



Eidesvik Offshore ASA

Pareto Conference 20 Sept. 2023

Gitte Gard Talmo
CEO



Eidesvik in brief

THE COMPANY



13

VESSELS

428

EMPLOYEES*

* Number of employees end of FY2022

SEGMENTS



SUPPLY



SUBSEA



OFFSHORE
WIND

STRATEGY

Green PSV

- Seek and evaluate vessels that fits with the EIOF profile for additions to the fleet

Subsea

- Actively seek partnerships that will create new business opportunities

Offshore Wind

- Increase footprint in segment, focus on long-term profitable contracts

Key words for future projects

- Long-term partnerships and long-term positive cash flows





Company highlights

01 Strong system values, owns (10) and operates fleet of 13 vessels

02 Operational excellence with **high utilization** and **future-ready fleet**

03 Solid backlog, securing **sound cash flow** years ahead

04 **Strong balance sheet** - well positioned for long-term growth and shareholder value creation

05 Very **attractive market dynamics** in our operating segments





Business update / YTD 2023



- Secured long-term bank financing till Q1 2026 through refinancing process
- Acquired the vessel Viking Reach together with Reach Subsea. Raised NOK 130 million through a private placement and concluded a 6-year charter to Reach Subsea
- Concluded long-term contracts and contract extensions in our PSV segment
- Booked backlog close to NOK 1 billion YTD
- Entered into agreements to sell our remaining three laid-up seismic vessels to two separate buyers. Sales were executed in Q2 and Q3 with solid gains



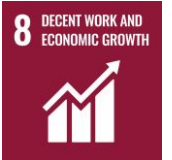
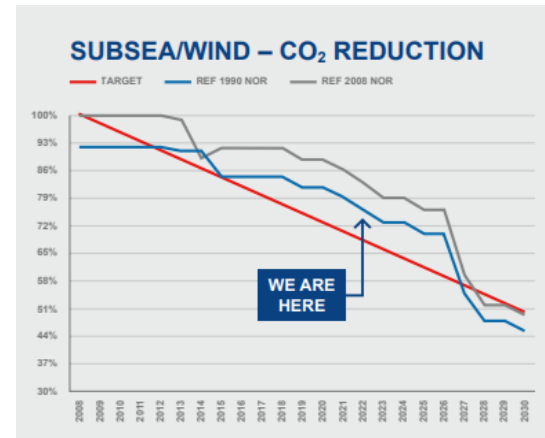
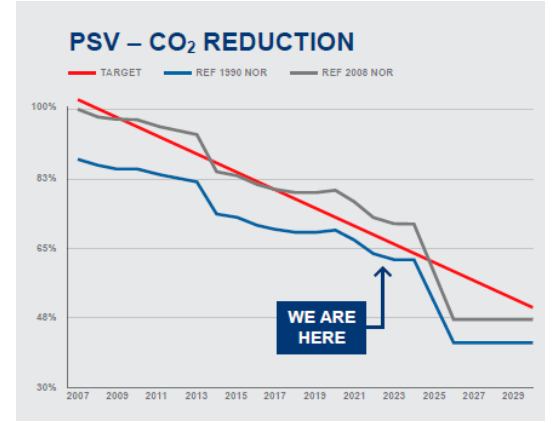


Sustainability – a strategic imperative



OUR MATERIAL TOPICS

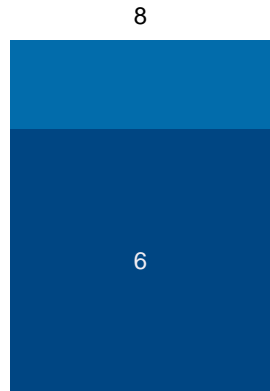
- HEALTH AND SAFETY
- CO2 EMISSIONS AND AIR POLLUTION
- ECOLOGICAL IMPACT – WASTE AND DISCHARGE TO SEA
- DIVERSITY AND EQUALITY
- EMPLOYEE DEVELOPMENT
- CONTRIBUTIONS TO THE ENERGY TRANSITION
- INFLUENCE ON BUSINESS PARTNERS





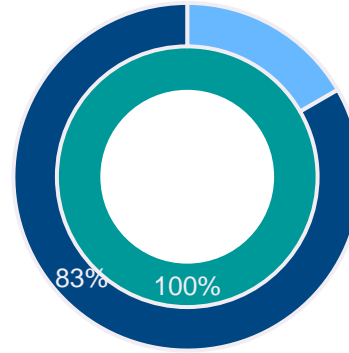
Energy transition fleet

Supply



Owned Management

~1000m²
deck area



Battery LNG Dual fuel

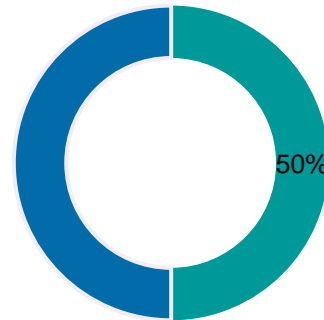


Subsea/Wind



Owned Management

Scope includes
IMR, survey,
trenching and
WTW



Battery





Future ready fleet – a licence to operate

- Cost of emissions rapidly increasing
- Low emission, a competitive advantage - EIOF ✓
- Battery = minimum requirement – EIOF ✓
- Retrofitting existing tonnage, necessary and smart – EIOF ✓
- Developing ability for alternative fuel capabilities is key – EIOF ✓

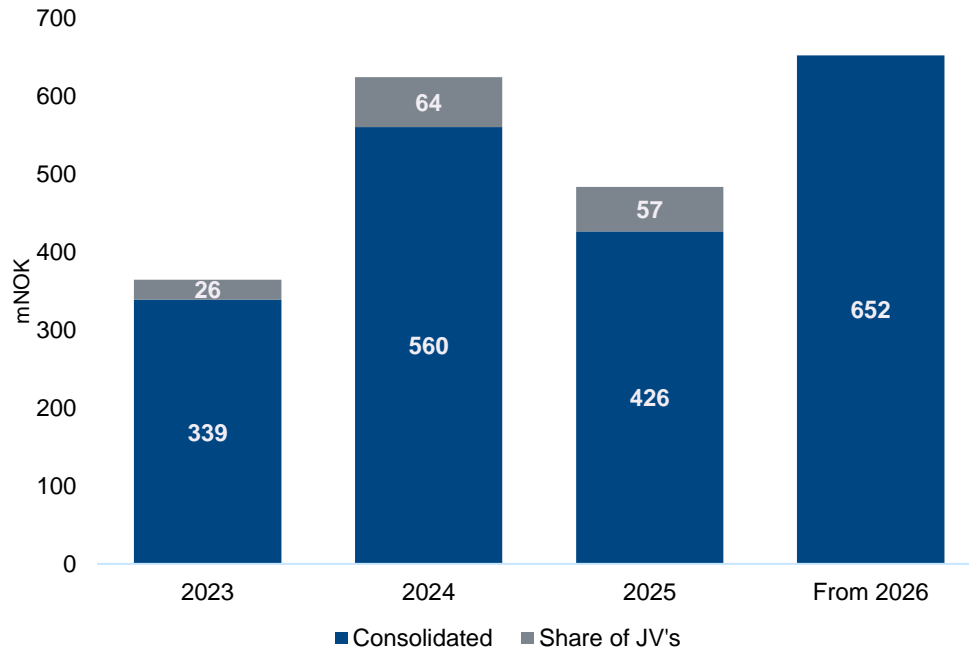




Contract backlog / Q2 2023

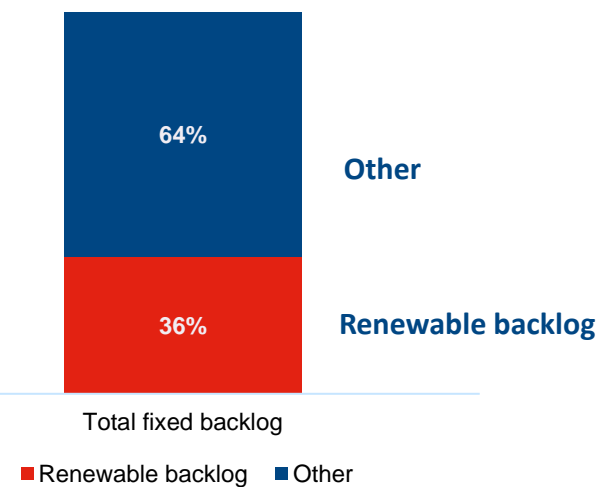
MNOK
1 977

Consolidated total contract backlog



Renewable backlog as share of total backlog

Fixed backlog from renewable projects as share of total backlog



- Close to NOK 1 billion backlog booked YTD 2023
- Majority at current market rates
- Mix of match to market, KPI and fixed pricing mechanisms in contract portfolio
- Long term recurring revenues



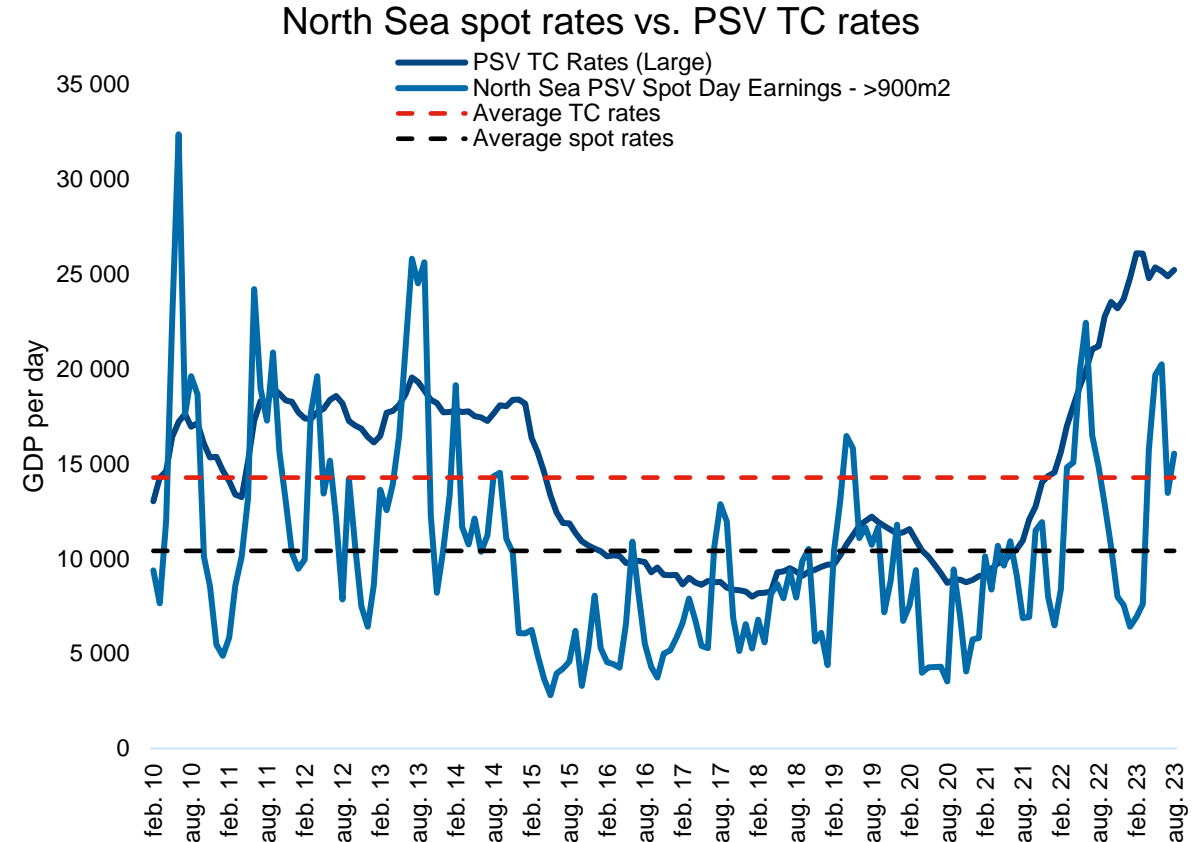
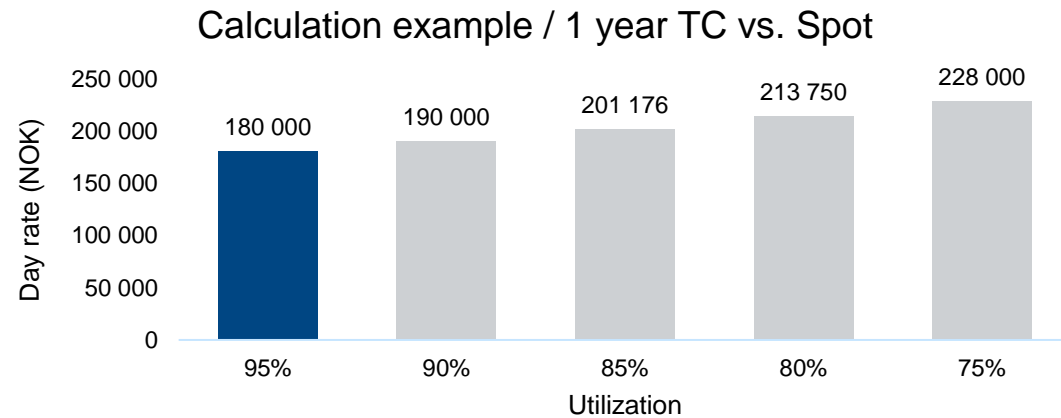


Calculation example

Term contract over time beats the spot market

- Illustrates term day rate of NOK 180'/day vs. required spot rate at varying utilization to achieve equal revenue
- I.e. 80% utilization in the spot market calls for an average day rate of NOK 214'/day to generate same revenue as a fixed contract of NOK 180'/day with a utilization of 95%
- Latest spot rate history for PSVs above 900m2 indicates an average of NOK 155'/day in 2022 and YTD 2023 NOK 184/day*

* Clarksons weekly spot report – Week 38



* Clarksons Research per 04.09.2023



Market update – positive outlook in all segments



- 1 We maintain a very positive market outlook in all our operating segments
- 2 PSV: Robust activity drivers with a significant tightening on the supply side
- 3 Subsea: FIDs increasing, subsea tie-back and subsea tree installations on the rise
- 4 Offshore wind: Renewable energy demand and political initiatives expected to continue to drive activity



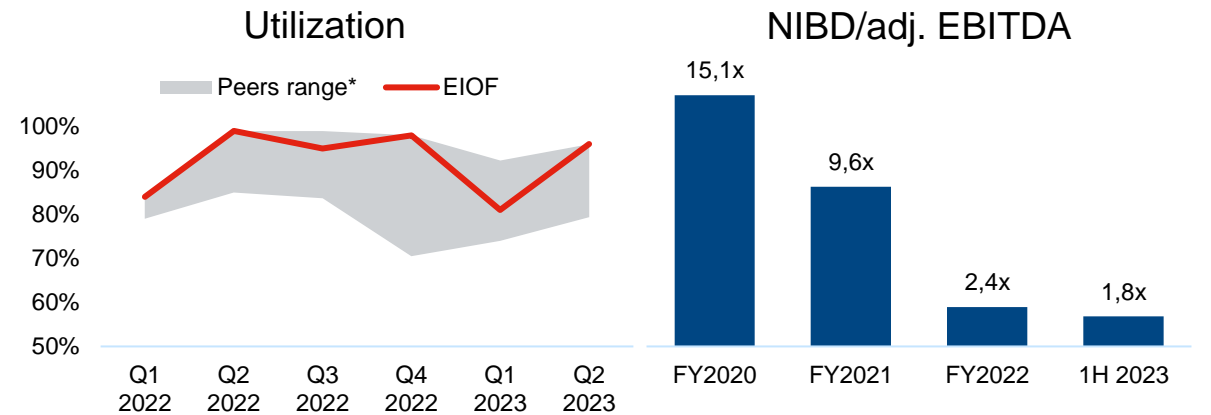
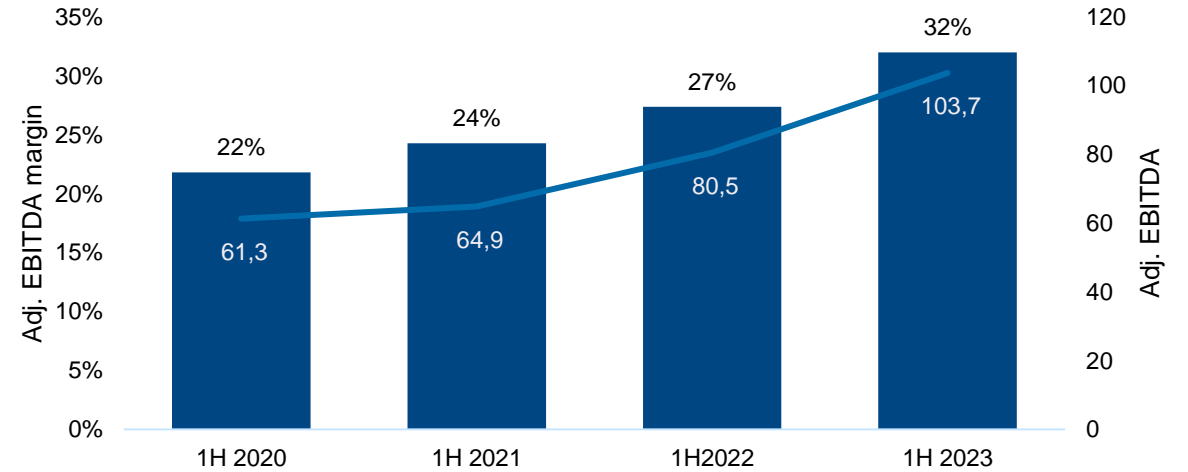


Key financial indicators

Consolidated figures	FY2020	FY2021	FY2022	1H 2023
Utilization	93 %	94 %	95 %	91 %
Revenue (NOKm)	531	588	919	374
EBITDA (NOKm)	131	179	494	156
EBITDA margin	25 %	30 %	54 %	42 %
Adj. EBITDA (NOKm)*	131	177	225	104
Adj. EBITDA margin	25 %	30 %	35 %	32 %
NIBD/adj. EBITDA**	15.1	9.6	2.4	1.8

* EBITDA adj. is adjusted for gain on sale.
 ** 12 months rolling adj. EBITDA, excl. IFRS 16

- Sale and additions of vessels affect revenue
- Seeing continuously improved EBITDA margin
- 1H 2023 includes all planned dockings for the year

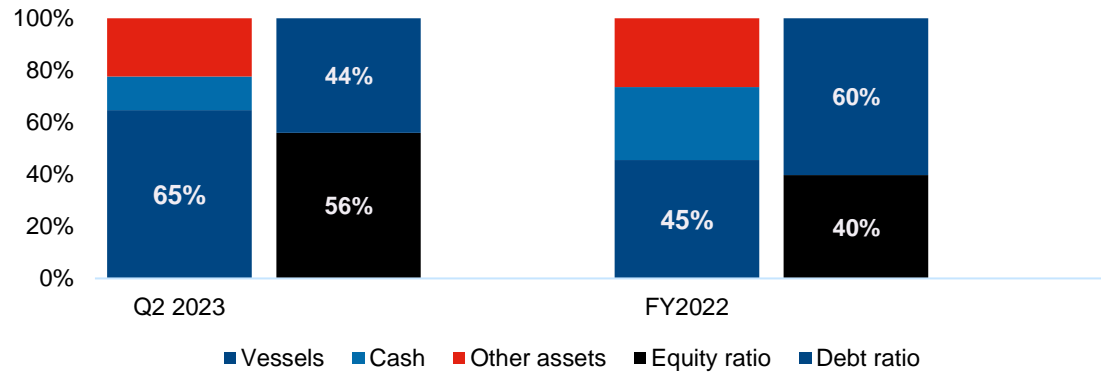


* According to financial reporting from peers, definition may vary





Positioned for growth

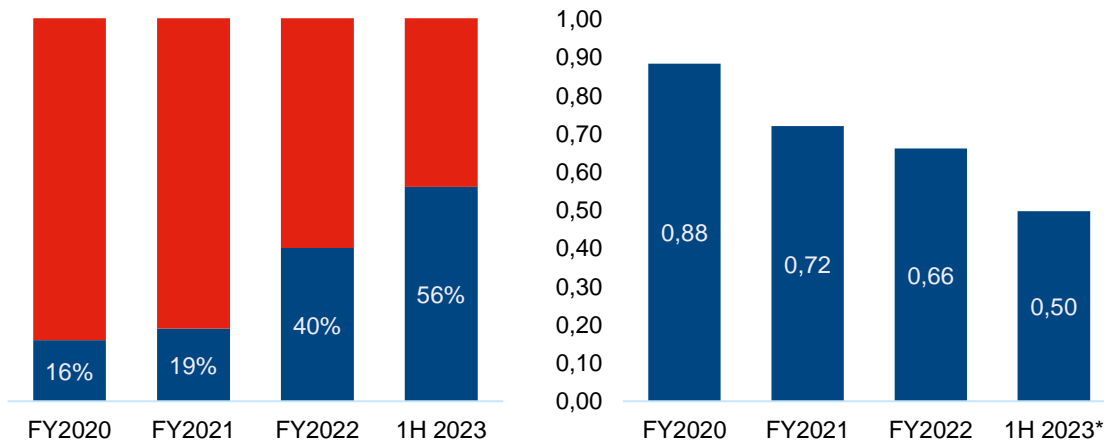


Comments

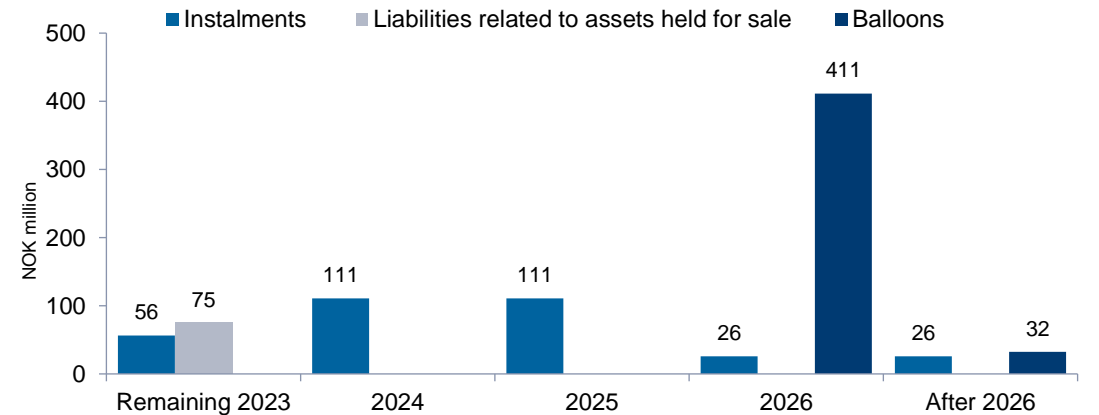
- Net interest-bearing debt Q2, 2023 of ~NOK 560 million - down from more than NOK 1.9 billion in Q2, 2022
- Acquired vessel Viking Reach together with Reach Subsea for around NOK 300 million - raised gross NOK 130 million in equity
- Equity ratio improvement
- Substantially improved financial position
- No debt forgiveness/conversion, no write down of equity during the downturn
- Well positioned for growth

Equity Ratio Debt ratio

LTV

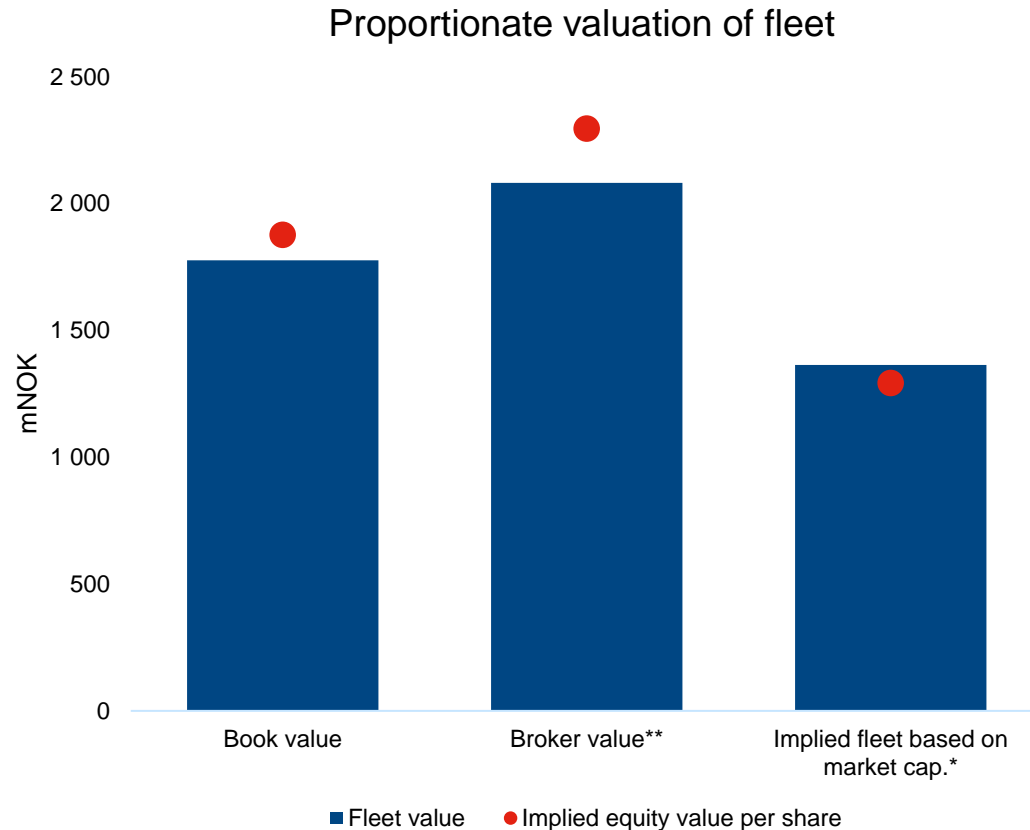


* based on asset values per 31.12.2022





Implied value of fleet based on market cap.



Assumptions	
Implied equity value per share	<ul style="list-style-type: none">• Book value represents proportionate ownership in vessels in our balance sheet, excluding assets held for sale• Broker value based on 2 independent broker values, proportionately adjusted• Implied fleet value based on market capitalization, adjusted for other assets, cash, debt and other liabilities• Implied book equity value is based on total equity adjusted for minority interest, per share• Implied broker equity value per share is calculated by adding the difference between booked fleet value and broker values on booked equity value

* Implied fleet value uses share price per 18.09.2023 – 12.92/per share

** Broker values per 31.12.2022, book value 30.06.2023

*** Seven Viking and Viking Reach included on a proportionate basis





Summary

- Executing on strategy: Growth in focus segments, exit from seismic
- Delivering operational excellence across the fleet
- Fully booked backlog securing sound cash flow years ahead
- Strong balance sheet with low debt and healthy multiples
- Positive market outlook enabling growth opportunities





Appendix



Energy transition fleet

Supply

Subsea / Offshore wind



Viking Energy ●●



Viking Lady ●●



NS Frayja (management) ●



Viking Wind Power ●



Seven Viking ●



Viking Prince ●●



Viking Avant ●



NS Orla (management) ●



Subsea Viking



Viking Neptun (management) ●



Viking Princess ●●



Viking Queen ●●



Viking Reach

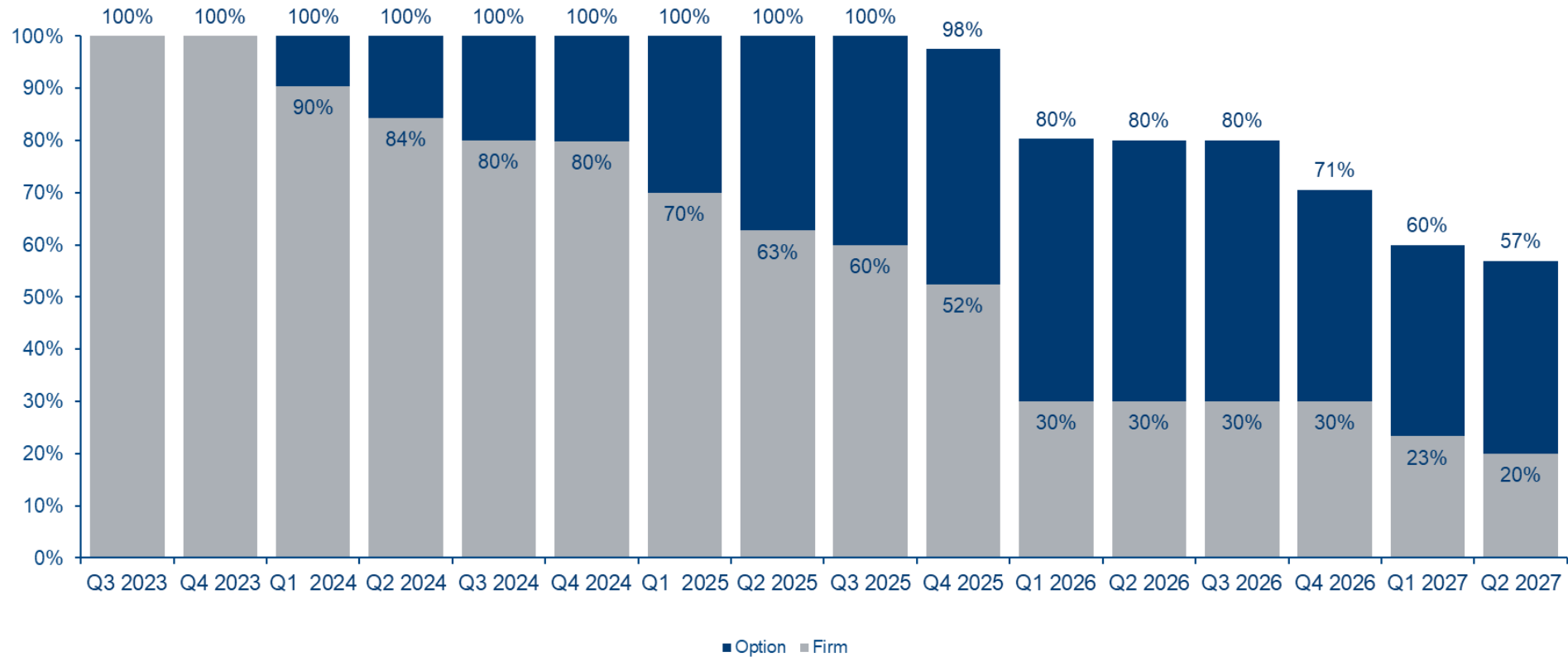
- LNG Dual Fuel
- Battery Hybrid














Contract coverage incl. JV / Q2 2023

Contract coverage incl. JV





Contract status

Vessel		Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Seven Viking													
Viking Reach													
Subsea Viking													
Viking Wind Power													
Viking Queen													
Viking Lady													
Viking Princess													
Viking Prince													
Viking Energy													
Viking Avant	