

# Edda Wind

Company presentation

Accelerating fleet growth

March 2023

[eddawind.com](https://eddawind.com)



edda wind 

# Disclaimer

## **Cautionary note regarding forward-looking statements**

This presentation, prepared by Edda Wind ASA (the "Company"), may include forward-looking statements relating to the business, financial performance and results of the Edda Wind Group and/or the offshore wind industry. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. Any forward-looking statements contained in this presentation, including assumptions, opinions and views of the Company or cited from third party sources, reflect the current views with respect to future events and are subject to material risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or any of its subsidiary undertakings or any such person's officers or employees provide any assurance as to the correctness of such forward-looking information and statements. The Company assumes no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.



# Attractive time to expand the fleet

**+21%**

increase in  
day rates  
(since IPO<sup>1</sup>)

**NOK 47**

net asset value  
per share  
(current<sup>2</sup>)

**+24%**

increase in  
vessel demand  
(since IPO<sup>1</sup>)

**Acting on an inflection point in the market**

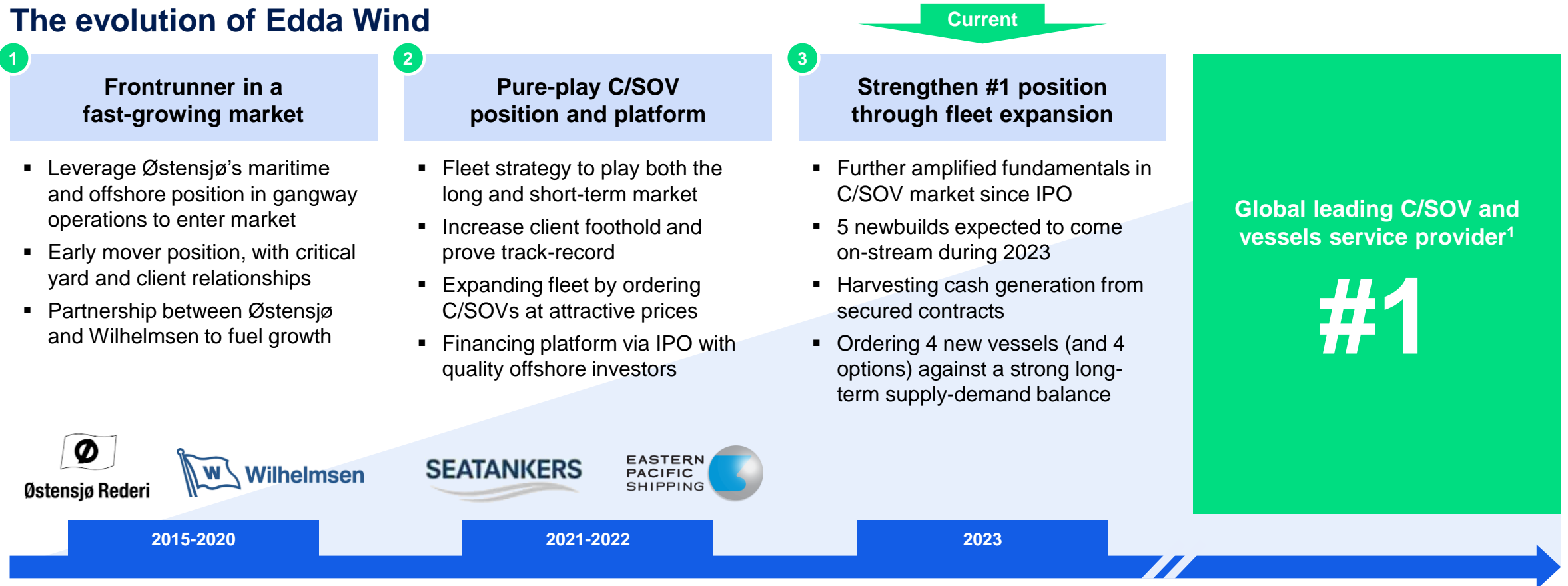
Source: Company information; Fearnley Offshore Supply

1) 2023 market figures compared to 2021 market figures

2) NAV calculation as of February 2023 based on newbuild parity with NIBD and remaining capex as of YE 2022. Please see page 7 for further details regarding NAV calculation

# Utilising a market opportunity to fortify leading C/SOV market position

## The evolution of Edda Wind



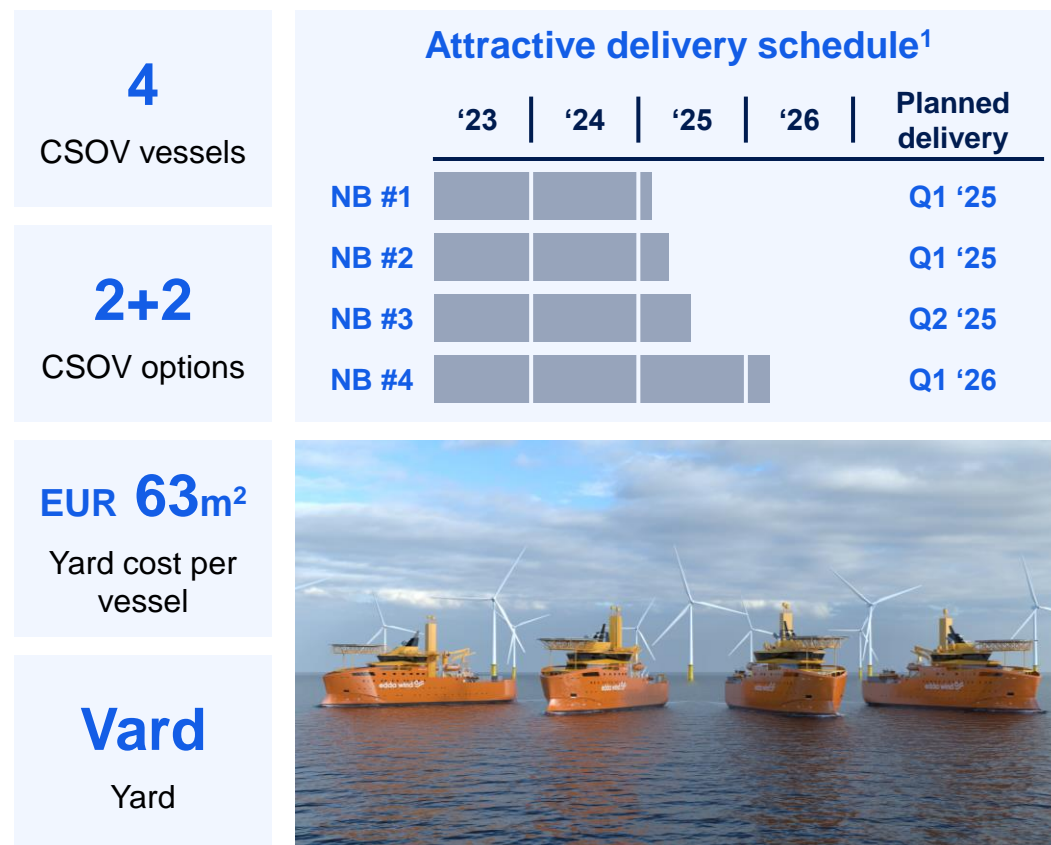
Source: Company information

1) Measured by number of vessels



# Newbuild program comprising high quality vessels

## Attractive delivery schedule in strong market



Source: Company information

1) Delivery schedule for the 4 newbuilds. Does not include option vessels

2) The yard price assumes an instalment structure of 5x20%. Edda Wind ASA has an option to change the instalment structure to 4x10% + 60%, which implies an additional cost of approximately EUR 1.2m per vessel but will be as an alternative to other pre-financing costs included in the ordinary ready to sea cost. The option is contemplated to be concluded upon Edda Wind ASA Board lifting its reservations

## High calibre fleet with the right configuration



Vessels to be built at Vard's reputable yards in Norway and Vietnam



Premium accommodation and facilities for 120 persons in 101 cabins



Hull specifically designed for strong seakeeping abilities and low fuel consumption



Active roll reduction tanks and motion compensated gangway and crane



Fuel saving system combined with methanol ready and hydrogen fuel ready design



All newbuilds prepared for helideck and daughter craft integration

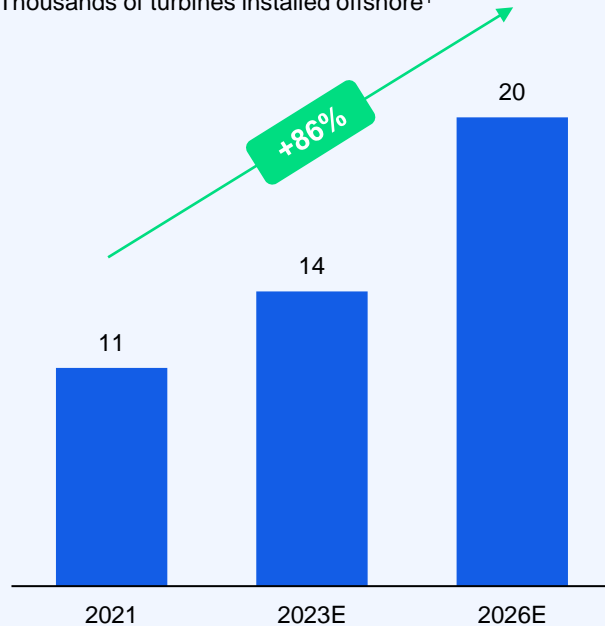
### Fleet strategy:

Delivering on strategy to act in the long and short-term of the market, balancing long-cash flows with attractive exposure to a tight market

# Key fundamentals trending upwards supporting “action” from the largest market player

## Offshore wind is growing fast

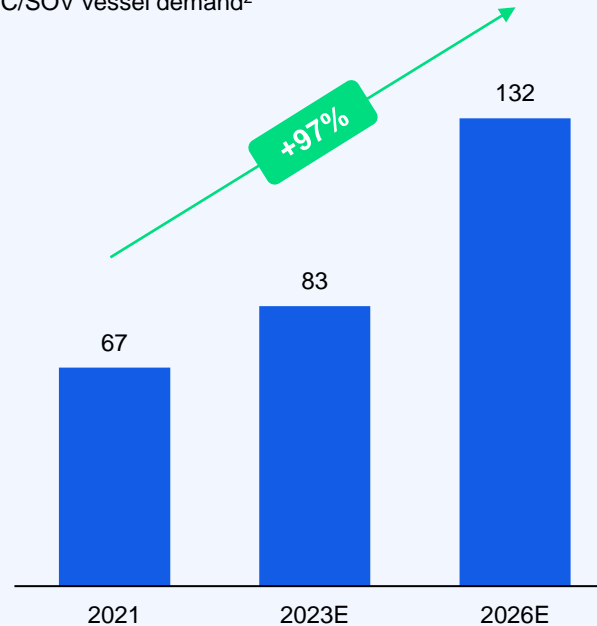
Thousands of turbines installed offshore<sup>1</sup>



- ✓ High project rollout, strong energy market
- ✓ Enhanced offshore wind outlook

## C/SOV demand is booming

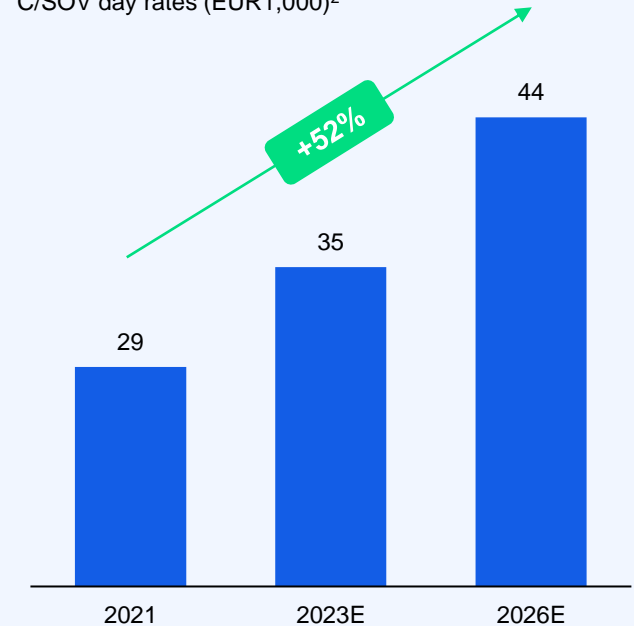
C/SOV vessel demand<sup>2</sup>



- ✓ Still fragmented market
- ✓ O&G vessels moving out of market

## Upbeat day rate outlook

C/SOV day rates (EUR1,000)<sup>2</sup>



- ✓ High WTP for experienced providers
- ✓ Vessels a small share of project costs

Source: Rystad Energy; Fearnley Offshore Supply

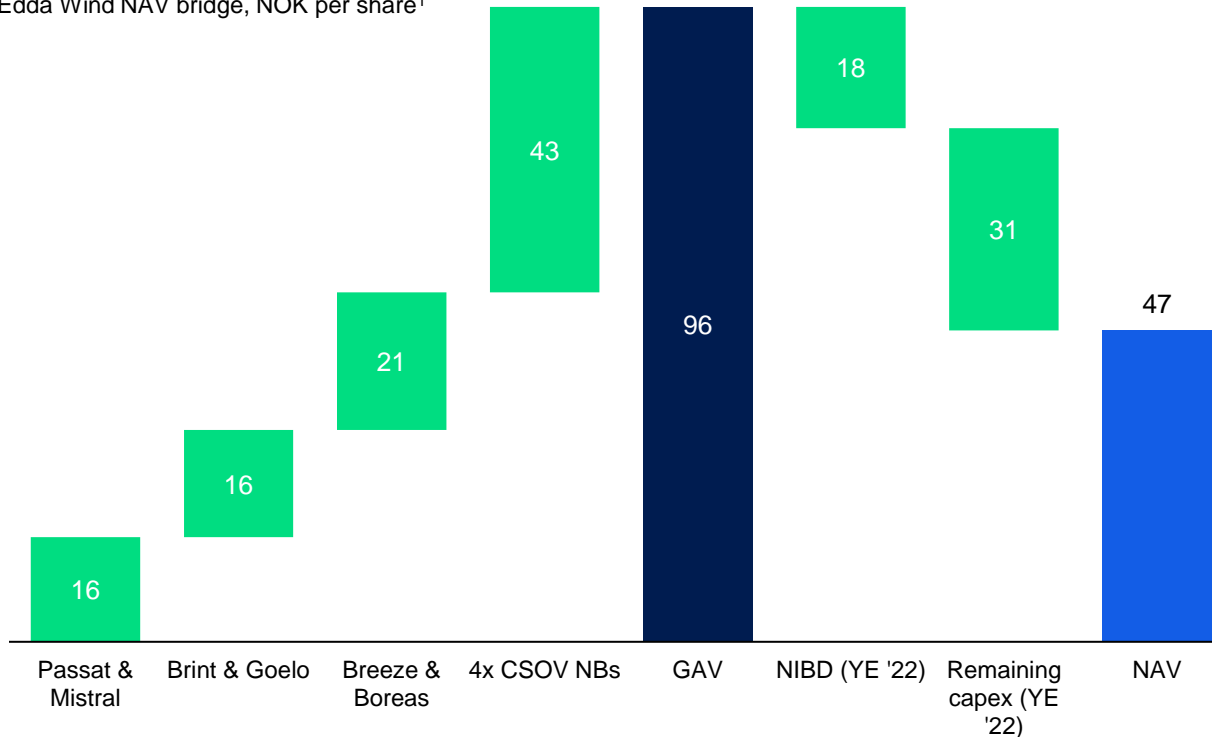
1) Excluding abandoned projects

2) Fearnley Offshore Supply mid/base case for 2023E and 2026E

# Highly attractive entry point and near-term potential value creation opportunities

## Illustrative newbuild parity for Edda Wind

Edda Wind NAV bridge, NOK per share<sup>1</sup>



**NAV supported by EUR 394m backlog<sup>2</sup> and attractive spot market exposure**

## Value creation opportunities



5 vessels expected to commence operation this year and start cash flow generation in a rising market



Increasingly enjoying the benefits from more vessels in the short-end of the market having strong day rates



Flexible fleet strategy with balanced contract exposure catering for an ability to “play the market” right



Proven financing platform able to attain attractive terms, with attractive leverage and rates available in the market



Consistent commercial discipline in contract tenders to secure the best economics possible

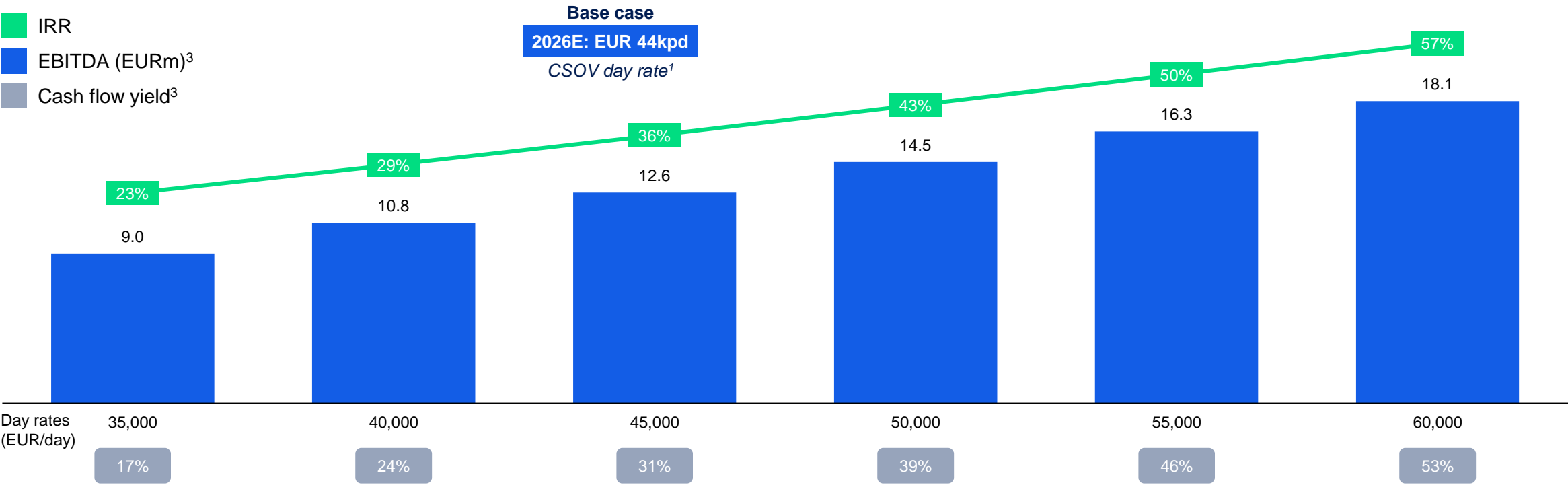
Source: Company information

1) Illustrative NAV calculation as of Q4 2022. Based on latest broker values for the fleet as of YE 2022, less vessel time on fixed charter, plus NPV of vessels in chartered period based on an 8% discount rate. EURNOK 10.98 applied

2) The total revenue backlog comprises firm contracts as well as contractual options. The “firm” backlog are contracts which have been entered into with customers, and these contracts can be cancelled by customers under given circumstances and are in general subject to certain terms and conditions. “Options” are options to extend firms contracts, and such options can be extended at the discretion of the respective customer. As such, the “option” backlog is subject to such extensions. The backlog includes the contribution from vessel day rates as well as virtualising revenue for certain additional services onboard. Numbers as of Q4 2022

# Strong vessel economics and returns – expected day rates 2026E currently at EUR 44,000<sup>1</sup>

## Illustrative vessel economics for CSOV newbuilds at different day rate levels<sup>1</sup>



Implied EV/EBITDA per vessel based on yard cost down from 5.6x to 5.1x since IPO<sup>4</sup>

Source: Company information

1) Fearnley Offshore Supply mid case

2) Illustrative sensitivity to day rates based on EUR 63m yard price, 30 year vessel lifetime, EUR 3,000 virtualising revenue per day, EUR 12,500 opex per day (excl. virtualising opex), EUR 900 virtualising opex per day, dry dock provisions of EUR 1,095 per day, leverage of 60% of yard price with 15 year repayment period at 5% interest rate and 2% inflation. IRR and cash flow yield incl. dry dock provisions, EBITDA excl. dry dock provisions

3) Figures for first year in operation

4) CSOV yard price at IPO divided by EBITDA at mid case day rates at scheduled delivery (2023) defined as average of Clarksons Platou high and low case, as disclosed in the IPO prospectus, compared to current CSOV newbuild price divided by EBITDA at Fearnley Offshore Supply base case day rate for 2026E



# Newbuilds from renowned yard ordered against a backdrop supporting timing and yard prices

## Reputable yard with strong track-record



## Newbuilds not looking to get cheaper

**19**

Yards building C/SOV vessels<sup>2</sup>

**-60%**

Global shipbuilding capacity since 2010

- Few high-quality yards specialised on C/SOV vessels with the proper configuration
- Global yard capacity down ~60% from its peak around 2010 combined with very strong orderbooks
- Limited yards with strong relationships to providers of scarce critical equipment and gangways
- Higher requirement for skilled engineering labour as C/SOV design complexity increases
- Activity in O&G and other maritime segments consuming yard capacity and focus

**Strong support for the achieved newbuild prices and NAV from underlying supply side dynamics**

Source: Fearnley Offshore Supply; Vard; Shipping Strategy

1) Excluding Edda Wind newbuilds

2) Number of yards with one or more C/SOV vessel delivered or under construction

# Edda Wind

## In brief

**Pure play market leader**  
in offshore wind

**Established strong**  
**customer relationships**

2 vessels in operation and  
**12 newbuilds<sup>2</sup>**

**Attractive yard prices**  
**and delivery schedule**

Newbuilds prepared for  
**zero emission**

**Balanced contract**  
**portfolio** with 6  
vessels contracted  
and 8 uncommitted

**Low technology risk** as  
vessels can serve all  
types of turbines

**45 years**

Offshore experience

**2015**

Founded by Østensjø

**EUR 394m**

Total backlog<sup>1</sup>

**99.7%**

Utilisation 2022

### Flexible fleet strategy



**~40%**

Vessels on short  
term contract



**~60%**

Vessels on long  
term contract

Source: Company information

- 1) The total revenue backlog comprises firm contracts as well as contractual options. The "firm" backlog are contracts which have been entered into with customers, and these contracts can be cancelled by customers under given circumstances and are in general subject to certain terms and conditions. "Options" are options to extend firms contracts, and such options can be extended at the discretion of the respective customer. As such, the "option" backlog is subject to such extensions. The backlog includes the contribution from vessel day rates as well as victualling revenue for certain additional services onboard. Numbers as of Q4 2022
- 2) Including ordering of 4 vessels. Does not include option vessels

# Strong and attractive backlog

Total backlog of **EUR 394m** in place (firm backlog of **EUR 304m**)<sup>1</sup>



**2023 EUR 36m  
revenues (contracted)<sup>1</sup>**

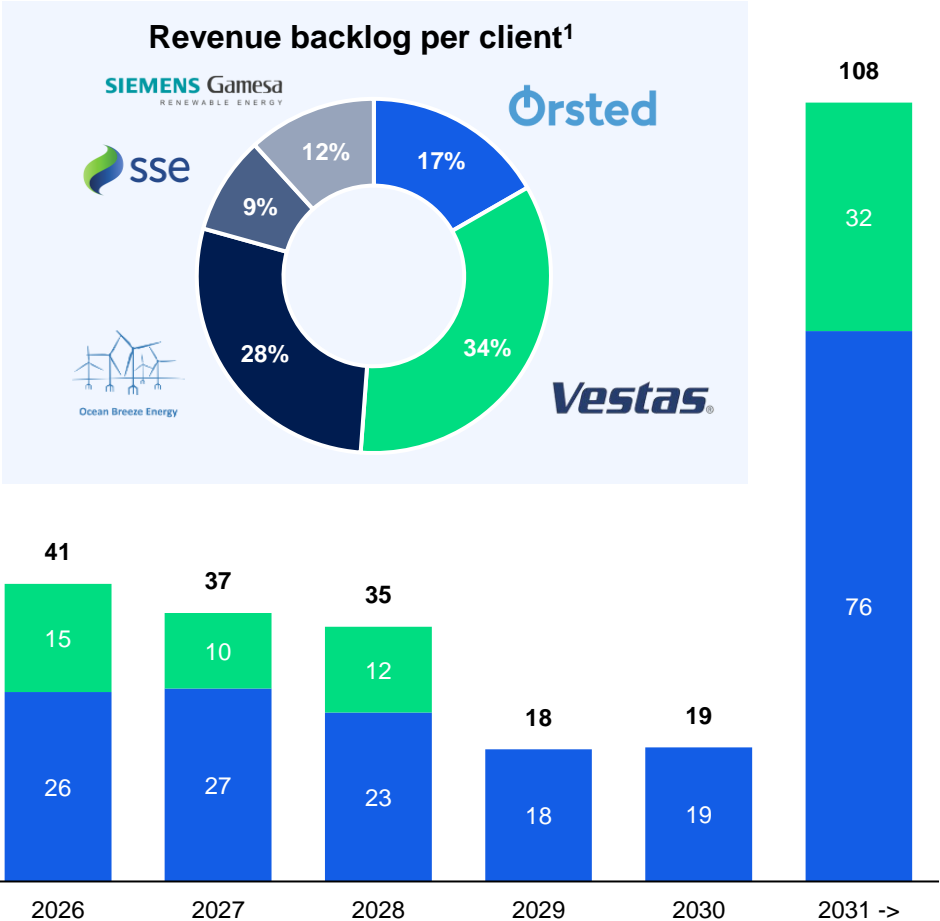
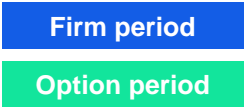
Backlog	EURm <sup>1</sup>
Firm period	304
Option period	90
Total	394

**6 contracted vessels  
operating in 2023**

**9 vessels expected  
on water in 2024**

**14 vessels in total fleet  
incl. under construction<sup>2</sup>**

Revenue backlog EURm<sup>1</sup>



Source: Company information


1) The total revenue backlog comprises firm contracts as well as contractual options. The “firm” backlog are contracts which have been entered into with customers, and these contracts can be cancelled by customers under given circumstances and are in general subject to certain terms and conditions. “Options” are options to extend firms contracts, and such options can be extended at the discretion of the respective customer. As such, the “option” backlog is subject to such extensions. The backlog includes the contribution from vessel day rates as well as victualling revenue for certain additional services onboard. Numbers as of Q4 2022


2) Including ordering of 4 vessels. Does not include option vessels

# Significant track record servicing offshore wind farms across Europe

## Edda Wind credentials

**Race Bank wind farm**  
2018-2023

 **Ørsted**




**Edda Passat**

- ✓ **99.6% uptime** since contract start in March 2018<sup>1</sup>
- ✓ **Excellent** client feedback since commencement

**Hornsea One wind farm**  
2018-2024



 **Ørsted**




**Edda Mistral**

- ✓ **99.8% uptime** since contract start in September 2018<sup>1</sup>
- ✓ **Excellent** client feedback since commencement

**BARD Offshore 1**  
2021-2032

 **OCEAN BREEZE** 



**Edda Fjord<sup>2</sup> / Edda Breeze**

- ✓ **99.0% uptime** since contract start in April 2021<sup>1</sup>
- ✓ **Excellent** client feedback since commencement



Source: Company information

1) Excluding planned maintenance

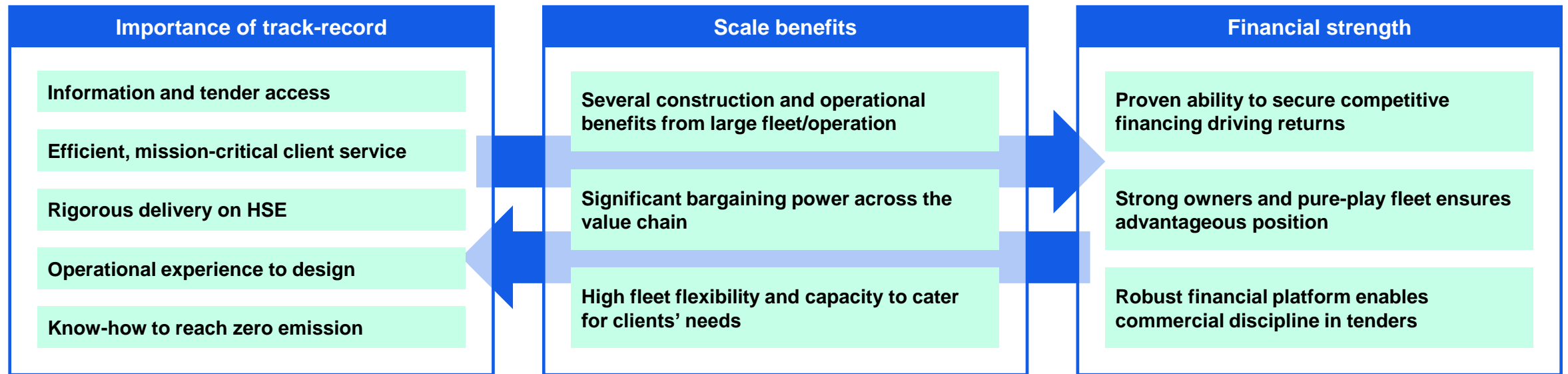
2) Operated by Edda Fjord (chartered from Østensjø Rederi) until delivery of Edda Breeze

3) Edda Wind and Østensjø Rederi combined



# Well positioned in a market with high entry barriers, scale benefits and financing requirements

## Several hard to replicate competitive pillars



## Several clear evidence observed



Qualitative criteria trumps price in tenders



Few competitors with newbuilds to meet demand












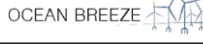











Limited real contenders, track-record key in RFI/RFQ



Experience and competence is a key selection criterion



# Six of fourteen firm vessels on contract – increased balance to “play the market right”

Vessel	Type	Client	Start <sup>1</sup>	End	Option	Location	'23	'24	'25	'26	'27	'28	'29	'30	'31	'32
Edda Passat		SOV		Mar-18	Sep-23		Race Bank wind farm, UK	<div></div>								
Edda Mistral		SOV		Sep-18	Aug-24	5x1 year	Hornsea One wind farm, UK	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>			
Edda Brint		SOV		Mar-23	May-37	2x180d + 1x90d + 3x30d + 2x14d + 2x7d	Seagreen wind farm, UK	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Edda Goelo		SOV		Q4-23	Q3-28		Saint-Brieuc, wind farm, France	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>				
Edda Breeze		CSOV		Apr-21	Apr-32	2x364d + 1x182d + 1x28d + 2x14d	BARD Offshore 1 wind farm, Germany	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Edda Boreas		CSOV		Q2-23	Q2-25	1 year	Dogger Bank wind farms, UK	<div></div>	<div></div>	<div></div>	<div></div>					
C491		CSOV		Q3-23				<div></div>								
C492		CSOV		Q2-24				<div></div>	<div></div>							
C503		CSOV		Q3-24				<div></div>	<div></div>							
C504		CSOV		Q2-25				<div></div>	<div></div>	<div></div>						
NB #1		CSOV		Q1-25				<div></div>	<div></div>	<div></div>						
NB #2		CSOV		Q1-25				<div></div>	<div></div>	<div></div>						
NB #3		CSOV		Q2-25				<div></div>	<div></div>	<div></div>						
NB #4		CSOV		Q1-26				<div></div>	<div></div>	<div></div>	<div></div>					
Options		5 CSOVs														

Under construction Firm contract Option period

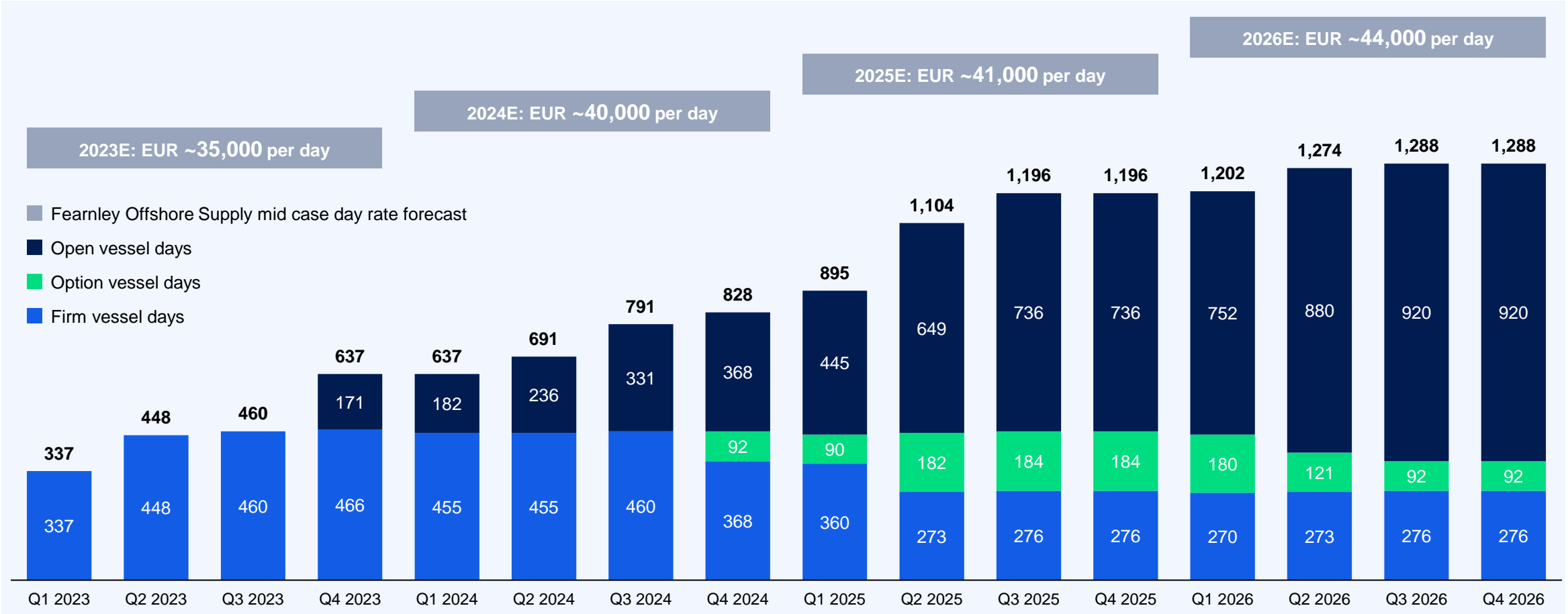
Edda Wind is regularly tendering and negotiating with clients for new contracts. Currently, Edda Wind is in an advanced stage of negotiations with an industry major in relation to contracts for at least 750 firm trading days in 2023 and 2024 at rates above historical levels and in the range as forecasted by analysts. No assurance can be made that any such agreement will be entered into

 Under construction  Firm contract  Option period

Source: Company information

1) Planned delivery for uncontracted vessels under construction

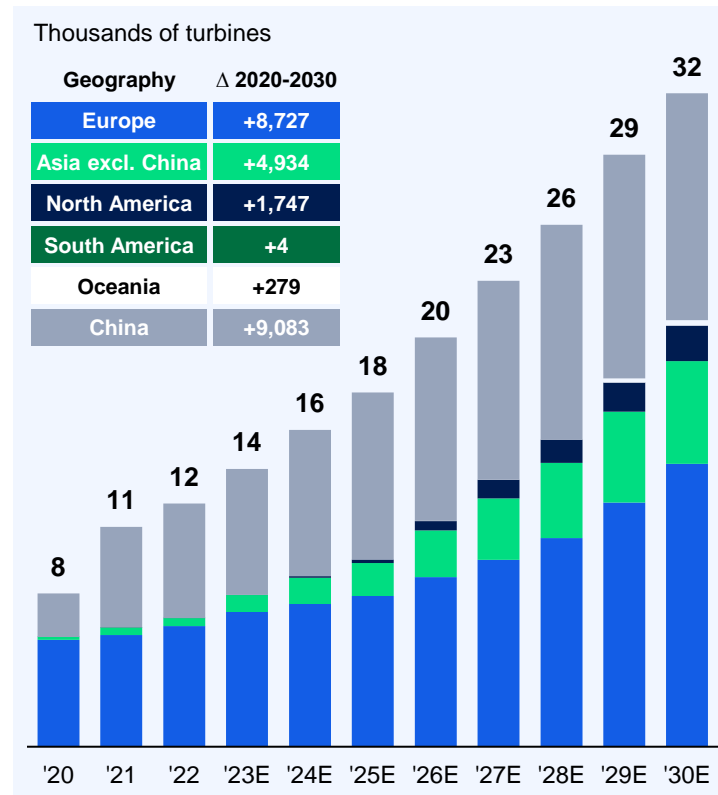
# Significant open capacity well timed to take advantage of rising C/SOV day rates<sup>1</sup>



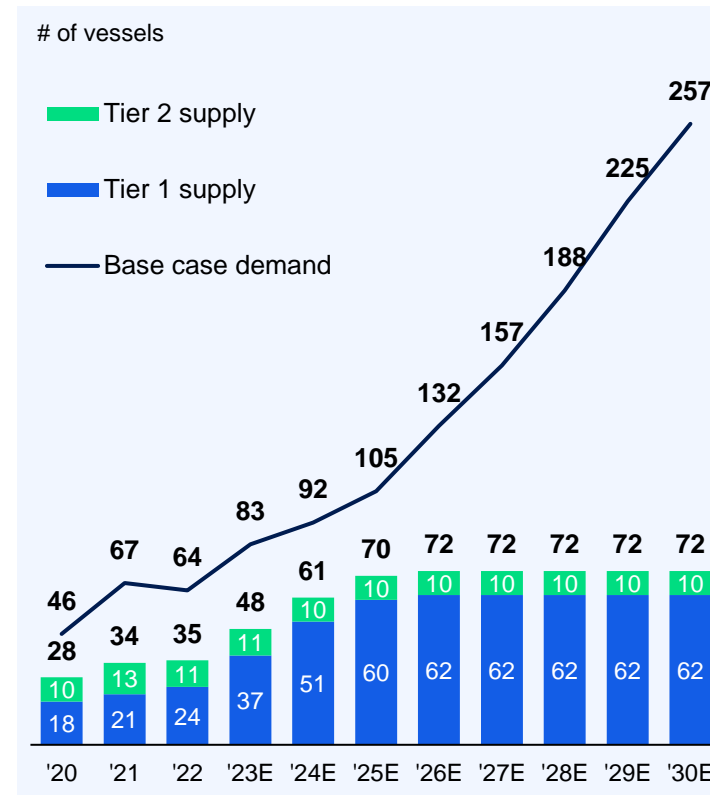
Source: Company information; Fearnley Offshore Supply  
1) Vessel days assuming vessel delivery as scheduled. Including ordering of 4 vessels. Does not include option vessels

# Market fundamentals continue to improve, supported by underlying growth and increased vessel scarcity

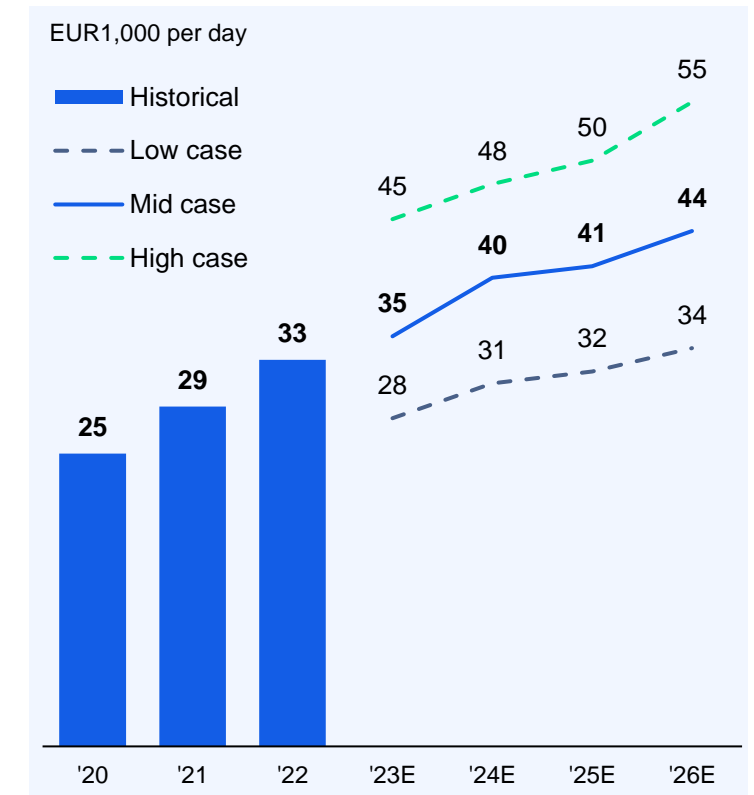
## Strong growth in # of turbines globally...



## ...expected to result in high demand for newbuilds...



## ...and strong outlook for C/SOV economics



# Delivering on a broad scope of work for its clients

Edda Wind works actively with clients & yards to stay ahead by delivering the features of tomorrow

## Focused design philosophy

Personnel- and cargo transfers in harsh environments

Minimal manual handling of cargo and goods

Efficient workflow and deck utilisation for technicians

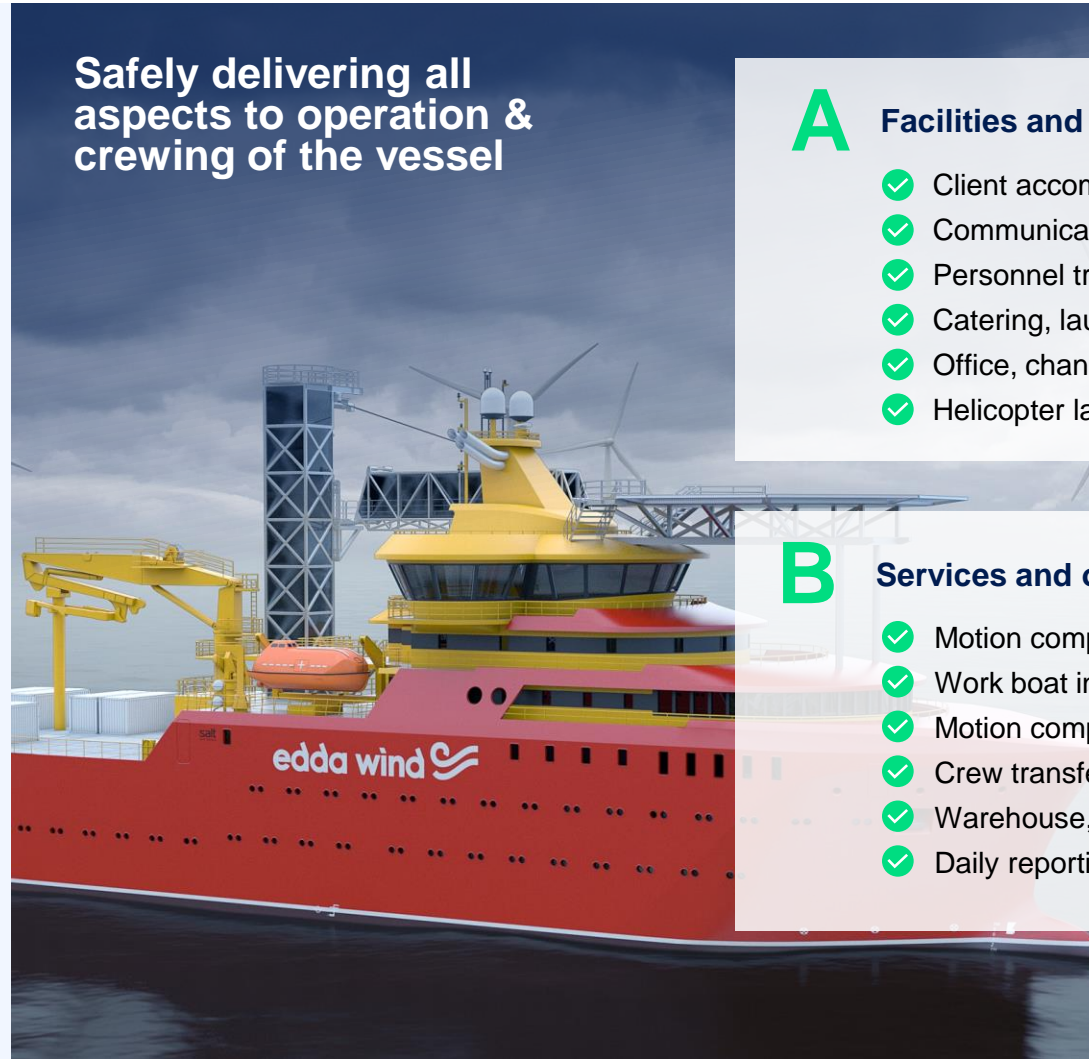
Level-free environment / stepless approach

High comfort and welfare – single outside cabins for all in the SOVs, 86-101 cabins in the CSOVs

Fuel efficient and low emission – zero-emission ready

Source: Company information

Safely delivering all aspects to operation & crewing of the vessel



## A Facilities and accommodation

- ✓ Client accommodation
- ✓ Communication, internet & infotainment
- ✓ Personnel tracking system
- ✓ Catering, laundry and housekeeping
- ✓ Office, change room and hospital facilities
- ✓ Helicopter landing deck / Heli winch zone



## B Services and operations

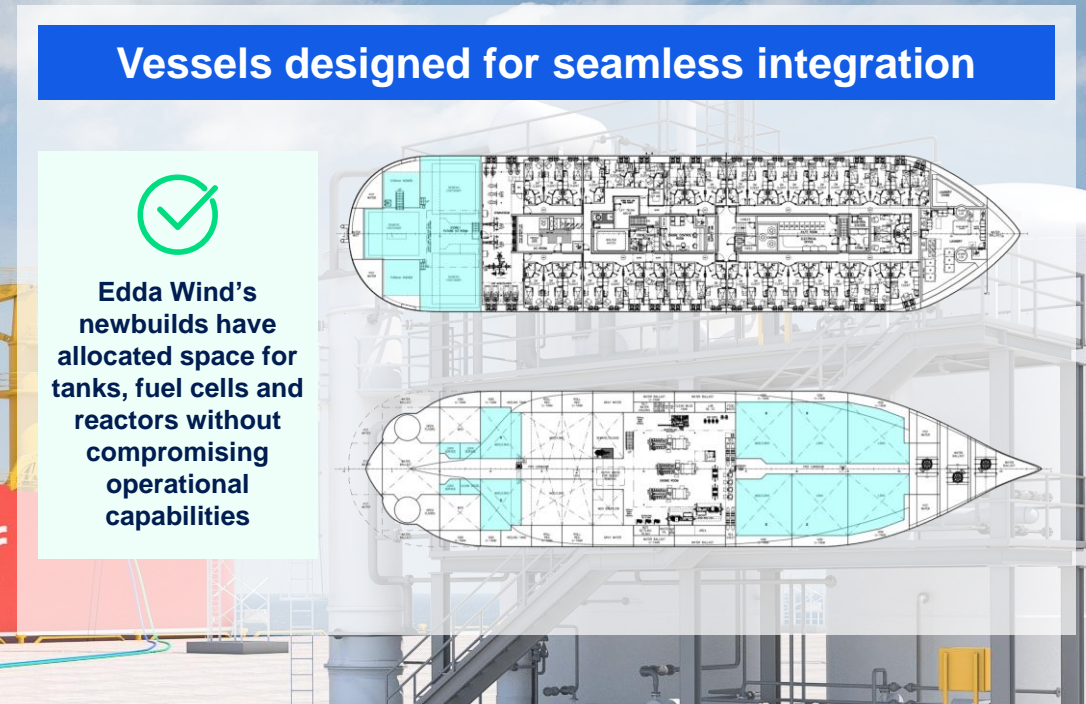
- ✓ Motion compensated personnel transfer
- ✓ Work boat incl. ship-to-shore capability
- ✓ Motion compensated cargo handling (on sea)
- ✓ Crew transfer landing & refuelling capability
- ✓ Warehouse, workshop and garbage facilities
- ✓ Daily reporting





## Several advantages with Liquified Organic Hydrogen Carrier (LOHC)

## Several advantages with Liquified Organic Hydrogen Carrier (LOHC)





# Summary key investment highlights

1



C/SOV market leader<sup>1</sup> with a fleet comprising 14 vessels and further options

2



Early mover in 2015 with extensive offshore operations experience and legacy

3



Significant contract backlog with leading clients, mixed with attractive market exposure

4



Even tighter market, day rates up 21% and vessel demand up 24% since IPO<sup>3</sup>

5



Robust financing platform, with long-tenure debt financing fixed at ~3.2% average interest rate

1) Based on number of vessels in operation and under construction. Source: Fearnley Offshore Supply  
2) 2023 market figures compared to 2021 market figures. Source: Fearnley Offshore Supply



**Thank you!**

