



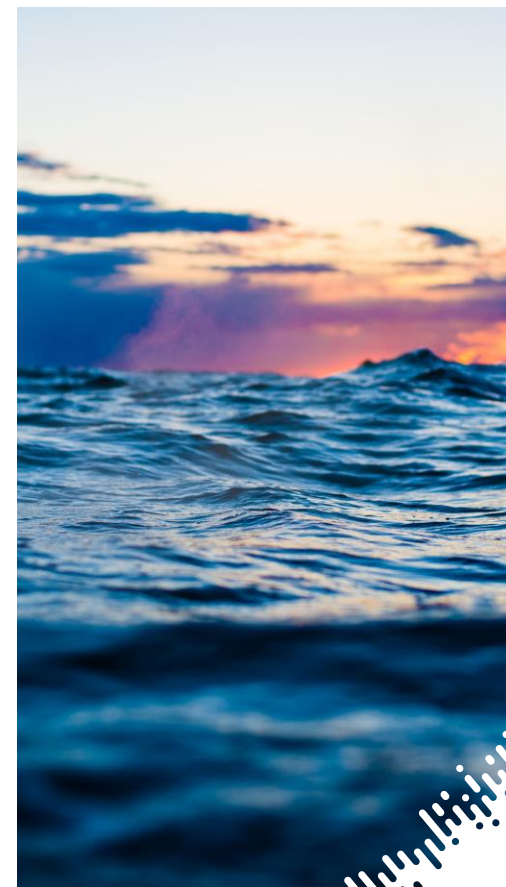
# Q4 2020 PRESENTATION

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16<sup>th</sup> February 2021

# Q4 2020 FINANCIAL HIGHLIGHTS

1	Dividend	<b>\$5.30 cent</b> DPS	<b>6.8%</b> Dividend yield p.a. <sup>1</sup>
2	Net profit	<b>\$-51.7m</b> Net profit <sup>2</sup>	<b>\$21.6m</b> Adjusted net profit <sup>3</sup>
3	Backlog	<b>\$2.9bn</b> Adjusted EBITDA backlog	<b>9.8 years</b> Average charter tenor
4	Liquidity	<b>\$112.7m</b> Cash	<b>\$165.7m</b> Available liquidity

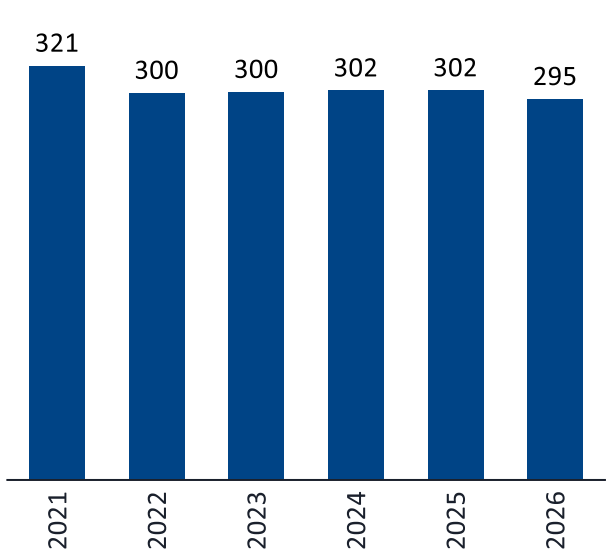


- |                                 |   |
|---------------------------------|---|
| <b>1 Investments</b>            | <ul style="list-style-type: none"><li>• Acquisition of two suezmax newbuildings for a total price of up to \$88m</li><li>• 10 year bareboat charters to Nordic American Tankers</li></ul>   |
| <hr/>                           |   |
| <b>2 Purchase/sales options</b> | <ul style="list-style-type: none"><li>• Scorpio Bulkers declared sales options on three vessels for \$62m with delivery in Q1 2021</li><li>• Navig8 Chemical Tankers declared purchase option on Navig8 Topaz for \$30.7m with delivery in July 2021</li></ul>  |
| <hr/>                           |   |
| <b>3 Connector</b>              | <ul style="list-style-type: none"><li>• Sale of the offshore construction &amp; cable-lay vessel Connector</li><li>• Q4 loss of \$74m of which \$70.7m related to the sale</li><li>• Part of strategy to further reduce oil-service exposure</li><li>• Vessel has contributed negatively to net results and cash flow</li></ul> |
| <hr/>                           |   |
| <b>4 FPSO Dhirubhai-1</b>       | <ul style="list-style-type: none"><li>• In lay-up in Sri-Lanka, vessel opex of \$2.1m in Q4 2020</li><li>• Sales discussions with interested parties continues, but still uncertain when a sale can be concluded</li></ul>  |

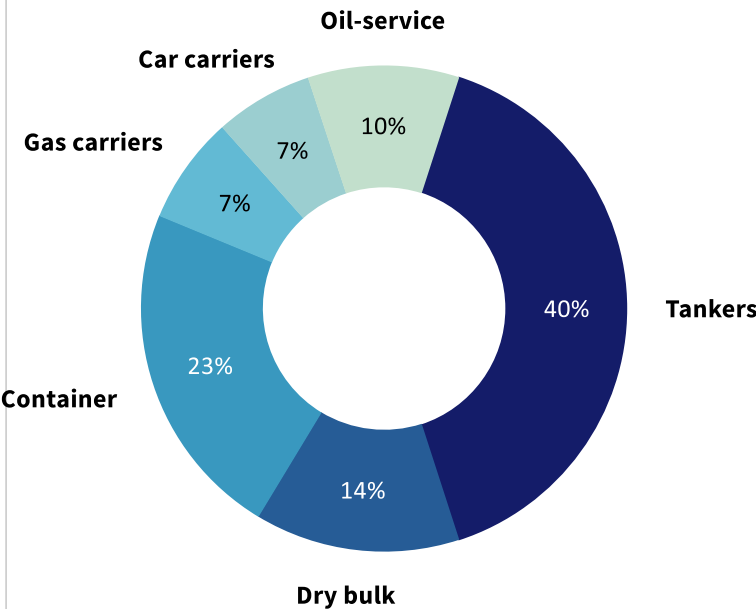
# LONG-TERM CHARTERS SECURES STABLE CASH FLOW



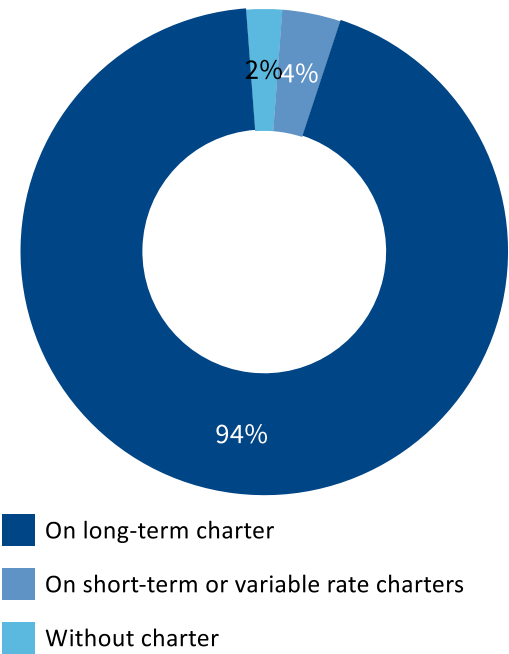
EBITDA charter backlog<sup>1</sup> per year (USDm)



EBITDA charter backlog<sup>1</sup> per segment



Charter status as % of book value of portfolio



**LONG-TERM CASH FLOW VISIBILITY,  
9.8 YEARS AVERAGE DURATION**

**EBITDA BACKLOG OF USD 2.9BN**

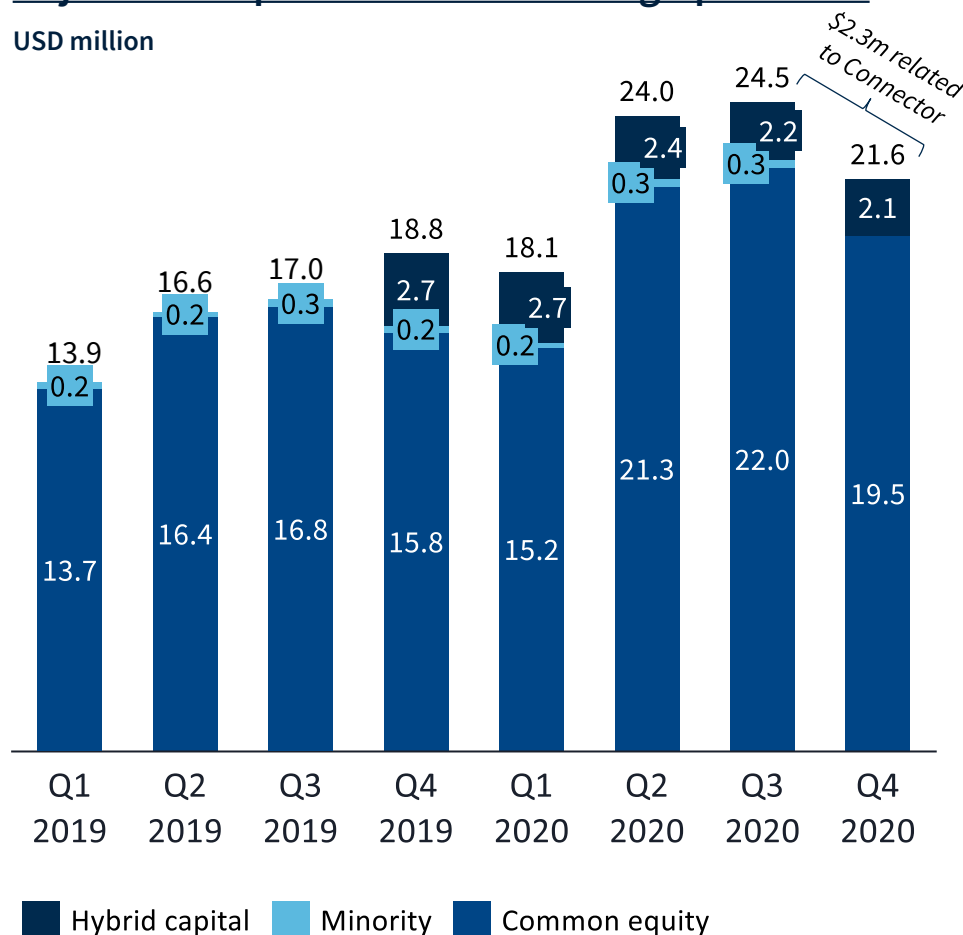
**94% OF PORTFOLIO EMPLOYED ON  
LONG-TERM CHARTERS**

1) EBITDA backlog based management's estimates which may be subject to change. Includes assumptions on certain options not being exercised, interest rates, foreign exchange and finance lease adjustments.

# FINANCIAL SNAPSHOT

## Adjusted net profit from continuing operations

USD million



## Q4 2020 Key financials

**\$67.6m**

EBITDA adjusted for  
finance leases

**\$21.6m**

Net profit,  
cont. operations

**\$2.3bn**

Total assets

**27.9%**

Equity ratio

**\$5.30 cents**

Dividend per share

**\$165.7m**

Available liquidity

# INCOME STATEMENT

## INCOME STATEMENT

	Q3	Q4
<i>Amounts in USD million</i>	<b>2020</b>	<b>2020</b>
Operating revenues	25.5	20.6
Finance lease revenue	24.9	23.5
Income from investments in associates	6.0	6.0
Other revenue	0.8	0.3
<b>Total revenues and other income</b>	<b>57.2</b>	<b>50.4</b>
Total operating expenses	(4.9)	(4.1)
<b>EBITDA</b>	<b>52.2</b>	<b>46.3</b>
Depreciation and amortization	(11.7)	(9.1)
Impairment charges and other non recurring items	(34.6)	(70.7)
<b>Operating profit</b>	<b>5.9</b>	<b>(33.5)</b>
Financial income	1.0	0.8
Financial expenses	(17.1)	(15.9)
Foreign exchange gains/losses	(6.8)	(26.2)
Change in fair value of financial instruments	10.5	25.9
<b>Net profit before tax</b>	<b>(6.6)</b>	<b>(48.9)</b>
Income tax expense	(0.5)	(0.7)
<b>Net profit (loss) from continuing operations</b>	<b>(7.1)</b>	<b>(49.6)</b>
Net profit (loss) from discontinued operation, net of tax	(97.3)	(2.1)
<b>Net profit (loss) for the period</b>	<b>(104.4)</b>	<b>(51.7)</b>
Equity holders of the parent	(106.9)	(53.9)
Non-controlling interests	0.3	
Dividends on hybrid capital	2.2	2.1
<b>Net profit (loss) for the period</b>	<b>(104.4)</b>	<b>(51.7)</b>



# ADJUSTED EBITDA AND NET PROFIT

## ADJUSTMENTS

<i>Amounts in USD million</i>	<b>Q3 2020</b>	<b>Q4 2020</b>
EBITDA	52.2	46.3
Repayment on finance lease receivables	23.4	21.3
Other revenue - insurance claim	0.2	-
<b>EBITDA adjusted for finance lease effects</b>	<b>75.8</b>	<b>67.6</b>
Net profit (loss) for the period	(104.4)	(51.7)
Loss from discontinued operation, net of tax	97.3	2.1
Connector - Impairment / Sale	34.6	71.3
Net effects from sale of SBM Installer	(1.6)	-
Restructuring agreement Far Senator/Far Statesman		(1.1)
Foreign exchange gains/losses	6.8	26.2
Change in fair value of financial instruments	(9.2)	(25.9)
Change in deferred tax	0.8	0.6
Other non-recurring items	0.2	0.1
<b>Adjusted Net profit from continuing operations</b>	<b>24.5</b>	<b>21.6</b>
Attributable to:		
Equity holders of the parent	22.0	19.5
Non-controlling interests	0.3	-
Dividends on hybrid capital	2.2	2.1
<b>Adjusted Net profit from continuing operations</b>	<b>24.5</b>	<b>21.6</b>

- Includes loan expenses

- NOK bond loans

- Cross currency swaps



# BALANCE SHEET

BALANCE SHEET				
	Q3	Q4	Q3	Q4
<i>Amounts in USD million</i>	2020	2020	2020	2020
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>	
Vessels and equipment	700	550	Common equity	573
Investments in associates	175	178	Hybrid capital	125
Finance lease receivables	1,257	1,220	<b>Total equity</b>	<b>698</b>
Restricted cash deposits	14	1	Interest-bearing debt	1,435
Other non-current assets	2	2	Mob fees and other non-current liabilities	7
<b>Total non-current assets</b>	<b>2,148</b>	<b>1,951</b>	Fair value of derivatives	29
			<b>Total non-current liabilities</b>	<b>1,471</b>
Finance lease receivables	164	164	Interest-bearing short term debt	336
Trade receivables	6	4	Fair value of derivatives	16
Cash and cash equivalents	159	113	Trade and other payables	13
<b>Current assets</b>	<b>329</b>	<b>281</b>	<b>Total current liabilities</b>	<b>365</b>
Assets held for sale	58	54	Liabilities related to assets held for sale	2
<b>Total current assets</b>	<b>387</b>	<b>335</b>	<b>Total current liabilities</b>	<b>366</b>
<b>Total assets</b>	<b>2,536</b>	<b>2,286</b>	<b>Total liabilities</b>	<b>1,837</b>
			<b>Total equity and liabilities</b>	<b>2,536</b>
			<b>Equity ratio</b>	<b>27.5 %</b>
				<b>27.9 %</b>



## 1 Portfolio of vessels

- All counterparties performing according to charter contracts
  - Exposure towards oil-service further reduced in Q4
  - Portfolio risk substantially reduced
- 

## 2 New investments

- Currently lower than normal activity for sale-lease-back transactions
  - Expects gradually higher transaction activity during 2021
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## 3 Dividends

- Current dividend yield of 6.8% p.a.<sup>1</sup>
- Conservative dividend level relative to expected future earnings
- Intention to gradually increase the dividends going forward



## INVESTOR RELATIONS

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