



First half-year report 2022

Condensed Interim Consolidated Financial Information



BW IDEOL FIRST HALF-YEAR RESULTS

HIGHLIGHTS

Adding 1 GW of projects under development and ~1.5 GW of substantiated pipeline during H1 2022

- | Good progress on growing the project pipeline as floating wind co-developer and technology provider
- | Final investment decision for the 30 MW EolMed project offshore France
- | Signed ScotWind option agreement as part of the Floating Energy Alliance for the development of ~1 GW of floating wind project in April after the initial award in January
- | Starting first development stage of commercial-scale floating wind project in Iwate prefecture, Japan, with Tohoku Electric Power
- | Two feasibility studies for Power-to-Platform projects awarded
- | Signed a partnership with EDF Renewables & Maple Power to bid on the Mediterranean floating wind tender (2 x 250 MW) in France
- | Extending the Floatgen operation until 2024

Continued focus on cash discipline

- | Transfer of equity ownership in Buchan Offshore Wind project (ScotWind) to investment vehicle set-up with ADEME and JERA under consideration
- | Cash position of EUR 14.1 million at end of June supporting growth strategy
- | EUR 3.2 million operating cash burn during H1 2022

BW Ideol's mission is to create a sustainable future by using floating technology to unlock the vast potential of offshore wind. The Company is executing its dual-track strategy as a co-developer of offshore floating wind projects and as EPCI (engineering, procurement, construction and installation) contractor of floating wind technology. Progress is reflected in a growing project pipeline of commercial-scale projects, new cooperation agreements and participation in tenders for floating offshore wind farm developments.

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

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

FINANCIALS

Revenue for the first half of 2022 was EUR 3.7 million of which EUR 2.7 million was from design and engineering activities and royalties for projects in France and Asia. This compares with EUR 1.2 million, for the same period of 2021.

Operating loss before depreciation and amortisation (EBITDA) for the period was EUR 2.1 million, a decrease from EUR 3.9 million in the same period of 2021, mainly due to an increase in revenue from customers and the accounting of the French R&D tax credit as other operating income under IFRS. Operating expenses included EUR 4.4 million of headcount-related costs and EUR 1.4 million of other expenses.

Depreciation and amortisation were EUR 6.9 million, of which EUR 3.6 million of depreciation was mostly related to the Floatgen demonstrator, EUR 2.2 million of amortisation was related to the technology intangible assets, and EUR 1.1 million of depreciations was related to Right of Use Assets. As a result, operating loss for the period was EUR 9.0 million.

Net financial expense was EUR 0.5 million, mainly attributed to unrealised foreign exchange losses on the ScotWind investment. Net loss for the period was EUR 9.1 million.

At 30 June 2022, total equity was EUR 105.4 million and the equity ratio was 78%. Total cash was EUR 14.1 million, compared to EUR 32.8 million at 31 December 2021. Interest-bearing debt was EUR 6.5 million.

As a result of the Purchase Price Allocation analysis conducted under IFRS3, the Company recognised in FY 2021 a technology intangible asset of EUR 59.7 million and a goodwill of EUR 25.2 million, of which EUR 13.1 million as a deferred tax liability and EUR 12.1 million as residual goodwill. Final adjustments were made to the purchase price allocation in the first quarter of 2022 within the one-year timeframe, resulting in a EUR 0.3 million increase in the goodwill balance.

Net cash outflow from operating activities was negative EUR 3.2 million during the period. Net cash outflow related to investment activities was EUR 14.6 million and includes the Company's share of the ScotWind option fee of GBP 11 million paid in April. The previous year's investments include the cash consideration of the acquisition of Ideol SA in connection with the listing of BW Ideol on Euronext Growth Oslo. Net cash outflow from financing activities was EUR 0.9 million. Net cash from financing of EUR 100.0 million in the first half of 2021 includes the contribution from BW Offshore to finance the cash portion of the Ideol SA acquisition and IPO proceeds.

In January, BW Ideol together with JERA, Japan's largest utility company, and ADEME Investissement, a French State-owned investment company for innovative infrastructure projects, agreed to create an investment company for the financing of co-development of offshore wind projects using BW Ideol's patented Damping Pool® technology. The two partners together with BW Ideol are currently in the process of evaluating an investment in the Buchan Offshore wind project and have initiated discussion with Crown Estate Scotland in that regard.

BW Ideol has no short-term cash requirement, but the Company expects to require additional funding during 2023 to execute the growing pipeline of projects under development and upcoming tenders. The JERA+ADEME investment vehicle is an example of flexible financing options available to the Company.

OPERATIONS

BW Ideol continues to execute its dual-track strategy as a co-developer of offshore floating wind projects and as EPCI (engineering, procurement, construction and installation) contractor of floating offshore wind technology. Progress is reflected in several recent cooperation agreements and participation in tenders for commercial scale floating offshore wind projects.

In January, BW Ideol AS, as part of the Floating Energy Alliance (FEA) was awarded the rights to develop a floating offshore wind farm with 960 MW of capacity off the northeast coast of Scotland through the Crown Estate Scotland's ScotWind leasing round. The formal option agreement was signed in April and FEA paid the stipulated option fee. The consortium is currently proceeding with site investigations and environmental studies in preparation for the consent application process. FEA is a development partnership comprising BayWa r.e., Elicio and BW Ideol.

In May, the EolMed partnership, comprising Qair, Totalenergies and BW Ideol, made the final investment decision (FID) for the 30 MW offshore floating wind development with EUR 170.0 million of non-recourse financing provided by the European Investment Bank (EIB) and several leading French banks. BW Ideol and Qair have cooperated on the project since 2016 with Total joining the development consortium as 20% owner in 2020. BW Ideol became a 5% owner in late 2021. The Mediterranean Sea pilot wind farm is set to become one of the first three floating offshore wind farms in France when it is commissioned in mid-2024.

EolMed will be installed 18 km off the coastal town of Gruissan and comprises three Vestas 10 MW wind turbines, each mounted on BW Ideol's patented floating steel foundations and connected to the Electricity Transmission Network (RTE) by an undersea cable. Bourbon Subsea Services has been contracted to provide the floating electrical hub, inter-array cables, as well as the anchoring and mooring systems. Once in operation, electricity will be sold to the French national grid operator under a 20-year contract at a feed-in-tariff of EUR 240/MWh.

In May, BW Ideol and Tohoku Electric Power Co., Inc. signed an agreement and initiated the feasibility studies necessary to jointly develop a commercial-scale floating offshore wind farm of up to 700 MW off the coast of Kuji city and Hirono town in Japan's Iwate prefecture based on BW Ideol's proven and patented Damping Pool® technology. This site is the most advanced floating wind project in Japan, in terms of impact studies and local stakeholder consultation. The tender is expected to be launched in 2024.

Also in May, the Company signed an agreement with the EDF Renewables and Maple Power to cooperate on the design of floating foundations for the AO6 floating offshore wind tender in the Mediterranean Sea covering two 250 MW sites. The consortium submitted their pre-selection filing to the French authorities on May 23. The application of this tender is expected for mid-2023 with the award at the end of 2023. The agreement builds on the collaboration with EDF Renewables and Maple Power established for the South Brittany (AO5) development.

The 2 MW Floatgen floating wind turbine installed offshore western France has since January 2019 produced 20.9 GWh of electricity with 94.9% availability, reflecting the seakeeping performance of BW Ideol's proprietary Damping Pool design. The contract for the operation and maintenance of the Floatgen unit was recently extended by one year to September 2024.

BW Ideol continues to selectively develop the organisation to prepare for increased commercial and project activity. During the first half, the Company strengthened its project development teams in the US, Japan and Europe.

CORPORATE MATTERS

On 20 June, the Company received the resignation of Yasuhiro Matsui as a non-executive director of the Company effective 24 June, due to his nomination as President and CEO of DBJ Securities. The Board of Directors will call for an extraordinary general meeting to elect a replacement for Mr. Matsui in due course.

RISK AND UNCERTAINTY

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 2021 Annual Report and the Information Document dated 17 March 2021 available at www.bw-ideal.com for more detailed information on risk factors.

For the second half of 2022, BW Ideol emphasises global inflationary pressure, outlook for further interest rate increases and potential for continued global supply chain disruptions as key risk factors that over time may impact the floating offshore wind market development and the execution of the Company's long-term strategy and operations by potentially affecting the maturation of future new development projects and the cost of raw materials and financing.

OUTLOOK

BW Ideol aims to be a leading long-term owner of floating wind assets in key offshore markets worldwide. The primary focus is to continuously progress, expand and de-risk the Company's project pipeline. The goal is to have participated in an approximately 10 GW 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 BW Offshore, including in the Power-to-Platform market.

The Company considers itself to be ahead of plan for the 10 GW target based on the recent progress. The rapid global expansion of the commercial-scale floating offshore wind market supports a continued strong market outlook, as BW Ideol's teams are preparing up to 30 GW of confirmed tenders in key markets.

DECLARATION OF THE BOARD

We confirm to the best of our knowledge that the Condensed Interim Consolidated Financial Information for the period for 01 January 2022 to 30 June 2022 has been prepared in accordance with IAS 34 “Interim Financial Reporting” and gives a true and fair view of BW Ideol AS’s consolidated assets, liabilities, financial position and income statement as a whole. We also confirm to the best of our knowledge that the Financial Summary includes a fair review of important events that arose during this period, and their impact on the Condensed Interim Consolidated Financial Information, and accounts properly for the principal risks and uncertainties for the remaining six months of the financial year, as well as major related party transactions.

Oslo and La Ciotat, 28 July 2022

Marco Beenen
Chairman

Yngvil Asheim
Director

Julian Brown
Director

Paul de la Guérivière
CEO

Jean Huby
Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

(Unaudited figures in KEUR)

	Notes	1H 2022	1H 2021 *	FY 2021 *
CONTINUING OPERATIONS				
Revenue from Contracts with Customers		2 666	1 175	2 259
Other operating income		1 107	0	1 402
Operating expenses		(5 852)	(5 107)	(11 424)
Operating profit / (loss) before depreciation/amortisation	10	(2 079)	(3 932)	(7 763)
Depreciation		(4 715)	(1 812)	(5 566)
Amortisation		(2 211)	(1 172)	(3 251)
Operating profit/(loss)		(9 004)	(6 917)	(16 581)
Net interest expense		(18)	(147)	(229)
Other financial items		(518)	(488)	(519)
Net financial income/(expense)		(536)	(635)	(748)
Profit/(loss) before tax		(9 540)	(7 551)	(17 329)
Income tax expense		432	252	693
Profit/(loss) from continuing operations		(9 108)	(7 299)	(16 636)
Net profit/(loss) for the period		(9 108)	(7 299)	(16 636)
Attributable to shareholders of the parent		(9 108)	(7 299)	(16 636)
Attributable to non-controlling interests		0	0	0

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in KEUR)

	1H 2022	1H 2021 *	FY 2021 *
Loss for the period	(9 108)	(7 299)	(16 636)
Items that are or may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences	(7)	(0)	(2)
Other comprehensive income for the period, net of tax	(0)	(0)	(2)
Total comprehensive income for the period	(9 115)	(7 299)	(16 638)

* As the company was incorporated in October 2020, the 2021 financial statements are for the period 22 October 2020 until 31 December 2021 and the 2021 half year financial statements are for the period 22 October 2020 until 30 June 2021.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in KEUR)

ASSETS	Notes	30.06.2022	30.06.2021	31.12.2021
Other Property, plant & equipment	2	463	125	154
Right-of-use assets	3	6 464	105	5 344
Technical Installations		8 409	12 667	11 852
Other Intangible assets	4	4 177	4 079	4 063
Goodwill	4, 5	25 606	25 268	25 267
Technology Asset	4, 5	54 612	58 596	56 604
Other non-current assets	6	16 681	417	3 270
Total non-current assets		116 412	101 257	106 553
Trade receivables and other current assets		4 627	3 887	3 200
Cash and cash equivalents		14 080	46 241	32 792
Total current assets		18 708	50 127	35 992
TOTAL ASSETS		135 120	151 384	142 545
EQUITY AND LIABILITIES	Notes	30.06.2022	30.06.2021	31.12.2021
Shareholders' equity	7	105 364	121 994	114 602
Total equity		105 364	121 994	114 602
Interest-bearing long-term debt	8	4 830	6 564	5 654
Pension obligations		229	190	229
Asset retirement obligations		2 172	1 217	2 172
Other long-term liabilities	9	3 489	3 757	3 539
Long-term lease liabilities	3	1 899	47	16
Deferred Tax Liability	5	12 015	12 891	12 453
Total non-current liabilities		24 633	24 666	24 063
Trade payables and other short-term liabilities		3 161	3 525	3 405
Interest-bearing short-term debt	8	1 682	1 125	1 408
Short-term lease liabilities	3	274	61	62
Income tax liabilities		6	13	6
Total current liabilities		5 123	4 724	4 880
Total liabilities		29 756	29 390	28 943
TOTAL EQUITY AND LIABILITIES		135 120	151 384	142 545

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in KEUR)

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Total equity
Equity on 01 January 2022	313	130 591	(17 302)	113 602		113 602
Profit/loss for the period			(9 108)	(9 108)		(9 108)
Other equity			340	340		340
Share-based expense			541	541		541
Exchange differences					(11)	(11)
Total equity on 30 June 2022	313	130 591	(25 529)	105 375	(11)	105 364

	Share Capital	Share Premium	Retained Earnings	Shareholder's equity	Foreign Currency Translation Reserve	Total equity
Equity on 22 October 2020	3	1	0	4	0	4
Capital reduction pre-transaction	(3)	2	0	(1)	0	(1)
Share-issuance - acquisition	203	79 121	0	79 324	0	79 324
Share-issuance - IPO	110	51 467	0	51 577	0	51 577
Profit/loss for the period	0	0	(7 299)	(7 299)	0	(7 299)
Other equity (including transaction costs)	0	0	(2 270)	(2 270)	0	(2 270)
Share-based expense	0	0	662	662	0	662
Exchange differences	0	0	(3)	(3)	0	(3)
Total equity on 30 June 2021	313	130 591	(8 909)	121 994	0	121 994

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited figures in KEUR)

	1H 2022	1H 2021 *	FY 2021 *
Profit/(loss) before taxes	(9 540)	(7 551)	(17 329)
Unrealised currency exchange loss/(gain)	469	(12)	2
Depreciation and amortisation	6 926	2 967	8 818
Share-based payment expense	541	662	1 812
Change in Subsidies & Grants Receivable	(1 106)	0	825
Add back of net interest expense	18	147	229
Changes in working capitals	(506)	(136)	(241)
Net cash flow from operating activities	(3 199)	(3 924)	(5 884)
Investment in other property, plant & equipment	(377)	(249)	(1 815)
Investment in other intangible assets (capitalised R&D)	(475)	0	0
Investment in subsidiaries	0	(52 219)	(49 577)
Investments in Joint Ventures	(13 234)	0	0
Investments in financial investments	(493)	0	(2 854)
Net cash flow from investing activities	(14 579)	(52 468)	(54 246)
Proceeds from Share Issuances	0	103 796	103 796
Transaction Costs Relating to the Share Issuance	0	(2 129)	(2 298)
Repayment of debt and other liabilities	(769)	(1 339)	(2 264)
Interest paid	(69)	(341)	(438)
Payment of lease liabilities	(96)	0	(5 878)
Net cash flow from financing activities	(934)	99 987	92 918
Net change in cash and cash equivalents	(18 712)	43 594	32 788
Cash and cash equivalents at beginning of period	32 792	4	4
Cash and cash equivalents acquired at beginning of period	0	2 642	0
Cash and cash equivalents at end of period	14 080	46 241	32 792

* As the company was incorporated in October 2020, the 2021 financial statements are for the period 22 October 2020 until 31 December 2021 and the 2021 half year financial statements are for the period 22 October 2020 until 30 June 2021.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Basis for preparation

Organisation and principal activities

BW Ideol AS (hereafter 'BW Ideol or 'the Company') was incorporated on 22 October 2020 and is a limited liability company ('aksjeselskap' or 'AS') registered and domiciled in Norway. The Company is listed on Euronext Growth Oslo (Norway). As the company was incorporated in October 2020, the 2021 financial statements are for the period 22 October 2020 until 31 December 2021, the 2021 half year financial statements are for the period 22 October 2020 until 30 June 2021, and for the periods then ended, in accordance with the Norwegian Accounting Act section 1-7. 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. These consolidated interim financial statements for the period starting from 1 January 2022 and ending 30 June 2022 comprise the Company and its subsidiaries (together referred to as the 'Group' or 'BW Ideol Group'), most notably Ideol SAS.

The Group is an offshore wind developer with operations internationally, most notably France, Japan, 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.

Basis of preparation

These interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2021 ('last annual financial statements'). They do not include all the information and disclosures required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company's Board of Directors on 28 July 2022. The interim financial statements are unaudited. As a result of rounding differences, numbers and or percentages may not add up to the total.

Use of estimates

In preparing these interim 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.

Change in Accounting Policy

The accounting policies adopted in the preparation of these condensed interim consolidated financial statements are consistent with those followed in the preparation of BW Ideol's annual consolidated financial statements for the year ended 31 December 2021.

Note 2 – Property, Plant & Equipment

(Unaudited figures in KEUR)

	Technical installation	Other PP&E	Total
Cost at 01 January 2022	16 496	200	16 696
Additions	0	347	347
Impairment	0	0	0
Cost at 30 June 2022	16 496	547	17 043
Accumulated depreciation and impairment charge at 01 January 2022	(4 644)	(46)	(4 690)
Current year depreciation	(3 443)	(40)	(3 483)
Impairment	0	0	0
Accumulated depreciation and impairment charge at 30 June 2022	(8 087)	(86)	(8 173)
Book value at 30 June 2022	8 409	463	8 872

	Technical installation	Other PP&E	Total
Cost at 22 October 2020	0	0	0
Additions through business combination	14 350	96	14 446
Other additions	0	44	44
Impairment	0	0	0
Cost at 30 June 2021	14 350	140	14 490
Accumulated depreciation and impairment charge at 22 October 2020	0	0	0
Current year depreciation	(1 684)	(15)	(1 699)
Impairment	0	0	0
Accumulated depreciation and impairment charge at 30 June 2021	(1 684)	(15)	(1 699)
Book value at 30 June 2021	12 666	125	12 791

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

Note 3 – Leases

(Unaudited figures in KEUR)

Right-of-use assets and Lease liabilities

BW Ideol leases office premises in La Ciotat, France (HQ). The company will re-locate 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 Ideal 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 three years and is then renewable for a further two additional extensions of three years. 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 payable amount for the three-year period was fully prepaid in 2021.

	Office Premises	Ports	Right-of-use assets	Lease liabilities
On 01 January 2022	75	5 269	5 344	77
Additions	2 183	0	2 183	2 183
Depreciation expense	(91)	(972)	(1 063)	
Interest expense				9
Lease payments				(96)
Foreign currency translation gain / (loss)				
Balance on 30 June 2022	2 167	4 297	6 464	2 173

	Office Premises	Ports	Right-of-use assets	Lease liabilities
On 22 October 2020	0	0	0	0
Additions	123	0	123	123
Depreciation expense	(18)	0	(18)	0
Interest expense				1
Lease payments				(16)
Foreign currency translation gain / (loss)				
Balance on 30 June 2021	105	0	105	108

Note 4 – Intangible assets & Goodwill

(Unaudited figures in KEUR)

	Goodwill	Technology	R&D	Software intangible assets	Total Intangible assets
Cost at 01 January 2022	25 268	59 758	4 308	119	89 453
Additions	338	0	475	29	842
Impairment					
Cost at 30 June 2022	25 606	59 758	4 783	148	90 295
Accumulated amortisation and impairment charge at 01 January 2022	0	(3 154)	(347)	(18)	(3 519)
Current year amortisation	0	(1 992)	(375)	(14)	(2 381)
Impairment					
Accumulated amortisation and impairment charge at 30 June 2022	0	(5 146)	(722)	(32)	(5 900)
Book value at 30 June 2022	25 606	54 612	4 060	116	84 395

	Goodwill	Technology (as part of PPA)	R&D	Software intangible assets	Total Intangible assets
Cost at 22 October 2020	0	0	0	0	0
Additions through business combinations	0	59 758	3 800	53	63 611
Other additions	0	0	332	0	332
Impairment	0	0	0	0	0
Cost at 30 June 2021	0	59 758	4 132	53	63 943
Accumulated amortisation and impairment charge at 22 October 2020	0	0	0	0	0
Current year amortisation	0	(1 162)	(101)	(5)	(1 268)
Impairment	0	0	0	0	0
Accumulated amortisation and impairment charge at 30 June 2021	0	(1 162)	(101)	(5)	(1 268)
Book value at 30 June 2021	0	58 596	4 031	48	62 675

R&D assets represent the accumulated capitalised 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.

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 SA (see note 5) consisting of one segment 'Floating wind'. Goodwill was tested for impairment as of 31 December 2021 and the impairment test also included the technology assets. A discounted cash flow model was used to determine the fair value less cost of disposal for the CGU. The projected cash flows were based on the most up-to-date forecast by management which includes 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.

Final adjustments were made to the purchase price allocation in the first quarter of 2022 within the one-year timeframe, resulting in a EUR 0.3 million increase in the goodwill balance.

Note 5 – Purchase Price Allocation

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

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

Consideration/Acquisition price	
Consideration in Cash	52 219
Contribution in kind (5,815,240 shares @ NOK 47)	27 104
Total consideration	79 324

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

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

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

Final adjustments were made to the purchase price allocation in the first quarter of 2022 within the one-year timeframe, resulting in a EUR 0.3 million increase in the goodwill balance.

Purchase Price Allocation	Acquisition date
Consideration Transferred	79 324
Fair Value of Identifiable Assets	(53 718)
Goodwill	25 606

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

	15 March 2021
Technology Asset	59 758
Technical Installation tangible assets	14 096
Other Intangible assets	3 883
Trade receivables and other current assets	2 760
Cash and cash equivalents	2 090
Other non-current assets	420
Right-of-use assets	120
Other Property, plant & equipment	94
Short-term lease liabilities	(61)
Long-term lease liabilities	(62)
Pension obligations	(190)
Asset retirement obligations	(1 217)
Interest-bearing short-term debt	(2 178)
Trade payables and other short-term liabilities	(3 384)
Interest-bearing long-term debt	(5 234)

Other long-term liabilities	(5 282)
Deferred Liability	(13 147)
Equity Adjustment	1 251
Total	53 718

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

Note 6 – Other non-current Assets

Other non-current assets amounting to EUR 16.7 million at 30 June 2022 were related to:

Eolmed

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 loan facility of EUR 1.6 million was granted. An additional loan facility of EUR 0.5 million was granted in 2022 bringing the loan facility balance to EUR 2.1 million at 30 June 2022.

The investment in EolMed is at fair value through other comprehensive income (FVOCI) because the investment in equity securities represent investments that the BW Ideol Group intends to hold for the for long term strategic purposes. During 2021, there was no dividend income recognised and there were no transfers of any cumulative gain or loss within equity relating to the investment. In 2022, the project has developed in line with the expectations at acquisition and no adjustment was made to the fair value as at 30 June 2022.

FEA ScotWind

On January 17, 2022, Ideol SAS, as a partner of the Floating Energy Alliance (FEA) consortium, obtained the development rights for a floating offshore wind farm with a capacity of 960 MW off the northeast coast of Scotland by winning the ScotWind tender organised by Crown Estate Scotland. The development right relates to the area designated NE8 in the Scottish Government's Marine Sector Plan for Offshore Wind, which is located approximately 75km north-east of Fraserburgh on the Aberdeenshire coast. FEA is a consortium comprising BayWa r.e., a German-based renewable energy project developer with UK offices in Glasgow and Edinburgh, Elicio, an experienced Belgian offshore wind developer, owner and operator, and BW Ideol. FEA finalised the development rights contract with CES in April 2022. The consortium partners financed the GBP 33.0 million option lease fee related to the development rights contract in April 2022. BW Ideol recorded its GBP 11.0 million part of the financing of FEA in 'Other non-current Assets'. These costs have been capitalised in FEA as a cost of bringing the asset to use. FEA is consolidated using the equity method.

Note 7 - Equity

The number of issued shares was 31,510,525 at 30 June 2022 (31,510,525 at 31 December 2021).

The Board of Directors authorisation to issue up to 2,000,000 shares (NOK 200,000 of share capital) to employees was renewed at the General Assembly meeting on 13 May 2022. As of 31 December 2021, 1,695,073 shares have been awarded under the Continuation Plan and the Long-Term Incentive Plan and subject to various vesting period. No additional shares were awarded as of 30 June 2022.

Note 8 – Interest-bearing debt

(Unaudited figures in KEUR)

Non-Current Debt

The Company had the following long-term interest-bearing debt:

	KEUR		
	30.06.2022	30.06.2021	31.12.2021
Loans CERA	1 133	1 500	1 318
Loans BNP Paribas	1 122	1 533	1 311
Loans BPI	2 575	3 500	3 025
Loan HSBC	0	8	0
Loan SMC	0	0	0
Total	4 830	6 541	5 654

Current Debt

The Company had the following current interest-bearing debt:

	KEUR		
	30.06.2022	30.06.2021	31.12.2021
Loans CERA	371	222	298
Loans BNP Paribas	378	222	334
Loans BPI	925	500	724
Loan HSBC	7	90	53
Loan SMC	0	91	0
Total	1 681	1 125	1 408

Note 9 – Other liabilities

(Unaudited figures in KEUR)

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

Below non-interest-bearing debt relates to financing from Regional, European and National bodies for environmental and research and development activities. No maturity is indicated for the advance payable to ADEME as this is linked to future revenues for which the timing could not be determined at December 2021. Non-interest-bearing debt is classified in other liabilities.

Non-Current

	30.06.2022	30.06.2021	31.12.2021
Financing PACA region	0	502	0
Financing Pays de la Loire	0	100	0
Repayable Advance ADEME	3 289	3 289	3 289
Zero-interest loan BPI	200	400	250
Total	3 489	4 292	3 539

Current

	30.06.2022	30.06.2021	31.12.2021
Financing PACA region	167	335	335
Financing Pays de la Loire	0	100	
Repayable Advance ADEME	0	0	
Zero-interest loan BPI	100	100	100
Total	267	535	435

Note 10 – Revenue

During the period, The Company generated EUR 2.7 million of design and engineering revenues related to projects in France, Japan and Taiwan including royalty-income of EUR 0.84 million from EolMed. The French R&D tax credit of EUR 1 million was recorded as Other Operating Income under IFRS.

Note 11 – Commitments and Guarantees

As at 30 June 2022, BW Ideol had an off-balance-sheet guarantee relating to its 5% share in EolMed. The guarantee mainly covers breach of obligation by EolMed during the construction phase and is for a maximum amount of EUR 1.4 million.

Additionally, in 2022, BW Ideol has put in place bank guarantees amounting to EUR 0.8 million related to EolMed to cover risks during the construction phase.

Note 12 - Subsequent events

The ScotWind FEA consortium partners agreed to invoice costs incurred to date to the operational entity in Q3 2022, resulting in revenue of EUR 1.5 million for BW Ideol in this period. These costs have been capitalised in FEA as a cost of bringing the asset to use. FEA is consolidated using the equity method.

On 28 July 2022, the Board of Directors authorized a new award of stock options (315,105) and restricted stock units (22,057) to employees under the Long-Term Incentive Plan (LTIP).



Contact:
Nicolas de Kerangal,
Chief Financial Officer
ir@bw-ideol.com

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