR 2.7 million in 2022. Operating expenses were EUR 11.7 million in 2023 compared to 11.5 million in 2022, including EUR 8.3 million (2022: EUR 8.4 million) of headcount-related costs and EUR 3.4 million (2022: EUR 3.1) of other expenses.

Depreciation and amortisation amounted to EUR 12.3 million in 2023 compared to EUR 13.9 million in 2022, of which EUR 5.2 million (2022: EUR 6.9 million) of depreciation was mainly related to the Floatgen demonstrator, EUR 4 million (2022: EUR 4 million) was amortisation of the technology intangible assets recognised due to the purchase price allocation analysis, and EUR 2.2 million (2022: EUR 2.2 million) of depreciation related to leases. The operating loss for the period was EUR 18.5 million compared to EUR 16.6 million in 2022.

Net financial expense was EUR 0.3 million (2022: EUR 0.8 million). Net loss for the period was EUR 18.2 million (2022: EUR 16.6 million), after recognising a tax income of EUR 0.9 million (2022: EUR 0.9 million). EUR 0.6 million of the 2023 loss is attributable to minority interests (there were no minority interests in 2022).

Balance sheet

At 31 December 2023, total equity was EUR 79.4 million compared to EUR 97.9 million in 2022 and the equity ratio was 75% (2022: 77%). Total cash and cash equivalents were EUR 13.6 million, compared with EUR 9.1 million at the end of 2022 and interest-bearing debt was EUR 9.5 million, including EUR 5.0 million from a shareholder loan facility (2022: EUR 5.9 million).

Cash flow

Net cash flow from operating activities was negative EUR 7.7 million during 2023 compared with negative EUR 3.4 million in 2022. Net cash outflow on investment activities was EUR 8.7 million, including a EUR 6.6 million capital injection in the Buchan Offshore Wind Ltd. (this compare with EUR 18.71 million in 2022, which includes the share of the ScotWind option fee of GBP 11 million). Net cash inflow from financing activities was EUR 20.8 million, including EUR 17.9 million from the minority interest investment by Ademe in BW Ideol Projects Company SAS and EUR 5 million shareholder loans. This compared with a net cash outflow from financing activities of EUR 1.5 million in 2022.

Liquidity and financing

The ending cash balance on 31 December 2023 was EUR 13.6 million compared with EUR 9.1 million at the end of 2022. The available liquidity and remaining shareholder loan facility of EUR 7 million is expected to fund operations for the next 12 months. BW Ideol expects to raise additional funding in the second half of 2024 to execute the growing pipeline of projects under development and upcoming tenders. The Company is currently exploring various financing options.

Parent company result

The Parent company, BW Ideol AS, had a net loss of EUR 0.8 million in 2023 compared to a net loss of EUR 0.9 million in 2022. At 31 December 2023, the parent company's total assets were EUR 131.7 million compared to EUR 127.0 million in 2022 and total equity was EUR 126.2 million compared to EUR 126.8 million in 2022.

Corporate governance

As a company admitted to trading on Euronext Growth in Oslo (until 20 Dec 23), 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.

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 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 dependent on 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 depend to a significant degree on the evolution of electricity market prices over time.

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 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 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.

BW ideol

Outlook

BW Ideol's vision is to be a leading long-term owner of floating wind assets in key offshore markets across the globe. The primary focus is to continuously progress, expand and de-risk the Company's project pipeline. The goal is to have participated in an approximately 10GW gross portfolio of floating offshore 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 ADEME Investissement on the co-development side, and with BWO on the EPCI side.

The rapid expansion of the commercial-scale floating offshore wind market across the globe supports a strong market outlook. More than 17,7 GW of floating projects have been allocated in 2022 within the ScotWind lease process in Scotland. The Celtic Sea "Offshore Wind Leasing Round 5", recently launched, will also create up to 4.5GW of new renewable energy capacity. In its Autumn Statement in November 2023, the UK Government confirmed its intention to unlock space for a further 12GW of capacity in the Celtic Sea.

In France, 750MW of capacity are currently under allocation by the French government. RTE, the French electricity grid operator, issued a report in October acknowledging a required capacity of 22GW to 62GW of offshore wind needed for France to achieve carbon neutrality by 2050. In Japan, The Ministry of Economy, Trade and Industry (METI) has introduced targets for the country to reach carbon neutrality by 2040. The country envisages the deployment of 30 to 45GW of offshore wind capacity, of which 10GW shall be deployed by the end of the current decade. In both France and the UK, floating offshore wind is expected be a key contributor to the deployment targets.

In Norway, the government is moving towards a tender for an expected 1.5GW of floating offshore wind capacity at Utsira Nord on the west coast. Other markets in the Mediterranean basin, offshore the UK, in South-East Asia, and in South Korea are poised for a significant deployment of floating wind capacity and will offer numerous opportunities in the near future.

The Board of Directors approve the Annual Report, including the financial statements included therein on 14 February 2024 and recommend the Annual Report to be adopted at the Annual General Meeting held in Paris on 14 February 2024.

Chairperson
Marco Beenen

DocuSigned by:
FB1B97FA4FD649B...

Board Member
Yngvil Asheim

DocuSigned by:
Yngvil Asheim
7BE35F7C92D34C5...

Board Member
Julian Brown

DocuSigned by:
Julian Brown
8D7E06F2F6684D6...

Board Member
Jean Huby

DocuSigned by:
A67FA4D8C842431...

CEO
Paul de la Guérivière

DocuSigned by:
Paul de la Guérivière
CC286F86CF834B4...

FINANCIAL STATEMENTS

BW ideol

Consolidated financial statements

Consolidated statement of income

(Figures in KEUR)

	Note	2023	2022
Revenue from contracts with customers	18	3 613	6 639
Other operating income	18	1 831	2 106
Operating expenses	19	(11 661)	(11 488)
Operating profit /(loss) before depreciation/amortisation		**(6 217)**	**(2 743)**
Depreciation	4	(7 544)	(9 510)
Amortisation	5	(4 726)	(4 387)
Operating profit/(loss)		**(18 487)**	**(16 641)**
Net interest (expense)/income		(197)	15
Other financial items		(127)	(814)
Net financial income/(expense)		**(323)**	**(799)**
Share of profit/(loss) from equity accounted investments		(239)	(57)
Profit/(loss) before tax		**(19 050)**	**(17 497)**
Income tax (expense)/income	21	875	869
Profit/(loss) from continuing operations		**(18 174)**	**(16 628)**
Net profit/(loss) for the period		**(18 174)**	**(16 628)**
Attributable to shareholders of the parent		(17 540)	(16 628)
Attributable to non-controlling interests	12	(634)	0

BW ideol

Consolidated statement of comprehensive income

(Figures in KEUR)

	2023	2022
Loss for the period	(18 174)	(16 628)
Items that will not be reclassified to profit or loss		
Remeasurement of Retirement Provision	(72)	100
Reduction in FV: 5% Investment in Eolmed	(360)	
Stock Options Cancellation Compensation	(788)	
Items that are or may be reclassified to profit or loss		
Foreign operations – foreign currency translation differences	82	(9)
Other comprehensive income for the period, net of tax	**(1 138)**	**91**
Total comprehensive income for the period	**(19 312)**	**(16 537)**

BW ideol

Consolidated statement of financial position

(Figures in KEUR)

ASSETS	Note	For the Period Ending 31 December 2023	For the Period Ending 31 December 2022
Other property, plant & equipment	4	420	530
Right-of-use assets	7	3 140	5 326
Technical installations	4	169	5 187
Other intangible assets	5	5 044	3 913
Goodwill	5	25 606	25 606
Technology asset	5	48 636	52 620
Equity Accounted Investments	6	22 488	16 032
Other Investments	8	890	1 250
Other non-current assets	9	6 200	4 609
Total non-current assets		**112 594**	**115 073**
Trade receivables and other current assets	10	2 951	2 127
Cash and cash equivalents		13 567	9 133
Total current assets		**16 518**	**11 260**
TOTAL ASSETS		**129 112**	**126 332**

BW ideol

EQUITY AND LIABILITIES	Note	For the Period Ended 31 December 2023	For the Period Ended 31 December 2022
Share capital	11	313	313
Share premium	11	130 591	130 591
Retained earnings		(51 576)	(33 017)
Foreign currency translation reserve		82	(5)
Total equity		**79 409**	**97 881**
Non-controlling interests	12	17 251	0
Total equity & Non-controlling interests		**96 660**	**0**
Interest-bearing long-term debt	13	2 570	4 229
Shareholder Loans	13	5 287	
Pension obligations		248	176
Asset retirement obligations	16	2 562	2 393
Other long-term liabilities	14	3 555	3 349
Long-term lease liabilities	7	1 550	1 784
Deferred tax liability	21	10 700	11 576
Total non-current liabilities		**26 472**	**23 507**
Trade payables and other short-term liabilities	17	4 090	3 064
Interest-bearing short-term debt	13	1 656	1 650
Short-term lease liabilities	7	233	229
Income tax liabilities		0	1
Total current liabilities		**5 979**	**4 944**
Total liabilities		**32 452**	**28 451**
TOTAL EQUITY AND LIABILITIES		**129 112**	**126 332**

BW ideol

Consolidated statement of changes in equity
(Figures in KEUR)

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Non-controlling interests	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
Total equity at 31 December 2022	313	130 591	(33 012)	97 892	(11)	0	97 881

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Non-controlling interests	Total equity
Total equity at 31 December 2022	313	130 591	(33 012)	97 892	(11)		97 881
Proceeds from share issuances						17 886	17 886
Profit/loss for the period			(17 540)	(17 540)		(634)	(18 174)
Share based payment			207	207			207
Other comprehensive income / (loss)			(1 220)	(1 220)	82		(1 138)
Total equity at 31 December 2023	**313**	**130 591**	**(51 565)**	**79 339**	**71**	**17 252**	**96 662**

BW ideol

Consolidated statement of cash flows

(Figures in KEUR)

	Notes	2023	2022
Profit/(loss) before taxes		(19 051)	(17 497)
Unrealised currency exchange loss/(gain)		122	730
Depreciation and amortisation	4,5	12 270	13 897
Share-based payment expense		207	626
Change in subsidies & grants receivable		(1 357)	(319)
Add back of net interest expense		197	(15)
Changes in Working Capital		(179)	(868)
Net cash flow from operating activities		**(7 791)**	**(3 445)**
Investment in other property, plant & equipment	4	(2 094)	(1 461)
Investments in financial investments			(493)
Acquisition of equity accounted investments	6	(6 589)	(16 753)
Net cash flow from investing activities		**(8 683)**	**(18 707)**
Proceeds from sale of non-controlling interest	12	17 885	
Proceeds from new interest-bearing debt		5 000	
Repayment of debt and other liabilities	13, 14	(1 658)	(1 160)
Interest paid		(89)	(105)
Payment of lease liabilities	7	(230)	(242)
Net cash flow from financing activities		**20 908**	**(1 507)**
Net change in cash and cash equivalents		**4 434**	**(23 659)**
Cash and cash equivalents at beginning of period		9 133	32 792
Cash and cash equivalents at end of period		**13 567**	**9 133**

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 was listed on Euronext Growth Oslo (Norway) from 18 March 2021 to 20 December 2023. On Dec 20 2023, Oslo Børs has officially delisted the BW Ideol Shares from Euronext Growth. BW Ideol AS is the holding company and has no business activities prior to the acquisition of Ideol SAS on 15 March 2021.

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 14 February 2024.

Note 2 – Material accounting policies

Basis of preparation

The consolidated financial statements ending 31 December 2023 of BW Ideol have been prepared in accordance with the Norwegian Accounting Act and IFRS® Accounting Standards 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").

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.

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 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 in line with the amortization of the related assets.

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.

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.

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.

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.

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 – Material 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.

BW ideol

Impairment of goodwill and technology and purchase price allocation

Valuations performed in light of the purchase price allocation and 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 or to reversals of previously recognised impairments.

The financial forecasts used in the purchase price allocation and preparation of 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. Specific to the valuation of the technology asset management's judgment includes the presumed royalty rates and useful life of the asset. 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 2023 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 2023 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 155 thousand lower / EUR 191 thousand 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 2023, a reduction of the fair value of EUR 0.4 million was recorded.

Note 4 – Property, plant & equipment

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

BW ideol

	Technical installation	Other PP&E	Total
Cost at 1 January 2023	16 717	690	17 407
Additions	169	61	230
Cost at 31 December 2023	**16 886**	**751**	**17 637**
Accumulated depreciation and impairment charge at 1 January 2023	**(11 530)**	**(160)**	**(11 690)**
Current year depreciation	(5 187)	(171)	(5 358)
Accumulated depreciation and impairment charge at 31 December 2023	**(16 717)**	**(331)**	**(17 048)**
Book value at 31 December 2023	**169**	**420**	**589**

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 5 – Intangible assets and goodwill

ASSETS	Goodwill	Technology	R&D	Software intangible assets	Total Intangible assets
Cost at 1 January 2022	**25 268**	**59 758**	**4 308**	**119**	**89 453**
Purchase price allocation adjustments	338				
Additions			252	29	619
Cost at 31 December 2022	**25 606**	**59 758**	**4 560**	**148**	**90 072**
Accumulated amortisation and impairment charge at 1 January 2022		**(3 154)**	**(347)**	**(18)**	**(3 519)**
Current year amortisation		(3 984)	(403)	(28)	(4 415)
Accumulated amortisation and impairment charge at 31 December 2022		**(7 138)**	**(750)**	**(45)**	**(7 933)**
Book value at 31 December 2022	**25 606**	**52 620**	**3 810**	**103**	**82 139**

BW ideol

ASSETS	Goodwill	Technology	R&D	Software intangible assets	Total Intangible assets
Cost at 1 January 2023	25 606	59 758	4 560	148	90 072
Additions			1 872		1 872
Cost at 31 December 2023	**25 606**	**59 758**	**6 432**	**148**	**91 944**
Accumulated amortisation and impairment charge at 1 January 2023		**(7 138)**	**(750)**	**(45)**	**(7 933)**
Current year amortisation		(3 984)	(737)	(5)	(4 726)
Accumulated amortisation and impairment charge at 31 December 2023		**(11 122)**	**(1 487)**	**(50)**	**(12 659)**
Book value at 31 December 2023	**25 606**	**48 636**	**4 945**	**98**	**79 285**

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. R&D assets are amortized over 5 years.

The remaining amortization period for Technology assets at 31 December 2023 is 12 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 2023 and the impairment test also included the technology assets and equity accounted investments. 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 probability weighted cash flows for prospective offshore wind projects using end-of life cash flows for projects identified. The impairment calculation demonstrated that the value in use exceeded the carrying amount of the CGU, thus no impairment loss was recognised.

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 of 10,75% estimated at the start of the development phase and takes into account the project financial structure and expenses profiles. An additional probability to successfully develop the project is also applied, ranging from 25% to 66,6%, depending on the maturity of the opportunity (identified project, tender phase, development phase).To reflect the commercial terms reached with ADEME Investissement, all projects under co-development-are targeted to be sold at the end of the development period ("FID"). An exit price is therefore being determined using a target IRR for the acquirer set at 9.5% and benchmarked with known sectorial transactions. This approach implies that BW Ideol is essentially involved as a co-developer during the effective development phase of a project, phase that carries the highest level of risk, and does not necessarily intend to remain an investor during construction and operation phases.
For the co-EPCI activity, cash flows related to potential EPCI contracts include engineering services during the development phase, gross profit from procurement and construction and royalties derived from licensing the technology to each project.

Discount rate and sectorial WACC
For the co-development activity, each project has been valued using a different discount rate to reflect the maturity of the opportunity, with WACC ranging from 9.5% to 15.5%. 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. The WACC is based on a risk-free rate of 3,1% based on the trailing six-month average yield maturity in France (source: Banque de France), and a market risk premium of 5.9%. The estimated unlevered beta for equity was 0.74. The equity to total capital ratio was 79.6%. A 25% generic tax rate on corporate, irrespective of the specificities of the countries in activity. Country risk premium, inflation differential and project specific risk premiums, ranging from 3% to 7%, in order to capture the maturity of the opportunities have been integrated.

For the co-EPCI activity, a WACC of 13.0% has been retained, 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. The WACC is based on a risk-free rate of 3,1% based on the trailing six-month average yield maturity in France (source: Banque de France), and a market risk premium of 5.9%. The estimated unlevered beta for equity was 0.94. The equity to total capital ratio was 64%. A 25% generic tax rate on corporate, irrespective of the specificities of the countries in activity. Finally a company size premium of 7.8% has been taken into account to reflect the unsecured aspect of EPCI future projects.

Testing procedures of BW Ideol's single CGU related goodwill as of 31 December 2023 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 2023. To determine the recoverable value of assets, the value in use derived from future cash flows was considered.

Sensitivities
Buchan success rate
A reduction of 50% of the probability of success in the development of Buchan would result in an impairment charge of EUR 2.0 million.

Sensitivity to CoDev Portfolio success rate
A reduction of 50% of the probabilities of success of all projects identified in the co-development pipeline would result in an impairment charge of EUR 10.0 million.

Sensitivity to IRR at exit for co-development projects
An increase of 1.0% of the target IRR used to derive project exit value at FID would result in an impairment charge of EUR 22.2 million

Discount rate
A 2.0% increase in the discount rates would not result in an impairment of goodwill and technology assets.

Note 6 – Equity Accounted Investees

	2023	2022
Interest in Joint Ventures	22 488	16 032
Balance at 31 December	**22 488**	**16 032**

Equity-accounted investees relates to the 33.3% ownership interest in Buchan Offshore wind Ltd. (Previously Floating Energy Allyance 1 Limited) acquired in April 2022 for an amount of GBP 0.1 thousand. Buchan Offshore wind Ltd. (Previously Floating Energy Allyance 1 Limited) is incorporated in Scotland and this is its principal place of business.

On 17 January 2022, Ideol SAS, as a partner of the Buchan Offshore wind Ltd. (Previously Floating Energy Allyance 1 Limited) 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. Buchan Offshore wind Ltd. (Previously Floating Energy Allyance 1 Limited) 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. Buchan Offshore wind Ltd. finalized the development rights contract with CES in April 2022

The following table illustrates the summarised financial information of the Group's investment in Buchan Offshore wind Ltd. (Previously Floating Energy Allyance 1 Limited), whose reporting currency is GBP.

BW ideol

	2023 EUR	2022 EUR
Percentage Ownership Interest	33.33%	33.33%
Non-current assets	64 858	45 296
Current assets	4 219	3 586
Current liabilities	(1 605)	(763)
Non-current liabilities	0	(25)
Net Assets 100%	**67 470**	**48 094**
Groups Share of Net Assets	22 488	16 032
Carrying Amount of interest in associate	**22 488**	**16 032**
Revenue	0	0
Profit/(Loss) for the Year 100%	(719)	(171)
Total Comprehensive Income/(Loss) for the year	(719)	(171)
Groups Share of Comprehensive Income/(Loss) for the year	**(239)**	**(57)**

Note 7 – 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 annually up to 2029. The two additional annual extensions 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 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 0.2 million.

BW ideol

	Office Premises	Ports	Right-of-use assets	Lease liabilities
On 1 January 2022	**75**	**5 269**	**5 344**	**77**
Additions	2 182		2 182	2 182
Adjustments	(31)		(31)	(31)
Depreciation expense	(226)	(1 943)	(2 170)	
Interest expense				26
Lease payments				(242)
Balance on 31 December 2022	2 000	3 326	5 326	2 013

During 2023, 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 0.3 million.

	Office Premises	Ports	Right-of-use assets	Lease liabilities
On 1 January 2023	2 000	3 326	5 326	2 013
Depreciation expense	(242)	(1 944)	(2 186)	
Interest expense				31
Lease payments				(261)
Balance on 31 December 2023	1 758	1 382	3 140	1 783

Note 8 – Other Investments

Other investments amounting to EUR 0.9 million at 31 December 2023 related to:

	2023	2022
On 1 January 2023	1 250	1 250
Fair value changes	(360)	
Balance on 31 December	**890**	**1 250**

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) because as the investment in equity securities represent investments that the BW Ideol Group intends to hold for the long term strategic purposes. During 2023 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 2023 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. If the discount rate would be +/- 1% the FV would be EUR 155 thousand lower / EUR 191 thousand 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 2023, a reduction in fair value of EUR 0.4 million was recorded.

Note 9 – Other non-current assets

Other non-current assets amounting to EUR 6.2 million at 31 December 2023 related to:

	2023	2022
Eolmed Shareholder Loan Facility	2 193	2 098
Eolmed Interest on Loan Facility	110	96
French Government Tax Incentive	3 445	1 959
Other	452	455
Trade and other current assets	**6 200**	**4 608**

Eolmed Loan Facility
The interest rate applied to the loan is the higher of either 5% or official published French Government interest rates. Loan interest is capitalized. The loan facility is repayable on reaching certain milestones.

French Government Tax Incentive
EUR 3.4 million relates to a French government tax incentive on R&D activities performed during 2022-2023. 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 prior years. See note on other income.

Note 10 – Trade and other current assets

	2023	2022
Trade receivables	1 304	1 653
Other current receivables	464	163
Public duties receivables	936	111
Tax receivables	10	11
Prepaid expenses	238	190
Trade and other current assets	**2 951**	**2 127**

The fair value of trade and other current assets is equal to the carrying amount. As of 31 December 2023, there were no overdue balances and the expected credit loss for BW Ideol is immaterial.

Public duties receivables of EUR 0.9 million in 2023 includes a receivable of EUR 0.6 million for social charges paid upfront in 2021 and 2022 upon granting of employee stock options. The amount is recoverable due to the de-listing of the company and cancellation of the employee stock options program in December 2023.

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

BW ideol

Note 11 – Equity

The number of issued shares per 31 December 2023 was 31,510,525 (2022: 31,510,525), no shares were issued during 2023 and 2022 respectively.

Note 12 – Minority Interest

BW Ideol Projects Company SAS was incorporated per 23/05/2023 and was 100% owned by Ideol SAS. On 29 September 2023 Ideol SAS transferred its 33.3% ownership interest in Floating Energy Allyance 1 Limited (FEA) to BW Ideol Projects Company. On 3 October 2023 Ademe Investissement acquired 24.19% of BW Ideol Projects Company for an amount of EUR 17.9 million.

The BW Ideol Projects Company SAS subsidiary has been created to support all activities linked to the co-development business stream. Following first closing, BW Ideol owns 75.81% of the projects company. BW Ideol manages the development company through a service agreement. BW Ideol retains full ownership of its other business activities and assets, including technology and related IP and know-how portfolio, the floater EPCI business line and the exclusivity with the Port of Ardersier in Scotland for a floater production line, the Floatgen demonstrator, and the ownership in the EolMed offshore floating wind farm pilot. BW Ideol will also retain all its teams, including engineering, business development, project execution, supply chain, legal, innovation, finance.

Note 13 – 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 2023	Carrying amount 2022
Loan BPI France	5,0%	2023-25	150	250
Loan BPI France (FEI)	3,2%	2023-26	825	1 125
French state guaranteed loan (BNP)	0,8%	2023-26	931	1 311
French state guaranteed loan (CERA)	0,3%	2023-26	945	1 318
French state guaranteed loan (BPI)	1,8%	2023-26	1 375	1 875
Shareholder Loan : BW Offshore Holdings Pte. Ltd.	10%	2025	4 408	0
Shareholder Loan : Larochette Invest Sarl	10%	2025	880	0
Total interest-bearing debt			**9 514**	**5 879**

	Short-term				Long-term
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2025-2028
Loan BPI France	25	25	25	25	50
Loan BPI France (FEI)	75	75	75	75	525
French state guaranteed loan (BNP)	94	94	95	95	550
French state guaranteed loan (CERA)	93	93	93	93	570
French state guaranteed loan (BPI)	125	125	125	125	875
Shareholder Loan : BW Offshore Holdings Pte. Ltd.					4 408

BW ideol

Shareholder Loan : Larochette Invest Sarl					880
Total interest-bearing debt	412	412	413	413	**7 864**

Shareholder Loans

The shareholder loan facility amounts are for a total of EUR 10 million from BW Offshore Holdings Pte. Ltd. and EUR 2 million from Larochette Invest Sarl. As at 31 December 2023 EUR 5 million of the loan facility had been drawn down. The annual loan interest is at a rate of 10% and is capitalizable.

Note 14 – 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 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 2023	Carrying amount 2022	Short-term	Long-term
Repayable advance ADEME	NA	3 289	3 289	0	3 289
Repayable advance ADEME-Velella	NA	137		0	137
Zero-interest loan BPI	2023-25	175	275	100	75
Total non-interest-bearing financing		**3 601**	**3 464**	**100**	**3 501**

	Short-term				Long-term	
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2025-2028	N/A
Repayable advance ADEME						3 289
Repayable advance ADEME-Velella						137
Zero-interest loan BPI	25	25	25	25	75	
Total non-interest-bearing debt	**25**	**25**	**25**	**25**	**75**	**3 426**

28

BW ideol

Note 15 – Reconciliation of movements of liabilities and equity to cash flows arising from financing activities

	Share capital	Retained earnings	Foreign currency translation on reservee	Interest-bearing long-term debt	Interest-bearing short-term debt	Interest payable	Lease liabilities	2022
Balance at 1 January 2022	**130 904**	**(17 300)**	**(2)**	**5 654**	**1 408**		**77**	**120 741**
Repayment of debt and other liabilities				(1 425)	265			(1 160)
Interest paid						(105)		(105)
Payment of lease liabilities							(242)	(242)
Net cash flow from financing activities				**(1 425)**	**265**	**(105)**	**(242)**	**(1 507)**
Accrued interest					(23)			(23)
New leases							2 178	2 178
Total liability related other changes					**(23)**		**2 178**	**2 155**
Total equity related other changes		**(15 717)**	**(3)**					**(15 720)**
Balance at 31 December 2022	**130 904**	**(33 017)**	**(5)**	**4 229**	**1 650**	**(105)**	**2 013**	**105 669**

	Share capital	Retained earnings	Foreign currency translation on reservee	Minority Interest	Interest-bearing long-term debt	Interest-bearing short-term debt	Interest payable	Lease liabilities	2023
Balance at 1 January 2023	**130 904**	**(33 017)**	**(5)**		**4 229**	**1 650**		**2 013**	**105 774**
Repayment of debt and other liabilities					(1 658)				(1 658)
New interest bearing debt					5 287				5 287
Proceeds from sale of non-controlling interests				17 885					17 885
Interest paid							(89)		(89)
Payment of lease liabilities								(230)	(230)
Net cash flow from financing activities				**17 885**	**3 629**		**(89)**	**(230)**	**21 195**
Accrued interest						6			6
New leases									
Total liability related other changes						**6**			**6**
Total equity related other changes		**(18 559)**	**87**	**(634)**					**(19 106)**
Balance at 31 December 2023	**130 904**	**(51 576)**	**82**	**17 251**	**7 857**	**1 656**	**(89)**	**1 784**	**107 868**

BW ideol

Note 16 – 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 provision was updated in December 2023 to reflect impacts from inflation and other price increases. The estimated retirement date is 2026.

	Asset retirement obligation
Balance at 1 January 2022	2 171
Additions	221
Balance at 31 December 2022	**2 393**

	Asset retirement obligation
Balance at 1 January 2023	2 393
Additions	169
Balance at 31 December 2023	**2 562**

Note 17 – Trade and other short-term liabilities

	2023	2022
Trade liabilities	933	408
Other current liabilities	2 635	2 273
Public duties payable	515	382
Liabilities to related parties	7	1
Trade and other payables	**4 090**	**3 064**

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

Other current liabilities of EUR 2.6 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 18 – Revenue

The business and reporting structure for the BW Ideol Group, based on information provided to 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 3.6 million of design and engineering revenues related to projects in France (EUR 2.2 million), other European Countries (EUR 1.1 million), Asia (EUR 0.2 million) and US/Canada (EUR 0.1 million). Revenue is recognised over time using a cost progress method or according to delivered time and materials.

DocuSign Envelope ID: B8285254-ADC7-40E3-952B-DE9CE028E019

BW ideol

Other operating income
French R&D tax credit of EUR 1.5 million and other subventions of EUR 0.3 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 2023	31 December 2022
Receivables, included in "Trade receivables and other current assets"	605	1 227
Contract assets, included in "Trade receivables and other current assets"	699	426
Contract liabilities, included in "Trade payables and other short-term liabilities"	0	0

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 2023 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 2023 that have an original expected duration of one year or less.

Note 19 – Operating expenses

	2023 Total	2022 Total
Payroll expenses	8 290	8 199
Lawyer's, audit & consultant fees	2 154	1 253
Other operating expenses	790	1 598
Insurance	282	270
Directors fees	145	168
Total operating expenses	**11 661**	**11 488**

In 2023, lawyers fees of EUR 0.9 million were incurred in relation to the creation of the subsidiary BW Ideol Projects Company and the subsequent equity investment in this entity by Ademe.

BW ideol

Note 20 – Employee benefit expenses, remuneration to directors and auditors

Employee benefit expenses

	2023	2022
Salary	4 908	4 685
Social contributions	2 209	2 108
Share based payments	207	626
Expenses related to defined contribution scheme	0	47
Bonus	645	429
Other benefits	321	304
Total employee benefit expenses	**8 290**	**8 199**
Average number of employees	**74**	**72**

The de-listing of the company in December 2023 triggered a Stock Options cancellation compensation to employees of EUR 0.8 million. This was accounted for as repurchases of an equity interest as the payment did not exceed the fair value of the equity instruments granted, measured at the repurchase date. Hence, this was recorded as an expense through OCI.

Remuneration to CEO expenses

	2023	2022
Salary	272	267
Social contributions	186	124
Bonus	226	12
Other benefits	7	19
Total	**691**	**422**

Board of Directors' remuneration in EUR thousand

	2023	2022
Directors Fees Marco Beenen	36.6	40.32
Directors Fees Yngvil Åsheim	36.6	40.32
Directors Fees Julian Brown	36.6	40.32
Directors Fees Jean Huby	36.6	40.32
Directors Fees Matsui Yasuhiro	0	6.72

Matsui Yasuhiro resigned from the board in March 2022.

BW Ideol

Auditors' remuneration

	2023	2022
Audit	186	196
Other assurance		6
Total fees	**186**	**202**

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

Note 21 – 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

	2023	2022
Deferred tax effect of changes in temporary differences	876	876
Tax payable	(1)	(7)
Total tax income recognised in statement of income	**875**	**869**

Effective tax rate

	2023	2022
Profit/(Loss) before tax from continuing operations	(19 051)	(17 497)
Income tax at Norwegian statutory income tax rate of 22%	(4 191)	(3 849)
Effect of tax rates in foreign jurisdictions	(447)	(370)
Tax effect on permanent differences related to R&D credits	(372)	(488)
Changes in unrecognised deferred tax assets	4 147	3 828
Total income tax (expense)/income at the effective income tax rate	**863**	**880**
Effective tax rate	**5%**	**5%**

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. Subsequently annual amounts of EUR 0.869 million were recognized in profit and loss, resulting in a deferred tax liability per 31 December 2023 of EUR 10.7 million. All deferred tax liabilities relate to temporary differences arising from the recognition of technology intangible assets.

BW ideol

Tax losses carried forward

The Group has tax losses carried forward which are not recognised, amounting to EUR 80.3 million (2022: EUR 63 million). The majority of those losses are related to France (EUR 79 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 2024. Tax losses in France may be carried forward indefinitely.

Note 22 – Related party transactions

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

Intercompany receivables and payables

	2023	2022
Short-term related parties payables		
BW Offshore Norway AS	4	0
BW Offshore Singapore Pte. Ltd.	3	1
Total short-term related parties payables	**7**	**1**
	2023	2022
Short-term related parties receivables		
BW Offshore GDM Pte. Ltd.	0	310
Total short-term related parties payables		**310**

	2023	2022
Long-term related parties payables		
Shareholder Loan : BW Offshore Holdings Pte. Ltd	4 408	
Shareholder Loan : Larochette Invest Sarl	880	
Repayable advance ADEME	3 289	
Repayable advance ADEME-Velella	137	
Total long-term related parties payables	**8 714**	

Ademe became a related party in 2023 following the financing transaction described in note 12.

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

BW ideol

Intercompany transactions : Revenues / (Expenses)

	2023	2022
BW Offshore Norway AS	(8)	(14)
BW Adolo Pte. Ltd.		
BW Offshore Singapore Pte. Ltd.	(16)	(32)
BW Offshore GDM Pte. Ltd.		310
Total related parties costs	**(24)**	**264**

The revenues from BW Offshore GDM Pte. In 2022 Ltd relate to engineering services provided for a floating windfarm feasibility study.

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

Note 23 – 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, the Audit Committee 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, the Audit Committee 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 2023 that manages risk actively. The need to implement such instruments is monitored by Managment 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

BW Ideol

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 2023. For the financial assets and financial liabilities reported at 31 December 2023 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
Financial assets not measured at fair value								
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				
	15 868			**15 868**				
Financial assets measured at fair value								
Other investments		1 250		1 250			1 250	1250
		1 250		**1 250**			**1 250**	
Financial liabilities not measured at fair value								
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				
			14 305	**14 305**				

As of 31 December 2023 the company conducted a valuation of its equity stake using the fair value discounted cash flow model per 31 December 2023. As a result an impairment of EUR 0.4 million was recorded through OCI and the carrying amount of FVOCI Other investments was reported in level 3 for an amount of EUR 0.9 million at December 2023 versus EUR 1.25 million at December 2022. The company is using a discounted cash flow method and a sensitivity analysis on the

BW ideol

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.

31 December 2023

	Carrying amount				Fair value			
	Financial assets at amortised costs	Fair value through OCI	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value								
Other non-current assets	6 200			6 200				
Trade receivables and other current assets	2 951			2 951				
Cash and cash equivalents	13 567			13 567				
	22 718			**22 718**				
Financial assets measured at fair value								
Other investments		890		890			890	890
		890		890			890	890
Financial liabilities not measured at fair value								
Interest-bearing long-term debt			2 857	2 857				
Other long-term liabilities			3 555	3 555				
Long-term lease liabilities			1 550	1 550				
Trade payables and other short-term liabilities			4 090	4 090				
Interest-bearing short-term debt			1 656	1 656				
Short-term lease liabilities			233	233				
			13 941	**13 941**				

BW ideol

Note 24 – List of subsidiaries and joint ventures

Subsidiaries	Country of incorporation	Ownership 2023
Ideol SAS	France	100%
Ideol Japan LLC	Japan	100%
Ideol US Inc.	US	100%
BW Ideol Projects Company	France	75.81%

Joint ventures	Country of incorporation	Ownership 2023
Floating Energy Allyance 1 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 Allyance 1 Limited (FEA) was acquired in April 2022.

BW Ideol Projects Company SAS was incorporated per 23/05/2023 and was 100% owned by Ideol SAS. On 29 September 2023 Ideol SAS transferred its 33.3% ownership interest in Floating Energy Allyance 1 Limited (FEA) to BW Ideol Projects Company. On 3 October 2023 Ademe Investissement acquired 24.19% of BW Ideol Projects Company for an amount of EUR 17.9 million.

Note 25 – Commitments and guarantees

As of 31 December 2023 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 2023 BW Ideol had an off balance sheet guarantee relating to its 33.3% share in Buchan Offshore Wind 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 26 – Geopolitical Risks

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.

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 27 – Going Concern

In February 2023, the Group's controlling shareholder BW Offshore Holdings Pte Ltd granted a lending facility of EUR 10 million and the shareholder Larochette Invest Sarl granted a lending facility of EUR 2 million to BW Ideol AS to cover operating expense in 2023 and 2024 The loan agreement is set up based on regular market rates, is convertible and without a fixed repayment term.

On 3 October 2023, BW Ideol and its partner Ademe Investissement completed the first financial closing of the newly created BW Ideol Projects company SAS with a new capital injection of EUR 17.9 million. This subsidiary has been created to support all activities linked to the co-development business stream. Following first closing, BW Ideol owns 75.81% of the projects company. BW Ideol manages the development company through a service agreement.

In addition to the fundings obtained throughout 2023, 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 2023 annual accounts.

These measures makes 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.

BW ideol

Parent Company Financial Statements

The parent company is BW Ideol AS (Norway).

Parent company statement of income

(Figures in KEUR)

	Note	2023	2022
CONTINUING OPERATIONS			
Operating expenses	3	(562)	(1 297)
Operating profit /(loss) before depreciation/amortisation		**(562)**	**(1 297)**
Operating profit/(loss)		**(562)**	**(1 297)**
Net interest income		(103)	463
Other financial items		(133)	(91)
Impairment Investment in Subsidiary	7	(17 766)	0
Net financial income/(expense)		**(18 564)**	**372**
Profit/(loss) before tax		**(18 564)**	**(924)**
Income tax expense			
Profit/(loss) from continuing operations		**(18 564)**	**(924)**
Net profit/(loss) for the period		**(18 564)**	**(924)**
Attributable to shareholders of the parent		(18 564)	(924)
Attributable to non-controlling interests		0	0

BW ideol

Parent company statement of comprehensive income
(Figures in KEUR)

	Note	2023	2022
Loss for the period		(18 564)	(924)
Items that are or may be reclassified subsequently to profit or loss			
Total comprehensive income for the period		**(18 564)**	**(924)**

BW ideol

Parent company statement of financial position

(Figures in KEUR)

ASSETS	Note	Period ending 31 December 2023	Period ending 31 December 2022
Investment in subsidiary	6, 7	107 324	101 824
IC long-term receivables	6	5 078	23 267
Total non-current assets		**112 402**	**125 090**
Trade receivables and other current assets		99	85
Cash and cash equivalents		1 481	1 871
Total current assets		**1 580**	**1 955**
TOTAL ASSETS		**113 982**	**127 046**

EQUITY AND LIABILITIES	Note	Period ending 31 December 2023	Period ending 31 December 2022
Share capital		313	313
Share premium		130 591	130 591
Retained earnings		(22 490)	(4 131)
Total equity		**108 414**	**126 772**
Shareholder Loans: Interest-bearing long-term debt		5 288	
Total non-current liabilities		**5 288**	**0**
Trade payables and other short-term liabilities		280	274
Total current liabilities		**280**	**274**
Total liabilities		**5 568**	**274**
TOTAL EQUITY AND LIABILITIES		**113 982**	**127 046**

BW ideol

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)
Share-based payment			626	626	626
Exchange differences					
Total equity on 31 December 2022	**313**	**130 591**	**(4 132)**	**126 772**	**126 772**

	Share capital	Share premium	Retained earnings	Shareholder's equity	Total equity
Total equity on 1 January 2023	313	130 591	(4 132)	126 772	126 772
Profit/loss for the period			(18 564)	(18 564)	(18 564)
Share-based payment			207	207	207
Exchange differences					
Total equity on 31 December 2023	**313**	**130 591**	**(22 490)**	**108 414**	**108 414**

BW ideol

Parent company statement of cash flows
(Figures in KEUR)

	2023	2022
Profit/(loss) before taxes	(18 564)	(924)
Impairment	17 766	
Share-based payment expense	207	626
Add back of net interest expense	103	(463)
Changes in other balance sheet items and items related to operating activities	94	193
Net cash flow from operating activities	**(394)**	**(568)**
Investment in subsidiaries		
Net cash flow from investing activities	**0**	**0**
Interest paid	4	
Net cash flow from financing activities	**4**	**0**
Net change in cash and cash equivalents	**(390)**	**(568)**
Cash and cash equivalents at beginning of period	1 871	2 439
Cash and cash equivalents at end of period	**1 481**	**1 871**

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 was listed on Euronext Growth Oslo (Norway) from 18 March 2021 to 20 December 2023. On Dec 20 2023, Oslo Børs has officially delisted the BW Ideol Shares from Euronext Growth. BW Ideol AS is the holding company and has no 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 14 February 2024.

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.

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 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.

BW ideol

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 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.

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.

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.

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.

BW ideol

Note 3 – Operating expenses

	2023	2022
Management and support services	29	47
Share-based payment expense	207	626
Director's fees	145	168
Lawyer's fee	10	35
Audit fees	109	129
Other expenses	62	292
Total operating expenses	**562**	**1 297**

Note 4 – Financial assets and liabilities

31 December 2022

	Financial assets	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
Total	**25 223**	**274**

31 December 2023

	Financial assets	Financial liabilities
Cash and cash equivalents	1 481	
IC - Long-term receivables	5 078	
Other current assets	99	
Shareholder Loan: Interest-bearing long-term debt		5 288
Other current liabilities		273
IC - Short-term liabilities		7
Total	**6 658**	**5 568**

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

Note 5 – 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, the Audit Committee 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 2023 such expenses and investments are not significant. BW Ideol AS has no financial instruments for currency hedging per 31 December 2023 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 2023.

For the financial assets and financial liabilities reported at 31 December 2023 the carrying amount is a reasonable approximation of fair value.

Subsidiaries	Country of Incorporation	Ownership 2023	Ownership 2022
Ideol SAS	France	100%	100%

Note 6 – Intercompany receivables and payables

	2023	2022
Long-term related parties receivables		
Ideol SAS	5 078	23 267
Total long-term related parties receivables	**5 078**	**23 267**
Long-term related parties payables		
Shareholder Loan : BW Offshore Holdings Pte. Ltd.	4 408	
Shareholder Loan: Larochette Invest Sarl	880	
Short-term related parties payables		
Total long-term related parties payables	**5 288**	
BW Offshore Norway AS	4	
BW Offshore Singapore Pte. Ltd.	3	1
Total short-term related parties payables	**7**	**1**

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. The remaining loan amount and related capitalized interest was converted to equity on 1 June 2023 for an amount of EUR 23.3 million.

The parent company BW Ideol AS granted its subsidiary Ideol SAS a new loan facility of EUR 12 million on 5 June 2023. As at 31 December 2023 the amount of the facility drawn down was EUR 5 million. Capitalized interest on the loan amounted to EUR 0.08 million at 31 December 2023.

The parent company BW Ideol AS was granted a shareholder loan facility of EUR 10 million on 21 March 2023. As at 31 December 2023 the amount of the facility drawn down was EUR 4.2 million from BW Offshore Holdings Pte. Ltd and EUR 0.8 million from Larochette Invest Sarl. Capitalized interest on the loan amounted to EUR 0.3 million at 31 December 2023.

Intercompany loan agreements with subsidiaries are set up based on regular market rates depending on the location of operation.

Note 7 – Investment In Subsidiaries

In 2023, the Company recorded an impairment loss of EUR 17.7 million on investments in subsidiaries to record the net investment at its recoverable amount.

KPMG

KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

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 financial statements of the parent company BW Ideol AS (the Company), which comprise the statement of financial position as at 31 December 2023, the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, 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 2023, 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 material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,

- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting 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 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting 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 in Norway 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.

KPMG

Other Information

The Board of Directors and the Managing Director (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 IFRS Accounting 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

KPMG

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, 14 February 2024

KPMG AS

Hendrik L. Oostenrijk
State Authorised Public Accountant

Skatteetaten

Vår dato 15.11.2021	Din/Deres dato 25.10.2021	Saksbehandler Lars Waaltorp
800 80 000 Skatteetaten.no	Din/Deres referanse AR451986612	Telefon 90833418
Org.nr 974761076	Vår referanse 2021/6499266	Postadresse Postboks 9200 Grønland 0134 OSLO

BW IDEOL AS
Drammensveien 151
0277 OSLO

Att. Mirjam Skulevold

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for BW Ideol AS, org.nr. 925 905 674

Vi viser til deres brev av 25. oktober 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for BW Ideol AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering BW Ideol AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn
BW Ideol AS har hovedsakelig utenlandske eiere og er en del av et internasjonalt konsern. Selskapets formål er å drive virksomhet innenfor utvikling og investering i flytende havvindprosjekter, ingeniørarbeid, anskaffelser, konstruksjon og installasjon av flytende havvindfundamenter og alt som står i den forbindelse, herunder å eie aksjer i andre selskaper. Konsernets hovedaktivitet foregår i utlandet, og internkommunikasjon foregår på engelsk og fransk. Selskapet har utenlandske styremedlemmer.

Skattekontorets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> "Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i

samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet hovedsakelig har utenlandske eiere og er en del av et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.