



Interim 2022 results:

Full-year outlook confirmed, Satisfying margin development, Sound orderbook, Bright tender funnel.

26 August 2022



Sif

**OFFSHORE
FOUNDATIONS**

Strictly private and confidential

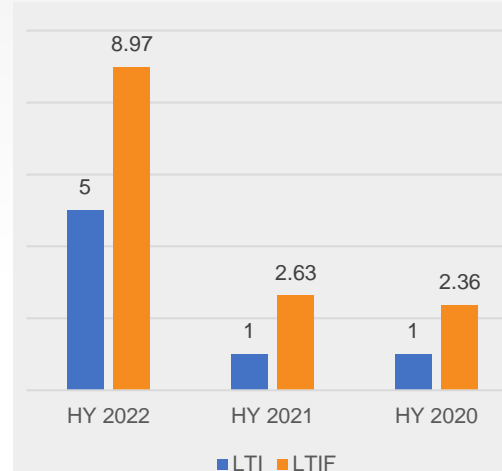
> **SHAPING TOMORROW. PERFORMING TODAY.**

Update on Health and Safety

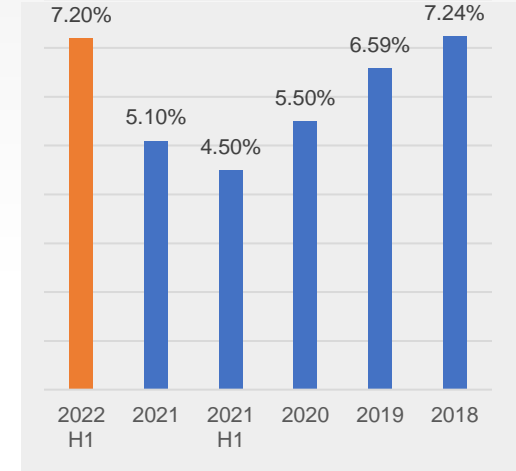


- **Today's venue and program**
 - No planned evacuation drills
 - Follow the signs to the meeting point

Safety statistics (#)



Sickness leave (%)



- **Main focus is on the wellbeing of our employees, this is at the heart of our company**
 - Improvements being implemented to cope with high sickness rate, tightness on labor markets (inflow of temporary workforce) and increased product dimensions (reduced maneuverability in facilities)
- **Safety as non-financial performance indicator**
 - LTIF KPI for management remuneration
 - Subject to limited assurance by EY on a full year reporting

First Half 2022 in Retrospect: Operational Highlights

1

Monopiles for
offshore wind
project
Hollandse Kust
Zuid



2

Monopiles and
transition
pieces for
offshore wind
project Dogger
Bank A and
Wind farm
Maasvlakte 2



3

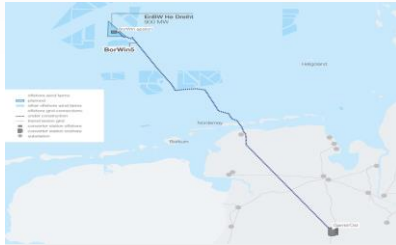
Marshalling
services for
Siemens
Gamesa
Hollandse Kust
Zuid project



Contract wins First Half 2022

1

TP's for He Dreih



- Sif has won the contract for the transition pieces of He Dreih
- Manufactured during 2023
- He Dreih will consist of 64 transition pieces, representing 36 Kton

2

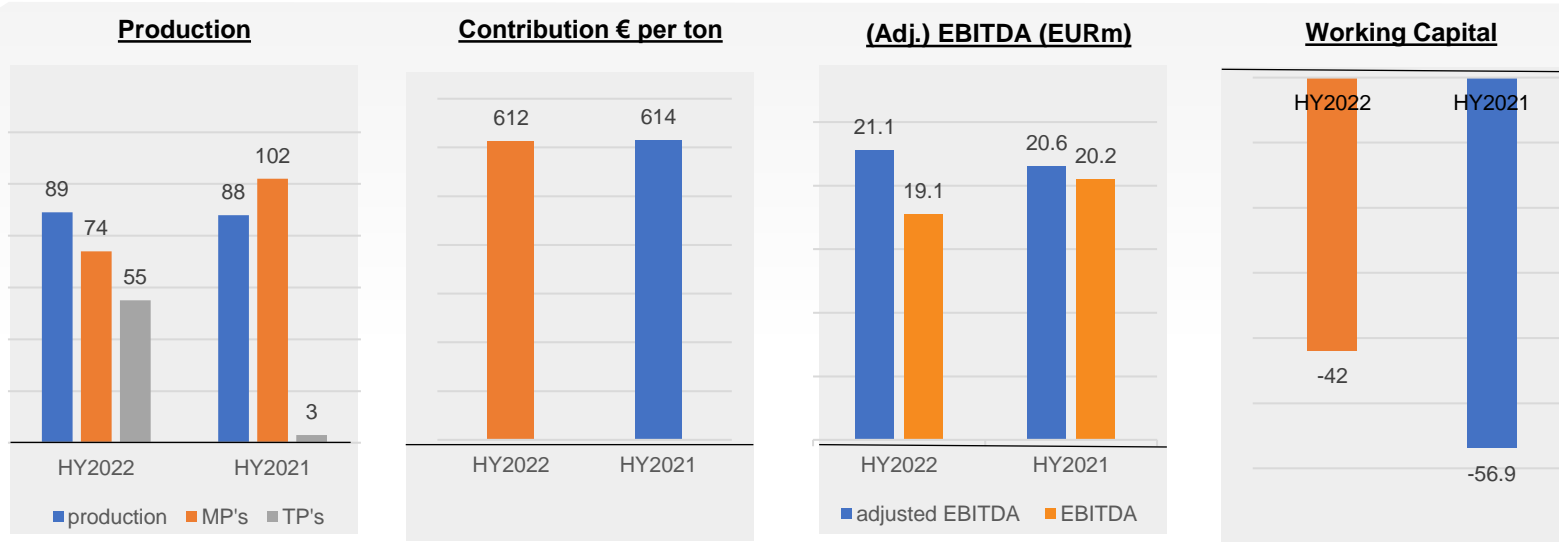
Capacity reservation for Undisclosed Project



- Sif has won a capacity reservation contract representing 19 Kton
- Manufactured during 2023
- Production in 2023 expected to be at least 200 Kton



Financial Results First Half 2022 in Line with Expectations

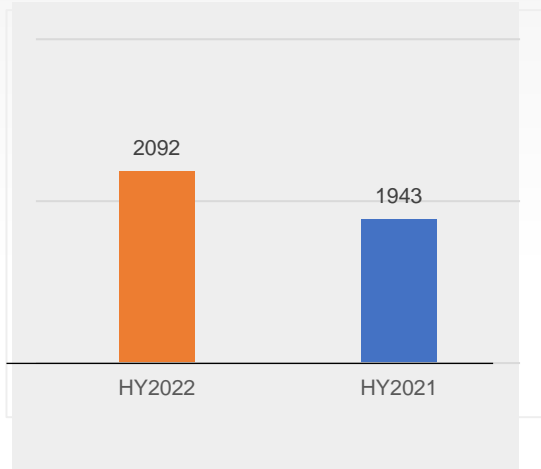


- Largest products in Sif's history, reaching boundaries of existing production facilities
- Equal production in Kton, improved adjusted EBITDA
- Levelled contribution per ton excluding contribution from marshalling and other activities
- Expected production full year 2022 174 Kton, expected adjusted EBITDA slightly higher than in 2021



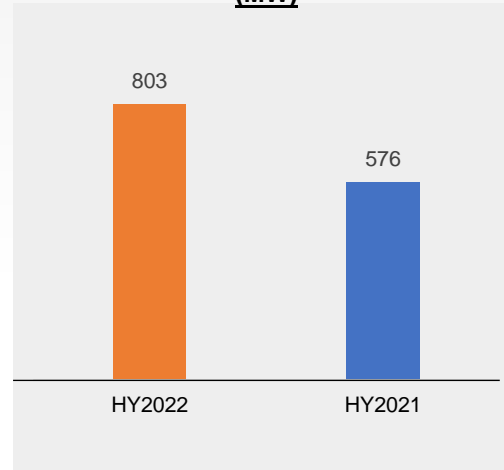
First Half 2022 in Retrospect: Social and Environmental Results (limited assurance EY)

Gross CO2 (tonnes)



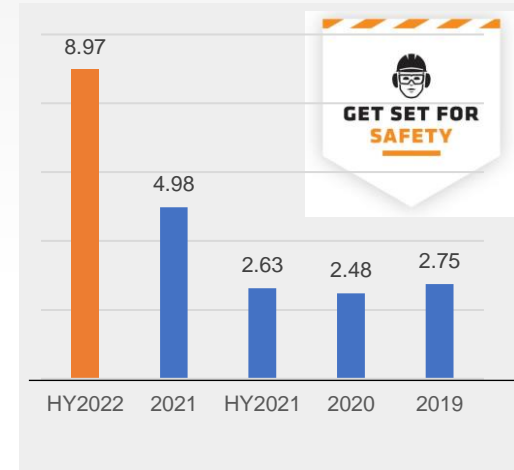
- Gross CO2 emissions are compensated by wind energy generated on Sif's premises
- Net CO2 emissions have decreased to 0 tonnes

contribution to renewable energy (MW)



- Participation in projects that will result in renewable energy capacity

LTIF (per mln hours worked)



- LTIF Lost Time Injury Frequency, amounted to 8.97 in HY1 2022*, considerably above Sif's target level of 1.5
- Key focus and actions identified to improve LTIF

*measured over past 12 months

Operational Situation Today



- Supply chain challenges
 - Steel availability for our orderbook is secured; steel is a pass-through item
 - Availability flanges secured; no pricing consequences for existing orderbook
 - Energy prices do directly hit our bottomline
 - Low water levels due to extreme drought in summer season
 - Buffer of production materials to mitigate shortage risks



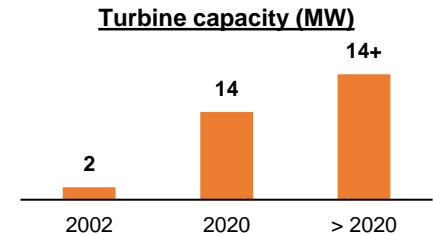
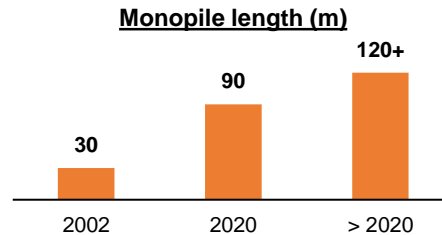
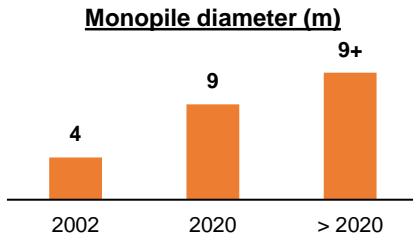
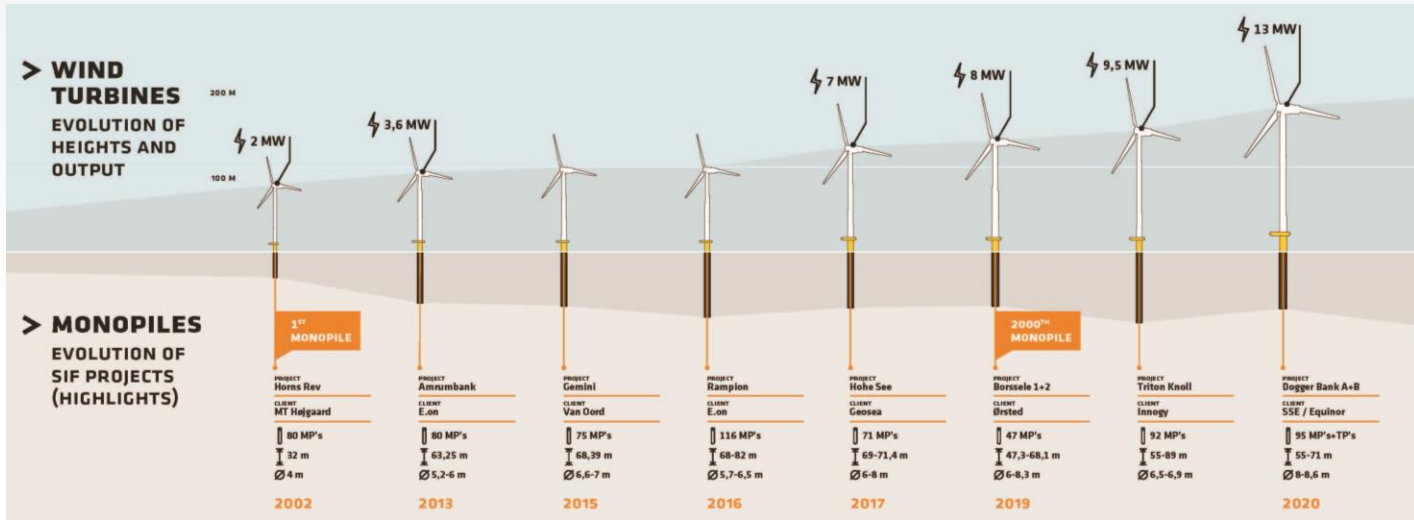
- Tender processes
 - No decrease of the number of tenders noticeable; more the opposite
 - Relationship with Dillinger Hütte gives Sif a competitive advantage. Push from customers on alternative suppliers from Asia is increasing due to price gaps



- Personnel
 - Availability of skilled workers remains low
 - Recruiting strategy remains key
 - More intense onboarding process for temporary workers
 - New HR director with recruitment plans in place

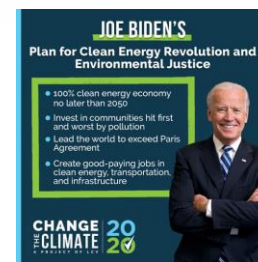
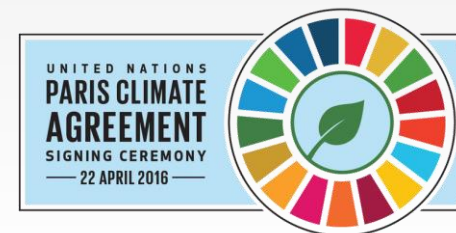


Monopiles have been the Foundation of Choice over the Last Two Decades and will be for the Next Generation 14 MW+ Turbines



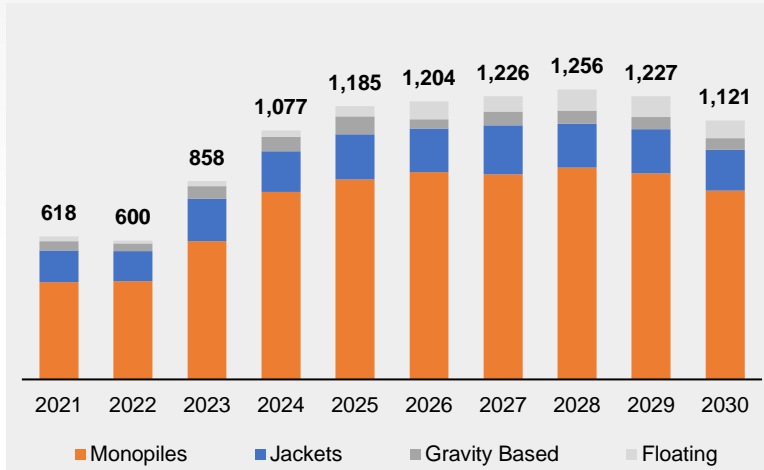
Ambitions to Speed-up the Energy Transition Process are Evident; 12 Countries Target 185 GW for 2030

| Country | Update | Target GW |
|--|---------|-----------|
|  Finland / Sweden | Q1 2022 | 4.0 |
|  Belgium | Q1 2022 | 8.0 |
|  United Kingdom | Q1 2022 | 50.0 |
|  Germany | Q4 2021 | 30.0 |
|  Netherlands | Q4 2021 | 22.0 |
|  United States | Q1 2021 | 30.0 |
|  Poland | Q1 2021 | 6.0 |
|  Japan | Q4 2020 | 10.0 |
|  France | Q2 2020 | 9.0 |
|  Ireland | Q2 2020 | 5.0 |
|  Denmark | Q1 2018 | 10.0 |

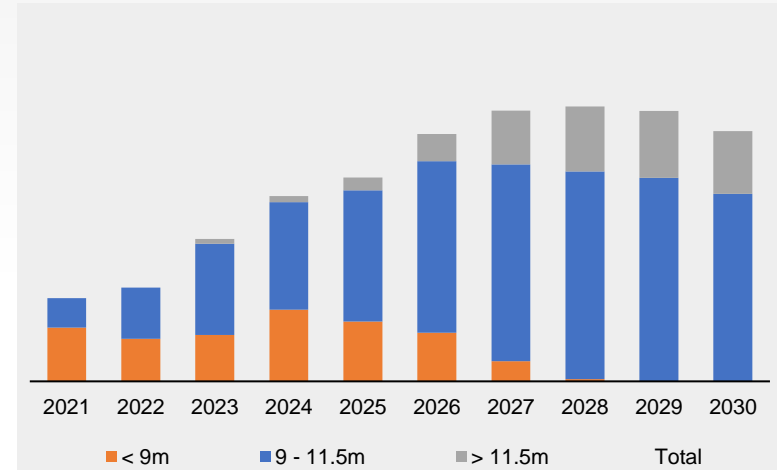


Healthy Market Outlook for Foundations and Monopiles

Foundations market outlook for core markets⁽¹⁾⁽²⁾ (#)



Monopiles outlook for core markets⁽¹⁾⁽²⁾ (Kton)

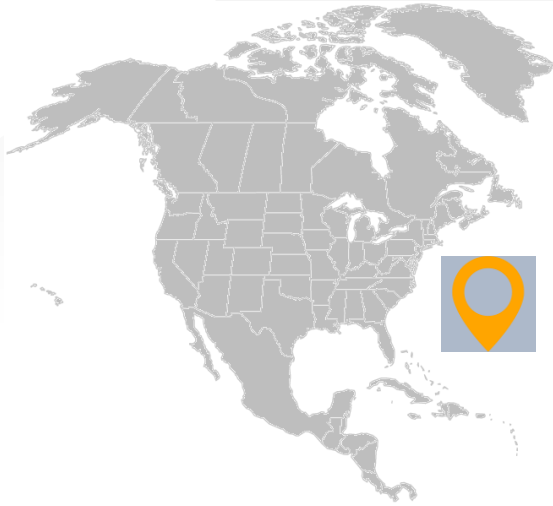


- Overall foundation market is expected to ramp up rapidly between 2023 and 2025
- Monopiles will remain the preferred foundation from both a reliability and a cost perspective
- > 9m monopiles is expected to gain a majority share over the next few years

1: US East Coast and Europe. 2: From 2028 onwards more projects are foreseen, but not yet specific enough to be included in this graph / forecast.



Sif Strategy geared towards Traditional European Market and Emerging Asian and American Markets



2022 FID on capacity expansion the Netherlands



Ulsan, South Korea. Production technology licence for GS Entec to address Asian markets.

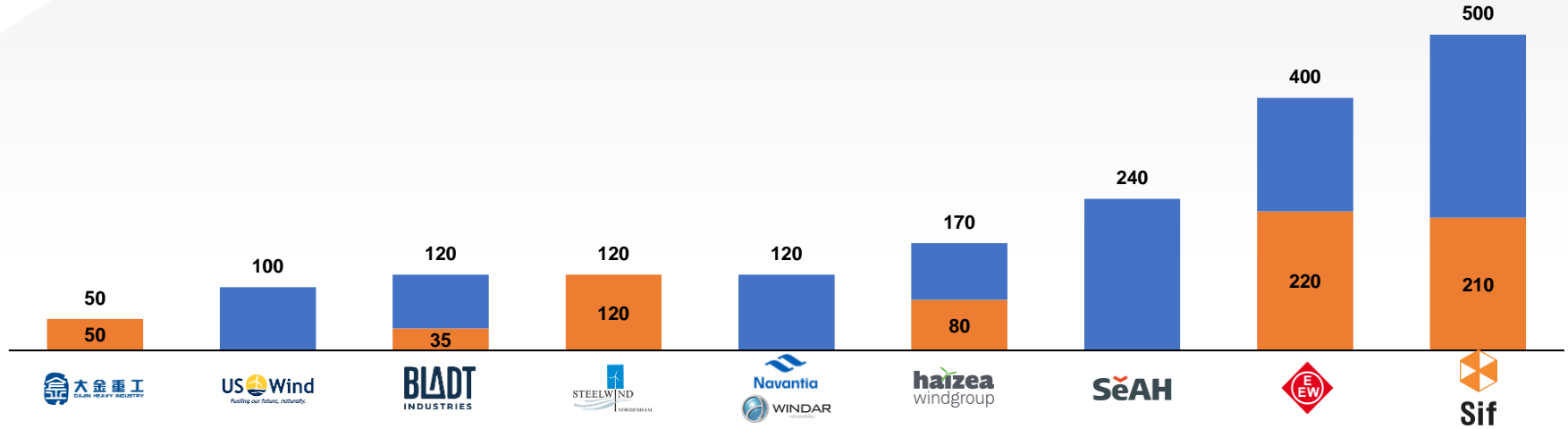


United States of America. Talks with local industrial partner on potential local production start up.



Leading Monopile Manufacturer; Assuming all Capacity will be Build, there is still an Expected Undersupply until 2030

Current and announced supply capacity⁽¹⁾ (Kton)



- China**
 - Dajin considered most serious Chinese entrant in EU
- Maryland**
 - Besides EEW New Jersey second biggest US offshore wind manufacturing facility to date (announced)
- Aalborg**
 - TP supplier from Aalborg
 - Announced a new MP factory in Lindo
 - Operational in 2023-24
- Nordenham**
 - Dedicated MP factory
- Fene**
 - Operational in 2023-2024
- Bilbao**
 - Claimed larger order from Orsted and new factory in Bilbao
 - First small MP order built
 - Operational 2024
- Teesside**
 - Operational in 2024 – 2026
- Rostock / US**
 - Capacity comparable to Sif if new setup in New Jersey (180 Kton) with Orsted in USA is considered
 - Operational 23
- Rotterdam**
 - Largest capacity of selected monopile producers once expansion is operational

1: US East Coast and Europe.

Maasvlakte 2 today and after expansion



- Expansion of capacity to 500 Kton, upscaling capability to produce monopiles with a diameter of 11.5m
- In addition, the facilities will be upgraded to the next generation of automation and able to produce 4x 3XL monopile foundations per week
- Positive feedback from contract parties resulted in 400 Kton exclusive talks for launching capacity subject to FID
- FID postponed till after the summerbreak but target to meet the schedule to be fully operational early 2025 remains unchanged



Progress on our expansion plan

| Topic | Status | Task | Comment |
|-----------------|--------|---|--|
| Technical study | | To define the required production set-up | Completed and pre-design critical components ordered, detailed factory design process on schedule |
| Market study | | To verify our market predictions on volume and product | Verified including robustness check till 2030 based on April 2022 status |
| Business plan | | Assure all risks and actions are addressed and pay back is clear | Ready, all critical processes and critical steps defined |
| Customers | | Assure material customer commitment | 400 Kton in exclusive negotiation subject to FID; including commitment to substantial funding |
| Financing | | Assure capex, business case, risks are covered | Geopolitical uncertainty on steel, energy and building materials and resources require more time for clarification |
| Supply chain | | Safeguard supplies of critical materials for the increased volume | Commitments on volumes from critical suppliers in place |
| Resources | | Human resources development and search strategy in place | Highly overheated labour market, risk mitigation / recruitment plan under development |
| FID | | Take FID | When all topics have status green |



**Thank you for your attention;
happy to take your questions!**



Sif

**OFFSHORE
FOUNDATIONS**

> SHAPING TOMORROW. PERFORMING TODAY.