FairWind

Committed to green transformation

Q2 2024 FINANCIAL REPORT

Force BidCo A/S

August 2024

About FairWind

Force BidCo A/S is the parent company to FairWind A/S (together referred to as the "Group" or "FairWind").

FairWind is the global market leader within onshore wind turbine installation, with a strong presence also within offshore and service. With its global presence and capabilities, FairWind is a strategic partner and sub-supplier to wind turbine OEMs in +40 countries. The company is headquartered in Vejle, Denmark, with its main technician hub in Szczecin, Poland.

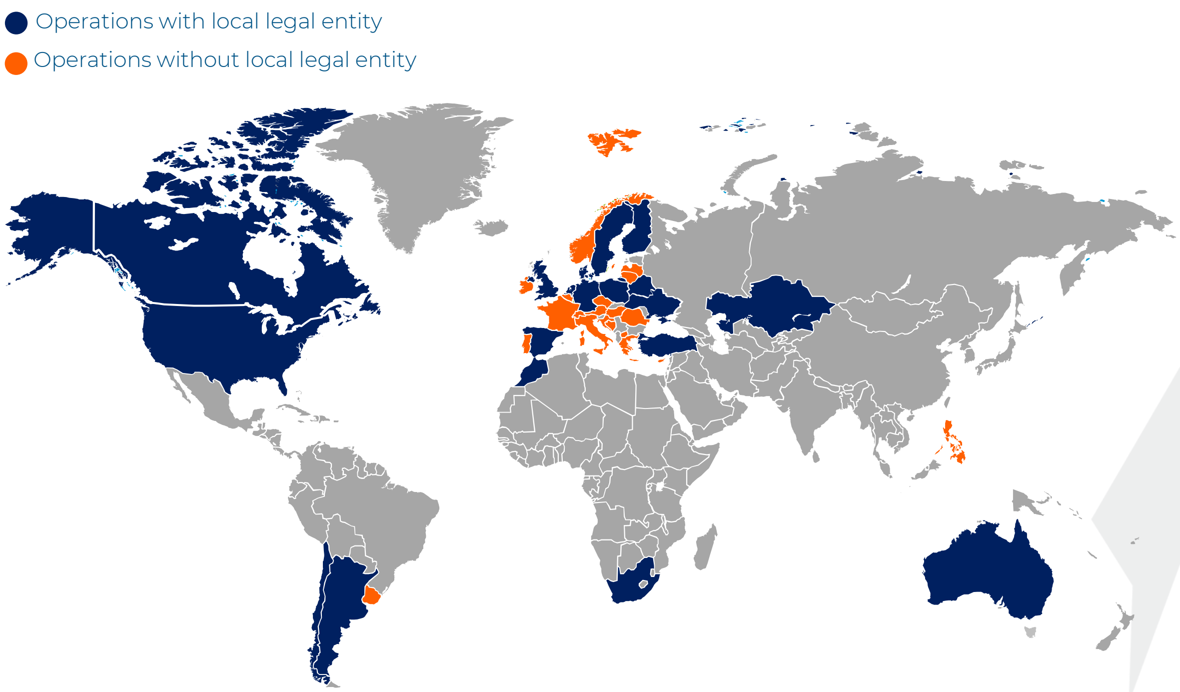
The underlying market is growing rapidly, as renewable energy is enjoying political support and support of the public. In addition, technology advancements make renewables an increasingly attractive energy source. Renewable energy sources will account for all growth in energy generation towards 2050 and wind is the single biggest contributor to the energy transition.

1 500+	40+	25.20	6 700
Technicians	Countries entered	GW installed (2016-2023)	Turbines installed (2016-2023)

*) KPI's excluding Wind1000

Global Service

One-stop partner for installation and service solutions of onshore and offshore wind turbines worldwide. Business in over 40 countries and currently legal entities in 19.



*) Geographical map excluding Wind1000

Highlights Interim Report for Q2 2024

Key Figures[1]

EUR '000	Q2 2024	Q2 2023	YTD Q2 2024	YTD Q2 2023	LTM Q2 2024
Net Revenue	**58 387**	**37 148**	**91 565**	**70 037**	**181 736**
Gross Profit	13 274	7 865	20 950	14 693	43 269
Gross Margin	22.7%	21.2%	22.9%	21.0%	23.8%
Adj. EBITDA	**4 716**	**2 007**	**5 215**	**3 450**	**13 910**
Adj. EBITDA Margin	8.1%	5.4%	5.7%	4.9%	7.7%
Adj. EBITA	**3 052**	**917**	**2 287**	**1 383**	**8 637**
Adj. EBITA Margin	5.2%	2.5%	2.5%	2.0%	4.8%
Net Debt	79 218	60 424	79 218	60 424	79 218

Highlights in Q2 2024

- The revenue for Q2 meets budget expectations, with the development underpinning a positive trend in-line with expectations for the year. The increased revenue compared to the same period last year is a combination of the acquisition of Wind1000 and organic growth of the business across all regions.
- We are delivering reasonably on our gross margins across the business, increasing the performance from the same period last year. The increased performance is spread across the business, though especially within our installation business improvements are visible.
- Cash position had a negative trend for the period, which mainly comes from working capital changes, primarily driven by a few larger projects and the higher activity level in general.
- FairWind has provided the first reporting for greenhouse gas emission on Scope 1 and Scope 2, reaching a major milestone for our commitment to decrease our environmental footprint and increase our sustainability efforts across the group.
- FairWind awarded the installation of 30 turbines in Australia, marking a significant milestone for the APAC region.
- In the SESA region, the first decommissioning contract was awarded for 97 turbines in Spain, expanding the service offerings.
- In Q2, zero lost-time injuries occurred, continuing the positive trend from the previous quarter, meaning that in the first half of 2024, FairWind did not record a single lost time incident.

Events after the quarter end

- FairWind awarded major pre-assembly project in Taiwan, covering 73 turbines. The project is expected to run until the summer of 2026.

[1] Consolidated figures for Force BidCo A/S

Message from CEO

I am pleased to announce that our Q2 results are in line with budget expectations, also now taking into account the inclusion of the Wind1000 acquisition which closed in Q1.

The reduced activity levels in the US, experienced in Q1, have now returned to the levels as anticipated for the Qtr. The higher levels of activity in our NCE and APAC regions have continued from Q1 into Q2. Installation activity across the business in the Qtr. represents the larger revenue stream as compared to previous Qtrs. which reflects the Wind1000 activities within our newly formed SESA region which are at present predominantly installation related projects. Gross Margins across the business of 22.7% as compared to 21.2% for the same period last year reflecting both operational performance and continued diversification of our services and customer base.

Q2 revenues of Euros 58.4m with an Adjusted EBITDA of Euro 4.7m, an increase of Euro 2.7m as compared to the same period in 2023 which is driven by the inclusion of Wind1000 and improvements in the overall performance of the business.

Our focus is, and will continue to be, in the safe and efficient execution of our current backlog, securing the award of projects within the sales pipeline which meet the requisite criteria for profitability and risk exposure whilst continuing in the diversification of our business to a balanced revenue portfolio between Installation, Service and Training, at the same time expanding our Geographic presence and customer base. This has been evidenced in the Qtr. with our first major award in the APAC region as part of the Golden Plains Windfarm Project in Australia, the first decommissioning Service activities in Southern Spain for the Tahivilla Project and numerous awards in the US with OEM's and Asset owners, comprising of current and new customers for ongoing maintenance works, major component exchange, and repair scopes. Similarly, we are in the process of securing our first major installation contract in Mexico as part of our SESA business unit.

Our HSEQ performance in the Qtr. and H1 as compared to the same periods last year marks a significant improvement, reflecting the efforts of the entire organization and customer groups to embrace the need for change, however there is always more work to do in not only improving quality but also ensuring the safety of all our employees and contractors. In addition, in line with our ESG objectives, we have reached a major milestone in reporting of Greenhouse Gas Emissions reflecting our ongoing commitment to reduce our environmental footprint and increase sustainability

The development of many of our new back-office systems aimed to streamline and enhance the financial and operational performance across the organization are nearing completion and entering into the roll out and implementation phases with expected completion before year end.

The outlook for H2 remains positive in ensuring delivery of the full year results in line with our expectations. Activity levels are high in all regions as we execute projects within the current backlog and the sales pipeline continues to be robust in order to meet the 2024 targets.

Whilst our Q2 and H1 performance is encouraging, our attention remains in the safe and efficient delivery or our projects for the remainder of the year and also to continue to develop and execute on our longer-term growth strategies. In so doing I would like to thank our employees, contractors, customers' and investor groups for your dedication, hard work to date and continued support in the future.

Sincerely,

Stewart Mitchell
CEO, FairWind

Business and Market Overview

In Q2, we have seen Installation taking up a larger share of the revenue stream compared with previous quarters, which is derived from the acquisition of Wind1000, whom mainly have ongoing works in this segment. Though, with the increased Service demand, we expect Service to keep growing its share of the business in the coming years. Overall, we experience a positive trend for our business, in line with our expectations for growth.

The addition of Wind1000 into the FairWind portfolio has already provided positive synergies with the possibility of bringing additional resources into critical projects. At the same time, the SESA region is showcasing multiple opportunities and showing good progress to meet the budget for 2024.

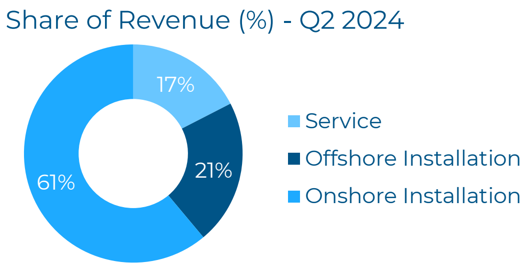
In the Asia Pacific region, we have secured and commenced a major onshore construction project for a key client in Victoria, Australia, and have noted a steady increase in tendering for installation of new wind farms. At the same time, other projects in the region have been prolonged, providing good indications for the following quarters.

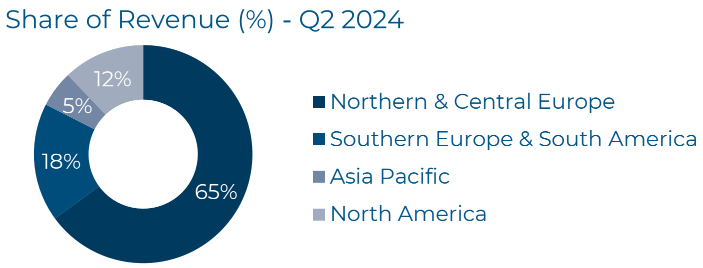
The North American market is still poised for steady wind energy growth due to the Inflation Reduction Act, while we experience increased utilization on our manpower. An internal focus on growing the FairWind team to meet the increasing demand in the market, especially with the potential for increasing the service business and expansion of the pool of customers.

In Europe, we have seen a strong performance with projects delivering ahead of schedule and customer extensions on ongoing projects, supported by a strong pipeline setting the region up for expected growth in 2024. There is a strong focus on onboarding more technicians to meet the increasing demand in the market.

At the same time, we have noted that our main customers, the turbine OEMs, reported increases in order backlog and growing service revenues compared to H1 2023, representing a positive improvement in overall market conditions.

Revenue split by business unit and geography.





Environment, Social, & Governance Overview

We are devoted to being a part of a more sustainable future. Our core work is an important part of this, and by erecting and servicing wind turbines worldwide, we are contributing to a sustainable transformation every day.

Our CSR efforts are directly linked to our Vision & Mission with focus on delivering to 3 of the 17 global **UN Sustainable development goals.**

- *Affordable and Clean Energy (7)*
- *Climate Action (13)*
- *Local economic growth through decent work (8)*

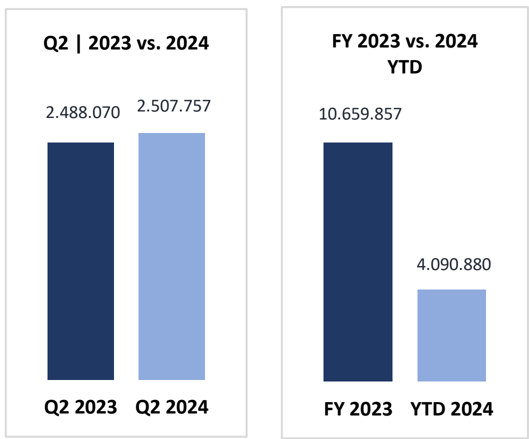
Progress as of Q2 2024

For the first time, FairWind is now in a position to start tracking greenhouse gas emission in an effort to measure our Scope 1, Scope 2, and Scope 3 emissions. The first reporting numbers are available for Scope 1 and 2, showing that emissions on scope 1 have increased slightly in Q2 2024 (0.79%), compared to the same period last year.

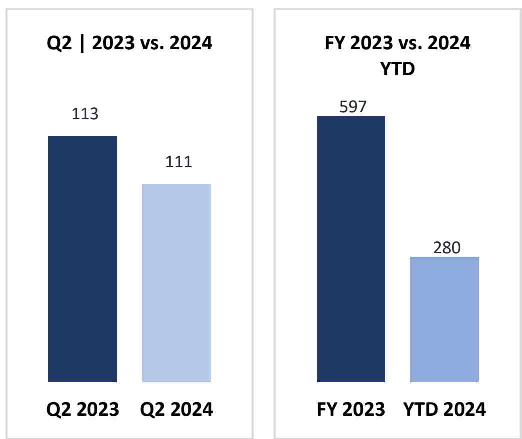
At the same time, a reduction of 1.77% has been delivered for the same period for Scope 2, showing a positive trend, which we will focus on utilizing for the upcoming tasks with positioning ourselves for future reductions.

Finally, FairWind is working on meeting the criteria for reporting under the Corporate Sustainability Reporting Directive (CSRD), with the first group sustainability report expected to be released in Q2 of 2025, covering the performance for 2024.

Scope 1 Emissions | Co2 in Tonnes



Scope 2 Emissions | Co2 in Tonnes



Financial Overview

Effective from Q1 2024, the Company has changed its reporting currency from DKK to EUR to reflect our global operations. Comparative figures for previous periods have been restated in EUR.

Net revenue for the Group realized at EUR 58.4m in Q2 2024 (Q2 2023: EUR 37.1m), a growth of EUR 21.2m or 57% compared to the same period last year. Wind1000 was not included in the comparative period but contributed EUR 5.5m in Q2 2024 approx. 24% of the total revenue growth.

Gross margin increased to 22.7% in Q2 2024, compared to 21.2% in Q2 2023. The increased margins are primarily driven by improved project execution in the Installation business.

Compared to Q2 2023, adjusted EBITDA increased from EUR 2.0m in Q2 2023 to EUR 4.7m in Q2 2024, mainly due to growth and margin improvements.

Normalized EBITDA & EBITA

During the period some normalized costs occurred, primarily related to the investor group. The cost is classified as a non-recurring expense for a potential new owner.

EUR ‘m	Q2 2024	Q2 2023
Adjusted EBITDA	4.7	2.0
Normalized costs	0.1	0.1
Normalized EBITDA	**4.8**	**2.1**
Norm. EBITDA Margin	8.2%	3.6%
Normalized EBITA	**3.1**	**0.9**
Norm. EBITA Margin	5.2%	1.6%

Several non-recurring items were recognized in Q2 2024 compared to Q2 2023, primarily relates to M&A activities and organizational changes.

Capex investments in Q2 consist of new office lease together with investments in tools to support the growth and digitalization of the business.

The draw down on the Revolving facility increased by EUR 2.5m compared to Q1 2024 and cash positions decreased by EUR 2.9m, which is a net decrease of EUR 5.4m mainly driven by changes in working capital due to higher activities.

The opening balance from Wind1000 included in Q1 is still unaudited. Expect to complete the final audit during Q4 2024.

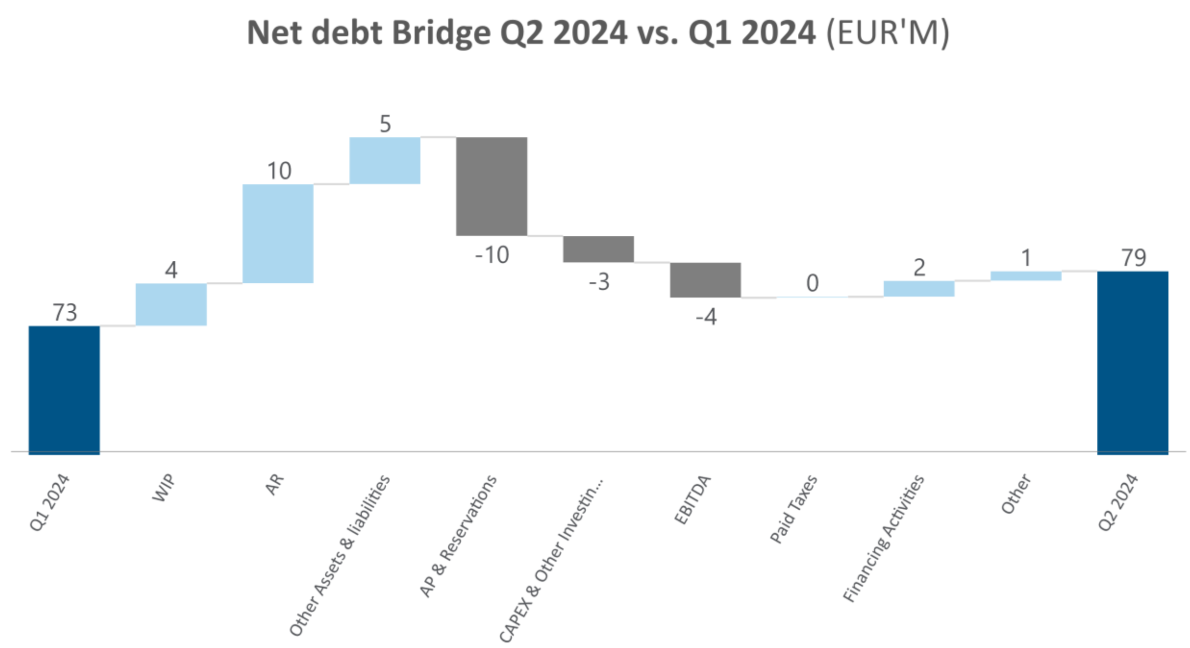
Net Debt

Net debt overview

EUR '000	Q2 2024	Q1 2024
Cash	(12 610)	(15 553)
Long term liabilities[1]	67 497	66 800
Credit institutions	24 331	21 825
Net Debt	**79 218**	**73 072**

1: Long term liabilities including short-term lease debt

Net debt increased compared to the previous quarter, mainly driven by changes in net working capital due to higher activities. The increase was more than offset by the increase in LTM Adj. EBITDA which increased the Leverage ratio from 4.0x in Q1 2024 to 4.1x in Q2 2024.



Profit & Loss Statement – Consolidated

EUR '000	Q2 2024	Q2 2023	LTM Q2 2024
Net revenue	**58 387**	**37 148**	**181 736**
Direct costs	(45 113)	(29 282)	(138 467)
Personnel expenses	(4 724)	(3 152)	(16 132)
Other external expenses	(3 834)	(2 706)	(13 228)
Adjusted EBITDA	**4 716**	**2 007**	**13 910**
Non-recurring items	(1 060)	(430)	(4 804)
EBITDA	**3 656**	**1 577**	**9 105**
Depreciation and amortization	(1 664)	(1 090)	(5 273)
EBITA	**1 992**	**487**	**3 833**
Financing cost, net	(1 972)	(949)	(8 953)
Profit/loss before tax	**21**	**(462)**	**(5 120)**
Taxes	(573)	(163)	(2 415)
Profit/loss for the period	**(552)**	**(626)**	**(7 535)**

Balance Sheet – Consolidated

EUR '000	Q2 2024	Q1 2024
Assets		
Goodwill and Trademarks	77 553	81 977
Tangible fixed Assets	20 934	24 614
Other non-current Assets	4 000	0
Total non-current Assets	**102 486**	**106 590**
Trade receivables	40 493	29 976
Work in progress	17 048	12 538
Inventory	349	310
Other receivables	4 093	3 862
Accrued courses	5 154	4 350
Corporate Tax (Assets)	179	421
Deferred tax	4 968	5 042
Cash	12 610	15 553
Total current assets	**84 894**	**72 051**
Total assets	**187 381**	**178 641**
Equity and liabilities		
Equity	**44 486**	**45 066**
Deferred Tax	**6 892**	**2 903**
Long term liabilities	**66 476**	**69 989**
Credit institutions	24 331	21 825
Trade payables	23 605	14 134
Accrued costs (reservations)	6 826	5 994
Corporate tax	835	718
Other liabilities	13 930	18 012
Short term liabilities	**69 527**	**60 683**
Total liabilities	**136 003**	**130 672**
Total equity and liabilities	**187 381**	**178 641**

Reporting Force Bidco A/S: IFRS and including Force Bidco A/S and subsidiaries

Cash Flow Statement– Consolidated

EUR '000	Q2 2024	Q2 2023	LTM Q2 2024
EBIT	1 992	487	3 833
Depreciations and accrued courses	1 664	1 090	5 273
EBITDA	**3 656**	**1 577**	**9 105**
Changes in Working Capital:			
- Change in Work in progress	(4 418)	2 399	(7 152)
- Change in Trade Receivables	(10 296)	4 268	(5 067)
- Change in inventories	(39)	(78)	180
- Change in Other Receivables	(5 829)	(206)	(7 675)
- Change in Trade Payables	9 434	(1 629)	10 848
- Change in Accrued Cost (Reservations)	848	(750)	230
- Change in Other Liabilities	931	(1 896)	9 272
- Change in Accrual Courses	(775)	(394)	(2 069)
- Change in Deposits	46	(113)	(88)
Changes in Working Capital total:	**(10 098)**	**1 602**	**(1 521)**
Paid Taxes	(127)	(1 120)	(2 800)
Cash flows from operating activities	**(6 568)**	**2 058**	**4 785**
Additions of Property, plant and equipment	(2 031)	(1 189)	(5 776)
Disposals of Property, plant and equipment	27	110	1
Additions of Goodwill and other Intangible assets	-	-	(2 165)
Other Investing activities	4 766	-	(19 611)
Cash flows from investing activities	**2 763**	**(1 079)**	**(27 451)**
Leasing, net	611	(216)	292
Currency exchanges	67	(119)	1 222
Paid/received interest	(2 316)	(478)	(8 597)
Issuing of new bonds	-	-	5 002
Contribution from Shareholders	-	-	11 460
Credit Institution Loan	(6)	-	4 794
Opening Cash from Acquisition	-	-	5 684
Repayments, loans from shareholders	-	(78)	99
Cash flows from financing activities	**(1 644)**	**(890)**	**19 958**
Change in cash and cash equivalents	**(5 449)**	**89**	**(2 709)**
Opening Cash and Cash equivalents	15 553	6 813	9 134
Opening Credit Institutions	(21 825)	(15 914)	(18 146)
Change in cash and cash equivalents for the period	(5 449)	89	(2 709)
Cash End of period	**(11 721)**	**(9 012)**	**(11 721)**

Notes to the financial statements

EBITDA Bridge

EUR '000	Q2 2024	YTD Q2 2024	LTM Q2 2024
Normalized EBITDA	**4 770**	**5 324**	**14 469**
Cost related to investor group	(55)	(110)	(224)
Senior Management recruitment cost			(235)
Consultant fees related to bond tap			(100)
Adjusted EBITDA	**4 716**	**5 215**	**13 910**
Double rent costs moving offices in Poland			(57)
Wartime remuneration for Ukrainian technicians		(3)	(18)
Organizational Changes	(622)	(780)	(2 058)
M&A	(425)	(967)	(1 264)
US Insurance liability case		(34)	(860)
Other	(13)	(130)	(547)
Reported EBITDA	**3 656**	**3 301**	**9 105**

Definitions

OEM: Original Equipment Manufacturer
PPA: Purchase Price Allocation
SESA: South Europe & South America
NCE: North & Central Europe
APAC: Asia and Pacific
NA: North America
RCF: Revolving credit facility

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