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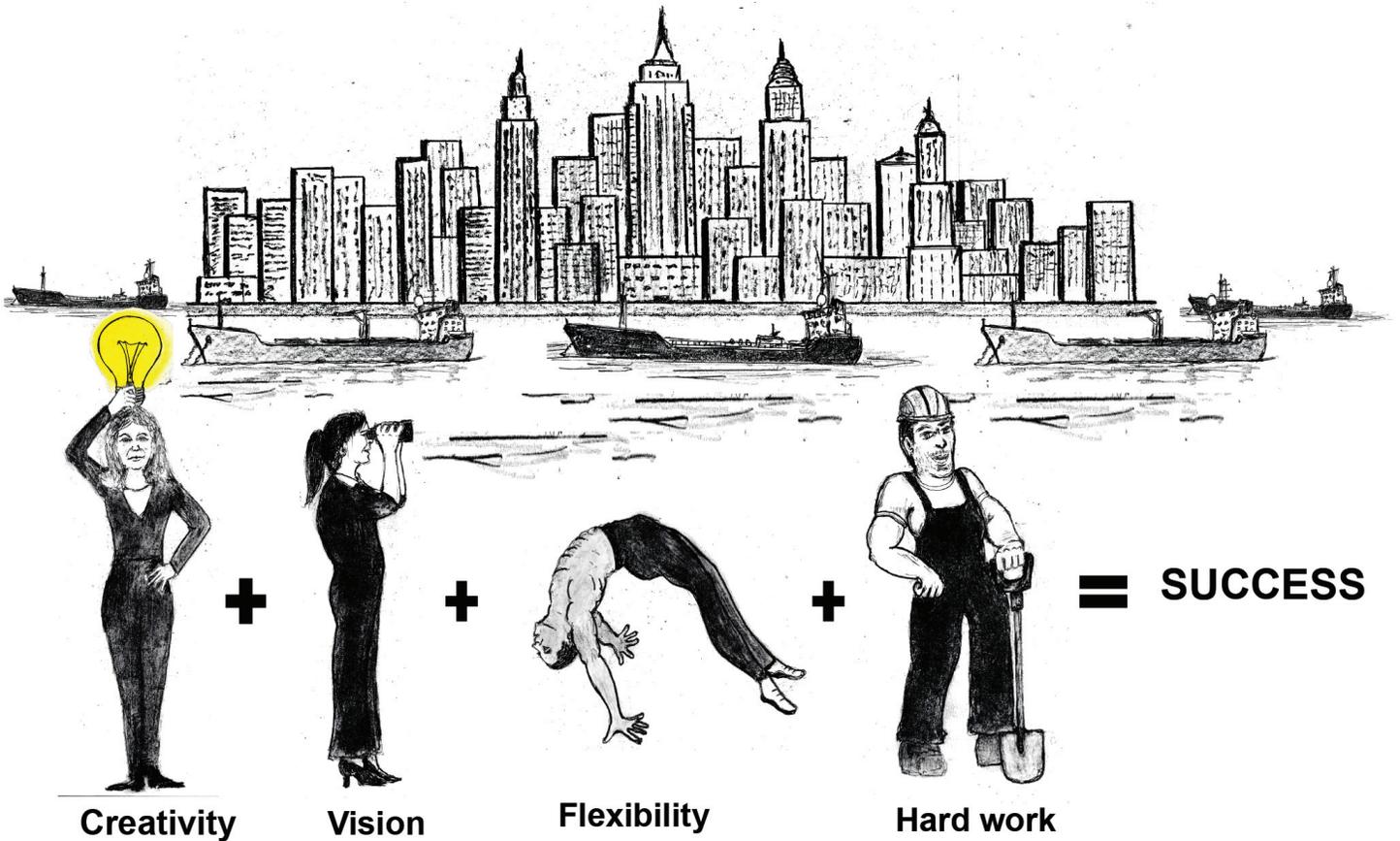
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Deals of the Year 2021

A CASE STUDY ON A SUCCESSFUL IPO IN THE OFFSHORE WIND SECTOR

THE OFFSHORE DEAL OF THE YEAR

By Mike McCleery

Transaction: Edda Wind \$116 million IPO on Oslo Stock Exchange, November 2021

Winners: DNB Markets and ABG Sundal Collier (Joint Global Coordinators and Joint Bookrunners), Clarksons Platou Securities (Joint Bookrunner)

A year ago, we celebrated pioneering offshore wind transactions by OHT (Private Placement and Merkur listing) and Cadeler (Oslo Bors IPO) as our Offshore Deals of the Year for 2020. As firsts of their kind, we noted that they broke the ice for future capital raising in the sector, not only for their roles in educating the investor community on the rapidly growing sector, but also for the blueprint they provided for a successful offering. Specifically, the importance of having an operating platform, contracted cash flow, referenceable backers/ cornerstone investors, and a clear and compelling use of proceeds. We noted that, while the growth prospects of the sector were well established, visibility on project sanctioning and contracts meant that investors needed the additional assurance these attributes provided.

Our Offshore Deal of the Year for 2022, Edda Wind's Oslo

Stock Exchange IPO, ticked every box established above and was perhaps most notable for how smoothly and seamlessly it was executed in what is still a new sector for public markets. **Established operating platform (X):** Edda Wind has been a provider of purpose-built Service Operation Vessels (SOV) and Commissioning Service Operation vessels (CSOV) to the global offshore wind market since 2015. **Visible cash flows (X):** Edda Wind's Strong earnings backlog of EUR 436 million with renowned counterparties ensured significant and visible cash flow generation and dividend capacity with five out of eight vessels deployed on a mix of medium and long-term contracts providing earnings visibility while retaining exposure to attractive market fundamentals. **Referenceable**

backers/ cornerstone investors (X): The company has a very strong industrial background and was owned 50% by

Ostensjo Rederi and 50% Wilh. Wilhelmsen **before** the offering. Cornerstone investors for the offering (taking around 46% of the transaction) included Geveran Trading (John Fredriksen), Quantum Pacific (Idan Ofer) and Nordea Investment Management. **Clear and compelling use of proceeds (X):** Edda Wind's leading position in the wind service vessel sector includes a state-of-the-art fleet including 2 SOVs on the water and another 2 SOV and 4 CSOV newbuilds under construction. Proceeds for the IPO would be used to fully finance the equity part of the newbuild program and facilitate accelerated growth.

Given the above, and the expertise of the banks involved, it is no surprise that the transaction was a complete success. Very strong momentum followed the launch and resulted in fully subscribed books 15 minutes after the start of book-

building. The book was multiple times oversubscribed, with a good mix of high-quality Norwegian and international investors as well as exceptionally high retail participation. The shares traded up around 2% during the first day. Overall, the offering was for 32.9 million shares, including 28.6 million in the base offering and another 4.3 million in the over-allotment.

The offshore wind market is fast moving, capital intensive, and requires significant investments. Edda Wind demonstrates the large investor appetite for green investment opportunities that meet investor criteria. Being an early mover and market leader in service vessels for the offshore wind industry, Edda Wind offers pure exposure to the burgeoning offshore wind sector, and this milestone transaction positions it for further growth and market leadership.

