



Q1 2020 PRESENTATION

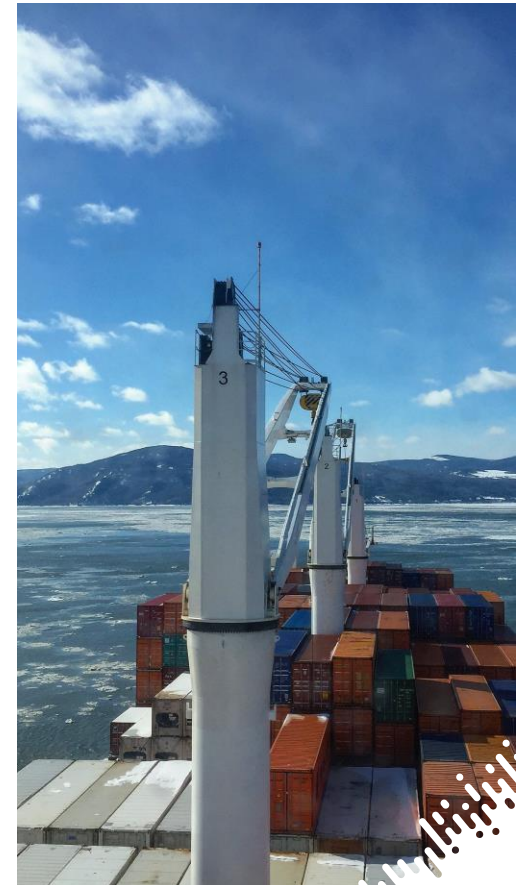
6th May 2020

Q1 2020 FINANCIAL HIGHLIGHTS

- **Declared Q1 2020 dividend of USD 5 cents per share**
 - Declared cash dividends for 27 consecutive quarters
- **EBITDA was USD 56.4m vs. Q4* of USD 55.9m**
 - EBITDA adjusted for finance leases was USD 81.7m vs. Q4* of USD 79.2m
- **Net profit after tax was USD -1.6m vs. Q4* of USD 9.6m**
 - Net profit after tax was negatively impacted by net loss of
 - USD 16.3m from accounting effects of FX and derivatives (used to hedge NOK and interest rate exposure)
 - USD 5.1m from Connector (lay-up in Jan-Feb)
 - USD 2.1m from Far Senator/Far Statesman (standstill agreement)
 - USD 2.9m from discontinued operations (FPSO)
- **Adjusted net profit was USD 18.1m vs. Q4* of USD 18.8m**



- **Vessels with long-term charter**
 - Acquisition of three modern dry bulk carriers with long-term bareboat charters to Scorpio Bulkers for a total consideration of USD 62.8m
 - Notice of declaration of purchase option on one chemical tanker
 - An arbitration tribunal decided that Okeanis ECO Tankers did not have the right to exercise the purchase options on four VLCCs
- **Vessels without long-term charter**
 - Commencement of new ~175 days charter contract for the vessel Connector
 - Standstill agreement with Solstad Offshore extended until 8 May. Expect to sign new 4-year lease agreements for the vessels FAR Senator/FAR Statesman with a bareboat charter rate equal to average EBITDA per vessel in a pool of 7 similar vessels
- **Financing**
 - Successfully raised USD 85 million in long-term bank financing for the financing of four bulk carriers



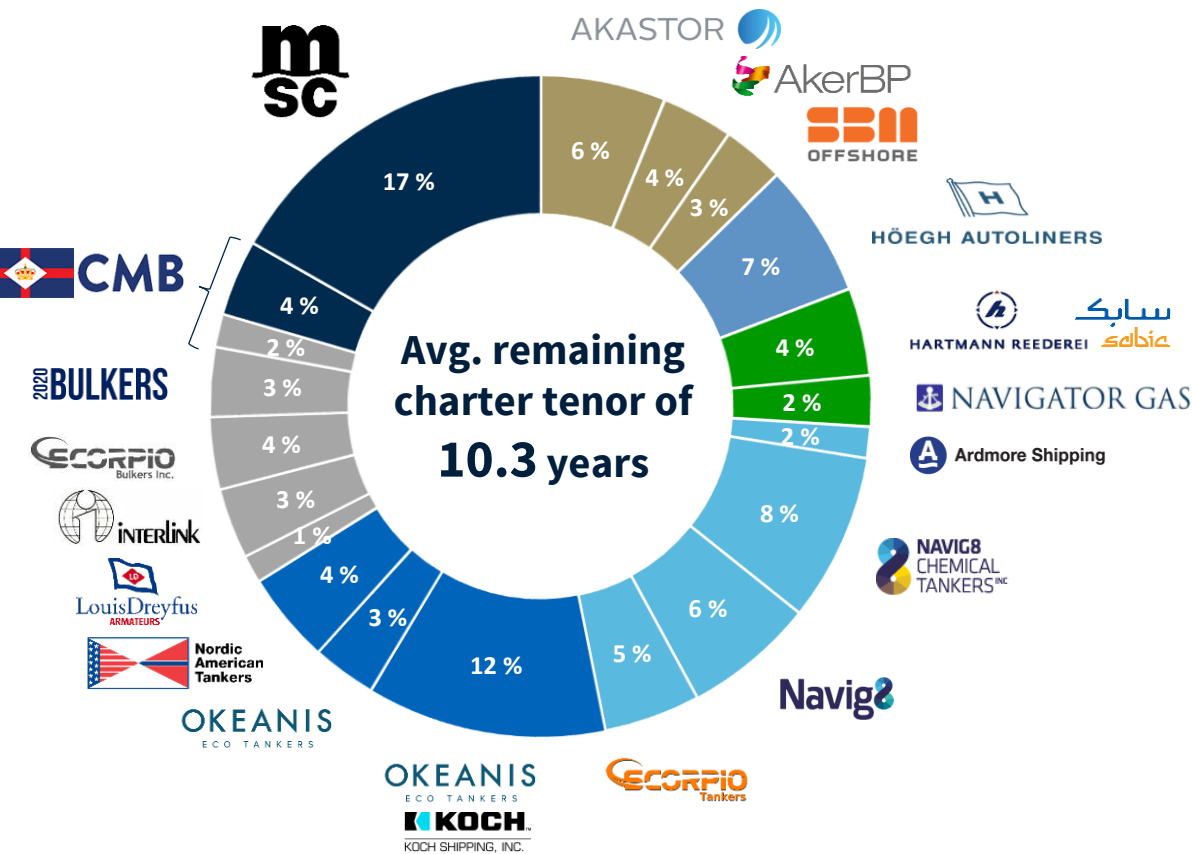
IMPACT OF COVID-19 AND REDUCED OIL PRICE

- **Operations**
 - Limited impact on operations as most of the vessels are on hell and high water bareboat contracts
- **Charterers**
 - Improved counterparty risk for the tanker segment
 - Increased counterparty risk for certain segments
 - No renegotiations of any charter contracts in Q1
- **Oil-service vessels without long-term charters**
 - Low oil-price may reduce demand for oil-service vessels and further delay FPSO projects
- **New projects**
 - Increased demand for leasing
 - Reduced competition
- **Financing**
 - Risk of higher margins for both bond and bank financing
 - Lower LIBOR interest rates










VESSELS WITH LONG-TERM CHARTERS

EBITDA¹ BACKLOG OF USD 3.4 BILLION

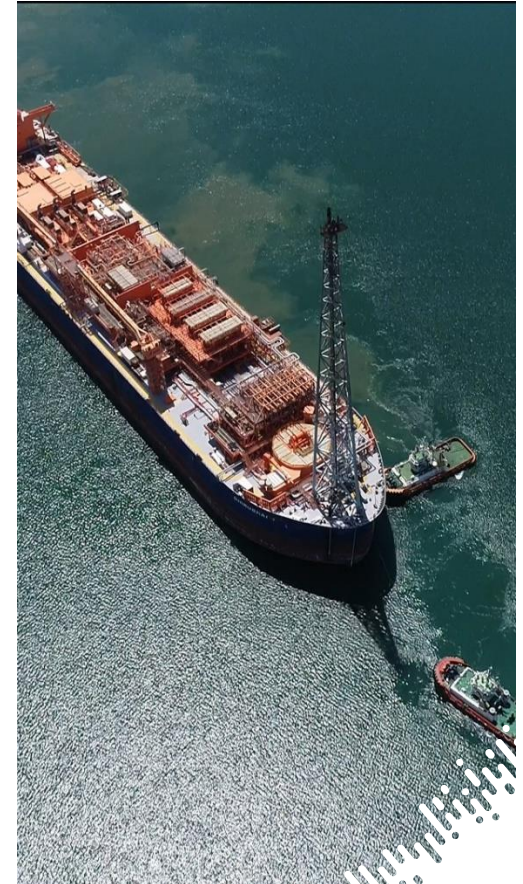


FLEET²

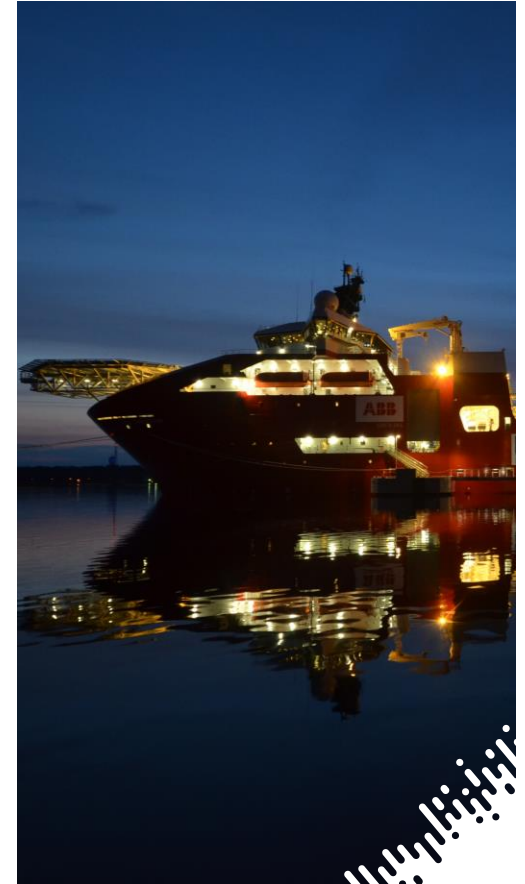
	Product / chemical	20
	Dry bulk	16
	Container vessels	10
	Crude	9
	Car carriers	6
	Oil-service	4
	Gas carriers	3
Total		68
Average age		3.8 yr

1) EBITDA backlog based on certain options not being exercised, LIBOR forward curve, FX, finance lease adjustments and post-quarter transactions
 2) Includes 49.9% ownership in 6 mega-container vessels, 75% ownership in one oil-service vessel and vessels acquired after quarter end. Purchase options on two chemical tankers have been declared and the vessels will be removed at the effective purchase date.
 1 & 2) Vessels without long-term contracts are not included

- **Sale**
 - Several opportunities are being evaluated, but the Covid-19 pandemic and the low oil price may contribute to further delays in final investment decisions
- **Demobilization in India**
 - The decommissioning work at the MA-field in India has been completed within the provisions
- **Accounting**
 - The FPSO operations has been classified as «discontinued operations» and the vessel and related assets as «assets held for sale» in the Q1 2020 financial statments. It will therefore not be any ordinary depreciation of the vessel in 2020

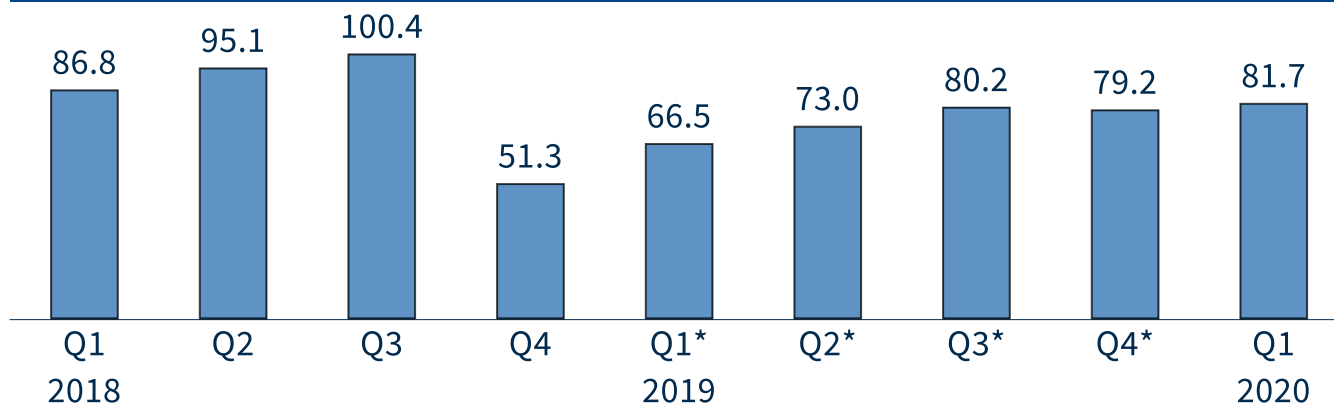


- **Connector**
 - Time-charter contract with Ocean Installer
 - Commencement in early March
 - Duration of about 175 days
 - Subsea installation work in South China Sea
 - Net loss of USD 5.1m in Q1 2020 due to lay-up in January and February.
 - Expect higher revenues in Q2 2020
- **FAR Senator & FAR Statesman**
 - Standstill agreement with Solstad Offshore extended until 8 May
 - Expect existing lease agreements with Solstad Offshore to be terminated and the estimated net claim converted into shares
 - Expect to sign new 4-year lease agreement with variable bareboat charter rate equal to average EBITDA per vessel in a pool of 7 similar vessels
 - Net loss of USD 2.1m in Q2 2020 as no bareboat hire was received due to standstill agreement

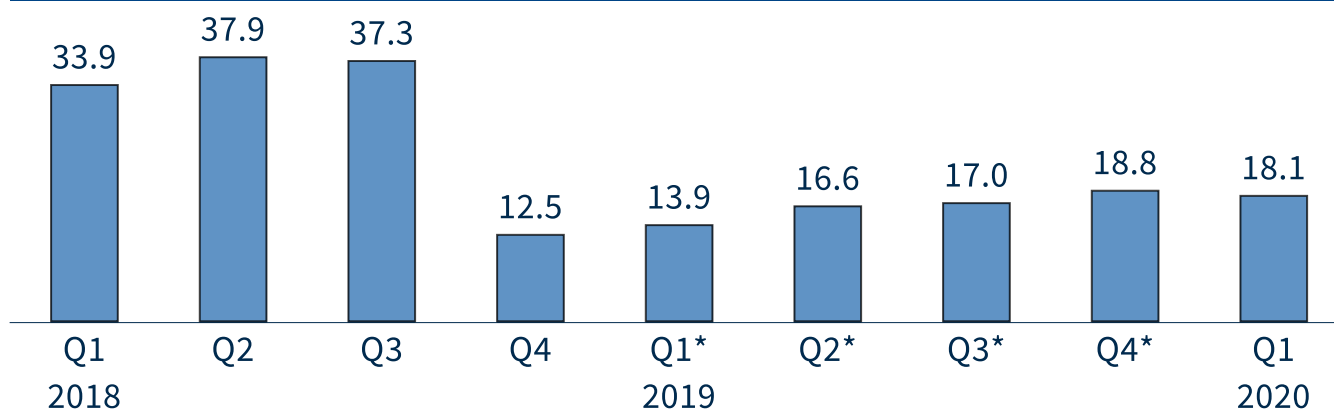


ADJUSTED EBITDA AND NET PROFIT

EBITDA ADJUSTED FOR FINANCE LEASES (USDM)



ADJUSTED NET PROFIT (USDM)



INCOME STATEMENT

INCOME STATEMENT

	Q4*	Q1
<i>Amounts in USD million</i>	2019	2020
Operating revenues	23.7	23.4
Finance lease revenue	32.2	33.0
Income from investments in associates	5.9	4.9
Total revenues and other income	61.7	61.3
Vessel operating expenses	(1.9)	(1.8)
Wages and other personnel expenses	(1.7)	(1.7)
Other operating expenses	(2.2)	(1.4)
EBITDA	55.9	56.4
Depreciation and amortization	(12.5)	(12.4)
Operating profit	43.4	44.0
Financial income	0.7	0.4
Financial expenses	(26.7)	(25.9)
Foreign exchange gains/losses	(9.1)	48.1
Change in fair value of financial instruments	13.5	(64.4)
Net profit before tax	21.8	2.2
Tax payable	1.4	(0.3)
Change in deferred tax	(2.4)	(0.5)
Net profit after tax, from continuing operations	20.8	1.3
Profit (loss) from discontinued operation, net of tax	(11.2)	(2.9)
Profit for the period	9.6	(1.6)
Equity holders of the parent	6.6	(4.1)
Non-controlling interests	0.3	(0.2)
Dividends on hybrid capital	2.7	2.7
Profit for the period	9.6	(1.6)



ADJUSTED EBITDA AND NET PROFIT

ADJUSTMENTS

	Q4*	Q1
<i>Amounts in USD million</i>	2019	2020
EBITDA	55.9	56.4
Repayment on finance lease receivables	23.4	25.3
EBITDA adjusted for finance lease effects	79.2	81.7
Net profit after tax	9.6	(1.6)
Loss from discontinued operation, net of tax	11.2	2.9
Foreign exchange gains/losses	9.1	(48.1)
Change in fair value of financial instruments	(13.5)	64.4
Change in deferred tax	2.4	0.5
Adjusted Net profit	18.8	18.1

- Mainly NOK bond loans
- Mainly cross currency swaps

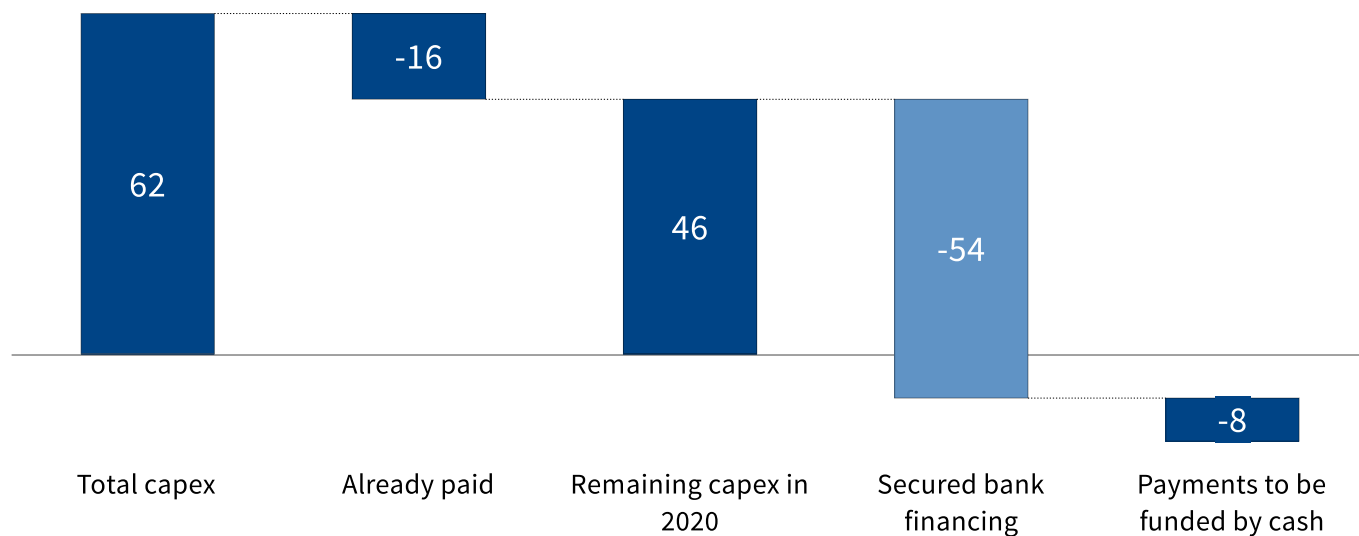


BALANCE SHEET

BALANCE SHEET				
	Q4	Q1		
<i>Amounts in USD million</i>	2019	2020	2019	2020
ASSETS			EQUITY AND LIABILITIES	
Vessels and equipment	1,054	895	Common equity	738
Investments in associates	178	163	Hybrid capital	125
Finance lease receivables	1,484	1,475	Non-controlling interests	13
Restricted cash deposits	23	56	Total equity	877
Other non-current assets	3	2	Interest-bearing debt	1,909
Deferred tax assets	0	0	Mob fees and other non-current liab.	11
Total non-current assets	2,741	2,592	Fair value of derivatives	24
			Total non-current liabilities	1,944
Finance lease receivables	220	243	Interest-bearing short term debt	276
Trade receivables	7	1	Fair value of derivatives	22
Cash and cash equivalents	185	107	Trade and other payables	22
Current assets	412	351	Total current liabilities	333
Assets held for sale	0	156	Liabilities related to assets held for sale	0
Total current assets	412	508	Total current liabilities	333
Total assets	3,153	3,100	Total liabilities	2,277
			Total equity and liabilities	3,153
				3,100

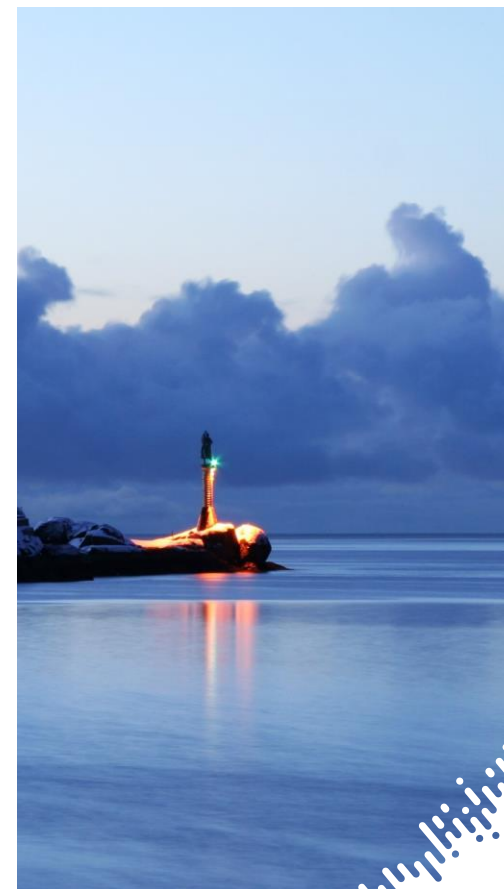
CAPEX AND FINANCING OVERVIEW

CAPEX AND EXPECTED FINANCING AS PER Q1 2020

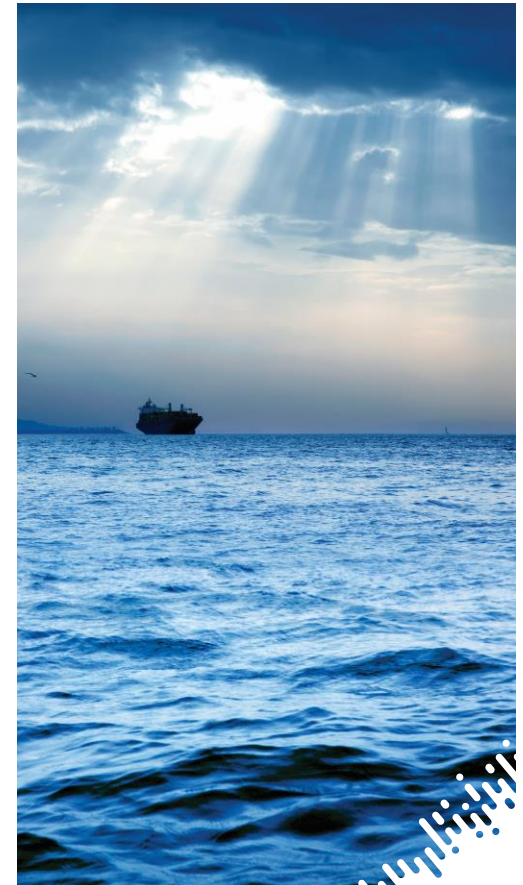


COMMENTS

- Remaining capex per Q1 2020 relate to one dry bulk vessel on charter to Scorpio Bulkers that was delivered to the company in April and one newcastlemax dry bulk vessel.
- Potential scrubber financing on five vessels of up to USD 7.5m not included



- **Impact of COVID-19 and low oil price**
 - Limited direct impact on the adjusted net profit in Q1 2020
 - Improved counterparty risk for the tanker segment
 - Increased counterparty risk for certain segments
 - May have a negative effect on the demand for our oil-service vessels without long-term contracts
 - The low oil price may lead to delays in projects under evaluation for Dhirubhai-1
 - Increased demand for leasing and less competition
- **Given the uncertainty created by the COVID-19 pandemic and the low oil price, the Board of Directors have decided to reduce the dividend level in order to build a more robust balance sheet.**





INVESTOR RELATIONS

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