Sif Interim Results 2026

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Fred van Beers: Good morning, everybody, here in Amsterdam and online for this half year 2026 presentation of Sif Group. With me are two colleagues. To my left-hand side, Boudewijn van Schaïk, our CFO, and to my right-hand side, the incoming CEO, Koen Bogers. Maybe, Koen, you can give a short introduction to the audience.

Koen Bogers: Yes. My name is Koen Bogers. I'll be succeeding Fred as of 1st August. I've been introduced to the company in the last two months. I started at the beginning of May and am looking forward to bringing Sif to the next level. Thank you.

Fred van Beers: Thanks, Koen. My name is Fred van Beers, CEO till midnight today. After that, advisor to the Executive Board, helping my two colleagues to the left and the right indeed doing what Koen just announced, bringing Sif to the next level again, because life continues, and so does the company.

What are we going to present today? I think three things that stand out and we will deep dive into today. First of all, the important thing of a steadily improving health and safety performance, which is key to us, key to our people and key to our customers, and a license to operate in this business. And as you all know, we have seen quite dramatic downfall last year, early this year, but we're happy to see that that is improving.

And the second main point, and that we're actually pretty proud of, is the fact that the plan we announced exactly one year ago in the revised plan in ramping up the factory has 100% materialised, and we are now on a steady base producing of four to five monopiles that we talked about quite a lot per week. We'll come back to that a bit later what that means.

The results, we will, of course, explain a bit more, especially why this €40 million shift to 2027 was a good decision in our view. Then a point of concern that we will dive into for sure is the fact, and you will hear that more companies announcing their numbers today related to offshore wind, that we see a very difficult period ahead of us in ’27-’28, given the fact that a lot of projects have been on hold or have a lot of delay in FID taking, which is a concern for the continuity of this business, knowing that from the end of ’28 onwards, a lot of activity is expected to be seen in this market, which, and that's an important point we'll come back to later, is also very much supported by actions taken at various governmental bodies.

And then last but not least, we will tell a bit more about the status of this exclusive 190-kiloton project that we've been talking about now close to two years, I think, that we have it in our book, and of course, that relates quite heavily to what I just said in relation to delays in FID taking of projects in general.

First of all, our health and safety performance. I start with health this time. You know, and we've talked about it quite often, that we have done a lot of things to bring down our sick leave but have never been successful. This time, though, we can see that the sickness leave is declining given the efforts we're taking, partly due to the fact that quite some long-term sickness people have left the company, so to say. That helps, of course, in the statistics. But I think more importantly, we've been able to improve the circumstances, especially in the new factory in relation to dust, quite significantly, and that helps. It's as simple as that. Besides the fact that individual effort given to people is paying off as well.

On the safety side, the total recorded injuries actually have increased a bit, but the good news is its relative, I would say, minor things like cutting in a finger, stumbling over, and hurting a knee, but not the more serious lost-time injuries that we saw happening early this year. They haven't materialised anymore, I would say, close to half a year now, which is good news.

Looking at the market, and I've shown this picture – we've shown this picture, I think six months ago as well. Here you can see the numbers of gigawatts connected to the grid, excluding China and excluding the US, so predominantly Europe. Here again, we see that the dip that we are facing now relates to the gigawatts connected for ’28, ’29, ’30 that are predicted.

So you can see that quite a lot of gigawatts will be connected this year and next year, but the production of equipment for those gigawatts connected to the grid has been done two years ago or today as we speak. We are literally delivering, as said before, four to five monopiles. That's full speed ahead at this moment to deliver on what has to be connected in these two years. But after that, we see a quite significant drop in gigawatts connected to the grid. And that, in combination with a significantly ramped-up supply chain in all areas, whether it's installation vessels, turbine manufacturers, or in our case, foundation builders, means that the market will be thin the coming two years.

We said that before, and we clearly see that happening today as we speak in the time it takes for tenders to materialise in exclusive or shortlisted exclusive or contracted stages. That doesn't mean it's dead. We do clearly see, on the other hand as well, that all these predictions coming from basically the North Sea Summit declaration in Hamburg early this year and now being addressed by the NSEC organisation, the North Sea Energy Coordination Teams of governmental bodies that are working hard on materialising on these gigawatts, both on wind farms, but most of all on grid investments, grid connections, and interconnectors between countries.

So what are the highlights for ’26? The picture on the right is actually showing the North Sea planning related to what I showed on the previous picture. The green parts are the offshore commissioned or operational wind farms, the blue ones that are in the pipeline, and the yellow ones that are in development stage. So there is unchanged, a lot to happen in this market. The only and most important key point in the market today is time, with which the ambitions are translated into real projects.

Looking at us, the top two parts basically relate to the fact that this factory is running now, as it should. One note to be made on that, and that relates to the top part, we are extremely busy delivering on the order book. That basically is the order book that we had materialised or in the pocket when we took an FID for the new factory. And the nine-month delay on those projects means that the projects are quite squeezed on one after the other.

We have delivered and completed Ecowende. We are close to finalising Baltyk 2 & 3. The last monopile is finished from a black steel perspective in the coating now. We have started up OranjeWind for the Netherlands and East Anglia 2 for the UK. And they're progressing quite nicely.

So the point now is, and I think, Boudewijn, you will come back to that later as well, that after having delivered now on these projects and after having a factory up and running, we now need to focus on costs and efficiency of that factory. That's the next phase in our process, to focus now on not only delivering, but also delivering fully within the cost projections we have made for these projects. That is reflected also in the numbers, because that cost us a bit of money.

Again, in Q2, delivered 59 monopiles. Should've been 60, actually, if it was up to us, but would have been nicer. The 59 monopiles in three months only is I think the best proof of the fact that we are delivering on a constant basis now the monopiles we promised the market.

That is all related, and again, maybe we're going to say it 10 times this time, because you have to celebrate your successes as well. We are so happy that we were able to deliver as a team of 1,000 people on the new plan that we released in August last year. It's working. So that's good.

The third one, I guess, is the important one for the future, because that is our stick in the sand for the future order book, and that is this 190-kiloton project. There has been a lot of progress made on this project. Just to give some numbers, there's about 60 to 80 people on a continuous basis working now on all the preparations for the execution of this project by customer, by us, by supply chain, by designers, all in order to be prepared if the final go comes, that we go immediately ahead, full steam ahead, with production as we want it to be in May next year.

But it could, of course, still be September, as we've announced earlier. But the focus, of course, not only by us, but also by customer and our partners, is to be able to start in May next year. So we're doing things in parallel here. And without – because that could be your next question, without taking massive costs at this moment, but by simply being clever on how we work, purely investing in people. And if costs have to be made, we are discussing things like early works agreements, etc. So there's a lot of progress that I want to share with you that is being made, a lot of efforts that are being put in place.

But I can also imagine that everybody's saying, "Yeah, that's all nice and dandy, but show us the contract." And of course, that's also the main discussion topic we have with our customer and governmental bodies related to this project.

Last but not least, I said it already, a lot of progress being made on the governmental decision-making level, all levels, whether it is Wopke Hoekstra, the DG TRADE, DG CLIMATE, DG GROWTH, and at the member state levels in Berlin when it comes to steel protection measures for our industry, and Germany is an important one. We worked hand-in-hand with our colleagues in this industry through our OFA branch organisation. And we see quite a lot of action there, but the only problem in this field of expertise is time. What we consider quick is an hour. What they consider quick is a quarter. In time. And that is the issue we are addressing with them, but we do see them moving quite nicely towards a level-playing field set up when it comes to new tenders, when it comes to steel protection measures, when it comes to protecting the European supply chain in general related to offshore wind.

But time, and that is the warning we put in here as well. Time is running out, though. Because the order books start being empty. Colleagues from us are also running out of order books, and if we want to materialise the ramp-up that I just talked about, we need to have continuity in the European supply chain in this business.

With that, I hand over to you, Boudewijn, to take us through the numbers.

Boudewijn van Schaïk: Yes.

Fred van Beers: Always the best part of this presentation.

Boudewijn van Schaïk: Thanks. Yeah. I want to start, and Fred alluded to it. Celebrating our successes I think is important but also standing still from where we have come from over the last 12 months. When we sat here a year ago, my first session with you guys was quite painful, and we explained that we were more than halving our EBITDA guidance for 2025, basically resetting the ramp-up of the plant, taking a step back, focusing on long-term reliability and consistency. So, I think our literal words were short-term pain for long-term gain.

And looking where we stand today, we have delivered on that commitment. We said by the end of H1, we will consistently be delivering four to five monopiles per week and delivering on our order book, and that is exactly where we are. It is not just that, but it is also these numbers. We have almost doubled our revenue.

I think, at this point, we're almost where we were full year 2025. Same for EBITDA. Contribution margin also significantly improved. So it's not just the performance in the factory, but also the translation to the financial performance that we knew we could achieve and we are achieving now.

To Fred's point, though, there is still room for improvement. Not necessarily in the number of monopiles per week, but in the efficiency of how we operate and also in our cost base. So those are things we're going to definitely continue to work on going forward.

The consequence of the market slowdown that Fred spoke about indeed is that our order book is shrinking. We still have 422 kilotons, but of that, 197 is still exclusive, so still needs to be firmed up. Historically seen, we do have quite a thin order book. We recognise that. And again, we're doing everything we can in a very thin market to push forward and secure what we can.

On the projects that we are tendering at the moment, we're shortlisted on most of them. Again, nothing is committed, nothing is in writing, nothing is in contracted. But we do see where we are focusing on that we are well-positioned with those customers. So that's what we're working on and prioritising now is securing that order intake at terms that work for Sif. And particularly, as Fred mentioned, the 190-kiloton one, that's our top priority.

Obviously, with the struggles we had, the ramp-up, there's been quite a bit of focus as well on our liquidity, on our working capital movements and working capital needs. That's obviously something we're still very much focused on. We see unwinding of a lot of working capital this year, which relates to those projects we secured at the time of taking the investment decision and that we have to deliver on now.

With higher costs on our operations than we initially anticipated, and in combination with the delay, clearly that puts pressure on that. So we continue to focus on that. We looked at issuing a bond a few weeks ago, two months ago. It was a very interesting process for us to go through. I think we learnt a lot through that process. Ultimately took the decision not to do it, driven by the market, but also the terms that were available to us.

And now we continue to look at what can we do, what do we need to do should we want to strengthen our balance sheet and raise additional liquidity. The bond didn't go ahead. It was a conscious decision from us at the time not to do it, and we keep moving forward, focus on the order book, focus on delivering, and of course, looking at our liquidity and working capital as we move forward.

I think back to the numbers, we delivered 101 monopiles, which is a fundamental achievement in six months. And a number of transition pieces as well for East Anglia. So that's the last project in the order book. And we've also spent a lot of time, and I think that translates as well to the operational improvement we've seen, is better alignment with the business in terms of our management. We really are running Roermond and Maasvlakte now as two separate businesses, as independent business units. They both have a strong management team. They both have a director running the business. So we see a lot more focus site-specific rather than focused on just one whole, because they are two separate businesses that work very well in tandem.

We've strengthened senior management with a new CCO. And, of course, Koen, who just introduced himself, who will take over the reins at one minute past midnight today.

Just a graphical representation of the results. It always looks much nicer in bar charts that stick out nice and high. But it really does show the substantial improvement, both in terms of the kilotons we produced, the contribution, the EBITDA. And some discussion on whether this is an improvement or worsening of working capital. I think the jury's still out. For me, it's an improvement because we have less liabilities on the balance sheet, but obviously that uses cash. But where we've come from in the last two years really showed the nature of having these lumpy advanced payments from customers and having to deliver the work later, and that is flowing out of the order book to a much more sustainable level, I think, than where we've come from over the last two years.

The last point on the slide. Because of the accordion effect that Fred was talking about, where with the delay in the startup, the decision we took last year to slow things down, but an order book that had fixed delivery milestones under the contracts, that compressed to an extent where contractually we had to take reservations for what are called liquidated damages towards customers. So we still delivered the projects on time for the installation campaigns, but under those contracts, there were already LD milestones prior to the final delivery dates, and being held to those contracts by customers meant about €19 million in downward adjustments to revenue in Q1, which also has a direct translation to EBITDA.

From an ESG perspective, I think a logical consequence of much higher production, much more work taking place in the factory is an increase in our CO2 tonnage. So that's fairly linear in terms of the increased production. Also contributing to a lot more renewable energy with the monopiles that we've produced. And coming back to Fred's point on improved safety on an LTIF basis, we've seen even bigger reduction in our injury frequency rate than we've seen over the past years other than 2024. So that focus also translating into the reduction in the frequency relative to the number of hours worked.

Then again, looking at the order book, so particularly focusing on the orange bar for 2026, on the left-hand chart, the 225 that we have in the order book, that's a relatively low number. But with the exclusive project that we hope to translate into a contractual order in the coming months, we hope or we anticipate that that number will improve with the blue part. You might see it says 197 and not 190, because there are also some OSS projects in there where we are in exclusive negotiations as well. So that's the €7 million difference between the two.

Contribution per ton, still at very healthy levels, slightly lower than 2025. That has just to do with the tonnage on the Empire Wind monopiles, which were a lot larger in weight than the monopiles we're producing now. So relatively per ton, a slightly lower contribution, but still at very, very healthy levels.

And I think what we, more importantly, the contribution per month, that has improved significantly compared to historical years.

Just quickly on the covenants. There's been a lot to do about that since we did the amendment in September last year, where we faced a covenant breach, again, due to the decision to slow things down. Good constructive discussion with the banks at the time. We amended the covenants. And as per 30th June, now we've come out of that amendment period. So we amended them for December and March. And now for the first time, we're back at the original levels under the financing documentation. So good that we've come out of that dip.

And that's again, a translation of the financial results as we're becoming more profitable and as we're building up our EBITDA, because leverage is on a last 12 months basis. We're replacing low EBITDA months in 2025 with high EBITDA months in 2026. So we'll continue to see leverage improving, and we expect solvency to improve as well as we move forward.

Fred, back to you.

Fred van Beers: Yeah. We've come to the last slide already to open the floor for questions after that. But to recap and expand a little bit on the last one. To recap, our strategy remains unchanged, and that is a total solution provider of monopiles for the longer term and maintain our market share as it is. But the focus, of course, has shifted very clearly to filling the order book for the ’27-’28 period, which is a fighting market period.

We're good positioned with the run rate now that we have in the factory. That is clearly showing off in the discussions we have with potential customers. But there's not enough projects for the total supply chain. Our position in Rotterdam is a benefit. The output is a benefit, but we fight for it every day in everything we have. I think that's also what is to be expected from us as a team to do instead of spending a lot of time on a very long-term, nice planning, etc. You have to survive also tomorrow.

That survival is a clear message that we're bringing out not only today but are actually constantly bringing out in our discussions with the EU and EU member state representatives. We need to speed up the rollout of what is now predicted to be installed up till 2040, which is an extremely nice ambition. But ambitions alone don't feed mouths. We need to see the projects materialised. And I think the good news here is that the agreements that have been made between the UK and the Netherlands, between Germany and Denmark on interconnectors, on actually in the Denmark, for example, building wind farms for the German market, are clear signs that this is taken serious by politicians. But again, it's the speed with which they translate ambitions into action that is our concern.

We are making very good progress on this 190-kiloton project, and I think you could say, why isn't the contract there? That's one way of looking at it. The other way of looking at it is that, hey, we're talking with 60 to 80 people on the project, and that's still today, two years after the first announcement. That probably means that everybody is taking this one very serious. But life and the world has changed, and we need more time to conclude on the whole chain from PPAs down to supply chain. And that needs to be covered, but everybody's working on that.

So I'm pretty confident that this project will materialise. The question is, will it materialise in time for us to close the gap that we are facing after delivering the last order? And that is probably a nice bridge to the last point that I first want to address, or that I want to address, is the fact that this is the reason, the explicit and only reason, actually, that we are pretty confident that this project should materialise for the start somewhere between May and September next year. That we have said, okay, we have float in our last project, East Anglia, mainly, and a bit of float at the end of the other project, OranjeWind.

Let's use the time now to the maximum for producing those projects at a little bit lower pace, but with continuity well into '27, so that we can make a connection by having sufficient people actually in the team with experience that is needed to ramp up again for the next order, instead of focusing fully on delivering on the earlier guidance of €135 million minimum for '26, and then facing a massive gap in '27, which means two things.

'27 is looking a little bit less favourable, but far more important is that we will lose a lot of experienced people then by the end of this year that we know by the hard way. We learned it the hard way. We know that it takes a lot of time and effort and money and pain to take them through the learning curves again for ramping up for the next project that will materialise then in May or September. So that was an explicit decision, and we know that it could be seen as a bit disappointing for this year.

I think that the drivers behind this one are totally different from the drivers we explained last year. For us, this is a conscious decision to secure continuity in the company in difficult times. Yeah.

With that, Boudewijn, correct me if I'm wrong, we've come to the end of the presentation.

Boudewijn van Schaïk: We have.

Fred van Beers: Now we come to the fun part again, and that's opening the floor for questions, remarks, whatever. Thijs, welcome. Good to see you here as well.

Questions and Answers

Thijs Berkelder (ABN AMRO ODDO BHF): Good to see you for the last time.

Fred van Beers: Sure. I don't know. But in this role, yes.

Thijs Berkelder: Shall I open the floor then?

Fred van Beers: No.

Boudewijn van Schaïk: No. You came in last.

Fred van Beers: Maarten, I guess.

Maarten Verbeek: When you come half hour late, you're not allowed. It's Maarten Verbeek of The IDEA!. A couple of questions from my side. First of all, the €18.8 million kind of penalty you have taken. Firstly, is that related to the total order, so how many kilotons does it involve, or is it related to those monopiles who have been delivered too late? And the third part of it is this €18.8, this is purely allocated to Q2 or to H1 in total?

Boudewijn van Schaïk: Okay. So I'll start with the first one. It's predominantly related to H1, indeed. So we see the projects that we had to deliver end of last year, H1 this year, were the ones that were most compressed and where we had this problem. It's typically on a per monopile basis. Under the contracts, we have certain milestones to deliver, what we call ready for load out, to have the monopiles ready. If we're not, there's typically a day rate or a week rate that starts accruing every time you're late. So it's not tonnage-based, it's date and monopile related.

Maarten Verbeek: Then **a** brief follow-up. If you make a split into Q1, Q2, and how many monopiles does it refer to?

Boudewijn van Schaïk: I don't know exactly how many monopiles because it's split over two projects. And it's very specific on milestones for specific monopiles. In terms of split over the two quarters, we took a provision of €5.5 million in Q1. So the remainder would be in Q2.

Maarten Verbeek: And then secondly, you're still working hard on this 190 kiloton project. The cost you make to get this project going, firstly, how much is it? And is it taken in the P&L account, or have you capitalised those costs?

Boudewijn van Schaïk: So at the moment, they're in the P&L because there's no contractual basis for us other than the exclusive agreement. So if there's an early works agreement, an EPCI agreement, a formal contract, then we'll start capitalising costs.

Fred van Beers: Yeah. It's basically manpower.

Boudewijn van Schaïk: It's basically manpower.

Maarten Verbeek: You will reverse it. More or less bookend.

Boudewijn van Schaïk: I need to look at that. Yeah.

Maarten Verbeek: Okay. Again, the cost more or less approximately, how many costs? How much?

Boudewijn van Schaïk: It's not significant. There's very little external cost because it's all internal manpower, so it's internal hours, internal rates. We're talking a few million in the course of the next few months.

Maarten Verbeek: Okay. Thanks for now.

Philip Ngotho (Kepler): Philip Ngotho from Kepler. I would like to focus on the liquidity position. First of all, can you maybe indicate what you expect in terms of working capital outflow for the remainder of the year, and also see the contract liabilities are still at about €140 million. So how is that going to evolve going towards year-end?

And the other point I have is on the accelerated payments on payables. You mentioned that it was to optimise solvency. Can you help explain that? I was a bit surprised to see, I mean, how does solvency relate to payables? And what do you expect going forward as well? Should it normalise, or are you seeing maybe suppliers actually asking for Sif to pay sooner, given, of course, your liquidity position?

And the other question I have is on the remaining 225,000 tons in the order book. How much do you expect to produce in the second half of this year?

Boudewijn van Schaïk: Okay, I will start with the solvency one. So it is not necessarily the liability, but it is the current asset associated with it. So the minute we invoice the customer before they pay, that drives the solvency because it impacts the asset value, so the denominator of the solvency calculation. So that’s more the timing. And if we have cash, it increases the asset as well. So in effect, it doesn't matter depending on what we do with the cash, but the current asset is typically what we focus on for the solvency.

How is working capital going? Yeah.

Philip Ngotho: And you haven't seen any suppliers actually asking for quicker, faster payments from…

Boudewijn van Schaïk: No. We have ongoing discussions because clearly, our suppliers read the press as well. But we have contracts with all of our suppliers. We have payment terms with all of our suppliers. Our contracts are structured in such a way that everything is aligned with when our customer pays us versus when we pay our suppliers. So there's, in essence, our suppliers run very little risk in that sense. They're not dependent on future sales that are not contracted for their payments. It's all linked to those milestones, to those payments with our customers. So there's a good match, let me put it that way, in the cash flow timing of our payments vis-à-vis our suppliers.

On the working capital point, so we'll see a lot of that, and we'll see with the East Anglia project specifically, we received quite some upfront payments from them under capacity reservation payments quite a while ago. That impacts the first part of the project. So we'll see that winding through the working capital. We'll be ordering and receiving most of the steel for East Anglia in the second half of this year, and that's where the biggest mismatch comes from because we'll get paid by our customers for the steel. We'll receive the steel, but the revenue recognition only comes on a percentage of completion of the actual monopiles. So that's going to first increase before it decreases.

It's just going to depend where we are in terms of percentage of completion at year-end, what the exact impact is going to be in the second half of this year. So we might see a small increase in contract liabilities towards the end of this year and then come down early next year. Yeah, that's more of an IFRS thing. That's not a cash thing, an IFRS thing that largely impacts those contract liabilities.

But cash-wise, we'll certainly see quite a bit of movement there because the steel is obviously a big part. But again, payments are linked. When we pay for our steel, it's because our customers have paid us for the steel. So there's no mismatch there in terms of cash out. That's also well balanced.

Philip Ngotho: And can you give any guidance on what you expect in terms of really working capital outflow for the second half?

Boudewijn van Schaïk: Cash-wise, it's fairly neutral again, because most of our payments are linked to cash inflows from the customers. Yeah.

Philip Ngotho: Okay. Let's see. Yeah, and just last question then. Given the liquidity position as it is now, just short of €60 million, do you think that's sufficient to run the business until the remainder of the year?

Boudewijn van Schaïk: Yeah. Good question. Is it sufficient? Yes. Why did we look to do the bond and why are we continuously looking at improving that is for a business like ours, which is quite lumpy. So for example, steel deliveries come in on a weekly basis, customers pay on a monthly basis. So there are sometimes some timing mismatches. A company like ours should have a stronger balance sheet to manage that, to not be surprised by a delay on one side or the other side. So the way we finance now, we have enough liquidity. Do we have a lot of headroom? No.

Jeremy Kincaid (Van Lanschot Kempen): Sorry, Jeremy Kincaid from Van Lanschot Kempen. Sticking with the capital structure and liquidity headroom, can you talk to the different scenarios around how that is impacted, say, if the 190 kiloton project starts up in May versus August? Do you think you don't need to do anything if it starts up in May? Does that change if it's August?

Boudewijn van Schaïk: Yeah, good question. Look, I think either way, we need to strengthen our balance sheet and improve our liquidity position. So I think regardless of whether it starts in May or August, I think that's something the company recognises is important and that we'll continue looking at.

But clearly, there's a big difference between those two scenarios because three, four months, we have different scenarios in terms of how we can reduce our cost base, how we can further ramp down our workforce. But what Fred alluded to, we have to balance that with operational risk of every person you let go, you have to rehire them or somebody else a few months later, and there's a cost associated to that. There's a risk associated to that. So we need to balance that, but we need to be able to fund it as well.

So clearly, the cash burn is much higher if the project only starts in September versus May. And for that, we have all the scenarios on what we can and can't do, cost savings, less people, but also from a funding perspective.

Jeremy Kincaid: Okay, sure. And now that the bonds issuance didn't go ahead, do you think you're still trying to shore up the capital structure before you get the 190 kiloton announcement? Or do you think you'll now wait for the 190 kiloton is locked in before deciding anything?

Boudewijn van Schaïk: Yeah, I think it would make sense to wait and to have that as building positive momentum to then use that as the backbone of a form of funding if we go down that route, yeah.

Jeremy Kincaid: Okay, clear. On the liquidated damages topic as well, €19 million, was that in your guidance already? Because obviously, you're reducing your guidance by €40 million, but that reflects the timing shift.

Boudewijn van Schaïk: That's correct. We knew last year that we were under pressure, so we already took that into consideration in the minimum. That's why we said minimum €135, because we knew there were a few things that could work against us, work for us, but we knew that €135 was achievable regardless.

Jeremy Kincaid: That's clear. And then just a small operational one. You mentioned you're starting up OranjeWind and East Anglia at the same time. Does that mean you're doing TPs for one and then monopiles for the other, or are they both the same spec monopiles?

Boudewijn van Schaïk: Separate locations, though.

Fred van Beers: Yeah. It's the thing of separate locations. It's not exactly parallel. It's work in progress now parallel. But we started up with, I think, the TPs together with the top sections at Roermond, and now we have started up the rest of the monopiles of OranjeWind at Maasvlakte.

Thijs Berkelder: Okay. Thanks.

Nico Inberg (De Aandeelhouder): My name is Nico Inberg from De Aandeelhouder. I've one question for Fred van Beers. You talk about the competition is a need as well for orders. How exclusive are the negotiations you have with the customer for the 190 kiloton? Is there a possibility that somebody of the competition.

Fred van Beers: It's an exclusive negotiation, as we said. That literally means exclusive.

Nico Inberg: The only one.

Fred van Beers: Will the customer do market soundings, on pricing, etc., whether we are still in line? Yes, but the whole discussion and the whole setup of the agreements is 100% exclusivity with Sif.

Nico Inberg: All right. Are you aware of the competition of the other players in this market that are in trouble?

Fred van Beers: Yes.

Nico Inberg: Some kind of trouble?

Fred van Beers: Yeah, we know.

Nico Inberg: One or more?

Fred van Beers: No. Well, it depends on how you define trouble.

Nico Inberg: Yes. They need cash flow.

Fred van Beers: A few of them that have disappeared from the market. There's basically one in Spain and one in Denmark with respect to monopiles, not as a company as a whole, but with respect to monopiles. We know for a fact, and it has been in the press, I think, also quite often, that the startup in the UK, having spent €1.2 billion is still having issues in not only ramping up but starting up their production. They haven't produced a single monopile yet. So that is a different kind of trouble, so to say.

And then we know that basically the ones that are left are EEW, is doing good work but also is expected to see, I think, holes in their order book ’28 onwards, so they look relatively okay for ’27. Steelwind and Haizea are on a more or less in between basis when it comes to ’27. And then the big, how to say, threat for the European supply chain is mainly Dajin in China, who is very aggressively bidding for projects but has also its limitations on capacity.

Nico Inberg: Okay.

Fred van Beers: But that's always a bit of a dark horse that you don't know exactly what they do and can do and will do.

Nico Inberg: All right. Thank you. No further questions.

Edwin De Jong (Edison Group): Edwin De Jong, Edison Group. A couple of questions. Maybe starting with the 190-kiloton project. What is the scenario if it doesn't go through?

Fred van Beers: Well, we can't live from dreams alone. You look at, I think we discussed that also half a year ago, then you come to a significant size down of the company. That basically means letting go the biggest chunk of your experienced people, not only the flex workers, but you also have to look at temporarily outsourcing our payroll people.

Edwin De Jong: Yeah. Okay, that will be. Assuming it's not done.

Boudewijn van Schaïk: It's a more dramatic scenario, yeah.

Fred van Beers: It's quite dramatic. Meaning we have a continuation in our OSS at Roermond, with the offshore steel structures. But that is, as you know, limited tonnage and limited possibilities, but Maasvlakte, you look more or less at a sort of mothball factory for one. Yeah.

Edwin De Jong: Okay. Then let's say, the financing of the bond that didn't really go through. What were the conditions that made it not going through?

Boudewijn van Schaïk: Yeah, interesting question. I think there were a number of factors, but if I summarise, it was the progress on the exclusive project that is not yet firmed up. Although with the sizing of the bond, that risk was pretty well mitigated, but then the follow-on risk was, okay, when does the market return? Is that mid ’28? Is that mid ’29? And that timing uncertainty in combination with not yet a firm contract for the exclusive project was what investors were worried about.

And to Fred's comment as well, then you start talking about structure and pricing, and that is where we said, look, no. Then if it doesn't work for us, it doesn't work.

Edwin De Jong: Okay. So the most probable scenario, if the 190-kiloton project goes through, it will be again the bond.

Boudewijn van Schaïk: It could be. Yeah. Definitely an option.

Edwin De Jong: Okay. Thank you.

Boudewijn van Schaïk: Okay.

Thijs Berkelder: Thanks. Thijs Berkelder, ABN AMRO ODDO BHF. First, a big thanks for Fred.

Fred van Beers: Thank you.

Thijs Berkelder: Being here for so long and being probably the nicest CEO I've ever seen. There you go.

Boudewijn van Schaïk: Big sigh from Maarten.

Fred van Beers: Thanks, Maarten.

Thijs Berkelder: That's where your successor won't be able to beat you. But of course, a question for Koen. What is your ambition level? Where do you think you will do things differently than Fred? Maybe short explanation, what's really your standard style maybe is? Let's start there.

Koen Bogers: Thank you. Though I'll be bringing Sif to the next level of performance, of course, I have to deal with the same market situation as Fred and Boudewijn just explained. So there will be, for sure, a dip in the next few years. We're very confident about the market developments after that. The last two months, I've been working intensively with all the teams in Roermond and Maasvlakte and visited several customers and partners together with Fred.

I'm very impressed with the ambition of the sector, the craftsmanship of our people, and I'm looking forward to working with them and bringing the business forward.

Fred van Beers: And Thijs, he's actually quite a nice guy because we worked together now for three months, and I can tell you, there's nothing wrong with Koen in that respect.

Thijs Berkelder: Okay, thanks. Good to hear. Then maybe the tougher questions. The press release clearly states discussions with your shareholder. Debt market says no to you, so that means discussions with shareholder. I read then also discussions on potentially acting on your equity lines. Can you maybe further explain? If I look at, you asked for it, global market circumstances. Dajin raised a lot of cash in Hong Kong for further expansion. EEW, a year ago or so, got Sumitomo in as a co-shareholder, big conglomerates with big cash positions. The name of the game is big boys and consolidation. So, is one of the scenarios also potential consolidation with, let's say, Steelwind, Dillinger Hütte or with Haizea or someone else? Or are discussions open or is the mindset open for having, also a larger outside industrial shareholder coming in?

Boudewijn van Schaïk: Okay. Yeah, I think, and add if you want to, but from my perspective, and I think to Koen's exact words, we're positioning Sif to be ready for the next level, for the next growth phase. We're looking at all options, what is necessary for Sif to be there. It could be that we do nothing. It could be that we just raise funding. It could be that we consider a strategic transaction.

I think all options are on the table. We don't have to do anything. But we're looking at what is in the best interest of Sif going forward to be there for the years ahead.

Thijs Berkelder: Has Dajin already approached you for potential acquisition or CS Wind or one of the others? We found out on Arcadis that three weeks after they received the letter, it suddenly was published. So have you been approached already?

Koen Bogers: Yeah, we can't comment on that. We can't say yes or no.

Thijs Berkelder: You're not saying a no. Is this a yes?

Koen Bogers: No. We're not saying anything. Yeah.

Thijs Berkelder: Okay. And a follow-on question on the exclusive project. My understanding is that the prime hiccup is in the connection to the shore, that we're close to settling that connection.

Fred van Beers: Who, sorry? Who you said?

Koen Bogers: The exclusive project.

Fred van Beers: Yeah.

Thijs Berkelder: This primarily relate to the connection to the shore. Let's say the TSO or the DSO wanting to have an adjustment or the population wanting to have an adjustment, and that's maybe the key reason for the delay. But I'm just asking, is it that the project, in your view, will land, and that's only a matter of May or September and no way December?

Fred van Beers: No, I think there's a few things here. First of all, to your point as well, Nico, anything – Thijs, that is related to the delay has nothing to do with customer relation with us or the supply chain as such. So that is basically a done deal. That's why I'm saying it's very exclusive here for a reason. That's not the issue.

The issue is more, and then you come to what basically is the issue in many more projects at the moment, is do we have, one, an on-time right grid connection? And secondly, do we have sufficient take-off guarantees once we start delivering power to justify a business case and an FID taking? And that in relation to EU governmental bodies understanding damn well, as we have mentioned here a few times, that time is of the essence now and continuity is at stake if things don't move quickly.

And I think that these three factors, pressure on continuity, pressure on everybody realising that grid and power take-off are a bit of an issue at the moment and need support from one way or another, in a kind of governmental support without being subsidy when it's not allowed, is at this moment the key discussion going on. And the progress being made on that for us is sufficient reason to believe that we should be able to start between May and September with this project. But as we all know, it's only a deal when the signature is set by all parties.

Thijs Berkelder: Yeah. And the 190 is a split between monopiles and transition pieces? It's only monopiles.

Fred van Beers: TP-less.

Thijs Berkelder: Because what is the outlook then for the Roermond factory for '27?

Fred van Beers: That doesn't matter, basically, because whether it's TPs or TP-less designs, the top part of the TP-less design or the TP are dedicated to Roermond.

Thijs Berkelder: Even with low Rhine levels?

Fred van Beers: Yeah. With 190 kilotons, you can imagine it's quite a sizable project. It's the biggest project ever from a kiloton perspective. Actually, also from a gigawatt, of course, related perspective. It's a huge thing, and that makes it so binary, so to say, on and off for us when it goes on or not.

Thijs Berkelder: Yeah. Coming back on the consolidation discussion, so it's also not that you are actively approaching others to consolidate?

Fred van Beers: No. We're focusing on exactly what we said here on the top, get the orders in and make sure that the factory reaches now also its cost levels, because that is the main way out of continuity of the company.

Boudewijn van Schaïk: Yeah. Simple answer, we do not need more production capacity. We need more orders.

Fred van Beers: Yeah. But also from a consolidation point of view.

Thijs Berkelder: Well, the big boys in town, EEW is heavily expanding in Korea.

Fred van Beers: Is expanding in Korea heavily?

Thijs Berkelder: Yeah. But your Korean adventure, what is the?

Fred van Beers: That's a good question. It's not our adventure, it's the adventure of GS Entec, but we are supportive there. The factory went successfully through its site acceptance test and is doing its first steel production over there. They are also delayed because the Asian market, in general, is delayed when it comes to projects, but they have a running setup, smaller but equally set up as the Maasvlakte site is. So we're ready for that market and ready to compete in that sense with our friends from Germany.

Thijs Berkelder: And the contribution from Korea this year should roughly be what?

Fred van Beers: Zero.

Thijs Berkelder: Zero?

Thijs Berkelder: Once the factory is up and running, what should it add?

Fred van Beers: We have never disclosed the numbers on that, but what we have disclosed is that we will get an IP, what is it? License fee per the monopile supplied.

Thijs Berkelder: Yeah.

Fred van Beers: And then decide how high that is, and for commercial reasons, I hope you understand, do not disclose.

Thijs Berkelder: Then in this room, maybe the big question mark is not ’26 because the guidance was given, so roughly ’27 EBITDA guidance, should the project start in May? EBITDA, again, something like €90 million, and if it's not starting, more like €40 million, €30 million?

Boudewijn van Schaïk: Good question.

Thijs Berkelder: Can we get a rough indication on scenario analysis?

Boudewijn van Schaïk: Not yet. I think it's too early to tell because it also depends on what we finally agree with the customer, what our final production schedule is. It's going to be very dependent on how we phase the production, where the percentage of completion is during the year, whether we start May or September. So it's too early to tell, but when things firm up, we'll provide guidance.

Fred van Beers: I think if you look a little bit at run rates, what we're doing today, and look at May versus September as a start of the fact that we have said that €40 million will shift to next year, should give you the building blocks to build your own analysis.

Thijs Berkelder: Yeah. Thanks.

Edwin De Jong: Okay. Is there more that you can do on the cost base?

Boudewijn van Schaïk: Absolutely. Well, certainly. That's something where now that we've reached that operational stability, it's a strong focus of us going forward now, is looking back at what was the original plan for the factory, how was it designed, how was it meant to operate, and how many people we needed for that versus where we are today. And at the moment, we see a gap in the sense that we have more people now than what we anticipated at the start of the project for logical reasons.

And now we need to look at, okay, what is the right size of our operating footprint, also in the context of having spread these orders out longer, to see what reduction is possible there without jeopardising safety, quality, output.

Fred van Beers: And by the way, to add to that, don't forget the effect of the spread from ’26 to ’27. That gives us the possibility to reduce also in the cost structure.

Boudewijn van Schaïk: Yeah. And at the same time also looking at our overheads, at what we call indirect personnel, so not directly operational, but supporting there, also having a more critical look at there, what's absolutely necessary.

Edwin De Jong: It's mostly in staff?

Boudewijn van Schaïk: Mostly staff. Most of our cost is steel and staff. Yeah.

Edwin De Jong: The steel part is pretty fixed, I would guess. Okay.

Boudewijn van Schaïk: Yeah.

Edwin De Jong: Right.

Jeremy Kincaid: Sorry, one more. Jeremy Kincaid here again. Will there be liquidated damages in 2027?

Fred van Beers: 2027?

Boudewijn van Schaïk: As you see it now, no.

Jeremy Kincaid: Yeah. Thanks.

Philip NGotho: Yeah, I just had one follow-up. There was an earlier question that I raised, how much of the 225,000 tons this year. That’s in the order book that will you be producing this year?

Boudewijn van Schaïk: Two-thirds, roughly.

Fred van Beers: Yeah.

Philip NGotho: And the other question is still a little bit related to Thijs' question as well, about strategic question consolidation. Given the structure of the business and the markets, the lumpiness and also the fact that you have Maasvlakte through single asset risk, you say, okay, you have room on this Roermond, but it's really Maasvlakte that determines the large part of the earnings. Does it really make sense for such a business, also given the lumpiness, to really be independent or just this scale?

Just more of your thoughts on that. You're not the only one. Of course, other companies are suffering from the same issue, and if you have more orders in the order book, you can maybe spread it out easier.

Fred van Beers: It's a good question. And I think it's a question that's not new and it's a question that is also sort of constantly on our mind. When you go into that consideration, I think the first next step is that you have to find the logic and the logical match in doing so. Consolidating just for consolidation reasons should not be the driver. But it's definitely so that with the lumpiness of the business we're seeing, it is something to seriously look at, which I think my colleagues also will continue doing as we did it in the past. But it's also a special business.

Boudewijn van Schaïk: But I think there definitely is a basis for Sif to be a standalone company. I think our biggest dependency is on the politicians delivering on their ambitions, translating them into projects, and providing visibility and reliability in the timing of that order book and those projects. With that volatility, we're very vulnerable to ups and downs. If that can be smoothed over a consistent period of time, then for sure, then it's a very healthy and a very good business to be in.

Fred van Beers: Yeah.

Boudewijn van Schaïk: Introduce volatility and you become very prone to the risks of being a one-trick pony.

Fred van Beers: That's a good addition, Boudewijn, and that makes it such – it's not an easy –

Philip NGotho: Never good to be dependent on politicians.

Boudewijn van Schaïk: Your words.

Philip NGotho: Sorry. And then the last question is, Boudewijn, you said when you're discussing different options on strengthening the balance sheet or not, that, yeah, there's an option also of not doing anything.

Boudewijn van Schaïk: Yeah.

Philip NGotho: At the same time, is it really realistic not doing anything? Because if I look at the more expensive equity options, where the charge, the expense of that is actually moving up as time passes by, it feels like you have to do something.

Boudewijn van Schaïk: Yeah, realistically, at some point, particularly around the timing of the exclusive project, we need to manage that. I think the point is more, is there a temporary solution until the project starts or is it a structural balance sheet strengthening exercise? And that will just depend on all the options that we consider available to us. Are they available to us? The cost-benefit analysis. We have one large shareholder. We also have a lot of minority shareholders that we have to take into consideration. So we have to balance everything and find the optimal solution, firstly, to get us through this difficult period and to make sure that we have, I said the firepower, but the liquidity to manage the volatility that we're going to see in this period, without overdoing it.

Philip NGotho: Okay. And it does makes sense that things like preference shares that now it's seen as equity, that in a new situation, one, two years from now, you would still need a similar level of equity at least, right?

Boudewijn van Schaïk: Right. If you look at it from a solvability perspective, yes. Obviously, assets are coming down as we depreciate the plant, but equity has to, at worst, come down at the same pace as what our assets are depreciating.

Maarten Verbeek: Maarten Verbeek, The IDEA. Couldn't understand Jeremy's question, but you mentioned by postponing or transferring business into '27, we don't expect another penalty.

Boudewijn van Schaïk: Correct.

Maarten Verbeek: It takes more or less nine months to prepare to start ordering steel and whatever. Imagine it would be very late in September. Is it then still possible to even spread out more the production into 2027?

Boudewijn van Schaïk: No.

Fred van Beers: No. Not without incurring penalties.

Maarten Verbeek: Okay.

Boudewijn van Schaïk: Yeah. Delaying the projects for our customers, which we're not going to do.

Maarten Verbeek: Okay. That deadline is more or less May 1st or even earlier?

Fred van Beers: Give or take.

Boudewijn van Schaïk: Give or take.

Maarten Verbeek: Give or take.

Boudewijn van Schaïk: Yeah.

Maarten Verbeek: Okay. Obviously, let me just briefly. In the past, you decided we're going to only focus on Europe. Is that still your view because now you're just dependent on what's happening here whilst there are other dynamics in other parts of the world, or simply you can't compete on price in other parts of the world?

Fred van Beers: We look at other parts of the world. There is no real activity. There's a lot of planning, IDs, what have you, like Australia, for example. India has been on the map. Brazil is looking at it. Canada is looking at options. US, don't go there. Although there's a lot of people that want offshore wind to come back again. It's really depending on there's one certain person that's in the way.

So yes, we look at that, but we've been in this business. You've been in this business for quite a while. From talks to real tangible projects, and a pipeline sufficiently stable to also justify investments, etc., is something we don't see happening at all at the moment.

Having said that, on the other hand, the European market is and was the most stable one. Don't forget Europe, including UK.

Maarten Verbeek: Maybe lastly, GS Entec is now starting production. Imagine, or don't know how the situation is, they will experience the same problem SeAH has. Could that be a lucky hand for you that you can assist GS Entec in production, etc., etc?

Fred van Beers: We definitely will assist anyhow, vice versa. Could also help us in the other way around, extra capacity from their side. Onto your point on SeAH, their factory is a copy from our factory, smaller, but exactly the same. All the learnings we took, they have been able to implement a little bit quicker. And their people, the Korean people, have been at our site for close to a year now, working alongside us, our people, to learn the trick and learn how to do it. We see a completely different pace of ramp-up that site compared to our site.

Boudewijn van Schaïk: SeAH built a new plant based on their own idea of how to build monopiles. GS Entec have done it based on our blueprint, but then taking into account our lessons learned from the ramp-up phase. So you could almost say their factory might actually work better than ours, especially in the ramp-up phase, because they've been able to leverage our lessons learned.

Fred van Beers: And the good thing is that because of that experience, we now can implement their solutions longer term.

Boudewijn van Schaïk: And they're helping us as well. So it's a very.

Fred van Beers: It's really vice versa.

Boudewijn van Schaïk: Yeah.

Thijs Berkelder: Thanks. Thijs Berkelder, again, ABN AMRO ODDO BHF. The Dutch state declared you a strategic asset within the Netherlands. Is that a big positive or a big negative? Because I think now no one can acquire you any longer. So for financial market, I would say it's more a big negative than a big positive. What's your view?

Fred van Beers: Yeah. No, thanks for that. Indeed. Good question. It is declared strategic under the net NCI from Europe, the Net-Zero Act. It's that strategic position is related to the net-zero industrial act from Europe. That's one thing. Basically, what it means is that we get extra, I'd say, attention in permitting and eventual financing or insurance processes. That what it mean.

Having said that, they also, independent from this strategic view, see the importance of a company like ours and the site we have for the rollout of the Dutch offshore wind pipeline. So we are in good contact with The Hague on also the situation we're in and the eventual support they can give without giving state subsidy.

Thijs Berkelder: But labelling it as a Dutch strategic asset doesn't make it likely that they will allow Dajin to acquire CS Wind to acquire Titan.

Boudewijn van Schaïk: I think the most important thing is whatever happens in the future, that that manufacturing capacity and capability stays in the Netherlands. That's the key strategic importance that we have that capability here.

Thijs Berkelder: Yeah.

Fred van Beers: So you can't compare it with strategic positions, for example, on military vessels or military equipment. That's from a different kind. This is more under the asset, under the net-zero industrial act, which is different under the NATO act or whatever.

Fred van Beers: One more question on whatever. We have time.

Speaker: Just one final question. Can you give an update on the anti-dumping investigation, or is it not anti-dumping, from offshore steel structures?

Fred van Beers: Yeah. Well, we are not officially allowed to disclose everything, but what I can say is that DG TRADE has taken our case on board and has now appointed a case handler on this case, which means that this investigation is now taking off as we speak, and should lead to some first, I'd say, feedback from DG TRADE in the coming, I think, this quarter four this year still.

So definitely on the rollers. What I also tried to say here in this presentation that this is a good example of them picking up the ball on anti-dumping and on protection measures under the steel, what is it, rules, new steel rules, import rules.

Boudewijn van Schaïk: Yeah. Any measures would still take.

Fred van Beers: That's the point. The measures we need to see happening or the penalties to be paid, so to say, that need to be announced soon. Otherwise, the market is, for now, officially still open.

Boudewijn van Schaïk: Yeah. Realistically wise, what timeline could something be announced and implemented?

Fred van Beers: I expect between six and 12 months from now.

Boudewijn van Schaïk: Okay. I would add, though, that the combination of the safeguard measures on steel imports from non-European countries, CBAM, and this threat of anti-dumping together, we do see that customers are taking that into consideration, the risk of that materialising. Obviously, the projects that we're tendering now for ’28-’29, they do see all three of these as significant risks in non-European monopiles, facing extreme costs that are right now not transparent.

So that risk, some companies are fine, and maybe some bidders outside Europe absorb that cost themselves, which will hit them later. But there are developers out there who are uncomfortable with that exposure and therefore prefer to have European monopile manufacturers. So it is helping us, but it's not tangible yet.

Fred van Beers: Good addition. Any more questions? No? Teams, nothing? All right. Then I think a few closing remarks from my side.

Thanks a lot, Thijs, but also all the others around this table for being nice but also being nasty. Sometimes in asking the spot on questions like you and the others do. It has been a pleasure for me to be here. As a minority shareholder, as Koen and I have been discussing, I will follow this company for sure with a lot of interest in the coming time, and especially, but only after January, because till January, I'm full-time connected to Sif, helping and assisting and advising, wanted or unwanted, these two guys here on what could be good for Sif. So thanks a lot for your interest and time during these eight years.

Boudewijn van Schaïk: Thank you.

Fred van Beers: With that, we close.

Boudewijn van Schaïk: Also on behalf of the company and also myself personally, thank you. It's been an absolute pleasure. This is our third session together here, and I think every time we've managed to laugh and smile, even though it's not always good news. And a lot of respect for everything you've done, so thank you.

Fred van Beers: Thank you. And good luck, Koen.

Koen Bogers: Thank you.

Fred van Beers: With that.

Boudewijn van Schaïk: Thanks, everyone.

[END OF TRANSCRIPT]