

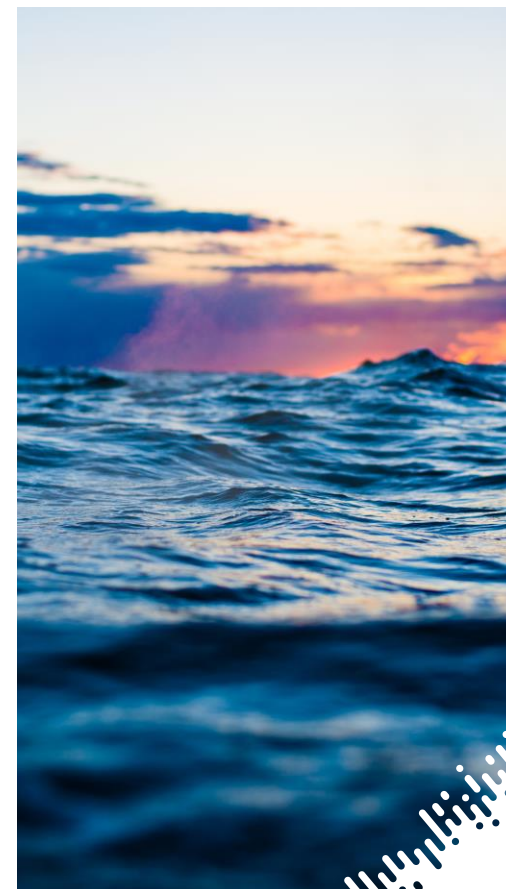


Q3 2020 PRESENTATION

3rd November 2020

Q3 2020 FINANCIAL HIGHLIGHTS

1 Dividend	\$5.15 cent DPS	9.0% Dividend yield p.a. ¹
2 EBITDA	\$52.2m EBITDA	\$75.8m Adjusted EBITDA ²
3 Net profit	\$-104.4m Net profit ³	24.5m Adjusted net profit ⁴
4 Backlog	\$2.9bn EBITDA backlog	10.1 years Average charter tenor
5 Liquidity	\$163.5m Cash	\$200.2m Available liquidity



1) Based on share price as of close 2nd November 2020

2) EBITDA adjusted for finance leases

3) Includes impairments of USD 129.4m related to Dhirubhai-1 and Connector

4) Adjusted net profit, continuing operations

-
- 1 Vessel delivery**
 - Delivery of newcastlemax dry bulk vessel with 15-year charter

 - 2 Vessel sales**
 - Sale of chemical tanker Navig8 Amessi
 - Sale of oil-service vessel SBM Installer
 - Insurance payment of USD 26m received from total loss of Höegh Xiamen

 - 3 Investments**
 - Acquisition of two suezmax newbuildings for up to \$44m per vessel
 - 10 year bareboat charters
 - EBITDA charter backlog of USD 87m

 - 4 Bonds**
 - Prepayment of NOK 300m of OCY04 on 5th October
 - Buy-back of NOK 20m of OCY07

1 Dhirubhai-1

- In lay-up in Sri-Lanka, vessel opex of USD 2.7m in Q3 2020
- Progress in sales discussions, but still uncertainty related to timing
- Impairment of USD 94.8m in Q3 2020, book value of USD 51m

2 Connector

- In the process of entering into a new charter contract from December until February, securing utilization in a challenging winter market
- Special survey in November
- Impairment of USD 34.6m in Q3 2020

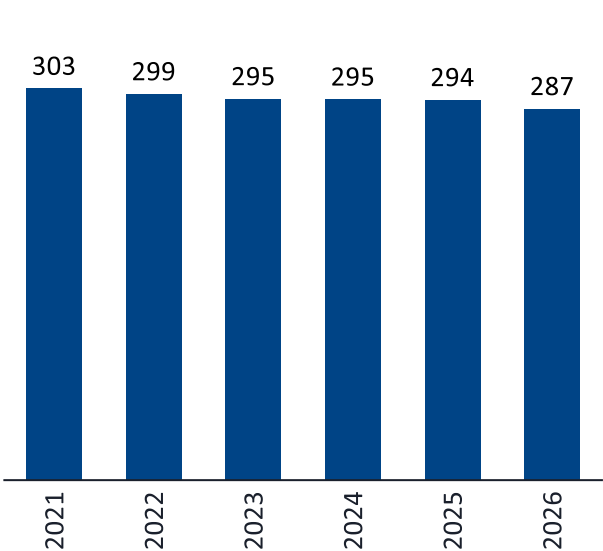
3 FAR Senator FAR Statesman

- Restructuring agreement with Solstad Offshore closed
- New 4-year bareboat contracts with variable charter rates
- Received 2.8m shares / 3.8% of outstanding shares in Solstad Offshore
- Expect positive EBITDA contributions going forward

LONG-TERM CHARTERS SECURES STABLE CASH FLOW

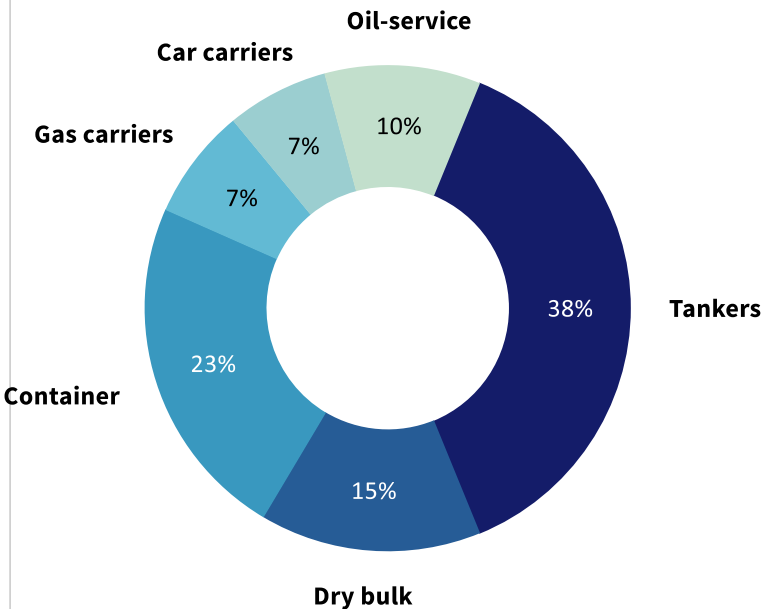


EBITDA charter backlog¹ per year
(USDm)



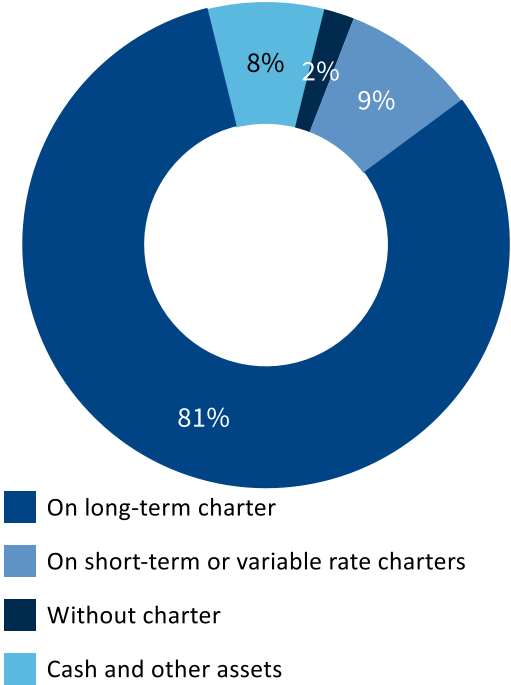
LONG-TERM CASH FLOW VISIBILITY,
10.1 YEARS AVERAGE DURATION

EBITDA charter backlog¹ per segment



EBITDA BACKLOG OF USD 2.9BN

Charter status as
% of Total Assets



81% OF TOTAL ASSETS EMPLOYED
ON LONG-TERM CHARTERS

FINANCIAL SNAPSHOT

Adjusted net profit, continuing operations

USD million



Hybrid capital Minority Common equity

Q3 2020 Key financials

\$75.8m

EBITDA adjusted for
finance leases

\$24.5m

Net profit,
cont. operations

\$2.5bn

Total assets

27.5%

Equity ratio

\$5.15 cents

Dividend per share

\$200.2m

Available liquidity

INCOME STATEMENT

INCOME STATEMENT

	Q2	Q3
<i>Amounts in USD million</i>	2020	2020
Operating revenues	26.0	25.5
Finance lease revenue	31.1	24.9
Income from investments in associates	5.5	6.0
Other revenue	27.4	0.8
Total revenues and other income	90.0	57.2
Total operating expenses	(3.7)	(4.9)
EBITDA	86.3	52.2
Depreciation and amortization	(12.4)	(11.7)
Impairment charges	(27.7)	(34.6)
Operating profit	46.2	5.9
Financial income	0.1	1.0
Financial expenses	(25.8)	(17.1)
Foreign exchange gains/losses	(54.8)	(6.8)
Change in fair value of financial instruments	54.8	10.5
Net profit before tax	20.5	(6.6)
Income tax expense	(1.2)	(0.5)
Net profit after tax, from continuing operations	19.2	(7.1)
Profit (loss) from discontinued operation, net of tax	(2.8)	(97.3)
Profit for the period	16.5	(104.4)
Equity holders of the parent	13.9	(106.9)
Non-controlling interests	0.2	0.3
Dividends on hybrid capital	2.4	2.2
Profit for the period	16.5	(104.4)



ADJUSTED EBITDA AND NET PROFIT

ADJUSTMENTS

<i>Amounts in USD million</i>	Q2 2020	Q3 2020
EBITDA	86.3	52.2
Repayment on finance lease receivables	27.1	23.4
Other revenue - insurance claim	(27.4)	0.2
EBITDA adjusted for finance lease effects	86.0	75.8
Net profit after tax	16.5	(104.4)
Loss from discontinued operation, net of tax	2.8	97.3
Insurance claim and pre-paid charter hire Höegh Xiamen	(27.4)	0.2
Impairment of Höegh Xiamen	27.7	0.0
Impairment of Connector		34.6
Sale of SBM Installer (gains, loans, swaps)		(1.6)
Refinancing Far Senator/Far Statesman	3.6	-
Foreign exchange gains/losses	54.8	6.8
Change in fair value of financial instruments	(54.8)	(9.2)
Change in deferred tax	0.9	0.8
Adjusted Net profit from continuing operations	24.0	24.5
Attributable to:		
Equity holders of the parent	21.3	22.0
Non-controlling interests	0.3	0.3
Dividends on hybrid capital	2.4	2.2
Adjusted Net profit from continuing operations	24.0	24.5

- Impairment of USD 94.8m

- NOK bond loans
- Cross currency swaps



BALANCE SHEET

BALANCE SHEET				
	Q2	Q3		
<i>Amounts in USD million</i>	2020	2020	2020	2020
ASSETS			EQUITY AND LIABILITIES	
Vessels and equipment	855	700	Common equity	689
Investments in associates	173	175	Hybrid capital	125
Finance lease receivables	1,254	1,257	Non-controlling interests	13
Restricted cash deposits	26	14	Total equity	827
Other non-current assets	2	2		
Total non-current assets	2,311	2,148	Interest-bearing debt	1,554
			Mob fees and other non-current liabilities	7
			Fair value of derivatives	43
			Total non-current liabilities	1,604
Finance lease receivables	193	164		
Trade receivables	31	6	Interest-bearing short term debt	336
Cash and cash equivalents	106	159	Fair value of derivatives	13
Current assets	331	329	Trade and other payables	15
Assets held for sale	155	58	Total current liabilities	364
Total current assets	486	387	Liabilities related to assets held for sale	3
Total assets	2,797	2,536	Total current liabilities	366
			Total liabilities	1,970
			Total equity and liabilities	2,797
			Equity ratio	29.6 %
				27.5 %

1 Counterparty risk

- Reduced counterparty risk
 - All counterparties are performing according to the respective charter contracts
 - COVID-19 not expected to have a material negative effect
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2 New investments

- Positioned for new investments with substantial cash position and attractively priced bank financing
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3 Dividends

- Current dividend yield of 9.0% p.a.¹
- Conservative dividend level relative to expected future earnings
- Intention to gradually increase the dividends going forward



INVESTOR RELATIONS

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