

Edda Wind ASA

Quarterly presentation, Q3 2023

eddawind.com



edda wind 

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Agenda

- 1 Edda Wind in Brief
- 2 Q3 2023 highlights
- 3 Market
- 4 Financials
- 5 Summary
- 6 Q&A



Edda Wind

In brief

Market leader in offshore wind (C/SOV)

Established strong customer relationships

5 vessels in operation and **9 newbuilds**

Attractive yard prices and **delivery schedule**

Newbuilds prepared for **zero emission**

Balanced contract portfolio

Low technology risk as fleet can serve all types of turbines

**~50
years**

Offshore service experience

**~10
years**

Offshore wind experience

**EUR
415m**

Total backlog

**14
vessels**

By 2026

Flexible fleet strategy

Vessels on short term contract



Vessels on long term contract

Q3 2023 highlights



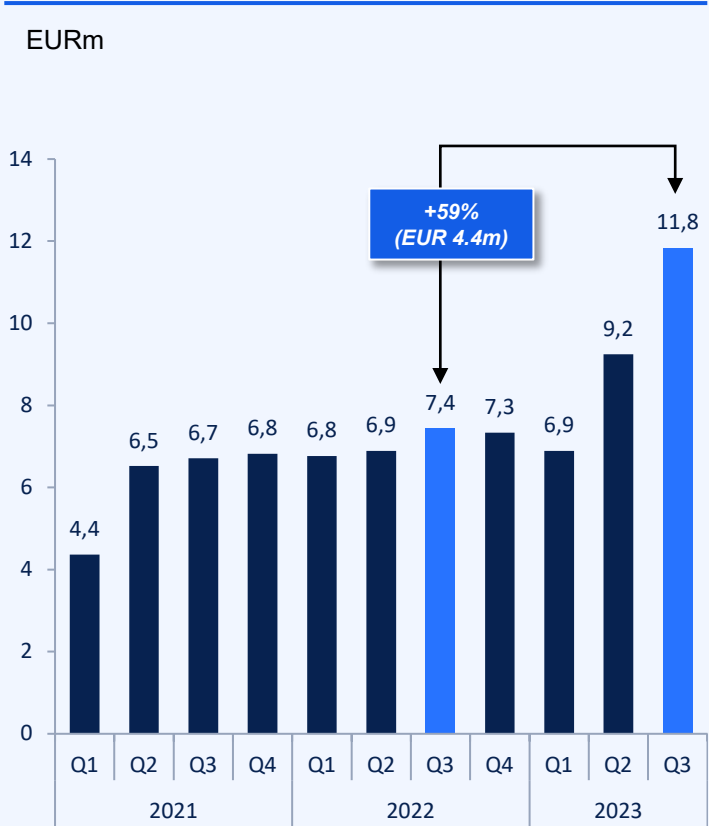
Q3 2023 highlights

Strong financial and operational growth

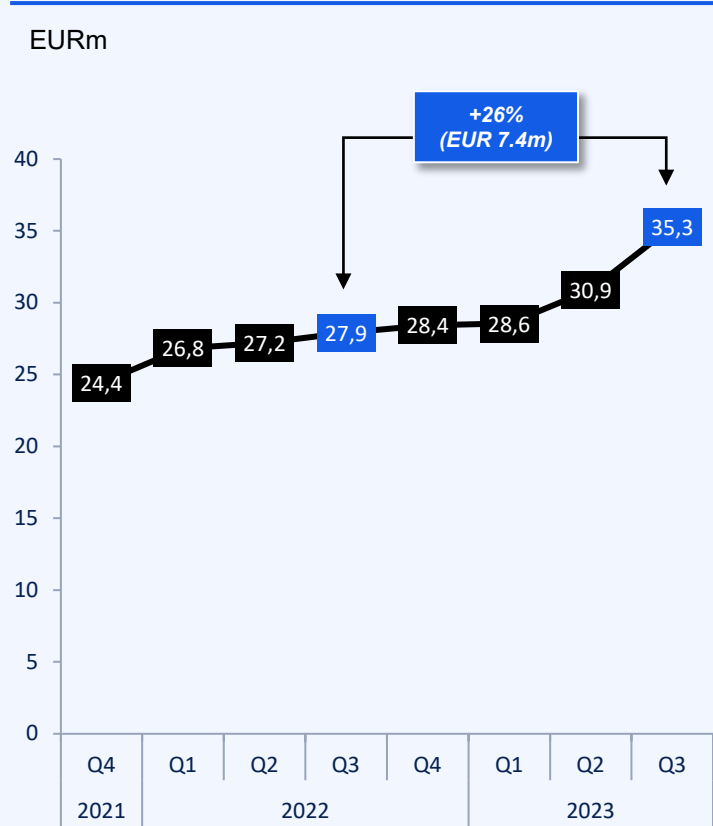
- Revenue of EUR 11.8m (+59% growth vs. Q3-22)
- EBITDA of EUR 4.8m (+241% growth vs. Q3-22)
- Profit of EUR 1.8m (+364% growth vs. Q3-22)
- First quarter with Edda Boreas in operation (long-term contract at Dogger Bank)
- Edda Nordri delivered from yard in September and will be ready for operations in Q4
- Subsequent events:
 - SiemensGamesa contract commenced beginning of October
 - Edda Passat commenced new short-term contract end of October
 - Taking title over C416 to secure delivery in Q1-24

Q3 2023: Edda Wind's best quarter and on track for further growth

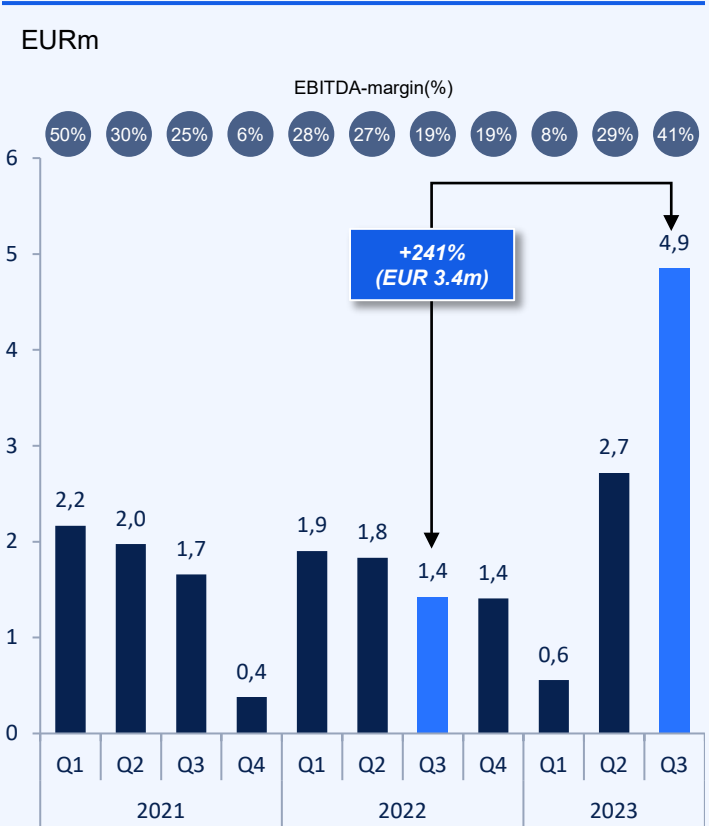
Revenue



LTM revenue



EBITDA



First quarter with Edda Boreas on long-term contract at Dogger Bank

- The CSOV, Edda Boreas, commenced a 2+1 years contract for SSE Renewables at the Dogger Bank Wind Farm
- Built at Astilleros Gondán with Salt 0217 design and accommodation capacity for 120 people

Dogger Bank Wind Farm

- Offshore wind farm being developed in three phases – Dogger Bank A, B and C – located between 130km and 190km from the north east coast of England
 - Collectively Dogger Bank A, B and C will become the world's largest offshore wind farm
 - In October 2023, Dogger Bank started producing electricity for the first time for British homes and businesses, marking a major milestone in the development of the offshore wind industry



Naming ceremony of Edda Nordri in September

- On 9 September Edda Wind celebrated the naming ceremony of the CSOV “Edda Nordri”
 - Edda Nordri was delivered by Gondan Shipbuilders 7 September and will be ready for operations in Q4 2023
 - Edda Nordri will commence operations for Simens Gamesa (frontrunner) in Q4-2023 and Vestas in 2024-2026
 - Number three of six sister vessels to be delivered by Gondan (following Edda Breeze and Edda Boreas)¹
 - Edda Nordri can accommodate up to 120 persons in total
-
- Following the ‘Edda Nordri’ celebration, the C492 was officially and successfully launched on 15 September at the same yard

1) Sister vessels under construction: C492, C503 and C504



Market



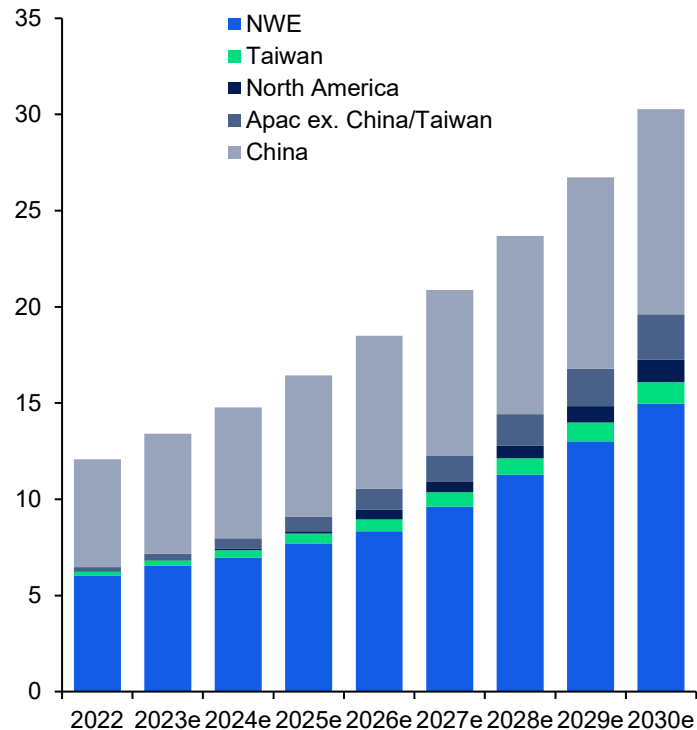
Favorable demand outlook for C/SOV

- Favorable demand outlook for C/SOV despite announced delays and setbacks within the supply chain
- Delays and unscheduled work at the wind farms result in additional work for CSOVs
- Limited amount of available vessels, including vessels under construction in the coming years, and vessel demand is estimated to significantly outgrow supply
- At present, conventional oil & gas vessels (Tier 2/3) are bridging the demand gap in the market. However, with the shift towards Tier 1 preference and the return of Tier 2/3 vessels to the oil & gas sector, it's anticipated that C/SOVs will be required to fill this gap
- High seasonal dayrates observed for the CSOV market

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

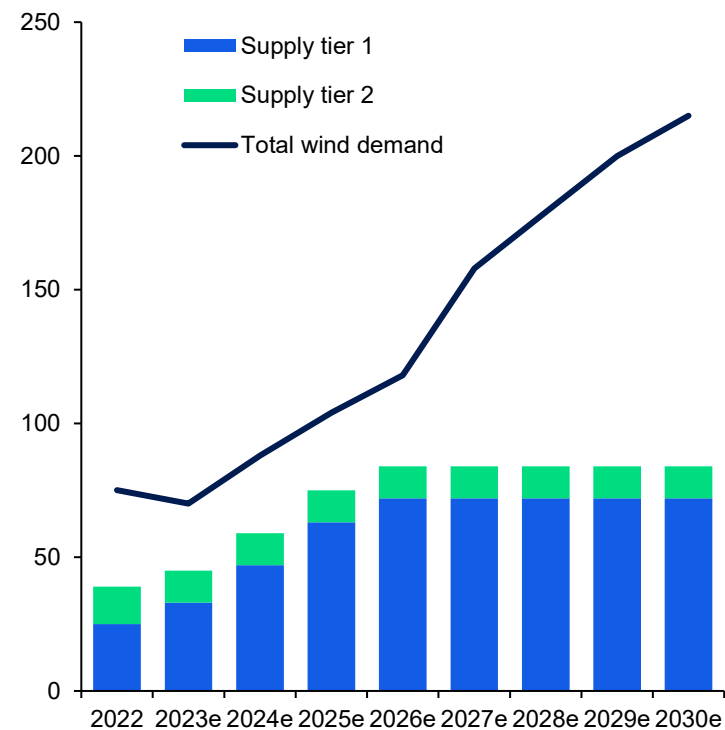
Strong growth expected in # turbines...

Cumulative # turbines (in thousands)



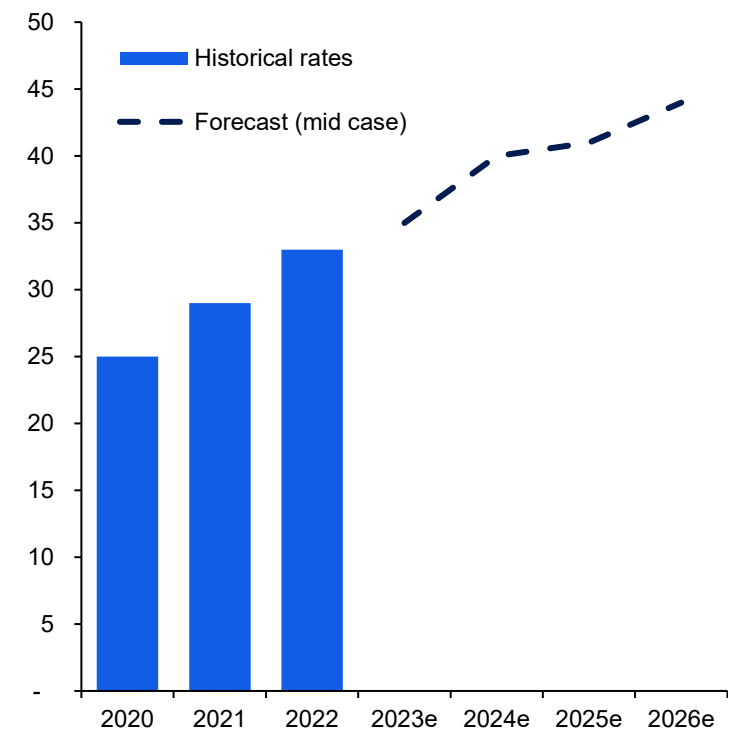
...resulting in high demand for newbuilds (C/SOVs)¹

vessels



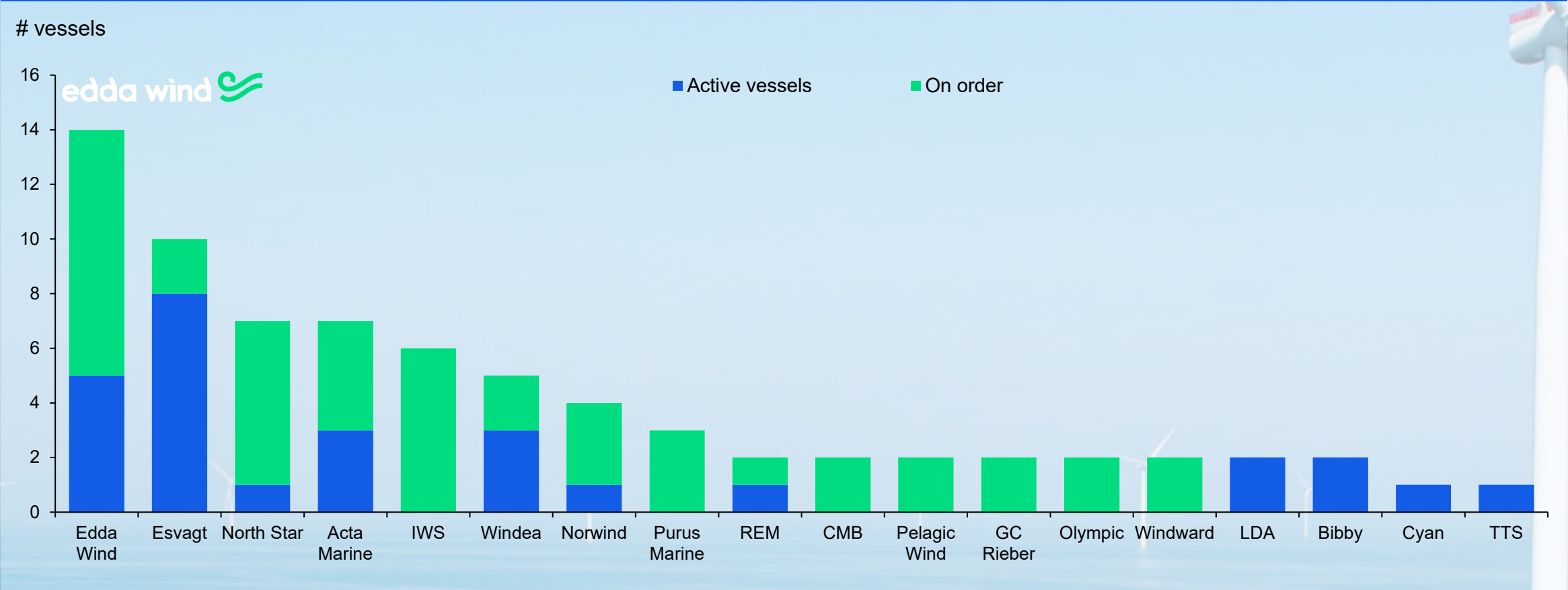
...and strong outlook for C/SOV economics

EUR per day (in thousands)



















Edda Wind is the market leader in offshore wind (C/SOV)

Overview of tier 1 C/SOV vessels by owner



Eight of fourteen vessels currently contracted – increased balance to “play the market right”

Vessel	Type	Client	Start ¹	End	Option	Location	'23	'24	'25	'26	'27	'28	'29	'30	'31	'32
Edda Passat		SOV	Vestas	Oct-23	Q4-23		Arcadis Ost, Germany									
Edda Mistral		SOV	Ørsted	Sep-18	Sept-24	4x1 year	Hornsea One wind farm, UK									
Edda Brint		SOV	Vestas	Mar-23	May-37	Up to 1,6 years	Seagreen wind farm, UK									
C416		SOV	SIEMENS Gamesa RENEWABLE ENERGY	Q4-23	Q3-28		Saint-Brieuc, wind farm, France									
Edda Breeze		CSOV	OCEAN BREEZE 	Apr-21	Apr-32	Up to 2,6 years	BARD Offshore 1 wind farm, Germany									
Edda Boreas		CSOV	sse	Q3-23	Q2-25	1 year	Dogger Bank wind farms, UK									
Edda Nordri		CSOV	Vestas	Q1-24	Q1-26	< 1 year	Northern Europe									
C492		CSOV	Vestas	Q2-25	Q4-25	< 1 year	Northern Europe									
C503		CSOV		Q4-24												
C504		CSOV		Q2-25												
NB965		CSOV		Q1-25												
NB966		CSOV		Q1-25												
NB967		CSOV		Q2-25												
NB968		CSOV		Q1-26												

 Under construction
  Firm contract
  Option period
  Frontrunner

Source: Company information

1) Planned delivery for uncontracted vessels under construction

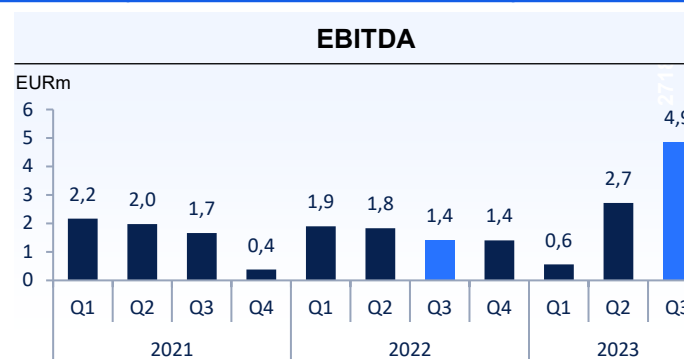
Financials



Key financials

Income statement

EUR thousand (unaudited)	Q3 2023	Q3 2022	9M 2023	9M 2022	Full year 2022
Freight income	11,198	6,810	26,111	20,226	26,930
Other operating income	633	622	1,857	866	1,496
Total operating income	11,831	7,432	27,968	21,092	28,425
Payroll and remuneration	(4,864)	(2,518)	(11,106)	(6,407)	(8,609)
Other operating expenses	(2,114)	(3,490)	(8,618)	(9,524)	(13,248)
Total operating expenses	(6,978)	(6,008)	(19,724)	(15,931)	(21,856)
Operating profit before depreciation	4,853	1,424	8,244	5,162	6,569
Depreciation	(2,306)	(794)	(4,861)	(2,413)	(3,195)
Operating profit	2,547	630	3,383	2,749	3,374
Financial income and expenses					
Financial income	456	47	1,285	193	386
Financial expense	(1,666)	(461)	(3,627)	(1,432)	(1,890)
Net currency gains/(losses)	508	182	173	238	64
Financial income/(expense)	(702)	(232)	(2,169)	(1,001)	(1,440)
Profit/(loss) before tax	1,845	398	1,214	1,748	1,935
Tax (income)/expense	-	-	-	-	-
Profit/(loss) for the period	1,845	398	1,214	1,748	1,935



Comments Q3 2023

- Five vessels in operation during Q3-2023, impacting income and crew/opex cost
- EUR 35m LTM revenue
- EBITDA margin of 41% (vs. 19% in Q3 2022)

Key financials

Balance sheet

ASSETS (EUR thousand)	30.09.23	30.09.22	31.12.22
Non-current assets			
Vessels	223,756	67,694	66,714
Newbuildings	226,925	195,115	223,082
Other non-current assets	8,794	2,418	7,050
Machinery and equipment	143	-	7
Total non-current assets	459,618	265,227	296,853
Current assets			
Account receivables	10,034	4,440	3,926
Other current receivables	723	1,078	1,153
Other current assets	-	6,702	4,114
Financial derivatives	-	97	71
Cash and cash equivalents	34,674	60,217	45,021
Total current assets	45,431	72,534	54,285
Total assets	505,049	337,762	351,138

EQUITY AND LIABILITIES (EUR thousand)	30.09.23	30.09.22	31.12.22
Equity			
Share capital	1,071	644	644
Share premium	220,732	116,128	116,128
Other equity	68,329	66,822	66,908
Total equity	290,132	183,594	183,680
Non-current liabilities			
Non-current interest-bearing debt	194,647	133,197	146,013
Total non-current liabilities	194,647	133,197	146,013
Current liabilities			
Account payables	2,727	8,140	3,017
Public duties payable	75	91	85
Current interest-bearing debt	15,331	10,953	10,951
Other current liabilities	2,137	1,786	7,392
Total current liabilities	20,270	20,970	21,446
Total equity and liabilities	505,049	337,762	351,138

Comments Q3 2023

- Cash reduction following yard instalments, including 2x EUR 12.6m payments to Vard shipyard
- Equity ratio of 57.4%¹

1) Total equity / Total equity and liabilities

Highly attractive backlog and financial profile

Total backlog of **EUR 415m** in place (firm backlog of **EUR 314m**)¹

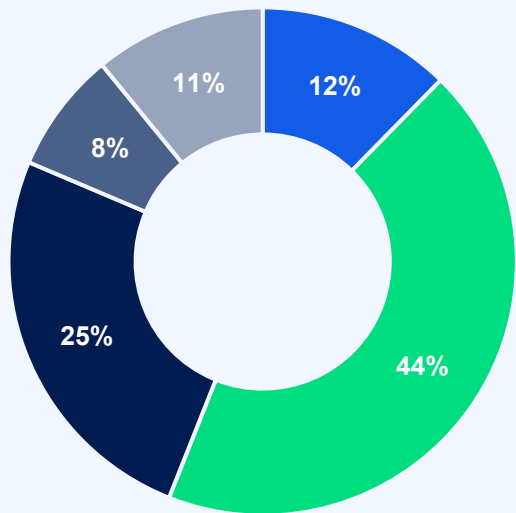


6
contracted
vessels
operating
in **2023**

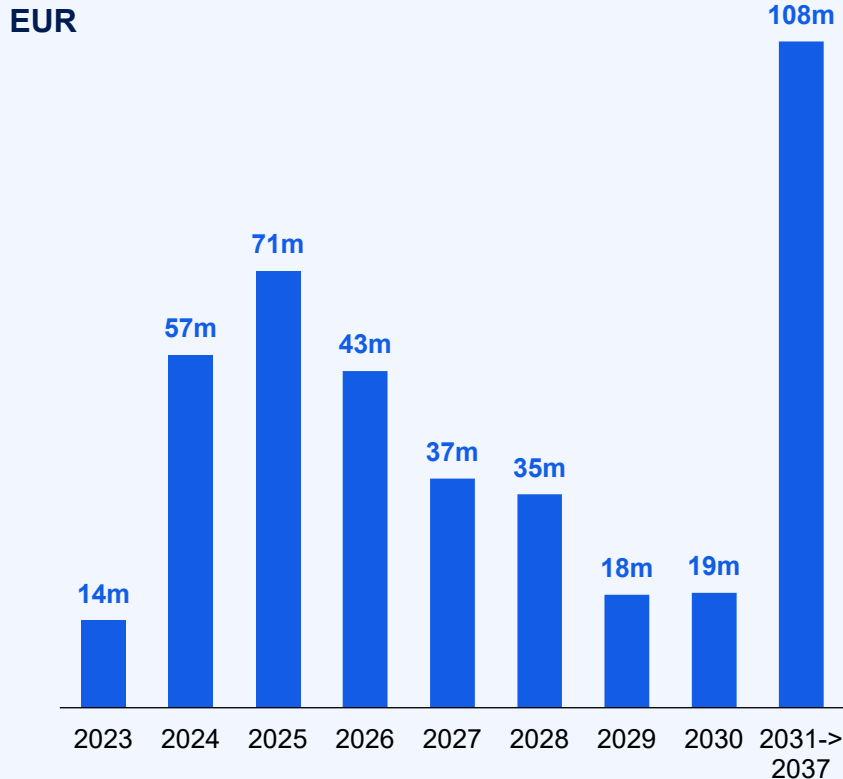
9
Vessels
expected
on water
in **2024**

14
vessels in
total fleet
incl. under
construction

Revenue backlog per client¹



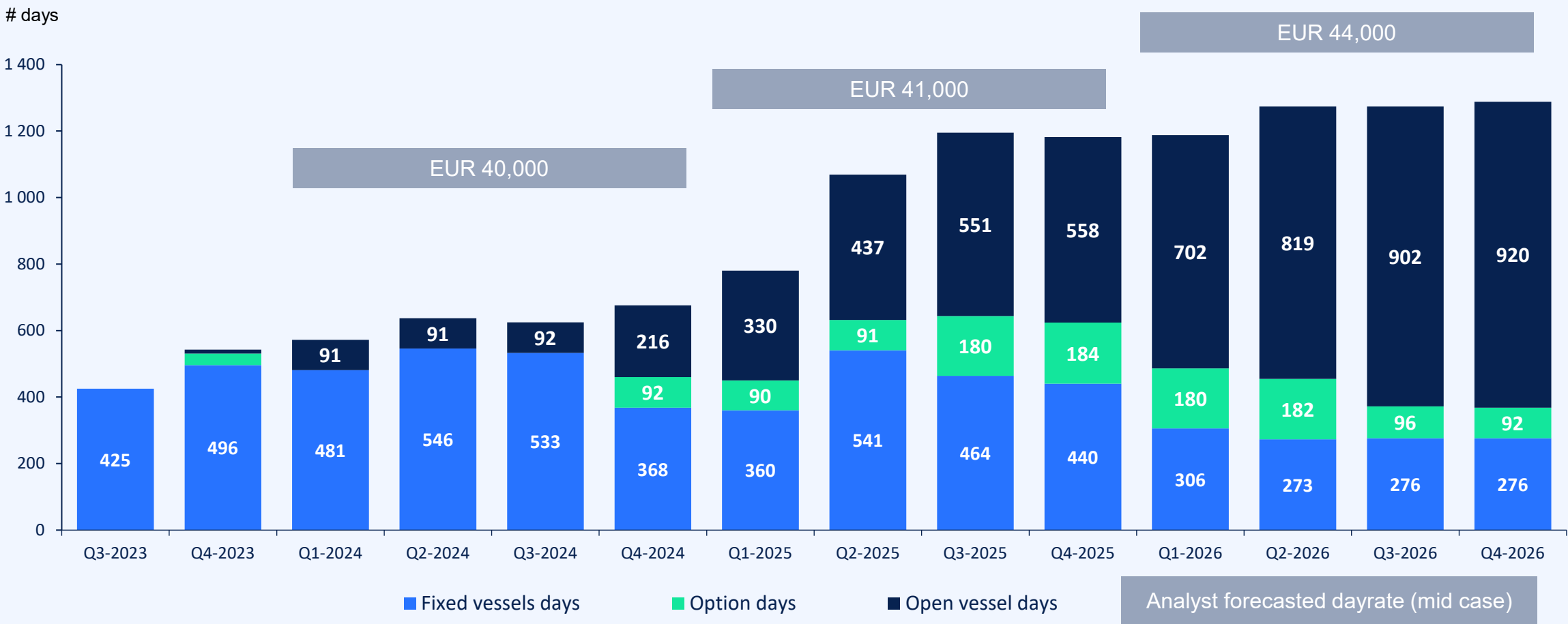
- Orsted
- Vestas
- Ocean Breeze Energy
- SSE
- Siemens Gamesa



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. This definition applies to all references to backlog in this presentation. Numbers as of Q3 2023

Edda Wind – fleet contract status

Vessel availability well matched to CSOV demand and supply curves



Attractive vessel financing

Key debt financing information

Abt. EUR 110 mil. Senior Secured Term Loan Facility

- Semi-annual amortisation 12-year profile
- GBP 29.4m for Passat/Mistral
 - ECA tranche GBP 15.6m
 - Commercial tranche GBP 13.8m with GBP 7.1m balloon Dec-26/Jan-27
- EUR 55.2m pre- and postdelivery financing C416/C490
- Contract tranche up to EUR 13.8m
 - Repayment over firm contract period, latest Dec-26/Jan-27

EUR 38.0 mil. Private Placement

- Semi-annual amortization based on annuity style profile with balloon payment at maturity in Sep '31

GBP 36.0 mil. Private Placement

- Quarterly amortization based on annuity style profile with balloon payment at maturity in Apr '37

EUR 120 mil. green loan facility

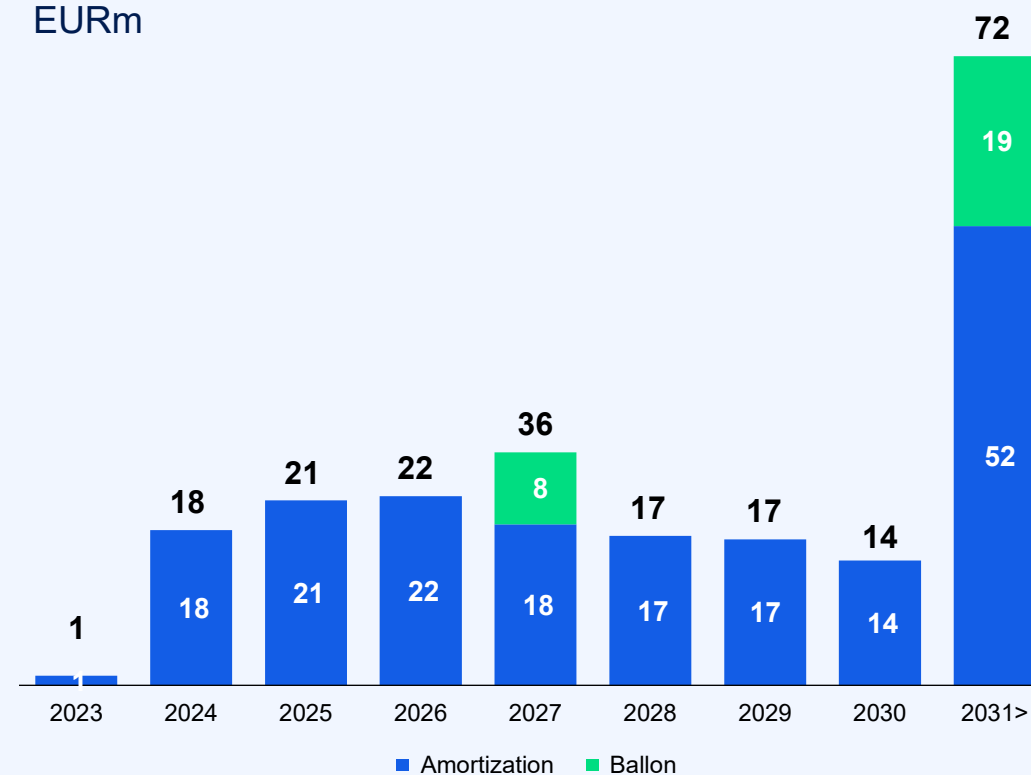
- Pre-and post delivery financing of C491, C492 and C503
- ECA facility of EUR 54.8m
- Commercial facility 45.2m
- Credit revolving facility of total EUR 20m

Interest

- Blend of fixed and floating interest rate
- Average all-in fixed interest cost incl. CIRR of ~3.2%¹

Debt amortization schedule ⁽²⁾

EURm



1) Edda Wind has fixed interest on ~75% of its interest-bearing debt
2) Based on renewal of EUR 39.1mill guarantee arrangements in 2027

Summary



Edda Wind's fleet and organisational growth is on track

New deliveries in 2023

Edda Brint (SOV)



- Delivered in March 2023
- On contract with Vestas at Seagreen Offshore Windfarm

Edda Breeze (CSOV)



- Delivered in March 2023
- On contract with Ocean Breeze at Bard Offshore 1 Windfarm

Edda Boreas (CSOV)



- Delivered in July 2023
- On contract with SSE at Doggerbank Wind farm

Edda Nordri (CSOV)



- Naming ceremony in September 2023
- To commence operations for Siemens Gamesa (frontrunner) in 2023 and Vestas in 2024

Building stand-alone organization

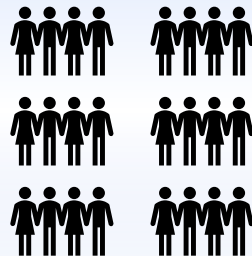
2022



September 2023



2024



Fully integrated

Six of fourteen vessels currently on water

2022

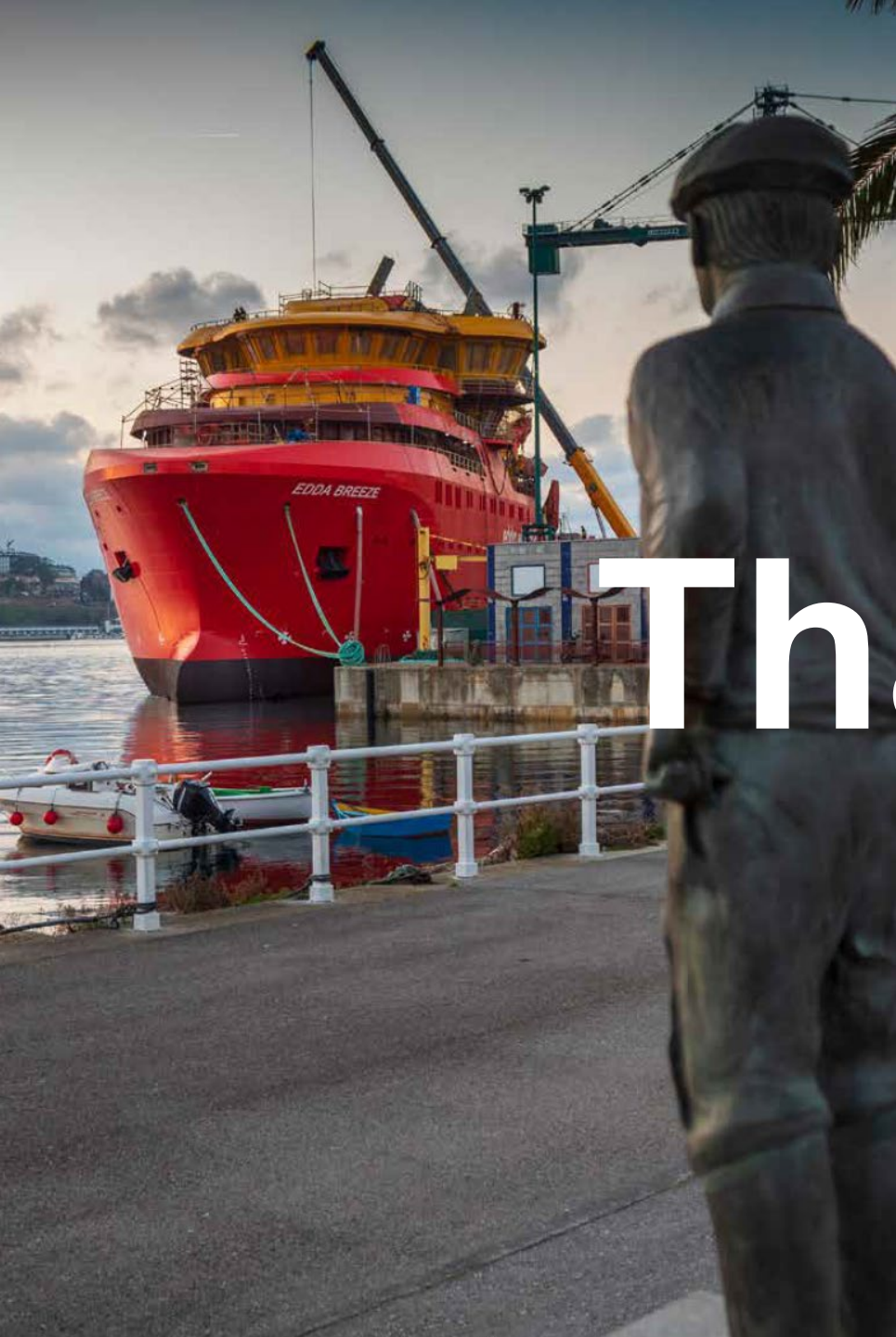


September 2023



2026





Thank you

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Q&A

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