Introduction to Østensjø Rederi

Trusted provider of integrated marine services

Østensjø Rederi at a glance

- Fully integrated offshore marine service provider and vessel owner founded in 1974 by current owner, Johannes Østensjø
- 40+ year track record of industry leading innovation and operational excellence
- Employs ~500 people and operates a fleet of 31x vessels within its four business segments:
  - Offshore Wind
  - Offshore Oil & Gas
  - Offshore Accommodation
  - Towage Services
- The company is headquartered in Haugesund, Norway with regional offices in the UK, Norway and Malta

Four business segments

- Offshore Oil & Gas
  - 8x vessels
- Offshore Wind
  - 2x vessels
- Towage Services
  - 20x vessels
- Accommodation
  - 1x vessel

Key financials for the group

<table>
<thead>
<tr>
<th>EURm</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>136</td>
<td>75</td>
<td>134</td>
<td>104</td>
<td>118</td>
</tr>
<tr>
<td>EBITDA</td>
<td>70</td>
<td>12</td>
<td>46</td>
<td>25</td>
<td>43</td>
</tr>
<tr>
<td>Net profit</td>
<td>36</td>
<td>-50</td>
<td>2</td>
<td>-31</td>
<td>-3</td>
</tr>
<tr>
<td>Sum assets</td>
<td>589</td>
<td>650</td>
<td>724</td>
<td>706</td>
<td>672</td>
</tr>
<tr>
<td>Sum equity</td>
<td>339</td>
<td>318</td>
<td>332</td>
<td>302</td>
<td>301</td>
</tr>
</tbody>
</table>

Equity ratio

- 58 %
- 49 %
- 46 %
- 43 %
- 45 %

EBITDA-margin

- 51 %
- 17 %
- 35 %
- 24 %
- 36 %
Introducing “Edda Wind”

A leading pure play offshore wind service company

A Focused Offshore Wind Service Company

- Dedicated fleet of state of the art offshore wind vessels
  - Purpose built offshore wind vessels based on Østensjø Rederi’s specifications
  - Existing fleet of 2x SOVs, plus 4x CSOV/SOV newbuilds, the next generation of offshore wind service vessels

- Environmentally friendly
  - Exclusive focus on offshore wind/renewable energy
  - Newbuilds with low emission design reducing greenhouse gas emissions by a minimum of 30%
  - Newbuilds also prepared to become the first zero emissions vessels in the market

- Premium portfolio of blue chip clients
  - Edda Wind will benefit from Østensjø Rederi’s extensive client portfolio within the offshore renewables sector
  - Leveraging Østensjø Rederi’s long standing track record and positioning to win contracts
  - Current SOV fleet contracted to Ørsted since delivery

- Østensjø Rederi is a vessel manager with extensive track record
  - Østensjø Rederi to manage all Edda Wind vessels, offering operational and commercial management services

Targeting Global Offshore Wind Farms

- Operations & Maintenance (O&M)
  - Long term contracts supporting continuous O&M work throughout the life of wind farms

- Commissioning & Installation
  - Long and shorter term contracts supporting commissioning and installation work on offshore wind farms

- Auxiliary wind services
  - Bolt-on subsea ROV and Drone inspection services

- Fleet of 4x offshore wind SOVs, of which 3 operating on long term contracts
  - Fleet of 2x offshore wind CSOV newbuilds of which 1 operating on long term contract

- ✓ A leading provider of purpose built offshore wind vessels
- ✓ In process of establishing JV with Foss Maritime LLC to target growing US offshore wind market

Note: (1) Østensjø Rederi AS and Foss Maritime LLC signed an MOU on 1 October 2019 to provide domestic SOVs to owners and operators of offshore wind projects in US waters
Offshore wind is the fastest growing energy source

Offshore wind growth to outpace that of other energy sources

Indexed growth (Index = 1)

Source: Clarksons Platou Renewables, BNEF
Demand for SOV and CSOV vessels

Estimated near term demand for SOV and CSOV vessels

O&M - Estimated SOV demand

- Graph illustrates demand for Tier 1 SOV vessels
- SOV vessel demand estimated based on visible SOV tenders and opportunities during the coming years, and the number of turbines to be maintained as offshore wind farms become fully commissioned

Commissioning - Estimated CSOV demand

- Graph illustrates demand for Tier 1 CSOV vessels
- During summers 2018/19 ~30 vessels were working in the commissioning segment in Europe (including some Tier 2 and 3 O&G vessels)
- Future CSOV vessel demand estimated based on number of estimated new turbines to be installed

Source: Clarksons Platou Renewables
SOV and CSOVs are preferred by customers
Purpose built vessels operating at low cost create barriers to entry

Purpose built vessels the new standard

<table>
<thead>
<tr>
<th>SOV/CSOV</th>
<th>Vs.</th>
<th>Converted O&amp;G vessels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideal design</td>
<td></td>
<td>Compromised design</td>
</tr>
<tr>
<td>Longer lead time</td>
<td>Prompt availability</td>
<td></td>
</tr>
<tr>
<td>Tailored to fit technicians workflow and operational needs</td>
<td>Often larger than necessary with higher fuel consumption and cost</td>
<td></td>
</tr>
<tr>
<td>Dedicated gangways</td>
<td>Large deck cranes can hinder operations</td>
<td></td>
</tr>
<tr>
<td>Work appropriate storage areas</td>
<td>Not specially designed for ideal workflow</td>
<td></td>
</tr>
<tr>
<td>High standard single cabins</td>
<td>Lower standard cabins, high share of shared cabins</td>
<td></td>
</tr>
<tr>
<td>Optimized fuel efficiency for offshore wind operations</td>
<td>Poor fuel efficiency compared to purpose built wind tonnage</td>
<td></td>
</tr>
</tbody>
</table>

SOV/CSOVs have a clear cost advantage

Illustrative SOV/CSOV OPEX vs O&G vessel without permanent gangway

- **SOV/CSOV**
  - with permanent gangway
  - Without permanent gangway

- **O&G tonnage**
  - without permanent gangway

- **Vessel expense (EUR/day)**
  - Fuel expense
  - Gangway hire
  - Opex (SOV/CSOV)

Purpose built vessels the new standard
Success factors for future SOVs

• Operability
  • Moving into harsher environment
  • Larger turbines mean higher cost of downtime

• Gangway and crane need to evolve
  • Transferring between two moving items

• Zero emissions
  • The future of this industry must be green
The future is already here
Ready for delivery in 2022
Operability and cost-efficiency in one package

“Future proofed” – ready for true zero emission operations

Length over all: 88.30 m
POB: 120 pers.
Number of cabins: 86 Cabins
Operation endurance: Min 30 days
Operability: ~4m Hs
Voith propellers offer significantly shorter thrust ramp up time and time to change thrust direction. ... and hence improved station keeping accuracy and actual capability compared to conventional azimuth thrusters.

Based on experience from operation of 5 offshore vessels.
• **Greater autonomy necessary**
  - Increase efficiency
  - Reduce risk
  - Reduce costs

• **Adapted to several kinds of foundations**
  - Flexibility in access height
  - Positioning of gangway
  - Optimal onboard logistics

• **Moving vessel to moving target**
  - Gangway and crane need to be prepared for increased complexity
  - Reference systems need to be suitable
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Zero emission concept – based on hydrogen propulsion

- Safety
- Endurance
- Logistics
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Zero emission concept – based on hydrogen propulsion

- 30 days endurance (minimum)
- Ready for commercial use 2025
- Insignificant risk (virtually non-existent) compared to conventional hydrogen/ammonia
- Logistics significantly easier than conventional hydrogen/ammonia
Success factors for future SOV operators

- **Vessel development**
  - Vessel design more important than ever
  - Operability demands ever increasing
  - Farther to sea – harsher environment

- **Autonomy**
  - It’s coming, to a certain degree
  - Will increase operability and reliability

- **Zero emissions**
  - The future of this industry must be green
Thank you for your attention

www.eddawind.no