

Moving up the Services Value Ladder in Energy

Markus Ljungkvist

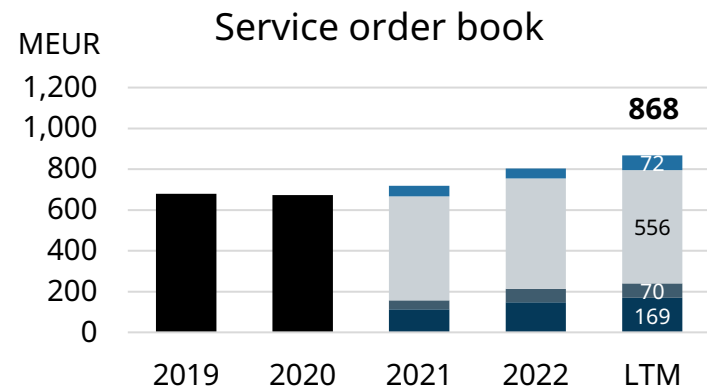
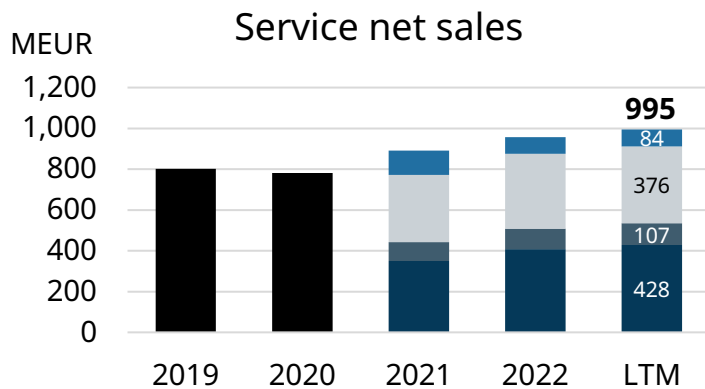
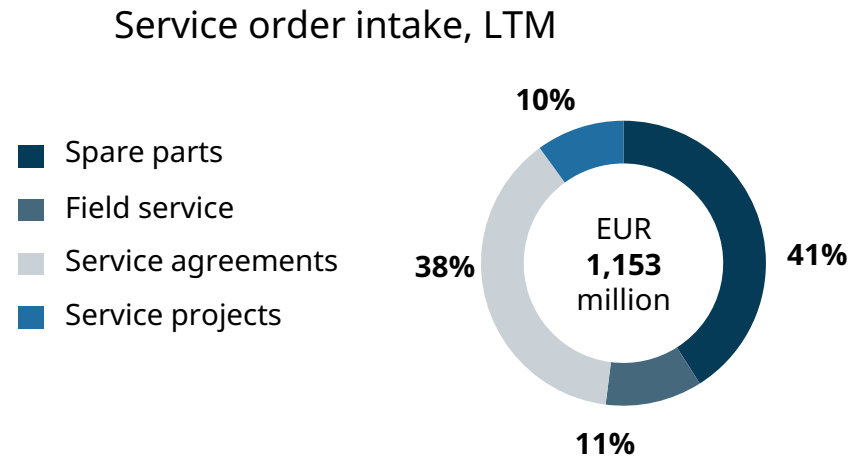
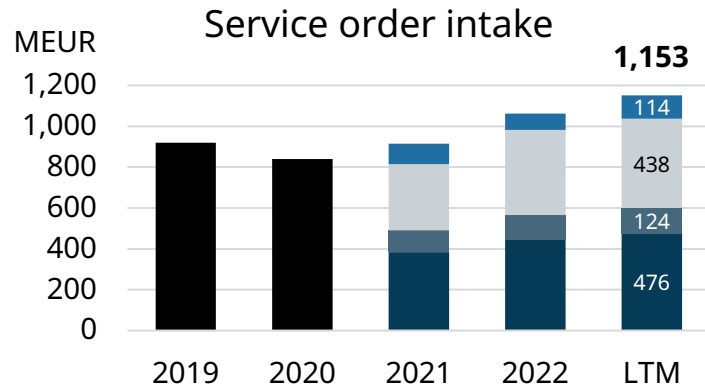
Vice President, Energy Services



5 June 2023

Wärtsilä Energy Services

Strategic focus in agreement coverage driving services business net sales growth



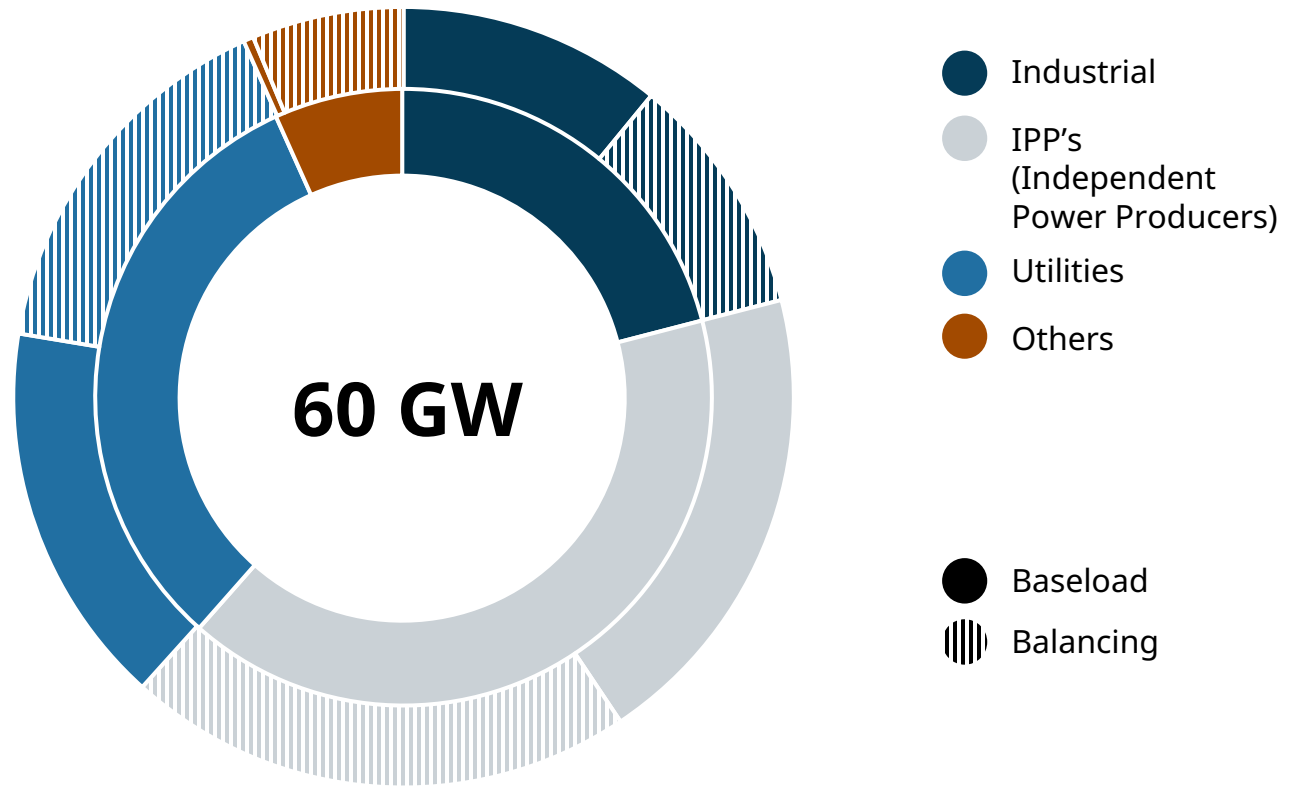
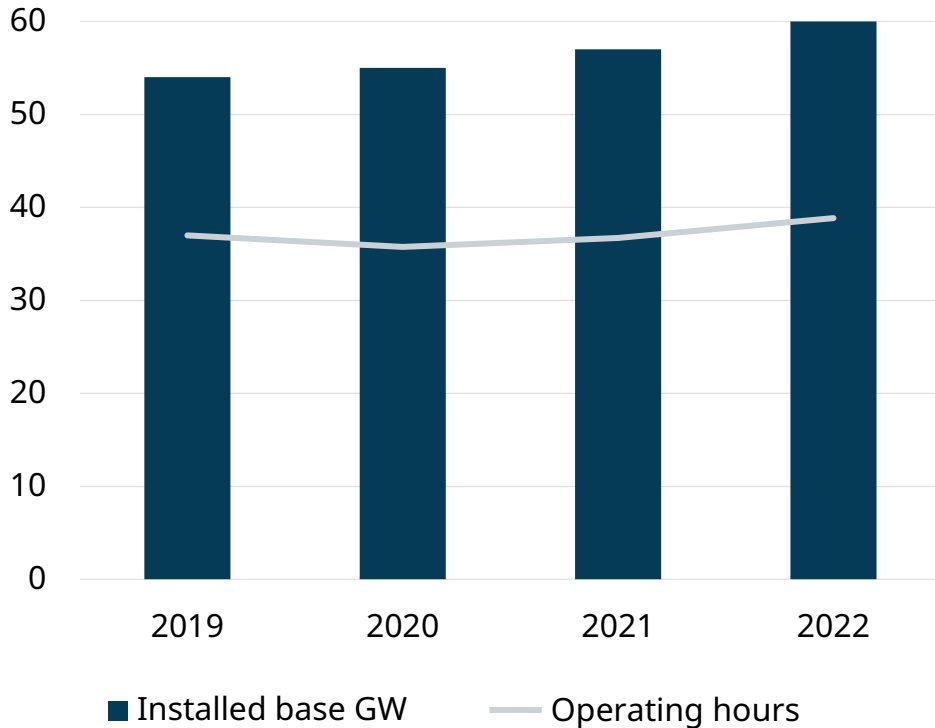
Key growth drivers

- Growing installed base
- Stable operating hours of the installed base
- Moving up the services value ladder through increased agreement coverage

Split by category not available before 2021.
LTM = Last twelve months, Q222-Q123

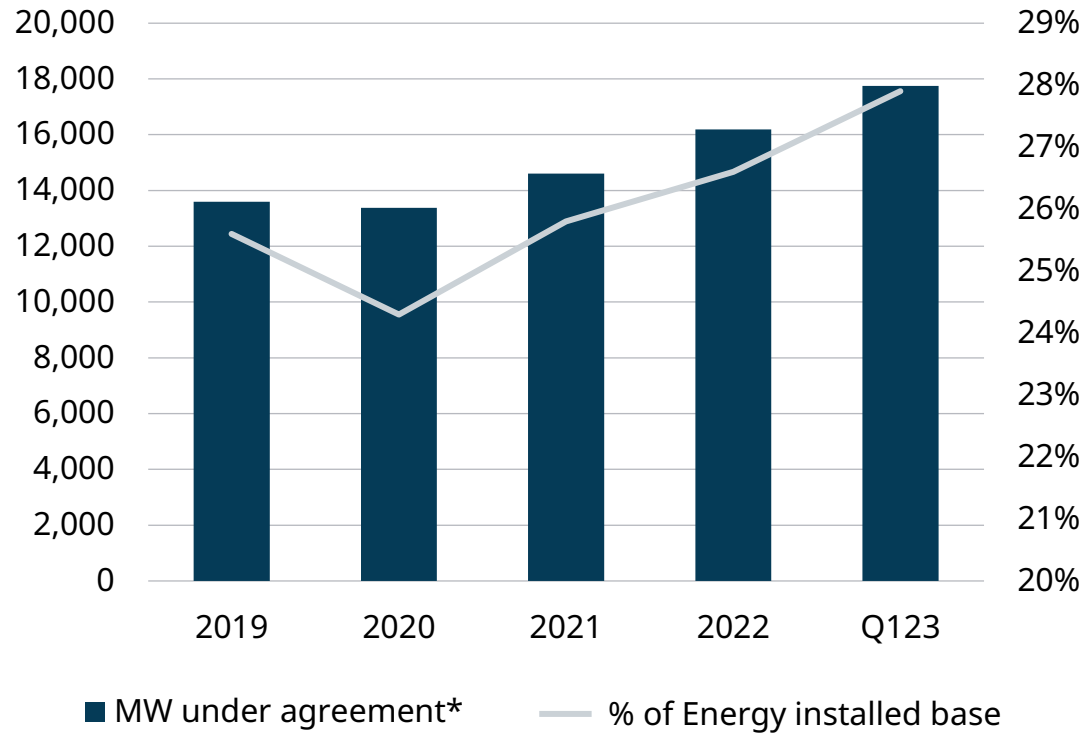
Operating installed base is growing and operating hours are anticipated to remain stable driven by growth in certain customer segments

Current running profile of installed base



Inner circle: division by customer segments
 Outer circle: division by baseload and balancing power within each customer segment

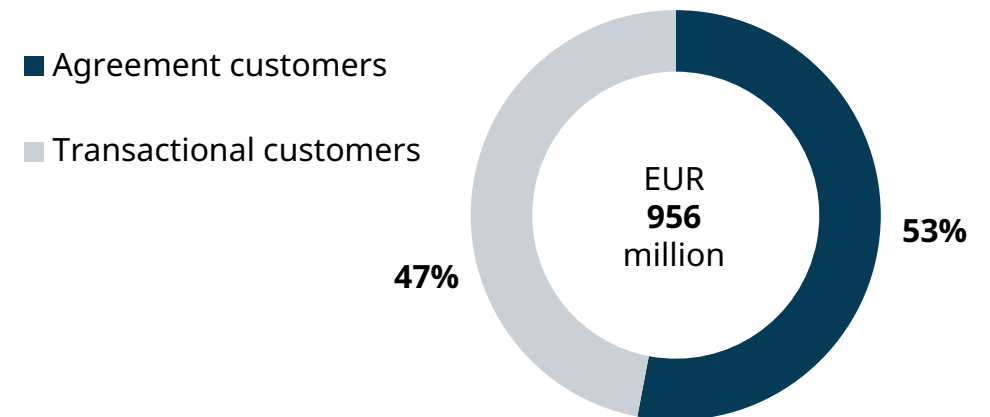
Strategic focus in long term service agreements resulting in strong agreement coverage growth



* Includes agreements covering both installed assets and assets to be installed in the future

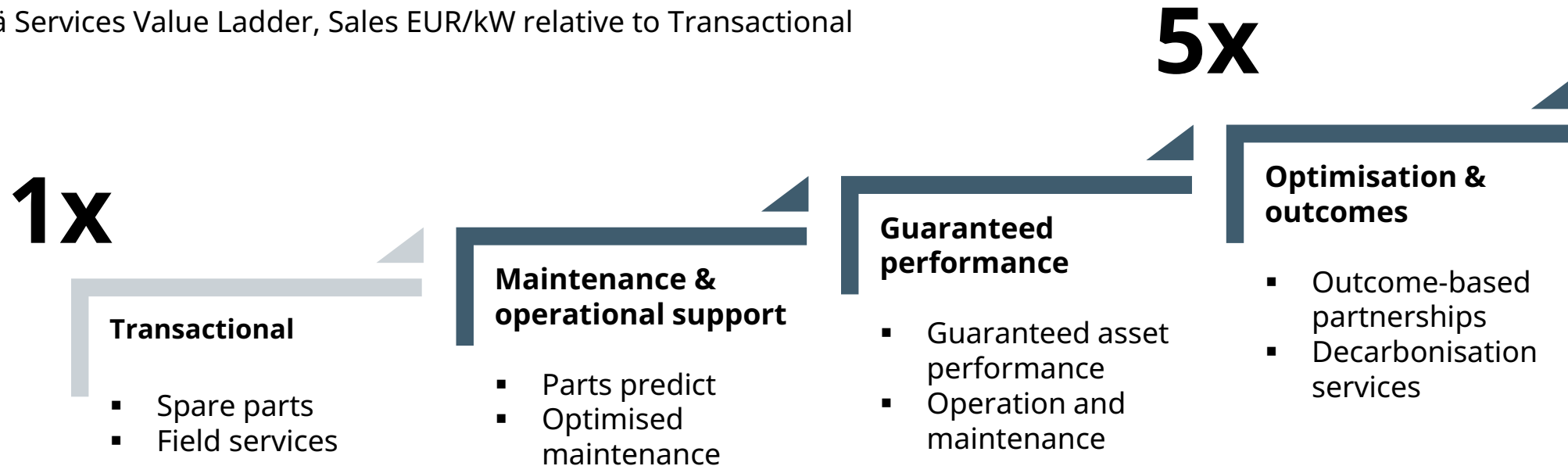
Significant growth in agreement coverage during 2021 and 2022

- Converting non-agreement customers to agreement customers resulted in an agreement coverage addition of **>2 GW** during 2020-2022
- High customer satisfaction shown in increasing agreement renewal rates (**>90%**)
- Increased agreement coverage rate on newbuild projects



Creating lifecycle value together with our customers by climbing the services value ladder

Wärtsilä Services Value Ladder, Sales EUR/kW relative to Transactional



Moving up the services value ladder to ensure lifecycle performance, continuous improvement and outcomes

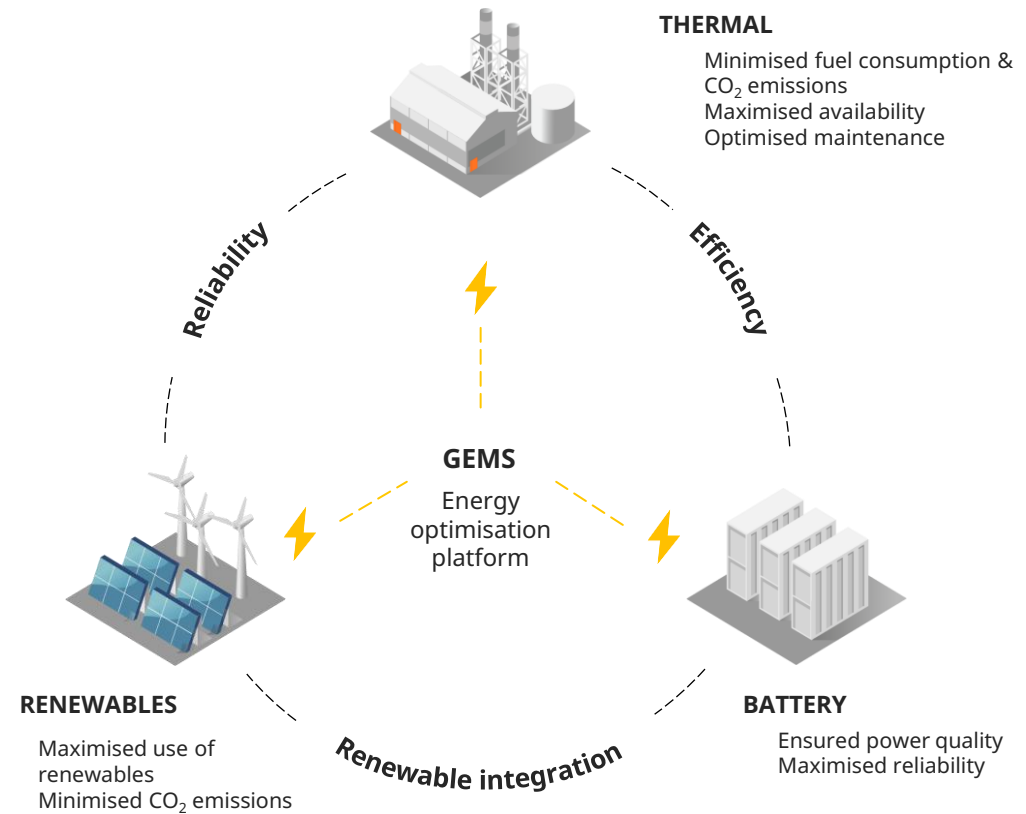
Renewable energy adds complexity to energy systems. Wärtsilä has all capabilities needed to integrate and optimise customers' hybrid power plants.

Customers' key challenges

- System optimisation becomes more complex
- Renewable energy is curtailed to secure system stability
- Issues with system reliability, even blackouts

Our solution

Decarbonisation Services are outcome-based long-term service agreements, where we optimise customer's energy systems for lowest levelised cost of energy while ensuring system reliability.





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