



ZITON – the offshore wind market leading O&M service provider

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ZITON IN BRIEF

- ZITON is the market leading O&M service provider within offshore wind in Europe

1,575
Interventions completed

26
Different turbine models

73
Different wind farms

8
Countries

5.3 GW
Saved

5
Jack-up vessels

EUR 66m
Revenue (LTM)

230
Employees in total

150
Vessel crew

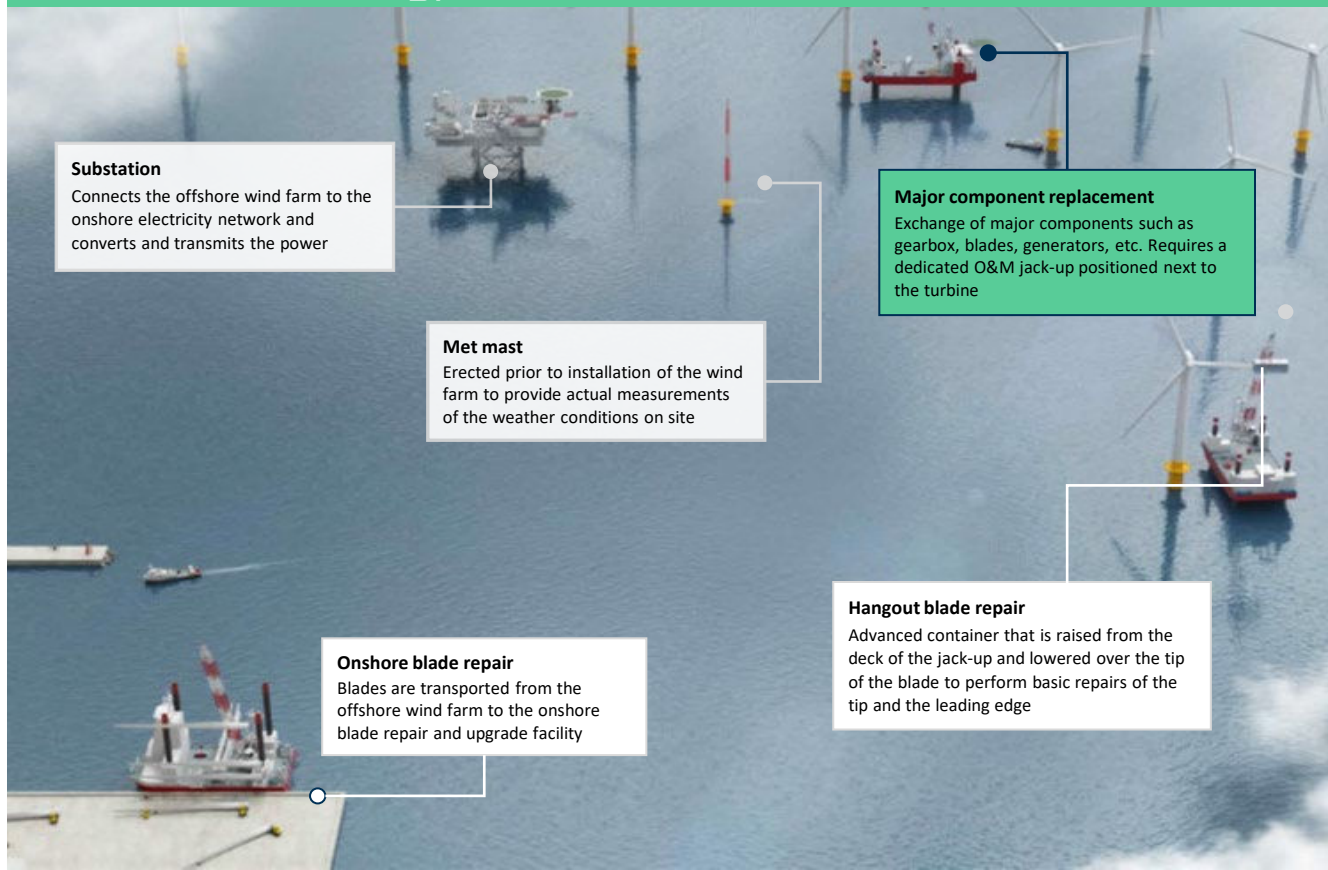
30
Turbine technicians

50
Onshore
(project managers, operations
managers etc.)

OVERVIEW OF SERVICES PROVIDED

- ZITON's core offering comprising turnkey solutions for replacements of major components such as generators, gearboxes, blades, etc.
- Complementary offering with installation support, blade repairs and decommissioning services; effectively leveraging the Group's superior know-how within offshore wind maintenance

Types of services offered

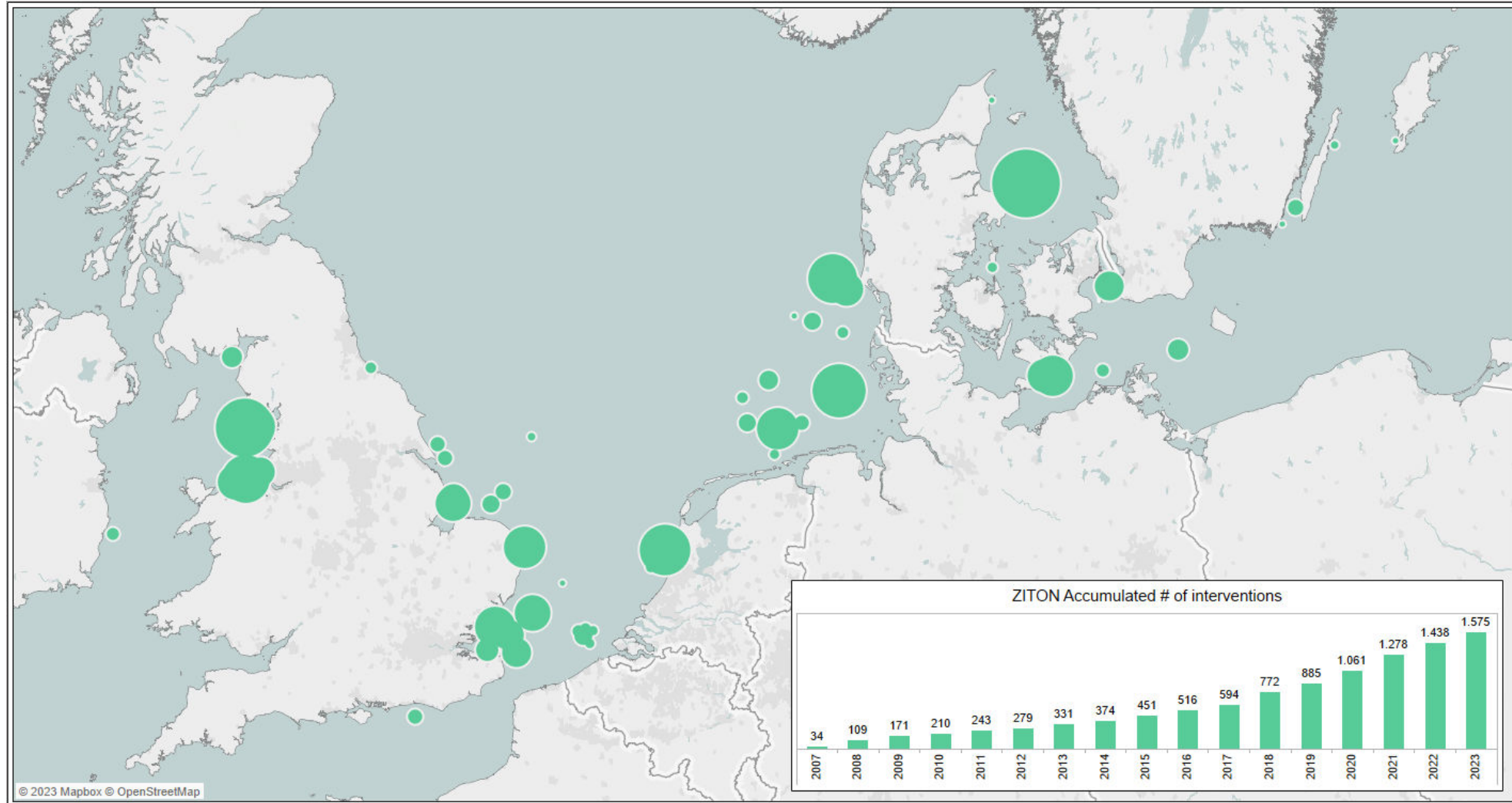


Examples of major components



OUR TRACK RECORD

- ZITON is 100% dedicated to offshore wind in Europe



VERSATILE AND MODERN FLEET

WIND ENERGY



- Similar to ENTERPRISE, suitable for up to **10MW** turbines and has service capability of around 92% of turbines currently installed in Europe
- Will be able to serve **11MW** turbines following the expected leg extension in 2024
- Built in South Korea in 2011 and purchased from Chinese owners in June 2023
- In the process of being upgraded to European standards to enter into six-year time charter with Siemens Gamesa from around 1 January 2024

WIND ENTERPRISE



- Suitable for up to **10MW** turbines and has service capability of around 92% of turbines installed in Europe
- Built in South Korea in 2011 and chartered on a bareboat from Vroon in 2019 and subsequently acquired by ZITON in 2021
- Added to the fleet to meet increasing demand for servicing larger turbines with capacity of up to 10 MW
- Operating under time charter agreement with Siemens Gamesa since March 2021
- Signed extension of the contract with Siemens Gamesa until December 2029 on significantly improved day rate from Mid-2025

WIND SERVER



- Suitable for up to **6MW** turbines and has service capability of around 58% of turbines installed in Europe
- Built in Germany by ZITON in 2014
 - The first jack up vessel purpose built for the O&M market
 - Key clients participated in the vessel design process
- During 2023, the vessel operates on framework agreements with RWE, SSE, Vattenfall and other tenders attained

WIND

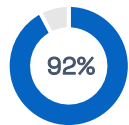


- Suitable for up to **3.6MW** turbines and has service capability of around 30% of turbines installed in Europe
- Built by Damen Shipyard in 1996 and acquired by ZITON in 2007
 - Underwent two major upgrades in 2010 and 2011
 - Performed over 500 major component replacements, making WIND the most experienced vessel in the market today
- During 2023, the vessel operates on framework agreements with RWE, Vattenfall, Ørsted and other tenders attained

WIND PIONEER



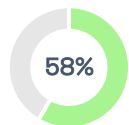
- Suitable for up to **3.6MW** turbines and has service capability of around 32% of turbines installed in Europe
- Acquired by ZITON in 2012 and converted to a dedicated O&M jack up at Orskov Yard
 - Built in South Korea in 2010 and operational since October 2015
- Designed specifically for shallow water locations and challenging seabed profiles
- During 2023, the vessel operates on framework agreements with RWE, Vattenfall, Ørsted and other tenders attained



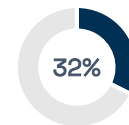
92%



92%



58%



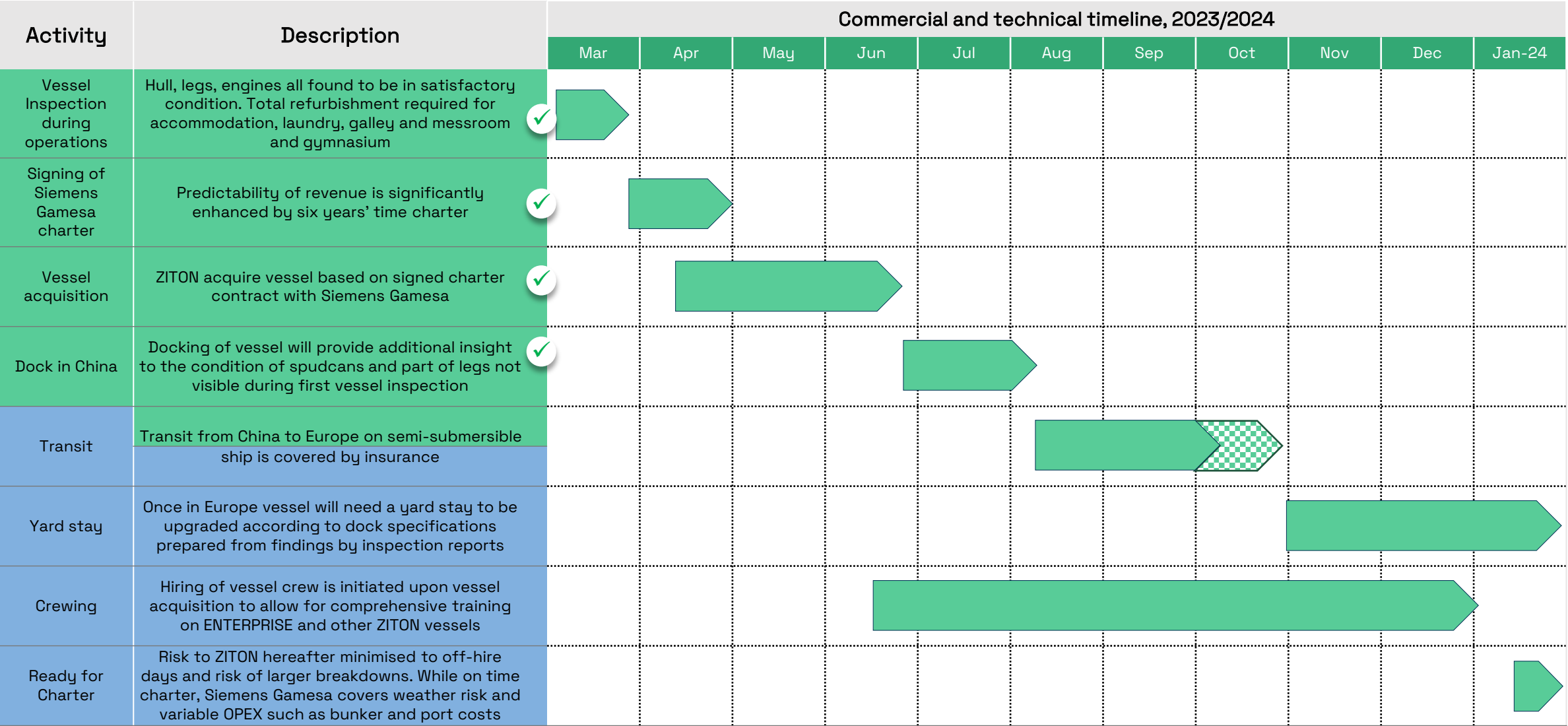
32%



30%

% of European installed wind farms reachable by each vessel

TIMELINE FOR WIND ENERGY ON CHARTER

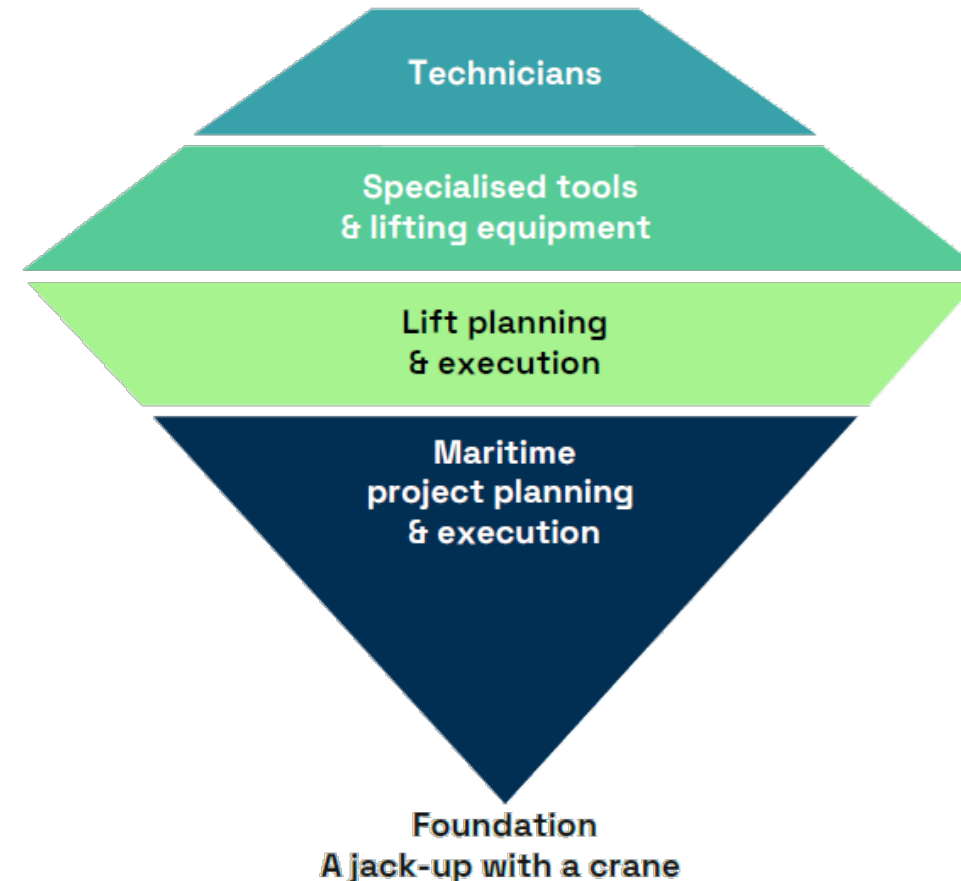


DIFFERENTIATION

ZITON continues to build differentiation

- ZITON has successfully pivoted from an asset provider into a differentiated full-service solutions
- The ZITON fleet of vessels has the lowest CO₂ footprint in the industry
- ZITON can provide a fleet of vessel able to service all customers' wind farms and ability to operate at more sites simultaneously
- ZITON is 100% focused on major component replacement and we hold our vessels available for quick response

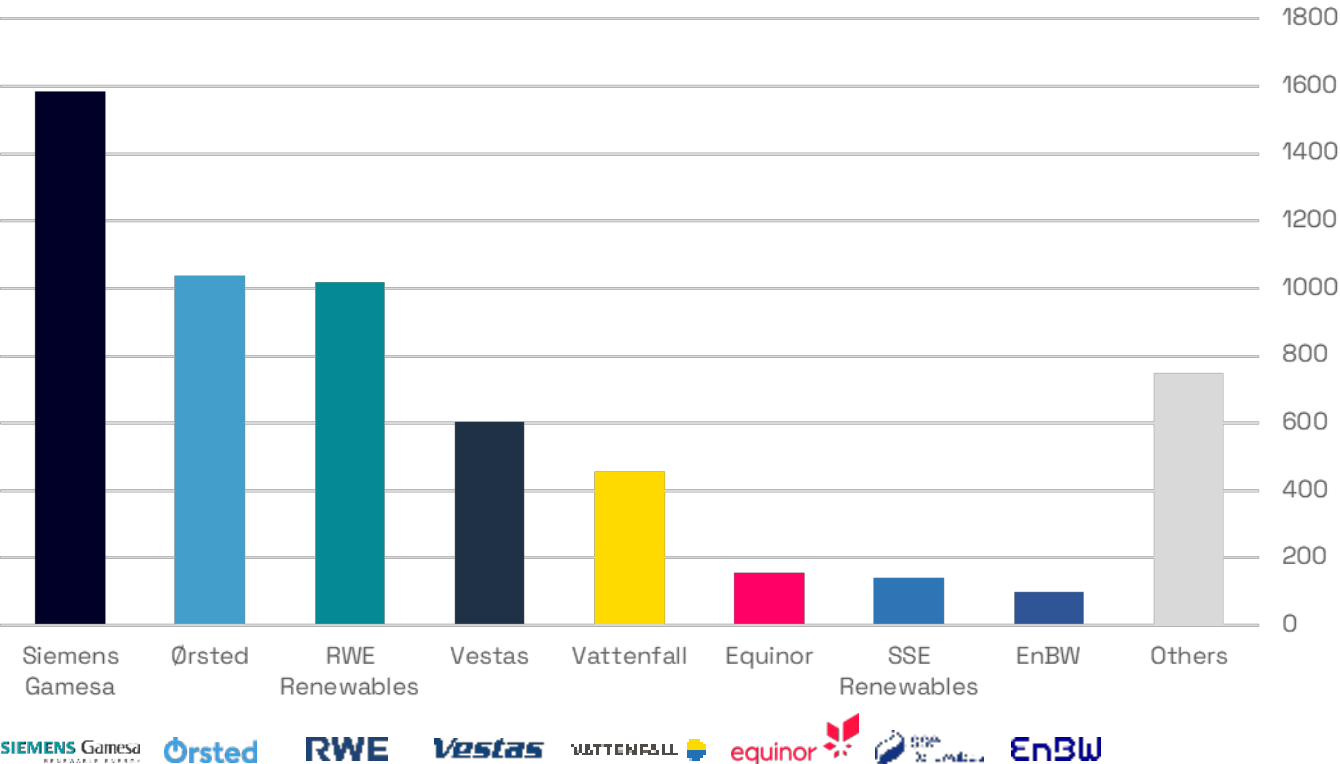
Offering full-service solutions



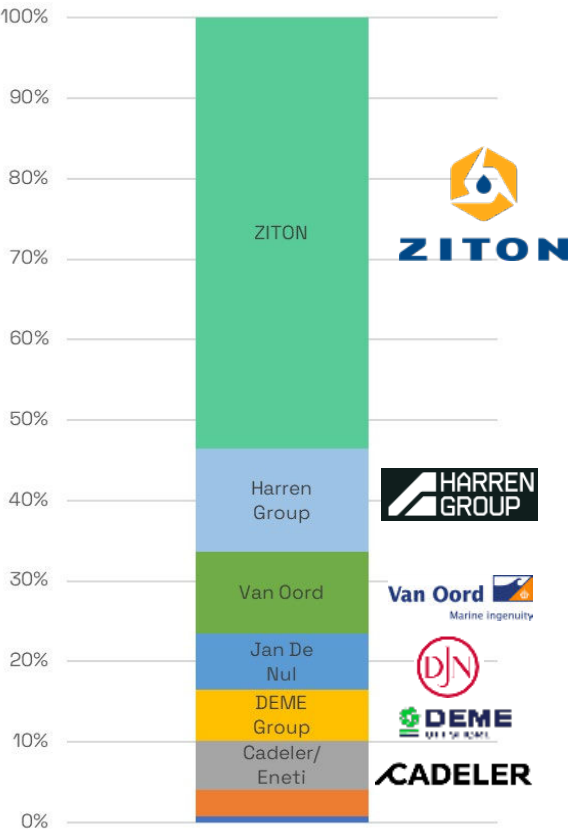
OVERVIEW OF CUSTOMERS & MARKET SHARE

- ZITON has close, long-lasting relationships with all the largest OEMs and wind farm operators in the industry
- ZITON is the clear market leader within major component replacement with an estimated market share of 49%

Industry customers sorted by # of turbines under O&M management



Share of interventions, 2021-2022



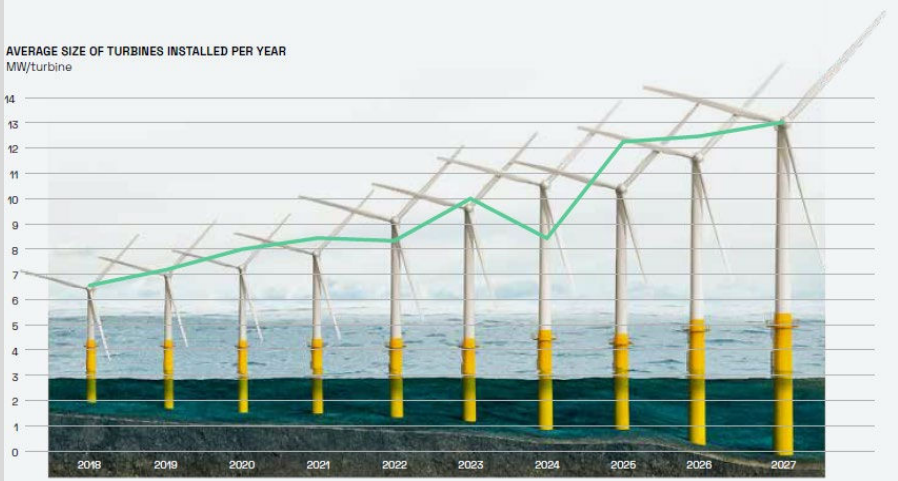
OVERVIEW OF CUSTOMER CONTRACTS

- ZITON has secured agreements with the five leading players in the industry: Siemens Gamesa, Ørsted, RWE, Vestas and Vattenfall which together cover 80% of offshore turbines in Europe. ZITON has also signed framework agreements with several other players
- Siemens Gamesa is expected to account for approx. 55% of revenue from mid-2025 secured by time charter contracts with fixed prices until end-2029
- Framework agreements generate continuous demand for ZITON. During the last 12 months customers are increasingly asking for quick response to repair turbines and commitment from ZITON in framework agreements. This is leading to higher prices and improved utilization of the vessels

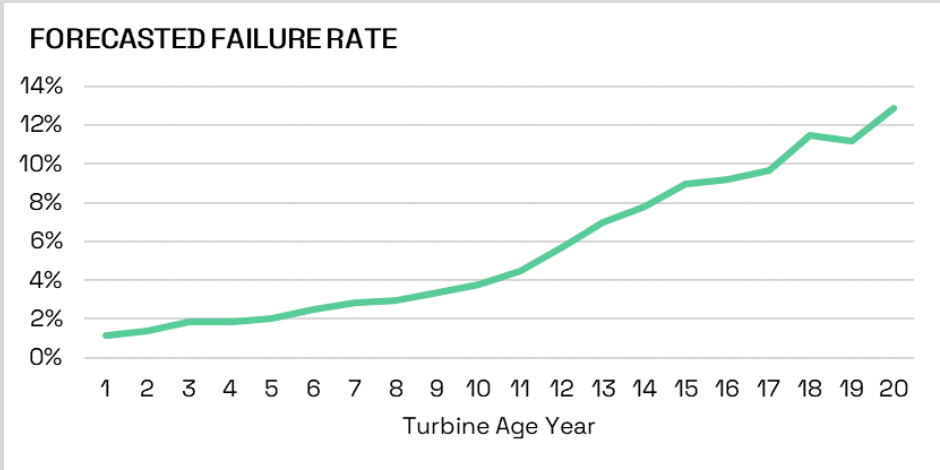
Client	Contract type	Share of 2022 revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
SIEMENS Gamesa RENEWABLE ENERGY	Time charter contract WIND ENTERPRISE	32%											
SIEMENS Gamesa RENEWABLE ENERGY	Time charter contract WIND ENERGY												
Ørsted	Framework agreement Not vessel specific	32%											
RWE	Framework agreement / time charter Not vessel specific	14%											
Vestas	Framework agreement Not vessel specific	9%											
VATTENFALL	Framework agreements Not vessel specific	6%											

MARKET DEMAND

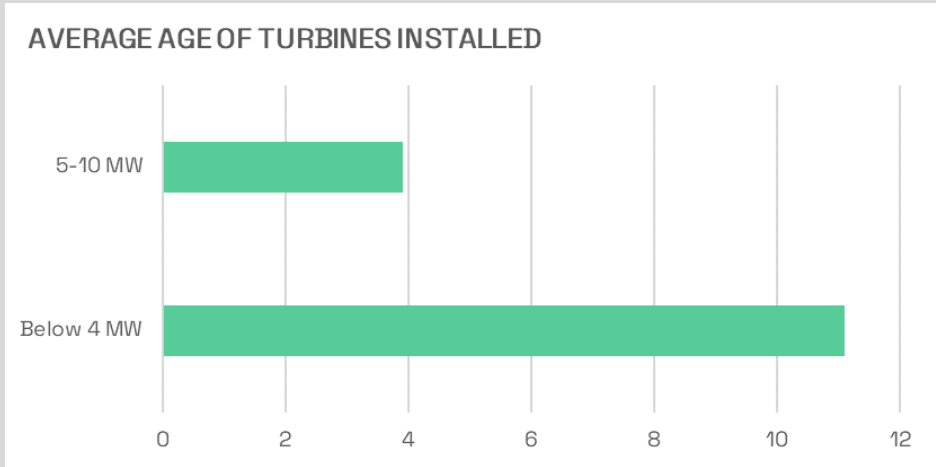
- Turbines are increasing in size, but older turbines will be serviced for 20-30 years



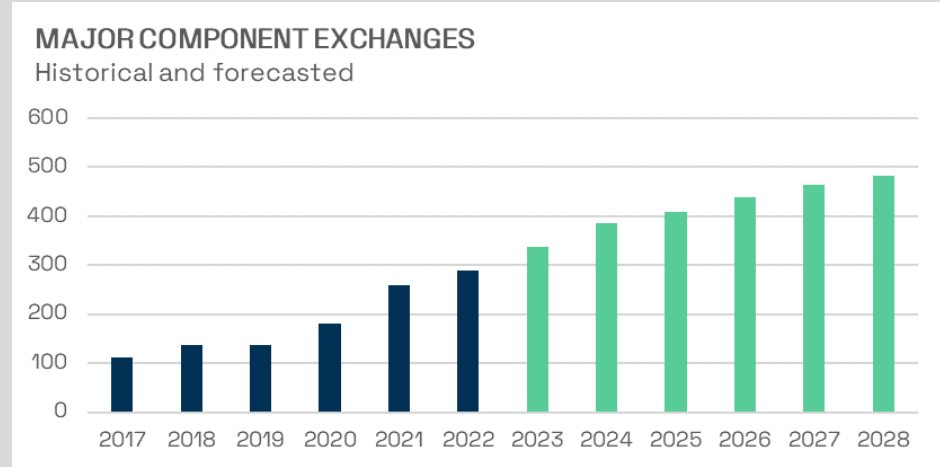
- When turbines reach an age of 6-10 years the failure rates accelerate mainly due to wear-and-tear



- <4MW turbines have higher failure rates as they are older than 5-10 MW



- Majority of exchanges in the forecast period are for below 4MW turbines that can be serviced by ZITON's smaller vessels



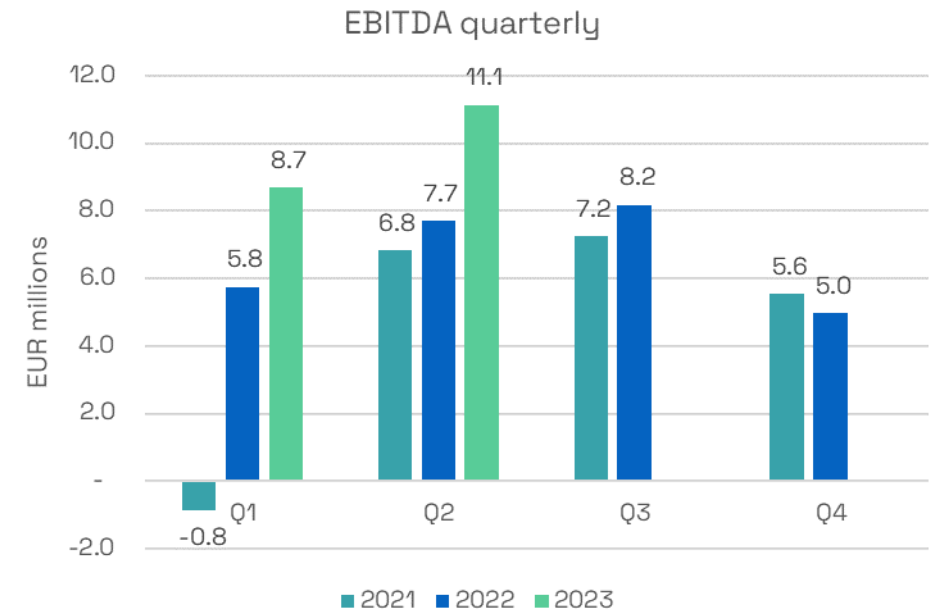
INTERIM REPORT Q2 2023

Profit & loss development

- Strong revenue growth due to strong market, improved pricing and strong execution
- OPEX somewhat higher than the year before due to higher activity level
- Quarterly development in EBITDA is very strong

INCOME STATEMENT

EUR'000	YTD 2023	YTD 2022	Change
Revenue	36,444	28,363	8,081
OPEX and project-related expenses	-12,157	-10,635	-1,521
SG&A	-4,466	-4,275	-190
EBITDA	19,822	13,452	6,369
Depreciation	-5,783	-5,539	-243
EBIT	14,039	7,913	6,126
Financials, net	-12,042	-11,965	-77
Income before tax	1,997	-4,052	6,049
Key ratios			
EBITDA margin	54.4%	47.4%	7.0%



INTERIM REPORT Q2 2023

Balance sheet

- Refinancing in June 2023, resulted in improved equity, financing for purchase of WIND ENERGY and longer duration of loans
- Available liquidity amounts to EUR 26.2m in addition to EUR 38.5m on CAPEX accounts

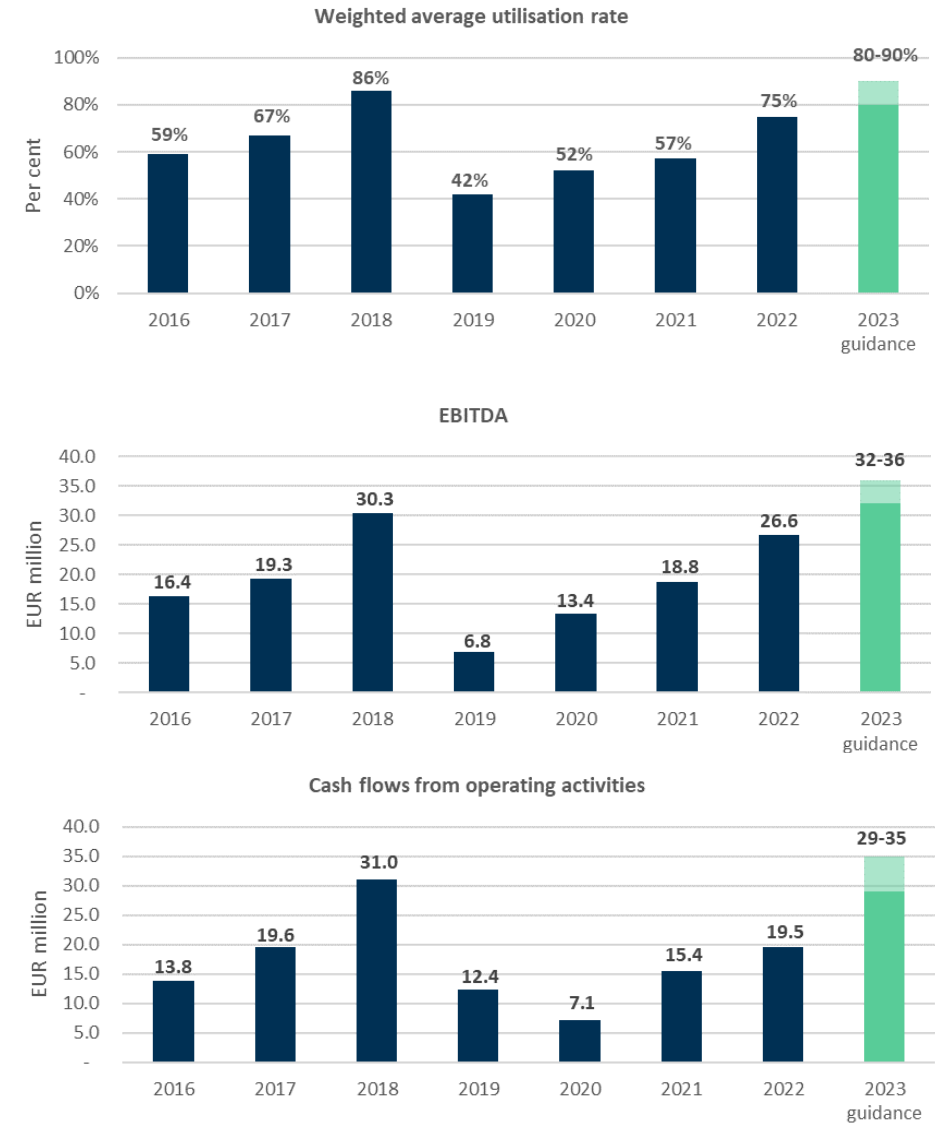
BALANCE SHEET

<i>EUR'000</i>	Q2 2023	Q4 2022	Change
Assets			
Vessel, including fixtures & equipment	226,462	175,429	51,033
Other non-current assets	349	265	84
Non-current assets	226,811	175,694	51,117
Trade and other receivables	16,438	10,498	5,941
Cash and cash equivalents	58,036	4,607	53,430
Current assets	74,475	15,104	59,371
Total assets	301,286	190,798	110,488
Equity and Liabilities			
Equity	23,954	7,304	16,650
Subordinated loan	-	-	-
ESG loan	95,642	-	95,642
Bond loans, second lien	29,980	51,940	-21,960
Bond loans, first lien	143,330	118,881	24,449
Lease obligations	588	360	227
Working capital facility	1	6,339	-6,338
Other liabilities	7,792	5,975	1,818
Total liabilities	277,332	183,495	93,838
Total equity and liabilities	301,286	190,798	110,488

<i>Available liquidity</i>	Q2 2023
Cash and cash equivalents	58,036
Available draw on working capital facility	6,713
Available liquidity	64,750
Amount on CAPEX accounts	-38,515
Available liquidity (net of CAPEX accounts)	26,235

GUIDANCE

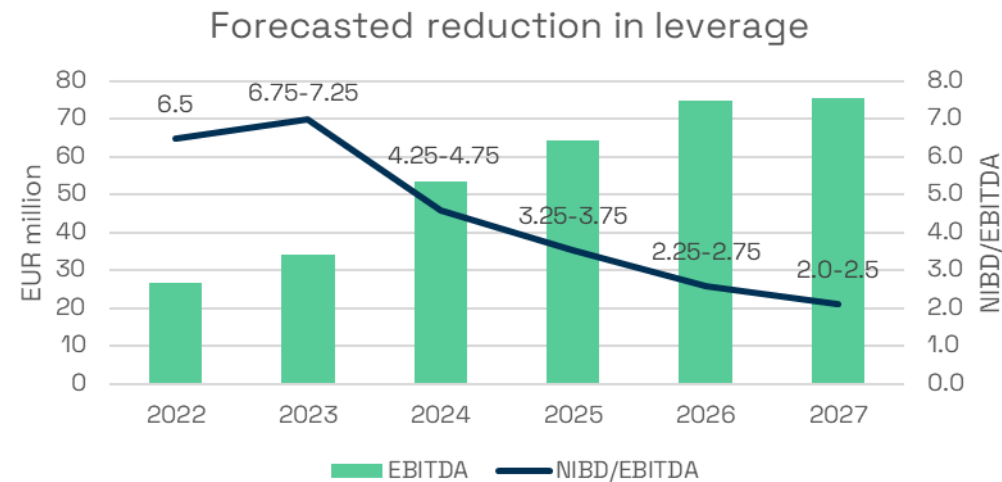
- **Weighted average utilisation rate.** We expect a utilisation rate in the range of 80%-90% which is unchanged from the previous guidance and up from our previous guidance of 75%-85%.
- **EBITDA.** We expect EBITDA to be in the range of EUR 32-36m up from the previous guidance of EUR 30-34m and our initial guidance of EUR 28-32m.
- **Cash flow from operating activities.** We expect cash flows from operating activities to be in the range of EUR 29-35m up from the previous guidance of EUR 27-31m and our initial guidance of EUR 25-29m.
- **CAPEX.** We expect CAPEX of around EUR 5m excluding CAPEX related to J/U WIND ENERGY. In addition, we expect CAPEX for J/U WIND ENERGY of approx. 82 MEUR incl. capitalized interest costs of approx. 5 MEUR related to the vessel.



LEVERAGE

Leverage

- Refinancing in June 2023, resulted in improved equity, financing for purchase of WIND ENERGY and longer duration of loans
- End of Q2 2023, available liquidity amounted to EUR 26.2m in addition we had EUR 38.5m on CAPEX accounts reserved for upgrade of WIND ENERGY



ESG COMMITMENT

- During the refinancing in June 2023, ZITON issued an ESG-linked loan of 100 MEUR. The margin on the direct loan is dependent on ZITON's ESG performance within CO₂ emissions, HSEQ performance and governance
- ZITON is preparing to report according to the ESRS for 2025
- ZITON will prepare to provide customers with their scope 3 emissions for 2024

Environment

ZITON's commitment

ZITON will do its utmost to decarbonize the Company

By active involvement and participation, ZITON will closely follow technologies and learnings that can be implemented to ensure a more sustainable operation

Technologies and alternative fuels available on the market will be offered to our customers to help them decarbonize their operations.

Strategic targets

Within 2025:

- Compliance with EU Taxonomy reporting standards
- Initiative offering supporting customer reduction targets

2025 – 2027:

- Compliance with EU MRV and EU ETS

Within 2030:

- Able to offer 10-15% reduction of emissions to the customers
- Be aligned with SBTi 1.5-degree pathway

Within 2045:

- Net-zero emission from operations

Social

ZITON's commitment

ZITON will ensure a safe and inspiring environment with equal rights for everyone

To attract the most qualified individuals we will ensure a safe and inspiring environment with equal rights for everyone

Through recognitions and opportunities for personal development in a flexible and flat organizational hierarchy ZITON support the employees to explore and develop their talent

Strategic targets

Within 2024:

- Annual employee surveys

Within 2025:

- Compliance with EU Taxonomy reporting standards

Governance

ZITON's commitment

ZITON will ensure responsible business and compliance with laws and regulations

Through the governance structure and policies, ZITON ensures that it operates sustainably and is in compliance with given laws and regulations

Strategic targets

Within 2025:

- Compliance with EU Taxonomy reporting standards
- Bi-annual stakeholder Double Materiality assessment surveys
- Annual training in compliance with ZITON Code of Conduct

THANK YOU

Securities issued

	1 st lien bond	2 nd lien bond
Nominal amount	EUR 150m	EUR 31.3m
Interest rate	3m EURIBOR + 9.5% step down to +6.5% when leverage is <4.25x	3m EURIBOR + 12.5% step down to +9.5% when leverage is <4.25x
Maturity	9 June 2028	9 Dec 2028
Covenants	a) Min. liquidity EUR 15m until Q3 2024 b) Interest coverage >1.25x end 2024 stepping up to 1.75x / 2.25x / 2.50x / 2.75x from and including YE 2025 / YE 2026 / 30 June 2027 / YE 2027 c) Leverage <6x end 2024, stepping down to 4.25x / 3.00x / 2.50x / 2.00x from and including YE 2025 / YE 2026 / 30 June 2027 / YE 2027	
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