PROSPECTUS

EDDA WIND ASA

(a public limited liability company incorporated under the laws of Norway)

Listing of 48,000,000 Shares issued in a Private Placement

The information contained in this prospectus (the "**Prospectus**") relates to the listing on Oslo Børs (the "**Oslo Stock Exchange**") of 48,000,000 shares (the "**Listing**") in Edda Wind ASA ("**Company**", and taken together with its consolidated subsidiaries, the "**Group**"), each with a par value of NOK 0.1 (the "**Private Placement Shares**"), already issued in a private placement directly towards certain investors for gross proceeds of NOK 1.2 billion (the "**Private Placement**").

The Company's existing shares are, and the 41,568,552 Tranche 2 Private Placement Shares will be, listed on the Oslo Stock Exchange under the ticker code "EWIND". Except where the context requires otherwise, reference in this Prospectus to "Shares" will be deemed to include the existing shares in the Company, including the Private Placement Shares (the "**Shares**"). All of the existing Shares, including the Private Placement Shares, are registered in the Norwegian Central Securisties Depository ("**VPS**") in book-entry form.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. See Section 17 "*Selling and Transfer Restrictions*".

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SHARES, BENEFICIAL INTERESTS OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.

Investing in the Shares involves significant risks; prospective investors should read the entire Prospectus and in particular consider Section 2 "Risk Factors" beginning on page 10 when considering an investment in the Company. For definitions of capitalised terms used throughout this Prospectus, see Section 19 *"Definitions"*.

Trading in the 41,568,552 Tranche 2 Private Placement Shares on the Oslo Stock Exchange is expected to commence immidiately following approval and publication of this Prospectus.

Managers and Joint Bookrunners
ABG Sundal Collier ASA
Arctic Securities AS
DNB Markets, a part of DNB Bank ASA
Fearnley Securities AS
Pareto Securities AS

The date of this Prospectus is 29 March 2023.

IMPORTANT INFORMATION

This Prospectus has been prepared in order to provide information about the Company and its business in relation to the listing of the Private Placement Shares and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended from time to time, the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC , as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language.

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The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved by the Norwegian FSA and the date of listing of the Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

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No person is authorised to give any information or to make any representation concerning the Group or in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or ABG Sundal Collier ASA, Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS and Pareto Securities AS (the "**Managers**") or by any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

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In making an investment decision, each investor must rely on his or her own examination, and analysis of, and enquiry into the Group, including the merits and risks involved. None of the Company or the Managers, or any of their respective affiliates, representatives or advisers, is making any representation to any offeree, subscriber or purchaser of the Shares regarding the legality of an investment in the Shares by such purchaser under the laws applicable to such offeree, subscriber or purchaser. Each investor should consult with its own advisors as to the legal, tax, business, financial and other aspects of a purchase of the Shares.

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The purpose of this Prospectus is solely to have the Private Placement Shares admitted to trading and official listing on the Oslo Stock Exchange (the Listing). This Prospectus serves as a listing prospectus only. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, subscribe or sell any of the securities described herein, and no share, beneficial interest or other securities are being offered or sold in any jurisdiction pursuant to this Prospectus. The distribution of this Prospectus and the offer and sale of the Shares in certain jurisdictions may be restricted by law. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The Company accepts no liability for any violation of any such restrictions by any person.

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The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. For further information on the selling and transfer restrictions to which they are subject, see Section 17 "*Selling and Transfer Restrictions*".

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THE SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS.

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THIS PROSPECTUS HAS NOT BEEN APPROVED NOR REVIEWED BY THE US SECURITIES AND EXCHANGE COMMISSION AND IS NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES. FOR CERTAIN SELLING AND TRANSFER RESTRICTIONS SEE SECTION 17 "*SELLING AND TRANSFER RESTRICTIONS*".

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This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

CONTENTS

1. SUMMARY

Introduction	
Warning	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. An investment in the Company's Shares involves inherent risk and an investor investing in the securities could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The Securities.......	The Company has one class of shares in issue, and all shares in that class have equal rights in the Company. The Shares are subject to the Norwegian Public Limited Liability Companies Act. The existing Shares in the Company are registered in book-entry form with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under ISIN NO 001 0998529. The 41,568,552 Tranche 2 Private Placement Shares will be registered under the Company's regular ISIN NO 001 0998529 upon publication of this Prospectus.
The Issuer............	Edda Wind ASA is a public limited liability company registered in the Norwegian Register of Business Enterprises (*Nw. Foretaksregisteret*) with registration number 923 565 264 and has its registered address at Smedasundet 97, 5525 Haugesund, Norway. The Company's main telephone number is +47 527 04 545 and the Group's website can be found at www.eddawind.com. The Company's Legal Entity Identifier ("**LEI**") is 5493005YFWCZLN6Q2I28.
The Offeror(s).......	Not applicable.
Competent Authority Approving the Prospectus......	The Financial Supervisory Authority of Norway (*Nw. Finanstilsynet*), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 29 March 2023 approved this Prospectus.
Key information on the Issuer	
Who is the Issuer of the Securities?	
Corporate Information..........	Edda Wind ASA was incorporated under the laws of Norway on 16 September 2019, as a private limited liability company under the Norwegian Private Limited Liability Companies Act. The Company was resolved to be converted to a public limited liability company, subject to the Norwegian Public Limited Liability Companies Act, on 4 November 2021. The Company's registration number is 923 565 264 and its LEI is 5493005YFWCZLN6Q2I28. The Company's registered address is at Smedasundet 97, 5525 Haugesund, Norway, and the Company's main telephone number is +47 527 04 545. The Group's website can be found at www.eddawind.com.
Principal activities .	Edda Wind is a pure play offshore wind service group of companies headquartered in Haugesund, Norway, with offices also in Scotland and Spain. The Group's customer base consists of offshore wind farm developers, operators and own equipment manufacturers (OEMs). The Group offers purpose-built offshore wind service vessels to support all work phases on offshore wind farms, including in relation to the commissioning, installation, operation and maintenance of offshore wind turbines, see section 6 for further information. The Company's strategy is to increase its fleet of vessels as further described in section 6.2.3 "*Business model and strategy*" and Section 6.4.1 "*Shipbuilding Contracts*".
Major Shareholders	Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of 29 March 2023, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company: | | % | Østensjø Wind AS .... 18.96 Wilhelmsen New Energy AS .... 25.38 Geveran Trading Co Ltd .... 16.52 EPS Ventures Ltd. 15.93

Key managing directors	The Company's Executive Management comprises of the following members: **Name** — **Position** Kenneth Walland .... Chief Executive Officer (CEO) Tom Johan Austrheim.................................... Chief Financial Officer (CFO) Jan Lodden .... Chief Operating Officer (COO) Håkon L. Vevang.. Chief Commercial Officer (CCO)
Statutory auditor ...	The Company's independent auditor is Ernst & Young AS, with business registration number 976 389 387 and registered address at Dronning Eufemias gate 6A, 0191 Oslo, was elected as the Company's independent auditors in November 2019.
What is the Key Financial Information Regarding the Issuer?	
Selected Historical Key Financial Information..........	The table below sets out a summary of the Group's consolidated unaudited income statements for the twelve months ended 31 December 2022, and the Group's consolidated statements of income information for the years ended 31 December 2021, 2020, and 2019.

EUR'000	**For the Year Ended**			
	2022 (IFRS) (unaudited)	**2021 (IFRS)**	**2020 (IFRS)**	**2019 (IFRS)**
Total operating income.................	28 425	24 416	17 878	18 347
Operating profit................................	3 374	3 013	4 789	6 323
Profit (loss) for the year.................	1 935	2 241	3 013	3 199

The table below sets out the key figures for the Group's unaudited consolidated balance sheet information as of 31 December 2022 and the Group's consolidated balance sheet information as of 31 December 2021, 2020 and 2019.

EUR'000	**As of 31 December**			
	2022 (IFRS) (unaudited)	**2021 (IFRS)**	**2020 (IFRS)**	**2019 (IFRS)**
Total assets.......................	**351,138**	**305,602**	**151,327**	**89,101**
Total equity.......................	**183,680**	**184,332**	**63,183**	**34,470**

The table below sets out the key figures for the Group's unaudited consolidated cash flow information for the twelve months ended 31 December 2022 and the Group's consolidated cash flow information for the years ended 31 December 2021, 2020 and 2019.

EUR'000	**For the Year Ended**			
	2022 (IFRS) (unaudited)	**2021 (IFRS)**	**2020 (IFRS)**	**2019 (IFRS)**
Cash flows from operating activities.......................	9 225	6 765	10 311	8 884
Cash flow from investing activities..........................	(94 934)	(67 512)	(41 525)	(8)

EUR'000	For the Year Ended			
	2022 (IFRS) (unaudited)	**2021 (IFRS)**	**2020 (IFRS)**	**2019 (IFRS)**
Net cash used in financing activities.......................	41 104	142 536	31 445	(6 245)

Selected Key Pro Forma Financial Information ...	Not applicable. No pro forma financial information is included in this Prospectus.
Profit Forecast or Estimate ...	Not applicable. No profit forecast or estimate is included in this Prospectus.
Audit Report Qualification..	Not applicable.
What are the Key Risks That are Specific to the Issuer?	
Key Risks Specific to the Issuer	Risks relating to the Group and the Group's business • The Group is dependent on key personnel. • The Group has a limited organisation and is dependent on third parties and Østensjø Rederi AS. • Risks relating to vessels under construction, financing of vessels and acquisition of new vessels. • Edda Wind has limited operating history as a standalone business. • The Group is dependent on securing contracts for employment of its vessels. • The Group is vulnerable in the event any of its vessels are taken out of operations for a limited or a longer period. • The Group may fail to effectively manage its growth. • The Group may risk not being awarded projects in the future or on terms unfavourable to the Group. Risks relating to the industry in which the Group operates • Technological risks related to future energy sources and technological advancements. • Risk relating to seasonality in the offshore industry. • Risk of vessel values fluctuations. Financial risk and risks relating to the Group's financing arrangements • The Group may need to raise new funds in the future to meet its capital and operating expenditure need, and to be able to take advantage of opportunities for acquisitions, investments or other business opportunities. • The Group's existing financing agreements contain conditions and covenants that, directly or indirectly, may affect the Group's ability to obtain new debt or other financing and/or restrict the Group's freedom to operate, pay dividends, enter into a new line of business and other customary restrictions. • Risks relating to the Group's investment in long-term assets. Risks relating to the regulatory environment of the Group • Risks of failure to maintain an acceptable safety and reliability record. • Changes in tax laws of any jurisdiction in which the Group operates, tax group liabilities or any failure to comply with applicable tax law legislation. • IMO, flag states or otherwise may introduce regulations which may expose the Group to various risks related to compliance with such regulations.
Key Information on the Securities	
What are the Main Features of the Securities?	
Type, Class of Securities Identification and ISIN Number........	All of the Shares are ordinary shares in the Company and have been issued under the Norwegian Public Limited Liability Companies Act. The existing Shares are registered in book-entry form with the Norwegian Central Securities Depository (*Nw. Verdipapirsentralen*) under ISIN NO 001 0998529. The 41,568,552 Tranche 2 Private Placement Shares will be registered under the Company's regular ISIN NO 001 0998529 upon publication of this Prospectus.

Currency, Number and Par Value of the Securities	As of the date of this Prospectus, and following the Private Placement, the Company's share capital is NOK 11,231,488.80, divided on 112,314,488 Shares, each having a nominal value of NOK 0.1. The shares are issued in NOK and will be quoted and traded in NOK on the Oslo Stock Exchange.
Rights Attaching to the Securities	The Company has one class of Shares, and all Shares provide equal rights in the Company in accordance with the Norwegian Public Limited Liability Companies Act and the Articles of Association of the Company. Each Share carries one vote. The holders of Shares have no pre-emptive rights in connection with transfer of Shares.
Restrictions on Transfer	The Shares are freely transferable. The Articles of Association do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors.
Dividend Policy	The Company has not paid any dividend to date. The Company has an ambition over time to pay a regular dividend. The Company aims to pay a dividend of 50% of free cash flows after debt service subject to consideration of its outlook, investment opportunities, working capital, debt service and financial position. Currently, the Group's financing agreements contain covenants including restrictions on payment of dividends. Any declaration of dividends will, however, be at the discretion of the Board of Directors, and there can be no assurances that in any given period will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the above.
Where will the securities be traded?	
Admission to Trading	The Shares are, and the 41,568,552 Tranche 2 Private Placement Shares are expected to be, admitted to trading on the Oslo Stock Exchange under the trading symbol "EWIND" on or about the date of this Prospectus. The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market or a multilateral trading facility (MTF).
What are the key risks that are specific to the securities?	
Key Risk Specific to the Securities	Key risks related to the Shares: • Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares. • The Company has major shareholders with significant voting power.
Key information on the admission to trading on a regulated market	
Under which conditions and timetable can I invest in this security?	
Terms and Conditions for the Offer	This Prospectus is being produced for the listing of the 41,568,552 Tranche 2 Private Placement Shares. The Company will not carry out an offering of Shares in connection with the Listing. Subject to approval and publication of this Prospectus, the 41,568,552 Tranche 2 Private Placement Shares will be admitted to trading on the Oslo Stock Exchange. The Shares other than the Private Placement Shares have been traded on the Oslo Stock Exchange since 26 November 2021. It is expected that the 41,568,552 Tranche 2 Private Placement Shares will commence trading on the Oslo Stock Exchange immediately following approval and publication of this Prospectus.
Dilution	The Listing will not result in any dilution of shareholders of the Company.
Proceeds and Estimated Expenses	Not applicable. The expenses related to the Private Placement and the Listing by the Company are estimated to be approximately NOK 25 million.
Who is the Offeror and/or the Person asking for admission to Trading?	
Brief description of the Offeror(s)	Not applicable.
Why is this Prospectus being produced?	
Reasons for the Admission to Trading	This Prospectus has been prepared in order to facilitate the Listing of the 41,568,552 Tranche 2 Private Placement Shares on the Oslo Stock Exchange.
Use of proceeds	There will be no offering of securities in connection with the Listing, and there is, in turn, no net proceeds as a result of the Listing.

	The Company has completed the Private Placement raising gross proceeds of NOK 1.2 billion used to finance the equity portion of the currently estimated total construction cost relating to the newly signed contracts for the four COSVs and general corporate purposes.
Underwriting..	Not applicable.
Material and Conflicting Interests.......	The Managers or their affiliates have provided, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In accordance with market practice, the Managers will receive fees in connection with the Private Placement and, as such, have an interest in the Private Placement. Other than as set out above, the Company is not aware of any interest of any natural and legal persons involved in the Private Placement that is material to the Private Placement.

2. RISK FACTORS

An investment in the Shares involves inherent risks. Investors should consider all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of high-risk investment and who can afford a loss of all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision. If any of the risks described below materialise, individually or together with other circumstances, they may have material adverse effects on the Group's business, financial condition, results of operations and cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares.

The risk factors included in this Section 2 are presented in a limited number of categories, where each risk factor is sought to be placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative affect for the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor that they are based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares. Additional factors of which the Company is currently unaware, or which it currently deems not to be risks, may also have corresponding negative effects.

2.1 Risks Relating to the Group and the Group's business

2.1.1 The Group is dependent on key personnel.

The Group's success depends on its retention of key personnel, in addition to its ability to recruit, retain and develop skilled personnel. Given the limited number of employees, the Group may be deemed to be even more dependent on the existing personnel. Consequently, the Group is vulnerable to key personnel leaving the Group. The Group's personnel are important to the project development and prospects of the Group, and the Group is dependent on highly qualified personnel and management. The Group also intends to hire additional personnel.

The Group has a limited number of employees and operational in-house capability. The Group is therefore dependent on hiring personnel in order to carry out its operations, and hired its own management personnel in March 2021. There is a risk that the Group will have difficulties in competing with other employers and that it may not be successful in attracting suitable and qualified employees and retaining existing employees, which in turn may have an adverse effect on the Group's operations. Further, the Group may not able to replace any key personnel that elect to leave the Group with resources of similar capacity and competency as there may be shortages in the availability of appropriately skilled people at the relevant levels, which may have an adverse effect on the Group's operations and financial position.

Only the CEO of the Group has provisions with respect to non-compete in the employment agreement. It is therefore a risk associated with other key personnel leaving the Group in favour of competitors if such key personnel bring with them, inter alia, know-how or important customer or other third party relationships, which could adversely affect the Group's competitive position.

2.1.2 The Group has a limited organisation and is dependent on third parties and Østensjø Rederi AS.

The Group has a limited organization and is, and will continue to be, dependent on Østensjø Group and a related party company within the Østensjø Group – Østensjø Rederi AS (please refer to Section 12 "*Related Party Transactions*" with respect to related parties) – with respect to providing the Group with access to services and resources such as vessel crew, corporate management, technical management and other commercial services required to manage and operate the Group's vessels and to oversee the Group's newbuilds during the construction period (for more information about the management agreements, please refer to Section 6.4.4"*Management Agreements*").

In addition, the Group may in the future be dependent on other service providers for the performance of the business of the Group. Performance by all such service providers (including Østensjø Rederi AS) is critical to the business of the Group.

The Group will strive to use its best efforts to select the right service providers and monitor their performance. If the Østensjø Group or other third-party service providers fail to perform at agreed levels or if service agreements are terminated by the service providers, this could adversely affect the Group's ability to fulfil its contracts, as well as affect its business, prospects, financial results and condition, including its ability to be compliant with the financial covenants pursuant to its financing arrangements. If the amount the Group is required to pay for subcontractors, services or supplies exceed what has been estimated, the profitability of the Group's contracts may be adversely affected. If a subcontractor or supplier fails to provide services, supplies or equipment as required under a contract for any reason, the Group may be required to source these services, equipment or supplies from other third parties which may lead to delays or higher prices than anticipated.

2.1.3 Risks relating to vessels under construction, financing of vessels and acquisition of new vessels.

Acquisition of new vessels is an important element of the Group's growth strategy, and the Group continuously assesses the need for new vessels. As further set out in Section 6.4 "*Material Contracts*" of this Prospectus, the Group currently has several newbuilds under construction. The acquisition, construction, supervision and delivery of new vessels are subject to a number of risks, including the risk of potential cost overruns and delays caused by e.g. delays in supplies, contractual disagreements with the shipyard, cancellations, bankruptcy of the shipyard, risk of new vessels not meeting quality and performance standards and unexpected operational problems, political unrest, and other circumstances including consequences of the Covid-19 pandemic or other macroeconomic factors. For example, the vessel C-416 is currently under construction at Balenciaga, Spain. Based on progress reports from the yard, the Group expects a delay in delivery, and that the vessel will not be ready for operations before in Q4 2023. The Group, together with the yard and suppliers, are working to minimize such delays. The Group has experienced delays in delivery of Edda Breeze and Edda Brint from the yard, as further described below. In July 2022, the Company cancelled two SBCs entered into with Colombo Dockyard PLC due to difficulties for the yard to fulfil the contracts due to the adverse situation for the business and financial sectors in Sri Lanka at the time. Should such risks materialise, these could have material adverse consequences for the Group's operations and financial performance.

Further, the Group has undertaken certain responsibilities regarding supply of key vessel equipment in relation to four of its newbuilds under construction, involving potential cost benefits for the Group but also risk of additional costs or uncompensated delays in relation to the construction of these vessels. Newbuilds will also be subject to delivery conditions in any pre-committed charter parties (if such pre-commitments are in place), and the risk of failure to secure employment at satisfactory rates, all of which could have a material adverse effect on the financial performance of the Group. See also the risk factor in Section 2.1.7 "*The Group is dependent on securing contracts for its vessels*", which relates to, inter alia, risk of failure to secure employment at satisfactory rates.

The Group's newbuilds include the utilization of a motion-compensated crane and gangway system. Due to unforeseen challenges, e.g. for Edda Breeze, Edda Brint and Edda Boreas, the gangways have not been ready upon completion of the vessels. These vessels have therefore been delivered from the yard in Spain, for subsequent instalment of the gangways in Denmark in order to mitigate negative consequences of the delays. In addition, for some of the other vessels still under construction, it is expected that some of the gangways will be delayed. This risk entails a risk of delays in the delivery of the vessels under pre-committed charter parties, which could have a material adverse effect on the financial performance of the Group.

Any acquisition by the Group of new vessels will involve incurring material capital expenditures on the purchase price and associated costs and will require significant financing (debt and/or equity). Such newbuild financing may not be obtained at attractive terms or at all. If the required financing is not obtained, the Group may default on its obligations and be liable towards the relevant shipyard and/or other charterers or other contractual parties.

One of the Group's vessels currently under construction is not fully financed. The debt financing part of the newbuild contracts with Vard Group AS ("**Vard**") is neither obtained, and as such, the delivery of these newbuilds in accordance with the shipbuilding contracts entered into by the Group are subject to necessary financing being obtained.

Such financing may not be obtainable on attractive terms or at all. If the required financing is not obtained, this may lead to the Group being unable to fulfil its obligations under its shipbuilding contracts, which could have the consequence that the Group could incur liability for costs/losses incurred by the yard and/or suppliers of goods and services related thereto, and the Group could risk that it will not be able to take delivery of the newbuild. This could have material adverse consequences on the Group's business and financial position. In addition, failure to be able to take delivery of the newbuilds could have the consequence that the Group will fail in strategy with respect to expanding its fleet and thereby being unable to maintaining and advancing its competitive position. There is a risk that competitors could benefit from this and get a competitive advantage which could have a material adverse effect on the Groups business and financial prospects.

2.1.4 Risks relating to the Spanish tax lease structure.

Each of the Group's vessels under construction in Spain, are subject to certain Spanish tax lease structures, pursuant to which, *inter alia,* legal title to the vessels for a period of time is held by certain financing institutions arranging the lease structures. Whilst the Spanish tax lease structures enable the Group to acquire the newbuilds at a discounted net price, the structure involves certain risks including counterparty risk and regulatory risk for the Group. Under such Spanish tax lease structures, the relevant Group subsidiary assumes certain obligations and liabilities which would not exist if the vessels were acquired under the standalone shipbuilding contract. The tax lease structure is also dependent on compliance by the relevant Group subsidiary of the various requirements and obligations under the arrangement, the failure of which may entail the relevant Group subsidiary being obliged to repay certain tax lease advantages, which could have a material adverse effect on the profitability of the Spanish tax lease structure and the Group's financial performance. In addition, the tax lease structure warrants as a starting point (unless another exit option is available in each specific case) that the relevant vessels are owned via Spanish single purpose companies (which in turn is acquired by the relevant Group subsidiary) for 7-8 years after the tax lease is terminated in order to avoid negative tax consequences in Spain. The contract term of 7-8 years involves a risk for the Group if a vessel is sold prior to the expiry or otherwise want to terminate the contract, as the Group could incur costs in connection with early termination. Please refer to 2.4.2 below with respects to risks relating to changes in tax laws.

2.1.5 Edda Wind has limited operating history as a standalone business.

The Company was established in September 2019 as part of the Østensjø Group. Shortly following the establishment of the Company, the Østensjø Group transferred its offshore wind service vessel business to the Company and concurrently segregated its offshore wind service business to a separate corporate group – the Edda Wind Group. The offshore wind business transferred to the Group includes West Energy AS, which was incorporated and won contracts for the vessels Edda Mistral and Edda Passat in 2015, both of which commenced upon vessel deliveries from the shipyard in 2018. Although the Group in this respect has been present in the offshore wind service vessel market for several years, Edda Wind has limited operating history as a standalone business. The further development of the Group is subject to various risks, including that past performance of the business may not by representative for the future business of Edda Wind as a standalone business, implementation of systems and/or routines may take longer and/or be costlier than anticipated, as recently established the Group may fail to execute its strategy or fail to pursue alternative strategies if deemed necessary, which in turn could have an adverse effect on the profitability of the Group and its operations should they materialize.

2.1.6 The Group may fail to effectively manage its growth.

The Group plans to expand its fleet, and the Group's future financial performance and its ability to profit from such development efforts will depend, in part, on its ability to manage any future growth effectively. In addition to growth through potential investments in assets such as e.g. vessels and equipment, the Group must also be prepared to expand its work force and to train and manage new employees as the need for additional personnel increases. The Group's personnel, systems, procedures and controls may not be adequate to support its future operations, and the Group, through agreements with third parties, may not be able to provide such additional services and work force. Any failure to manage future growth effectively could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

2.1.7 The Group is dependent on securing contracts for its vessels.

The Group is dependent on a near continuous charge of profitable hire rates for its vessels in order to fulfil its financial obligations as they fall due, in addition to generating revenue. All contracts currently concluded by the Group are for long-term hire, some of which relates to operations of vessels under construction, and which have not yet commenced. The long-term charter parties may include termination rights linked to the charterers' contracts with the wind farms. As an example, one of the Group's contracts may be terminated at any time without compensation if the charterer's contract concerning the wind farm is terminated by the wind farm, making the Group exposed to risks relating to development of the specific wind farm project. Moreover, with regards to contracts secured by the Group for the operation of newbuilds, the delivery provisions in the charter parties are not aligned fully back-to-back with the delivery provisions under the ship building contracts. Also, any delays in the delivery of such newbuilds to the Group from the shipyard could have as a consequence that the Group will not be able to meet its obligations towards its customers, which in turn could result in liability of the Group to pay liquidated damages to the customer and/or give rise to termination rights for the customer. As an example, delayed delivery by Edda Wind I AS of the vessel Edda Breeze and/or delayed delivery by Edda Wind III AS of the vessel Edda Brint to replace the frontrunners, resulted in reduced dayrates until delivery of the newbuild as described in Section 6.4.3 "*Charter Parties*". The termination, amendments to or postponement of one or more of the Group's contracts may have a material adverse impact on the Group's earnings, results, financial position and future prospects.

One of the Group's long-term charter parties entered into with Vestas Offshore Wind UK Ltd. contains a change-of-control provision which warrants that if a competitor of the charterer owns 20 per cent or more of the Company, the charterer may terminate the charter party. Please refer to Section 6.4.3 "*Charter Parties*" for further information about the charter parties, including the change of control provisions.

Contract upon delivery is not yet secured for some of the Group's vessels under construction. Even though the Group is actively marketing these vessels, the Group might not be able to secure contracts for these vessels on favourable terms or at all, nor that any contracts awarded to the Group for such vessels will commence immediately upon or within short order after delivery from the shipyard. If the Group is not able to secure contracts on favourable terms or at all, this could have a material adverse effect on the Group's operations, future prospects and financial position. There is also a risk that the Group's vessels under construction for which contract upon delivery is not yet secured may not meet technical requirements under potential, future contracts, with the consequence that long term contracts for such vessel (and potentially other vessels) may not be awarded to the Group, which could have a material adverse effect on the Group's operations and financial performance.

The Group anticipates that some of the Group's vessels, including commissioning service operation vessels (CSOVs) under construction, may work on shorter term and spot market contracts e.g. during commissioning and installation work on offshore wind farms. Hence, any adverse changes in the short term or spot market hire rates may impact the Group's revenue for these vessels.

The Group is focusing on securing a mix of long-term contracts and shorter term and spot market contracts for its vessels. The Group's ability to renew or replace expiring contracts or obtain new contracts, and the terms of such contracts, will depend on several factors, including market conditions and the customers' needs. Taking into consideration the competitive and cyclical nature of the industry in which the Group operates, the Group may not be able to renew or replace expiring or terminated contracts or it may be required to renew or replace expiring or terminated contracts or obtain new contracts that are less profitable or favourable than the Group's existing contracts. Such risk could have a material adverse effect on the Group's ability to fulfil its financial obligations, its financial performance and its operations.

The vessel contracts already secured by the Group have both a firm contract period and options for the Group' customers to extend the duration of the contracts. such options are not exercised, the Group could be required to secure new contracts. This could have the consequence that the Group could incur additional costs in connection with negotiating new contracts and there is a risk that the Group is not able to secure new contracts on equal or better terms or at all.

2.1.8 The Group may risk not being awarded projects in the future or on terms unfavourable to the Group.

Whilst the Group has an ambition to further expand its portfolio of contracts, the process for obtaining new customer agreements is highly competitive and generally involves an intensive screening and competitive bidding process. Further, the Group's existing and potential competitors may have or acquire significantly greater financial resources and may therefore be able to offer more competitive services and charter rates than the Group. If the Group is unable to successfully compete, it could have a material adverse effect on the Group's business, financial position and results of operations.

There are considerable risks related to prospects and it should be taken into account that even if the Group is of the understanding that it is developing and offering bids on competitive terms, there is a risk that such contracts may not be awarded to the Group. If contracts are not awarded to the Group or awarded on unfavourable terms, this may have a material adverse effect on the Group's prospects, operations and financial result.

2.1.9 The Group is vulnerable in the event any of its vessels are taken out of operation for a limited or a longer period.

The Group's fleet currently consists of service operation vessels (SOVs) and commissioning service operation vessels (CSOV). These vessels, as well as the Group's vessels under construction and any other vessels that may be acquired in the future, may be subject to, amongst other things, operational incidents, need for upgrades, refurbishments and/or repairs, following which the vessels may be out of operation for a shorter or longer period of time. If any of the Group's vessels are taken out of operation, this could materially impact the Group's business, prospects and financial results and condition, including its ability to be compliant with the financial covenants pursuant to its financing arrangements.

Repairs or upgrades on the Group's vessels may be required by law, in response to an inspection by a governmental authority, following damage, or because of market or technological developments. Any such upgrades, refurbishment and/or repair projects are subject to expenditures and risks, including potential delays and cost overruns, which could have an adverse impact on the Group's available cash resources, results of operations and its ability to comply with e.g. financial covenants pursuant to its financing arrangements. Periods without operations for one or more of the Group's vessels may have a material adverse effect on the business and financial results of the Group.

2.1.10 The Group could be subject to risk related to joint ventures and other partnerships.

As of the date of this Prospectus, the Group has not entered into any joint venture or other partnership. However, the Group has an ambition of providing domestic service operation vessels (SOVs) to offshore wind projects in US waters. If a joint venture or other investment structure or cooperation is entered into, as further described in Section 6.4.5 "*Joint* *venture"*, the Group will be dependent on such joint venture company/partner for the success of such joint venture. For example, if the Group is considering a joint venture in the US, it will be required under the Jones Act of having a US company as a joint venture partner. If a joint venture company/partner later terminates the partnership following the establishment of the joint venture or other corporate structure, the Group could be prevented from operating in the US or elsewhere, and prevented from being awarded contracts unless the Group is able to find a suitable American or other replacement partner, as applicable. If the joint venture has been awarded a contract prior to any such termination, a termination could have a material adverse effect on the Group's business and financial prospects. While the Group is in active dialogues regarding a potential agreement for a joint venture or other kind of investment structure or cooperation, the establishment of such arrangements as required for the Group to be able to operate in compliance with the US Jones Act (which is required in order to operate in US waters as intended), might not be achieved by the Group and as such there is a risk that the Group may not be able to establish the necessary structure, in the short term or at all. If this risk were to materialise, the Group's desired strategy and planned operations could be adversely affected.

In addition, once the joint venture is established, the joint venture – and thus the Group's participation in such joint venture – is subject to certain risks, including regulatory risks in the US, and the joint venture's compliance with the Jones Act requirements, and the specific risks relating to joint ventures or other similar corporate structures in general as described in the last paragraph of this Section 2.1.10.

As arrangements similar to the above/described structure may be needed to succeed in other markets, the Group may conduct other and future businesses through joint ventures or other partnership structures with other parties.

With respects to joint ventures, or other corporate structures where the Group is not the sole shareholder, conflicts or disagreements with such other partner shareholders may lead to decisions in conflict with the Group's interests or a deadlock and result in the Group's inability to pursue its desired strategy/and or force it to exit from such companies. Also, agreements with such partner shareholders, or the virtue of not being the sole shareholder, may restrict the Group's freedom to carry out its business. Each of the parties' rights and obligations under joint venture or other partnership agreements with other shareholders may also be vague and subject to interpretation and different understandings. Agreements the Group has entered, or might enter, into might change, which could lead to the Group's partners in such companies not wanting to continue their relationships with the Group in the future. Further, agreements already entered into might not have encountered for all situations or potential conflicts between shareholders that may arise, or that the Group might not be able to pursue its stated strategies with respect to its joint ventures (or other investment structure or cooperation) and the markets in which they operate. Furthermore, the partners in such companies may have economic or business interests or goals that are inconsistent with those of the Group, undergo a change of control, experience financial and other difficulties, and/or be unable or unwilling to fulfil their obligations under the joint ventures or other investment structure or cooperation, all of which may materially adversely affect the Group's revenues, profitability, cash flows and financial condition. Furthermore, the Group's ability to receive dividends and other payments from companies where it is a minority or not the sole shareholder depends not only upon such companies' cash flows and profits, but also upon the terms of agreements with the shareholders of such companies.

2.1.11 Insurance risk.

Although the Group's vessels are covered by industry standard insurance, all risks may not be adequately insured against, such as delays and extended loss of hire, any particular claim may not be paid and the Group's insurance coverage will not in all situations provide sufficient funds to protect the Group from all liabilities that could result from its operations. Moreover, the Group may decide not to insure against certain risks such as loss of hire, because of high premiums associated with insuring against those risks or for other reasons. If a significant accident or other event occurs and which is not fully covered by insurance or any enforceable or recoverable indemnity from a customer, the Group may incur significant costs or losses that could have a material adverse effect on the Group's business, financial position and profits.

The Group's vessels are covered by industry standard hull and machinery and protection and indemnity insurance. Fluctuations in the market for such insurances may impact the Group's insurances, and an increase in the Group's insurance costs and premiums could negatively impact the Group's ability to compete commercially.

Furthermore, any insurance claims may be subject to deductibles, may not be paid (in part or in full), and substantial time may lapse before payment is made in case of insurance claims, which could potentially affect the Group's ability to recover after an insurance event, also in the event the Company had relevant insurance coverage.

2.2 Risks Relating to the Industry in which the Group Operates

2.2.1 The Group is exposed to risks resulting from increased competition and demand volatility.

The Group's earnings and liquidity is dependent on the Group's ability to obtain profitable hire rates for its vessels. The demand for the Group’s services may be volatile and is subject to variations for a number of reasons, including regulatory changes, competition from other service providers and uncertainty in the general demand in the industry.

The demand for the Group's vessels, being purpose-built offshore wind service vessels, is dependent on offshore wind project procurements. Any delays in existing projects or downturn in the market for new projects may affect the demand for the Group's services and consequently have a material adverse effect on the Group’s operations and its financial results. Delays or downturns can be caused by *inter alia* financing issues in relation to a specific project, changes in regulatory requirements or prospects of other renewable energy markets.

In general, the Group has observed an increase in the demand for services related to offshore wind farms the last few years, both in Europe and worldwide. The demand for the Group’s vessels is however also subject to competition from other vessel owners, including competition from service vessels currently operating within the oil and gas industry which could be modified to operate in the offshore wind services market. This may materially increase the competitive environment for the Group's offshore wind service vessels, especially within the commissioning service operation vessel (CSOV) segment. Increased competition could lead to reduced hire rates for the Group and could affect the Group’s ability to secure projects. This could in turn have a material adverse effect on the Group’s operations and financial results.

As the Group’s vessels are purpose built for offshore wind and highly specialised, redeploying them to other sectors of the marine industry may prove difficult or ultimately impossible to achieve. If the Group is unable to re-employ a vessel, it will not receive any revenue, or reduced hire rates, from such vessel but may still incur expenses as necessary to maintain the vessel in operating condition.

2.2.2 Technological risks related to future energy sources and technological advancements.

The Group is marketing its newbuilds as ready for zero-emission technology, meaning that the vessels are prepared for taking on board zero-emission technology, however, the technology is not finally developed and is not expected to be until after a few more years. The Group vessels have prepared piping, tank arrangement and other on board infrastructure for use of such zero-emission technology. The ability of the Group to transform to zero-emission vessel operations and deliver on this is dependent on several factors such as development of technologies, ability to get access to zero-emission fuel sources and willingness of customers to pay for upfits and additional operating cost. As such, the Group may not be able to operate its vessels with zero-emissions at all, or only at an operating cost which will negatively impact the Company’s financial results and/or competitiveness.

Although the Group seeks to build vessels that can be upgraded to zero-emission propulsion and other technological developments, there is no certainty that the Group’s vessels will remain viable for the entirety of their planned 30-year lifespans. Even if it may be possible to upgrade or rebuild certain of the Group's vessels in accordance with technological or other advancements, if required, this may entail substantial additional investments by the Group.

2.2.3 The Group is exposed to maritime operational hazards.

The Group is operating in the maritime offshore industry and is subject to hazards associated with offshore operations such as risk of breakdowns, technical problems, harsh weather conditions, environmental pollution, force majeure situations (nationwide strikes etc.), collisions and groundings. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations resulting in off-hire and loss of earnings. Offshore windfarm service vessels, including the Group's vessels, will also be subject to hazards inherent to marine operations, either while on-site or during mobilisation, such as capsizing, sinking, grounding, collision, damage from severe weather and marine life infestations. Operations may also be suspended due to machinery breakdowns, abnormal operating conditions, failure of subcontractors to perform or supply goods or services or personnel shortages.

2.2.4 Risk relating to seasonality in the offshore industry.

Demand for the Group's services is affected by the levels of offshore activity of its customers. Demand for the services of offshore vessels and contractors have historically been stronger in the summer half year when weather conditions are more favourable for offshore activities. Any adverse events relating to the Group's business operations during peak demand periods, in particular in relation to those of the Group’s commissioning service operation vessels (CSOVs) under construction that may target work on shorter term or spot market contracts, could have a significant adverse effect on the Group's financial positions and results of operations. Seasonal volatility can also create unpredictability in activity and utilization rates, which can have a material adverse effect on the Group's business, financial positions and results.

2.2.5 The renewable sector is still under development.

The renewables market is under development. Unexpected success in other areas of renewable energy may reduce the pressure on the authorities to allow for development of offshore wind farms, which in turn could negatively impact the demand for the Group’s services as an offshore wind service vessel operator. Moreover, both offshore wind and renewable energy generally experience frequent changes and developments in technology and business models. Failure or inability by the Group to respond to such changes and innovations may render the Group’s operations non-competitive and may have a negative effect on the Group’s result of operation, financial condition and future prospects. Also, efforts to respond to technological innovations may require significant financial investments and resources which may in turn have an adverse effect on the Group’s financial results.

2.3 Financial risk and risks relating to the Group’s financing arrangements

2.3.1 The Group may need to raise new funds in the future.

In addition to securing funds for outstanding instalments relating to the newbuilds as described in this Section 2.3.1, the Group may need to raise additional funds in the future to meet its capital and operating expenditure needs (for example for maintenance of the quality and operating capacity of the Group’s vessels, required upgrades etc.), and to be able to take advantage of opportunities for acquisitions, investments or other business opportunities. As further described in Section 10.6.1, the Company has not fully financed all instalments and payments due in relation to its building contracts for new vessels. Any new or additional funding might not be available to the Group on attractive terms or at all. Available sources of funding may be affected by, *inter alia*, general market conditions, the Group facing an economic downturn in its main markets, or if the creditworthiness of the Group is weakened. If financing available to the Group is insufficient, the Group may be forced to reduce or delay capital expenditures, sell assets at unanticipated times and/or at unfavourable prices, seek additional equity capital or restructure or refinance its debt. Such measures might not be successful or adequate to meet the Group's financing needs or result in the Group being placed in a less competitive position.

The repayment profile under the Group’s financing agreements includes obligations for the Group to repay large parts of the principal loan balance at the final scheduled repayment date, close to or at final maturity of the loan (“balloon payment” or “bullet”). As a consequence, the Group will need to refinance such debts prior to final maturity. The Group might not be able to refinance such existing debt obligations on attractive terms or at all prior to “bullets” falling due, with the result that the Group may not be able to meet its financial obligations. This could have material adverse effects of the Group’s business and financial condition.

2.3.2 Risks relating to financing and restrictive covenants and conditions in the Group's financing agreements.

As of the date of this Prospectus, the Group has entered into four debt financing agreements. The Group will also need to enter into additional financial agreements to fully fund yard instalments for five of the vessels currently under construction (as described in Section 2.1.3 “*Risks relating to vessels under construction and acquisition of new vessels*”), as well as any future orders/acquisitions of vessels.

The Group’s existing financing agreements contain conditions and covenants that, directly or indirectly, may affect the Group’s ability to obtain new debt or other financing and/or restrict the Group’s freedom to operate, pay dividends, enter into a new line of business and other customary restrictions (including certain restructuring restrictions), and new financing agreements that may be entered into by the Group may contain similar restrictions. Moreover, the Group's ability to be compliant with financial covenants under its financing agreements will to a great extent depend on the market value of the vessels and their ability to generate revenue These covenants affects the Group’s financial flexibility and failure to meet the requirements could, inter alia, trigger acceleration under the Group’s financing arrangements (please refer to 10.6.3 “*Borrowings*” for a description of the Group’s financing arrangements) and may thus have an adverse effect on the financial position of the Group.

If future cash flows from the Group’s operations are insufficient to meet all of the Group’s financial commitments under its financing agreements, any such insufficiency could have a material adverse effect on the Group's business and financial condition. To the extent that the Group is unable to repay any indebtedness as it becomes due or at maturity, the Group may need to refinance its debt, raise new debt, sell assets or repay the debt with proceeds from equity offerings. The Group's financial agreements also contain a number of negative covenants with respect to change of business, distributions from subsidiaries of the Company and ability to incur indebtedness without the prior written consent of the relevant lenders, which may affect the Company's ability to pay a dividend in any given year. Moreover, under the Group’s financing agreements related to each of the Group’s vessels that are already fully financed, security, including vessel mortgages and share pledges over the direct or indirect vessel owning subsidiary, have been granted in favour of the lenders. If the Group is unable to repay its debt when due, the Group's lenders could enforce against such security to secure repayment of the debt, which would materially affect the Group's operations and financial position.

The Group has significant long-term financing agreements that contain change of control provisions whereby the lenders, *inter alia*, may cancel their respective commitments and declare all outstanding loans advanced to the Group, together with accrued interest, due and payable if Johannes Østensjø dy AS (**"JØDY"**) and Wilhelmsen New Energy AS (previously named Wilh. Wilhelmsen Holding Invest AS) jointly ceases to control, alone or in combination, directly or indirectly, at least 1/3 of the share capital and voting rights in the Company or, if any other shareholder or group of shareholders acting in concert control more than 1/3 of the shares or voting rights of the Company (please refer to Section 10.6.3 for more information). Accordingly, the Group faces risk of mandatory prepayment of outstanding loan amounts if JØDY and/or Wilhelmsen New Energy AS have their shareholdings in the Company reduced. If the Group is unable to repay or refinance its loans following a trigger of mandatory prepayment, the Group could risk incurring default interest and/or the lenders enforces security granted under the respective loan agreements. This could have a material adverse effect on the Group's business and financial position.

2.3.3 Risks relating to Enova grants

The Group has on certain conditions received funding, and is expecting to receive further funding, from Enova SF ("**Enova**") for vessels under construction (please refer to Section 10.6.3 "*Borrowings*" for an overview of the Enova grants). The Group has invested in energy and climate friendly solutions, and Enova can cover part of the additional cost related to such investments. If the Group is granted support from Enova, the investment support is included in the project price of the newbuild and reduces the newbuilds ready for sea cost. If the Group fails to comply with the conditions set in the grant from Enova, the Group may not be able to receive expected further funding from Enova and/or may be obligated to repay already received funding from Enova, which may have a material adverse effect on the Group's finances.

2.3.4 Risks relating to the Group's investment in long-term assets and vessel valuation fluctuations.

Due to the fact that the Group invests in capital assets (vessels) with life-spans of approximately 30 years, any market prospects beyond 10 years is difficult to evaluate. In addition, the market value of the Group's vessels fluctuates due to the general supply and demand of vessel capacity, as well as the condition and age of the vessels. Fluctuations in vessel values may result in impairment charges or cause the Group to be unable to sell vessels at attractive terms, either of which could have a material adverse effect on the Group's business, financial condition and results of operations. Any oversupply of vessels compared to the market demand for such vessels or similar capacity (now and in the future) may result in lower hire rates for vessels entering into new charter parties in a declining market, and falling rates could materially adversely affect the Group's financial performance. The .

The offshore wind market is subject to technological changes and innovations, consequently affecting the requirements for vessels to service such offshore wind farms. The Group's vessels may not be suitable for such alterations as necessary to effectively compete within the offshore wind service operation vessel (SOV) and commissioning service operation vessel (CSOV) segments and efforts to respond to technological innovations may require significant financial investments and resources which may in turn have an adverse effect on the Group's financial results. See Section 2.1.9 and 2.1.10 for further information.

2.3.5 The Group may be exposed to currency exchange rate risks, and to risks in relation to use of financial market products.

The Group's reporting currency is EUR. A significant portion of the Group's operating expenses, capital expenses (including the newbuilds contract) and certain of its current and future revenues is and will likely be incurred in other currencies, such as NOK, GBP and USD. As a result, the Group is exposed to the risks that such other currencies, including the NOK, GBP and USD, may appreciate or depreciate relative to the EUR, which could have a material adverse effect on the Group's results of operations, financial position and/or cash flows.

The Group may from time to time use derivative instruments such as currency and interest rate hedging contracts. However, such instruments might not will entail favourable outcomes for the Group, and any such arrangements could result in losses.

2.3.6 Interest rate fluctuations could affect the Group's cash flow and financial condition.

The Group has incurred, and may in the future incur, significant amounts of debt. The Group has a floating interest under certain of its debt arrangements, and is thereby exposed to interest rate risk. The Group may from time to time use derivative instruments such as interest rate swaps to mitigate such risk. Movements in interest rates could materially and adversely affect the Group's business, results of operations, cash flows, financial condition and prospects. Moreover, such derivate instruments, including any interest rate hedging arrangements, might not entail favourable outcomes for the Group and any such arrangements could result in losses.

2.4 Risks relating to the regulatory environment of the Group

2.4.1 Risk of failure to maintain an acceptable safety and reliability record.

The safety for crew, client representatives and other personnel onboard the vessels is paramount to the Group's operations. The Group's customers consider safety and reliability a primary concern in selecting a service provider and follow up on key performance indicators to monitor same.

Vessel operations are subject to certification and audit regime from flag state, classification societies, charterers as well as external bodies. Østensjø Rederi as ISM-manager and ship manager of the Edda Wind fleet qualifies for the regimes listed below.

- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISPS

Additional approval schemes where Østensjø Rederi AS holds accreditations: Achilles Utilities NCE, Achilles Oil and Gas Europe, Achilles Supply-Line, Magnet Joint Qualification Systems, and Oil Companies International Marine Forum (OCIMF) and Offshore Vessel Management and Self Assessment (OVMSA).

In relation to crew/personnel the Group is monitoring and reporting lost time injury frequency, total recordable case frequency, restricted work case and medical treatment injury on a monthly basis and follow up based on, established targets, trends and/or individual cases.

Thus, the Group must maintain a record of safety (including injuries, accidents, near-accidents and environmental spills), and reliability, (including minimal vessel down-time), that is acceptable to customers. Should this not be achieved, the ability to retain current customers and attract officers and crew as well as new customers may be adversely affected, which in turn could have a material adverse effect on the Group's business, financial position, results of operations and future prospects.

2.4.2 Changes in tax laws of any jurisdiction in which the Group operates, tax group liabilities or any failure to comply with applicable tax legislation may have a material adverse effect for the Group.

The Group is present in multiple jurisdictions, both with regard to incorporation and operations, and is as such subject to prevailing tax legislation, treaties and regulations in several jurisdictions, and the interpretation and enforcement thereof. A change in applicable tax laws, treaties or regulations, or their interpretation, could result in a significant negative impact on the Group's earnings and cash flows from operations.

If any tax authority successfully challenges the Group's operational structure (including transfer pricing policies) and/or ownership structure (including the taxable presence of its subsidiaries in certain countries or otherwise) or if taxing authorities do not agree with the Company's and/or any subsidiaries' assessment of the effects of applicable laws, treaties and regulations, or the Group loses a material tax dispute in any country, or any tax challenge of the Group's tax payments is successful, the Group's effective tax rate on its earnings could increase substantially and the Group's business, earnings and cash flows from operations and/or financial condition could be materially and adversely affected. The Group's benefits and historical benefits, including Spanish tax lease schemes, may be subject to challenge. Challenges may have effects retroactively and results in claw back claims of any benefit received by any Group company.

2.4.3 IMO regulations

The shipping sector has lately been subject to several local and international regulatory changes, primarily pertaining to emission reductions in the industry. The International Maritime Organisation's ("**IMO**") goal for emission reductions for 2050 signals further requirements for decrease in emissions. Such changes and any other regulations introduced by the IMO, flag states or authorities where the Group carries out its business, may result in delay of the Group's operations, material costs, expenses and/or financial investments for the Group. Non-compliance may result in fines and other charges. Moreover, if the Group fails to effectively handle a regulatory transition, this may negatively impact the Group's trading position. Any such effects may negatively affect the Group's financial position, results of operations or future prospects.

2.4.4 QHSE laws and regulations

The Group's operations are subject to quality health, safety and environment (QHSE) laws and regulations, both local, national and international. As an example, the Group is bound by conventions such as the International Maritime Labour Convention of 2006 (MLC) by the International Labour Organization (ILO – a United Nations body).

The Group is subject to potential environmental liabilities as a result of the ownership and operation of commercial shipping vessels. The Group's operations will be subject to risk affecting the environment, such as capsizing, sinking, grounding, collision, damage from severe weather and marine life infestations. This can i.a. cause severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations, whereas such damage is governed by local, national and international laws and regulations. As such, the Group is subject to local, national and international environmental laws and regulations, for example MARPOL.

Discharge of materials into the environment, whether into the sea, on land or into the air, from the Group may damage the environment. There are several local, national and international environmental laws and regulations in place regarding for example prevention, duties to investigate and ensure clean up, and penalties upon incidents. This may include discharge of marine oil, chemicals, waste, sewage etc. However, there are also laws and regulations in place that regulate other aspects of potential environmental hazards related to the Groups operations than discharge of materials. A collision or grounding may for example not only lead to the discharge of materials, but cause damage to eco systems through e.g. the vessel coming into physical contact with for example shore or aquatic eco systems. To limit potential impact, there are for example regulations in place to ensure the removal of wrecks, see for example Nairobi International Convention on the Removal of Wrecks of 2007. Such collision or grounding may also cause damage to the environment through the vessel coming into contact with wildlife, whereas laws and regulations for the protection of wildlife may be applicable, cf. for example the Norwegian Animal Welfare Act and similar laws and regulations in other jurisdictions the Group operates in.

While the Group's fleet is modern and designed to comply with all applicable conditions, the investments necessary and the expenses to be incurred in order to satisfy relevant rules going forward could be significant and potentially affect the profitability and financial results of the Group, and breaches of environmental laws and regulation could subject the Group to liability without regard to whether the Group were negligent or at fault, including significant Group liability, hereunder fines, penalties and criminal liability and remediation costs for natural resource and other damages under a variety of laws and legal requirements, as well as third-party damages. Pollution and environmental risks generally are not totally insurable and any available insurance policies and contractual rights to indemnity may not adequately cover losses.

2.4.5 Classification

Compliance with safety and other vessel requirements imposed by classification societies may be very costly and may adversely affect the Group's business. The vast majority of commercial vessels are built to safety and other vessel requirements established by private classification, or class, societies. The class society certifies that a vessel is safe and seaworthy in accordance with its standards and regulations, which is an element of compliance with the International Convention for the Safety of Life at Sea of 1972 (SOLAS), and, where so engaged, the applicable conventions, rules and regulations adopted by the country of registry of the vessel. Every classed vessel is subject to a specific program of periodic class surveys consisting of annual surveys, an intermediate survey and a class renewal or special survey normally every five years. Surveys become more intensive as the vessel ages. If any Vessel loses its flag, does not maintain its class and/or fails any periodical survey or special survey, the vessel will be unable to carry on operations and will be unemployable and uninsurable. Any such inability to carry on operations or be employed could have a material adverse impact on the results of operations.

2.4.6 Risks relating to the regulatory framework the Group operates in, including sanctions and corruption

The Group's operations are worldwide, with ongoing activities in Europe and it might further expand into other jurisdictions, including United States. Hence, the Group's operations are subject to applicable sanctions and bribery laws, anti-corruption and other regulations. Although the Company believes that the Group is in compliance with relevant applicable sanctions laws and regulations and is committed to doing business in accordance with applicable anti-corruption and bribery laws, and intend to maintain such compliance, there might be a risk that the Group will not be in compliance in the future, particularly as the relevant sanctions restrictions are often ambiguous and change regularly. Any such violation could result in fines or other penalties that could severely impact the Group's ability to access U.S. and European capital markets and its ability to conduct its business, and could result in some investors deciding, or being required, to divest their interest, or not to invest, in the Company. Even inadvertent violations of economic sanctions laws and regulations can result in the imposition of material fines and restrictions, damage of the Group's reputation and ability to do business, and could adversely affect the Group's business, financial condition and results of operations, the Group's reputation, and the market price of the Shares. Moreover, the Company's customers may violate applicable sanctions laws and regulations as a result of actions that involve or do not involve the Group or its vessels, and those violations could in turn negatively affect the Group's business and reputation.

2.4.7 Consequences of non-compliance

Compliance with laws and other legal requirements may require vessels to be altered, costly equipment to be installed or operational changes to be implemented and may decrease the resale value or reduce the useful lives of the Group's vessels. It may require the Group to obtain certain permits or authorizations and any failure to obtain such permits or authorizations could materially impact the Group's business, financial condition, results of operations and/or cash flows by delaying or limiting the Group's ability to employ its vessels. Such compliance costs could have a material adverse effect on the Group's business, financial condition, results of operations and/or cash flows.

Any failure to comply with such laws and regulations may give rise to penalties, liabilities, operational restrictions, reputational damage or similar, which may not be recoverable within available insurance arrangements and which may have an adverse effect on the Group's business, financial condition, results of operations and/or cash flows.

A failure to comply with applicable laws and other legal requirements may result in administrative and civil monetary fines and penalties, additional compliance plans or programs or other ongoing increased compliance costs, criminal sanctions or the suspension or termination of the Group's operations. Because such laws and other legal requirements are subject to revisions and amendments, the Company cannot predict the ultimate cost of complying with them or their impact on the resale prices or useful lives of the Group's vessels. Additional conventions, laws and regulations or other legal requirements may be adopted which could limit the Group's ability to do business or increase the cost of the Group doing business and which may materially adversely affect the Group's business, financial condition, results of operations and/or cash flows.

2.5 Risks Relating to the Shares

2.5.1 Limited liquidity in the Shares.

The Company has currently a relatively concentraded ownership base and consequently limited free float. Since the listing of the Company's Shares on Oslo Børs in November 2021, there has been limited liquidity in the Shares. Consequently, a liquid market for the Shares may not deveop. Further, limited liquidity may reduce shareholders ability to sell Shares and exit their investments. Limited liquidity in the Shares may also result in that market events or Company events impact the Shares more significantly. Limited liquidity may also result in less favourable Share price development.

2.5.2 The Company has major shareholders with significant voting power.

Each of Østensjø Wind AS, Wilhelmsen New Energy AS, Geveran Trading Co Ltd and EPS Ventures Ltd controls, directly or indirectly, a significant part of the Shares in the Company and may have the ability to influence decision-making of the Group. Consequently, each of Østensjø Wind AS, Wilhelmsen New Energy AS, Geveran Trading Co Ltd and EPS Ventures Ltd will be in a position to exercise considerable influence over all matters requiring shareholder approval. The interest of each of these shareholders may be different from other shareholders of the Company. This concentration of share ownership could delay, postpone or prevent inter alia a change of control in the Company, impact board composition, mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by other investors.

2.5.3 Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of the Shares.

It is possible that the Company may decide to offer new shares or other securities in order to finance new capital-intensive investments in the future in connection with unanticipated liabilities or expenses, or for any other purposes. Any such offering could reduce the proportionate ownership and voting interests of holders of Shares as well as the earnings per Share and the net asset value per Share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

2.5.4 Risks of investors investing or de-investing relating to sanctions

Although the Company believes that the Group is in compliance with applicable sanctions laws and regulations, and intend to maintain such compliance, certain institutional investors may have investment policies or restrictions that prevent them from holding securities of companies that inter alia have ties of any kind to countries identified by the United States as state sponsors of terrorism, regardless of any violation of applicable sanctions laws. The determination by these investors not to invest in, or to divest from, the Company's Shares may adversely affect the price at which the Shares are traded.

3. RESPONSIBILITY STATEMENT

The Board of Directors of Edda Wind ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Oslo, 29 March 2023

The Board of Directors of Edda Wind ASA

Håvard Framnes (Chair)
Jan Eyvin Wang
Martha Kold Bakkevig
Toril Eidesvik
Cecilie Wammer Serck-Hansen
Adrian Geelmuyden
Duncan Bullock

4. GENERAL INFORMATION

This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Prospectus. You should read this information carefully before continuing.

4.1 The approval of this Prospectus by the Norwegian Financial Supervisory Authority

The Financial Supervisory Authority of Norway (*Nw. Finanstilsynet*) (the "**Norwegian FSA**") has reviewed and approved this Prospectus, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. The approval should not be considered as an endorsement of the Company that is the subject of this Prospectus. Potential investors should make their own assessment as to the suitability of investing in the Shares.

The Norwegian FSA approved this Prospectus on 29 March 2023.

4.2 Other Important Investor Information

The Company has furnished the information in this Prospectus. No representation or warranty, express or implied is made by the Managers as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. The Managers assume no responsibility for the accuracy or completeness or the verification of this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement.

The Managers are acting exclusively for the Company and no one else in connection with the Private Placement. They will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Private Placement and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for giving advice in relation to the Private Placement or any transaction or arrangement referred to herein.

No person is authorized to give information or to make any representation concerning the Group or in connection with the Private Placement or the offer or sale of Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Company or the Managers or by any of the affiliates, representatives, advisers or selling agents of any of the foregoing.

The information contained in this Prospectus is current as of the date of the Prospectus and is subject to change or amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time of approval of this Prospectus by the Norwegian FSA and the Listing, will be included in a supplement to this Prospectus. Except as required by applicable law and stock exchange rules, the Company does not undertake any duty to update the information in this Prospectus. The publication of this Prospectus shall not under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither the Company, the Managers, nor any of their respective affiliates, representatives, advisers or selling agents, are making any representation, express or implied, to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

Investing in the Shares involves a high degree of risk. See Section 2 "*Risk Factors*".

4.3 Cautionary Note Regarding Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Company's business, future earnings or revenues, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance ("**Forward-looking Statements**"). These Forward-looking Statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These Forward-looking Statements are not historical facts. They appear in a number of places throughout this Prospectus, including in Section 6 "*Business Overview*", Section 7 "*Principal Markets*" and Section 13 "*Dividend and Dividend Policy*" and include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, revenues, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Group operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates may differ materially from those contained in or suggested by the Forward-looking Statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the Forward-looking Statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Company's business, financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Prospectus, including the information set out under Section 2 "*Risk Factors*", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Prospectus and, in particular, Section 2 "*Risk Factors*" for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates when considering an investment in the Shares.

The Forward-looking Statements speak only as at the date of this Prospectus. Except as required according to Article 23 of the EU Prospectus Regulation, the Company undertakes no obligation to publicly update or publicly revise any Forward-looking Statement, whether as a result of new information, future events or otherwise. All subsequent written and oral Forward-looking Statements attributable to the Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

4.4 Presentation of Financial Information

4.4.1 Historical financial Information

The Company was founded in September 2019 as a fully owned subsidiary of JØDY. In March 2020, there was a contribution in kind transaction, where JØDY inserted the shares in Edda Supply Ships (UK) Ltd and West Energy AS in the Company, and hence the Group was formed. The Company has restated the consolidated financial statements for the two periods prior to the business combination under common control, to reflect the combination as if it had occurred from 1 January 2018. See the introduction in Section 9 "*Selected Financial Information and other information*" with respect to restatement of the Group's consolidated financial statements

The Company's audited consolidated financial statements as of and for the years ended 31 December 2021, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") (jointly referred to as the "**Consolidated Financial Statements**"), and are included in Appendix A1 to this Prospectus.

The Company' unaudited condensed consolidated financial statements as of 31 December 2022 and for the twelve months ended 31 December 2022 have been prepared in accordance with IAS34 Interim Financial reporting (the **"2022 Unaudited Condensed Financial Statements"**), and is included in Appendix A2 to this Prospectus. The 2022 Unaudited Condensed Financial Statements have not been subject to audit or review.

The Consolidated Financial Statements and the 2022 Unaudited Condensed Financial Statements (together the "**Financial Statements**") are presented in thousand EUR.

4.4.2 Alternative Performance Measures

This Prospectus contains certain non-IFRS measures and ratios (or Alternative Performance Measures (**"APMs"**)) that are not required by, or presented in accordance with, IFRS or the accounting standards of any other jurisdiction. These measures are not measurements of financial performance or liquidity under IFRS, are not audited, and should not replace measures of liquidity or operating profit that are derived in accordance with IFRS. The Company define the relevant APMs as follows:

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is defined as net income before depreciation, net interest expense, amortization of debt issue expenses and impairment charges.

Earnings Before Interest and Tax (EBIT) is defined as Total income (Operating revenue and gain/(loss) on sale of assets) less Operating expenses, Other gain/loss and depreciation and amortization. EBIT is used as a measure of operational profitability excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses.

Net interest-bearing debt (NIBD) is defined as total interest-bearing debt (Non-current interest-bearing debt and Current interest-bearing debt, excluding leasing debt) less Cash and cash equivalents, restricted cash and Current financial investments. The Company applies this measure as it provides insight for investors to the capital structure of the Company.

Equity ratio is defined as Total equity as a percent of Total assets. The Company applies this measure as it provides insight for investors to the capital structure of the Company.

A reconciliation of the APMs to the most directly comparable measure calculated and presented in accordance with IFRS is presented in Section 9.5 "*Other Selected Financial Information*".

The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Group believes however that the APMs included herein are useful supplemental indicators that may be used to assist in evaluating a company's future operating performance, and its ability to serve debt. Accordingly, this information has been disclosed to permit a more complete and comprehensive analysis of the Group's operating performance, consistent with how the Group's business performance is evaluated by management.

The Group believes that the presentation of these APMs enhance an investor's understanding of the Group's operating performance and the Group's ability to service its debt. In addition, the Group believes that these APMs are commonly used by companies in the market in which it competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortization, which can vary significantly depending upon accounting methods or based on non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies and across periods, and of the Group's ability to service its debts. However, these APMs may be calculated differently by other companies and may not be comparable. APMs may not be comparable with similarly titled measures used by other companies. The Group's APMs are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measures of performance derived in accordance with IFRS. The Group's APMs have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Group's results of operations as reported under IFRS.

Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

4.5 Presentation of Industry Data and Other Information

Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Group operates and similar information are estimates based on data compiled by professional organisations, consultants and analysts; in addition to market data from other external sources, including market data from Fearnley Offshore Supply AS[1], Rystad Energy[2], International Renewable Energy Agency (IRENA)[3], Bloomberg NEF[4] and IEA[5]. Market data from Fearnley Offshore Supply AS, Rystad Energy and Bloomberg NEF are not publicly available but can be obtained against payment. Applied data from Rystad Energy is not publicly available, as this can only be viewed by accessing Rystad Energy's dedicated client portal or through the use their exclusive Cube software, which is only available through a subscription. Applied market data from Fearnley Offshore Supply AS is not publicly available and has been retrieved from Fearnley Offshore Supply AS market databases. Market information from Fearnley Offshore Supply AS can be made available against payment.

While the Company has compiled, extracted and reproduced such market and other industry data from external sources, the Company has not independently verified the correctness of such data. Thus, the Company takes no responsibility for the correctness of such data. The Company cautions prospective investors not to place undue reliance on the above-mentioned data.

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[1] https://www.fearnleyoffshoresupply.com
[2] https://www.rystadenergy.com/
[3] https://www.irena.org/
[4] https://about.bnef.com/
[5] https://www.iea.org/

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

In addition, although the Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and the Company cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Company does not intend to or assume any obligations to update industry or market data set forth in this Prospectus. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Prospectus and estimates based on those data may not be reliable indicators of future results.

Other Information

In this Prospectus, all references to "NOK" are to the lawful currency of Norway, all references to "EUR" are to the lawful currency of the EU and all references to "U.S. dollar", "US$", "USD", or "$" are to the lawful currency of the United States of America.

In this Prospectus all references to "EU" are to the European Union and its Member States as of the date of this Prospectus; all references to "EEA" are to the European Economic Area and its member states as of the date of this Prospectus; and all references to "US", "U.S." or "United States" are to the United States of America.

Certain figures included in this Prospectus have been subject to rounding adjustments. As a result of the rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100 per cent.

5. THE PRIVATE PLACEMENT

The discussion about use of proceeds below only addresses the intentions of the Company as of the date of this Prospectus; and no assurance can be made that the proceeds actually will be applied to all or any of the purposes identified herein.

5.1 Overview

On 2 March 2023, the Company announced a successfully placed Private Placement raising gross proceeds of NOK 1.2 billion through the issuance of a total of 48,000,000 new Shares, each at a subscription price of NOK 25 through a bookbuilding process. The Private Placement was managed by ABG Sundal Collier ASA, Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS and Pareto Securities AS as joint bookrunners.

The Private Placement Shares were issued in two tranches, whereby the first tranche of 6,431,488 of the Private Placement Shares ("**Tranche 1**") were issued on 6 March 2023 and where the second tranche of 41,568,552 of the Private Placement Shares ("**Tranche 2**") were issued on 29 March 2023 by registration with the Norwegian Register of Business Enterprises. The 41,568,552 Tranche 2 Private Placement Shares will be registered under the Company's regular ISIN NO 001 0998529 upon publication of this Prospectus. The Shares are issued in NOK.

The rights attached to the Private Placement Shares are the same as those attached to the Company's other Shares and will rank pari passu with existing Shares in all respects.

5.2 Resolution to issue the Private Placement Shares

The first tranch of 6,431,448 of the Private Placement Shares were resolved by the Board of Directors on 2 March 2023 pursuant to an authorisation to the Board of Directors to issue shares granted by the Company's annual general meeting held on 6 May 2022. The second tranche of 41,568,552 of the Private Placement Shares were resolved issued on 24 March 2023 by an extraordinary general meeting in the Company held on 24 March 2023 (the "**EGM**") in accordance with the resolution proposed by the Board of Directors.

The Board of Directors for the first tranche, and the EGM for the second tranche, resolved to set aside the shareholder's preferential right to subscribe for the Private Placement Shares. The decision to derogate from the preferential rights was considered by the Board of Directors in light of the equal treatment obligations under the Norwegian Public Limited Companies Act, the rules of equal treatment under Euronext Oslo Rule Book II for companies listed on the Oslo Stock Exchange and the Oslo Stock Exchange's Guidelines on the rule of equal treatment. In reaching its conclusion, the Board of Directors found it to be in the common interest of the Company and its shareholders to raise equity through the Private Placement, enabling the Company to secure equity financing to accommodate the initial payment structure for the four newbuilds. Further, the Private Placement reduced execution and completion risk, allowing for the Company to raise capital more quickly, with was considered particularly important in light if the newbuilds payment structure, as well as the ability to utilize current market conditions, raise capital at a lower discount compared to a rights issue and without the underwriting commissions normally seen with rights offerings.

5.3 Use of Proceeds

The gross proceeds from the Private Placement were NOK 1.2 billion. The Company estimates that the total expenses in connection with the Private Placement will amount to approximately NOK 25 million. Hence, the net cash proceeds from the Private Placement are estimated to amount to approximately NOK 1.175 million.

The proceeds from the Private Placement will be used to fully finance the equity portion of the currently estimated total construction cost relating to the newly signed contracts for the four COSVs and for general corporate purposes.

5.4 Dilution

The immediate dilutive effect on the ownership of the Company's shareholders who did not participate in the Private Placement was approximately 42.7%.

The net asset value per existing Share as at 31 December 2022 was NOK 31.4 calculated as total equity divided by the number of outstanding Shares as per 31 December 2022. The subscription price per Share in the Private Placement was NOK 25.

5.5 The Company's share capital following the Private Placement

Upon issuance of the Private Placement Shares, the Company's share capital is NOK 11,231,488.80 divided into 112,314,488

Shares, each with a par value of NOK 0.1.

5.6 Participation of major shareholders and members of the Management and Board of Directors

The following members of the Management and Board of Directors in the Company were allocated shares in the Private Placement:

- Håvard Framnes, chairman, was allocated 20,000 Private Placement Shares through Framnes Holding AS;
- Jan Eyvin Wang, board member, was allocated 44,553 Private Placement Shares;
- Adrian Geelbuyden, board member, was allocated 12,000 Private Placement Shares;
- Martha Kold Bakkevig, board member, was allocated 4,000 Private Placement Shares through Kold Invest AS;
- Tom Johan Austrheim, CFO, was allocated 20,000 Private Placement Shares; and
- Jan Lodden, COO, was allocated 48,000 Private Placement Shares through Nora Invest I AS.

The following major shareholders were allocated shares in the Private Placement:

- Wilhelmsen New Energy AS was allocated 12,000,000 Private Placement Shares;
- Østensjø Wind AS was allocated 4,800,000 Private Placement Shares;
- EPS Ventures Ltd was allocated 11,000,000 Private Placement Shares; and
- Geveran Trading Co Ltd was allocated 11,000,000 Private Placement Shares.

5.7 Managers and Advisors

ABG Sundal Collier ASA, Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS and Pareto Securities AS are acting as Managers and Advokatfirmaet BAHR AS is acting as legal advisor to the Company in connection with the Private Placement.

5.8 Interests of natural and legal persons involved in the Private Placement

The Managers and their affiliates may have interests in the Private Placement as they have provided from time to time, and may provide in the future, services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own existing Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Other than what is set out above, the Company is not aware of any other interests (including conflict of interests) of natural and legal persons involved in the Private Placement.

6. BUSINESS OVERVIEW

This Section provides an overview of the business of the Group as of the date of this Prospectus. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.3 "Cautionary Note Regarding Forward-Looking Statements". You should read this Section in conjunction with the other parts of this Prospectus, in particular Section 2 "Risk Factors".

6.1 Introduction to the Group and its Business

The Group is a pure play offshore wind service group of companies headquartered in Haugesund, Norway, with offices also in Scotland and Spain. The Group offers services to the global offshore wind market and provides purpose-built offshore wind vessels.

The Group's customer base consists of offshore wind farm developers, operators, and own equipment manufacturers (OEMs). The Group's business is primarily carried out in Europe. However, the Group is in the process of expanding into the U.S. market with similar activities through a contemplated joint venture with TOTE Group, LLC (for further details of the contemplated joint venture with TOTE Group, LLC, see Section 6.4.5 "*Joint Venture*"). The Group may in the future expand its operations to other geographical areas such as Asia.

6.2 Principal Activities

The Group develops, builds, owns, operates and charters out purpose-built service operation vessels ("**SOV**") and commissioning service operation vessels ("**CSOV**") for offshore wind farms ("**OWF**") world-wide. The Group develops design and specifications of the vessels in close cooperation with the ship designer and sometimes also the client. Further, the Group enters into shipbuilding contracts with yards and contracts with other relevant suppliers for the construction of the vessels. Operation of the vessels includes crewing the vessels with competent personnel, ensure satisfactory maintenance, docking and upgrades of the vessels, ensure optimal HSEQ standards both onboard and in the onshore organization, ensure compliance with regulations and requirements issued by the Company, client, authorities and classification society, enable a good communication between vessel and client organisation and ensure that all the operation is done at a cost which gives satisfactory return on capital invested.

The vessels are owned either through financial lease or by direct ownership. The vessels are chartered out on time charters. The clients are typically OWF owners and/or OWF operators and the vessels are specifically designed to support the commissioning and installation phase, and/or the operational phase of an OWF. The vessels offer services as a base for commissioning and installation phase (typically 1-3 years) and/or operation phase (typically 5-15 years) - including but not limited to: stepless access to offshore wind turbines for personnel and equipment ("walk-to-work"), logistical handling and storage of spare parts and workshop facilities (with stepless access to the turbine), comfortable accommodation and recreation facilities for between 60-120 personnel onboard including catering, cleaning and recreational facilities.

The Group's historical revenue can be presented as the following elements:

EUR 000'	**For the Year Ended 31 December (unaudited) 2022**	**For the Year Ended 31 December 2021**	**For the Year Ended 31 December 2020**	**For the Year Ended 31 December 2019**
Leasing element	10 441	9 033	6 641	6 734
Service element	14 580	13 152	9 776	9 363
Victualling	1 909	1 748	1 063	1 834
Other revenue	1 496	484	398	416
Total operating income	**28 425**	**24 416**	**17 878**	**18 347**

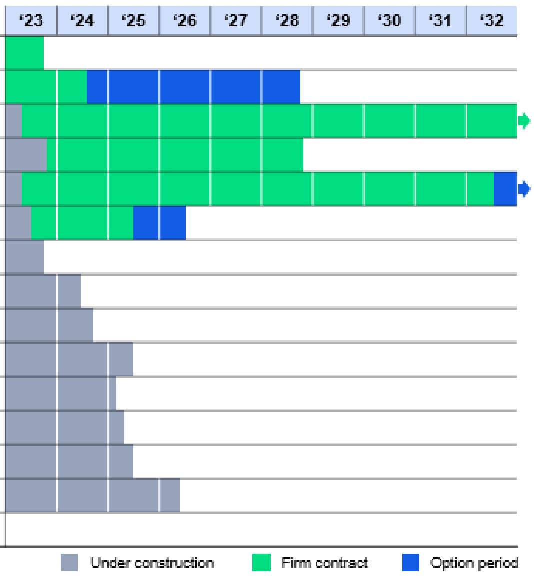
The Group has one reportable segment, being the Offshore Wind segment. All revenue for the period 2019-2022 is earned in Europe and UK.

6.2.1 Fleet

As of the date of this Prospectus, the Group owns and operates three purpose-built offshore wind SOVs and one purpose-built offshore wind CSOV, and has ten dedicated offshore wind vessels under construction to be delivered by 2026 – one offshore wind SOV and nine offshore wind CSOVs.

Figure 1 – Vessels

Vessel	Type	Client	Start[1]	End	Option	Location
Edda Passat	SOV	Ørsted	Mar-18	Sep-23		Race Bank wind farm, UK
Edda Mistral	SOV	Ørsted	Sep-18	Aug-24	5x1 year	Hornsea One wind farm, UK
Edda Brint	SOV	Vestas	Mar-23	May-37	2x180d + 1x90d + 3x30d + 2x14d + 2x7d	Seagreen wind farm, UK
Edda Goelo	SOV	SIEMENS Gamesa	Q4-23	Q3-28		Saint-Brieuc, wind farm, France
Edda Breeze	CSOV	OCEAN BREEZE	Apr-21	Apr-32	2x364d + 1x182d + 1x28d + 2x14d	BARD Offshore 1 wind farm, Germany
Edda Boreas	CSOV	SSE	Q2-23	Q2-25	1 year	Dogger Bank wind farms, UK
C491	CSOV		Q3-23			
C492	CSOV		Q2-24			
C503	CSOV		Q3-24			
C504	CSOV		Q2-25			
965	CSOV		Q1-25			
966	CSOV		Q1-25			
967	CSOV		Q2-25			
968	CSOV		Q1-26			
Options	5 CSOVs					



1) Commencement of the Vestas charter party for Edda Brint is from the time it went on hire (March 2023). The frontrunner was subject to a separate charter party until Edda Brint was on hire/March 2023.

Vessels under construction

Builder's hull no:	C-490	C-416	C-491	C-492	C-503	C-504	NB 965	NB 966	NB 967	NB 968
Type:	CSOV	SOV	CSOV	CSOV	CSOV	CSOV	CSOV	CSOV	CSOV	CSOV
Planned delivery:	1Q 2023	1Q 2023	3Q 2023	2Q 2024	3Q 2024	2Q 2025	1Q 2025	1Q 2025	2Q 2025	1Q 2026
Design:	SALT 0217	SALT 0358	SALT 0217	SALT 0217	SALT 0217	SALT 0474	Vard Design 4 25	Vard Design 4 25	Vard Design 4 25	Vard Design 4 25
Accommodation:	120	60	120	120	120	120	120	120	120	120
Gangway:	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated	3d motion compensated
Yard:	Gondán, Spain	Balenciaga, Spain	Gondán, Spain	Gondán, Spain	Gondán, Spain	Gondán, Spain	Vard Romania & Norway	Vard Romania & Norway	Vard Vung Tau, Vietnam	Vard Vung Tau, Vietnam

All six vessels under construction from Astilleros Gondan S.A. ("**Gondan**") or Balenciaga S.A ("**Balenciaga**") are designed for the Company by Salt Ship Design AS, Norway, in close cooperation with the Østensjø Group. The four newbuildings ordered from Vard in March 2023 are designed by Vard Design AS.

As further described in Section 10.6.1 "*Overview; Sources and Uses of Funds*", the Company has not fully financed all instalments and payments due in relation to its existing shipbuilding contracts for new vessels.

The Company's strategy is to increase its fleet of vessels as further described in Section 6.2.3 "*Business model and strategy*". See also Section 6.4.1 "*Shipbuilding Contracts*" for further information with respect to possible additional vessels under the heading "*Possible newbuildings and right of first refusal for yard slots*".

Operational capabilities

All of the Group's vessels are designed to transport wind turbine technicians and other personnel, as well as equipment, spares and consumables, to offshore wind farm sites, and to serve as accommodation hubs for wind turbine technicians as they perform work on the wind turbines. All vessels have high standard cabins and common areas. The Group's CSOVs under construction will be able to accommodate up to 120 persons, while the Group's SOVs can accommodate up to 60 persons.

The Group's vessels are all equipped with motion compensated gangway systems with an adjustable pedestal to ensure safe and optimal connections to the turbines, even in harsh weather conditions, and motion compensated cranes. The design is optimised for an efficient logistical operation for the turbine technicians. The gangway of the Group's CSOVs under construction are also being built for gangway height flexibility, enabling accommodation of various access heights without reconfiguring the vessel.

6.2.2 Operations

The Group targets to service most of the OWF value chain – from construction and installation (C&I) to operation and maintenance (O&M). All of the Group's offshore wind SOVs are designed for operation and maintenance work throughout the life of offshore wind farms, while the Group's CSOVs are purpose-built for the commissioning and installation work phase of offshore wind farms. Ship management of the Group's vessels is solely carried out by Østensjø Rederi AS.

The Group's operational offshore wind SOVs, Edda Passat and Edda Mistral, have been contracted with Ørsted for five years on the UK based wind farms, Race Bank and Hornsea One, respectively. Ørsted have exercised a 7-month option for Edda Passat, keeping the vessel contracted through October 2023. One option has been exercised for Edda Mistral, with the current contract running through Q2 2024. The Group has taken delivery from the yard of three vessels, marking the start of deliveries of the newbuilding program. The CSOV Edda Breeze and the SOV Edda Brint commenced operations under their contracts with Ocean Breeze and Vestas on 28 and 29 March 2023, respectively. The first four newbuilds (Edda Breeze, Edda Brint, C416 and Edda Boreas) have already secured long-term contracts in line with the Group's low-risk fleet strategy to have between 40-60% of the fleet employed on longer term contracts. The Group has historically had near 100% utilization with no unscheduled downtime (excl. planned downtime). The Group has further entered into contracts with Vestas for a total of 750 firm days in 2024 and 2025, for which the Group will nominate CSOV(s) from its fleet at a later stage.

6.2.3 Business Model and Strategy

The ambition of the Group is to retain and enhance its position as a market leading provider of offshore wind service vessels.[6] Following delivery of the offshore wind SOVs and offshore wind CSOVs currently under construction, the Group will have the largest fleets of purpose-built offshore wind SOV/CSOVs in the world, solely focusing on the fast-growing market for offshore wind service vessels.[7]

The Group's ambition is to have a balanced approach to long- and short-term contracts. This means securing a share of long-term contracts which ensures cashflow and enables financing solutions, while having a similar exposure to the short-term spot market which is showing strong fundamentals for the foreseeable future.

The Group also has an ambition of optimizing its capital structure in order to enhance the potential for capital distribution to shareholders and thus fulfil its dividend policy (see Section 13.1 "*Dividend Policy*"). For newbuilds with longer term contracts, the Group targets having a financial leverage in the range of 70-90% of newbuild costs. For vessels on short term contracts, the Group seeks to have debt financing of 50-70% of newbuild costs.

The Group plans to expand its fleet, and, as such, might in the future meet certain challenges, including but not limited, to employment of the vessels, satisfaction of financial covenants, obtaining equity for further growth, in addition to meeting certain challenges with respect to the need for an expansion of the existing wind farm in order to maintain demand. The business model and strategy are supported by the capital, experience and network, and competence of the Group's major shareholders as well as its dedicated management and organisation. The Group is already well positioned within the industry with a diversified contract portfolio with clients the Company considers as leading, including Ørsted, Ocean Breeze, Vestas, Siemens Gamesa and SSE Renewables (please refer to Figure 2 – "contract backlog" in Section 6.4.3 "*Charter Parties*"), as

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[6] Market leading in terms of number of vessels. Source: Fearnley Offshore Supply, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[7] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.

well as having future-ready assets prepared for new zero-emission operations creating a solid platform for further growth and development. Global environmental concerns have led to significant investments in decarbonisation and the offshore wind industry has been able to reduce cost and risk on the back of the accelerating offshore wind sector industrialisation. The decarbonisation through electrification is expected to continue, which will further support positive development for offshore wind as can be seen in the expansion of bottom fixed wind farms into US and Far East markets as well as new technology development for floating offshore wind farms. While this supports the Group's business model, strategy and prospects, future development will also be influenced by licencing and development of new offshore wind farms, access to capital and competent sea and shore personnel as well as being able to offer cost efficient services to clients while meeting future emission standards.

Sustainability at the centre of the strategy

The Group is in its strategy focusing exclusively on the offshore wind industry (renewable energy), and sustainability is a strategic objective for the Group and considered key to its ability to create long-term value for its shareholders. It represents an opportunity for innovation and improved efficiency and a foundation for sustained growth.

The Group's offshore wind vessels under construction, as well as Edda Breeze and Edda Brint, are designed to be environmentally friendly without compromising operational capabilities. The newbuilds are being equipped with battery hybrid propulsion systems, which, together with other energy saving equipment, is expected to reduce emission of greenhouse gases with a minimum of 30% compared to previous generation offshore wind service vessels with modern diesel electric propulsion line without battery storage system and variable speed configuration, i.e. vessels typically delivered from around 2010 until recently. The vessels are also prepared for installation of zero-emission hydrogen technology to enable zero-emission operations.

6.2.4 Environmental issues that may affect the Group's operations and utilisation of assets

The Group's operations and financial performance are closely linked to the utilisation of its assets, as the main source of income is day rates when the assets (i.e. vessels) are in operation. As described in Section 2.2.3, the Group is operating in the maritime offshore industry and is subject to environmental hazards associated with offshore operations such as harsh weather conditions, environmental pollution, and environmental force majeure situations. These hazards can cause personal injury or loss of life, severe damage to or destruction of property including the Group's vessels and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations resulting in off-hire and loss of earnings. Offshore windfarm service vessels, including the Group's vessels, will also be subject to hazards inherent to marine operations, either while on-site or during mobilisation, such as capsizing, sinking, grounding, collision, damage from severe weather and marine life infestations.

The ship manager has implemented a certified safety and quality management system to control risk and maintain barriers during normal operations. The system includes procedures applicable in case of emergency situations onboard. The Group's emergency preparedness plan has the following defined hazard and accident scenarios:

- Accident/serious injury onboard incl. rescue
- Man overboard/Rescue from sea
- Ship collision/Grounding
- Collision/Drift on installation
- Fire/Explosion onboard
- Marine pollution
- Partly evacuation or abandon ship
- Breach of security including piracy
- Helicopter crash
- Helicopter-deck emergency
- Dropped object
- Fire/heat radiation adjacent installation
- Pool fire at sea
- Unignited Hydrocarbon/toxic gas release on adjacent installation
- Structural damage – adjacent installation
- Extreme/violent weather
- Criminal act
- Missing person/crew
- Epidemic outbreak/multiple illness onboard

6.3 History and Development

Overview of key events in the history of Edda Wind	
October 2015	The Group's wholly-owned subsidiary West Energy AS was established as a company within the Østensjø Group, and entered into a charter party with Ørsted Power UK Limited (subsequently novated to Ørsted Energy Wind Power A/S) currently operated by Edda Passat.
May 2016	West Energy AS entered into a charter party with Ørsted Energy Wind Power A/S currently operated by Edda Mistral.
March 2018	Edda Passat was delivered from the shipyard and commenced operations under a contract with Ørsted Energy Wind Power A/S at the wind farm Race Bank offshore the United Kingdom.
September 2018	Edda Mistral was delivered from the shipyard and commenced operations under a contract with Ørsted Energy Wind Power A/S at the wind farm Hornsea Project One offshore the United Kingdom.
October 2019	The Company was incorporated on 16 September 2019 and acquired by JØDY in October 2019 as an off-the-shelf company for the purpose of being the parent company of the Group.
January 2020	Shipbuilding contracts were entered into with Astilleros Gondán S.A. for the two offshore wind CSOVs with builder's hull numbers C-489 (Edda Breeze) and C-490 (Edda Boreas), and with Balenciaga for the two offshore wind SOVs with builder's hull numbers C-415 (Edda Brint) and C-416. Edda Wind I AS, Edda Wind II AS, Edda Wind III AS and Edda Wind IV AS were established as part of the Group for the purpose of being single purpose companies each holding one shipbuilding contract (Edda Wind I AS in October 2019).
February 2020	Charter parties were concluded for the offshore wind CSOV newbuild Edda Breeze and the offshore wind SOV newbuild Edda Brint with Ocean Breeze Energy GmbH & Co. KG and Vestas Offshore Wind UK Ltd. Respectively.
March 2020	West Energy AS, including indirectly the two offshore wind SOVs Edda Passat and Edda Mistral, and Edda Supply Ships (UK) Limited were transferred to the Company from JØDY as contribution in kind in a capital increase in the Company.
March 2021	Term sheet was entered into between the Company and Foss Maritime Company, LLC.
March 2021	Shipbuilding contracts were entered into with Gondan for the two offshore wind CSOVs with hull numbers C-491 and C-492. Edda Wind V AS and Edda VI AS were established as part of the Group as single purpose companies, each being the contracting party for one of the two shipbuilding contracts.
March 2021	Edda Wind Management AS was established as part of the Group.
April 2021	On 27th April 2021, Edda Wind II AS entered into a contract with Doggerbank Offshore Windfarm Project 1 Projco Limited regarding the operation of the newbuild CSOV Edda Boreas.
September 2021	IFRS conversion and preparation of consolidated accounts for the financial years 2020, 2019 and 2018 completed.
November 2021	EUR 110 million green loan facility was entered into with DNB Bank ASA, Sparebank 1 SR-Bank ASA and Export Finance Norway for the refinancing of Edda Passat and Edda Mistral and the pre- and post-delivery financing of Edda Boreas and C416.
November 2021	Edda Wind ASA was listed on the Oslo Stock Exchange.
January 2022	Three CSOVs ordered – two at Colombo Dockyard (Sri Lanka) and one at Gondan (Spain).
May 2022	Edda Breeze was delivered from yard and commenced installation and commissioning of gangway system.
July 2022	Newbuilding order at Colombo Dockyard (Sri Lanka) cancelled due to political unrest.

October 2022	Edda Brint was delivered from the yard and commenced installation and commissioning of gangway system.
November 2022	Ørsted extended charter for Edda Passat by seven months to September 2023.
November 2022	One CSOV was ordered at Gondan.
December 2022	Ørested extended the charter for Edda Mistral by one year to August 2024.
February 2023	Edda Boreas was delivered from the yard and commenced installation and commissioning of gangway system.
February 2023	EUR 120 million green loan facility was entered into with Crédit Agricole Corporate and Investment Bank and Sparebanken Vest as commercial lenders and Eksportfinansiering Norge as ECA lender.
March 2023	Edda Breeze and Edda Brint commenced operations on their respective charters. Four CSOVs were ordered from Vard Shipyard for delivery in 2025 and 2026.
March 2023	NOK 1.2 billion was raised in new equity in the Private Placement.

6.4 Material Contracts

6.4.1 Shipbuilding Contracts

As at the date of this Prospectus, the Group is party to in total five shipbuilding contracts with the Spanish yard Gondan and one shipbuilding contracts with the Spanish yard Balenciaga, as well as four shipbuilding contracts with the Norwegian yard, Vard.

The first four shipbuilding contracts concluded by the Group were all entered into on 29 January 2020, two of which were for offshore wind CSOVs from Gondan and two of which were for offshore wind SOVs from Balenciaga. On 31 March 2021, two additional offshore wind CSOVs were ordered from Gondan, expected to be delivered in Q3 2023 and Q2 2024. On 31 January 2022 a CSOV for delivery Q3 2024 was ordered and on 14 November 2022 a CSOV for delivery Q2 2025 was ordered – both from Gondan. On 2 March 2023, the Group ordered four CSOVs for delivery between Q1 2025 and Q2 2026 from Vard.

The shipbuilding contracts were entered into by the Company's subsidiaries Edda Wind I AS, Edda Wind II AS, Edda Wind III AS, Edda Wind IV AS, Edda Wind V AS, Edda Wind VI AS, Edda Wind IX AS, Edda Wind XI AS, Edda Wind XII AS, Edda Wind XIV AS and Edda Wind XV AS, respectively.

Of the newbuilding program, two of the vessels have commenced operations at the date of this Prospectus, while three of the vessels under construction are scheduled to commence operations in 2023, two in 2024, four in 2025 and one in 2026. The total yard payments for 2021 and 2022 is approximately EUR 173 million.

Edda Wind I AS

On 29 January 2020, Edda Wind I AS entered into a shipbuilding contract with the Spanish shipyard Gondan for the construction of one offshore wind CSOV Edda Breeze and scheduled delivery in March 2022. The gross contract price for the vessel is EUR 59,886,189, of which a net price of EUR 46,831,000 is payable by Edda Wind I AS and the residual funded through certain Spanish tax lease arrangements (see below). The vessel, named Edda Breeze, was delivered from the yard 30 May 2022 and commenced a long-term charter contract on 28 March 2023.

Edda Wind II AS

On 29 January 2020, Edda Wind II AS entered into a shipbuilding contract with Gondan for the construction of one offshore wind CSOV Edda Boreas and delivery expected in the first quarter of 2023. The gross contract price for the vessel is EUR 60,911,188, of which a net price of EUR 47,529,000 is payable by Edda Wind II AS and the residual funded through certain Spanish tax lease arrangements. The vessel, named Edda Boreas, was delivered from the yard on 9 February 2023 and commenced installation and commissioning of the gangway system.

Edda Wind II AS has entered into contracts with Doggerbank Offshore Windfarm Project 1 Projco Limited and Doggerbank Offshore Windfarm Project 2 Projco Limited for the charter of the newbuild with contract commencement in a window between 1 March and 1 May 2023 – see further details below under the Section 6.4.3 "*Charter Parties*". Certain additional investments will be needed by the Group as a consequence of these contracts, with the implication that the total project price in relation to Edda Boreas will increase to approximately EUR 50 million.

Edda Wind III AS

On 29 January 2020, Edda Wind III AS entered into a shipbuilding contract with the Spanish shipyard Balenciaga for the construction of one offshore wind SOV Edda Brint and scheduled delivery in April 2022. The gross contract price for the vessel is EUR 53,911,045, of which a net price of EUR 42,352,517 is payable by Edda Wind III AS and the residual funded through certain Spanish tax lease arrangements. The vessel, Edda Brint, was delivered from the yard 25 October 2022 and commenced a long-term charter contract on 29 March 2023.

The vessel was contemplated to be on hire in July 2022 in accordance with the charter party with Vestas Offshore Wind UK Ltd upon delivery from the shipyard.

Edda Wind IV AS

On 29 January 2020, Edda Wind IV AS entered into a shipbuilding contract with Balenciaga for the construction of one offshore wind SOV with builder's hull number C-416 and delivery was originally expected in the first quarter of 2023. The gross contract price for the vessel is EUR 53,931,640, of which a net price of EUR 42,352,517 is payable by Edda Wind IV AS and the residual funded through certain Spanish tax lease arrangements. As at 31 December 2022, instalments amounting to in total EUR 38,109,000 of the net purchase price have been paid.

Based on progress reports from the yard, Edda Wind expects a delay in delivery, and that the vessel will be ready for operations in Q4 2023. Edda Wind, together with the yard and suppliers, are working to minimize such delays.

Edda Wind V AS

On 31 March 2021, Edda Wind V AS entered into a shipbuilding contract with Gondan for the construction of one offshore wind CSOV with builder's hull number C-491 and scheduled delivery in August 2023. The gross contract price for the vessel is EUR 60,729,500, of which a net price of EUR 47,332,560 is payable by Edda Wind V AS and the residual funded through certain Spanish tax lease arrangements. As at 31 December 2022, instalments amounting to in total EUR 24,257,937 of the net purchase price have been paid.

Edda Wind VI AS

On 31 March 2021, Edda Wind VI AS entered into a shipbuilding contract with Gondan for the construction of one offshore wind CSOV with builder's hull number C-492 and scheduled delivery in April 2024. The gross contract price for the vessel is EUR 60,729,500, of which a net price of EUR 47,332,560 is payable by Edda Wind VI AS and the residual funded through certain Spanish tax lease arrangements. As at 31 December 2022, instalments amounting to in total EUR 8,283,198 of the net purchase price have been paid.

Edda Wind IX AS

On 31 January 2022, Edda Wind IX AS entered into a shipbuilding contract with Gondan for the construction of one offshore wind CSOV with builder's hull number C-503 and scheduled delivery in September 2024. The gross contract price for the vessel is EUR 67,382,400, of which a net price of EUR 51,980,000 is payable by Edda Wind IX AS and the residual funded through certain Spanish tax lease arrangements. As at 31 December 2022, instalments amounting to in total EUR 9,096,500 of the net purchase price have been paid.

Edda Wind VII AS

On 14 November 2022, Edda Wind VII AS entered into a shipbuilding contract with Gondan for the construction of one offshore wind CSOV with builder's hull number C-504 and scheduled delivery in April 2025. The gross contract price for the vessel is EUR 83,243,000, of which a net price of EUR 63,880,000 is payable by Edda Wind VII AS and the residual funded through certain Spanish tax lease arrangements. As at 31 December 2022, instalments amounting to in total EUR 0 of the net purchase price have been paid.

Edda Wind XI AS

On 2 March 2023, Edda Wind XI AS entered into a shipbuilding contract with Vard for the construction of one offshore wind CSOV with builder's hull number 965 and scheduled delivery in January 2025. The yard contract price for the vessel is EUR 61,698 thousand.

Edda Wind XII AS

On 2 March 2023, Edda Wind XII AS entered into a shipbuilding contract with Vard for the construction of one offshore wind CSOV with builder's hull number 966 and scheduled delivery in March 2025. The yard contract price for the vessel is EUR 61,698 thousand.

Edda Wind XIV AS

On 2 March 2023, Edda Wind XIV AS entered into a shipbuilding contract with Vard for the construction of one offshore wind CSOV with builder's hull number 967 and scheduled delivery in June 2025. The yard contract price for the vessel is EUR 61,698 thousand.

Edda Wind XV AS

On 2 March 2023, Edda Wind XV AS entered into a shipbuilding contract with Vard for the construction of one offshore wind CSOV with builder's hull number 968 and scheduled delivery in February 2026. The yard contract price for the vessel is EUR 61,698 thousand.

Options held for additional vessels

The Group holds options for four CSOVs with Vard shipyard which, if declared, have scheduled deliveries between Q4 2025 and Q4 2026, and has further received a conditional commercial offer from Gondan for construction of one CSOV which must be declared within 31 May 2023.

6.4.2 Spanish Tax Lease Agreements Related to the Shipbuilding Contracts

Each of the vessels ordered from Gondan and Balenciaga are being constructed under the shipbuilding contracts described above and are subject to separate Spanish tax lease structures (each an "**STL**"), a Spanish incentive structure which enables the Group to acquire the newbuilds at a favourable net price. The STL is structured so that Spanish tax lease investors can benefit from tax depreciations of the vessel in question, for which they pay a part of the purchase price of the vessel to the yard on behalf of the purchaser of the vessel. For the period such depreciations are carried out – both before and for a period after vessel delivery – the legal title of the vessel is held with the financing institution which has arranged the STL. After delivery, the vessel is chartered on bareboat charter to the purchaser of the vessel through a Spanish single purpose company ("**SPV**"). Once the STL period is over (normally after 2-3 years after the vessel construction has started), the vessel is sold to the mentioned Spanish SPV, and then indirectly to the vessel purchaser by acquisition by the vessel purchaser of the shares of the Spanish SPV. The mechanics of the STL are all funded from the purchase price paid by the newbuild purchaser, and the STL is as such guaranteed by the yard.

6.4.3 Charter Parties

Two of the Group's offshore wind SOVs in operation are chartered to the Danish renewable energy company Ørsted Energy Wind Power A/S (previously DONG Energy Wind Power A/S) and are being used for the wind farms Race Bank and Hornsea Project One, respectively. Both contracts had a firm period of 5 years and options for extension of up to additional 5 years, divided on five one-year options. For Edda Mistral the first one-year option has been exercised and four remain. For Edda Passat an amended agreement has been concluded, which entails that the contract expires in October 2023.

The Group has further secured long-term charter party contract for Edda Breeze with Ocean Breeze Energy GmbH & Co. KG and for Edda Brint with Vestas Offshore Wind UK Ltd, respectively, with terms until 2032 and 2037 respectively (with extension options). Edda Breeze and Edda Brint both commenced operations in March 2023. In addition, the Group has secured contracts with a firm period of two years (term until 2025, with extension options) for Edda Boreas with Doggerbank Offshore Windfarm Project 1 Projco Limited and Doggerbank Offshore Windfarm Project 2 Projco Limited. It is expected that Vessel C-416 will commence a contract for five years with Siemens Gamsea in Q4 2023. In March 2023, the Group entered into contracts for 750 firm days (with options for extension) in 2024 and 2025 with Vestas.

Based on the charter parties concluded by the Group, the Group has a total revenue backlog as of Q4 2022 of approximately EUR 394 million in place of which approximately EUR 304 million relates to firm contract periods and approximately EUR 90 million to option periods.

Figure 2 – Contract backlog and financial profile

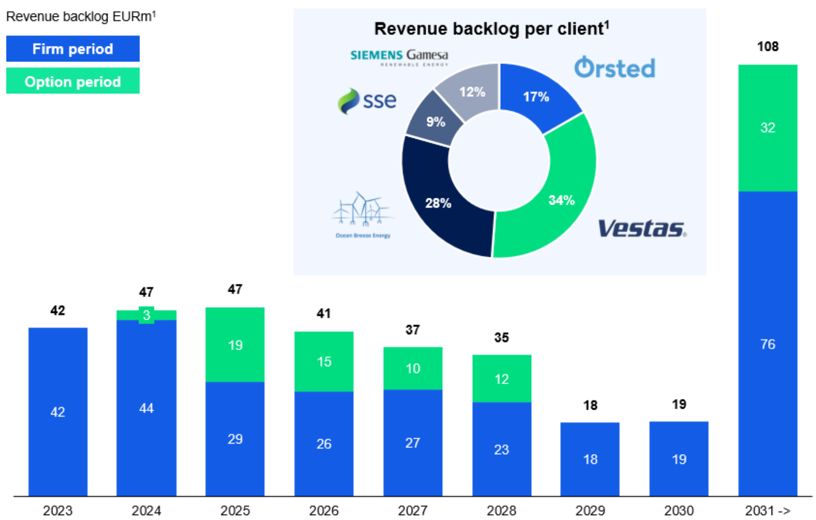
2023 EUR 36m revenues (contracted)[1]

Backlog	EURm[1]
Firm period	304
Option period	90
Total	**394**

6 contracted vessels operating in 2023[2]

9 vessels expected on water in 2024[2]

14 vessels in total fleet incl. under construction[2]



1) The total revenue backlog comprises firm contracts as well as contractual options. The «firm» backlog are contracts which have been entered into with customers, and these contracts can be cancelled by customers under given circumstances and are in general subject to certain terms and conditions. "Options" are options to extend firms contracts, and such options can be extended at the discretion of the respective customer. As such, the "option" backlog is subject to such extensions. The backlog includes the contribution from vessel day rates as well as victualling revenue for certain additional services onboard. This definition applies to all references to backlog in this presentation. Numbers as of Q4 2022.

West Energy AS – Edda Passat

On 9 October 2015, West Energy AS entered into a charter party with Ørsted Power UK Limited (previously DONG Energy Power (UK) Ltd.) (subsequently novated to Ørsted Energy Wind Power A/S) regarding use of the offshore wind SOV Edda Passat at the offshore wind farm Race Bank offshore the United Kingdom. The contract commenced upon delivery of Edda Passat from the shipyard in March 2018, and has a firm period of 5 years which expired in March 2023. An agreement has been reached which extends the contract until October 2023.

Edda Passat is chartered to West Energy AS from the Spanish vessel owning company Puerto de Calella S.L. pursuant to a charter party entered into on 2 January 2019. Puerto de Calella S.L. is wholly-owned by West Energy AS (the "**Edda Passat Internal Charter**").

West Energy AS - Edda Mistral

On 31 May 2016, West Energy AS entered into a charter party with Ørsted Energy Wind Power A/S (previously DONG Energy Wind Power A/S) regarding use of the offshore wind SOV Edda Mistral at the offshore wind farm Hornsea Project One located in the North Sea off the United Kingdom. The contract commenced upon delivery of Edda Mistral from the shipyard in September 2018, and has a firm period of 5 years until September 2023 with options for Ørsted Energy Wind Power A/S to extend for up to additional 5 years (5 one-year options). The first of these options has been declared.

The charter party includes a change of control provision pursuant to which Ørsted Energy Wind Power A/S may terminate the agreement if a third party acquires 51% or more of the voting rights of the guarantor under the agreement, Verteks AS. Verteks AS is 100% owned by Johannes Østensjø and Verteks AS owns 9.9% of one the Company's major shareholders, JØDY, see Section 14.8 "*Major Shareholders*". Edda Mistral is chartered to West Energy AS from the Spanish vessel owning company Puerto de Llafranc S.L. pursuant to a charter party entered into on 18 December 2019. Puerto de Llafranc S.L. is wholly-owned by West Energy AS (the "**Edda Mistral Internal Charter**").

Edda Wind I AS

On 12 February 2020, Edda Wind I AS entered into a charter party with Ocean Breeze Energy GmbH & Co. KG regarding work at the BARD Offshore 1 wind farm offshore Germany. The contract commenced in April 2021 and has a firm period of 11 years until April 2032, plus certain option to extend for up to approximately 2.5 additional years. The contract was served by frontrunner vessel Edda Fjord until replaced by Edda Breeze in March 2023.

Edda Supply Ships III Limited

On 17 February 2020, Edda Supply Ships (UK) Limited entered into a charter party with Vestas Offshore Wind UK Limited regarding the operation of the newbuild SOV Edda Brint at the Seagreen wind farm offshore Scotland, with contract commencement in May 2022 and a firm period of 15 years until May 2037 (the "**Vestas Contract**"). Due to delayed delivery of Edda Brint, the contract is expected to commence by end of March 2023. The contract also includes certain options for extension of up to approximately 1.5 years. The Vestas Contract was novated from Edda Supply Ships (UK) Limited to Edda Supply Ships III Limited pursuant to a novation agreement entered into between Edda Supply Ships (UK) Limited, Edda Supply Ships III Limited and Vestas Offshore Wind UK Limited on 12 October 2020.

The charter party with Vestas Offshore Wind UK Limited includes a change of control provision pursuant to which Vestas Offshore Wind UK Limited may terminate the charter party if a competitor acquires more than 20% interest in the Company.

Edda Wind II AS

On 27 April 2021, Edda Wind II AS entered into a contract with Doggerbank Offshore Windfarm Project 1 Projco Limited regarding the operation of the newbuild CSOV Edda Boreas with contract commencement in a window between 1 March and 1 May 2023 and a firm period of 365 days. Edda Wind II AS also entered into a contract with Doggerbank Offshore Windfarm Project 2 Projco Limited regarding the operation of the same newbuild, the CSOV with builder's hull number C-490 (Edda Boreas), with contract commencement in a window between 1 March and 1 May 2024, in direct continuation of the contract with Doggerbank Offshore Windfarm Project 1 Projco Limited, and a firm period of 365 days. Furthermore, Edda Wind II AS has granted Doggerbank an option to enter into an additional contract of one-year duration for the commissioning of Doggerbank C at similar terms as the two firm contracts.

6.4.4 Management Agreements

Corporate Management Agreement with Østensjø Rederi AS

Edda Wind Management AS entered into a management agreement with Østensjø Rederi AS on 1 July 2021 regarding the provision by Østensjø Rederi AS of various corporate services to the Group, including services such as, *inter alia*, financial and accounting services, legal services, services related to insurance, IT, HSEQ, HR and administration, and tendering services. Edda Wind Management AS is obligated to pay to Østensjø Rederi AS certain arm's length lump sum fees quarterly in advance as consideration for the services, plus reimbursement of any expenses incurred by Østensjø Rederi AS. Østensjø Rederi AS is a related party to the Company's shareholder Østensjø Wind AS, as further described in Section 12 "*Related Party Transactions*".

The corporate management agreement can be terminated subject to a 6-month prior notice period.

Corporate Management Agreement between Edda Wind Management AS and other Group companies

The Company entered into a management agreement with Edda Wind Management AS, a wholly owned subsidiary of the Company, on 1 July 2021 regarding the provision by Edda Wind Management AS of various corporate services to the Company, including services such as, *inter alia*, financial and accounting services, legal services, services related to business development, insurance, IT, HSEQ, HR and administration, and tendering services. The Company is obligated to pay to Edda Wind Management AS a consideration for the services monthly in arrears an amount corresponding to Edda Wind Management AS' net costs plus 5%.

Each of Edda Wind I AS, Edda Wind II AS, Edda Wind III AS, Edda Wind IV AS, Edda Wind V AS, Edda Wind VI AS, Edda Wind Investment AS and West Energy AS entered into a management agreement with Edda Wind Management AS on 1 July 2021, while Edda Wind VII AS, Edda Wind VIII AS, Edda Wind IX AS, Edda Wind X AS, Edda Wind XI AS and Edda Wind XII AS entered into management agreements with Edda Wind Management AS on 1 February 2022, Edda Wind XIV AS, Edda Wind XV AS, Edda Wind XVI AS, Edda Wind XVII AS, Edda Wind XVIII AS, Edda Wind XIX AS, Edda Wind XX AS and Edda Wind XXI AS entered into management agreements with Edda Wind Management AS on 1 March 2023, regarding the provision by Edda Wind Management AS of various corporate services, including services such as, *inter alia*, financial and accounting services, legal services, services related to business development, insurance, IT, HSEQ, HR and administration, and other commercial services related to vessel operations. Each of the Group company service recipients is obligated to pay to Edda Wind Management AS certain arm's length lump sum fees quarterly in advance as consideration for the services, plus reimbursement of any expenses incurred by Edda Wind Management AS.

The corporate management agreement can be terminated subject to a 6-month prior notice period.

Corporate Management Agreement between Edda Supply Ships III Ltd and Edda Supply Ships (UK) Ltd

Edda Supply Ships III Ltd entered into a management agreement with Edda Supply Ships (UK) Ltd on 3 July 2020 regarding provision by Edda Supply Ships (UK) Ltd of various corporate services, including services such as, *inter alia*, financial and accounting services, legal services, services related to business development, insurance, IT, HSEQ, HR and administration. Edda Supply Ships III is obliged to pay Edda Supply Ships (UK) Ltd certain arm's length lump sum fees quarterly in advance as consideration for the services. Edda Supply Ships (UK) Ltd also has management agreements with Solent Towage Ltd, Edda Crewing Services and Østensjø Rederi AS under which Edda Supply Ships (UK) Ltd is a service provider. Østensjø Rederi AS, Edda Crewing Services and Solent Towage Ltd are related parties to the Company's shareholder Østensjø Wind AS, as further described in Section 12 "*Related Party Transactions*".

The corporate management agreement can be terminated subject to a 6-month prior notice period.

Ship Management Agreements with Østensjø Rederi AS

On 1 July 2021 Edda Wind I AS, Edda Wind II AS, Edda Wind III AS, Edda Wind IV AS, Edda Wind V AS, Edda Wind VI AS, Puerto de Calella S.L. and Puerto de Llafranc S.L., being the Group companies either owning operational vessels or of some of the Group companies being party to shipbuilding contracts for vessels under construction, entered into a ship management agreement with Østensjø Rederi AS as manager (the "**Ship Management Agreements**").

On 1 February 2022 Edda Wind VII AS and Edda Wind VIII AS being the Group companies owing the shipbuilding contracts for vessels under construction at Colombo Dockyards PLC, entered into a ship management agreement with Østensjø Rederi AS as manager. These ship management agreements were cancelled on 28 July 2022 due to cancellation of newbuilding contracts at Colombo Dockyards PLC.

Edda Wind VII AS, Edda Wind IX AS, Edda Wind XI AS, Edda Wind XII AS, Edda Wind XIV AS and Edda Wind XV AS being the Group companies owning the shipbuilding contracts for certain vessels under construction, entered into a ship management agreement with Østensjø Rederi AS as manager with effect from 11 November 2022, 28 February 2023 and 2 March 2023 respectively.

The Ship Management Agreements are based on the BIMCO standard "Shipman 2009 – Standard Ship Management Agreement", and comprise services by Østensjø Rederi AS in relation to the Group's vessels (including vessels under construction) such as technical management, crew management, commercial management and services related to arrangement of insurances, and additionally, in relation to vessels under construction, supervisory services related to vessel constructions such as reviewing and advising on specifications to the vessels, approving plans and drawings, reviewing makers list and building site supervision. Each of the Group companies party to a Ship Management Agreement is obligated to pay to Østensjø Rederi AS as consideration for the services arm's length annual management fees, payable in monthly instalments in advance. Østensjø Rederi AS is a related party to the Company's shareholder Østensjø Wind AS, as further described in Section 12 "*Related Party Transactions*".

The Ship Management Agreements have a minimum 12-month term, after which the agreements can be terminated subject to a 3-month prior notice period.

6.4.5 Joint Venture

As of the date of this Prospectus, the Group is currently contemplating to enter into an agreement with TOTE Group, LCC regarding the establishment of a joint venture to provide specialised service operation and accommodation vessels for wind farm commissioning, operations and maintenance and deliver operational services to offshore wind projects in the United States.

6.4.6 LOI with Hydrogenious Maritime

On 30 June 2021, the Company and Hydrogenious LOHC Maritime AS ("**HT Maritime**"), a Norwegian company with focus on development, marketing, manufacturing and sales of liquid organic hydrogen carriers ("**LOHC**") onboard solutions, entered into a letter of intent with respect to using LOHC. Pursuant to the letter of intent, the parties' objectives are, inter alia, to explore opportunities for using LOHC onboard solutions on the Company's vessels and assess establishing bunkering infrastructure for operations at specific locations to be identified.

6.4.7 Other material contracts

Except as set out above in this Section 6.4 "*Material Contracts*" and below in Section 10.6.3 "*Borrowings*", neither the Company nor other members of the Group have entered into any material contracts outside of the ordinary course of business and none of the Group's contracts contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Prospectus.

6.5 Regulatory overview

General

The Group's operations are worldwide, with ongoing activities in Europe. The operations may expand into other jurisdictions, including United States. Hence, our operations are subject to numerous complex international, national, state and local laws, regulations, treaties and conventions in force in international waters and the jurisdictions in which our vessels operate or are registered, which can significantly affect the ownership and operation of our vessels and adversely affect the cost, manner or feasibility of doing business.

Implementation of new laws or regulations that may apply to the Group's Vessels may cause increased costs or limit the operational capabilities of such companies, especially considering the shipping and offshore wind industry and related regulatory framework being under continuous development.

This applies in particular to regulatory framework related to inter alia tax, environmental protection, sanctions and anti-corruption and bribery laws and regulations or its interpretation. Changes may inter alia be related to in particular reduction of emissions, including greenhouse gases, the management of ballast waters, sulphur content in marine fuel, maintenance and inspection, development and implementation of emergency procedures, insurance coverage and more.

Unpredictable events, such as accidents related to shipping and/or offshore wind operations, may also result in further regulation of the shipping and offshore wind industry, as well as modifications to statutory liability schemes, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Laws and other legal requirements currently applicable to the Group include, but are not limited to European, national state, flag state, class, coastal state, port state and local laws and regulations under multiple jurisdictions worldwide (however mainly in Europe), such as those of the European Union, Norway, United Kingdom, Spain and Germany and the United States.

As described in Section 6.4.5 "*Joint Venture*", the Group is, as of the date of this Prospectus, contemplating to expand is business into the US market. Any operations by the Group in United States would be subject to inter alia environmental regulations such as the U.S. Act to Prevent Pollution from Ships, the U.S. Oil Pollution Act of 1990 (the "OPA"), the U.S. Comprehensive Environmental Response, Compensation and Liability Act of 1980, the U.S. Clean Air Act, the U.S. Clean Water Act, the U.S. Ocean Dumping Act, 1972, and the U.S. Maritime Transportation Security Act of 2002.

The Group is also subject to laws and legal requirements that follow from international conventions, memoranda, protocols and treaties. The Group is subject to laws and legal requirements issued by the International Maritime Organisation (IMO).

As an example, the Group is subject to the following conventions:

- The International Convention for the Safety of Life at Sea of 1972 (SOLAS), which includes the International Safety Management Code (ISM)
- International Convention on Standards of Training, Certification and Watchkeeping for Seafarers of 1978
- The International Convention for the Prevention of Pollution from Ships of 1973, as amended by the 1978 Protocol (MARPOL)
- The Nairobi International Convention on the Removal of Wrecks of 2007
- The International Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter of 1972 as modified by the 1996 London Protocol
- The 1976 Convention on Limitation of Liability for Maritime Claims (LLMC), and the amendment in the 1996 Protocol
- The International Convention on Salvage of 1989
- The Convention for the Unification of Certain Rules of Law with respect to Collisions Between Vessels of 1910
- International Convention on the Arrest of Ships 1999
- The International Convention for the Unification of Certain Rules Relating to Maritime Liens and Mortgages of 1967 and the International Convention on Maritime Liens and Mortgages 1993

The Basel Convention on The Control of Transboundary Movements Of Hazardous Wastes And Their Disposal of 1989, implemented in the European Economic Area through the Waste Shipment Regulation (EU 1013/2006) Østensjø Rederi AS, as the Group's ship manager, is ISM certified by several flag states and holds the following certifications:

- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISPS

In addition, Østensjø Rederi AS holds accreditations within Achilles Utilities NCE, Achilles Oil and Gas Europe, Achilles Supply-Line, Magnet Joint Qualification System, and Oil Companies International Marine Forum (OCIMF) and Offshore Vessel Management and Self-Assessment (OVMSA).

Please refer to Section 2.4 "*Risk relating to the regulatory environment of the Group*" for examples of relevant legal requirements and for an overview of risks associated with, changes to such legal requirements and non-compliance.

6.6 Disclosure About Dependency on Contracts, Patents and Licenses

The Group is not dependent on any single patents, licences, industrial, commercial or financial contracts or new manufacturing processes. However, the Group's business and operations are based on the contracts described in Section 6.4 "*Material Contracts*" and/or Section 10.6.3 "*Borrowings*" and is, as such, dependent on the collection of the said contracts. The Group is of the opinion that it is not dependent on the individual contracts and would, if required, be able to replace a contract (although it cannot guarantee on equal terms). However, if multiple of the contracts described in the mentioned sections were to, for any reason, be terminated on or about the same time, it would be more difficult to replace in time, and consequently, such termination could have a material impact on the Group's business and operations. The Group has a limited organisation and, on short term, is dependent on third parties and Østensjø Rederi AS as described in Section 2.1.2.

The Company is a holding company without operating revenues and is as such dependent on revenues from its subsidiaries. See also Section 10.6.2 "*Funding and Treasury Policies and restrictions on transfer of funds*".

6.7 Research and Development

The Company is at the forefront of developing and applying new technology in their vessels and operations. This is related to safe and efficient operation, working environment for personnel onboard as well as technology for the purpose of reduction or removing pollution. The ten vessels under construction are all prepared to take onboard the Hydrogen-LOHC concept with potential for future zero emission operations, ref. LOI with Hydrogenious LOHC Maritime described in this prospectus (see Section 6.4.6 "*LOI with Hydrogenious Maritime*").

6.8 Legal and Arbitration Proceedings

As of the date of this Prospectus, the Company is not aware of any governmental, legal or arbitration proceedings during the course of the preceding twelve months, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on the Company or the Group's financial position or profitability.

7. PRINCIPAL MARKETS

This Section provides an overview of the principal markets in which the Group operates. Information concerning future market developments, the markets in general, competition, industry trends and similar information, is based on data compiled by professional analysts, consultants, and other professionals. The Managers have provided statistical information and data, and information is sourced from the Managers' databases and other professional industry sources.

7.1 The development of the energy transition

The world is rapidly advancing towards a pivotal moment in the global energy sector, as it shifts away from fossil fuels towards zero-carbon energy sources. The key driver behind this shift is the critical need to significantly reduce CO2 emissions related to energy production, in order to mitigate the effects of climate change. Achieving this requires immediate and decisive action on all fronts, with the Paris Agreement setting forth bold CO2 reduction targets. The global energy sector can only meet these targets by developing renewable energy sources such as offshore wind, while simultaneously leveraging new technologies to reduce the carbon footprint of the current energy value chain.

Amidst, the global energy crisis sparked by Russia's invasion of Ukraine, causing implications for households, businesses, and entire economies, promotes urgency for the build-out of renewable energy sources, thus becoming more important than ever[12]. Energy security concerns have motivated countries to increasingly turn to renewables such as solar and wind to reduce reliance on imported fossil fuels, which is now expected to increase by 30% higher than the amount of growth that was predicted a year ago, this highlighting how quickly governments have thrown additional policy weight behind renewables[14].

The public's growing concern for sustainability and the energy transition, combined with various political initiatives supported by governments – such as the United Nations' focus on the Sustainable Development Goals and the Green Deal's target of zero emissions by 2050, creates a favourable environment for Edda Wind. The Company recognizes both the opportunity and the responsibility to contribute towards a cleaner, more sustainable, and energy-efficient future by actively participating in the ongoing energy transition.

7.2 Offshore wind positioned to lead the energy transition

The offshore wind market continues to grow on a global basis, and is expected to reach 70 GW of cumulative installed capacity by the end of 2023.[15] By 2050 the global capacity is expected to reach approximately 1,000 GW according to the International Renewable Energy Agency (IRENA), with the largest regions being Asia, Europe, and North America, representing approximately 61%, 22% and 16% of the installed capacity, respectively.[16] Offshore wind installations are expected to be the fastest growing renewable energy source this decade, surpassing other renewable and conventional energy sources such as onshore wind, solar, hydro, nuclear, oil, gas and coal. According to Bloomberg NEF, the expected CAGR of offshore wind the TWh electricity generation this decade between 2020 and 2030 is expected at 22% compared to 19% and 18% for onshore wind and solar PV, respectively.[17] By 2050, the electricity generation is expected to increase by approximately 25x on a global basis.[18]

The global energy crisis has delivered a shock to the global energy mix. Due to energy security concerns, it is expected to favor an accelerated transition on renewables deployment and favorable regulations, i.e. US inflation Reduction Act and REPower EU. Several factors are affecting the renewable industry such as rising interest rates and cost inflation. Heading into 2023 is a perfect storm for the development of renewable energy sources due to a more dovish interest rate environment. In such scenario, renewables and cleantech industries will continue to benefit from a strong regulation push and government policies.

As the offshore wind capacity continues to expand at a rapid pace, the number of wind turbines continue to grow significantly. As of end 2022, there are approximately 10,000 offshore wind turbines installed globally, of which about 6,000 are located in Europe, today being the leading market for offshore wind.[19] Furthermore, Rystad Energy anticipates by 2030, around 33,000 wind turbines will be set up offshore, with Europe and Asia accounting for most installations. The substantial growth in offshore wind turbines is a key catalyst for the growing demand projected for vessels, which will be required

[12] Source: IEA (IEA World Energy Outlook 2022)(retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.

[13] IEA (Renewables 2022, http://www.iea.org/news/renewables-power-s-growth-is-being-turbocharged-as-countries-seek-to-strenghten-energy-security) (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus

[15] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus

[16] Source: International Renewable Energy Agency (IRENA) (Future of wind, October 2019, https://www.irena.org/publications/2019/Oct/Future-of-wind)

[17] Note: Bloomberg NEF NCS-CEHP scenario. Source: Bloomberg NEF (New Energy Outlook 2020, October 2020, https://about.bnef.com/new-energy-outlook/). Please refer to section 4.5 of the Prospectus

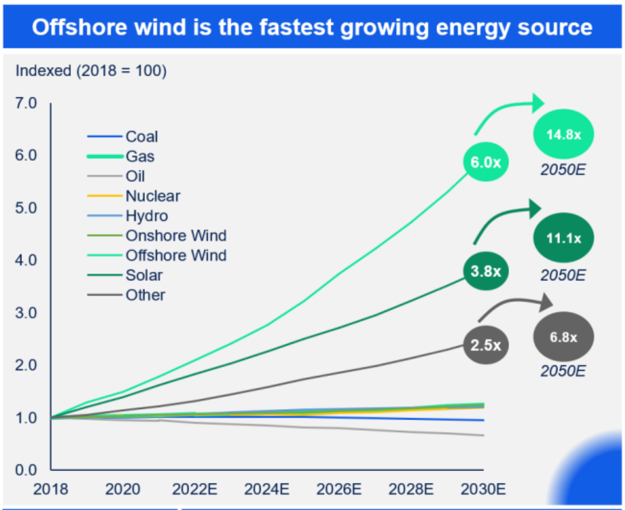
[18] Note: Bloomberg NEF NCS-CEHP scenario. Source: Bloomberg NEF (New Energy Outlook 2020, October 2020, https://about.bnef.com/new-energy-outlook/). Please refer to section 4.5 of the Prospectus

[19] Source: Rystad Energy OffshoreWindCube (retrieved 06.11.2021). Please refer to section 4.5 of the Prospectus

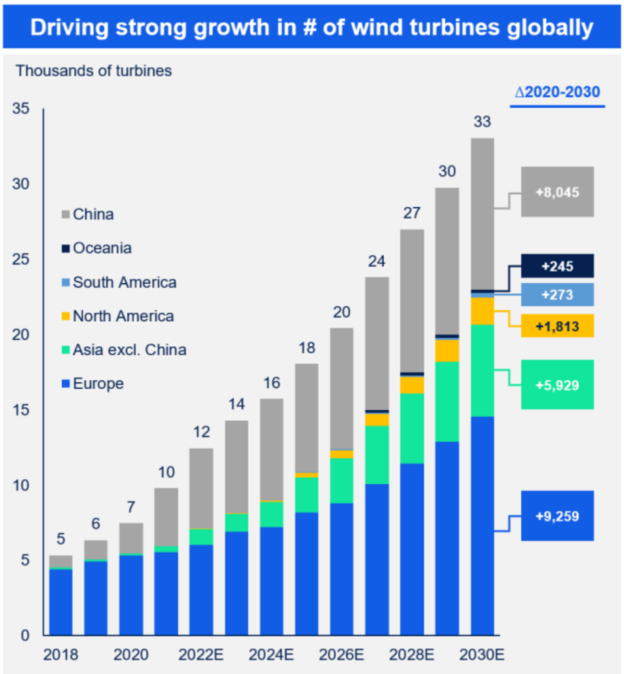
both during the installation and commissioning phase and for operations and maintenance throughout the wind farms' lifespan, which is expected to be 25 years.

Offshore wind is expected to be the fastest growing renewable energy source this decade, though coming from a lower base. In 2020, global installed capacity was roughly 35 GW and is expected to reach 233 GW by 2030 (CAGR or 20%). Both water depth and distance to shore for offshore wind farms has increased significantly in the past decade. This has led to more complex operations for servicing the turbines and added additional demand.

Figure 3 – Overview of indexed development in main energy sources from 2020 to 2030, and the expected number of turbines from 2018 to 2030 split by geography



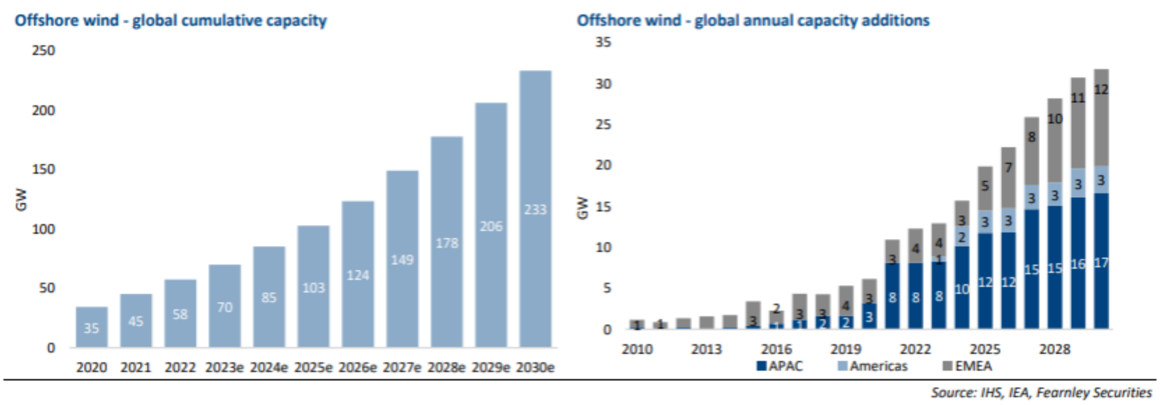
Key offshore wind regions	Offshore GW installed		
	2018	2030E	2050E
Europe	19	78	215
Asia	5	126	613
North America	0	23	164



1) Bloomberg NEF NCS-CEHP scenario

Source: Bloomberg NEF (New Energy Outlook 2020, October 2020, https://about.bnef.com/new-energy-outlook/), International Renewable Energy Agency (IRENA) (Future of wind, October 2019, https://www.irena.org/publications/2019/Oct/Future-of-wind), Rystad Energy OffshoreWindCube (retrieved 06.11.2021). Please refer to section 4.5 of the Prospectus

Figure 4 - Global cumulative capacity and global annual capacity additions (GW)



Source: Fearnley Offshore Supply AS, IEA Global Energy Report 2022

7.3 Overview of the offshore wind value chain

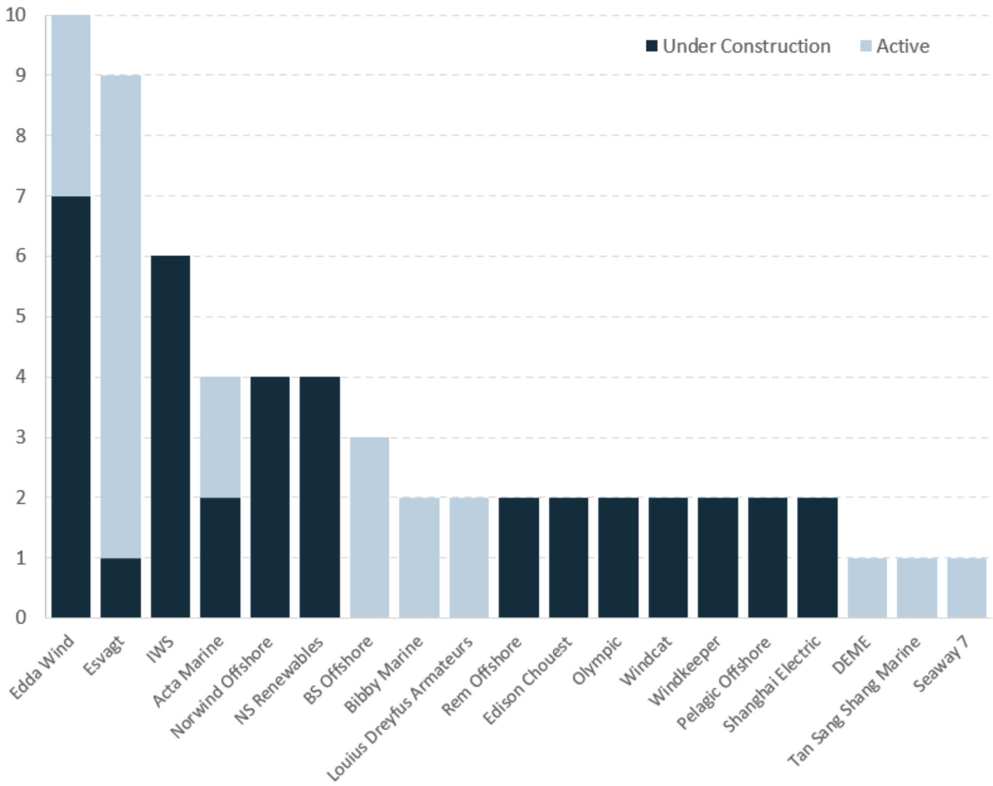
Since the first installation over 20 years ago, the offshore wind sector constitutes a significant share of the European renewable energy portfolio. As turbine technology continues to advance and costs decline, the offshore wind industry continues to attract substantial investments across its value chain. The offshore wind value chain covers all critical stages of a wind farm's lifecycle and can be divided into two main activities: commissioning and installation ("**C&M**") and operation and maintenance ("**O&M**") activities, as depicted in the figure below.

Figure 5 – Overview of the offshore wind value chain

Source: Company data, Fearnley Offshore Supply AS

According to Fearnley Offshore Supply AS, O&M spending is expected to increase from USD 7.1 billion in 2023 to USD 33.0 billion in 2030 due to significant growth and increased commitments globally to installed offshore wind capacity. Furthermore, a rise in spending is anticipated to cover vessel rental costs as well as other operations and maintenance (O&M) expenditure, which include repairing critical components and hiring maintenance technicians.

Figure 6 – Overview of the competitive landscape and largest C/SOV operators today



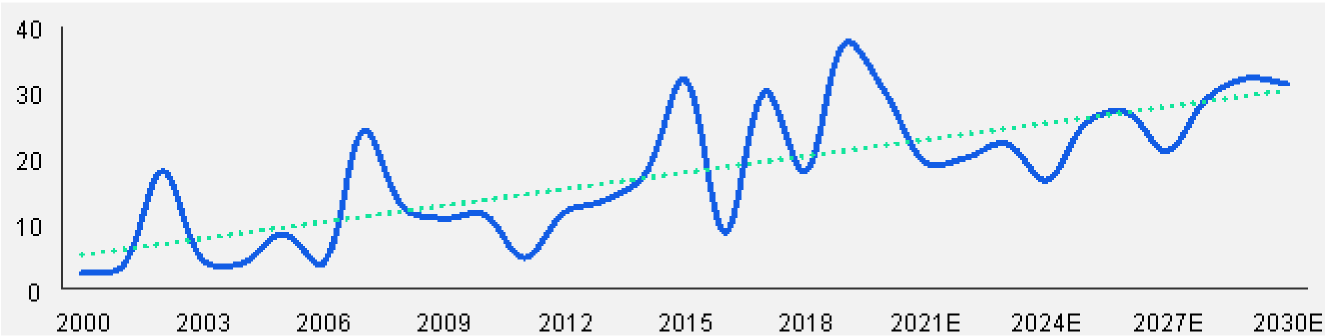
Source: Fearnley Offshore Supply AS
Note: *On order includes deliveries later in 2023

As illustrated in the figure above, most providers in the offshore wind value chain are non-pure-play[20] providers with a fleet size well below Edda Wind.

7.4 The market for C/SOV vessel services

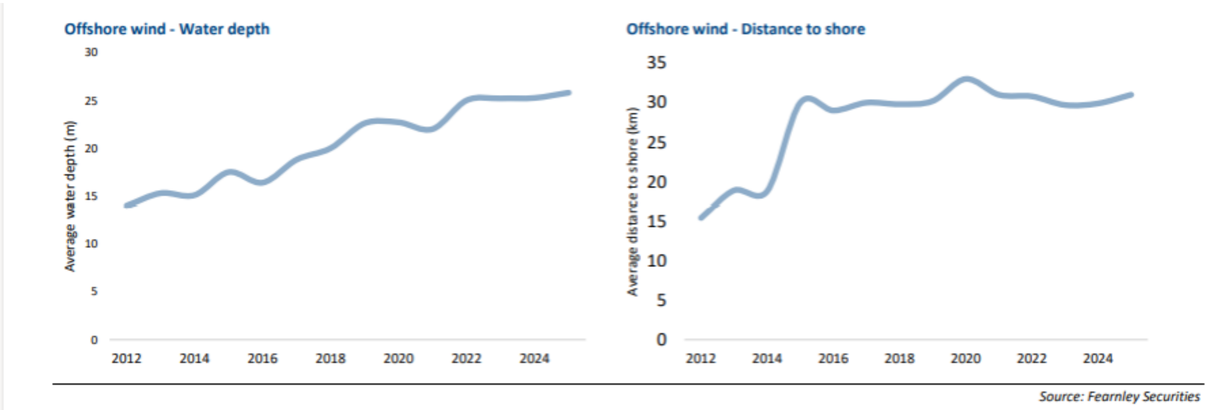
The offshore wind service vessel market can be divided into vessels with and without accommodation. Vessels without accommodation include Crew Transfer Vessels (“**CTVs**”), purpose built for transporting crew to and from wind farms for day-based operations. These are smaller vessels with limited operability and are becoming less efficient for wind farms 20-30 km or further from shore due to waste of technicians’ time during transportation. On the contrary, vessels with accommodation are larger, have higher operability and are efficient on distances further from shore. As wind farms are gradually moving further from shore, the demand for larger vessels is increasing rapidly. Moreover, harsher weather conditions, increasing focus on safe operations as well as higher value of operability for the customers also support the demand for larger vessels relative to CTVs.

Figure 7 – Average distance to shore (km) based on start-up year of new capacity



Source: Rystad Energy OffshoreWindCube (retrieved 06.11.2021). Please refer to section 4.5 of the Prospectus

Figure 8 – Water depth and distance to shore



Source: Fearnley Offshore Supply AS (retrieved 27.03.2022). Please refer to section 4.5 of the Prospectus.

Vessels with accommodation can further be divided into **Tier 1**, **Tier 2,** and **Tier 3,** where Tier 1 comprises purpose built offshore wind vessels, while Tier 2 and Tier 3 include converted O&G vessels with different sets of capabilities.

Tier 1 comprises purpose-built Service Operation Vessels (the SOVs) and Commissioning Service Operation Vessels (the CSOVs). These vessels have a motion compensated gangway to ensure safe and reliant walk-to-work operations for technicians and service personnel. Furthermore, the purpose-built offshore wind vessels are optimised for efficient workflow and deck utilisation for technicians and have premium accommodation with a large share of single cabins. The vessels are also fuel efficient and the size is tailored for the specific needs in the sector – in terms of capacity, CSOVs are typically larger with accommodation capacity of up to 120 personnel, while SOVs are typically up to 60 personnel.[21] While the SOVs typically are contracted on long-term charters of 5-15 years, CSOVs are typically operating on shorter-term

[20] Pure-play refers to a company that focuses solely on one type of business, here offshore wind
[21] Source: Company information, Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.

contracts lasting 3-12 months but with the potential to enter longer term contracts. According to Fearnley Offshore Supply AS, there are currently about 60 of Tier 1 vessels in operation and in the orderbook worldwide.[22]

Tier 2 comprises converted O&G vessels (e.g. subsea support vessels, platform supply vessels (“**PSVs**”)) that have installed a fixed gangway, while **Tier 3** comprises converted O&G vessels that have installed a temporary gangway. While both Tier 2 and Tier 3 vessels have accommodation capacity, they are not purpose built for wind farm operations and as such less suitable for such operations, in particular for the operation & maintenance phase where capabilities such as ideal design, dedicated gangways, optimal workflow and high standard accommodation facilities are of utmost importance to the clients. As an example, both Tier 2 and Tier 3 vessels may have large deck cranes that hinder optimal workflow for the technicians. Furthermore, these vessels in general have higher fuel consumption (which varies across the individual vessels) and operating costs which results in a cost advantage for Tier 1 vessels. The cost advantage of Tier 1 vessels is around EUR 4,500 – 10,000 per day compared to Tier 2 vessels dependent on their actual fuel consumption and more than EUR 10,000 per day compared to Tier 3 vessels, where the additional EUR 6,000 per day can be attributed to gangway hire.[23] Generally, Tier 2 vessels mostly operate in the spot market, while Tier 3 vessels exclusively are contracted for the short end of the market (i.e. where the CSOVs are present). According to Fearnley Offshore Supply AS, there is currently a total of 12 Tier 2 vessels in operation.[24]

7.5 Status of Tier 1 fleet

The total C/SOV fleet that targets the offshore wind market counts about 60 vessels globally, of which 29 is operational today and 28 in the orderbook, with several expected deliveries throughout 2023.[25] Including vessels on order, Edda Wind is set to take a leading position in the C/SOV market throughout 2023.[26] Among the providers of C/SOVs, Edda Wind and Esvagt have the longest experience in the market, while several other players have entered more recently are starting to receive their first deliveries, or have no vessels in operation yet.[27] Out of the pure-play[28] vessel owners, which excludes companies offering other vessels than C/SOVs, Edda Wind considers itself to be positioned to become a global leading C/SOV and vessel service provider.[29] Looking at the overall tier 1 C/SOV fleet and capacity, most vessels in operation or under construction have been contracted, many on firm long-term contracts including option period.[30] According to Fearnley Offshore Supply, 9 companies have operational C/SOV vessels, being Edda Wind (3 vessels), Esvagt (9 vessels), BS Offshore (3 vessels), Bibby Marine (2 vessels), Acta Marine (2 vessels), Louis Dreyfus (2 vessels), Seaway 7 (1 vessel), DEME (1 vessel)and TSS Marine (1 vessel).[31] These are, together with companies with vessels on order (please see figure 6 for all relevant companies and fleet size), Edda Wind’s main competitors. The competitive pressure from companies with vessels on long-term contracts is expected to be limited. With most vessels booked in long term contracts, the market currently depends on Tier 2 (11 operational vessels).

7.6 Scope of work delivered by Tier 1 C/SOV providers

The scope of work delivered by Tier 1 providers may include a variety of services related to both the operation & crewing of the vessel. While the scope will depend on the specific contract, especially for the longer/term SOV contracts which may require some individual tailoring, the Tier 1 providers typically provide facilities, accommodation, services, and operations. Depending on the provider, the scope of work may include the following:

Facilities and accommodation	Services and operations
Client accommodation	Motion compensated personnel transfer

[22] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[23] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus., company information
[24] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[25] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[26] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[27] Based on contract award and operation of C/SOVs. Source: Company information, company websites, press releases, please refer to figure 7 of the Prospectus
[28] Pure-play refers to a company that focuses solely on one type of business, here offshore wind
[29] Source: Company information, Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus
[30] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.
[31] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.

Communication, internet & infotainment	Work boat incl. ship-to-shore capability
Personnel tracking system	Motion compensated cargo handling (at sea)
Catering, laundry, and housekeeping	Crew transfer landing and refuelling capability
Office, change room and hospital facilities	Warehouse, workshop, and garbage facilities
Helicopter landing deck / Heli winch zone	Reporting

For illustrative purposes – based on the scope delivered by Edda Wind

Furthermore, certain players, including Edda Wind, may in the future consider including other adjacent services into their offering. Such services may be ROV inspection of foundations and grid as well as drone inspections of turbines and blades. As of currently, such adjacent services are usually performed by the operators themselves or other independent providers.

7.7 Tendering process and activity for SOVs

The tendering process for SOVs typically lasts up to 3 years including the vessel construction phase, and can be divided into the following steps:

- Request for Information (“**RFI**”)
- Request for Quote (“**RFQ**”)
- Evaluation
- Construction

The tendering process starts with a request for information with a deadline of typically 4 weeks. Following the RFI, companies that are qualified to bid are noticed. The RFQ typically has a deadline of 8 to 10 weeks and is a considerable process. The award is typically 4 to 6 months after submission of RFQ and is followed by construction lasting for ~2 years.[33]

For the CSOVs, the tendering process is less cumbersome as these vessels typically target the short-term commissioning & installation market.[34] However, CSOVs can be used in the operation & maintenance phase, both on long-term contracts and as a frontrunner, with a tendering process similar to that described above in the former.

The Company is well positioned in a market with high entry barriers, scale benefits and financing requirements. Edda Wind will have a competitive edge based on evidence observed. This evidence includes that qualitative criteria trumps price tenders, few competitors with newbuilds to meet demand, limited real contenders in which track/record is key in RFI&RFQ processes, and lastly experience and competence is a key selection criteria.[135]

7.8 Expected supply/demand balance and dayrates

The vessel supply is not accelerating at the same pace as demand, leading to a supply gap after 2025. Fearnley Offshore Supply AS predicts that there will be demand for 105 vessels worldwide by 2025, which is expected to increase to 253 vessels by 2030. By 2025, one can expect 60 Tier 1 vessels and 10 Tier 2 vessels available, resulting in a total of 70 vessels, without considering additional newbuilds or scrapping. Despite the anticipation of additional vessels being constructed and options being exercised, the demand forecast suggests a requirement for more vessels. The charts, Figure 9 and 10 below show the supply and demand for C/SOV vessels, as well as historical dayrates and estimates by Fearnley Offshore Supply AS.[36] Assuming vessel delivery goes as scheduled, based on ordering of four vessels with no option vessels, Edda Wind have significant open capacity well timed to take advantage of rising C/SOV day rates, see Figure 11.

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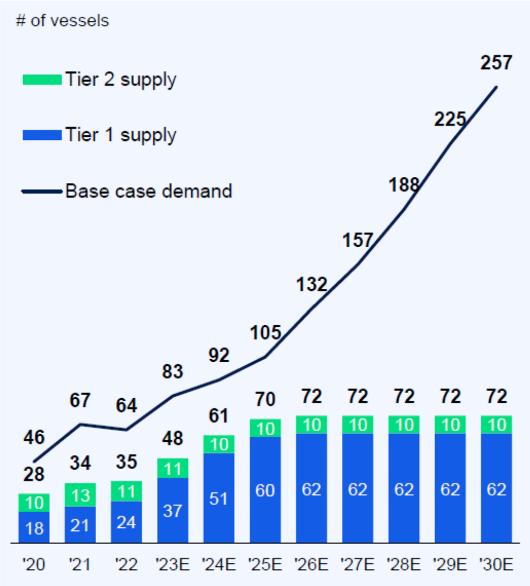
[33] Source: Company information
[34] Source: Company information
[35] Source: Company information
[36] Source: Fearnley Offshore Supply AS, Market Database (retrieved 27.03.2023). Please refer to section 4.5 of the Prospectus.

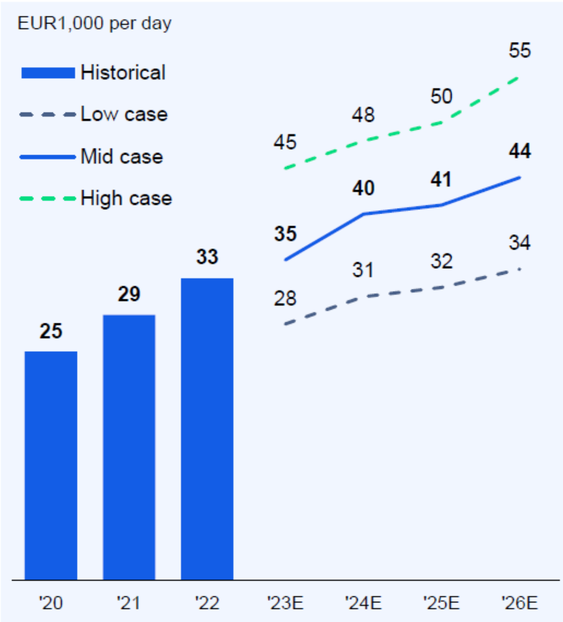
Figure 9 – Demand and supply expectations (# of vessels)



Note: Demand and supply expectations (#number of vessels)

Source: Fearnley Offshore Supply AS (retrieved 27.03.2023) Please refer to section 4.5 of the Prospectus.

Figure 10 – C/SOV historical dayrates and expectations



Source: Fearnley Offshore Supply AS (retrieved 27.03.2023) Please refer to section 4.5 of the Prospectus.

8. CAPITALISATION AND INDEBTEDNESS

This Section provides information about (a) the Company's unaudited capitalisation and net financial indebtedness on an actual basis as of 31 December 2022 and (b) in the "As Adjusted" columns, the Company's capitalisation and net financial indebtedness on an adjusted basis to show the estimated effects of the following items only to the Company's capitalisation and net financial indebtedness:

- The Private Placement: the gross proceeds from the issue of New Shares received by the Company was NOK 1.2 billion. Estimated expenses related to the Private Placement to be paid by the Company is NOK 25.8 million.

- EUR 120 million facility: On 13 February 2023, the Group secured a Senior Secured Green Term Loan Facility for certain subsidiaries of Edda Wind ASA of up to EUR 120,000 thousand from Credit Agricole, Sparebanken Vest and Exportfinansiering Norge. EUR 16,475 thousand has been drawn in relation to C-491 at the date of this Prospectus and is shown as an adjustment in the tables in this Section 8.

- Debt drawn: EUR 2,376 has been drawn in relation to C-490.

- Instalments: There have been 9 instalment payments of total EUR 33,268 thousand for the vessels Edda Breeze, Edda Boreas, C-491, NB965, NB966, NB967 and NB968.

Other than this, there has been no material changes to the Group's capitalisation and net financial indebtedness since 31 December 2022.

The information presented below should be read in conjunction with the other parts of this Prospectus, in particular Section 9 "Selected Financial and Operating Information", Section 10 "Operating and Financial Review", and the Company's Financial Statements and the notes related thereto included in Appendix A—Financial Statements to this Prospectus.

8.1 Capitalisation

EUR 000'

	As of 31 December 2022 (unaudited)	Adjustment	As Adjusted
Total current liabilities	**21,446**	**-**	**21,446**
—Guaranteed and secured(2)	2,254	-	2,254
—Secured(1)	8,697	-	8,697
—Unguaranteed/unsecured	10,495	-	10,495
Total non-current liabilities	**146,013**	**-**	**164,865**
—Guaranteed and secured(2)	34,573	-	34,573
—Secured(1)	111,440	18,852	130,292
—Unguaranteed/unsecured	-	-	-
Total liabilities (A)	**167,458**	**-**	**186,311**
Shareholders' equity			
—Share capital(3)	644	425	1,069
—Legal reserves	-	-	-
—Other reserves(3)	183,036	104,512	287,548
Total equity (B)	**183,680**	**104,937**	**288,617**
Total capitalization (A)+(B)	**351,138**	**104,937**	**474,927**

(1) Secured debt in the Group consists of long-term interest-bearing debt secured in the Group's tangible fixed assets and stocks. Adjustment of EUR 18,852 thousand consists of pre-delivery financing for hull C-491 related to the EUR 120 million facility of EUR 16,475 and pre-delivery financing of hull C-490 of EUR 2,376 in relation to the EUR 110 mill facility.

(2) Guaranteed debt in Edda Wind I AS amounts to EUR 36,827 thousand and is guaranteed by Edda Wind ASA and JØDY.

(3) Net proceeds from the Private Placement of approx. 104,866 thousand after deduction of estimated expenses of EUR 2,283 thousand. Share capital increase of 425 thousand consists of 48 million new shares at 0.1 NOK par value per share converted to EUR with EUR/NOK 11.300. Other reserves of 104,512 thousand consist of net proceeds from the Private Placement less share capital.

8.2 Net Financial Indebtedness

EUR 000'

	As of 31 December 2022 (unaudited)	Adjustment	As Adjusted
A. Cash(1)	45,021	81,074	126,095
B. Cash equivalents	-	-	-
C. Other current financial assets	-	-	-
D. Liquidity (A)+(B)+(C)	**45,021**	**81,074**	**126,095**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	19,759	-	19,759
F. Current portion of non-current debt(3)	10,951	-	10,951
G. Current financial debt (E)+(F)	**30,710**	**-**	**30,710**
H. Net current financial indebtedness (G)-(D)	**-14,311**	**-81,074**	**-95,385**
I. Non-current bank debt (excluding current portion and debt instruments) (3)	73,351	18,852	92,203
J. Debt instruments	72,663	-	72,663
K. Other non-current trade and other payables	-	-	-
L. Non-current financial debt (I)+(J)+(K)	**146,013**	**18,852**	**164,865**
M. Total financial indebtedness (H)+(L)	**131,703**	**-62,223**	**69,480**

(1) Estimated net proceeds from the Private Placement of approximately EUR 104,866 thousand after deducting estimated expense of EUR 2,283 thousand less EUR 23,792 thousand in yard payments regarding NB-965, NB-966, NB-967, NB-968, C-489, C-491 and C-504.

(2) Current portion of non-current debt consist wholly of the financial statement line-item Current interest-bearing debt, being the portion of interest-bearing debt falling due within one year of the balance sheet date.

(3) Adjustment of non-current financial debt consists of pre-delivery financing for hull C-491 related to the EUR 120 million facility of EUR 16,475 and pre-delivery financing of hull C-490 of EUR 2,376 in relation to the EUR 110 mill facility.

Indirect and Contingent Indebtedness

As at 31 December 2022 and as at the date of the Prospectus, the Company did not have any contingent or indirect indebtedness.

9. SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

*The Company's audited consolidated financial statements as of and for the years ended 31 December 2021, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") (jointly referred to as the "**Consolidated Financial Statements**"), and are included in Appendix A1 to this Prospectus.*

*The unaudited condensed consolidated financial statements as of 31 December 2022 and for the twelve months ended on 31 December 2022 (the "**2022 Unaudited Condensed Financial Statements**") have been prepared by the Group in accordance with IAS34 Interim Financial reporting, and are included in Appendix A2 to this Prospectus. The 2022 Unaudited Condensed Financial Statements have not been subject to audit or review.*

*The Consolidated Financial Statements and the 2022 Unaudited Condensed Financial Statements (together the "**Financial Statements**") are presented in thousand EUR. The financial year ends on 31 December.*

*Edda Wind ASA was founded in September 2019 as a fully owned subsidiary of JØDY. In March 2020 there was a contribution in kind transaction, where JØDY inserted the shares in Edda Supply Ships (UK) Ltd ("**ESUK**") and West Energy AS ("**WEAS**") in Edda Wind, and hence the Edda Wind Group was formed. From before the contribution of kind transaction JØDY was in control of both ESUK and WEAS. This reorganization satisfies the description of a business combination under common control which is scoped out of IFRS 3. The accounting policy used for this transaction is the "pooling of interest method", and hence the assets and liabilities of all combining parties will be reflected at their predecessor carrying amount. When applying the pooling of interest method, the Group has elected to restate the consolidated financial statement for the two periods prior to the business combination under common control, to reflect the combination as if it had occurred from 01.01.2018. JØDY controlled both ESUK and WEAS throughout the entire period, hence the transaction is recorded as a business combination under common control.*

The Consolidated Financial Statements have been audited by the Company's auditor, Ernst & Young AS, and the auditor report is as set forth in their auditor's reports included with the Consolidated Financial Statements included in Appendix A1 are without any modifications or qualifications. Ernst & Young AS has not audited, reviewed or produced any report on any other information provided in this Prospectus.

The following selected financial information have been extracted from the Financial Statements.

9.1 Selected Income Statement Information

EUR 000'	**For the Year Ended 31 December (unaudited)**		**For the Year Ended 31 December**	
	2022	**2021**	**2020**	**2019**
Freight income	26 930	23 933	17 480	17 931
Other operating income	1 496	848	398	416
Total operating income	**28 425**	**24 416**	**18 878**	**18 347**
Payroll and remuneration	(8 609)	(7 320)	(6 524)	(6 441)
Other operating expenses	(13 248)	(10 914)	(3 505)	(2 473)
Total operating expenses	**(21 856)**	**(18 234)**	**(10 028)**	**(8 914)**
Operating profit before depreciation	**6 569**	**6 182**	**7 849**	**9 432**
Depreciation	(3 195)	(3 169)	(3 060)	(3 109)
Operating profit	**3 374**	**3 013**	**4 789**	**6 323**
Financial income and expenses				
Other financial income	224	8	6	17
Net currency differences	64	946	427	365
Unrealised gain/(loss) financial derivatives	162	208	(228)	(314)
Realised gain/(loss) on financial derivatives	0	299	0	0
Interest expenses	(1 776)	(1 282)	(1 148)	(1 398)
Other interest expenses to related parties	0	(18)	(8)	(131)
Other financial expenses	(114)	(932)	(808)	(1 263)
Financial income/(expense)	**(1 440)**	**(773)**	**(1 758)**	**(2 723)**

EUR 000'	For the Year Ended 31 December (unaudited)		For the Year Ended 31 December	
	2022	**2021**	**2020**	**2019**
Profit/(loss) before tax.........................	**1 935**	**2 241**	**3 031**	**3 601**
Tax (income)/expense	0	0	18	402
Profit/(loss) for the year.......................	**1 935**	**2 241**	**3 013**	**3 199**
Basic / diluted earnings per share.............	0,03	0,06	3,00	3,20

The table below sets out a summary of the Group's unaudited income statement information for the year ended 31 December 2022, and the audited income statement information for the years ended 31 December 2021, 2020 and 2019.

Geographic revenue

EUR 000'	For the Year Ended 31 December (unaudited)		For the Year Ended 31 December	
	2022	**2021**	**2020**	**2019**
Total operating income	**28 425**	**24 416**	**18 878**	**18 347**
UK..	18 753	24 416	17 695	18 176
Germany	8 180	5 863	-	-
Sri Lanka	1 000	-	-	-
Norway	493	484	183	170

9.2 Selected Balance Sheet Information

The table below sets out a summary of the Group's unaudited balance sheet statement information as of 31 December 2022, and the audited balance sheet information as of 31 December 2021, 2020 and 2019.

EUR 000'	As of 31 December (unaudited)	As of 31 December		
	2022	**2021**	**2020**	**2019**
ASSETS				
Non-current assets				
Deferred tax asset		23	23	
Vessels...	66 714	73 611	71 431	78 613
Newbuildings	223 082	131 077	**35 957**	
Other non-current assets	7 050			
Machinery and equipment	7	3	3	4
Total non-current assets	**296 853**	**204 715**	**107 415**	**78 617**
Current assets				

EUR 000'	As of 31 December (unaudited) 2022	As of 31 December 2021	2020	2019
Account receivables	3 926	3 575	3 023	3 243
Other current receivables	1 153			
Other current assets	4 114	7 791	34 174	758
Financial derivatives	71			
Cash and cash equivalents	45 021	89 520	6 715	6 483
Total current assets	54 285	100 886	43 913	10 484
Total assets	351 138	305 602	151 327	89 101
EQUITY AND LIABILITIES				
Equity				
Share capital	644	644	9	3
Share premium	116 128	116 128		
Other equity	**66 908**	67 560	63 174	34 467
Total equity	**183 680**	**184 332**	**63 183**	**34 470**
Non-current liabilities				
Deferred tax				11
Non-current interest bearing debt	**146 013**	110 545	79 330	46 301
Other non-current liabilities				613
Total non-current liabilities	**146 013**	**110 545**	**79 330**	**46 925**
Current liabilities				
Account payables	3 017	1 555	1 751	438
Financial derivatives		91	598	370
Taxes payable			48	
Public duties payable	85	96	32	18
Current interest-bearing debt	10 951	6 951	4 497	4 749
Loan from related parties				883
Other current liabilities	7 392	2 031	1 889	1 248
Total current liabilities	**21 446**	**10 724**	**8 814**	**7 706**
Total equity and liabilities	**351 138**	**305 602**	**151 327**	**89 101**

9.3 Selected Changes in Equity Information

The tables below set out a summary of the Group's changes in equity information for the years ended 31 December 2022, 2021, 2020 and 2019.

EUR 000'	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance as at 01.01.2022	**644**	**116 128**	**27 608**	**36 522**	**3 431**	**67 569**	**184 332**
Profit for the year				1 935		1 935	1 935
Other comprehensive income					(2 587)	(2 587)	(2 587)
Balance as at 31.12.2022 (unaudited)	**644**	**116 128**	**27 608**	**38 457**	**844**	**66 908**	**183 680**

EUR 000'	Share capital		Other paid-in capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance as at 01.01.2021	**9**	**0**	**27 608**	**34 280**	**1 286**	**63 174**	**63 183**

Share capital increase by conversion of debt	327	26 673					27 000
Share capital increase by issuance of new shares	281	81 102					81 383
Share capital increase by issuance of new shares	27	8 353					8 380
Profit for the year				2 242		2 242	2 242
Other comprehensive income					2 145	2 145	2 145
Balance as at 31.12.2021	**644**	**116 128**	**27 608**	**36 522**	**3 431**	**67 560**	**184 332**

EUR 000'	**Share capital**	**Other paid-in capital**	**Retained earnings**	**Foreign currency translation reserve**	**Other equity**	**Total equity**
Balance as at 01.01.2020	**3**	**0**	**31 267**	**3 200**	**34 467**	**34 470**
Net capital increase	6	27 608			27 608	27 614
Profit for the year			3 013		3 013	3 013
Other comprehensive income				(1 914)	(1 914)	(1 914)
Balance as at 31.12.2020	**9**	**27 608**	**34 280**	**1 286**	**63 174**	**63 183**

EUR 000'	**Share capital**	**Other paid-in capital**	**Retained earnings**	**Foreign currency translation reserve**	**Other equity**	**Total equity**
Balance as at 01.01.2019	**0**	**0**	**28 068**	**1 581**	**29 649**	**29 649**
Net capital increase	3					3
Profit for the year			3 199		3 199	3 199
Other comprehensive income				1 619	1 619	1 619
Balance as at 31.12.2019	**3**	**0**	**31 267**	**3 200**	**34 467**	**34 470**

9.4 Selected Cash Flow Information

The table below sets out a summary of the Group's unaudited cash flow statement information for the year ended 31 December 2022, and the audited cash flow information for the years ended 31 December 2021, 2020 and 2019.

EUR 000'	**For the Year Ended 31 December (unaudited)**	**For the Year Ended 31 December**		
	2022	**2021**	**2020**	**2019**
Cash and cash equivalents on opening date	89 520	6 715	6 483	3 851
Net cash flow from operating activities	9 225	6 765	10 311	8 884
Net cash flow from investment activities	(94 934)	(67 512)	(41 525)	(8)
Net cash flow from financing activities	41 107	142 536	31 445	(6 245)
Net change in cash and cash equivalents	(44 603)	81 789	232	2 632
Translation difference	104	1 106		
Cash and Cash equivalents on closing date	45 021	89 520	6 715	6 483

9.5 Other Selected Financial and Operating Information

The table below sets out certain other unaudited key financial and operating information for the Company on a consolidated basis.

EUR 000'	As of or for the Year Ended 31 December 2022 (unaudited)
EBITDA[(1)]	6 182
NIBD[(2)]	107 758
Equity ratio[(3)]	52,3%
EBIT[(4)]	3 374

(1) The Company defines EBITDA as net income before depreciation, net interest expense, amortization of debt issue expenses and impairment charges.

(2) Net interest bearing debt, which is interest bearing debt less cash and cash equivalents and restricted cash to be used for C415 instalments (classified as other current assets in the Balance Sheet) and financial derivatives.

(3) Total shareholders' equity divided by total assets, multiplied by 100.

(4) The Company defines EBIT as total income (Operating revenue and gain/(loss) on sale of assets) less Operating expenses, Other gain/loss and depreciation and amortization.

The table below sets forth reconciliation of EBITDA, NIBD, Equity ratio and EBIT.

EUR 000'	As of or for the Year Ended 31 December 2022 (unaudited)
Operating profit before depreciation	6 569
EBITDA	**6 569**
Non-current interest-bearing debt	146 013
Current interest bearing-debt	10 951
Total interest-bearing debt	**156 964**
Less: Cash and cash equivalents	45 021
Less: Restricted Cash	4 114
Less: Financial derivatives	71
Net interest bearing debt (NIBD)	**107 758**
Total equity	183 680
Total assets	351 138
Equity ratio	**52,3%**
Operating profit	3 374
EBIT	**3 374**

Please refer to Section 4.4.2 "*Alternative Performance Measures*" for further information on the APMs used by the Group.

9.6 Significant Changes

Other than the (i) Private Placement, (ii) the ordering of four CSOVs from Vard for a total yard price of approximately EUR 246.8 million, and (iii) the EUR 120 million loan facility, all described in Section 8 "*Capitalisation and Indebtedness*", there has been no significant change in the Group's financial performance or trading position since 31 December 2022.

10. OPERATING AND FINANCIAL REVIEW

This operating and financial review should be read together with Section 9 "Selected Financial Information" and the Financial Statements which are included in Appendix A— "Financial Statements" to this Prospectus. The following discussion contains Forward-looking statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences to these Forward-looking Statements include those discussed in Section 2 "Risk Factors", see also Section 4.3" Cautionary Note Regarding Forward-Looking Statements".

10.1 Introduction

The Company is, in the view of the Company, a leading provider of marine services to the offshore windfarm industry. The Edda Wind Group supports the installation and construction phase as well as the entire operational period of offshore windfarms.

The Company was founded in 2019 as a fully owned subsidiary of JØDY. In March 2020 there was a contribution of kind transaction, where JØDY inserted the shares in Edda Supply Ships (UK) Ltd ("**ESUK**") and West Energy AS ("**WEAS**") in Edda Wind, and hence the Edda Wind Group was formed. This reorganization satisfies the description of a business combination under common control which is scoped out of IFRS 3 and the accounting policy used for this transaction is the "pooling of interest method", and hence the assets and liabilities of all combining parties will be reflected at their predecessor carrying amount. When applying the pooling of interest method, the Group have chosen to restate the consolidated financial statement for the two periods prior to the business combination under common control, to reflect the combination as if it had occurred from 01.01.2018.

The Company applies EUR as its functional currency and the consolidated Edda Wind Group applies EUR as presentation currency for its financial reporting while some of the subsidiaries apply GBP as functional and presentation currency. The Company prepares its consolidated financial statements in EUR and in accordance with IFRS as adopted by EU.

10.2 Principal Factors Affecting the Company's Financial Condition and Results of Operations

The business, financial condition, results of operations and cash flows, as well as the period-to-period comparability of the financial results of the Company, are affected by a number of factors, see Section 2 "*Risk Factors*".

The Edda Wind Group's results of operations have been, and will continue to be, affected by several factors, of which some are beyond the Group's control. The key factors that Management believes have had a material effect on the Edda Wind Group's results of operations during the period under review, as well as those considered likely to have a material effect on its results of operations in the future, are described below.

The COVID-19 pandemic negatively impacted Norway and the rest of the world. However, with no material cancellations or deferrals, the COVID-19 pandemic has not materially impacted current projects. Logistics and supply of spares parts as well as crew changes have been made more difficult due to the pandemic and the cost per crew change has gone up.

Number of offshore windfarms operated or constructed and supply/availability of suitable tonnage/vessels

The Group's business model is closely linked up to the number of offshore windfarms in operation or under construction. The Edda Wind Group's income is dependent on winning contracts for the employment of the vessels.

Further, the Group's business will be affected by how many suitable vessels that are available in the market in which the Group competes. The day-rates the Group is able to secure for the vessels is likely to be affected negatively (be lower) if there are many vessels available, which will increase competition, and positively (increased day-rates) if the number of available vessels is limited.

For CSOV vessels the primary market is represented by the number of offshore windfarms being constructed or commissioned while the secondary market for CSOVs is within SOV operations. With any increase in offshore windfarm construction/commissioning tenders in the market, the limited amount of specialised CSOV vessels is expected to lead to increased day rates for the Edda Wind Group's vessels. To some extent the CSOV market will face competition from converted second-hand tonnage from the Oil & Gas industry as Tier 2 or Tier 3 vessels.

For SOV vessels the market is represented by the accumulated number of offshore windfarms in operation. Vessels utilised in the operational phase is typically on long term charters and purpose-built including tailor made workflow arrangement, stepless gangway approach to wind turbines and high specification accommodation. Increasing volume of offshore windfarms being commissioned for operation for abt. 5-15 years which will increase demand for SOVs.

Technical utilisation

A key factor for the Edda Wind Group's financial performance is that the vessels have close to 100% utilisation. Technical issues with any of the vessels can on the one hand reduce the earnings generated by the Edda Wind Group and can on the other hand also increase operating costs through additional dry docking and maintenance costs.

Running cost of the vessels

Crew cost and other operating cost for the vessels are the main drivers of operating expense in Edda Wind Group. Cost and performance are monitored closely. Preventive maintenance safeguards the operability of the vessels. For vessels on long term employment future cost increases are addressed through escalation clauses.

10.3 Reporting Segments

The Edda Wind Group has only one reporting segment, represented by the vessels working with service for offshore windfarms during the construction, commissioning and operation phase.

This operating segment is reported in a manner consistent with the internal financial reporting provided to the chief operating decision-maker, who is responsible for allocating resources, making strategic decisions and assessing performance. The chief operating decision-maker has been identified by the Edda Wind Group as the Executive Management (as defined herein) and the Board of Directors (as defined herein).

As the financial statement is consistent with the internal financial reporting for this segment and thus is equal to the Income Statement, Statement of Financial Position and Cash flow statement, no further disaggregation of any segment information is provided.

10.4 Recent Developments

Other than (i) the Private Placement, (ii) the ordering of four CSOVs from Vard discussed below in Section 10.10 "*Investing Activities*" under the heading Principal Investments in Progress and Planned Principal Investments, and (iii) the EUR 120 million Green Loan Facility discussed below in Section 10.6.3 "*Borrowings*" under the heading "The EUR 120 Green Loan Facility", there have been no significant changes in the Edda Wind Group's financial and trading position since 31 December 2022.

10.5 Results of Operations

The table below sets forth the key figures extracted from the Financial Statements and being discussed in the following sections.

EUR'000	**For the year ended 31 December**	**For the year ended 31 December**		
	2022 (IFRS) (unaudited)	**2021 (IFRS)**	**2020 (IFRS)**	**2019 (IFRS)**
Revenue	28 425	24 416	17 878	18 347
Operating profit/(loss)	3 374	3 013	4 789	6 323
Net financials...........	(1 440)	(773)	(1 758)	(2 723)
Profit/(loss) for the period	1 935	2 241	3 013	3 199
Total assets	351 138	305 602	151 327	89 101
Vessels	66 714	73 611	71 431	78 613
Newbuildings	223 082	131 077	35 957	-
Total equity............	183 680	184 332	63 183	34 470

Operating Results for the Year Ended 31 December 2022 Compared to the Year Ended 31 December 2021

Operating Income (IFRS)

Operating income for the year ended 31 December 2022 were EUR 28,425 thousand compared to EUR 24,416 thousand for the year ended 31 December 2021. The increase is due to increase in operational days on hired-in frontrunner Edda Fjord, as well as a compensation received from Colombo Dockyard PLC under an agreement entered into for the cancellation of two newbuilds.

Operating Expenses (IFRS)

Operating expenses for the year ended 31 December 2022 were EUR 25,051 thousand compared to EUR 21,403 thousand for the year ended 31 December 2021. The increase is related to the lease of the vessel employed as a fronrunner on a long-term contract to be served by Edda Breeze from March 2023. In addition, the Group cancelled two of its newbuilds in 2022 and consequently reclassified the incurred construction cost from the balance sheet to operating cost. Further, the Group management team has operated for a full year in 2022 compared to three quarters in 2021, as well as increased in number of employees, thereby increasing payroll cost.

Operating Profit/Loss (IFRS)

Operating profit for the year ended 31 December 2022 was EUR 3,374 thousand compared to EUR 3,013 thousand for the year ended 31 December 2022. The increase is primarily due to the abovementioned factors.

Financial items (IFRS)

Financial items for the year ended 31 December 2022 was EUR 1,440 thousand in net financial expense, compared to a net financial expense of EUR 773 thousand for the year ended 31 December 2021. The decrease inf financial result is mainly due to a negative effect on currency differences. In addition, the Group terminated one of its interest swaps in 2021 resulting in a realised gain. The effects mentioned above are offset by lower costs on long-term debt to financial institutions.

Total comprehensive income (IFRS)

Total comprehensive income for the year ended 31 December 2022 was EUR (652) thousand compared to EUR 4,385 thousand for the year ended 31 December 2021. The decrease is due to the above-mentioned factors as well as due to currency translation differences. Currency translation difference was EUR (2,587) for the year ended 31 December 2022, compared to EUR 2,145 thousand for the year ended 31 December 2021. Currency translation difference reflects the effects of currency fluctuations when revaluing subsidiaries with functional currency in GBP or NOK to EUR.

Operating Results for the Year Ended 31 December 2021 Compared with the Year Ended 31 December 2020

Operating Income (IFRS)

Operating income for the year ended 31 December 2021 were EUR 24,416 thousand compared to EUR 17,878 thousand for the year ended 31 December 2020. The increase is mainly due to the commencement of a new long-term contract in April 2021.

Operating Expenses (IFRS)

Operating expenses for the year ended 31 December 2021 were EUR 21,403 thousand, compared to EUR 13,088 thousand for the year ended 31 December 2020. The increase is primarily related to a short-term lease of a vessel employed as frontrunner on a long-term contract to be serviced by Edda Breeze from March 2023. In addition, the Group established its own management team and therefore increased its number of employees during 2021, resulting in an increase in payroll expense. Further, the Group performed an Initial Public Offering in 2021 resulting in increased consultancy cost.

Operating Profit/Loss (IFRS)

Operating profit for the year ended 31 December 2021 was EUR 3,013 thousand, compared to EUR 4,789 thousand for the year ended 31 December 2020. The decrease in due to the above-mentioned factors.

Financial items (IFRS)

Net financial items for the year ended 31 December 2021 were EUR 772 thousand in net financial expense, compared to EUR 1,758 thousand in net financial expense for the year ended 31 December 2020. The increase in net financial result is mainly due to a positive effect on net currency differences. Further, the Group realised one of its interest swaps during 2021 resulting in a realised gain of EUR 299 thousand. In addition, unrealised gain on financial derivatives has increased by EUR 436 thousand.

Total comprehensive income (IFRS)

Total comprehensive income for the year ended 31 December 2021 was EUR 4,386 thousand, compared to EUR 1,099 thousand for the year ended 31 December 2020. The decrease is mainly due to above-mentioned factors.

Operating Results for the Year Ended 31 December 2020 Compared with the Year Ended 31 December 2019

Revenues (IFRS)

Operating revenues for the year ended 31 December 2020 were EUR 17,878 thousand compared to EUR 18,347 thousand for the year ended 31 December 2019, a decrease of EUR 469 thousand which was primarily due to currency effects when revaluating revenue from GBP to EUR.

Operating Expenses (IFRS)

Cost of sales for the year ended 31 December 2020 were EUR 10,028 thousand compared to EUR 8,941 thousand for the year ended 31 December 2019. The increase of EUR 1,087 thousand was primarily due to increased consultancy cost in Edda Wind ASA.

Operating Profit/Loss for the period (IFRS)

Operating profit for the year ended 31 December 2020 was EUR 4,789 thousand compared to a profit of EUR 6,323 thousand for the year ended 31 December 2019, a decrease in profit of EUR 1,534 thousand primarily due to the above-mentioned factors.

Financial items (IFRS)

Financial items for the year ended 31 December 2020 was EUR 1,758 thousand in net financial expense, compared to a net financial expense of EUR 2,723 thousand for the year ended 31 December 2019.The decrease is primarily due to a reduction in interest expense and other financial items. Interest expense was reduced in line with scheduled payments of interest-bearing debt during the period. Drawdown of new interest-bearing debt in 2020 was not effectuated until last quarter of 2020. The decrease in other financial costs is mainly due to the Spanish Tax Lease (STL) being finalized in 2019. The Group incurred financial costs related to the Leasing agreement under the STL in 2019.

Total comprehensive income (IFRS)

Total comprehensive income for the year ended 31 December 2020 was EUR 1,099 thousand, compared to EUR 4,818 thousand for the year ended 31 December 2019. The decrease is due to above-mentioned factors, as well as an adverse effect from currency translation difference due to currency fluctuations. Currency translation differences was EUR (1,914) thousand for the year ended 31 December 2020, compared to EUR 1,619 thousand for the year ended 31 December 2019, and reflects the effects from revaluating subsidiaries with functional currency in GBP to EUR.

10.6 Liquidity and Capital Resources

10.6.1 Overview; Sources and Uses of Funds

The Edda Wind Group's cash balance amounted to EUR 45,021 thousand at 31 December 2022. Cash and cash equivalents are held in various currencies, but primarily in EUR and GBP. The Group also holds EUR 4,114 thousand in restricted cash.

The Group's liquidity requirements relate to maintenance and any upgrading of vessels, investments in newbuilds, payments of interest on debt to be raised upon acquisition of the vessels, debt repayment instalments and funding of working capital requirements.

The Edda Wind Group's principal sources of liquidity are cash flow from operations, equity injections, debt financing raised pre- and post delivery of newbuilds and cash available as well as trade receivables/payables in the ordinary course of business.

The Group has not yet obtained debt financing for the newbuilds with hull no. C- 504, NB965, NB966, NB967 and NB968. Following completion of the Private Placement, instalments and other payment obligations of more than EUR 295 million in connection with the said vessels are not currently financed. Currently, and as described in Section 10.6.2 "*Funding and Treasury Policies and restrictions on transfer of funds*", the Group expects financing of remaining instalments and other payments for existing new building contracts to be in the form of debt financing from financial institutions and/or market instruments. However, such financing may be obtained by other sources of debt and/or equity, as the Group may determine at the time of such financing.

10.6.2 Funding and Treasury Policies and restrictions on Transfer of Funds

The Edda Wind Group's objectives when managing capital are to secure financial ability to execute the Group's operational strategy, manage operational and financial risks, deliver attractive returns to the shareholders and to maintain an optimal capital structure to reduce the cost of capital including compliance with covenants in the loan agreements and to meet obligation as they fall due. It is the responsibility of the Group's CFO to supervise and monitor financial risk management, cash and liquidity management and secure funding for the Group's operations.

In connection with the Company's ambition of optimizing the capital structure, the Company targets to have a financial leverage in the range of 70-90% of newbuild cost with respect to newbuilds with longer term contracts. For vessels without contract or on short term contracts, the Company seek to secure financing of 50-70% of newbuild cost. The Group will seek to enter into additional debt financing agreements to part finance yard instalments also for the five other vessels under construction.

In order to maintain or adjust the capital structure in the future, the Group may adjust the amount of dividends paid to shareholders, issue new shares and/or sell assets to reduce debt.

Edda Wind Group uses financial hedging instruments for mitigating risk related to fluctuations in currencies and interest rates.

The Company is a pure holding company without operating revenues of its own and may not be able to pay dividends or meet financial obligations in case of lack of dividends or other distributions from its subsidiaries. Debt facility agreements may restrict the Group's ability to distribute dividends and make other distributions. Further, the subsidiaries could be subject to restrictions with respect to dividends and distributions pursuant to laws and regulations such as described in Section 13.2 "*legal constraints on the distribution of dividends*".

10.6.3 Borrowings

All debt financing arrangements of the Group with external lenders have been entered into on the level of the Group's subsidiaries. The amortisation profiles under the Group's debt financing agreements include semi-annual and quarterly amortisation with balloon payments at maturity. The interest rates under the facilities include a blend of fixed and floating interest, see Section 10.6.3 under the heading "Hedging arrangements" below for more information.

Figure 11 - Vessel financing key information and amortization schedule

Key debt financing information

Abt. EUR 110 mill. Senior Secured Term Loan Facility

- Semi-annual amortisation 12-year profile
- GBP 35.4m for Passat/Mistral
  - ECA tranche GBP 18.8m
  - Commercial tranche GBP 16.6m with GBP 7.1m balloon Dec-26/Jan-27
- EUR 55.2m pre- and postdelivery financing C416/C490
  - EUR 39.1m balloon payment Dec-26/Jan-27
- Contract tranche up to EUR 13.8m
  - Repayment over firm contract period, latest Dec-26/Jan-27

EUR 38.0m Private Placement

- Semi-annual amortization based on annuity style profile with balloon payment at maturity in Sep '31

GBP 36.0m Private Placement

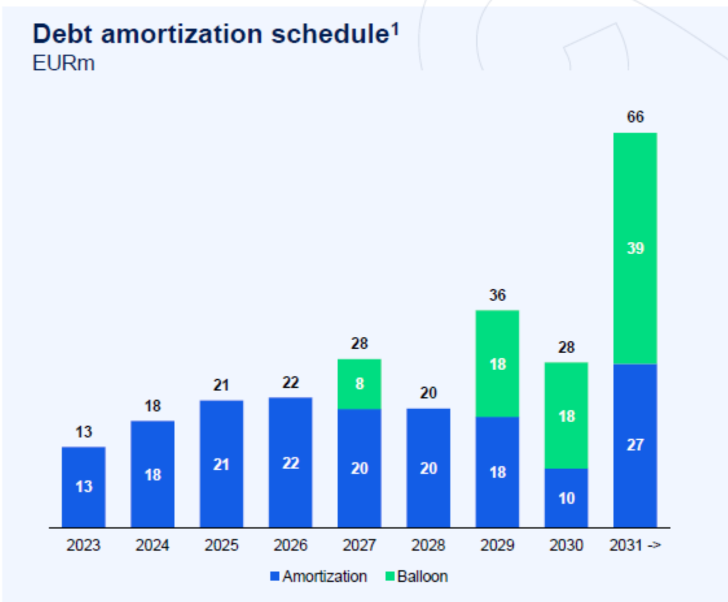
- Quarterly amortization based on annuity style profile with balloon payment at maturity in Apr '37

EUR 120 mil green loan facility

- Pre-and post delivery financing of C491, C492 and C503
- ECA facility of EUR 54.8 mill
- Commercial facility 45.2 mill
- Credit revolving facility of total EUR 20 mill

Interest

- Blend of fixed and floating interest rate
- Average all-in fixed interest cost incl. CIRR of ~3.2%



Edda Wind I AS – EUR 38,000,000 facility

On 2 March 2021, Edda Wind I AS entered into an EUR 38,000,000 facility agreement with, among others, Archmore IDP II Sub-Fund I Holding II S.A.R.L. and Infrastructure Debt Platform II Form Professionel Specialise as original lenders, Nordic Trustee AS as facility and security agent and the Company as guarantor for the purpose of financing yard instalments for the newbuild CSOV with builder's hull number C-489 (Edda Breeze) (the "**EW I Facility**").

The EW I Facility contains a change of control clause and related pre-payment obligations. The definition of change of control includes JØDY and Wilh. Wilhemsen Holding Invest AS, acting jointly, ceasing to control directly or indirectly at least 1/3 of the shares or voting rights of the Company or any other shareholder controlling more than 1/3 of the shares or voting rights of the Company.

The EW I Facility is also subject to the following financial covenants: (i) debt ratio of Edda Wind I AS not being less than 1.10:1.00 after 31 September 2023, (ii) the Company having a consolidated book equity of at least EUR 30,000,000, and (iii) as of the date falling 6 years after the delivery date of Edda Breeze, the aggregate outstanding amount of drawn debt guaranteed by the Company in respect of any vessel financings as a percentage of the maximum notional amount of debt available under such vessel financings not exceeding 70%.

The EW I Facility further includes negative covenants with respect to changes of business, distributions, corporate reconstructions and ability to incur indebtedness of the Company and its subsidiaries. If a Lock-Up Event occurs (as defined in the agreement, which includes an event of default amongst others), and until such time as a borrower under the agreement is not subject to any Lock-Up Event on the next half-yearly test date, Edda Wind I AS (or any other borrower under the agreement) may not, without the prior consent of the lenders, declare, make or pay any dividend or other distribution of any kind on or in respect of any of its partnership interest rights or stock or consolidate or subdivide or alter any of the rights attached to, or reduce, any of its share capital or capitalize, repay or otherwise distribute any amount of outstanding credit of any capital or revenue reserves or redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so. Otherwise, if no Lock-Up Event has occurred, Edda Wind I AS (or any other borrower under the agreement) shall only be permitted to declare, make or pay any dividend or other distribution provided that it is made within 30 days of receipt by Nordic Trustee AS (the facility agent) of a compliance certificate.

The EW I Facility is secured by customary security, including, *inter alia*, that the Company has pledged its shares in Edda Wind I AS in favour of Nordic Trustee AS as security agent on behalf of the lenders and that mortgage over Edda Breeze shall be granted upon delivery of the vessel from the yard. Final maturity under the facility agreement is 31 September 2031.

Edda Wind III AS – GBP 36,000,000 facility

On 15 October 2020, Edda Wind III AS entered into a note purchase agreement with Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company, MetLife Insurance K.K. and Brighthouse Life Insurance Company as note purchasers and Nordic Trustee AS as security trustee regarding the issuance and sale of senior secured notes in an aggregate principal amount of GBP 36,000,000 for the purpose of financing the newbuild SOV with builder's hull number C-415 (Edda Brint) (the "**Note Purchase Agreement**").

The Note Purchase Agreement contains several affirmative and negative covenants and related events of default and acceleration clauses such as no change to the ownership of Edda Wind III AS, no termination of any material contracts, Spanish tax lease arrangements and no distributions by Edda Wind III AS (or subsidiaries of Edda Wind II AS) to any affiliate (with certain exceptions).

The Note Purchase Agreement is secured by customary security, including, inter alia, that the Company has pledged its shares in Edda Wind III AS in favour of Nordic Trustee AS as security trustee for the purchasers and holders of notes and that mortgage over Edda Brint was granted upon delivery of the vessel from the yard. The notes issued under the Note Purchase Agreement fall due on 30 April 2037.

ECA Facility

On 10 November 2021, the Group entered into a pre- and post-delivery senior secured green term loan facilities agreement ("**ECA Facility**"). The ECA Facility is entered into between, amongst others, Edda Wind I AS, Edda Wind IV AS, Puerto de Calella S.L. and Puerto de Llafranc S.L. as borrowers, Edda Wind ASA and West Energy AS as guarantors, DNB Bank ASA as agent, the commercial lenders, and Eksportfinansiering Norge AS ("Eksfin") as the ECA lender.

The ECA facility agreement provides for 5 facilities, including (i) EUR 23,764,500 pre-delivery newbuild Edda Boreas facility, (ii) EUR 21,168,748 pre-delivery newbuild 416 facility, (iii) EUR 55,200,000 newbuild vessels main facility, (iv) an EUR 13,800,000 uncommitted increase facility and (v) existing vessel facility of GBP 36,437,500. The proceeds of the facilities will be used for the pre- and post-delivery financing of one SOV (C-416) under construction at the Spanish yard Balenciaga S.A., and one CSOV (Edda Boreas) under construction at the Spanish yard Gondan. The facilities were further used for refinancing of existing debt relating to the Group's two operation offshore wind SOVs, Edda Passat and Edda Mistral, incurred under a GBP 48,600,000 term loan agreement entered into by West Energy AS.

The ECA Facility is subject to the following financial covenants: (i) free liquidity, on a consolidated basis (but excluding Edda Wind I AS and Edda Wind III AS), of at least equal to the sum of EUR 1,500,000 for each of the Group's vessels on contract acceptable to the lenders and EUR 2,250,000 for each of the Group's vessel without acceptable contract (subject to certain exclusions), and minimum liquidity cannot be lower than 5% of the gross interest-bearing debt (including any lease obligations and excluding Edda Wind I AS and Edda Wind III AS) for the Company on a consolidated basis, (ii) that the Company has a positive working capital, (iii) book equity to total assets of minimum 25% until 31 December 2022 and thereafter minimum 30 % and (iv) from 12 months after the delivery of newbuild vessel, ratio of consolidated EBITDA to interest expenses on a last twelve months basis shall always be higher or equal to 2.5x.

The ECA Facility further includes customary vessel covenants, including, (i) minimum market value (ii) ship registry, (iii) classification society (iv) insurance (v) technical and commercial management. The ECA Facility further includes customary negative covenants, including (i) ownership (ii) sale of vessels (iii) change to business, (iv) STL structure, (v) distributions. (vi) investments and acquisitions, (vii) negative pledge (viii) additional financial indebtedness (ix) corporate reconstruction, (x) chartering of vessels and (xi) compliance. The ECA Facility also includes provisions with respect to prepayment in the event of a change of control. A change of control is defined as an event where, JØDY and Wilhelmsen New Energy eases to control alone or in combination at least 1/3 of the voting and/or ordinary shares of the Company directly or indirectly, or if any other shareholder or group of shareholders acting in concert control more than 1/3 of the voting and/or ordinary shares of the Company.

Further, pursuant to the ECA Facility, the Company may not declare, make or pay any dividend or make other distribution in respect of its share capital or make any other distributions to its shareholders in an amount exceeding 50 per cent of net income (on a consolidated basis, adjusted for any unrealized agio or disagio, write downs and after taxed paid) in its previous financial year without the prior written consent of the majority lenders under the facility.

The ECA Facility is secured by customary security, including, inter alia, ship mortgages (C-416, Edda Boreas, Edda Mistral and Edda Passat), assignment of insurance proceeds, assignment of earnings, assignment of refund guarantees, assignment of shipbuilding contracts, share pledges in the borrowers and West Energy AS and assignment of rights of the obligors in relation to the STL structure.

As further described in Section 10.6.1 "*Shipbuilding Contracts*", the Company has not fully financed all instalments and payments due in relation to its building contracts for new vessels.

EUR 120 mill Green Loan Facility

On 13 February 2023 the Group entered into a pre- and postdelivery senior secured loan facility agreement ("**EUR 120 mill Facility**"), between Edda Wind V AS, Edda Wind VI AS and Edda Wind IX AS as borrowers, the Company as guarantor and Crédit Agricole Corporate and Investment Bank and Sparebanken Vest as commercial lenders and Eksportfinansiering Norge as ECA lender.

The facility provides pre- and postdelivery financing for hull no. C-491, C-492 and C-503, all under construction at the Spanish yard Gondan.

The EUR 120 mill Facility is subject to the following financial covenants: (i) free liquidity, on a consolidated basis (but excluding Edda Wind I AS and Edda Wind III AS), of at least equal to the sum of EUR 1,500,000 for each of the Group's vessels on contract acceptable to the lenders and EUR 2,250,000 for each of the Group's vessel without acceptable contract (subject to certain exclusions), and minimum liquidity cannot be lower than 5% of the gross interest-bearing debt (including any lease obligations and excluding Edda Wind I AS and Edda Wind III AS) for the Company on a consolidated basis. (ii) that the Company has a positive working capital, (iii) book equity to total assets of minimum 30% 12 months after the delivery of newbuild vessel, ratio of consolidated EBITDA to interest expenses on a last twelve months basis shall always be higher or equal to 2.5x.

The EUR 120 mill Facility further includes customary vessel covenants, including, (i) minimum market value (ii) ship registry, (iii) classification society (iv) insurance (v) technical and commercial management. The EUR 120 mill facility further includes customary negative covenants, including (i) ownership (ii) sale of vessels (iii) change to business, (iv) STL structure, (v) distributions. (vi) investments and acquisitions, (vii) negative pledge (viii) additional financial indebtedness (ix) corporate reconstruction, (x) chartering of vessels and (xi) compliance. The ECA Facility also includes provisions with respect to prepayment in the event of a change of control. A change of control is defined as an event where, JØDY and Wilhelmsen New Energy eases to control alone or in combination at least 1/3 of the voting and/or ordinary shares of the Company directly or indirectly, or if any other shareholder or group of shareholders acting in concert control more than 1/3 of the voting and/or ordinary shares of the Company.

Further, pursuant to the EUR 120 mill Facility, the Company may not declare, make or pay any dividend or make other distribution in respect of its share capital or make any other distributions to its shareholders in an amount exceeding 50 per cent of net income (on a consolidated basis, adjusted for any unrealized agio or disagio, write downs and after taxed paid) in its previous financial year without the prior written consent of the majority lenders under the facility.

The EUR 120 mill Facility is secured by customary security, including, inter alia, ship mortgages (C-491,C-492 and C-503), assignment of insurance proceeds, assignment of earnings, assignment of refund guarantees, assignment of shipbuilding contracts, share pledges in the borrowers and assignment of rights of the obligors in relation to the STL structure.

Compliance with covenants

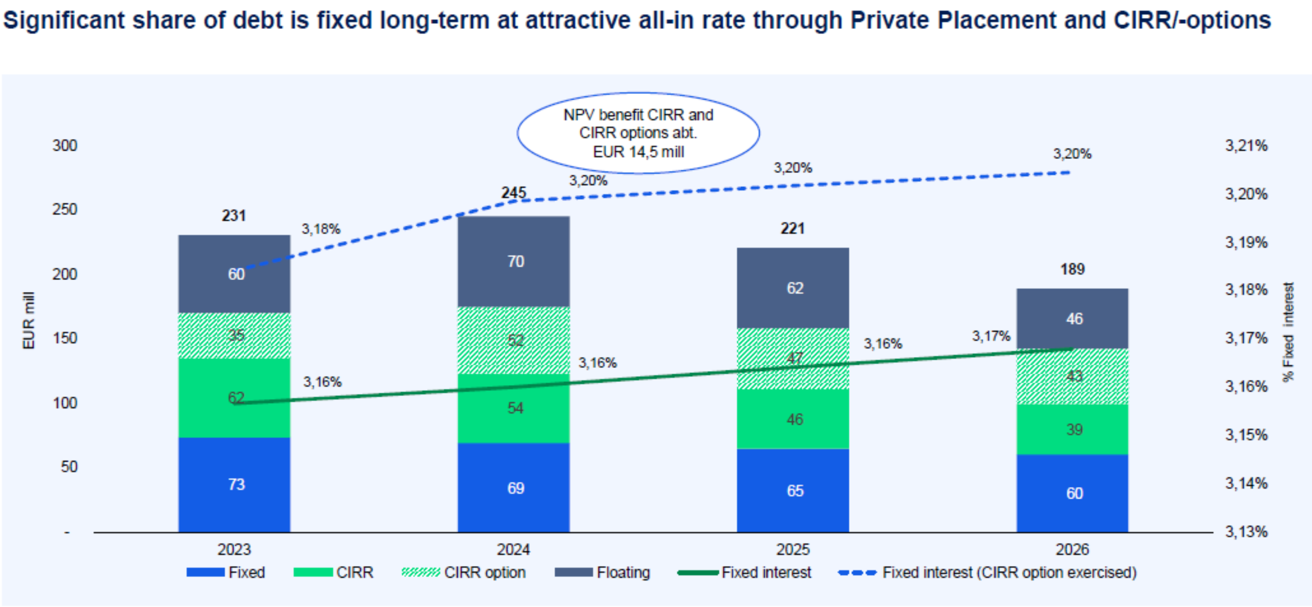
The Group is not in breach with any of the covenants included in the EW I Facility, the Note Purchase Agreement, the ECA Facility or the EUR 120 mill Facility described above and is not expected to breach any of the covenants, provided that the Group's operations will continue in accordance with the current plan and course of business.

Hedging arrangements

The Group has entered into certain hedging arrangements, including a fixed CIRR interest rate for ECA loans.

- For an amount up to max EUR 55.2 million in aggregate, the interest has been fixed at 0,52% + margin for 12 years from 1Q23 at an amortizing profile
- For an amount up to max EUR 54.8 million in aggregate, Edda Wind has an option to fix the interest at 0,76% + margin for 12 years from 3Q23 at an amortizing profile
- For an amount up to max EUR 11.6 million in aggregate, Edda Wind has an option to fix the interest at 0,35% + margin for between 3 and 5 years from 3Q23 at an amortizing profile

Figure 12



See in this respect the risk factors in Section 2.3.5 "*The Group may be exposed to currency exchange rate risks, and to risks in relation to use of financial market products*" and Section 2.3.6 "*Interest rate fluctuations could affect the Group's cash flow and financial condition.*"

Enova Grants

In relation to the preparations for zero-emission propulsion systems on the Group's vessels under construction, the Group has, subject to certain conditions, received funding in the aggregate amount of NOK 75,004 thousand, and is expecting to receive further funding, from Enova. The funding is granted pursuant to grant letter agreements entered into by Group companies and Enova.

Guarantees

JØDY has provided one guarantee in relation to each of the Edda Wind I AS and Edda Wind III AS facilities.

Under the Edda Wind I AS facility, JØDY has guaranteed the repayment of any drawn part of the facility in case the charter contract with Ocean Breeze Energy GmbH & Co KG is terminated on account of delay in delivery. The guarantee covers only what is not paid by Edda Wind I AS and/or the Company, and is capped at EUR 38 million. The guarantee expires on the earlier of (i) accepted delivery under the charter party or (ii) a rejection of the vessel under the charter party on an unrelated issue (of the "basic price concept").

Under the Edda Wind III AS facility, JØDY has guaranteed the payment of any shortfall between (i) liquidated damages receivable from the yard and (ii) liquidated damages payable to Vestas Offshore Wind UK Ltd., both in case the vessel is delayed in delivery under the charter party. The guarantee is capped at GBP 5 million, and expires six months after the vessel is delivered under the charter party.

Both the guarantee for Edda Wind I AS and the one for Edda Wind III AS are counter indemnified to JØDY by the Company, and both are subject to a guarantee commission of two percent (2%) p.a. (calculated on the amount covered by the guarantees).

Maturity Overview

The table below shows the contractual maturities of financial liabilities of the Group.

EUR'000	**Original Loan**	**Outstanding**	**Payments Due by Period**			
Loan	**Amount**	**Principal**	**2023**	**2024**	**2025**	**2026-**
EW I Facility	38 000	36 827	2 254	2 168	2 282	30 123
EW III Facility.........	40 788	39 898	1 808	1 888	1 953	34 249
ECA Facility...........	114 263	80 239	6 889	9 189	9 189	54 972
Total	**193 051**	**156 964**	**10 951**	**13 245**	**13 424**	**119 344**

10.7 Cash Flows

10.7.1 Operating Cash Flows

Net cash flow from operating activities was EUR 9,225 thousand for the year ended 31 December 2022 compared to EUR 6,765 thousand for the year ended 31 December 2021. The increase was primarily due to changes in working capital.

Net cash flow from operating activities was EUR 6,765 thousand for the year ended 31 December 2021, compared to EUR 10,311 thousand for the year ended 31 December 2020. The decrease is primarily due to changes in working capital.

Net cash flow from operating activities was EUR 10,311 thousand and EUR 8,884 thousand for the years ended 31 December 2020 and 2019, respectively. The difference is primarily due to changes in working capital.

10.7.2 Investing Cash Flows

Net cash flow from investing activities was EUR (94,934) for the year ended 31 December 2022, compared to EUR (67,512) thousand for the year ended 31 December 2021. The decrease was primarily due to yard payments for newbuildings, as well as a reduction of restricted cash for investment commitments.

Net cash flow from investing activities was EUR (67,512) thousand for the year ended 31 December 2021, compared to EUR (41,525) thousand for the year ended 31 December 2020. The decrease was primarily due to yard payments for newbuildings, offset by a reclassification of EUR 25,964 thousand in investment commitment from other current assets to cash

Net cash flow from investing activities was EUR (41,525) thousand and EUR (8) thousand for the year ended 31 December 2020 and 2019, respectively. The decrease was primarily due to yard payments for newbuilds, as well as reclassification of EUR 33,000 thousand in investment commitment from cash to other current assets.

10.7.3 Financing Cash Flows

Net cash flow from financing activities was EUR 41,107 thousand for the year ended 31 December 2022, compared to EUR 142,536 thousand for the year ended 31 December 2021. The decrease is mainly due to proceeds from the Initial Public Offering performed in 2021. Further, the Group had net proceeds from debt of EUR 54,693 thousand in 2021 compared to 42,997 thousand in 2022, related to financing of financing of vessels under construction.

Net cash flow from financing activities was EUR 142,536 thousand for the year ended 31 December 2021, compared to EUR 31,445 thousand for the year ended 31 December 2020. The increase is mainly due to proceeds from the Initial Public Offering performed in 2021. Further, the Group received EUR 27,000 thousand in shareholder loan in 2021, as well as proceeds from financing two vessels under construction in the period.

Net cash flow from financing activities was EUR 31,445 thousand and EUR (6,245) thousand for the year ended 31 December 2020 and 2019, respectively. The increase was related to the financing of a vessel under construction in 2020.

10.8 Balance Sheet Data

Total Assets

As of 31 December 2022, the Company's total assets were EUR 351,138 thousand compared to EUR 305,602 thousand as of 31 December 2021, an increase primarily due to increased predelivery yard instalments and cash drawn under vessel financing agreements. The Group has also incurred EUR 4,588 thousand in liquidated damages related to delayed delivery of Edda Breeze and Edda Brint to clients. Further, the Group has entered into a loan agreement in the net amount of EUR 2,462 thousand as compensation for payment obligations assumed to avoid delay of certain equipment.

As of 31 December 2021, the Company's total assets were EUR 305,602 thousand compared to EUR 151,327 thousand, an increase mainly due to increased predelivery yard instalments and cash drawn under vessel financing agreements, as well as proceeds from Initial Public Offering performed in 2021.

As of 31 December 2020, the Company's total assets were EUR 151,327 thousand compared to EUR 89,101 thousand as of 31 December 2019, an increase of EUR 62,226 thousand. The increase was primarily due to increased predelivery yard instalments and cash drawn under vessel financing agreements.

Total Equity

As of 31 December 2022, the Group's total equity was EUR 183,680 thousand compared to EUR 184,332 thousand as of 31 December 2021, a reduction mainly due to profit and other comprehensive income for the year ended 31 December 2022 of, in total, EUR 652 thousand in loss.

As of 31 December 2021, the Group's total equity was EUR 184,332 thousand compared to EUR 63,183 thousand as of 31 December 2020. The increase is due to a capital increase of EUR 27,000 thousand by conversion of shareholder loan, a capital increase of EUR 81,383 thousand from the Initial Public Offering, as well as a capital increase of EUR 8,381 thousand in an over-allotment option following the Initial Public Offering. Profit and other comprehensive income for the year ended 31 December 2021 increased total equity by EUR 4,387 thousand.

As of 31 December 2020, the Group's total equity was EUR 63,183 thousand compared to EUR 34,470 thousand as of 31 December 2019, the increase in equity being due to a net capital increase of EUR 27,614 thousand, including the shares of West Energy and Edda Supply Ships Ltd transferred from JØDY during 2020, as well as total comprehensive income for 2020 of EUR 1,099 thousand.

Total Liabilities

As of 31 December 2022, the Group's total liabilities were EUR 167,459 thousand compared to EUR 121,269 thousand as of 31 December 2021. The increase is primarily due to the drawdown of the ECA Facility for financing newbuildings Edda Boreas and hull C-416. In addition, the Group has assumed payment obligations in the net amount of EUR 2,431 thousand as of 31 December 2022 to avoid delay in delivery of certain equipment.

As of 31 December 2021, the Group's total liabilities were EUR 121,269 thousand, compared to EUR 88,144 thousand as of 31 December 2020. The increase is mainly due to the drawdown of the Edda Wind I Facility.

As of 31 December 2020, the Group's total (current and non-current) liabilities were EUR 88,144 thousand compared to EUR 54,631 thousand as of 31 December 2019. The increase was primarily related to the drawdown of financing for a vessel under construction.

10.9 Working Capital Statement

The Company is of the opinion that the working capital available to the Group, including the net proceeds from the Private Placement, is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

10.10 Investing Activities

Principal Investments for the years ended 2022, 2021, 2020 and 2019

Edda Wind Group has made material investments for the period 2019 to 2022 related to the newbuildings under construction.

EUR'000	As of 31 December	As of 31 December		
	2022 (IFRS) (unaudited)	2021 (IFRS)	2020 (IFRS)	2019 (IFRS)
C489 (Edda Wind I AS)	50 198	43 419	14 419	0
C490 (Edda Wind II AS)	44 655	14 739	3 889	0
C415 (Edda Wind III AS)	47 312	42 298	14 277	0
C416 (Edda Wind IV AS)	38 884	18 420	3 371	0
C491 (Edda Wind V AS)	24 338	8 467	0	0
C492 (Edda Wind VI AS)	8 546	3 733	0	0
C503 (Edda Wind IX AS)	9 145	0	0	0
C504 (Edda Wind VII AS)	5	0	0	0
Total newbuildings ...	**223 082**	**131 077**	**35 957**	**0**
Total vessels	**66 714**	**73 611**	**71 431**	**78 613**

The material investments for the period 2019 to 2022 with respect to the Group's vessels in operation:

EUR'000	As of 31 December	As of 31 December		
	2022 (IFRS) (unaudited)	2021 (IFRS)	2020 (IFRS)	2019 (IFRS)
Edda Passat	32 263	34 593	38 094	37 718
Edda Mistral	34 451	36 839	40 519	39 976
Total vessels	**66 714**	**71 431**	**78 613**	**77 694**

As of 31 December 2022, the Group had invested in total EUR 223 082 thousand related to eight vessels under construction, whereof EUR 92,005 thousand was invested in the twelve months ended 31 December 2022. Invested amount comprise mainly of instalments to yard. Total vessels as of 31 December 2022 was EUR 66,714 thousand, related to the vessels Edda Passat and Edda Mistral. The vessel book value was reduced by EUR 3,195 thousand in depreciation for the period. Book value also fluctuates due to translation differences, as the vessels are booked with GBP as functional currency. The vessels Edda Mistral and Edda Passat were financed by a GBP 48,600,000 facility in West Energy AS, whereof GBP 31,387,500 was outstanding as of 31 December 2022. The facility was refinanced under the ECA facility in 2021.

Principal Investments in Progress and Planned Principal Investments

Through subsidiaries Edda Wind Group has eleven vessels under construction at the date of this Prospectus. The vessels are expected to be delivered between 2Q23 and 1Q26. An option at Gondan for one CSOV declarable before 31 May 2023 as described in Section 6.4.1 "*Shipbuilding Contracts*". Please refer to Section 6.4 "*Material Contracts*" for further information. Apart from the above, the Company does not have any other investments in progress, firm commitments or obligations to make significant future investments.

At the date hereof, long-term financing for two vessels delivered in 2018 and seven of the newbuildings under construction has been secured (please refer to Section 10.6.3 "*Borrowings*"). The remaining five newbuildings have delivery between Q2 2025 and Q1 2026 and the Group expects to finance 60% of the "ready-for-sea-cost" prior to their respective deliveries. As at 31 December 2022, the remaining yard instalments in relation to firm newbuilding contracts amount to EUR 180 million, whereof EUR 40 milion will be paid by equity. In addition, the Group is expected to pay approximately additional EUR 4 million in "ready-for-sea-cost" exceeding the scheduled yard instalments.

At the date hereof, and with respect to the five newbuilds C-504, NB965, NB966, NB967 and NB968 the split between the Group's planned debt and equity financing for the remaining yard instalments, as well as the payment schedule, are set out in the table below:

Scheduled instalments	**Debt (EUR thousand)**	**Equity (EUR thousand)**
1Q 2023	-	12,597
2Q 2023	-	37,792
3Q 2023	12,597	28,389
4Q 2023	-	28,389
1Q 2024	12,597	11,498
2Q 2024	12,597	3,194
3Q 2024	25,195	-
4Q 2024	33,777	4,194
1Q 2025	41,165	-
2Q 2025	23,457	-
3Q 2025	12,597	-
4Q 2025	-	-
1Q 2026	12,597	-
Total planned financing	186,580	-
Total planned equity	-	126,053

10.11 Property, Plant and Equipment

The Group's material assets consist of two purpose-built offshore wind service operation vessels (SOVs) in operation and eight dedicated offshore wind vessels under construction – two offshore wind SOVs and six offshore wind commissioning service operation vessels (CSOVs). As of 31 December 2022, book value of the Group's vessels and newbuildings amounted to EUR 66,714 thousand and EUR 223,082 thousand, respectively. For further details on investing activities, see chapter 10.10 "*Investing activities*".

The Group's two operational offshore wind SOVs, Edda Passat and Edda Mistral, are employed on firm contracts with Ørsted Energy Wind Power A/S and have been working offshore in the United Kingdom since delivery in 2018. The Group's offshore wind CSOV, Edda Breeze, is employed on a firm contract with Ocean Breeze and the Group's offshore wind SOV, Edda Brint, is employed on a firm contract with Vestas, both under which operations commenced in March 2023. In addition, the Group has secured contracts for three of the vessels under construction, see Section 6.4.3 "*Charter Parties*" for further details of the Group's vessel charters.

10.12 Significant Recent Trends

As substantial investments have been made into the C/SOV market over the recent years, the activity for 2023 is expected to continue its momentum from 2022, due to new vessel deliveries and developers rushing to secure tonnage for future projects. On the installed capacity side, 2023 is expected to see more turbines installed, also further from shore – requiring a new type of vessels and services, namely CSOVs.

C/SOV's will remain on a positive trajectory as their demand is principally derived from the underlying base of installed turbines, and vessel availability should not pose a problem as the orderbook continues to grow at a healthy pace. Although the renewable energy sector is experiencing a challenging environment, global authorities have implemented new legislations supporting continued growth and development in key markets (see Section 7 "*Principal Markets*"). Looking ahead, the demand gap will continue for C/SOV's and other specialized offshore wind vessels for the coming years.

Apart from the matters already disclosed, the Company has neither encountered nor received knowledge of any noteworthy developments, uncertainties, obligations, or incidents that could plausibly exert a substantial impact on the financial performance or outlook of the Company from the conclusion of the preceding fiscal year to the present date of this Prospectus.

The Company's vessels have been under long-term fixed price contracts that include escalation clauses, the operational outcomes have remained consistent to up to the date of this Prospectus.

10.13 Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

11. THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

This Section provides summary information about the Board of Directors and the Executive Management of the Company and disclosures about their employment arrangements with the Company and other relations with the Company.

11.1 Overview

The Board of Directors is responsible for the overall management of the Company and may exercise all the powers of the Company. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation; preparing plans and budgets for its activities; ensuring that the Company's activities, accounts and asset management are subject to adequate controls; and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it seems fit to the Executive Management.

The Executive Management is responsible for the day-to-day management of the Company's operations in accordance with instructions set out by the Board of Directors. Among other responsibilities, the Company's CEO is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, at least every calendar quarter the Company's CEO must brief the Board of Directors about the Company's activities, financial position and operating results.

11.2 Board of Directors and Executive Management

Board of Directors

The Company's Board of Directors are elected by the Company's shareholders in an ordinary or extraordinary General Meeting. In accordance with the Norwegian Public Limited Liabilities Act, the CEO and at least half of the members of the Board of Directors must either be resident in Norway, or be citizens of and resident in an EU/EEA country. Pursuant to the Company's articles of association, the Board of Directors consists of between three and seven directors pursuant to the general meeting's further decision.

The Company's Board of Directors currently consists of the following members:

Name	Position	Served Since	Date of expiration
Håvard Framnes	Chairman	2019	2023
Jan Eyvin Wang	Director	2020	2023
Martha Kold Bakkevig	Director	2021	2023
Toril Eidesvik	Director	2021	2023
Adrian Geelmuyden	Director	2021	2023
Duncan J. Bullock	Director	2021	2023
Cecilie Wammer Serck-Hanssen	Director	2021	2023

The Company's registered business address, Smedasundet 97, 5525 Haugesund, serves as c/o address for the members of the Board of Directors in relation to their directorship of the Company.

Set out below are brief biographies of the directors of the Company, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Group.

Håvard Framnes, Chairman

Håvard Framnes holds the position as investment director at Johannes Østensjø dy AS. Framnes also holds several board positions, including the position as chairman in Mercator Crewing AS and Edda Accommodation AS and as board member in various other companies within the Østensjø Group. Framnes' previous experience includes the role as CFO in the Østensjø Group, founder and chairman in Reach Subsea AS, CFO in DeepOcean ASA and various board positions in DeepOcean ASA group companies. Mr. Framnes has various experience within auditing and corporate finance, including from Selmer, PwC and SEB. Framnes holds a Master of Science in Business and Economics, MBA in Finance and Accounting from the Norwegian School of Business and Economics (NHH) and National University of Singapore.

Current other directorships and management positions.....	Directorships: chairman in Mercator Crewing AS, chairman in Edda Accommodation AS, board member in various other companies within the Østensjø Group, board member in Hydrogenious LOHC Maritime. Management position(s): investment director at Johannes Østensjø dy AS

Previous directorships and management positions held during the last five years	Directorships: founder and chairman in Reach Subsea AS, various board positions in DeepOcean ASA group companies Management position(s): CFO in the Østensjø Group, CFO in DeepOcean ASA.

Jan Eyvin Wang, Director

Jan Eyvin Wang has worked in the Wilh. Wilhelmsen Group since 1982, and currently holds the position as Executive Vice President New Energy. He has had several senior positions in the Wilh. Wilhelmsen Group in Norway and abroad, including the position as president and CEO of Wilh. Wilhelmsen ASA, as well as the position as CEO of EUKOR Car Carriers Inc. and CEO of United European Car Carriers (UECC), and has lived many years in the US, as well as Korea. Wang holds several board positions, including in NorSea Group AS, Hyundai Glovis and CaryoNano. Wang holds a BA in Business Administration from Heriot-Watt University, Edinburgh, Scotland from 1981, and an Advanced Management Programme from Harvard Business School from 2003.

Current other directorships and management positions.....	Directorships: NorSea Group AS, Hyundai Glovis and CaryoNano. Management position(s): Executive Vice President New Energy in Wilh. Wilhelmsen Group
Previous directorships and management positions held during the last five years	Directorships: Management position(s): President and CEO of Wilh. Wilhelmsen ASA, CEO of EUKOR Car Carriers Inc, CEO of United European Car Carriers (UECC)

Martha Kold Bakkevig, Director

Martha Kold Bakkevig is a non-executive director of the public listed companies, Hexagon Purus ASA, Reach Subsea ASA as well as CapeOmega AS and BW LPG Ltd. She has extensive experience in management, strategy and business development, and a broad academic background with a doctor's degree in both technical and business strategical subjects. She holds a master's degree and PhD from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Economics from BI Norwegian Business School. Bakkevig is also the founder and managing partner of MKOLD AS. Prior to the position in MKOLD AS, Bakkevig served two years as Chief Executive Officer of Steinsvik Group, an equipment and service provider for fish farming industry worldwide and ten years as Chief Executive Officer of DeepWell, an oil service company operating in the North Sea.

Current other directorships and management positions.....	Directorships: Hexagon Purus ASA, Hexagon Purus Maritime, Reach Subsea ASA as well as CapeOmega AS and BW LPG Ltd Management position(s): founder and managing partner of MKOLD AS
Previous directorships and management positions held during the last five years	Directorships: - Management position(s): Chief Executive Officer of Steinsvik Group, Chief Executive Officer of DeepWell

Toril Eidesvik, Director

Toril Eidesvik has broad experience in international shipping and finance, and as previously held the position as Chief Executive Officer of each of Green Reefers ASA, EMS Seven Seas ASA and Nekkar ASA (previously TTS Group ASA). Eidesvik has also worked in the Caiano group and as an attorney in Sparebanken NOR and the law firm Simonsen Musæus. Eidesvik holds several broad positions, including in Munck Cranes AS, Port of London Authority and Eksportfinans ASA. Eidsvik holds a Master of Laws from the University of Oslo from 1993.

Current other directorships and management positions.....	Directorships: Munck Cranes AS, Port of London Authority and Eksportfinans ASA Management position(s):
Previous directorships and management positions held during the last five years	Directorships: Management position(s): Chief Executive Officer of each of Green Reefers ASA, EMS Seven Seas ASA and Nekkar ASA (previously TTS Group ASA)

Adrian Geelmuyden, Director

Adrian Geelmuyden is currently an investment director of Seatankers Management and has experience as Head of Sale and Purchase of Solstad Offshore ASA, Chartering Manager at Deep Sea Supply and has also been partner and shipbroker at R.S. Platou. Geelmuyden holds a Bachelor in Economics from Norwegian School of Business and Economics (NHH).

Current other directorships and management positions.....	Directorships: - Management position(s): -
Previous directorships and management positions held during the last five years	Directorships: - Management position(s): investment director with Seatankers Management, Sale-and purchase manager in Solstad Offshore, Chartering Manager in Deep Sea Supply.

Duncan Bullock, Director

Duncan Bullock is an investment professional with 15 years' experience working in the energy sector, across developed and emerging markets, and conventional and renewable energy infrastructure projects. He is currently an investment director of Quantum Power. He has previously worked with Octopus Investments, Citigroup and PriceWaterhouseCooper. He holds a Master in Arts from Oxford University.

Current other directorships and management positions.....	Directorships: Certain companies of the Quantum Power Group. Management position(s): Investment Director in Quantum Power Services Ltd.
Previous directorships and management positions held during the last five years	Directorships: director of General Electricity Holdings Ltd. and Nordic Power AB. Management position(s): -

Cecilie Serck-Hanssen, Director

Cecilie Serck-Hanssen is currently CEO with Gluteus Medius AS, a privately-owned investment company. She has previously held several different positions at SEB and DNB within the corporate and private banking market. She holds a Master of Business Administration from Norwegian School of Business and Economics (NHH).

Current other directorships and management positions.....	Directorships: - Management position(s): General manager in Gluteus Medius AS.

Previous directorships and management positions held during the last five years	Directorships: - Management position(s): -

Executive Management

The Company's Executive Management comprises of the following members:

Name	Position	Employed From
Kenneth Walland	Chief Executive Officer (CEO)	2021[1)]
Tom Johan Austrheim	Chief Financial Officer (CFO)	2021
Håkon L. Vevang	Chief Commercial Officer (CCO)	2021[1)]
Jan Lodden	Chief Operating Officer (COO)	2022

[1)] Employed in the Østensjø Group prior to joining Edda Wind.

The executive management is employed by Edda Wind Management AS.

Set out below are brief biographies of the members of the Executive Management, including their managerial expertise and experience.

Kenneth Walland, CEO

Kenneth Walland has served as CEO of Edda Wind since March 2021. Prior to his role as CEO of Edda Wind, Walland held several positions within the Østensjø Group, which he joined in 1994, including as Safety & Quality Manager, Fleet Manager and Chief Operating Officer, as well as Chief Executive Officer from 2016. His previous experiences also include senior positions onboard vessels of Royal Caribbean Cruises, the Norwegian Coast Guard and Halfdan Ditlev Simonsen, as well as a period the position as senior engineer at the Norwegian Petroleum Directorate's safety division. Walland is also a board member in the Offshore group of the Norwegian Shipowner Association. Walland is educated Master Mariner.

Current other directorships and management positions.....	Directorships: Norwegian Shipowner Association Management position(s):
Previous directorships and management positions held during the last five years	Directorships: Management position(s): Chief Executive Officer of the Østensjø Group, Royal Caribbean Cruises, the Norwegian Coast Guard and Halfdan Ditlev Simonsen

Tom Johan Austrheim, CFO

Tom Johan Austrheim joined Edda Wind as CFO in May 2021. Austrheim's previous experience includes the role as Head of Finance of Bring Cargo AS, CFO at Fred. Olsen Ocean AS, CFO of Kristian Gerhard Jebsen Skipsrederi AS and CFO of GC Rieber Shipping ASA. Austrheim holds a BA (Hons) Business Administration from Heriot-Watt University, Edinburgh, Scotland.

Current other directorships and management positions.....	Directorships: Management position(s):
Previous directorships and management positions held during the last five years	Directorships: Management position(s): Head of Finance of Bring Cargo AS, CFO at Fred. Olsen Ocean AS.

Håkon L. Vevang, CCO

Håkon L. Vevang has served as CCO of Edda Wind since March 2021. Prior to his role as CCO of Edda Wind, Håkon L. Vevang held the similar position within the Østensjø Group which he joined in 2011. Prior to joining the Østensjø Group, he spent six years working with shipbroking and market analysis consultancies in international shipping and offshore. Vevang holds a Master of Science degree in Applied Economics and Finance from Copenhagen Business School.

Current other directorships and management positions.....	Directorships: Chairman of SK Vard Haugesund Management position(s):
Previous directorships and management positions held during the last five years	Directorships: Management position(s):

Jan Lodden, COO

Jan Lodden has served as COO of Edda Wind since March 2022, and has a background as Master Mariner of offshore service vessels, including building supervision. Mr. Lodden has been part of the management in Eidesvik Offshore ASA for more than 20 years and comes from the position as COO there. Lodden is a Master Mariner by education, graduated from Haugesund Maritime Highschool in 1988, and has since attended the AFF leadership program “Solstrand Program” in 2006-2007.

Current other directorships and management positions.....	Directorships: Chairman of Langevåg Bygdatun AS; board member of Nora Invest AS. Management position(s): -
Previous directorships and management positions held during the last five years	Directorships: Board member in several Eidesvik companies. Management position(s): Chief Operating Officer at Eidesvik Offshore ASA.

11.3 Remuneration and Benefits

Board of Directors

The compensation for the members of the Board of Directors is determined on an annual basis by the shareholders of the Company at the Annual General Meeting.

The compansation for each member of the Board of Directors of the Company for the financial year 2022is set out below:

NOK	**Year Ended 31 December 2022**
Håvard Framnes (Chairman)..	200 584
Jan Eyvind Wang	125 342
Martha Kold Bakkevig	125 342
Toril Eidesvik	125,342
Duncan Bullock	110,274
Adrian Geelmuyden..	110,274
Cecilie Serck-Hanssen	110,274

Executive Management

The CEO has a non-compete restriction in his employment contract. There are no agreements between the Company and members of the management or the Board of Directors providing for benefits upon termination of employment, except for the CEO who has a contractual right to 12 months’ severance pay following the notice period.

The Group has adopted a long-term incentive program for certain of the employees of the Group. See Section 14.4 “*Warrants, Convertible Loans, Options etc.*” for further information.

The total compensation for each member of the Executive Management of the Company for the financial year 2022 is set out below:

NOK	Year Ended 31 December 2022
Kenneth Walland (CEO)	3,131,176
Håkon Vevang* (CCO)	1,509,347
Tom Johan Austrheim (CFO)	1,714,710
Jan Lodden (COO as of 1 July 2022)	674,313

* Håkon Vevang's base salary was increased by 17.65% from 1 January 2023.

Pensions

All employees are included in defined contribution plans, and as such, no amount has been set aside or accrued by the Group to provide pensions, retirement or similar benefits.

Audit Committee

The compansation for each member of the audit committee of the Company for the financial year 2022 is set out below:

NOK	Year Ended 31 December 2022
Martha Kold Bakkevig (Chair)	17,644
Håvard Framnes	17,644

Remuneration Committee

The compansation for each member of the remuneration committee of the Company for the financial year 2022 is set out below:

NOK	Year Ended 31 December 2022
Jan Eyvin Wang (Chair)	8,822
Håvard Framnes	8,822

11.4 Shares and Options held by Members of the Board of Directors and Executive Management

The table below sets forth the number of Shares beneficially owned by each of the Company's members of the Board of Directors and Executive Management as of the date of this Prospectus.

	Position	Shareholding in the Company	Options etc.
Håvard Framnes	Chairman	126,880*	0
Jan Eyvin Wang	Director	92,493	0
Martha Kold Bakkevig	Director	4,000**	0
Toril Eidesvik	Director	21,680	0
Adrian Geelmuyden	Director	33,680	0
Duncan J. Bullock	Director	0	0
Cecilie Wammer Serck-Hanssen	Director	4,336	0
Kenneth Walland	CEO	260,162	0
Tom Johan Austrheim	CFO	181,761***	0
Håkon L. Vevang	CCO	54,200	0
Jan Lodden	COO	48,000****	0

*41,680 shares are held directly via the 100% owned company, Framnes Holding AS, whilst 85,200 shares are held indirectly through Johannes Østensjø dy AS.

** Held via Kold Invest AS, which is 50% owned by Martha Kold Bakkevig and 50% owned by Jan Erik Joakimsen.

**161,761 shares are held via the 100% owned company, Lungo Invest AS, whilst 20,000 shares are held directly.

****Held via Nora Invest I AS owned by a close associate of Jan Lodden .

11.5 Disclosure of Conflicts of Interests

The Chairman of the Board of Directors Håvard Framnes holds the position as investment director in JØDY. Håvard Framnes also holds a minority ownership in JØDY. The Director Jan Eyvin Wang holds positions in the Wilh. Wilhelmsen Group. The Director Adrian Geelmuyden holds position in Seatankers Management. The director Duncan J. Bullock holds position in Quantum Power. These four Board members are therefore related to significant shareholders in the Company, as further described in Section 14.8 "*Major Shareholders*". JØDY and its affiliates also have agreements with the Group, as further described in Section 12 "*Related Party Transactions*". There may therefore be actual or potential conflicts of interest between the Company and such members of the Board of Directors.

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and members of the Executive Management.

11.6 Disclosure About Convictions in Relation to Fraudulent Offences

During the last five years preceding the date of this Prospectus, no member of the Board of Directors or the Executive Management has:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his capacity as a founder, director or senior manager of a company.

11.7 Audit Committee

The Company has an audit committee, the members of which as of the date of this Prospectus are Martha Kold Bakkevig (Chair) and Håvard Framnes. Both of the aforementioned persons are members of the Board of Directors. The primary purposes of the audit committee are to:

- assist the Board of Directors in discharging its duties relating to the safeguarding of assets; the operation of adequate system and internal controls; control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance and accounting standards; and
- provide support to the board of directors on the risk profile and risk management of the Company.

The audit committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations. Both Martha Kold Bakkevig (Chair) and Håvard Framnes have relevant qualifications within accounting/auditing. Martha Kold Bakkevig is independent of the Company's operations, management and main shareholders.

11.8 Nomination Committee

In the Articles of Association, it is regulated that the Company shall have a nomination committee, consisting of minimum two members to be elected by the general meeting. The nomination committee is responsible for proposing candidates for members of the board and the nomination committee, and remuneration to the members of these bodies. As of the date of this Prospectus, the nomination committee of the Company has two members being: Johannes Østensjø and Benedicte Gude (Chair).

11.9 Remuneration Committee

The Company has a remuneration committee consisting of Håvard Framnes and Jan Eyvin Wang (Chair). The members of the remuneration committee are appointed by and among the members of the Board of Directors, and shall be independent of the Company's Executive Management. The principal tasks of the remuneration committee are to prepare:

- the Board of Directors' declaration on determination of salaries and other remuneration for executive management in accordance with the Norwegian Public Limited Liability Companies Act section 6-16 a; and
- other matters relating to remuneration and other material employment issues in respect of the executive management.

The remuneration committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

11.10 Corporate Governance

The Company has adopted the Norwegian Code of Practice for Corporate Governance (the "**Corporate Governance Code**"). Currently, the Company is not in compliance with the following recommendations of the Corporate Governance Code:

- The Board of Directors has not established guiding principles on how to act in the event of a takeover bid, as such situations are normally characterized by concrete and one-off situations which makes a guideline challenging to prepare. In the event a takeover were to occur, the Board of Directors will consider the relevant recommendations in the Corporate Governance Code and whether the concrete situation entails that the recommendations in the Corporate Governance Code can be complied with or not.
- The General Meeting is chaired by the chair of the Board of Directors, or an individual appointed by the chair of the Board of Directors. Having the chair of the Board of Directors or a person appointed by him/her chairing the General Meetings simplifies the preparations for the General Meetings significantly.
- The Company encourages shareholders to attend the General Meeting. It is also the intention to have representatives of the Board of Directors attending the General Meeting. The Company will, however, normally not have the entire Board of Directors attending the meeting as this is considered unnecessary.

11.11 Employees

As of the date of this Prospectus, the Group had 9 employees, including full time employees, hired in personnel and one part time employee.

In 2022, the Group had 9 employees, whereof 4 were employed through Edda Supply Ships (UK) Limited ("**ESS**"). In 2021 the Group had 7 employees (whereof 4 were employed through ESS), in 2020 the Group had 4 employees (all employed through ESS) and in 2019 the Group had 4 employees (all employed though ESS).

12. RELATED PARTY TRANSACTIONS

This Section provides information on certain transactions which the Company is, or has been, subject to with its related parties during the years ended 31 December 2022, 2021, 2020 and 2019 and up to the date of this Prospectus. For the purposes of the following disclosures of related party transactions, "related parties" are those that are considered as related parties of the Company pursuant to IAS 24 "Related Party Disclosures".

The Group's material related parties are:

- Østensjø Wind AS, which owns 18.96 % of Edda Wind ASA
- JØDY, which owns 100% of Østensjø Wind AS
- Edda Supply Ships, a company 100% owned by Edda Wind ASA
- Østensjø Rederi AS, a company 100% owned by JØDY
- Solent Towage Ltd, a company 85% owned by JØDY
- West Supply VIII AS, a company 70,9% owned by JØDY indirectly
- Wilhelmsen New Energy AS, a company 100% owned by Wilh. Wilhelmsen Holding ASA
- Wilhelmsen Insurance Services AS, a sister company of Wilhelmsen New Energy AS

In addition to the management agreements described in Section 6.4.4 "*Management Agreements*", the Edda Passat Internal Charter, the Edda Mistral Internal Charter, the Edda Fjord Frontrunner Charter and the guarantee agreements described Section 10.6.3 "*Borrowings*" under the heading "*Guarantees*", the Company has entered into the following related party transactions:

- In November 2021, the Company entered into an insurance agreement with Wilhelmsen New Energy AS.

- In November 2021, the Company performed a share capital increase by conversion of debt, where EUR 27,000 thousand in debt to JØDY and Wilhelmsen New Energy AS was converted.

- In October 2021, the Company (as borrower) entered into a EUR 16.5 million loan agreement with interest rate 4% with JØDY and Wilhelmsen New Energy as lenders for the purposes of financing certain yard instalments under shipbuilding contracts and working capital needs of the Group. The loan was repaid to the lenders in November 2021.

- In June 2021, the Company as borrower entered into an EUR 13,000,000 loan agreement with interest rate 4% with JØDY and Wilhelmsen New Energy AS as lenders for the purposes of financing certain yard instalments under shipbuilding contracts and working capital needs of the Group.

- From April 2021 Edda Wind I AS has chartered MV Edda Fjord for a period until 31 March 2022, plus 6 x 1 months options, from West Supply VIII AS, a company indirectly 70,9 % owned by JØDY. Subsequently, the lease was extended until year end 2022 with optional period until 31 March 2023. MV Edda Fjord serves as a front runner for Edda Breeze, on the contract with Ocean Breeze Energy GmbH & Co. KG. The contract is on arms-length terms.

- In April 2021, the Company as borrower entered into an EUR 14,000,000 loan agreement with interest rate 4% with JØDY and Wilhelmsen New Energy AS as lenders for the purposes of financing certain yard instalments under shipbuilding contracts and working capital needs of the Group.

- In March 2020, the Company as borrower entered into an EUR 13,429,000 loan agreement with JØDY as lender regarding the funding of certain yard instalments under shipbuilding contracts of the Group. The loan was settled by conversion to equity in a capital increase in the Company in March 2020.

- Further to this, certain of the Group's obligations towards counterparties are guaranteed, primarily by JØDY. This concerns the following guarantees:

Company guaranteed for:	**Guarantor**	**Beneficiary**	**Date of entry:**	**Guarantee for obligations under:**
Edda Wind I AS	JØDY	Parties to tax lease agreements	8 April 2020	Tax lease structure
Edda Wind II AS	JØDY	Parties to tax lease agreements	30 March 2020	Tax lease structure

Edda Wind III AS	JØDY	Parties to tax lease agreements	8 April 2020	Tax lease structure
Edda Wind IV AS	JØDY	Parties to tax lease agreements	8 April 2020	Tax lease structure

All of the guarantees listed above are counter guaranteed by the Company under separate guarantee and counter indemnity agreements with JØDY. The guarantees are subject to a guarantee commission as described in Section 10.6.3 "*Borrowings*". The Company is in the process of relocating the tax lease structure guarantees to the Company as new guarantor.

Related party transactions occurred since 31 December 2021

From April 2021, Edda Wind I AS has chartered MV Edda Fjord for a period until 31 March 2022, plus 6 x 1 months options, from West Energy VIII AS, a company indirectly 70,9 % owned by JØDY. MV Edda Fjord serves as a front runner for newbuild Edda Breeze, on the contract with Ocean Breeze Energy GmbH & Co. KG. The contract, which has been extended to 31 March 2023, is on arms-length terms.

The Group has entered into an agreement with Østensjø Rederi AS with respect to adjusted corporate management fee with effect from 1 July 2021. The amendment pursuant to the new agreement will not have any significant effect on the fee levels between Østensjø Rederi AS and the Group, however, the invoicing structure will be different. Following 1 July 2021, corporate management fees are invoiced Edda Wind Management AS, instead of each relevant Group company. The increase to corporate management fees for 2021 is mainly due to the increase of entities within the Group.

The following transactions occurred with related parties in the financial years ended 31 December 2022, 2021, 2020 and 2019:

	2022	2021	2020	2019
NOK 000'				
Transactions with related parties				
Leasing of Edda Fjord from West Supply VIII AS	9 147	**5 836**	0	0
Purchase of management services, operation and supervision of vessels from, Østensjø Rederi AS	726	758	1,103	997
Hired crew from Østensjø Rederi AS	5 852	5 138	5,524	3,936
Sale of services to Østensjø Rederi AS	(407)	(395)	(393)	0
Guarantee commission to Johannes Østensjø d.y. AS	826	529	33	0
Interest on shareholder loan	0	581	0	0
Insurance cost to Wilhelmsen Insurance Services AS	261	61	0	0
Interest expenses to Johannes Østensjø d.y. AS on other short term debt	0	9	0	0
Total transactions with related parties	**16 405**	**12 517**	**6 276**	5,064

The balance sheet includes the following amounts resulting from transactions with related parties:

	2022	2021	2020	2019
Accounts receivable				
Østensjø Rederi AS	45	52	49	50
Edda Crewing Services Ltd	10	11	-	-
AS Havørn	-	2	-	-
Solent Towage Ltd	58	63	-	-
West Supply I AS	-	7	-	-
West Supply II AS	8	-	-	-
Total accounts receivable	**122**	**135**	**48**	50
Accounts payable				
Østensjø Rederi AS	481	350	589	115
Johannes Østensjø d.y. AS	406	114	285	-
West Supply VIII AS	940	88	-	-
Edda Crewing Services Ltd	310	233	-	-
Mercator Services AS	26	13	-	-
Wilhelmsen Insurance Services AS	61	-	-	-
Østensjø Drift AS	8	-	-	-
Total accounts payable	**2 233**	**799**	**874**	115
Current receivable			-	
Johannes Østensjø d.y. AS	-	-	-	-
Total current receivables	**-**	**-**	-	-
Current debt				
Østensjø Rederi AS	1	27	42	-
Johannes Østensjø d.y. AS	-	207	189	5
Solent Towage Ltd	-	79	74	108
Østensjø Drift AS	8	-	-	-
West Supply VIII AS	16	49	-	-
Total current debt	**25**	**362**	**304**	112

For more information on related party transactions, see note 7 in the Group's audited financial statement for the year ended 31 December 2021, included in Appendix A — Financial Statements to this Prospectus.

13. DIVIDEND AND DIVIDEND POLICY

This Section provides information about the dividend policy and dividend history of the Company, as well as certain legal constraints on the distribution of dividends under the Norwegian Public Limited Liability Companies Act (Nw. allmennaksjeloven). Any future dividends declared by the Company will be paid in NOK as this is the currency that currently is supported by the VPS. The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates; see Section 4.3"General Information—Cautionary Note Regarding Forward-Looking Statements".

13.1 Dividend Policy

Given the expected mix of long-term charters with predictable cash flows and selected vessels available for short-term employment to exploit prevailing market conditions, the Company has an ambition over time to pay a regular dividend. The Company aims to pay a dividend of 50% of free cash flows after debt service subject to consideration of its outlook, investment opportunities, working capital, debt service and financial position. The financing agreements of the Group currently include covenants with restrictions on payment of dividend. Any declaration of dividends will, however, be at the discretion of the Board of Directors, and there can be no assurances that in any given period will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the above.

In deciding whether to propose a dividend and in determining the dividend amount, the Company's Board of Directors will also take into account statutory legal restrictions, as set out in Section 13.2 "*Legal Constraints on the Distribution of Dividends*", the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility. See in this respect Section 10.6.3 "*Borrowings*" regarding certain restrictions on distributions from the Company to its shareholders and from subsidiaries of the Company under the Group's loan agreements and also the risk factor 2.3.2 *"Risks relating to financing and restrictive covenants and conditions in the Group's financing agreements."*

The Company has not paid any dividends for the financial years 2019, 2020, 2021 or 2022.

13.2 Legal Constraints on the Distribution of Dividends

Dividends may be paid in cash or, in some instances, in kind. The Norwegian Public Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Unless the Company follows the procedures stipulated in Sections 12-4 and 12-6 of the Norwegian Public Limited Liability Companies Act in respect of reduction of share capital, dividends are payable only out of distributable equity of the Company. Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that a company may only distribute dividends to the extent that the company following the distribution still has net assets which provide coverage for the Company's share capital and other non-distributable reserves.

- Certain items shall be deducted from the distributable equity, being the total nominal value of treasury shares which the Company has acquired for ownership or pledge prior to the balance sheet date, and credit and security that, pursuant to Sections 8-7 to 8-9 of the Norwegian Public Limited Liability Companies Act, prior to the balance sheet date fall within the limits of distributable equity, provided that such credit and security have not been repaid or cancelled prior to the resolution date, or a credit to a shareholder to the extent such credit is cancelled by offset in the dividends. In the event the Company after the balance sheet date has carried out any disposals that pursuant to the Norwegian Public Limited Liability Companies Act shall fall within the distributable equity, such disposals shall be deducted from the distributable equity.

- The Company cannot distribute dividends which would result in the Company not having an equity which is adequate in terms of the risk and scope of the Company's business.

- The calculation of dividends shall be on the basis of the balance sheet in the Company's last approved annual financial statements, but the Company's registered share capital at the time of the resolution shall still apply. It is also possible to distribute extraordinary dividends on the basis of an interim balance sheet which is prepared and audited in accordance with the rules for annual financial statements and approved by the General Meeting of the Company. The interim balance sheet date cannot be dated more than six months prior to the resolution by the General Meeting of payment of such extraordinary dividend.

- The amount of distributable dividends is calculated on the basis of the Company's separate financial statements and not on the basis of the consolidated financial statements of the Company and its consolidated subsidiaries.

- Distribution of dividends is resolved by a majority vote at the General Meeting of the shareholders of the Company and on the basis of a proposal from the Board of Directors. The General Meeting cannot distribute a larger amount than what is proposed or accepted by the Board of Directors.

The Norwegian Public Limited Liability Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 16.2 "*Norwegian Taxation— Non-Resident Shareholders*".

13.3 Manner of Dividend Payment

The Company's equity capital is denominated in Norwegian kroner and all dividends on the Shares will therefore be declared in Norwegian kroner. As such, investors whose reference currency is a currency other than the Norwegian krone may be affected by currency fluctuations in the value of the Norwegian krone relative to such investor's reference currency in connection with a dividend distribution by the Company. Any future payments of dividends on the Shares to shareholders will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividends will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

14. CORPORATE INFORMATION; SHARES AND SHARE CAPITAL

The following Section is a summary of certain corporate information and other information relating to the Company, the Shares and share capital of the Company, summaries of certain provisions of the Company's Articles of Association and applicable Norwegian law in effect as of the date of this Prospectus, including the Norwegian Public Limited Liability Companies Act (Nw.: allmennaksjeloven). This summary does not purport to be complete and is qualified in its entirety by the Company's Articles of Association and applicable Norwegian law.

14.1 Incorporation; Registration Number; Registered Office and Other Company Information

The Company's legal and commercial name is Edda Wind ASA. The Company is a Norwegian public limited liability company (Nw.: *allmennaksjeselskap* or *ASA*) organized and existing pursuant to the Norwegian Public Limited Liability Companies Act (Nw.: *allmennaksjeloven*) and the Company's Articles of Association. The Company's business registration number is 923 565 264. The Company's LEI is 5493005YFWCZLN6Q2I28.

The Company was incorporated under the laws of Norway on 16 September 2019 as a Norwegian private limited liability company (Nw.: *aksjeselskap* or *AS*). The Company was resolved to be converted to a Norwegian public limited liability company (Nw.: *allmennaksjeselskap* or *ASA*) on 4 November 2021.

The Company is domiciled in Norway with its head office and registered address at Smedasundet 97, 5525 Haugesund, its telephone number is +47 527 04 545 and its website **https://eddawind.com/**.

14.2 Legal Structure and information on holdings

The Company is the parent of the Group and is a holding company without operations itself.

The following table sets out information about the entities in which the Company, as of the date of this Prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes.

Name	Country of Incorporation	Registered Office	Holding (%)	Field of Activity	Nature of business
Edda Wind I AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind II AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind III AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind IV AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind V AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind VI AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind VII AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind VIII AS	Norway	Smedasundet 97, 5525	100%	Shipping	Vessel operations

		Haugesund, Norway			
Edda Wind IX AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind X AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Investment
Edda Wind XI AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind XII AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind XIV AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind XV AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations
Edda Wind XVI AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel purposes
Edda Wind XVII AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel purposes
Edda Wind XVIII AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel purposes
Edda Wind XIX AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel purposes
Edda Wind XX AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Dormant
Edda Wind XXI AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Dormant
Edda Wind Management AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping, management	Management services
Edda Wind Investment AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Investment
West Energy AS	Norway	Smedasundet 97, 5525 Haugesund, Norway	100%	Shipping	Vessel operations

Puerto de Calella S.L.	Spain	Calle Villalba Hervás 9, Pl. 8 (Edificio Camacho), 38002 Santa Cruz de Tenerife, Spain	100%	Shipping	Vessel owner
Puerto de Llafranc S.L.	Spain	Calle Villalba Hervás 9, Pl. 8 (Edificio Camacho), 38002 Santa Cruz de Tenerife, Spain	100%	Shipping	Vessel owner
Edda Supply Ships (UK) Ltd	Scotland	Nautilus House, Waterloo Quay, Aberdeen, Scotland, AB11 5BS	100%	Shipping	Management services
Edda Supply Ships III Limited	Scotland	Nautilus House, Waterloo Quays, Aberdeen, Scotland, AB11 5BS	100%	Shipping	Dormant
Edda Wind USA LLC	USA	1209 Orange Street, 19801 Wilmington, Delaware	100%	Shipping	Investment

14.3 Share Capital and Share Capital History

As of the date of this Prospectus, the Company's share capital is NOK 11,231,488.80 divided into 112,314,488 Shares, fully paid and each Share having a par value of NOK 0.1. The Shares have been issued under Norwegian law (pursuant to the Public Limited Liability Act) and are registered on the Company's ISIN NO 001 0998529 with the VPS in book-entry form, with DNB Bank ASA as its VPS registrar.

The table below shows the development in the share capital of the Company since its incorporation and up to the date of this Prospectus.

	Date	Capital Increase (NOK)	Share Capital After Change (NOK)	Par Value of Shares (NOK)	Subscription Price per Share (NOK)	New Shares	Total Number of Outstanding Shares
Incorporation	16 September 2019	30,000	30,000	1,000	1,000	30	30
Capital reduction	27 March 2020	0	0	0	0	0	0
Contribution in-kind	27 March 2020	100,000	100,000	100	449,111	1,000	1,000
Contribution in-kind	11 September 2020	1,000	101,000	101	153,892	0	1,000
Conversion of shareholder loan	4 November 2021	3,199,000	3,300,000	3,300	N/A	0	1,000
Share split	4 November 2021	N/A	3,300,000	0.1	N/A	0	33,000,000
Share capital increase	25 November 2021	2,860,162.60	6,160,162.60	0.1	23.0625	28,601,626	61,601,626
Share capital increase	28 December 2021	5,815,325.40	6,431,488	0.1	30.75	2,712,862	64,314,488
Share capital increase	6 March 2023	643,144.80	7,074,593.60	0.1	25.00	6,431,448	70,745,936
Share capital increase	29 March 2023	4,156,855.20	11,231,488.80	0.1	25.00	41,568,552	112,314,488

14.4 Warrants; Convertible Loans; Options; Incentive schemes; Share Purchase Program

As of the date of this Prospectus, the Company has not issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company.

Management incentive scheme

The Company has approved a one year (calendar year) rolling incentive scheme for its management. The participants in the incentive scheme are determined by the Board of Directors. The maximum bonus pursuant to the incentive scheme equals the annual base salary, and the bonus accrued is based on changes in the trading price for the shares:

- Below 10 % increase does not entitle bonus

- An increase of 30% or more entitles maximum bonus
- An increase between 10% and 30 % entitles pro rata share of the maximum bonus.

Any dividends distributed on the shares within the relevant incentive periods will be added to the share price.

The bonus will be paid 2 years after accrual if the employee is still employed at the payment date. The incentive scheme may be terminated by the Board of Directors. If it is terminated, the accrued bonus (if any) will be paid to the employees.

14.5 Authorisation to Increase the Share Capital and to Issue Shares and Other Financial Instruments

On 24 March 2023, the EGM was held where the Board of Directors was granted an authorisation to increase the share capital by up to NOK 1,323,144.88. The authorisation is valid until the Company's annual general meeting in 2023, but in any case no longer than 30 June 2023. The preferential rights of the existing shareholders to subscribe for new shares pursuant to Section 10-4 of the Norwegian Public Limited Companies Act may be deviated from pursuant to the rules set out in Section 10-5 of said Act.

14.6 Own shares and authorisation to acquire own Shares

As per the date of this Prospectus, the Company does not hold any own Shares.

In the annual general meeting held on 6 May 2022, the Board of Directors was granted an authorization to repurchase the Company's own shares within a total nominal value of NOK 643,144.88. The Board of Directors is authorized to acquire and pledge own shares on one or more occasions, but not at prices higher than NOK 35 per share or lower than NOK 0.1 per share. The authorization is valid until the Company's annual general meeting in 2023, but in no case longer than to 30 June 2023.

14.7 Share Classes; Rights Conferred by the Shares

The Company has a single share class and all Shares carry the same rights. At the Company's General Meetings, each share carries one vote.

14.8 Major Shareholders

As of 29 March 2023, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly and/or indirectly, interest in 5% or more of the issued share capital of the Company (which constitutes a notifiable holding under the Norwegian Securities Trading Act):

	%
Østensjø Wind AS(1)	18.96
Wilhelmsen New Energy AS(2)	25.38
Geveran Trading Co Ltd(3)	16.52
EPS Ventures Ltd.	15.93

(1) JØDY owns 100% of the shares in Østensjø Wind AS. JØDY is owned 9.9% by Johannes Østensjø (indirectly through the 100% owned holding company Verteks AS) and 89.7% by Sonja Østensjø (indirectly through the 100% owned holding companies Verteks II AS and Sjøklar AS). Verteks AS has 100% of the voting rights in JØDY.
(2) Wilhelmsen New Energy AS is 100% owned by Wilh. Wilhelmsen Holding ASA. Approximately 60% of the voting shares in Wilh. Wilhelmsen Holding ASA is owned by Tallyman AS, which is controlled by Thomas Wilhelmsen.
(3) Geveran Trading Co Ltd is 100% owned by Greenwich Holdings Ltd.

None of the major shareholders have different voting rights than the other shareholders of the Company.

In accordance with the disclosure obligations under the Norwegian Securities Trading Act, where a shareholder's proportion of shares and/or rights shares reaches, exceeds or falls below 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 1/3, 50 percent, 2/3 or 90 percent of the share capital or voting rights of a company listed on Oslo Stock Exchange must make a public disclosure immediately. The table above shows the percentage held by each such shareholder, and each shareholder with 5 percent or more of the Shares is subject to the disclosure requirement when such shareholder reaches, exceeds or falls below any of these thresholds.

The Company has not implemented any specific measurements in order to prevent the abuse of any control. The Company is neither aware of any arrangements that may result in, prevent or restrict a change of control of the Company.

There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

To this effect, the Company is not directly or indirectly controlled by any individual shareholder.

14.9 Articles of Association

The Company's Articles of Association are appended as Appendix A—Articles of Association to this Prospectus. Below is a summary of certain provisions of the Articles of Association.

Objective

Pursuant to Section 3 of the Articles of Association, the Company's objective is to directly or indirectly, own and conduct business within the offshore renewable segment including, but not limited to, ownership and management of specialised vessels, various auxiliary services, as well as participation and ownership in other companies.

No Restrictions on Transfer of Shares

The Articles of Association do not provide for any restrictions, or a right of first refusal, on transfer of Shares. Share transfers are not subject to approval by the Board of Directors.

General Meetings

Pursuant to Section 6 of the Articles of Association, documents which deal with matters that are to be considered by the shareholders at General Meetings are not required to be sent to the shareholders, provided that such documents have been made available on the Company's website. A shareholder may in any case request such documents to be sent to him. Further, the Board of Directors can decide that the shareholders shall be able to cast votes in writing, including by electronic communication, in a period prior to the General Meeting. For such voting an adequate method to authenticate the sender shall be used.

Signing Rights

Pursuant to Section 5 of the Articles of Association, the chairman of the Board of Directors together with one Director jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant procuration.

14.10 Certain Aspects of Norwegian Company Law

General Meetings

In accordance with Norwegian law, the Annual General Meeting of the Company's shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of General Meetings setting forth the time, date, venue and agenda of the meeting be sent to all shareholders whose addresses are known at least two weeks prior to the date of the meeting. A shareholder may vote at the General Meeting either in person or by proxy. Although Norwegian law does not require the Company to send proxy forms to its shareholders for General Meetings, the Company may include a proxy form with notices of General Meetings. All of the Company's shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the General Meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at General Meetings, without any requirement of pre-registration.

Apart from the Annual General Meeting, Extraordinary General Meetings of shareholders may be held if the Board of Directors considers it necessary. An Extraordinary General Meeting of shareholders must also be convened for the consideration of specific matters at the written request of the Company's auditor or of shareholders representing a total of at least 5% of the Company's share capital. The requirements for notice and admission to the Annual General Meeting of the Company's shareholders also apply for Extraordinary General Meetings of shareholders.

Voting Rights; Amendments to the Articles of Association

Each of the Company's Shares carries one vote. In general, and, unless otherwise regulated, decisions that shareholders are entitled to make under Norwegian law or the Company's Articles of Association may be made by a simple majority of the votes cast. In the case of elections, the persons who obtain the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to derogate from the shareholders preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the Board of Directors to purchase the Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the General Meeting of the Company's shareholders in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the Articles of Association.

In general, only shareholders registered in the VPS are entitled to vote on Shares. Neither beneficial owners of Shares that are registered in the name of a nominee, nor are persons who are designated in the VPS register as the holder of such Shares as nominees, are generally not entitled to vote on Shares under Norwegian law.

There are no quorum requirements that apply to the General Meetings of the shareholders of the Company.

Additional Issuances and Preferential Rights

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to its Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a General Meeting of the Company's shareholders passed by the same vote required to approve amending the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

At a General Meeting, the Company's shareholders may, by the same vote as is required for amending the Articles of Association, authorise the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the par value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve, and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the par value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's US shareholders may not be able to exercise their preferential rights. If a US shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company if deemed appropriate by the Company. Similar restrictions may apply in other jurisdictions.

Minority Rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of General Meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the General Meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may require the courts to dissolve the Company as a result of such decisions. Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Company's Board of Directors convene an Extraordinary General Meeting of the Company's shareholders to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any General Meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the General Meeting has not expired.

Rights of Redemption and Repurchase of Shares

The share capital of the Company may be reduced by reducing the par value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a General Meeting of the Company's shareholders. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a General Meeting of the Company's shareholders with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not exceed 10% of the Company’s share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the General Meeting of the Company's shareholders cannot be granted for a period exceeding two years.

Shareholder Vote on Certain Reorganisations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the General Meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the General Meeting. A merger plan or demerger plan signed by the Board of Directors along with certain other required documentation would have to be sent to all the Company's shareholders at least one month prior to the General Meeting of the Company's shareholders to pass upon the matter.

Liability of Directors

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the directors act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the General Meeting of the Company's shareholders to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the General Meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Company's directors from liability or not to pursue claims against such a person has been passed by a General Meeting of the Company's shareholders with a smaller majority than that required to amend the Company's Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company’s behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's directors from liability or not to pursue claims against the Company's directors is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

Indemnification of Directors

Neither Norwegian law nor the Articles of Association contain any provision concerning indemnification by the Company of the members of the Board of Directors. The Company is permitted to purchase, and has purchased, insurance to cover the Company's directors against certain liabilities they may incur in their capacity as such.

Distribution of Assets on Liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the General Meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital by the Company, if any.

Investors may not be able to exercise their voting rights for Shares registered in a nominee account.

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is (a) re-registered in their names with the VPS prior to the Company’s general meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided in the Articles of Association in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their Shares through a nominee arrangement should consult the nominee to ensure that any Shares beneficially held are voted for in the manner desired by such beneficial owner.

15. SECURITIES TRADING IN NORWAY

The following is a summary of certain information in respect of trading and settlement of shares on the Oslo Stock Exchange, securities registration in Norway and certain provisions of applicable Norwegian securities law, including the Norwegian Securities Trading Act, in effect as of the date of this Prospectus, which may be subject to changes occurring after such date. This summary does not purport to be complete and is qualified in its entirety by Norwegian law. Shareholders who wish to clarify the aspects of securities trading in Norway should consult with and rely upon their own advisors.

15.1 Introduction

As a company listed on the Oslo Stock Exchange, the Company will be subject to certain duties to inform the market under the Norwegian Securities Trading Act, the EU Market Abuse Regulation as well as Oslo Stock Exchange obligations applicable to stock exchange listed companies. Furthermore, the Company will be subject to Norwegian securities regulations and supervision by the relevant Norwegian authorities.

15.2 Trading and Settlement

As of the date of this Prospectus, trading of equities on Oslo Børs is carried out in the electronic trading system Optiq, which is the electronic trading system of Euronext.

Official trading on the Oslo Stock Exchange takes place between 09:00 CEST and 16:30 CEST each trading day, with pre-trade period between 08:15 hours CEST and 09:00 CEST, a closing auction from 16:20 CEST to 16:25 CEST and a post-trade period from 16:25 CEST to 17:30 CEST. Reporting of after exchange trades can be done until 17:30 CEST.

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in the VPS two trading days after the transaction, and that the seller will receive payment after two trading days.

Oslo Børs offers an interoperability model for clearing and counterparty services for equity trading through LCH Limited, EuroCCP and Six X-Clear.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from a member state of the EEA or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

15.3 Information, Control and Surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and the bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company. Inside information means precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market. A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

15.4 The VPS and Transfer of Shares

The Company's shareholder register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (Norway's central bank) authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholders or has reported and shown evidence of such acquisition and the acquisition is not prevented by law, the relevant company's articles of association.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an on-going basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

15.5 Shareholder Register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote in general meetings on behalf of the beneficial owners.

15.6 Foreign Investment in Shares listed in Norway

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

15.7 Disclosure Obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to make a public disclosure immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

15.8 Insider Trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in the EU Market Abuse Regulation Article 7. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

15.9 Mandatory Offer Requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a Norwegian company listed on a Norwegian regulated market to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange, in its capacity as Take-over Authority of Norway, before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed to be paid by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. However, if it is clear that that the market price was higher when the mandatory offer obligation was triggered, the offer price shall be at least as high as the market price. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant mandatory offer threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that accrues until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a Norwegian company listed on a Norwegian regulated market is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated Company that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

15.10 Compulsory Acquisition

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

15.11 Foreign Exchange Controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a Norwegian company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

16. NORWEGIAN TAXATION

*This Section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes (“**Norwegian Shareholders**”) and to shareholders who are not resident in Norway for tax purposes (“**Foreign Shareholders**”). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date. Such changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. Potential Investors are hereby warned that tax legislation of the investor’s Member State and Norwegian tax legislation may have an impact on the income received from the Shares. The statements only apply to shareholders who are beneficial owners of Shares. Please note that for the purpose of the summary below, references to Norwegian Shareholders or Foreign Shareholders refers to the tax residency rather than the nationality of the shareholder.*

16.1 Norwegian Shareholders

Taxation of Dividends

Norwegian corporate shareholders (i.e. limited liability companies and similar entities) resident in Norway for tax purposes (“**Norwegian Corporate Shareholders**”) are subject to the Norwegian tax exemption method. Under the exemption method, only 3% of the dividend income on shares in Norwegian limited liability companies shall be taxed as ordinary income (22% flat rate), implying that such dividends are effectively taxed at a rate of 0.66%. For financial institutions resident in Norway for tax purposes the tax rate for ordinary income is 25%, resulting in an effective tax rate for dividends of 0.75%.

Dividends distributed to Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian Corporate Shareholders) (“**Norwegian Individual Shareholders**” and taken together with Norwegian Corporate Shareholders, “**Norwegian Shareholders**”) are taxable under the “shareholder model”. According to the shareholder model, dividends distributed to individual shareholders are multiplied with a factor of 1.72 before taken to taxation at the ordinary income rate of 22% (resulting in an effective tax rate of 37.84%) to the extent the dividend exceeds a basic tax-free allowance.

The tax-free allowance shall be computed for each individual shareholder on the basis of the cost price of each of the shares multiplied by a risk-free interest rate. The risk-free interest rate will be calculated every income year and is allocated to the shareholder owing the share on 31 December of the relevant income year. Any part of the calculated tax-free allowance one year exceeding the dividend distributed on the share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realisation of, see below) the same share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same share the following year.

Norwegian Individual Shareholders may hold the Shares through a Norwegian share saving account (*Nw. aksjesparekonto*). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective tax rate of 37.84%. Norwegian Individual Shareholders will still be entitled to a calculated tax-free allowance. Please refer to the Section “*Taxation of Capital Gains*” below for further information in respect of share saving accounts.

Taxation of Capital Gains

Sale, redemption or other disposal of shares is considered as a realisation for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realisation of shares in Norwegian limited liability companies are subject to by the Norwegian tax exemption method and therefore tax exempt. Net losses from realisation of shares and costs incurred in connection with the purchase and realisation of such shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains on the realisation of shares, and have a corresponding right to deduct losses. This applies irrespective of how long the shares have been owned by the individual shareholder and irrespective of how many shares that are realised. Gains are taxable as ordinary income in the year of realisation, and losses can be deducted from ordinary income in the year of realisation. Any gains or losses are also multiplied with a factor of 1.72 before taken to taxation at the tax rate for ordinary income of 22 % (resulting in an effective tax rate of 37.84%). Under current tax rules, gain or loss is calculated per share, as the difference between the consideration received and the tax value of the share. The tax value of each share is based on the individual shareholder's purchase price for the share. Costs incurred in connection with the acquisition or realisation of the shares may be deducted in the year of sale. Unused tax-free allowance connected to a share may be deducted from a capital gain on the same share, but may not lead to or increase a deductible loss. Further, unused tax-free allowance related to a share may not be set off against gains from realisation of other shares.

If Norwegian Shareholder realises shares acquired at different point of in time, the shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss.

Gains derived from the realisation of shares held through a share saving account will be exempt from immediate Norwegian tax and losses will not be tax deductible. Instead, withdrawal of funds from the share saving account exceeding the Norwegian Individual Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84%. Norwegian Individual Shareholders will be entitled to a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income (please see Section *"Taxation of Dividends"* above). The tax-free allowance is calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account or future dividends received on shares held through the account.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

Taxation of Subscription Rights

A Norwegian Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway. Costs related to the subscription for the shares will be added to the cost price of the shares.

Sale and other transfer of subscription rights are considered a realisation for Norwegian tax purposes. Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realisation of subscription rights qualifying for the Norwegian tax exemption method. Losses upon the realisation and costs incurred in connection with the purchase and realisation of such subscription rights are not deductible for tax purposes.

For Norwegian Individual Shareholders, a capital gain or loss generated by a realisation of subscription rights is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for the computation of ordinary income in the year of disposal. The ordinary income is taxable at a flat rate of 22%.

Net Wealth Tax

The value of shares is taken into account for net wealth tax purposes in Norway. The marginal tax rate is currently 1% for net wealth exceeding a threshold of NOK 1,700,000 and 1.1% for net wealth exceeding a threshold of NOK 20,000,000.

Shares listed on the Oslo Stock Exchange are valued at 80% of the quoted value at 1 January in the assessment year. The value of debt allocated to the shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 80%).

Norwegian Corporate Shareholders are not subject to net wealth tax.

Inheritance Tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway.

16.2 Non-Resident Shareholders

Taxation of Dividends

Dividends paid from a Norwegian limited liability company to Foreign Shareholders are subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. Norway has entered into tax treaties with a number of countries and withholding tax is normally set at 15% under these treaties. The shareholder's home country may give credit for the Norwegian withholding tax imposed on the dividend.

Foreign corporate shareholders (i.e. limited liability companies and similar entities) ("**Foreign Corporate Shareholders**") which are genuinely established and carry out genuine economic activities within the EEA are not subject to Norwegian withholding tax.

Dividends paid to foreign individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders) ("**Foreign Individual Shareholders**") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, see Section 16.1 "*Norwegian Shareholders—Taxation of Dividends*". However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Foreign Shareholder, based on information registered with the VPS. Dividends paid to Foreign Shareholders in respect of nominee registered shares are not eligible for reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Central Office for Foreign Tax Affairs. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

Foreign Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

Taxation of Capital Gains

Gains from realisation of shares by Foreign Shareholders will not be subject to tax in Norway unless the Foreign Shareholders are holding the shares in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

Taxation of Subscription Rights

A Foreign Shareholder's subscription for shares pursuant to a subscription right is not subject to taxation in Norway.

Capital gains derived by the sale or other transfer of subscription rights by Foreign Shareholders are not subject to taxation in Norway unless the Foreign Shareholder are holding the subscription rights in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

Net Wealth Tax

Foreign Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

16.3 Transfer Taxes etc.; VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, issuance, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

17. SELLING AND TRANSFER RESTRICTIONS

The purpose of this Prospectus is solely to have the Private Placement Shares admitted to trading and official listing on the Oslo Stock Exchange (the Listing). This Prospectus serves as a listing prospectus only. This Prospectus does not constitute an offer of, or an invitation to purchase, subscribe or sell any of the securities described herein, and no share, beneficial interest or other securities being offered or sold in any jurisdiction in which such offer or sale would be unlawful. The distribution of this Prospectus and the offer and sale of the Shares in certain jurisdictions may be restricted by law- Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. The Company and the Managers require persons in possession of this Prospectus to inform themselves about and to observe any such restrictions. The Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

17.1 United States

The Shares, including the Private Placement Shares, have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority or any state or other jurisdiction in the United States, and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable State Securities laws. Accordingly, the shares may only be offered and sold: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act, and (ii) to certain persons outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in each case, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission or any State Securities Commission. Such authorities have not passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence under the laws of the United States. This Prospectus is not for general distribution in the United States.

Prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares, and are hereby notified that sellers of Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

17.2 European Economic Area and the United Kingdom

This Prospectus serves as a listing prospectus only. This Prospectus does not constitute an offer of, or invitation to purchase, subscribe or sell any of the securities described herein, and no share, beneficial interest or other securities are being offered or sold in any jurisdiction pursuant to this Prospectus. In relation to any member state of the EEA where the EU Prospectus Regulation applies, (each a Relevant Member State) no offering of Shares will be made to the public in any Relevant Member State (including Norway). Accordingly, any person making or intending to make any offer of Shares within any Relevant Member State should only do so in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 1 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. The Company has not authorised, nor does it authorise, the making of any offer of Shares through any financial intermediary.

The Prospectus is not being distributed in the United Kingdom.

18. ADDITIONAL INFORMATION

18.1 Independent Auditor

The Company's independent auditor is Ernst & Young AS, with business registration number 976 389 387 and registered address at Dronning Eufemias gate 6A, 0191 Oslo, was elected as the Company's independent auditors in November 2019.

18.2 Managers and Joint Bookrunners

ABG Sundal Collier ASA (business registration number 883 603 362, and registered business address at Munkedamsveien 45 Vika Atrium, 0250 Oslo, Norway), Arctic Securities AS (business registration number 991 125 175, and registered business address at Haakon VIIs gate 5, 0161 Oslo, Norway), DNB Markets, a part of DNB ASA (business registration number 984 851 006, and registered business address at Dronning Eufemias gate 30, 0191 Oslo, Norway), Fearnley Securities AS (business registration number 945 757 647, and registered business address at Dronning Eufemias gate 8, 0191 Oslo, Norway) and Pareto Securities AS (business registration number 956 632 374, and registered address at Dronning Mauds gate 3, 0250 Oslo, Norway) acted as the joint bookrunners and managers in connection with the Private Placement.

18.3 Legal Advisors

Advokatfirmaet BAHR AS (business registration number 919 513 063, and registered business address at Tjuvholmen allé 16, 0252 Oslo) is Norwegian legal counsel to the Company.

Advokatfirmaet Wiersholm AS (business registration number 981 371 593 and registered business address at Dokkveien 1, 0250 Oslo, Norway) is acting as Norwegian legal counsel to the Managers.

18.4 VPS Registrar

The Company's VPS registrar is DNB Bank ASA, which has their registered address at Dronning Eufemias gate 30, 0191 Oslo.

18.5 Vessel valuation reports

The Company has obtained two vessel valuation reports with respect to its vessels in operation, "Edda Passat", "Edda Mistral", "Edda Breeze" and "Edda Brint", in addition to one vessel valuation report with respect to "Edda Boreas" which was delivered from the yard and commenced installation and commissioning of gangway system in February 2023. The reports were prepared by experienced independent experts who at the time of issuing the reports had no material interest in the Company, and are attached to this Prospectus as Appendix C.

The vessel valuation reports attached as Appendix C1, C2 and C3 have been prepared by R.G. Hagland AS ("**Hagland**"), having its registered business address at Smedasundet 97, 5525 Haugesund. Hagland is amongst the most experienced offshore vessel brokerages with over 40 years' experience. Hagland handles all types of offshore support vessels. The team of brokers have maritime, technical and financial background. Hagland's valuation reports relating to the Vessels are as of 20 December 2022 and 31 December 2022. There have not been material changes to the values since this date, however, the market value of the vessels pursuant to the vessel valuation reports are higher than the value of the vessels in the latest financial statements due to depreciations in accordance with the Group's accounting principles.

The vessel valuation reports attached as Appendix C4 and C5 have been prepared by Fearnley Offshore Supply AS ("**Fearnley**"), having its registered business address at Dronning Eufemias gate 8, 0191 Oslo, Norway. Fearnley is a leading international offshore advisory and broking Company. Fearnley has more than 40 years of experience with vessel procurement services for offshore subsea construction vessels, OSVs, offshore wind support vessels, barges and tugs. Fearnley's valuation reports valuates the Vessels as of 3 January 2023 and 2 February 2023. Fearnley Securities AS was engaged by the Company on 17 February 2023 in connection with the Private Placement, i.e. after the issuance of the valuation reports in Appendix C4 and C5. There have not been material changes to the values since this date, however, the market value of the vessels pursuant to the vessel valuation reports is higher than the value of the vessels in the latest financial statements due to depreciations in accordance with the Group's accounting principles.

Both Fearnley and Hagland have given their consent to the inclusion of the vessel valuation reports in this Prospectus.

18.6 Documents on display

For twelve months from the date of this Prospectus, copies of the following documents will be available on the Company's website, www.eddawind.com, and for inspection at the Company's registered office during normal business hours from Monday through Friday each week (except public holidays):

- The Articles of Association of the Company.

- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus.
- This Prospectus.

19. DEFINITIONS

Capitalised terms used throughout this Prospectus shall have the meaning ascribed to such terms as set out below, unless the context require otherwise.

22 Unaudited Condensed Financial Statements	The Company' unaudited condensed consolidated financial statements as of 31 December 2022 and for the twelve months ended 31 December 2022.
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324, taken together.
APM	Alternative performance measures.
Articles of Association	The articles of association of the Company, as amended from time to time.
Balenciaga	Balenciaga S.A.
Board Member	A member of the Board of Directors.
Board of Directors	The board of directors of the Company.
Company	Edda Wind ASA, business registration no. 923 565 264, with its registered business address at Smedasundet 97, 5525 Haugesund, Norway.
Consolidated Financial Statements	The Company's audited consolidated financial statements as of and for the years ended 31 December 2021, 2020 and 2019.
CSOV	Commissioning service operation vessel.
ECA Facility	Means the senior secured facilities agreement as described in section 10.6.3 under the heading "ECA Facility".
ECA lender	Eksportfinansiering Norge AS.
EEA	European Economic Area.
EGM	The extraordinary General Meeting in the Company held on 24 March 2023.
Enova	ENOVA SF.
EU	European Union.
EU Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 20014/71/EC.
EUR	Currency of the EU.
EUR 120 mill Facility	Means the EUR 120,000,000 facility agreement **for the purpose of** financing hull no. C-491, C-492 and C-503
EW I Facility	Means the EUR 38,000,000 facility agreement for the purpose of financing yard instalments for Edda Breeze.
Executive Management	The members of the Company's Executive Management.
Fearnley	Fearnely Offshore Supply AS.
Financial Statements	The Consolidated Financial Statements and the 2022 Unaudited Condensed Financial Statements.
Foreign Corporate Shareholders	Foreign corporate shareholders (i.e. limited liability companies and similar).
Foreign Individual Shareholders	Foreign individual shareholders (i.e. other foreign shareholders than Foreign Corporate Shareholders).
Forward-looking Statements	Has the meaning ascribed to it in Section 4.3.
FSMA	The Financial Services and Markets Act 2000.
General Meeting	General meeting of the Company's shareholders.
GIEK	Garantiinstituttet For Eksportkreditt, Støperigata 1, 0250 Oslo, Norway.
Gondan	Astilleros Gondan S.A.
Group or Edda Wind	The Company together with its consolidated direct and indirect subsidiaries, as the case may be from time to time.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards as adopted by the EU.
IMO	International Maritime Organisation.
Joint Bookrunners	ABG Sundal Collier ASA, Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS and Pareto Securities AS.
JØDY	Johannes Østensjø dy AS.
LEI	The Company's Legal Entity Identifier (LEI) is 5493005YFWCZLN6Q2I28.
LOHC	Liquid organic hydrogen carrier.

Managers	ABG Sundal Collier ASA, Arctic Securities AS, DNB Bank Markets, a part of DNB Bank ASA, Fearnley Securities AS and Pareto Securities AS.
MARPOL	International Convention for the Prevention of Pollution from Ships.
Member State	Each member state to the EU.
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended.
M&A	Merger and acquisitions.
NOK	Currency of Norway.
Norwegian Code of Practice	The Norwegian Corporate Governance Code of 14 October 2021.
Norwegian Corporate Shareholders	Norwegian corporate shareholders (i.e. limited liability companies and similar).
Norwegian FSA	The Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*).
Norwegian Individual Shareholders	Norwegian individual shareholders (i.e. other Norwegian shareholders than Norwegian corporate shareholders).
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 2007 no. 75, as amended.
Norwegian Shareholders	Norwegian Corporate Shareholders taken together with Norwegian Individual Shareholders.
Note Purchase Agreement	Means the GBP 36,000,000 note purchase agreement for the purpose of financing Edda Brint.
Order	Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
Oslo Stock Exchange	Oslo Børs (a stock exchange operated by Oslo Børs ASA.
OWF	Offshore wind farms.
p.a.	per annum.
Private Placement	The private placement of 48,000,000 new Shares directed towards certain investors for gross proceeds of NOK 1.2 billion.
Private Placement Shares	The 48,000,000 Shares issued by the Company in connection with the Private Placement.
Prospectus	This prospectus dated 29 March 2023.
QIB	Qualified Institutional Buyer, as defined in the U.S. Securities Act.
Regulation S	Regulation S of the U.S. Securities Act.
Relevant Member State	Each member state of the EEA which has implemented the EU Prospectus Regulation.
Rule 144A	Rule 144A of the U.S. Securities Act.
Shares	The shares of the Company, each with a nominal value of NOK 0.1.
Ship Management Agreement	Management agreements as described in Section 6.4.4.
SOLAS	The International Convention for the Safety of Life at Sea of 1972.
SOV	Service operation vessel.
SPS	Subsea production system.
SPV	Single purpose company.
STL	Spanish tax lease structure.
UK	United Kingdom.
United States / US / U.S.	United States of America.
USD	Currency of the United States.
U.S. Securities Act	The United States Securities Act of 1933, as amended.
Vard	Vard Group AS.
VPS	The Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*).
VPS Registrar	DNB Bank ASA, with registered address at Dronning Eufemias gate 30, 0191 Oslo.
Wilh. Wilhelmsen Group	Wilh. Wilhemsen Holding ASA together with its direct and indirect subsidiaries from time to time (not including Edda Wind).
Østensjø Group	JØDY together with its direct and indirect subsidiaries from time to time (not including Edda Wind).

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APPENDIX A1 – AUDITED FINANCIAL STATEMENTS

Index to Financial Information | **Page**

ANNUAL REPORT 2018, 2019 & 2020

Consolidated Financial Statements

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edda wind

Contents

Income Statement

(EUR 1.000)

OPERATING REVENUE AND OPERATING EXPENSES	Notes	2020	2019	2018
Freight income	2	17 480	17 931	9 575
Other operating income	2	398	416	275
Total operating income		**17 878**	**18 347**	**9 850**
Payroll and remuneration	3	(6 524)	(6 441)	(4 205)
Other operating expenses	3/7	(3 505)	(2 473)	(2 467)
Total operating expenses		**(10 028)**	**(8 914)**	**(6 672)**
Operating result before depreciation		**7 849**	**9 432**	**3 178**
Depreciation	4	(3 060)	(3 109)	(2 074)
Operating profit		**4 789**	**6 323**	**1 103**

FINANCIAL INCOME AND EXPENSES	Notes	2020	2019	2018
Other financial income		6	17	15
Net currency differences		427	365	(862)
Unrealised gain/(loss) financial derivatives	10	(228)	(314)	(56)
Interest expenses		(1 148)	(1 398)	(816)
Other interest expenses to related parties	7	(8)	(131)	(1 041)
Other financial expenses		(808)	(1 263)	(1 011)
Financial income/(expense)		**(1 758)**	**(2 723)**	**(3 770)**
Profit/(loss) before tax		**3 031**	**3 601**	**(2 666)**
Tax (income)/expense	9	18	402	(750)
Profit/(loss) for the year		**3 013**	**3 199**	**(1 916)**
Basic / diluted earnings per share	13	3	3	(2)

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Statement of comprehensive income

(EUR 1.000)

	Notes	2020	2019	2018
Profit/(loss) for the year		3 013	3 199	(1 916)
ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT				
Currency translation differences		(1 914)	1 619	1 581
Other comprehensive income, net of tax		**(1 914)**	**1 619**	**1 581**
Total comprehensive income for the year		**1 099**	**4 818**	**(335)**

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Balance Sheet
(EUR 1.000)

ASSETS	Notes	31/12/20	31/12/19	31/12/18	01/01/18
Non current assets					
Deferred tax assets	9	23	0	194	737
Vessels	4	71 431	78 613	77 694	0
Newbuildings	4	35 957	0	0	46 596
Machinery and equipment	4	3	4	316	357
Total non current assets		**107 415**	**78 617**	**78 204**	**47 690**
Current assets					
Account receivables	7	3 023	3 243	3 029	1 386
Other current receivables	7	0	0	5 787	367
Other current assets	12	34 174	758	207	0
Cash and cash equivalents	12	6 715	6 483	3 851	789
Total current assets		**43 913**	**10 484**	**12 874**	**2 542**
Total assets		**151 327**	**89 101**	**91 077**	**50 232**

EQUITY AND LIABILITIES					
Equity					
Share capital		9	3	0	0
Other equity		63 174	34 467	29 649	1 570
Total equity		**63 183**	**34 470**	**29 649**	**1 570**
Non current liabilities					
Deferred tax	9	0	11	0	
Non current interest-bearing debt	8	79 330	46 301	48 448	
Other non current liabilities		0	613	6 198	
Total non current liabilities		**79 330**	**46 925**	**54 646**	**0**

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Balance Sheet

(EUR 1.000)

CURRENT LIABILITIES	Notes	31/12/20	31/12/19	31/12/18	01/01/18
Non current assets					
Account payables	7	1 751	438	1 066	0
Financial derivatives	10	598	370	56	0
Taxes payable	9	48	0	0	0
Public duties payable		32	18	9	10
Current interest-bearing debt	8	4 497	4 749	4 511	0
Loan from related parties	7	0	883	30	46 457
Other current liabilities	7	1 889	1 248	1 112	114
Total current liabilities		**8 814**	**7 706**	**6 782**	**48 663**
Total equity and liabilities		**151 327**	**89 101**	**91 077**	**50 232**

Haugesund 30 August 2021 - The board of directors of Edda Wind AS

Håvard Framnes
Chairman of the board

Johannes Østensjø
Board member

Geir Oppegård Flæsen
Board member

Jan Eyvin Wang
Board member

Kenneth Walland
CEO

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Cash flow statement

(EUR 1.000)

CASH FLOW FROM OPERATIONS	Notes	2020	2019	2018
Profit/(loss) before tax		3 031	3 601	(2 666)
Financial (income)/expenses		1 758	2 723	3 770
Depreciation and amortisation	4	3 060	3 109	2 074
Change in working capital		2 462	(548)	(1 963)
Net cash flow from operations		**10 311**	**8 884**	**1 215**

CASH FLOW FROM INVESTMENT ACTIVITIES				
Investments in fixed assets	4	(8 531)	(25)	(33 683)
Interest received		6	17	15
Changes in restricted cash - investment commitment	12	(33 000)		
Net cash flow from investment activities		**(41 525)**	**(8)**	**(33 668)**

CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of interest-bearing debt	8	39 978		36 991
Repayment of interest-bearing debt	8	(4 556)	(4 749)	(1 220)
Repayment of other debt		(1 318)	(4 735)	
Interest paid including interest derivatives		(1 156)	(1 529)	(1 857)
Paid other financial expenses		(808)	(1 263)	(1 011)
Increase capital cash effect		188		
Dividend / group contribution		(883)	6 030	
Net cash flow from financing activities		**31 445**	**(6 245)**	**32 903**

EFFECTS OF CURRENCY RATE CHANGES ON BANK DEPOSITS, CASH AND EQUIVALENTS				
Net change in bank deposits, cash and equivalents		232	2 632	449
Cash and cash equivalents at 01.01		6 483	3 851	3 402
Cash and cash equivalents at 31.12		**6 715**	**6 483**	**3 851**

The group is located and operating in several countries and each entity has several bank accounts in different currencies. Unrealised currency effects are included in net cash flow from operations.

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Statement of changes in equity
(EUR 1.000)

	Share capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance at 01.01.2020	**3**	**31 267**	**3 200**	**34 467**	**34 470**
Net capital increase	6	27 608		27 608	27 614
Profit for the year		3 013		3 013	3 013
Other comprehensive income			**(1 914)**	(1 914)	(1 914)
Balance at 31.12.2020	**9**	**61 888**	**1 286**	**63 174**	**63 183**
Balance at 01.01.2019	**0**	**28 068**	**1 581**	**29 649**	**29 649**
Net capital increase*	3			0	3
Profit for the year		3 199		3 199	3 199
Other comprehensive income			**1 619**	1 619	1 619
Balance at 31.12.2019	**3**	**31 267**	**3 200**	**34 467**	**34 470**
Balance at 01.01.2018	**0**	**1 570**	**0**	**1 570**	**1 570**
Net capital increase*		**28 414**		28 414	28 414
Loss for the year		(1 916)		(1 916)	(1 916)
Other comprehensive income			**1 581**	1 581	1 581
Balance at 31.12.2018	**0**	**28 068**	**1 581**	**29 649**	**29 649**

*The net capital increase in 2018 and 2019 is a contribution in kind by Johannes Østensjø dy AS. The transaction has been recorded as a common control business combination using the pooling of interest method and restatement of comparatives.

Notes

(EUR 1.000)

NOTE 1

General accounting principles

General information

Edda Wind AS ("EWAS") and its subsidiaries (collectively the group) offer services to the offshore wind segment within the maritime sector. Edda Wind AS is a limited liability company registered in Norway with headquarters at Smedasundet 97 in Haugesund. The consolidated financial statements are presented in euro (EUR), and are rounded to nearest thousand unless clearly stated otherwise.

EWAS was founded in September 2019 as a fully owned subsidiary of Johannes Østensjø dy AS ("JØDY"). In March 2020 there was a contribution of kind transaction, where JØDY inserted the shares in Edda Supply Ships (UK) Ltd ("ESUK") and West Energy AS ("WEAS") in EWAS, and hence the Edda Wind Group was formed. From before the contribution of kind transaction JØDY was in control of both ESUK and WEAS.

This reorganization satisfies the description of a business combination under common control in IFRS 3. The accounting policy used for this transaction is the "pooling of interest method", and hence the assets and liabilities of all combining parties will be reflected at their predecessor carrying amount. When applying the pooling of interest method, the group have chosen to restate the consolidated financial statement for the two periods prior to the business combination under common control, to reflect the combination as if it had occurred from 01.01.2018. JØDY controlled both ESUK and WEAS throughout the entire restatement period, hence the transaction is recorded as a business combination under common control.

Basis of preparation

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union.

Principles of consolidation

The group's consolidated financial statements comprise Edda Wind AS and companies in which Edda Wind AS has a controlling interest. A controlling interest is normally obtained when the group owns more than 50% of the shares in the company and can exercise control over the company. The subsidiaries included in the consolidated financial statements are listed in note 5.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. For the common control business combination in 2020 the financial statements are presented using the pooling of interest method with restatement of comparatives for 2019 and 2018 for entities under ultimate common control prior to the business combination as if they had always been combined.

In the consolidated financial statements, income and expenses of both domestic and foreign subsidiaries, not using euro as functional currency, are translated using the average exchange rate for the accounting period. Balance sheet items are translated using the balance sheet date as exchange rate date

Critical accounting estimates and assumptions

When preparing the financial statements, the group must make assumptions and estimates. These estimates are based on the actual underlying business, its present and forecast profitability over time, and expectations about external factors such as interest rates, foreign exchange rates and market fluctuations which are outside the group's control. This presents a substantial risk that actual conditions will vary from the estimates.

Most balance sheet items will be affected by uncertainty related to estimates and assumptions to a certain degree. The item most affected, and where estimates and assumptions are assessed to have the greatest influence include the groups assessment of vessel values. Accounting principles applied, estimates and assumptions used by management is presented in the respective notes.

Segment information

The group's chief operating decision makers (the "COFM"), being the Board of Directors and CEO Group Management team, measures the financial and operating performance of the group on a consolidated level. The CODM does not review a measure of operating result on a lower level than the consolidated group, therefore the group have one reportable segment being the Offshore Wind segment. Refer to note 2 for additional information regarding revenue by geographical region and major customers.

Notes

(EUR 1.000)

NOTE 1

Summary of significant accounting policies

Significant accounting policies adopted in the preparation of these consolidated financial statements are included below in note 1 to the extent they have not already been disclosed in other relevant notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

Valuation and classification of assets and liabilities

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities, including derivatives which are measured at fair value.

The group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Expected to be realised within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

New standards and interpretations not yet adopted

Amendment to IAS 1 Classification of Liabilities as Current or Non-current applicable for annual periods beginning on or after 1 January 2022. The amendment changes the guidance for the classification of liabilities as current or non-current depending on the rights that exist at the end of the reporting period.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 or prior reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the group in the current or future reporting periods. The group will apply new and amended standards before or when they become effective.

Business combinations

In order for a business combination to exist, the acquired business or assets must constitute a business, as an integrated set of activities including inputs, processes and outputs. Business combinations under common control is accounted for in accordance with the pooling of interests method where the assets and liabilities of the two combining businesses are consolidated using the carrying value prior to the business combination. The method is applied when the two combining business are under common control prior to the transaction, and the transaction is not considered to be transitory.

Business combinations not under common control is accounted for using the acquisition method. The acquired identifiable tangible and intangible assets, liabilities and contingent liabilities are measured at their fair values at the date of purchase. Any excess of the cost of purchase over the net fair value of the identifiable assets purchased is recognised as goodwill. Any excess of net fair value of the identified purchased assets over the cost of purchase is recognised as a bargain purchase gain.

Notes

(EUR 1.000)

NOTE 1

Foreign currency

The consolidated financial statements are presented in EUR. The functional currency of the group's entities are mainly EUR and GBP. The functional currency is determined based on the primary economic environment of which the entity operates in. Transactions in foreign currencies are recorded at the currency rate on the date of the transaction.

In connection with the newbuilding contracts the group has, together with the Spanish shipyards Balenciaga S.A and Astilleros Gondan, Spanish banks, Bankinter and Banko de Sabadell, and certain Spanish participant companies "AIE" (with external investors) established a structure that qualifies for a Spanish tax regime for financial leasing of newbuild contracts and vessels (Spanish Tax Lease). Spanish Tax Lease is a structure containing certain tax benefits in Spain, that also results in a lower construction cost for the group's vessels.

The newbuilding contracts are agreements between the group`s Norwegian ship owning companies (the group subsidiaries) and the shipyards. The structure is established so that the Norwegian ship owning companies sell the newbuilds to the Spanish Tax Lease structure at delivery of the vessels. The Norwegian ship owning company will lease the vessels back from the Spanish structure. This lease contract will normally have a contract length of 12 to 36 months from delivery of the vessel. Upon maturity of the lease contract the Norwegian ship owning company has a right and obligation to buy the shares of the Spanish AIE which owns the vessel.

In accordance with the lease agreements all financing and cash payments in the Spanish lease structures in the lease period are pre-arranged between the involved parties. The pre-agreed payments of the Norwegian Ship owning companies during the lease period are the responsibility of the arranger and thus recorded on a net basis for the group.

The income statements and balance sheets for group companies with a functional currency which differs from the presentation currency (EUR) are translated as follows:

- the balance sheet is translated at the closing exchange rate on the balance sheet date
- income and expense items are translated at a rate that is representative as an average exchange rate for the period, unless the exchange rates fluctuate significantly for that period, in which case the exchange rates at the dates of the transactions are used
- the translation difference is recognised in other comprehensive income

The group has used the following exchange rates:

	EUR/NOK	EUR/GBP
As per 31.12.2020	10.5053	0.9005
Average 2020	10.7409	0.8890
As per 31.12.2019	9.8807	0.8528
Average 2019	9.8540	0.8767
As per 31.12.2018	9.9448	0.8986
Average 2018	9.6033	0.8848

Notes

(EUR 1.000)

NOTE 1

Translations and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in income statement. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented on a net basis in the income statement, within finance expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are classified at initial recognition based on the contractual cash flows and the group's business model for managing the financial assets.

Financial assets is primarily derecognised when the right to receive the cash flows from the financial asset have expired, or the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the group has transferred substantially all the risks and rewards of the asset, or the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The group's financial assets include trade receivables and cash and cash equivalent. Refer to relevant note for disclosure of specific accounting treatment applied.

Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortised cost except for certain financial liabilities at fair value through the income statement.

Financial liabilities are derecognised when the contractual obligation is discharged, cancelled, or expire. Financial liabilities are also derecognised when terms are modified and the modified financial liability is substantially different, representing a new financial liability based on the modified terms.

The group's financial liabilities include interest-bearing debt and financial derivatives. Refer to relevant note for disclosure of specific accounting treatment applied.

Provisions

Provisions are recognised when the group faces an obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made on the amount of the obligation. The expense related to a provision is presented in the income statement. All provisions are reviewed at end of each reporting period and adjusted to reflect best estimate of expected cash outflows.

Statement of consolidated cash flow

The statement of cash flow is prepared in accordance with the indirect model.

Notes
(EUR 1.000)

NOTE 2

Revenue from contracts with customers

Financial reporting principles

Revenue derived from customer contracts in scope of IFRS 15 Revenue from contracts with customers, are assessed using the five-step model, where only customer contracts with a firm commitment is used as basis for revenue recognition. Charter revenue from contracts with customers is recognised upon satisfaction of the performance obligation for the transfer of goods and services in each such contract. The revenue amount recognised is equal to the consideration the group expects to be entitled in exchange for the goods and services. Any loss on contract is accrued when a loss is probable. The performance obligation is considered satisfied as the charter service is delivered, and apportioned according to the number of days for each contract occurring before and after the end of an accounting period. The contract period begins when the vessel is delivered to the customer, and ends when the vessel is redelivered. As the customers are invoiced in the amount assessed to corresponding to the value of the completed performance obligation, the group have elected to apply the practical expedient to recognise revenue in the amount to which it has the right to invoice.

Revenue for bareboat agreements are in scope of IFRS 16 Leases. A time charter contract contains both a bareboat element in scope of IFRS 16 and a service component in scope of IFRS 15. Both the lease element and the service element is recognised as operating income.

Leases, in which a significant portion of the risks and rewards of ownership are retained by the group, are classified as operating leases. Lease income for the leasing of vessels are recognized as operating leases and recognized in the income statement on a straight-line basis over the lease period. The lease period commences from the time the ship is made available to the customer and terminates upon agreed return.

Operating income

The group receives its revenue from freight operations on long-term chartering agreements. Under these chartering's the group delivers a vessel, including crew, to a customer. The customer determines, within the contractual limits, how the vessel is to be utilised. The group is remunerated by the customer at an agreed daily rate for each day of use of the vessel, equipment, crew and other resources and service utilised in the contract.

The group`s revenue mainly derivates from offering vessels and maritime personnel to the offshore wind sector. Customer contracts are based on day rates including victualling (accommodation, provisions, and other supplies provided to charterers personnel).

The group's revenue is mainly recognised over time as the service is delivered. This includes service and lease element from contracts with day rate and revenue from victualling.

Offshore Wind operating revenue	**2020**	**2019**	**2018**
Revenue from contracts with customers:			
Service element from contracts with day rate	9 776	9 362	5 230
Victualling	1 063	1 834	
Other revenue	398	416	275
Lease revenue:			
Lease element from contracts with day rate	6 641	6 734	4 345
Total operating income	**17 878**	**18 347**	**9 850**

Payments from charter contracts is generally due within 30 to 60 days after the end of each month or 30 to 60 days after the service is completed. Payment terms for all other services delivered is usually 30 days after the service is invoiced.

Notes
(EUR 1.000)

NOTE 2

Reporting by customers and geographical markets

Revenue geographical markets	2020		2019		2018	
	Revenue	Ratio %	Revenue	Ratio %	Revenue	Ratio %
United Kingdom	17 695	99%	18 176	99%	9 741	99%
Norway	183	1%	170	1%	109	1%
Total	**17 878**	**100%**	**18 347**	**100%**	**9 850**	**100%**

Geographical distribution of revenue is based on the location of clients.

The group's revenue is mainly derived from two customers, representing EUR 9 million and EUR 8.3 million in 2020, EUR 9.3 million and 8.6 million in 2019, and EUR 9.4 million and EUR 0.2 million in 2018 respectively.

Contract status and coverage

Vessel	Contract duration
Edda Passat	Q1 2023 + extension options
Edda Mistral	Q3 2023 + extension options
NB489 (Delivery Q1 2022)	Delivery to Q2 2032 + extension options
NB415 (Delivery Q2 2022)	Delivery to Q2 2037 + extension options
NB490 (Delivery Q1 2023)	Q2 2023 to Q2 2025 + extension options

Notes
(EUR 1.000)

NOTE 3

Payroll and remuneration

Financial reporting principles

Employee benefits include wages, salaries, social security contributions, sick leave, parental leave, defined contribution pension and other employee benefits. The benefits are recognized in the period in which the associated services are rendered by the employees. The group had 4 employees in Edda Supply Ships (UK) Limited ("ESS") in 2020. (2019: 4 employees and 2018: 5 employees). From 2021 the group have established a management team (The "Edda Wind Management") with key positions employed in Edda Wind Management AS. All employees are included in ESS`s defined contribution plan. The vessel crew is hired from Østensjø Rederi AS and external suppliers and presented as hired personnel.

Employee benefits	Notes	2020	2019	2018
Salary and holiday pay		245	242	213
Employer`s national insurance contribution		31	36	25
Pension costs		15	15	13
Other personnel costs		10	9	1
Total employee benefits		**301**	**301**	**252**
Hired personnel	**7**	**6 223**	**6 140**	**3 953**
Total employee benefits and hired crew		**6 524**	**6 441**	**4 205**
Board of directors fee		**5**	**16**	**19**

Expensed audit fee (excluding vat)		2020	2019	2018
Audit		31	18	5
Consulting services		27	1	
Total expensed audit fee		**58**	**19**	**5**

Notes
(EUR 1.000)

NOTE 4

Tangible assets

Financial reporting principles

Tangible assets are recognised at cost less accumulated depreciation and accumulated impairment losses in accordance with IAS 16 Property, plant and equipment. Tangible assets acquired by the group companies are stated at historical cost. Historical cost comprises of the assets purchase price, borrowing costs and any direct attribute cost of bringing the asset to its operational condition. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled and depreciation of each component is based on the economic life of the component.

Depreciation of assets is calculated on a straight-line basis over the economic life of the asset adjusted for residual value and impairment. Depreciation commences when the asset is ready for use. Residual value for the vessels after its economic life is set to the expected recycling value of the vessels.

For vessels, a share of the purchase price is decomposed to periodic maintenance and are depreciated until first classification of said vessel. Based on the Group`s periodic maintenance program, the expected lifetime of the vessel is set to 30 years. The periodic maintenance is depreciated over 5 years.

Ordinary repairs and maintenance costs are charged to the income statement in the period which they are incurred, whereas costs for improving and upgrading of the asset are added to the acquisition cost and depreciated with the related asset.

Vessels under construction (“Newbuildings”) are capitalised based on instalments paid to the shipyard and other costs directly attributable to the construction, including borrowing costs during the construction period. Capitalised cost for vessels under construction is reclassified to vessels when the vessel is delivered and ready for use. Vessels under construction is not subject to depreciation until delivery of the vessel.

Grants received from government agencies directly related to the acquisition of vessels is recognised in accordance with IAS 20 government grants as a reduction in the cost price of the vessel acquired when there is reasonable assurance that the group comply with conditions attaching to the grants.

The group applies IAS 36 Impairment of Assets to determine whether tangible assets is impaired and to account for any impairment loss identified.

At each reporting date the vessels are assessed whether there is an indication that an asset may be impaired. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, estimates of the asset’s recoverable amount are done. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units “CGU”). The two vessels are treated as a pool and consequently one CGU. The recoverable amount is the highest of the fair market value of the asset, less cost to sell, and the net present value (“NPV”) of future estimated cash flow from the employment of the asset (“value in use”).

The NPV is based on a discount rate according to a weighted average cost of capital (“WACC”) reflecting the group’s required rate of return. The WACC is calculated based on the company’s long-term borrowing rate and a risk-free rate plus a risk premium for the equity. If the recoverable amount is lower than the book value, impairment has occurred, and the asset shall be revalued. Impairment losses are recognised in the income statement. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The group has financial models which calculate and determine the value in use through a combination of actual and expected cash flow generation discounted to present value. The expected future cash flow generation and models are based on assumptions and estimate.

Notes
(EUR 1.000)

NOTE 4

2020	Vessels	Period Maintenance	Equipment	New-buildings	Total
Cost 1.1	**81 571**	**2 345**	**70**		**83 986**
Additions				35 957	35 957
Currency translation differences	(4 317)	(124)	(0)		(4 442)
Cost 31.12	**77 254**	**2 221**	**69**	**35 957**	**115 501**
Accumulated depreciation 1.1	**(4 521)**	**(782)**	**(66)**		**(5 369)**
Depreciation	(2 610)	(450)	(0)		(3 060)
Currency translation differences	273	47	0		320
Accumulated depreciation 31.12	**(6 859)**	**(1 185)**	**(66)**	**0**	**(8 110)**
Carrying amounts	**70 395**	**1 036**	**3**	**35 957**	**107 392**
Remaining instalments newbuildings				145 570	**145 570**

2019	Vessels	Period Maintenance	Equipment	New-buildings	Total
Cost 1.1	**77 474**	**2 226**	**371**	**0**	**80 071**
Additions	21		4		25
Disposal	(79)		(326)		(405)
Currency translation differences	4 155	119	20		4 294
Cost 31.12	**81 571**	**2 345**	**70**	**0**	**83 986**
Accumulated depreciation 1.1	**(1 709)**	**(297)**	**(56)**	**0**	**(2 061)**
Depreciation	(2 647)	(456)	(7)		(3 109)
Currency translation differences	(166)	(29)	(3)		(198)
Accumulated depreciation 31.12	**(4 521)**	**(782)**	**(66)**	**0**	**(5 369)**
Carrying amounts	**77 050**	**1 563**	**4**	**0**	**78 617**
Remaining instalments newbuildings					**0**

Notes
(EUR 1.000)

NOTE 4

2018	Vessels	Period Maintenance	Equipment	New-buildings	Total
Cost 1.1			**376**	**46 596**	**46 972**
Additions				33 683	33 683
Reclassification from newbuilding to vessel	78 053	2 226		(80 279)	0
Currency translation differences	(579)		(5)		(584)
Cost 31.12	**77 474**	**2 226**	**371**	**0**	**80 071**
Accumulated depreciation 1.1			**(19)**		**(19)**
Depreciation	(1 735)	(301)	(38)		(2 074)
Currency translation differences	27	5	1		32
Accumulated depreciation 31.12	**(1 709)**	**(297)**	**(56)**	**0**	**(2 061)**
Carrying amounts	**75 765**	**1 929**	**316**	**0**	**78 010**
Remaining instalments newbuildings					**0**

The depreciation schedule for vessels is 30 years straight-line depreciation. For period maintenance, the depreciation is set to 5 years.

Notes

(EUR 1.000)

NOTE 4

Impairment assessment

Identification of impairment indicators is based on an assessment of development in market rates, earnings for the fleet, vessel operating expenses, operating profit, technological development, change in regulations, interest rates and discount rate. The group's vessels operate on long term contracts in the offshore-wind market, and the group is profit-making. The group have been able to secure long term charter contracts for vessels under construction in the period. Broker value from two independent brokers have been obtained, and both shows excess value compared to book value. The conditions mentioned support the conclusion that there are no impairment indicators identified as per 31 December 2020 or in periods prior.

Spanish tax lease

In connection with the newbuilding contracts the group has, together with the Spanish shipyards Balenciaga S.A and Astilleros Gondan, Spanish banks, Bankinter and Banko de Sabadell, and certain Spanish participant companies "AIE" (with external investors) established a structure that qualifies for a Spanish tax regime for financial leasing of newbuild contracts and vessels (Spanish Tax Lease). Spanish Tax Lease is a structure containing certain tax benefits in Spain, that also results in a lower construction cost for the group's vessels.

The newbuilding contracts are agreements between the group`s Norwegian ship owning companies (the group subsidiaries) and the shipyards. The structure is established so that the Norwegian ship owning companies sell the newbuilds to the Spanish Tax Lease structure at delivery of the vessels. The Norwegian ship owning company will lease the vessels back from the Spanish structure. This lease contract will normally have a contract length of 12 to 36 months from delivery of the vessel. Upon maturity of the lease contract the Norwegian ship owning company has a right and obligation to buy the shares of the Spanish AIE, which has to remain owner of the vessel over a certain period of years in order to maintain the benefits in the tax lease structure.

In accordance with the lease agreements all financing and cash payments in the Spanish lease structures in the lease period are pre-arranged between the involved parties. The pre-agreed payments of the Norwegian Ship owning companies during the lease period are the responsibility of the arranger and thus recorded on a net basis for the group.

There are no opportunities for the external investors of the AIE to make any decisions for the AIE that has not been regulated in the contracts following the newbuilding contract and the tax lease contracts, and they are at the end of the lease contract period obliged to sell the shares to the Norwegian ship owning company for EUR 1. All construction financing is made from the Norwegian ship owning companies to the shipyards, and the payments follows a fixed plan in accordance with the newbuilding contract. The external post delivery financing of the vessel will remain in the Norwegian ship owning company during the tax lease period.

By leasing back the vessels from the Spanish tax structure through a bareboat agreement, the group retains the control and use, substantially all the economic benefit of this use, and the right to direct the use of the vessels.

Hence, the Norwegian ship owning companies remain in control of the vessels over the entire tax lease contract period, first through the bareboat agreement and then at the end of the tax lease where they have the right and the obligation to buy the shares in the Spanish AIE which owns the vessel at that time.

Based on all facts and circumstances discussed above, the group have assessed that the sale and purchase agreement of the vessels do not constitute a sale of the vessels, and that the vessels shall continue to be recognised and subsequently measured in accordance with IAS 16 Property, Plant and equipment during and after the lease period.

Government grants

For newbuildings, the group will receive a cash grant from Enova SF in order to provide financial support for the installation of hydrogen propulsion solutions.

Notes
(EUR 1.000)

NOTE 5

Subsidiaries

Financial reporting principles

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Subsidiaries	Date of acquisition	Business office/ country	Nature of business	Ownership/ voting rights
Edda Wind I AS	09/12/2019	Haugesund, Norway	Vessel operations	100%
Edda Wind II AS	24/01/2020	Haugesund, Norway	Vessel operations	100%
Edda Wind III AS	24/01/2020	Haugesund, Norway	Vessel operations	100%
Edda Wind IV AS	24/01/2020	Haugesund, Norway	Vessel operations	100%
West Energy AS	27/03/2020	Haugesund, Norway	Vessel operations	100%
Edda Supply Ships UK Ltd	25/03/2020	Aberdeen, UK	Management services	100%
Tier-subsidiaries of parent West Energy AS				
Puerto de Calella SL	20/12/2018	Santa Cruz de Tenerife, Spain	Vessel owner	100%
Puerto de Llafranc SL	18/12/2019	Santa Cruz de Tenerife, Spain	Vessel owner	100%
Tier-subsidiaries of Edda Supply Ships (UK) Ltd.				
Edda Supply Ships III Ltd	03/07/2020	Aberdeen, UK	Dormant	100%

The group's principal subsidiaries at 31 December 2020 are set out above. There have been no changes to the ownership/voting rights since the date of acquisition as stated above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

Notes
(EUR 1.000)

NOTE 6

Receivables

Financial reporting principles

Account receivables and other receivables, that have fixed or determinable payments that are not quoted in an active market and that do not contain a significant financing component are classified as receivables. Account receivables and other receivables are recognised at the original transaction price as determined in accordance with IFRS 15, where the invoiced amount is considered to be approximately equal to the value derived if the amortised cost method would have been applied. Amortised cost is approximately equal to fair value.

The group applies a simplified approach in calculation the expected credit loss in accordance with IFRS 9 Financial Instruments, recognising a loss allowance based on the estimated lifetime credit losses at each reporting date based on historical credit losses and knowledge of customers.

Account receivables

At 31 December 2020, EUR 79 079 in account receivables had fallen due but not been subject to impairment. Corresponding figures for 2019 and 2018 are EUR 85 305 and EUR 386 120. These receivables are related to several separate customers. Historically, the percentage of bad debts has been low, and the group expects the customers to settle outstanding receivables. Receivables fallen due but not subject to impairment have the following age composition:

Aging of account receivables past due but not impaired	2020	2019	2018
Up to 90 days	60	85	29
Over 90 days	20	0	357
Total fallen due	**79**	**85**	**386**

Notes

(EUR 1.000)

NOTE 7

Related party transactions

Financial reporting principles

Related parties are defined as entities outside of the group that are under control directly or indirectly, joint control or significant influence by the owners of Edda Wind AS. All transactions with related parties are entered into on marked terms based on arm's length principles. Transactions with related parties include shared services and other services provided by the group. Shared Services are priced in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually. The services are:

- Operation and supervision of the vessels
- Crew hire
- Corporate management services

Material related parties

The group's material related parties are:

- Johannes Østensjø d.y. AS, which owns 50% of Edda Wind AS
- Østensjø Rederi AS, a company 100% owned by Johannes Østensjø d.y. AS
- Solent Towage Ltd, a company 85% owned by Johannes Østensjø d.y. AS

Transactions with related parties - Group	2020	2019	2018
Purchase of management services, operation and supervision of vessels from Østensjø Rederi AS	1 103	997	715
Hired crew from Østensjø Rederi AS	5 524	3 936	704
Interest expenses to Johannes Østensjø dy AS	8	131	1 041
Total transactions with related parties	**6 635**	**5 064**	**2 460**

Notes

(EUR 1.000)

NOTE 7

Related party transactions

The balance sheet includes the following amounts resulting from transactions with related parties.

Accounts receivable	2020	2019	2018
Østensjø Rederi AS	48	50	15
Total accounts receivable	**48**	**50**	**15**

Accounts payable			
Østensjø Rederi AS	589	115	659
Johannes Østensjø dy AS	285		159
Total accounts payable	**874**	**115**	**818**

Current receivable			
Johannes Østensjø d.y. AS			5 723
Total current receivables	**0**	**0**	**5 723**

Current debt			
Østensjø Rederi AS	42		
Johannes Østensjø d.y. AS	189	5	6 198
Solent Towage Ltd	74	108	
Total current debt	**304**	**112**	**6 198**

Notes
(EUR 1.000)

NOTE 8

Interest-bearing debt

Financial reporting principles

Loans are recognised at fair value when the proceeds are received, net of transaction costs. In subsequent periods, loans are stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the term of the loan. Loans are classified as current liabilities unless the group or the parent company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Interest expense is recognised in the income statement as incurred. Any gain or loss on derecognition is recognised in the income statement.

In 2018 the group entered into a loan facility agreement (the “Eksportkreditt Facility” and “DNB/ABN AMRO Facility” for a loan of GBP 48.6 million in connection with the financing of instalment payments for Edda Passat and Edda Mistral.

In 2020 the group issued a private placement senior secured notes (the “Senior secured notes 2020 Facility” of GBP 36 million in connection with the financing of instalment payments for newbuilding vessel to be delivered in 2022.

The group has secured additional long-term financing of the newbuilding vessel delivered later in 2022 with a private placement loan facility in the first quarter of 2021.

Interest-bearing debt	31/12/20	31/12/19	31/12/18
Pledged debt to financial institutions	43 850	51 050	52 958
Bonds	39 978		
Total interest-bearing-debt	**83 828**	**51 050**	**52 958**

Notes
(EUR 1.000)

NOTE 8

Interest-bearing debt

The tables below show a summary of the terms of the group's interest-bearing debt. The group hedges a part of its interest-bearing debt with floating interest. Refer to note 10 for further details.

2020 - Debt instrument	Facility	Description	Currency	Interest rate	Maturity	Carrying amount
Debt to financial institutions	Facility A	Eksportkreditt Facility	GBP	LIBOR + 3.1%	Aug 2030	23 279
Debt to financial institutions	Facility B	DNB/ABN AMRO Facility	GBP	LIBOR + 3.1%	Aug 2023	20 572
Bond	Senior Secured Notes 2020		GBP	Fixed 3.30%	2037	39 978
Total interest-bearing debt						**83 828**

2019 - Debt instrument	Facility	Description	Currency	Interest rate	Maturity	Carrying amount
Debt to financial institutions	Facility A	Eksportkreditt Facility	GBP	LIBOR + 3.1%	Aug 2030	27 101
Debt to financial institutions	Facility B	DNB/ABN AMRO Facility	GBP	LIBOR + 3.1%	Aug 2023	23 949
Total interest-bearing debt						**51 050**

2018 - Debt instrument	Facility	Description	Currency	Interest rate	Maturity	Carrying amount
Debt to financial institutions	Facility A	Eksportkreditt Facility	GBP	LIBOR + 3.1%	Aug 2030	29 171
Debt to financial institutions	Facility B	DNB/ABN AMRO Facility	GBP	LIBOR + 3.1%	Aug 2023	23 787
Total interest-bearing debt						**52 958**

Notes
(EUR 1.000)

NOTE 8

Interest-bearing debt

The tables below show the actual maturity structure, with the amount due in year one as the first year's instalment classified under other current liabilities. The amounts are based on contractual undiscounted cash flows ex. interest payments and interest hedge. Repayments in foreign currency is calculated based on currency rate at the balance sheet date.

Repayment schedule for debt to financial institutions	31/12/20	31/12/19	31/12/18
Due in year 1	4 497	4 749	4 511
Due in year 2	4 497	4 749	4 511
Due in year 3	11 355	4 749	4 511
Due in year 4	9 772	11 989	4 511
Due in year 5 and later	13 132	24 184	34 358
Total repayment schedule for debt to financial institutions	**43 253**	**50 420**	**52 400**

Repayment schedule for bond	31/12/20	31/12/19	31/12/18
Due in year 1			
Due in year 2	897		
Due in year 3	1 839		
Due in year 4	1 901		
Due in year 5 and later	35 341		
Total repayment schedule for bond	**39 978**	**0**	**0**

The table below show the book value of pledged assets. The group's vessels financed with interest-bearing debt is held as collateral.

Book value of pledged assets	31/12/20	31/12/19	31/12/18
Pledged vessels	70 395	77 050	75 765
Total book value of pledged assets	**70 395**	**77 050**	**75 765**

Notes
(EUR 1.000)

NOTE 8

Interest-bearing debt

The table below show the group's net interest-bearing debt.

Net interest-bearing debt	31/12/20	31/12/19	31/12/18
Non-current interest-bearing debt	79 330	46 301	48 448
Current interest-bearing debt	4 497	4 749	4 511
Total interest-bearing debt	**83 828**	**51 050**	**52 958**
Cash and cash equivalent	6 715	6 483	3 851
Restricted cash	33 000		
Net interest-bearing debt	**44 113**	**44 567**	**49 107**

Notes
(EUR 1.000)

NOTE 8

Changes in liabilities arising from financing activities

The tables below show the changes in the group's liabilities arising from financing activities

Changes in net interest-bearing debt from financing activities	Cash and cash equivalent	interest-bearing debt due within 1 year	interest-bearing debt due after1 year	Total financing activities	Total change in net interest-bearing debt
2020					
Net Interest-bearing debt 01.01	**6 483**	**4 749**	**46 301**	**51 050**	**44 567**
Reclass		4 307	(4 307)		
Cash flows	232	(4 559)	39 883	35 325	35 093
Foreign exchange adjustments			(2 657)	(2 657)	(2 657)
Other non-cash movements			111	111	111
Net Interest-bearing debt 31.12	**6 715**	**4 497**	**79 330**	**83 828**	**77 113**
2019					
Net Interest-bearing debt 01.01	**3 851**	**4 511**	**48 448**	**52 958**	**49 107**
Reclass		6 008	(6 008)		
Cash flows	2 631	(5 770)		(5 770)	(8 401)
Foreign exchange adjustments			2 634	2 634	2 634
Other non-cash movements			1 227	1 227	1 227
Net Interest-bearing debt 31.12	**6 483**	**4 749**	**46 301**	**51 050**	**44 567**
2018					
Net Interest-bearing debt 01.01	**679**				**(679)**
Reclass		4 511	(4 511)		
Cash flows	3 173		53 978	53 978	50 805
Foreign exchange adjustments			425	425	425
Other non-cash movements			(1 445)	(1 445)	(1 445)
Net Interest-bearing debt 31.12	**3 851**	**4 511**	**48 448**	**52 958**	**49 107**

Notes
(EUR 1.000)

NOTE 8

Financial covenants

Loan agreements entered into by the group contain financial covenants relating to minimum liquidity, working capital, book equity ratio and loan to value. The group was in compliance with all covenants at 31 December 2020 (analogous for 2019 and 2018).

Financial covenants in West Energy subgroup

Liquidity

The aggregate amount Liquid Assets shall at all times be greater than the higher of (i) GBP 3 000 000 and (ii) the aggregate amount of the coming 6 months' instalments on long-term debt

Working Capital

Shall at all times be positive

Book Equity Ratio

Shall at all times be at least 25%

Market Value of vessels

Pledged assets shall at all times be at least 125% of associated debt based on independent broker estimates

Notes

(EUR 1.000)

NOTE 9

Tax

Financial reporting principles

Income tax in the income statement consists of current tax, effect of changes in deferred tax / deferred tax assets, and withholding tax incurred in the period. Income tax is recognised in the income statement unless it relates to items recognised directly in equity or other comprehensive income.

Current tax:

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date that will be paid during the next 12 months. Current tax also includes any adjustment of taxes from previous years and taxes on dividends recognised in the year.

Deferred tax / deferred tax asset:

Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws which have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit. Deferred income tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group. Withholding tax and any related tax credits are generally recognised in the period they are incurred.

Ordinary taxation

The ordinary rate of corporation tax in Norway is 22% of net profit for 2020 (22% in 2019 and 23% in 2018). Norwegian limited liability companies are encompassed by the participation exemption method for share income. Thus, share dividends and gains are tax free for the receiving company. Corresponding losses on shares are not deductible. The participation exemption method does not apply to share income from companies considered low taxed and that are located outside the European Economic Area (EEA), and on share income from companies owned by less than 10% resident outside the EEA.

For group companies located in the same country and within the same tax regime, taxable profits in one company can be offset against tax losses and tax loss carry forwards in other group companies. Deferred tax/deferred tax asset has been calculated on temporary differences to the extent that it is likely that these can be utilised in each country and for Norwegian entities the group has applied a rate of 22% for 2020 and 2019 and 23% for 2018.

The effective tax rate for the group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.

Foreign taxes

Companies domiciled outside Norway will be subject to local taxation, either on ordinary terms or under special tonnage tax rules. When dividends are paid, local withholding taxes may be applicable. This generally applies to dividends paid by companies domiciled outside the EEA.

Notes
(EUR 1.000)

NOTE 9

Tax

The group`s Spanish subsidiaries, Puerto de Calella SL and Puerto de Llafranc SL, are taxed in accordance with the Spanish Tonnage Tax regime. Tonnage tax is recognised as an operating expense in the income statement.

Allocation of tax expense/(income) for the year	2020	2019	2018
Change in deferred tax	18	402	(750)
Total tax expense/(income)	**18**	**402**	**(750)**
Tax effect of temporary differences			
Fixed assets	9	11	16
Tax loss carried forward	(236)	(211)	(674)
Limitation of interest expense carry forward	(569)	(613)	(636)
Deferred tax asset	**(796)**	**(812)**	**(1 295)**
Deferred tax asset	(796)	(812)	(1 295)
Deferred tax allowance	773	812	1 101
Deferred tax asset	**(23)**	**0**	**(194)**

Notes

(EUR 1.000)

NOTE 10

Financial risk

Financial reporting principles

The group uses derivatives to address financial risk. Derivatives are initially recognised at fair value and subsequently measured at fair value through the income statement. Derivatives are classified as financial liabilities when the fair value is negative, and as financial asset when the fair value is positive.

Market risk

The group is subject to financial risk through operations, financial markets risk, foreign currency risk, interest rate risk, and freight rates. The financial risk affects the value of the group's financial assets, liabilities, and future cash flows.

The group has established hedging strategies to monitor and mitigate risks on material exposures. Derivatives are only used to manage the risk related to fluctuations in interest rates. Changes in the market value of financial derivatives are recognised through the income statement. The fair value of derivatives used for hedging is disclosed below.

The fair value of financial derivatives traded in active markets is based on quoted market prices at the balance sheet date. The fair value of financial derivatives not traded in an active market is determined using valuation methodology, such as the discounted value of future cash flows. Independent experts verify the value determination for instruments which are considered material.

Management performs a continuous evaluation on the effects of the financial instruments applied to address risk. The group has not elected to apply hedge accounting, as the financial instrument is not a significant component of the group's activity, revenue, or equity.

Notes
(EUR 1.000)

NOTE 10

Foreign exchange risk

The group is exposed to currency risk on revenues and costs in non-functional currencies (transaction risk), and balance sheet items denominated in currencies other than non-functional currencies (translation risk). The group's largest foreign exchange exposures are GBP against EUR.

The groups expected future charter revenue is partly hedged by debt financing and operating expenses in the corresponding foreign currency, reducing the effect of currency fluctuations in the group's income statement.

The effects of changes in currency have the following effects on the group's income statement and other comprehensive income:

Currency through the income statement	2020	2019	2018
Net currency items in the income statement	427	365	(862)
Currency translations through other comprehensive income	(1 914)	1 619	1 581
Total currency effects through the income statement and other comprehensive income	**(1 487)**	**1 984**	**719**

The group's long term interest-bearing debt is allocated in the following currencies:

Allocation of currency for interest bearing debt	31/12/2020	31/12/2019	31/12/2018
GBP	83 828	51 050	52 958
SUM	**83 828**	**51 050**	**52 958**

The following table show the group's sensitivity on profit and loss before tax due to changes in GBP from the group's monetary assets and liabilities.

Income statement sensitivities of changes in foreign currency	(10%)	(5%)	0%	5%	10%
EUR/GBP Spot rate 31.12.2020	1.00	1.05	1.11	1.17	1.22
Income statement effect 2020 (before tax)	**7 424**	**5 739**	**4 054**	**2 369**	**684**
EUR/GBP Spot rate 31.12.2019	1.06	1.11	1.17	1.23	1.29
Income statement effect 2019 (before tax)	**6 728**	**5 164**	**3 601**	**2 037**	**473**
EUR/GBP Spot rate 31.12.2018	1.00	1.06	1.11	1.17	1.22
Income statement effect 2018 (before tax)	**1 095**	**(786)**	**(2 666)**	**(4 547)**	**(6 427)**

Notes

(EUR 1.000)

NOTE 10

Interest rate risk

The group's exposure to interest risk is relates primarily to the group's interest-bearing debt with floating interest rates. To mitigate risk related to this, the group have entered into two long-term interest rate swaps for a portion of the group's interest-bearing debt to finance institutions. The share of interest-bearing debt to finance institutions under interest swap agreement was 44.9%, 46.9%, and 46.9% per year end 2018, 2019, and 2020 respectively.

In 2020 the group issued a private placement senior secured notes (the "Senior secured notes 2020 Facility") of GBP 36 million with a fixed interest rate of 3.3%.

A 1% increase in interest rate, will cause a EUR 222 thousand increase in interest cost.

The following table show the group's financial instrument exposed to changes in interest rates.

Financial instruments

2020	Currency	Swap	Maturity	Notional amount	Market value
Interest rate swap agreement one	GBP	1.35%	27/02/2023	10 286	(299)
Interest rate swap agreement two	GBP	1.35%	27/02/2023	10 286	(299)
Total interest rate swap at 31.12				**20 572**	**(598)**

2019	Currency	Swap	Maturity	Notional amount	Market value
Interest rate swap agreement one	GBP	1.35%	27/02/2023	11 975	(185)
Interest rate swap agreement two	GBP	1.35%	27/02/2023	11 975	(185)
Total interest rate swap at 31.12				**23 949**	**(370)**

2018	Currency	Swap	Maturity	Notional amount	Market value
Interest rate swap agreement one	GBP	1.35%	27/02/2023	11 894	(29)
Interest rate swap agreement two	GBP	1.35%	27/02/2023	11 894	(27)
Total interest rate swap at 31.12				**23 787**	**(56)**

Credit risk

The group has credit risk related to charter contracts as the group has signed contracts with few customers. The customers are considered solid, and the risk of customers not having the financial capability to fulfil their obligations to the group is considered low. The group has applied the practical simplified approach in accordance with IFRS 9 to calculate loss on receivables. In calculating loss provisions receivables are reviewed and assessed on an individual level taking into account facts and circumstances for the individual customer. No loss provisions have been recognised for receivables in 2020, 2019, or 2018.

Notes
(EUR 1.000)

NOTE 10

Liquidity and financing risk

Liquidity risk relates to the risk that the group will not be able to meet its financial and operational obligations as they are due. The group's approach to managing liquidity is to manage cash flows from operation from long-term charter contracts, and the liquidity situation is monitored and projected via liquidity budgets prepared by management on a regular basis. The group has secured financing for two of its newbuilding vessels due to be delivered in 2022, and expects to be able to secure financing for the remaining vessels under construction.

The tables below show the expected future undiscounted cash flows from financial liabilities. Interest due is based on interest rates at period end 31.12.2020, 31.12.2019, or 31.12.2018.

2020 - Undiscounted cash flows financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Debt to financial institutions	4 497	4 497	21 127	13 132
Bond		897	3 740	35 341
Debt to group companies				
Financial derivatives	598			
Interest due	1 352	1 211	2 141	1 641
Total undisclosed cash flow financing liabilities	**6 447**	**6 606**	**27 008**	**50 114**
Current liabilities, excluding next year's instalment on interest-bearing debt	8 814			
Total gross undiscount cash flows financial liabilities 31.12.2020	**15 261**	**6 606**	**27 008**	**50 114**

2019 - Undiscounted cash flows financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Debt to financial institutions	4 749	4 749	16 738	24 184
Debt to group companies				
Financial derivatives	370			
Interest due	1 962	1 778	3 185	4 706
Other long-term liabilities		613		
Total undisclosed cash flow financing liabilities	**7 081**	**7 139**	**19 923**	**28 890**
Current liabilities, excluding next year's instalment on interest-bearing debt	7 706			
Total gross undiscount cash flows financial liabilities 31.12.2019	**14 787**	**7 139**	**19 923**	**28 890**

Notes
(EUR 1.000)

NOTE 10

Liquidity and financing risk

2018 - Undiscounted cash flows financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Debt to financial institutions	4 511	4 511	9 021	34 358
Debt to group companies	30			
Financial derivatives	56			
Interest due	2 102	1 921	3 481	8 271
Other long-term liabilities		6 198		
Total undisclosed cash flow financing liabilities	**6 699**	**12 630**	**12 502**	**42 629**
Current liabilities, excluding next year's instalment on interest-bearing debt	6 782			
Total gross undiscounted cash flows financial liabilities 31.12.2018	**13 481**	**12 630**	**12 502**	**42 629**

Capital structure and equity risk

The group's overall policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain operations and future business development.

Capital structure	31/12/2020	31/12/2019	31/12/2018
Total equity	63 183	34 470	29 649
Total assets	151 327	89 101	91 077
Equity ratio	**42%**	**39%**	**33%**

Notes
(EUR 1.000)

NOTE 10

Fair value

The fair value of financial instrument nominated in other currencies than EUR is determined based on the currency exchange rate at the balance sheet date. The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments not traded in an active market (over-the-counter contracts) is based on third party quotes. These quotes use observable market rates for price discovery. Specific valuation techniques used by financial counterparties (banks) to value financial derivatives include:

- Quoted market prices or dealer quotes for similar derivatives.
- The fair value of interest rate swaps is calculated as the net present value of the estimated future cash flows based on observable yield curves.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The group estimates the fair value of financial liabilities for disclosure purposes by discounting the future contractual cash flows at current market interest rates available to the group for similar financial derivatives.

The following table show the fair value and book value of the group's interest-bearing debt.

2020 - Interest-bearing debt	Fair value	Book value
Debt to financial institutions	43 253	43 850
Bonds	39 978	39 978
Total interest-bearing debt 31.12	**83 231**	**83 828**

2019 - Interest-bearing debt		
Debt to financial institutions	50 420	51 050
Total interest-bearing debt 31.12	**50 420**	**51 050**

2018 - Interest-bearing debt		
Debt to financial institutions	52 400	52 958
Debt to group companies	30	30
Total interest-bearing debt 31.12	**52 430**	**52 988**

The fair values are based on cash flows discounted using a rate based on market rates including margins and are within level 2 of the fair value hierarchy.

Notes
(EUR 1.000)

NOTE 10

Fair value

The following table show group's financial liabilities as measured in the fair value hierarchy. The group's only financial liabilities measured at fair values are interest rate swaps financial derivatives. The group does not hold financial assets measured at fair value.

Financial liabilities at fair value	31/12/2020	31/12/2019	31/12/2018
Level 1			
Level 2	598	370	56
Level 3			
Total financial liabilities at fair value	**598**	**370**	**56**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 1: The quoted market price used for financial assets is the current close price. The group does not hold financial assets or liabilities measured at level 1 as of year end 2020, 2019, or 2018.

Level 2: The fair value of financial instruments not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use observable market rates for price discovery. The different techniques typically applied by financial counterparties (banks) were described above. These instruments - interest rate swap derivatives - are included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the derivatives is in level 3. The group does not hold financial assets or liabilities measured at level 3 as of year end 2020, 2019, and 2018. As such, there are no changes in level 3 instruments during the periods.

The following tables show the changes in financial instruments measured at fair value.

Financial liabilities at fair value	2020	2019	2018
Financial liabilities measured at fair value at 1.1	370	56	-
Gain/(loss) in fair value through the income statement	(228)	(314)	(56)
Total financial liabilities at fair value 31.12	**598**	**370**	**56**

Notes
(EUR 1.000)

NOTE 10

The following tables show the group's financial assets and liabilities by measurement category.

2020 Assets	Amortised cost	Fair value through income statement	Total
Accounts receivable and other short-term receivables	37 198		37 198
Cash and cash equivalents	6 715		6 715
Total assets 31.12.2020	**43 913**	**0**	**43 913**
Liabilities			
Non-current debt to financial institutions	39 353		39 353
Bonds	39 978		39 978
Financial derivatives		598	598
Current debt to financial institutions	4 497		4 497
Other current liabilities	3 639		3 639
Total liabilities 31.12.2020	**87 467**	**598**	**88 065**

2019 Assets			
Accounts receivable and other short-term receivables	4 001		4 001
Cash and cash equivalents	6 483		6 483
Total assets 31.12.2019	**10 484**	**0**	**10 484**
Liabilities			
Non-current debt to financial institutions	46 301		46 301
Bonds	613		613
Financial derivatives		370	370
Current debt to financial institutions	4 511		4 511
Other current liabilities	1 687		1 687
Total liabilities 31.12.2019	**53 111**	**370**	**53 481**

Notes
(EUR 1.000)

NOTE 10

The following tables show the group's financial assets and liabilities by measurement category.

2018 Assets	Amortised cost	Fair value through income statement	Total
Accounts receivable and other short-term receivables	9 022		9 022
Cash and cash equivalents	3 851		3 851
Total assets 31.12.2018	**12 874**	**0**	**12 874**

Liabilities			
Non current debt to financial institutions	48 448		48 448
Loan from related parties	30		30
Other long-term liabilities	6 198		6 198
Financial derivatives		56	56
Current debt to financial institutions	4 511		4 511
Other current liablities	2 177		2 177
Total liabilities 31.12.2018	**61 364**	**56**	**61 420**

Notes

(EUR 1.000)

NOTE 11

Other circumstances

The impact on the group subsequent to the balance sheet date as a result of the steps taken by the Government to control the Covid-19 pandemic is uncertain. This is the case for the majority of businesses in Norway and around the World.

The group is closely monitoring the developments related to the Covid-19 outbreak and makes ongoing assessments and measures to minimize the impact on the group`s operations and financial result.

Currently the Group has several newbuilding projects in Spain with progress running according to plan. If the Covid-19 pandemic imposes a major impact on the situation over a longer period, this could affect the progress of the newbuildings, as well as an effect on both future revenues and costs, and also increase the credit risk related to accounts receivable.

The Directors do not consider that the Covid-19 pandemic has had a material impact on the group`s financial position at the balance sheet date and thus no adjustments have been made to the carrying values of the group's assets and liabilities as at 31 December 2020.

NOTE 12

Cash and cash equivalents

Financial reporting principles

Cash and cash equivalents include cash in hand and deposits held at call with banks with maturities of three months or less. Restricted deposits are classified separately from unrestricted bank deposits under cash and cash equivalents.

Cash and cash equivalents 31.12.	**2020**	**2019**	**2018**
Bank deposits	6 715	6 483	3 851
Sum cash and cash equivalents 31.12.	**6 715**	**6 483**	**3 851**

In addition to amount in cash and cash equivalent, the group holds restricted cash of EUR 33 million at 31.12.2020 in Edda Wind III AS only available for expected instalment to shipyards for newbuildings.

Notes

(EUR 1.000)

NOTE 13

Share capital

Financial reporting principles

Basic/diluted earnings per share ("EPS") is calculated by dividing profit for the period attributable to the owners of the parent company, by average number of total outstanding shares.

The calculation of basic and diluted earnings per share is based on the income attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding. The company does not hold treasury shares and the weighted average number of diluted and ordinary shares is the same, as the company does not hold any dilutive instruments.

Earnings per share

As the group was formed in 2020 and its parent company Edda Wind AS was founded in October 2019, the financial information prior to this is based on restated financial statements for information purposes. The number of outstanding shares as per 31.12.2019 and 31.12.2018 is for the purpose of comparison set equal to the number of outstanding shares in the parent company at the date of founding of the group.

Earnings per share	2020	2019	2018
Net profit attributable to ordinary shareholders of Edda Wind AS	3 012 909	3 199 340	(1 915 923)
Weighted average number of outstanding shares to calculate EPS	1 000	1 000	1 000
Earnings per share in EUR	**3 013**	**3 199**	**(1 916)**

Shareholders at 31.12.2020

Shareholder	Country	Number of shares	Ownership share
Johannes Østensjø d.y AS	Norway	750	75%
Wilhelmsen New Energy AS*	Norway	250	25%
Total		**1 000**	**100%**

Nominal value per share of parent company Edda Wind AS is NOK 101.

*Wilhelmsen New Energy AS acquired an additional 25% of the shares in Edda Wind AS in March 2021, increasing it's ownership share to 50%.

Notes
(EUR 1.000)

NOTE 14

Events after balance sheet date

The group has acquired two new wholly owned subsidiaries in 2021, Edda Wind V AS and Edda Wind VI AS for the purpose of ordering additional two newbuildings.

In March 2021, the group ordered two Commissioning Service Operation Vessels (CSOV), with a planned delivery in 2023 and 2024.

In March 2021 the group issued a private placement facility of EUR 38 million in connection with the pre- and post-delivery financing. As of the date hereof the group has drawn EUR 24.7 million of the facility.

In April 2021 the group entered into a 12 month operating lease for the OSV vessel Edda Fjord from related party Østensjø Rederi. The vessel is operating as a frontrunner for Edda Wind newbuilding vessel expected to be delivered in Q1 2022.

To capitalise on further expected market potential the group has decided to prepare for an initial public offering.

Notes

(EUR 1.000)

NOTE 15

First-time adoption of IFRS

These financial statements, for the year ended 31.12.2020, are the first the Edda Wind group has prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Accordingly, the financial statements are prepared to comply with IFRS applicable as of 31.12.2020, with comparative figures for the year ended 31.12.2019 and 31.12.2018. In preparing the financial statements, the opening balance was prepared as of 01.01.2018, the date of transition to IFRS.

The following note explains the adjustments made by Edda Wind group in its transition to IFRS from Norwegian Generally Accepted Accounting Principles ("NGAAP") as of 01.01.2018 and for the period ended 31.12.2020. The group has elected to carry over book values of property, plant and equipment from previous GAAP.

IFRS 1 includes selected optional exemptions upon transition to IFRS. The group has chosen to apply the following exemption:

- Cumulative translation differences

As of 01.01.2018, the group has set its cumulative translation differences that existed at the transition date to IFRS for all foreign operations to nil. Group reconciliation of equity at per date of transition to IFRS and balance sheet date 31.12.2020 No IFRS adjustments from local GAAP have been made to the opening balance at the date of transition, 01.01.2018. The table below show the reconciliation of the group's equity as of 31.12.2020 with explanatory notes.

Group reconciliation of equity at per date of transition to IFRS and balance sheet date 31.12.2020

No IFRS adjustments from local GAAP have been made to the opening balance at the date of transition, 01.01.2018.
The table below show the reconciliation of the group's equity as of 31.12.2020 with explanatory notes.

ASSETS	Notes	NGAAP 31/12/2020	Reclassifications and remeasurements	IFRS 31/12/2020
Non current assets				
Deferred tax assets		23		23
Vessels		71 431		71 431
Newbuildings		35 957		35 957
Machinery and equipment		3		3
Total non current assets		**107 415**	**0**	**107 415**
Current assets				
Account receivables		3 023		3 023
Other current assets	i.)	1 174	33 000	34 174
Cash and cash equivalents	i.)	39 715	(33 000)	6 715
Total current assets		**43 913**	**0**	**43 913**
Total assets		**151 327**	**0**	**151 327**

Notes

(EUR 1.000)

NOTE 15

Group reconciliation of equity at per date of transition to IFRS and balance sheet date 31.12.2020

No IFRS adjustments from local GAAP have been made to the opening balance at the date of transition, 01.01.2018.
The table below show the reconciliation of the group's equity as of 31.12.2020 with explanatory notes.

EQUITY AND LIABILITIES	Notes	NGAAP 31/12/2020	Reclassifications and remeasurements	IFRS 31/12/2020
Equity				
Share capital		9		9
Share premium	ii.)	53 352	(53 352)	0
Retained earnings	ii. / iv.)	10 419	52 754	63 174
Total equity		**63 780**	**(598)**	**63 183**
Non current liabilities				
Deferred tax		0		0
Non current interest-bearing debt	iii.)	83 828	(4 497)	79 330
Total non current liabilities		**83 828**	**(4 497)**	**79 330**
Current liabilities				
Account payables		1 751		1 751
Financial derivatives	iv.)		598	598
Taxes payable		48		48
Public duties payable		32		32
Current interest-bearing debt	iii.)		4 497	4 497
Other current liabilities		1 889		1 889
Total current liabilities		**3 719**	**5 095**	**8 814**
Total equity and liabilities		**151 327**	**0**	**151 327**

The reclassifications and remeasurements above also entails a consequential effect in the group's cash flow statement for the period.

Notes
(EUR 1.000)

NOTE 15

Notes to the reconciliation of equity as of 31.12.2020

i.) Reclassification of restricted cash

Under NGAAP restricted cash of EUR 33 million related to expected instalment to shipyards for newbuildings was reported as cash and cash equivalent. IFRS requires the group to report restricted cash separately from cash and cash equivalents in the group's balance sheet, with additional disclosure in the accompanying notes (note 12).

ii.) Reclassification of share premium

Under NGAAP the share premium of the parent company was reported as share premium in the consolidated financial statements. Under IFRS the group has designated the parent company's share premium in the consolidated financial statements as other equity.

iii.) Reclassification of current portion of interest-bearing debt

Under NGAAP non current interest-bearing debt, including the current portion of the interest-bearing debt, is reported as non current in its entirety. IFRS requires the group to report the current portion of non current interest-bearing debt as a current liability.

iv.) Recognition of financial derivatives

Under NGAAP a financial derivative instrument classified as an effective hedge is considered as an off-balance sheet item where the unrealised gains or losses from the financial instrument is not recognised in the financial statements. Under IFRS the financial instrument is recognised as a financial derivative at fair value with unrealised gains or losses recognised in the income statement (the group has not elected to apply hedge accounting).

Group reconciliation of total comprehensive income for the period ended 31.12.2020

The table below show the reconciliation of the group's total comprehensive income for the period ended 31.12.2020 with explanatory notes.

INCOME STATEMENT	Notes	NGAAP 2020	Reclassifications and remeasurements	IFRS 2020
Freight income		17 480		17 480
Other operating income		398		398
Total operating income		**17 878**	**0**	**17 878**
Payroll and remuneration		(6 524)		(6 524)
Other operating expenses		(3 505)		(3 505)
Total operating expenses		**(10 028)**	**0**	**(10 028)**
Operating profit before depreciation		**7 849**	**0**	**7 849**
Depreciation		(3 060)		(3 060)
Operating profit		**4 789**	**0**	**4 789**

Notes

(EUR 1.000)

NOTE 15

Group reconciliation of total comprehensive income for the period ended 31.12.2020

The table below show the reconciliation of the group's total comprehensive income for the period ended 31.12.2020 with explanatory notes.

INCOME STATEMENT	Notes	NGAAP 2020	Reclassifications and remeasurements	IFRS 2020
Financial income and expenses				
Other financial income		6		6
Net currency differences		427		427
Unrealised gain/(loss) financial derivatives	i.)		(228)	(228)
Interest expenses		(1 148)		(1 148)
Other interest expenses to related parties		(8)		(8)
Other financial expenses		(808)		(808)
Financial income/(expense)		**(1 530)**	**(228)**	**(1 758)**
Profit/(loss) before tax		**3 259**	**(228)**	**3 031**
Tax (income)/expense		18		18
Profit/(loss) for the year		**3 241**	**(228)**	**3 013**
Statement of comprehensive income				
Items that may be reclassified to the income statement				
Currency translation differences	ii.)	-	(1 914)	(1 914)
Other comprehensive income, net of tax		**-**	**(1 914)**	**(1 914)**
Total comprehensive income for the year		**3 241**	**(2 142)**	**1 099**

Notes
(EUR 1.000)

NOTE 15

Notes to the reconciliation of total comprehensive income for the period ended 31.12.2020

i.) Recognition of changes in fair value of financial derivatives

Under NGAAP a financial derivative instrument classified as an effective hedge is considered as an off-balance sheet item where the unrealised gains or losses from the financial instrument is not recognised in the financial statements. Under IFRS the financial instrument is recognised as a financial derivative at fair value with unrealised gains or losses recognised in the income statement (the group has not elected to apply hedge accounting).

ii.) Recognition of currency translation differences in other comprehensive income

Under NGAAP currency translation differences arising from entities within the group with presentation currency other than the group's presentation currency is not disclosed as other comprehensive income. Under IFRS the currency translation differences is presented in other comprehensive income.

ALTERNATIVE PERFORMANCE MEASURES

This section describes non-GAAP financial alternative performance measures (APM) that may be used in the quarterly and annual reports and related presentations.

The following measures are not defined nor specified in the applicable financial reporting framework of IFRS. They may be considered as non-GAAP financial measures that may include or exclude amounts that are calculated and presented according to the IFRS. These APMs are intended to enhance comparability of the results, balance sheet and cash flows from period to period and it is the group's experience that these are frequently used by investors, analysts and other parties. Internally, these APMs are used by the management to measure performance on a regular basis. The APMs should not be considered as a substitute for measures of performance in accordance with IFRS.

EBITDA is defined as Total income (Operating revenue and gain/(loss) on sale of assets) adjusted for Operating expenses. EBITDA is used as an additional measure of operational profitability, excluding the impact from financial items, taxes, depreciation and amortization.

EBITDA adjusted is defined as EBITDA excluding certain income and/or cost items which are not regarded as part of the underlying operational performance for the period.

EBIT is defined as Total income (Operating revenue and gain/(loss) on sale of assets) less Operating expenses, Other gain/loss and depreciation and amortization. EBIT is used as a measure of operational profitability excluding the effects of how the operations were financed, taxed and excluding foreign exchange gains & losses.

EBIT adjusted, **EBIT margin** and **EBIT margin adjusted** will, if used, be prepared in the same manner as described under EBITDA.

Net interest-bearing debt (NIBD) is defined as total interest-bearing debt (Non-current interest-bearing debt and Current interest-bearing debt) less Cash and cash equivalents and Current financial investments.

Equity ratio is defined as Total equity as a percent of Total assets.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Edda Wind AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Edda Wind AS Group, which comprise the balance sheet as at 31 December 2020, 31 December 2019 and 31 December 2018, the income statement, statement of other comprehensive income, the cash flow statement and statement of changes in equity for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Edda Wind AS Group present fairly, in all material respects, the financial position of the Group as at 31 December 2020, 31 December 2019 and 31 December 2018 and their financial performance and cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Building a better working world

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Bergen, 6 September 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Øyvind Nore

State Authorised Public Accountant (Norway)

PENN30

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Øyvind Nore
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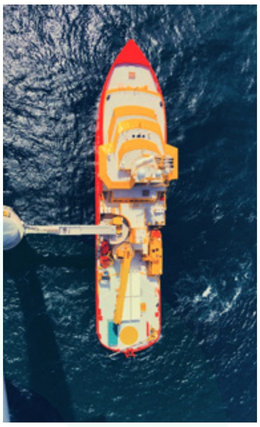

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edda wind

Annual Report 2021

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edda wind

Contents

Letter from the CEO

Edda Wind has taken important steps toward becoming the market leader during 2021.

2021 was the first year of operation for the Edda Wind Group in its current structure, and we have delivered very well on our ambitions. In 2021, we have:

- **established the Group and the management team.**
- **ordered two more CSOVs in addition to the two existing vessels delivered in 2018 and four vessels ordered in 2020**
- **successfully launched the company on Oslo Stock Exchange with a capital increase of about Eur 90 million.**
- **secured a two-year contract for one CSOV and a five-year contract for one SOV, i.e six of the vessels have contract commitments, and**
- **secured debt financing for all vessels being delivered up to Q3 2023.**

In addition to being the market leader in providing C/SOV vessels and services, Edda Wind will also lead the way in providing the most environmentally friendly vessels. All vessels under construction will be ready to implement zero emission technology. Edda Wind has a target to introduce such technology by 2025, where the vessels can operate on Hydrogen (Liquid Organic Hydrogen) for the full operation cycle. It is with great pleasure we see that our charterers are very supportive to these plans, making it possible for Edda Wind to meet our demanding targets.

2021 has been another year influenced by Covid, but we have managed to avoid serious illness and significant impact, both for vessel operations and vessel construction.

The Edda Wind fleet fulfills our quality demands and have operated without injuries to personnel, spill to the environment, or unscheduled offhire throughout the year.

I would like to thank everyone involved in these great achievements: staff onboard the vessels and in the office, our shareholders, creditors and advisors.

I am very happy to say we have delivered on our ambitions and strategies throughout the year and remain confident we will continue to do so for the exiting time ahead of us. Edda Wind already has a strong market position and will take delivery of a unique fleet with technical advantages to meet a rapidly expanding market.

Kenneth Walland

CEO

Highlights 2021

The Offshore Wind market continues to develop favourably, driven by demand for green & renewable energy and supported by economies of scale and established value chains. A rapidly increasing number of coastal nations are establishing firm plans for large scale Offshore Wind farms – migrating the business from predominantly European based to a world-wide industry.

Edda Wind ordered further 2 newbuildings during 2021 and further 3 newbuildings in January 2022. By this, Edda Wind is clearly taking the leading role in the growing market for Commissioning-/ Service Operating Vessels.

Edda Wind was awarded a 2+1 year contract with SSE Renewables at Doggerbank windfarm, as well as a 5-year charter contract with Siemens Gamesa Renewable Energy, adding more industry majors as long-term clients and bringing the firm contract backlog up to EUR 323 million at the end of the year.

Highlights 2021

- Successful IPO with a capital increase of EUR 90 million, securing equity for further investments.
- Concluded a Private Placement of EUR 38 million with a fixed term of 10 years, financing the newbuilding vessel Edda Breeze.
- Entered a 5-year EUR 110 million senior secured ECA-supported green credit facility, securing financing for two existing vessels and two newbuilds.
- 37 % growth in revenue compared to last year as a third vessel entered the fleet in April 2021.
- No unscheduled technical downtime for the vessels.

Financial performance

Photo: Håvard Melvær

KEY FIGURES *EUR mill*	**2021**	**2020**
Revenue	24,416	17,878
Profit(loss)/for the period	2,242	3,013
Vessels	73,611	71,431
Newbuildings	131,077	35,957
Total assets	305,602	151,327
Equity	184,332	63,183
EBITDA[1]	6,182	7 849
EBIT[2]	3,013	4 789
NIBD[3]	20,940	44 112
Equity ratio[4]	60.32 %	41.75 %

[1] EBITDA is defined as Operating revenue and gain/(loss) on sale of assets less Operating expenses.

[2] EBIT is defined as Total income (Operating revenue and gain/(loss) on sale of assets) less Operating expenses, other gain/loss and depreciation and amortisation.

[3] Net interest-bearing debt (NIBD) is defined as total interest-bearing debt (non-current interest-bearing debt and Current interest-bearing debt) less Cash and cash equivalents, restricted cash and Current financial investments.

[4] Equity ratio is defined as Total equity as a percentage of Total assets.

Board of Directors report

Board of Directors

Håvard Framnes - Chair of the Board
Håvard Framnes holds a Master of Science in Business and Economics, MBA in Finance and Accounting from the Norwegian School of Business and Economics (NHH) and National University of Singapore. Håvard Framnes holds the position as investment director at Johannes Østensjø dy AS. Framnes' previous experience includes the role as CFO in the Østensjø Group, founder and chairman in Reach Subsea AS, CFO in DeepOcean ASA and various board positions in DeepOcean ASA group companies. Mr. Framnes has various experience within auditing and corporate finance, including from Selmer, PwC and SEB.

Jan Eyvin Wang - Director
Jan Eyvin Wang has worked in the Wilh. Wilhelmsen Group since 1982, and currently holds the position as Executive Vice President New Energy. He has had several senior positions in the Wilh. Wilhelmsen Group in Norway and abroad, including the position as president and CEO of Wilh. Wilhelmsen ASA, as well as the position as CEO of EUKOR Car Carriers Inc. and CEO of United European Car Carriers (UECC). Wang holds a BA in Business Administration from Heriot-Watt University, Edinburgh, Scotland from 1981, and an Advanced Management Programme from Harvard Business School from 2003.

Martha Kold Bakkevig - Director
Martha Kold Bakkevig is a non-executive director of the public listed companies, Hexagon Purus ASA, Reach Subsea ASA as well as CapeOmega AS and BW LPG Ltd. She holds a master's degree and PhD from the Norwegian University of Science and Technology (NTNU) and a Doctorate in Economics from BI Norwegian Business School. Bakkevig has served two years as Chief Executive Officer of Steinsvik Group and ten years as Chief Executive Officer of DeepWell.

Toril Eidesvik - Director
Toril Eidesvik has broad experience in international shipping and finance, and has previously held the position as Chief Executive Officer of each of Green Reefers ASA, EMS Seven Seas ASA and Nekkar ASA (previously TTS Group ASA). Eidesvik holds several board positions, including in Munck Cranes AS, Port of London Authority and Eksportfinans ASA. Eidsvik holds a Master of Laws from the University of Oslo from 1993.

Adrian Geelmuyden - Director
Adrian Geelmuyden is currently director of Seatankers Management and has experience as Head of Sale and Purchase of Solstad Offshore ASA, Chartering Manager at Deep Sea Supply and has also been partner and shipbroker at R.S. Platou. Geelmuyden holds a Bachelor in Economics from Norwegian School of Business and Economics (NHH).

Duncan Bullock - Director
Duncan Bullock is an investment professional with 15 years' experience working in the energy sector, across developed and emerging markets, and conventional and renewable energy infrastructure projects. He is currently an investment director of Quantum Power. He has previously worked with Octopus Investments, Citigroup and PriceWaterhouseCooper. He holds a Master in Arts from Oxford University.

Cecilie Serck-Hanssen - Director
Cecilie Serck-Hanssen is currently CEO of Gluteus Medius AS, a privately-owned investment company. She has previously held several different positions at SEB and DNB within the corporate and private banking market. She holds a Master of Business Administration from Norwegian School of Business and Economics (NHH).

EDDA BREEZE UNDER CONSTRUCTION

Board of Directors report

Edda Wind ASA ("Edda Wind", "The Group") is a pure-play provider of offshore wind service vessels, headquartered in Haugesund. The Group develops, builds, owns, operates and charters out purpose-built service operation vessels ("SOV") and commissioning service operation vessels ("CSOV") for offshore wind farms world-wide.

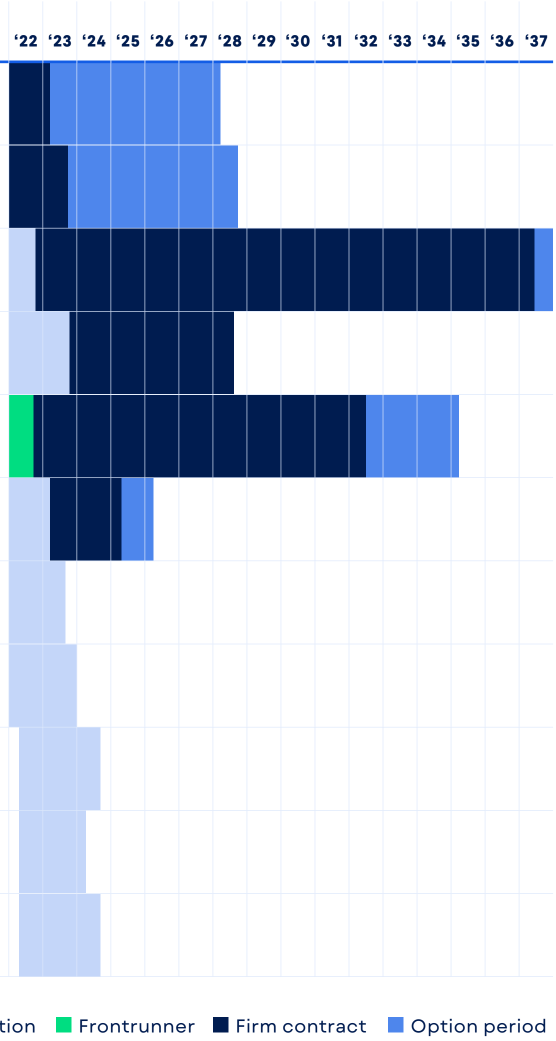
By providing high quality vessels, and over a century of seafaring know-how to the new global offshore wind industry, Edda Wind enables commissioning and operation of offshore wind farms, securing green energy to the world.

The Group owns and operates two purpose-built SOVs, operates one chartered in frontrunner vessel, and has nine dedicated offshore wind vessels under construction, whereof two offshore wind SOVs and seven offshore wind CSOVs. This includes orders for three CSOVs placed after the balance sheet date.

Business Strategy and future priorities

Edda Wind has a long-standing track record from maritime operations. The ambition of the Group is to be the leading provider of offshore wind service vessels. Following delivery of the two offshore wind SOVs and seven offshore wind CSOVs currently under construction, the Group will have the largest fleet of purpose-built offshore wind SOV/CSOVs in the world, solely focusing on the fast-growing market for offshore wind service vessels. The Group's ambition is to have the majority of its vessels on long-term contracts, and at the balance sheet date six vessels/newbuilds have firm long-term contracts. In its contracting strategy, Edda Wind also aims to secure shorter term contracts for its CSOVs.

Name	Vessel	Client	Start	End	Option	Location
Edda Passat		Ørsted	Mar-18	Mar-23	Up to 5 years	Race Bank wind farm, UK
Edda Mistral		Ørsted	Sep-18	Sep-23	Up to 5 years	Hornsea One wind farm, UK
Edda Brint		Vestas	Sep-22	May-37	Up to 1.6 years	Seagreen wind farm, Scotland
SOV NB 416		SIEMENS Gamesa	Jun-23	Jun-28	Up to 6 months	France
Edda Breeze		Ocean Breeze Energy	Apr-21	Apr-32	Up to 2.6 years	BARD Offshore 1, Germany
CSOV NB 490		SSE	Mar-23	Mar-25	Up to 1 year	Dogger Bank, Scotland
CSOV NB 491						
CSOV NB 492						
CSOV NB 503						
CSOV NB 257						
CSOV NB 258						



Board of Directors report

Sustainability

Sustainability is a strategic objective for Edda Wind and considered key to its ability to create long-term value for its shareholders. It represents an opportunity for innovation and improved efficiency and a foundation for sustained growth. The Group's nine offshore wind vessels under construction are designed to be environmentally friendly without compromising operational capabilities. Edda Wind has recognised the following sustainability priorities:

- Contribute to the transistion to a greener future
- Promote sustained, inclusive and sustainable economic growth, full and protective employment and decent work for all, and
- Ensure integrity, responsibility, quality and transparency in all business desicions.

Edda Winds ESG reporting can be found on page 18 in this report.

Environment

The growing environmental awareness and requirement for green and renewable energy is the basis for the Business Strategy, and operations of Edda Wind's fleet is part of the solution - not the problem. Operation of the Group's vessels nevertheless impacts the environment. Edda Wind has systems in place for continuous measurement of emissions to the environment and Edda Wind is taking measures to protect the environment. The newbuilds are being equipped with battery hybrid propulsion systems, which, together with other energy saving equipment, is expected to reduce emission of greenhouse gases with a minimum of 30 % compared to previous generation offshore wind service vessels. The newbuilds are also being prepared for installation of zero-emission hydrogen technology to enable zero-emission operations.

Health, safety and personnel

The safety of personnel onboard the vessels is paramount to Edda Wind's operations. Vessel operations are subject to certification and audit regime from flag state, classification societies, charterers as well as external bodies. Østensjø Rederi AS is ISM-manager and ship manager of the Edda Wind fleet and qualifies for the following regimes: ISO 9001:2005, ISO 14001:2015, ISO 45001:2018, ISPS. In relation to personnel, the Group is monitoring and reporting lost time injury frequency, total recordable case frequency, restricted work case frequency and medical treatment injury on a monthly basis, which is followed up based on established targets, trends and/or individual cases. The Group had one Lost Time Incident during 2021 related to a non-work-related injury.

No other recordable cases were noted in 2021. The lost-time injury frequency (LTIF) was 0.78, within the target to not exceed 1.0. Total recordable case frequency (TCRF) was 0.78, within the target to not exceed 2.0.

The Group had 7 employees during 2021, whereof 2 are female. Edda Wind hires in services from Østensjø Rederi AS, such as vessel crew, corporate management, and technical management. Edda Wind is dedicated to treating employees and hired in personnel with respect and have a zero-tolerance for discrimination. All personnel working for Edda Wind shall have equal opportunities regardless of gender, ethnic background, nationality, religion or disability. The working environment onshore and offshore is considered to be good.

The COVID-19 pandemic continued to influence the maritime industry during 2021, and Edda Wind was impacted by measures to contain the spread of the virus, such as travel restrictions for its seafarers. During the year, crew changes have been conducted in accordance with applicable guidelines and risk mitigating procedures. The Group experienced an increase in sick leave amongst its hired in personnel during the year. For onshore employees, the Group has facilitated home office arrangements.

Quality

Edda Wind is committed to doing business in accordance with laws and legal requirements, hereunder anti-corruption and bribery laws in all jurisdictions we operate. Laws and other legal requirements, currently applicable to the Group include, but are not limited to, European Union, national state, flag state, class, coastal state, port state and local laws and regulations under multiple jurisdictions worldwide (however mainly in Europe), such as those of the European Union, Norway, United Kingdom, Spain and Germany and the United States.

In addition, Østensjø Rederi AS holds accreditations within Achilles Utilities NCE, Achilles Oil and Gas Europe, Achilles Supply-Line, Magnet Joint Qualification System, and Oil Companies International Marine Forum (OCIMF) and Offshore Vessel Management and Self-Assessment (OVMSA).

Board of Directors report

Financial results - Group

The Group's financial statements for 2021 are prepared in accordance with International Financial Reporting Standards ("IFRS"), as endorsed by the EU.

Total operating income for 2021 was EUR 24,416 thousand compared to EUR 17,878 thousand in 2020. The increase is primarily due to the commencement of a new long-term contract in April 2021. The contract is being served by a frontrunner vessel, Edda Fjord, for the first year of the contract.

Total operating expenses for 2021 was EUR 18,234 thousand compared to EUR 10,028 thousand in 2020. The increase is primarily due to the short-term lease of Edda Fjord as frontrunner vessel. In addition, the Group has established its own management during 2021, resulting in increased payroll expense. Included in operating cost is also non-recurring cost of EUR 1,256 thousand, incurred in relation to the IPO process concluded in November 2021.

Depreciation was EUR 3,169 thousand in 2021 compared to EUR 3,060 thousand in 2020. The depreciation reflects depreciation of Edda Passat and Edda Mistral. The increase reflects effects on translation as Edda Passat and Edda Mistral are booked with GBP as functional currency. There has been no impairment in 2021 or 2020. See further on impairment assessment in the Notes.

Operating profit for 2021 was EUR 3,013 thousand, compared to EUR 4,789 thousand for 2020. The decrease reflects the abovementioned factors.

Net financial expense in 2021 was EUR 772 thousand, compared to EUR 1,758 thousand in 2020. This includes a positive currency difference of EUR 946 thousand in 2021, compared to EUR 427 thousand in 2020. The Group also recognised an unrealised gain on financial derivatives of EUR 208 thousand related to change in fair value, as well as a realised gain on financial derivatives of EUR 299 thousand following termination of one interest swap during the year.

Total comprehensive income ended at EUR 4,386 thousand, an increase of EUR 3,287 thousand compared to 2020. The increase is partly due to the effects mentioned above. In addition, the Group has had a positive effect from currency translation difference due to currency fluctuations. Currency translation difference reflects the effects from revaluating subsidiaries with functional currency in GBP and NOK to EUR.

The Group did not have any R&D activities during 2021 or 2020.

Financial position - Group

Edda Wind's material assets at year-end consist of two purpose-built offshore wind SOVs in operation and six dedicated offshore wind vessels under construction. Total non-current assets as of 31 December 2021 was EUR 204,715 thousand (EUR 107,415 thousand in 2020), whereof book value of Edda Wind's vessels and newbuildings amounted to EUR 73,611 thousand and EUR 131,077 thousand, respectively (71,431 thousand and EUR 35,957 thousand, respectively for 2020). As the vessels have GBP as functional currency, fluctuations in book value may occur due to currency translation. Increase in newbuildings is due to increased predelivery yard instalments. As at 31 December 2021, the remaining yard instalments in relation to firm newbuilding contracts amounted to EUR 149,382 thousand. The Group has received EUR 2,605 thousand in grants from Enova during the year, booked as a reduction of newbuilding cost price.

Total current assets as of 31 December 2021 was EUR 100,886 thousand (EUR 43,913 thousand in 2020), whereof EUR 89,520 thousand in cash and cash equivalents (EUR 6,715 thousand in 2020). The increase is mainly due to the proceeds from the IPO in November. The Group also holds EUR 7,036 thousand in funds classified as restricted cash (EUR 33,000 thousand in 2020). Restricted funds are cash received by drawdown of the "Note Purchase Agreement" of GBP 36,000 thousand less executed yard payments for newbuild C-415.

Cash and cash equivalents amounted to EUR 89,520 thousand in 2021 (EUR 6,715 thousand in 2020). Net cash flow from operating activities was EUR 6,765 thousand in 2021 compared to EUR 10,311 thousand in 2020. The deviation between operating profit in the income statement and net cash flow from operating activities is explained by changes in working capital. Net cash to investment activities (cash used) was EUR 67,512 thousand (EUR 41,525 thousand in 2020). Increase in cash to investments are mainly due to increased pre-delivery yard instalments for newbuildings, offset by reclassification of EUR 25,964 thousand (EUR 33,000 thousand in 2020) in restricted cash from other current assets to cash related to C-415 yard instalments paid during the period. Net cash flow from financing activities was EUR 142,536 thousand in 2021, compared to EUR 31,445 thousand in 2020. The increase is primarily due to the proceeds from issuance of new shares performed in November and December of EUR 90,131 thousand,, as well as increased predelivery yard instalments and cash drawn under vessel financing agreements.

Board of Directors report

As of 31 December 2021, the Group's total liabilities were EUR 121,269 thousand (EUR 88,144 thousand in 2020), whereof EUR 10,724 thousand (EUR 8,814 thousand in 2020) is classified as current liabilities.

Net interest-bearing debt amounted to EUR 20,940 thousand in 2021, compared to EUR 44,113 thousand in 2020. As of 31 December 2021, long-term financing for two vessels and four of the six newbuildings has been secured. The remaining two newbuildings have delivery in the third quarter 2023 and second quarter 2024. See the Notes for further details on interest-bearing debt. Cash drawn under vessel financing agreements are consecutively used to pay predelivery yard instalments. For newbuilding C-415, full loan amount was drawn upon entering the loan agreement, whereof remaining funds are classified as restricted cash.

At year-end the Group had a total equity of EUR 184,332 thousand, compared to EUR 63,183 thousand in 2020, corresponding to an equity ratio of 60.32 % in 2021 and 41.75 % in 2020. The increased equity is mainly due to issue of new shares following the Initial Public Offering, as well as a conversion of EUR 27,000 thousand in shareholder loan from current liabilities to equity.

Financial results and financial position – parent

Edda Wind ASA serves as parent company of the Group. In 2021 the loss after tax was EUR 1,085 thousand compared to EUR 917 thousand in 2020. Operating expenses increased by EUR 1,530 thousand during the year, mainly due to non-recurring cost related to the IPO performed in November, as well as cost related to hired in management personnel from Edda Wind Management AS. Net financial income increased from EUR 38 thousand in 2020 to EUR 1,400 thousand in 2021. The increase is mainly due to currency effects partly offset by increased interest expense on shareholder loan of EUR 581 thousand.

The Company's total assets were EUR 170,236 thousand (EUR 53,610 thousand in 2020) and comprise mainly of shares in subsidiaries, receivables to related parties and cash. Booked equity as at 31 December 2021 was EUR 168,121 thousand, compared to EUR 52,444 thousand in 2020. Equity ratio was 98.76 % in 2021 and 97.83 % in 2020.

The Board has recommended that this year's losses of EUR 1,085 thousand be allocated as follows: Transferred of uncovered loss to share premium EUR 1,085 thousand.

Remuneration to management

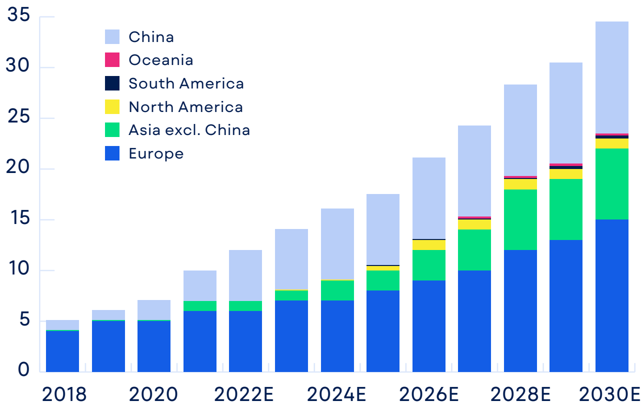
In accordance with section 6-16a and 6-16b of the Norwegian Public Limited Liability Companies Act ("Allmennaksjeloven"), the Board of Directors has issued a statement concerning salaries to senior executives. Guidelines for the Company's senior executive salaries policy are to be presented to the general meeting for approval. The salary and other remuneration of the CEO are decided by the Board of Directors. The Board of Directors has delegated the responsibility for determining the salaries of the other senior executives to the CEO. The Company has approved a share purchase program available for the Company's Board of Directors and management. Senior executives are entitled a bonus based on the changes in trading price for the Group's shares. See further information on remuneration and pay to Board of Directors and Executive Management in the notes.

Edda Wind ASA has signed insurance for its Board of Directors and management covering up to NOK 100 million in the aggregate for the policy period.

Board of Directors report

Market development and outlook

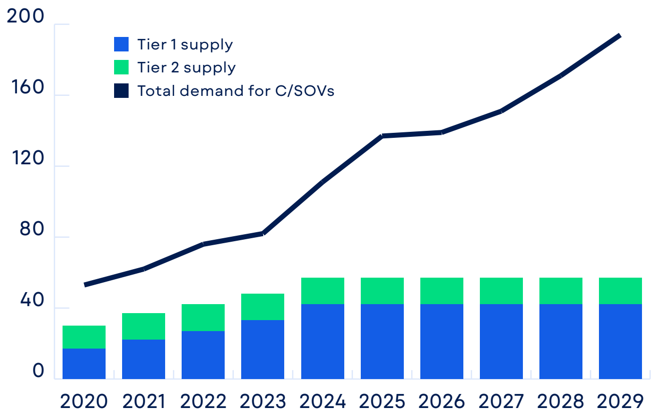
The offshore wind market represents a total installed capacity of around 50 GW globally as of year-end 2021, following rapid growth over the last decade. By 2050 the global capacity is expected to reach approximately 1,000 GW with the largest regions being Asia, Europe, and North America, representing approximately 61 %, 22 % and 16 % of the installed capacity, respectively. New offshore wind capacity is now cheaper than most other renewable sources and conventional sources such as nuclear, oil, gas and coal. Consequently, the growth of offshore wind is expected to outpace that of other renewable and conventional energy sources significantly. The table below shows the expected growth in number of wind turbines (in thousand) world-wide.



Source: Clarkson Platou

The rapid growth in installed offshore wind capacity calls for a substantial increase in the number of wind turbines. There are, per year end of 2021, around 10,000 offshore wind turbines installed globally, of which approximately 6000 are domiciled in Europe, being the main market for offshore wind as of today. By 2030, the best estimates are that approximately 33,000 wind turbines will be installed offshore.

The following table shows the expected supply and demand for C/SOVs world-wide (excluding China and the Americas). Tier 1 includes purpose built vessels. Tier 2 includes high-end converted offshore vessels.



Source: Clarkson Platou

The strong growth in number of offshore wind turbines is a principal driver for the expected growth in demand for vessels both for the installation & commissioning phase, as well as in operations and maintenance during the wind farms' 25+ years lifespan.

Following strong activity in the offshore wind market, among other things supported by Government ambitions and various forms of subsidies and price guarantees, with several offshore wind farms coming closer to installation, tendering activity has been strong with several long-term contracts awarded during 2021. A strengthened demand for subsea vessels has contributed to an increase in dayrates in the short- and medium-term market, as several of these have left the offshore wind market, thereby reducing potential supply. Generally, the short- and medium-term market has been solid during 2021, but already now an uptick in dayrates for 2022 and in particular 2023 can be identified. The market has seen some ordering of newbuilds since the end of 2020, although less than can be expected given the expected demand development. As can be seen from the above chart, supply of vessels is still well short of present and expected future demand.

In the last six months of 2021, a steady increase in newbuild prices from yards can be identified. This increase amounts to 10 % and in some cases 15-20 % compared with earlier years. The highest prices are generally offered by Northern European, in particular Norwegian, yards. These trends are expected to continue into the next financial year, thereby strengthening the position for vessels under construction for delivery within the next couple of years.

Edda Wind emphasizes that the information included in this annual report contains certain forward-looking statements that address activities or developments that the Group anticipates will or may occur in the future. The statements are based on assumptions and estimates, and some of them are beyond the Group's control and therefore subject to risks and uncertainties.

Board of Directors report

Risk factors

Edda Wind is exposed to operational, commercial, and financial risks that may affect the Group's assets, liabilities, liquidity, and future cash flow. Daily risk management falls under the responsibility of the CEO, in close cooperation with the CFO and the Board of Directors. The Board of Directors perform yearly risk analysis to identify strength, weaknesses, opportunities, and threats and set out risk mitigating actions where needed.

Operational risk

Edda Wind is exposed to the risk of cost increases, hereunder cost of vessel construction, operating cost and maintenance cost, as well as risk related to utilisation of the vessels. If any of the Group's vessels are taken out of operation, this could materially impact the Group's business, prospects and financial results including its ability to be compliant with the financial covenants pursuant to its financing arrangements. Long-term charter agreements include escalation clauses.

Acquisition of new vessels is an important element of the Group's growth strategy. The acquisition, construction, supervision and delivery of new vessels are subject to a number of risks, including the risk of potential cost overruns and delays, risk of new vessels not meeting quality and performance standards and unexpected operational problems, political unrest, and other circumstances including consequences of the Covid-19 pandemic or other macroeconomic factors. The newbuilding contracts are based on fixed price agreements with the yards.

Commercial risk

The Group's earnings and liquidity is dependent on the Group's ability to obtain profitable rates for its vessels. The demand for the Group's services may be volatile and is subject to variations for several reasons, including competition from other service providers and uncertainty in the general demand in the industry. The demand for the Group's vessels is dependent on the future development and operation of Offshore Wind Farms.

Whilst Edda Wind has an ambition to further expand its portfolio of contracts, the process for obtaining new customer agreements is competitive and generally involves an intensive screening and competitive bidding process.

Climate risk

Climate risk refers to the impact climate change may have on the Group's business, such as physical changes in operating environment, changes in demand for the Group's services or regulatory changes.

Effects of climate change, such as rapid weather changes and extreme weather may, however, result in challenging working conditions with higher potential for personal injury or severe damage to or destruction of property and equipment, which in turn may suspend operations and cause adverse financial effects. Edda Wind's vessels are equipped with technology to handle harsh weather conditions, such as motion compensated gangway systems and cranes.

The Group's vessel's main source of emission is CO2. The Group is marketing its vessels as ready for zero-emission technology, meaning that the vessels are prepared for taking on board zero-emission technology. However, the technology is not fully developed and is not expected to be until after a few more years. The vessels have prepared piping, tank arrangement and other onboard infrastructure for use of such zero-emission technology.

The ability of the Group to transform to zero-emission vessel operations and deliver on this, is dependent on several factors, such as development of technologies, ability to get access to zero-emission fuel sources and willingness of customers to pay for upfits and additional operating cost.

In addition, the Group faces the risk of changes in regulatory requirements. Such risks may be penalties or taxation on CO2 emissions or other cost increasing measures affecting the Group. The risk may also be changes in the growth of the offshore wind market due to change in regulatory requirements or technological advances in other renewable energy segments.

Liquidity and Financial risk

Liquidity risk is related to the risk that the Group may not be able to meet its financial and operational obligations as they fall due. The Group's approach to managing liquidity is to manage cash flows from operation from long-term charter contracts, and the liquidity situation is monitored and projected via liquidity budgets prepared by management on a regular basis. The Group's liquidity situation is considered satisfactory at the date of the Annual Report.

As of 31 December 2021, the Group has entered into three financing agreements and secured financing of its vessels in use and four out of six newbuildings. The loan agreements contain financial covenants relating to minimum liquidity, working capital, equity ratio and loan to value. The Group was in compliance with all covenants at year-end and does not anticipate any breaches of the covenants within the next twelve months.

Board of Directors report

The Group faces risk that financing of the two remaining newbuildings may not be obtainable on attractive terms. The repayment profile under the Group's existing financing agreements includes obligations for the Group to repay large parts of the principal loan balance at the final scheduled repayment date, close to or at final maturity of the loan. Consequently, the Group will need to refinance such debts prior to final maturity.

Edda Wind's overall policy is to maintain a strong capital base to maintain investor-, creditor- and marked confidence and to sustain operations and future business developments.

Foreign exchange risk

The Group's reporting currency is Euro. A significant portion of the Group's operating expenses, capital expenses and certain of its current and future revenues is and will likely be incurred in other currencies, such as NOK, GBP and USD. As a result, the Group is exposed to the risks that such other currencies, including the NOK, GBP and USD, may appreciate or depreciate relative to the EUR. The Group has established hedging strategies to monitor and mitigate risks on material exposures.

Interest risk

The Group has incurred, and may in the future incur, significant amounts of debt. The Group has a floating interest under certain of its debt arrangements and is thereby exposed to interest rate risk. To mitigate risk related to this, the Group has entered into two long-term interest rate swaps for a portion of the Groups interest-bearing debt to financial institutions.

Tax risk

Seven of the Group's vessels under construction are subject to certain Spanish tax lease structures. Whilst the Spanish tax lease structures enable the Group to acquire the newbuilds at a discounted net price, the structure involves certain risks including counterparty risk and regulatory risk for the Group. Under such Spanish tax lease structures, Edda Wind assumes certain obligations and liabilities which would not exist if the vessels were acquired under the standalone shipbuilding contract. The tax lease structure is also dependent on compliance of the various requirements and obligations under the arrangement, the failure of which may entail Edda Wind being obliged to repay certain tax lease advantages.

Credit risk

The Group has credit risk related to charter contracts. The customers are considered solid, and the risk of customers not having the financial capability to fulfil their obligations to the Group is considered low.

Subsequent events

On 31 January 2022, Edda Wind ordered three Commissioning Service Operation Vessels (CSOVs) for delivery in January and July 2024 in addition to the six vessels the Group has under construction. The vessels are specially designed for service operations during the commissioning and operation of offshore wind farms. One vessel will be built at Astilleros Gondan, Spain and two vessels are being built at Colombo Dockyard PLC, Sri Lanka. In addition, the Group has options with the yards to build more vessels. In relation to ordering new vessels the Group has established new subsidiaries.

Throughout 2021 inflation became apparent in all regions, an effect which has further accelerated since year end. The war in Ukraine has further increased uncertainty and cost relating to supply of materials, components, and crew. Although the Group is not directly exposed to Russian or Ukrainian suppliers there is still a risk that the disruptions, delay, and increased cost may indirectly affect the Group, its suppliers, or its clients. The shipbuilding contracts the Group has entered are all based on firm prices and comprise penalty for late delivery.

The Group has been informed by the yards that there is a delay in the gangways that will impact the delivery of the two first vessels to be delivered. Consequently, the Group now expects hull no 489/ MV Edda Breeze to be delivered to the client in the beginning of August, and hull no 415 to be delivered to the client mid-September.

The Group is not conducting business with any party subject to sanctions by Norwegian State, the United Nations, the European Union, the Member States of the European Union, the United Kingdom or the United States of America.

Other than what is stated above, the Company has not experienced, nor does it have information about any significant other trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the Company's financial performance or prospects since the end of 2021 and until the date of the Annual Report.

Going concern

The Consolidated Financial Statements have been prepared based on an assumption of going concern. This is based on the Group's budgets for 2022, as well as cash flow forecast, and contract status for newbuildings.

Board of Directors report

Statement by the Board of Directors

We hereby confirm that, to the best of our knowledge, the Annual Accounts for the period 1 January 2021 to 31 December 2021 have been prepared in accordance with applicable accounting standards; and that the information in the accounts represents a true and fair view of the Group and parent company's assets, liabilities, financial position, and overall performance. We further confirm that the Annual Report provides a true and fair view of the development, earnings and standings of the Group and parent company, and sets out the most important risk factors and uncertainties facing the Group.

Oslo, 7 April 2022 - The board of directors of Edda Wind ASA and CEO

Håvard Framnes
Chairman of the board

Martha Kold Bakkevig
Board member

Toril Eidesvik
Board member

Jan Eyvin Wang
Board member

Adrian Geelmuyden
Board member

Duncan J. Bullock
Board member

Cecilie Wammer Serck-Hanssen
Board member

Kenneth Walland
CEO

Environmental, Social and Governance

To us, sustainability means making responsible business decisions that create value and contribute to society without harming the environment.

Environmental, Social and Governance

Our approach to ESG

Sustainability is a strategic objective for the Group and is considered key to our ability to create long-term value for our shareholders. Overall responsibility for sustainability lies with the Board of Directors. Regular board meetings are held during the year, and sustainability-related topics are considered in the Board's strategic work, as well as in implementation of business plans and monitoring of performance.

Materiality assessment and priorities

Based on a dialogue with stakeholders and assessment of stakeholders' expectations and interests, Edda Wind has assessed prioritised areas within sustainability. Based on the assessment, Edda Wind has recognised the following sustainability priorities:

Contribute to the transition to a greener future

- Contribute to decarbonisation in energy production
- Reduce greenhouse gas emissions
- Reduce impact to the ocean

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- Safe operations
- Equality

Ensure integrity, responsibility, quality and transparency in all business decisions

- Responsible business
- Cyber security
- Ethics and anti-corruption

Based on the Group's identified sustainability priorities, the following UN Sustainability Development Goals have been selected as being the most material for the Group:

Contribute to the transition to a greener future

Offshore Wind at the pinnacle of the energy transition

The global energy sector is on the brink of a stepchange as the world is accelerating the transition from fossil-based to zero-carbon energy sources. At the epicenter of the energy transition is the need to considerably reduce energy-related CO2 emissions to mitigate climate change. Significant decarbonisation of the global energy sector demands urgent actions on all levels with the Paris Agreement laying out bold CO2 emission reduction targets. To achieve those targets, the global energy sector is dependent on the development of renewable energy sources, such as offshore wind, in tandem with frontier technologies aiming at reducing the carbon footprint in the current energy value chain.

Offshore wind has developed into an industry where proven concepts already have been scaled up to reduce cost and risk. By benefitting from economies of scale and a viable and complete value chain offshore wind has expanded from Europe to other regions of the world. An increasing number of coastal nations are announcing new and ambitious plans for developing large scale offshore wind farms to increase their share of green energy in the mix.

As the only pure-play provider of construction-/service operation vessels in the offshore wind segment, Edda Wind pioneers the field and still come with a proven track record. Able to handle fixed-foundation and floating wind turbines, regardless of size, our vessels are all purpose-build at reputable shipyards, allowing us to operate at high levels of efficiency, reliability and sustainability.

Increased attentiveness towards the energy transition and sustainability by the public, in combination with multiple political initiatives underpinned by governmental support such as the United Nation's focus on the Sustainability Development Goals and the Green deal Zero emission target by 2050, as set forth in the Paris Agreement, provides an ideal backdrop for Edda Wind. The Group sees an opportunity and responsibility in terms of creating a cleaner, more sustainable, and energy-efficient future by actively partaking in the ongoing energy transition.

Environmental, Social and Governance

Offshore Wind at the pinnacle of the energy transition cont.

Since the very initial installation over 20 years ago, the offshore wind industry now constitutes a considerable portion of Europe's renewable energy mix and numerous coastline-nations in the Americas and the Far East have launched significant initiatives to establish offshore wind parks. With turbine technology rapidly evolving whilst costs are concurrently declining, the offshore wind industry has attracted significant investments in all parts of its value chain. Being a pure-play provider in the offshore wind segment, Edda Wind is contributing to providing cleaner, renewable, and cost-efficient energy to the world. Sustainability is at the core of our business model.

Reducing our impact on the environment

Edda Wind fully supports the Green deal Zero emission target by 2050 and is already taking an active part in reaching the target, by contributing to the production of renewable energy. Edda Wind also works actively to manage its own environmental footprint. This includes our ambitions to reduce carbon emissions and address wider industry and societal issues linked to climate action, marine litter and pollution. To provide value to customers while reducing our environmental impact, we work with our customers to optimize our vessels, and collaborate on the development of alternative fuels, including hydrogen. We use the latest technology for battery-hybrid solutions, and our newbuilds are prepared for hydrogen-based operations with zero GHG-emissions.

Edda Wind has high ambitions and target to offer zero-emission solutions and operations to our customers by 2025 and to be completely carbon neutral by 2040.

Implemented initiatives

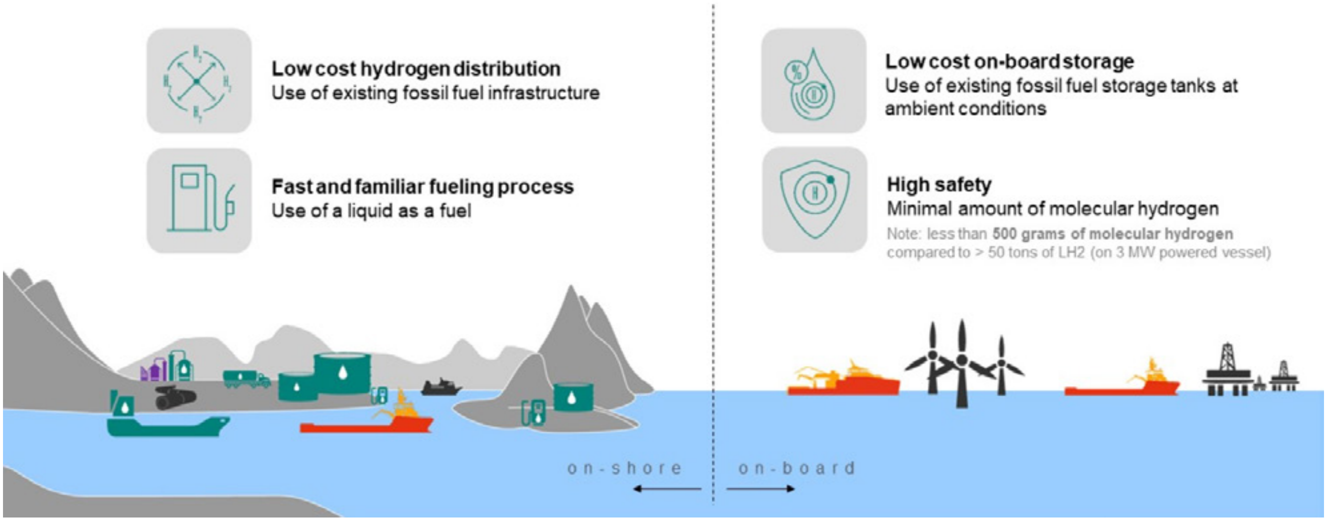
Installed battery packs onboard the vessels

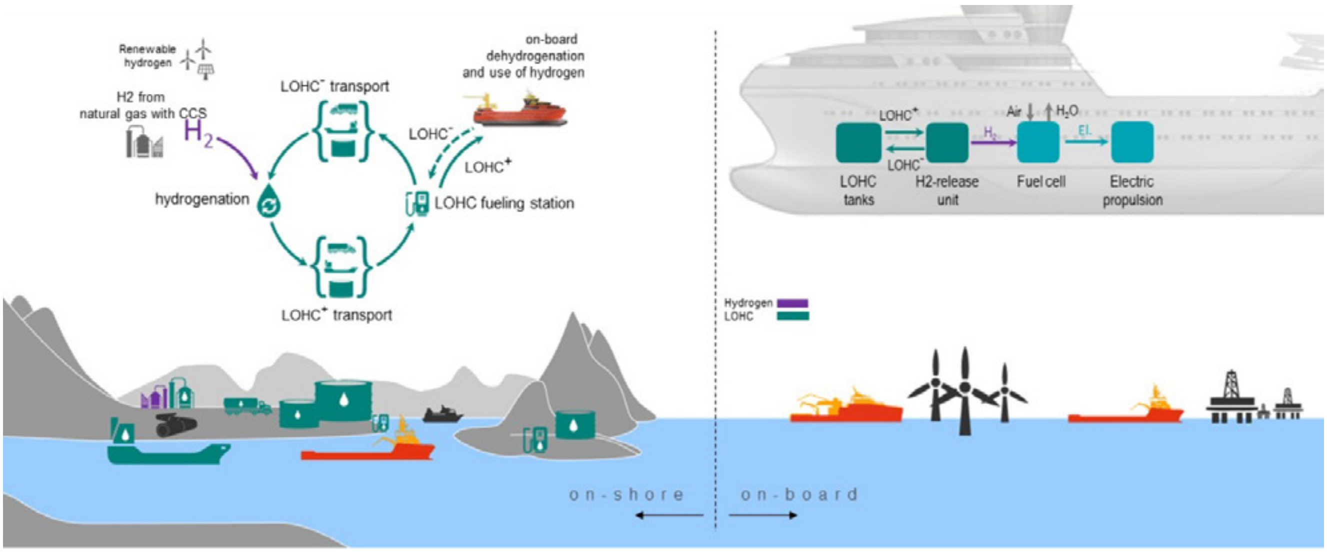
The Group's nine offshore wind vessels under construction are designed to be environmentally friendly without compromising operational capabilities. The newbuilds are being equipped with battery hybrid propulsion systems, which, together with other energy saving equipment, is expected to reduce the emission of greenhouse gases by a minimum of 30 % compared to previous generation offshore wind service vessels with modern diesel electric propulsion lines without battery storage system and variable speed configuration i.e., vessels typically delivered from around 2010 until recently.

Prepared for hydrogen-based operations with zero GHG-emissions

Edda Wind is at the forefront of developing and applying new technology to our vessels and operations. This is related to safe and efficient operation, working environment for personnel onboard as well as technology for the purpose of reducing, or removing pollution. The nine vessels under construction will be prepared to take onboard the Liquid Organic Hydrogen Carriers ("LOHC") concept with potential for future zero-emission operations. In 2021, the Group and Hydrogenious LOHC Maritime AS, a Norwegian company with focus on development, marketing, manufacturing, and sales of LOHC onboard solutions, entered into a letter of intent for using the LOHC technology. Hydrogenius LOHC Maritime AS has developed and patented the LOHC technology for a particularly safe, easy, and efficient storage and transportation of hydrogen, which will revolutionise the supply chain for hydrogen. The unique feature is that hydrogen is chemically bonded to the low-toxic, non-explosive and low-cost carrier oil, which can be used to store and transport large quantities of hydrogen under ambient conditions, using the already existing fossil fuel infrastructure. The carrier oil Hydrogenious LOHC uses – Benzyltoluene – can be loaded and unloaded with hydrogen many hundreds of times and is recyclable many times over. Edda Winds target is to be able to offer this zero-emission solution to clients by the end of 2025.

Environmental, Social and Governance





Environmental, Social and Governance

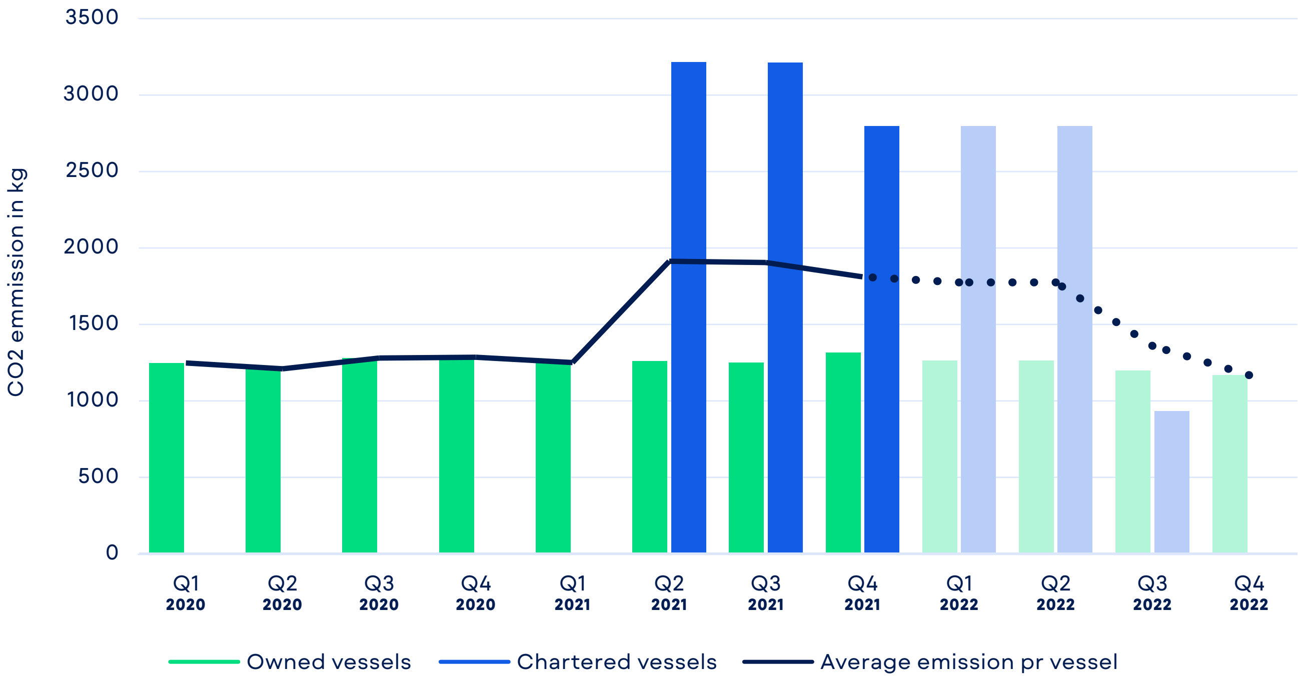
Emissions – performance, targets and initiatives

The main source of GHG emission for Edda Wind is from the consumption of fuel on our vessels. The Group operated two Service Operation Vessels (SOVs) during 2021, as well as a chartered Offshore Service Vessel from April 2021, operating as a frontrunner for one of the Groups newbuilds to be completed in Q3 2022.

2021 Performance	Owned SOVs	Chartered in OSV
Total CO2 (kg)	10 164	9 226
Average CO2 emission pr vessel day[1]	14.1	34.8
SOx (kg)	3 603	5 766
Average SOx emission pr vessel day	5.0	21.8
Nox (kg) per tonnes fuel consumed	16.9	59.5

Edda Wind's two operational SOVs are state of the art vessels delivered from shipyard in 2018, with notably lower GHG emissions than the chartered OSV (built in 2002). Already, Edda Wind is seeing the effects of its investments. With nine new vessels under construction, whereof two are to be delivered in 2022, Edda Wind aims to further reduce emissions per vessel by 15 % as indicated in the table below: In addition, Edda Winds ambition is to offer zero-emission solutions on its vessels by 2025, and thereby further reducing emissions.

CO² emissions per quarter per vessel



[1] Average CO2 and SOX emissions per vessel day equals total emissions divided by number of onhire vessel days during the year.

Environmental, Social and Governance

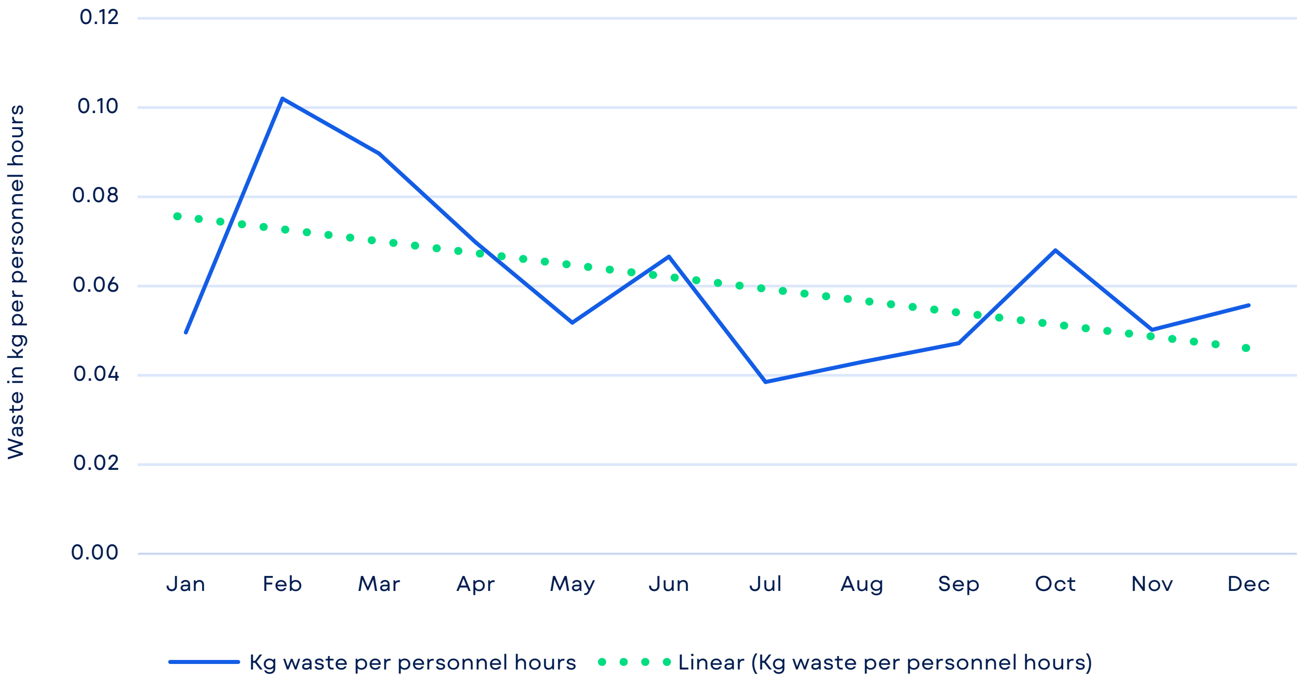
Waste Management

Onboard waste management of the Edda Wind fleet complies with the Convention for Prevention of Marine Pollution (MARPOL), Ballast Water Management Convention (BWMC), and the International Convention on Oil Pollution Preparedness (OPRC). Edda Wind follows Østensjø Rederi AS Garbage Management Procedure. All vessels keep a Garbage Record Book and categorise all waste into categories as defined in the amendments to MARPOL annex V. Waste is disposed in accordance with the guidelines within each category.

Total waste in 2021 was 36,5 tonnes in 2021 compared to 27,7 tonnes in 2020. The increase is due to the introduction of one new vessel in the fleet during 2021.

During 2021, the Edda Wind's average waste in kg per personnel hours was 0,06. The Group aims to reduce its non-recyclable consumption and increase its recycling initiatives.

Kg waste per personnel hours



Spills to the environment

Edda Wind has not had any material spills to the environment during the year.

Environmental, Social and Governance

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Ensuring safe operations

The safety of personnel onboard the vessels is paramount to the Group's operations. Vessel operations are subject to certification and audit regimes from flag states, classification societies, charterers as well as external bodies. Østensjø Rederi AS is ISM-manager and ship manager of the Edda Wind fleet and qualifies for the following regimes: ISO 9001:2005, ISO 14001:2015, ISO 45001:2018, ISPS. In relation to personnel, the Group is monitoring and reporting lost time injury frequency (LTIF), total recordable case frequency (TRCF), restricted work case frequency and medical treatment injury monthly and follow up based on established targets, trends and/or individual cases.

The Group had one Lost Time Incident in 2021 related to a non-work related injury. No other recordable cases were noted in 2021.

Both LTIF and TCRF were 0,78 at the end of the year, which is below the Groups target of LTIF less than 1,0 and TCRF less than 2,0.

Equality

Edda Wind is committed to the principles of non-discrimination and equal opportunities and strive to create a culture where people are treated equally regardless of nationality, gender or other factors.

Edda Wind hires in services from Østensjø Rederi AS, such as vessel crew, corporate services, and technical management. We conduct our business, whether directly or through suppliers, with respect for human rights and labor standards, including conventions and guidelines related to wage and salary, working conditions, freedom of association and the prevention of child- or forced labor and are Maritime Labor Convention (MLC) compliant. Our ISM manager ensures that all seafarers' contracts are in accordance with local Collective Bargaining Agreements (CBA) and International Transport Workers' Federation (ITF) standards.

We go far to ensure that the people working for us can thrive and grow, both onshore and offshore. Offshore we provide amenities like gyms and entertainment, healthy meals, and spacious living quarters for onboard personnel.

Shipping has traditionally been a male dominated business. As per 31 December 2021 the Group had seven employees, whereof two women and a board of directors comprising seven directors whereof three women. Edda Wind seeks to promote a diverse workforce and to ensure non-discriminating recruitment processes, as per HR policies.

Ensure integrity, responsibility, quality and transparency in all business decisions

Responsible business

Our goal is to influence our entire value chain toward sustainable maritime trade. By increasing engagement with our suppliers, customers, and business partners, we can impart our responsible stewardship values and business ethics. The Supplier Code of Conduct seeks to improve the economic, social, and environmental sustainability of international shipping and marine industries and is aligned with the United Nations Guiding Principles on business and human rights.

We continuously focus on performing ethical and responsible practices. We want to enable our employees to deliver the best customer experience and to ensure that we operate with the highest standards of integrity at all times, according to our Code of Conduct. Our Code of Conduct contains a set of important principles, rules, and expectations for ethical standards and behaviors for all employees.

Cyber security

We work closely with the ship manager, each ship's crew, and employees onshore to build and enforce strong cyber protection. We have conducted a vulnerability assessment of all internet-facing resources and put in place internal guidelines for secure application development. GDPR practices have been established and are managed by our data protection administrators.

Ethics and anti-corruption

Our anti-corruption efforts are based on top-level commitment, proportionate procedures, risk assessment, communication, due diligence, monitoring and review. Doing the right things, the right way is the foundation of our governing elements and our culture, and we expect the same of our partners and suppliers. Employees and external stakeholders are encouraged to report non-compliant behavior through the Group's whistleblower procedure. Our ISM manager is a member of Transparency International, and Edda Wind will adhere to the principles of that organization.

CONTRUCTION OF EDDA BREEZE

Corporate Governance

Corporate Governance

Edda Wind ASA is the parent company of the Edda Wind Group. Edda Wind ASA is a Norwegian public limited company listed on Oslo Stock Exchange, subject to Norwegian corporate, accounting, exchange listing and security trading legislations. The Board of Directors has the ultimate responsibility when it comes to ensuring that the Company has implemented sound corporate governance. Edda Wind ASA and its Board of Directors have a strong commitment to ensure trust in the Company and to enhance shareholder value through efficient decision-making and improved communication between the management, the Board of Directors, and the shareholders. The Company's framework for corporate governance is intended to decrease business risk, maximise value and utilise the Company's resources in an efficient, sustainable manner, to the benefit of shareholders, employees, and society at large.

Edda Wind ASA has adopted the Norwegian Code of Practice for Corporate Governance of 17th October 2018 (the "Corporate Governance Code") in 2021. The Corporate Governance Code is based on the principle of "explain or comply", which means that a company must comply with the recommendations of the Corporate Governance Code or explain why it has chosen an alternative approach to specific recommendations.

Business

Edda Wind ASA's objective as set out in its Articles of Association is to directly or indirectly, own and conduct business within the offshore renewable segment including, but not limited to, ownership and management of specialised vessels, various auxiliary services, as well as participation and ownership in other companies. The Company's Articles of Association are available on the Company's webpage www.eddawind.com

The Company's principal objectives, strategies and risk profile are presented in the Annual Report.

Equity and dividends

The Edda Wind Group's objectives when managing capital are to secure financial ability to execute the Group's operational strategy, manage operational and financial risks, deliver attractive returns to the shareholders and to maintain an optimal capital structure to reduce the cost of capital including compliance with covenants in the loan agreements and to meet obligation as they fall due.

At 31 December 2021, the Company's equity amounted to EUR 184,332 thousand.

The Company has an ambition to pay a regular dividend. The Company aims to pay a dividend of more than 50 % of free cash flows after debt service subject to consideration of its outlook, investment opportunities, working capital, debt service and financial position.

Equal treatment of shareholders and transactions with close associates

All shareholders shall be treated on an equal basis. Edda Wind ASA's shares are listed on Oslo Stock Exchange and all issued shares carry equal voting rights.

Any transactions in own shares shall be carried out through the Oslo Stock Exchange.

Any transactions, agreements or arrangements between the Company and its shareholders, members of the Board, members of the executive management team or close associates of any such parties shall only be entered into as part of the ordinary course of business and on arm's length market terms. All such transactions shall comply with the procedures set out in the Norwegian Public Limited Liability Companies Act.

Shares and negotiability

The shares in Edda Wind ASA are freely tradable. The Articles of Association do not impose any limitations on ownership of the Shares.

General meeting

In accordance with Norwegian law, the Annual General Meeting of the Company's shareholders is required to be held each year on or prior to 30 June. Notice of the General Meeting shall be made by written notification to all shareholders with a known address. Provided documents concerning items to be discussed at the General Meeting are made available at the company's website, the requirement of mailing the documents to the shareholders does not apply. This also applies for documents which, according to the law, shall be included in or attached to the notice of General Meeting. Despite this, each shareholder is entitled to request that the documents concerning items to be discussed at the General Meeting are mailed.

The company may set a deadline in the Notice of General Meeting for registration of attendance to the General Meeting, which shall not fall earlier than five days prior to the General Meeting.

The Board can decide that the shareholders shall be able to cast votes in writing, including by electronic communication, in a period prior to the General Meeting. For such voting an adequate method to authenticate the sender shall be used.

A shareholder may vote at the General Meeting either in person or by proxy. All of the Company's shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the General Meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at General Meetings, without any requirement of pre-registration.

Corporate Governance

The General Meeting is chaired by the chair of the Board, or an individual appointed by the chairman of the Board of Directors. Having the chair of the Board of Directors or a person appointed by him/her chairing the General Meetings simplifies the preparations for the General Meetings significantly. The Company encourages shareholders to attend the General Meeting. It is also the intention to have representatives of the Board of Directors attending the General Meeting. The Company will, however, normally not have the entire Board of Directors attending the meeting as this is considered unnecessary.

The Annual General Meeting shall discuss and decide on the following matters:

- approval of the annual accounts and the annual report, including distribution of dividend, if any
- other matters that pursuant to law or the Articles of Association fall under the authority of the general meeting

Nomination committee

According to the Articles of Association the Company shall have a nomination committee consisting of minimum two members to be elected by the general meeting. The members shall be elected for a period of two years. The general meeting determines the remuneration to the nomination committee.

The nomination committee propose candidates for members of the board and the nomination committee, and remuneration to the members of these bodies. The general meeting may decide on guidelines for the nomination committee.

Board of directors

The Company's Board of Directors currently consists of seven members, whereof four men and three women. None of the members of the Board hold positions as executive management in the Company. Three of the members of the Board are independent of the Company's main shareholders.

The Chairman of the Board of Directors together with one Director jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant procuration. The Company's Board of Directors are elected by the Company's shareholders in an ordinary or extraordinary General Meeting for two years at a time.

The work of the board of directors

The Board prepares an annual plan for its work with special emphasis on the Company's goals, strategies and implementation.

The Board of Directors is responsible for the overall management of the Company and may exercise all the powers of the Company. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business; ensuring proper organisation; preparing plans and budgets for its activities; ensuring that the Company's activities, accounts, and asset management are subject to adequate controls; and to undertake investigations necessary to ensure compliance with its duties. The Board of Directors may delegate such matters as it seems fit to the Executive Management. At least every calendar quarter the Company's CEO must brief the Board of Directors about the Company's activities, financial position and operating results.

Risk management and internal control

The Board of Directors hold the responsibility to ensure that the Company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities.

The Board performs annual reviews of risk areas and the internal control systems, and main risks are described in the annual Board of Directors report.

The Board of Directors has established an Audit Committee consisting of two Directors of the Board. The primary purposes of the audit committee are to:

- assist the Board of Directors in discharging its duties relating to the safeguarding of assets; the operation of adequate system and internal controls; control processes and the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance, and accounting standards; and
- provide support to the board of directors on the risk profile and risk management of the Company.

Corporate Governance

Remuneration of the Board of Directors

The compensation for the members of the Board of Directors is determined on an annual basis by the shareholders of the Company at the Annual General Meeting. The Company does not have any active share option schemes for the members of the Board.

Remuneration of executive personnel

The Company has a remuneration committee consisting of two members. The members of the remuneration committee are appointed by and among the members of the Board of Directors and shall be independent of the Company's executive management. The principal tasks of the remuneration committee are to prepare:

- the Board of Directors' declaration on determination of salaries and other remuneration for executive management in accordance with the Norwegian Public Limited Liability Companies Act section 6-16a ; and
- other matters relating to remuneration and other material employment issues in respect of the executive management.

The Company has approved a one year (calendar year) rolling incentive scheme for its management. The participants in the incentive scheme are determined by the Board of Directors. The maximum bonus pursuant to the incentive scheme equals the annual base salary, and the bonus accrued is based on changes in the trading price for the shares:

- below 10 % increase does not entitle bonus
- an increase of 30 % or more entitles maximum bonus
- an increase between 10 % and 30 % entitles pro rata share of the maximum bonus.

The Company does not have any active share option schemes for the members of Executive personnel.

Information and communications

The Company has developed Investor Relations Guidelines with the aim to keep shareholders, analysts, investors and other stakeholders continuously updated on the Company's operations and performance. Financial reports and presentations are provided to the market in accordance with the Company's financial calendar, on a quarterly and annual basis. Information of importance is made available to the stock market through notifications to the Oslo Stock Exchange in accordance with the Stock Exchange regulations, and on the Company's website.

Take-overs

The Board of Directors has not established guiding principles on how to act in the event of a takeover bid, as such situations are normally characterised by concrete and one-off situations which makes a guideline challenging to prepare. In the event a takeover were to occur, the board of directors will consider the relevant recommendations in the Corporate Governance Code and whether the concrete situation entails that the recommendations in the Corporate Governance Code can be complied with or not.

Auditor

The Company's independent auditor is Ernst & Young AS. The Auditor is appointed by the General Meeting, which also approves the auditor remuneration.

The auditor shall:

- participate in the Audit Committee meetings.
- present an annual agenda to the Audit committee outlining an audit workplan.
- provide the audit committee with an annual written confirmation of its independence, information on services other than statutory audit provided to the Company during the financial year and inform of any threats to the auditor's independence.
- be present in the Board meeting where the Annual Accounts are on the agenda.
- attend the general meeting if the matters to be dealt with are of such nature that his or her presence is deemed necessary. However, the auditor is in any case entitled to participate in the general meeting.
- at least once a year review the Company's internal control procedures with the Board of Directors and present identified weaknesses and proposals for improvement.

The Board of Directors shall establish guidelines in respect of the executive management's use of the auditor for other purposes than auditing.

Financial Statement Group

Income Statement
(EUR 1.000)

OPERATING REVENUE AND OPERATING EXPENSES	Notes	2021	2020
Freight income	2	23 933	17 480
Other operating income	2	484	398
Total operating income		**24 416**	**17 878**
Payroll and remuneration	3	(7 320)	(6 524)
Other operating expenses	3, 7	(10 914)	(3 505)
Total operating expenses		**(18 234)**	**(10 028)**
Operating profit/(loss) before depreciation		**6 182**	**7 849**
Depreciation	4	(3 169)	(3 060)
Operating profit/(loss)		**3 013**	**4 789**
FINANCIAL INCOME AND EXPENSES			
Other financial income		8	6
Net currency differences		946	427
Unrealised gain/(loss) financial derivatives	10	208	(228)
Realised gain/(loss) financial derivatives	10	299	-
Interest expenses		(1 282)	(1 148)
Other interest expenses to related parties	7	(18)	(8)
Other financial expenses		(932)	(808)
Financial income/(expense)		**(772)**	**(1 758)**
Profit/(loss) before tax		**2 242**	**3 031**
Tax (income)/expense	9	-	18
Profit/(loss) for the year		**2 242**	**3 013**
Basic / diluted earnings per share	13	0.06	0.09

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Statement of comprehensive income

(EUR 1.000)

	Notes	2021	2020
Profit/(loss) for the year		2 242	3 013
ITEMS THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT			
Currency translation differences		2 145	(1 914)
Other comprehensive income, net of tax		**2 145**	**(1 914)**
Total comprehensive income for the year		**4 386**	**1 099**

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Balance Sheet
(EUR 1.000)

ASSETS	Notes	31/12/21	31/12/20
Non current assets			
Deferred tax asset	9	23	23
Vessels	4	73 611	71 431
Newbuildings	4	131 077	35 957
Machinery and equipment	4	3	3
Total non current assets		**204 715**	**107 415**
Current assets			
Account receivables	6.7	3 575	3 023
Other current assets	12	7 791	34 174
Cash and cash equivalents	12	89 520	6 715
Total current assets		**100 886**	**43 912**
Total assets		**305 602**	**151 327**

EQUITY AND LIABILITIES			
Equity			
Share capital	13	644	9
Share premium		116 128	-
Other equity		67 560	63 174
Total equity		**184 332**	**63 183**
Non-current liabilities			
Non-current interest-bearing debt	8	110 545	79 330
Total non-current liabilities		**110 545**	**79 330**

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Balance Sheet

(EUR 1.000)

EQUITY AND LIABILITIES	Notes	31/12/21	31/12/20
Current liabilities			
Account payables	7	1 555	1 751
Financial derivatives	10	91	598
Taxes payable	9	-	48
Public duties payable		96	32
Current interest-bearing debt	8	6 951	4 497
Other current liabilities	7	2 031	1 889
Total current liabilities		**10 724**	**8 814**
Total equity and liabilities		**305 602**	**151 327**

Oslo, 7 April 2022 - The board of directors and CEO of Edda Wind ASA

Håvard Framnes
Chairman of the board

Martha Kold Bakkevig
Board member

Toril Eidesvik
Board member

Jan Eyvin Wang
Board member

Adrian Geelmuyden
Board member

Duncan J. Bullock
Board member

Cecilie Wammer Serck-Hanssen
Board member

Kenneth Walland
CEO

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Cash flow statement

(EUR 1.000)

CASH FLOW FROM OPERATIONS	Notes	2021	2020
Profit/(loss) before tax		2 242	3 031
Financial (income)/expenses		772	1 758
Depreciation and amortisation	4	3 169	3 060
Change in net working capital		583	2 462
Net cash flow from operations		**6 765**	**10 311**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments in fixed assets	4	(93 476)	(8 531)
Interest received		-	6
Changes in restricted cash - investment commitment	12	25 964	(33 000)
Net cash flow from investment activities		**(67 512)**	**(41 525)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of interest-bearing debt	8	32 190	39 978
Repayment of interest-bearing debt	8	(4 497)	(4 556)
Proceeds from other interest-bearing debt	8	43 500	-
Repayment of other debt	8	(16 500)	(1 318)
Interest paid including interest derivatives		(1 101)	(1 156)
Paid other financial expenses		(1 187)	(808)
Proceeds from issuance of new shares		90 131	-
Increase capital cash effect		-	188
Dividend / group contribution		-	(883)
Net cash flow from financing activities		**142 536**	**31 445**
EFFECTS OF CURRENCY RATE CHANGES ON BANK DEPOSITS, CASH AND EQUIVALENTS			
Net change in bank deposits, cash and equivalents		81 789	232
Translation difference		1 016	-
Cash and cash equivalents at 01.01		6 715	6 483
Cash and cash equivalents at 31.12		**89 520**	**6 715**

The group is located and operating in several countries and each entity has several bank accounts in different currencies. Unrealised currency effects are included in translation difference.

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Statement of changes in equity

(EUR 1.000)

	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance at 01.01.2021	**9**	**0**	**27 608**	**34 280**	**1 286**	**63 174**	**63 183**
Share capital increase by conversion of debt	327	26 673	-	-	-	-	27 000
Share capital increase by issuance of new shares, November*	281	81 102	-	-	-	-	81 383
Share capital increase by issuance of new shares, December	27	8 353	-	-	-	-	8 381
Profit for the year	-	-	-	2 242	-	2 242	2 242
Other comprehensive income	-	-	-	-	2 145	2 145	2 145
Balance at 31.12.2021	**644**	**116 128**	**27 608**	**36 522**	**3 430**	**67 560**	**184 332**

*The Group has incurred EUR 4,474 thousand in transaction cost related to the share capital increase in November 2021. The transaction cost is accounted for as a deduction in share premium.

Balance at 01.01.2020	**3**	**0**	**0**	**31 267**	**3 200**	**34 467**	**34 470**
Net capital increase**	6	-	27 608	-	-	27 608	27 614
Profit for the year	-	-	-	3 013	-	3 013	3 013
Other comprehensive income	-	-	-	-	(1 914)	(1 914)	(1 914)
Balance at 31.12.2020	**9**	**0**	**27 608**	**34 280**	**1 286**	**63 174**	**63 183**

**The capital increase in 2020 included the shares of the sister-entities West Energy AS and Edda Supply Ships (UK) Ltd, as a non-cash contribution by Johannes Østensjø dy AS. The transaction has been recorded as a common control business combination using the pooling of interest method and restatement of comparatives. A minor part of the capital increase had cash effect (EUR 188 thousand).

Note 1 to 15 on the next pages are an integral part of these consolidated financial statements

Notes

(EUR 1.000)

NOTE 1 - General accounting principles

General information

Edda Wind ASA and its subsidiaries (collectively, the Group) offer services to the offshore wind segment within the maritime sector. Edda Wind ASA is a public limited liability company registered in Norway with headquarter at Smedasundet 97 in Haugesund and whose shares are publicly traded at the Oslo Stock Exchange.

Edda Wind ASA (Previously Edda Wind AS, "EWAS") was founded in September 2019 as a fully owned subsidiary of Johannes Østensjø dy AS ("JØDY"). In March 2020 there was a contribution of kind transaction, where JØDY inserted the shares in Edda Supply Ships (UK) Ltd ("ESUK") and West Energy AS ("WEAS") in EWAS, and hence the Edda Wind Group was formed. From before the contribution of kind transaction JØDY was in control of both ESUK and WEAS. In November 2021, Edda Wind AS was converted to a public limited company and changed its name to Edda Wind ASA.

Basis of preparation

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities, including derivatives which are measured at fair value. The consolidated financial statements are presented in Euro (EUR), and are rounded to nearest thousand unless clearly stated otherwise.

The Consolidated financial statements have been prepared on a going concern basis.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory at 31.12.2021 or prior reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods. The Group will apply new and amended standards before or when they become effective.

The following amendments became effective as at 1 January 2021:

- interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.
- covid-19-Related Rent Concessions beyond 30 June 2021 Amendment to IFRS 16.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Principles of consolidation

The Group's consolidated financial statements comprise of Edda Wind ASA and companies in which Edda Wind ASA has a controlling interest as at 31.12.2021. A controlling interest is normally obtained when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns

The subsidiaries included in the consolidated financial statements are listed in note 5.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Subsidiaries are fully consolidated from the date of which control is transferred to the Group. They are deconsolidated from the date that control ceases. A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised as profit or loss. Any investment retained is recognised at fair value.

For the common control business combination in 2020 the financial statements are presented using the pooling of interest method.

In the consolidated financial statements, income and expenses of both domestic and foreign subsidiaries, not using Euro as functional currency, are translated using the average exchange rate for the accounting period. Balance sheet items are translated using the balance sheet date as exchange rate date.

Notes
(EUR 1.000)

NOTE 1 - General accounting principles cont.

Critical accounting estimates and assumptions

When preparing the financial statements, the Group must make assumptions and estimates. These estimates are based on the actual underlying business, its present and forecasted profitability over time, and expectations about external factors such as interest rates, foreign exchange rates and market fluctuations which are outside the Group's control. This represents a substantial risk that actual conditions will vary from the estimates.

Most balance sheet items will be affected by uncertainty related to estimates and assumptions to a certain degree. The item most affected, and where estimates and assumptions are assessed to have the greatest influence include the Group's assessment of vessel values. Accounting principles applied, estimates and assumptions used by management is presented in the respective notes.

Segment information

The Group's chief operating decision makers (the "CODM"), being the Board of Directors and Group Management team, measures the financial and operating performance of the Group on a consolidated level. The CODM does not review a measure of operating result on a lower level than the consolidated Group, therefore the Group has one reportable segment being the Offshore Wind segment. Refer to note 2 for additional information regarding revenue by geographical region and major customers.

Summary of significant accounting policies

Significant accounting policies adopted in the preparation of these consolidated financial statements are included below in note 1 to the extent they have not already been disclosed in other relevant notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

Classification of assets and liabilities

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle.
- expected to be realised within twelve months after the reporting period.
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle.
- it is held primarily for the purpose of trading.
- it is due to be settled within twelve months after the reporting period.
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Business combinations

In order for a business combination to exist, the acquired business or assets must constitute a business, as an integrated set of activities including inputs, processes and outputs. Business combinations under common control is accounted for in accordance with the pooling of interests method where the assets and liabilities of the two combining businesses are consolidated using the carrying value prior to the business combination. The method is applied when the two combining businesses are under common control prior to the transaction, and the transaction is not considered to be transitory.

Business combinations not under common control is accounted for using the acquisition method. The acquired identifiable tangible and intangible assets, liabilities and contingent liabilities are measured at their fair values at the aquisition date. Any excess of the cost of purchase over the net fair value of the identifiable assets purchased is recognised as goodwill. Any excess of net fair value of the identified purchased assets over the cost of purchase is recognised as a bargain purchase gain.

Notes
(EUR 1.000)

NOTE 1 - General accounting principles cont.

Translations and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in income statement.

Foreign exchange gains and losses are presented on a net basis in the income statement, within finance expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Foreign currencies

The Group's consolidated financial statements are presented in Euros, which is also the parent company's functional currency. For each entity within the Group, the Group has determined the functional currency based on the primary economic environment of which the entity operates. Items included in the financial statements are measured using that functional currency. The functional currency for the Group's entities are EUR, GBP and NOK.

The financial statements for the Group's foreign operations, i.e. subsidiaries with functional currency other than that of the parent, are translated as follows:

- balance sheet items are translated at the closing exchange rate on the balance sheet date.
- income and expense items are translated at a rate that is representative as an average exchange rate for the period, unless the exchange rates fluctuate significantly for that period, in which case the exchange rates at the dates of the transactions are used.

The foreign exchange translation difference arising from translating foreign operations are recognised in other comprehensive income until disposal of the foreign operation. The Group has not recognised any net investment hedges for its part in net investment in foreign operations.

The Group has used the following exchange rates:

	EUR/NOK	EUR/GBP
As per 31.12.2021	9.9888	0.8369
Average 2021	10.1728	0.8601
As per 31.12.2020	10.5053	0.9005
Average 2020	10.7409	0.8890

Spanish tax lease

In connection with the newbuilding contracts the Group has, together with the Spanish shipyards Balenciaga S.A and Astilleros Gondan, Spanish banks, Bankinter and Banko de Sabadell, and certain Spanish participant companies "AIE" (with external investors) established a structure that qualifies for a Spanish tax regime for financial leasing of newbuild contracts and vessels (Spanish Tax Lease). Spanish Tax Lease is a structure containing certain tax benefits in Spain, that also results in a lower construction cost for the Group's vessels. Management has made several considerations when it comes to accounting of the STL structure. See note 4 for further information.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Notes

(EUR 1.000)

NOTE 1 - General accounting principles cont.

Financial assets

Financial assets are classified at initial recognition based on the contractual cash flows and the Group's business model for managing the financial assets.

Financial assets are primarily derecognised when the right to receive the cash flows from the financial asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group's financial assets include trade receivables and cash and cash equivalent. Refer to relevant note for disclosure of specific accounting treatment applied.

Financial liabilities

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost except for certain financial liabilities at fair value through the income statement.

Financial liabilities are derecognised when the contractual obligation is discharged, cancelled, or expire. Financial liabilities are also derecognised when terms are modified and the modified financial liability is substantially different, representing a new financial liability based on the modified terms.

The Group's financial liabilities include interest-bearing debt and financial derivatives. Refer to relevant note for disclosure of specific accounting treatment applied.

Provisions

Provisions are recognised when the Group faces an obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made on the amount of the obligation. The expense related to a provision is presented in the income statement net of any reimbursements. All provisions are reviewed at end of each reporting period and adjusted to reflect best estimate of expected cash outflows.

Statement of consolidated cash flow

The statement of cash flow is prepared in accordance with the indirect model.

Notes
(EUR 1.000)

NOTE 2 - Revenue from contracts with customers

Financial reporting principles

A time charter contract contains both a bareboat element in scope of IFRS 16 and a service component in scope of IFRS 15. Revenue for bareboat agreements are in scope of IFRS 16 Leases. Both the lease element and the service element is recognised as operating income.

Revenue derived from customer contracts in scope of IFRS 15 Revenue from contracts with customers, are assessed using the five-step model, where only customer contracts with a firm commitment is used as basis for revenue recognition. Charter revenue from contracts with customers is recognised upon satisfaction of the performance obligation for the transfer of goods and services in each such contract. The revenue amount recognised is equal to the consideration the Group expects to be entitled in exchange for the goods and services. Any loss on contract is accrued when a loss is probable. The performance obligation is considered satisfied as the charter service is delivered, and apportioned according to the number of days for each contract occurring before and after the end of an accounting period. The contract period begins when the vessel is delivered to the customer, and ends when the vessel is redelivered. As the customers are invoiced in the amount assessed to correspond to the value of the completed performance obligation, the Group have elected to apply the practical expedient to recognise revenue in the amount to which it has the right to invoice.

Leases, in which a significant portion of the risks and rewards of ownership are retained by the Group as lessor, are classified as operating leases. Lease income for the leasing of vessels is recognised as operating lease and recognised in the income statement on a straight-line basis over the lease period. The lease period commences from the time the ship is made available to the customer and terminates upon agreed return.

Operating income

The Group's revenue mainly derives from offering vessels and maritime personnel to the offshore wind sector under long-term chartering agreements. Under these agreements the Group delivers a vessel, including crew, to the customer. The customer determines, within the contractual limits, how the vessel is to be utilised. The Group is remunerated at an agreed daily rate for use of vessel, equipment, crew and other resources or services utilised under the contract. The Group's contracts also include victualling covering meals and bedding provided to customer personell onboard the vessel. The Group's revenue is split into a service element, lease element and revenue from victualling. The revenue is mainly recognised over time as the performance obligation is satisfied over time.

The Group also provide management services to companies outside of the Group. Remuneration for management services is classified as other revenue and recognised over time as performance obligation is satisfied over time.

Notes
(EUR 1.000)

NOTE 2 - Revenue from contracts with customers cont.

Offshore Wind operating revenue	**2021**	**2020**
Revenue from contracts with customers:		
Service element from contracts with day rate	13 152	9 776
Victualling	1 748	1 063
Other revenue	484	398
Lease revenue:		
Lease element from contracts with day rate	9 033	6 641
Total operating income	**24 416**	**17 878**

Payments from charter contracts is generally due within 30 to 60 days after the end of each month or 30 to 60 days after the service is completed. Payment terms for all other services delivered is usually 30 days after the service is invoiced.

Contract balances	**2021**	**2020**
Trade receivables	3 575	3 023
Contract assets	-	-
Contract liabilities	-	-

The Group has not recognised any assets from cost incurred to fulfil a contract at 31.12.2021 (2020:0).
The Group has not recognised any revenue in 2021 from performance obligations satisfied in previous periods (2020: 0), or recognised revenue that was included in the contract liability balance at the beginning of the period (2020: 0).

Notes
(EUR 1.000)

NOTE 2 - Revenue from contracts with customers cont.

Reporting by customers and geographical markets

	2021		2020	
Revenue geographical markets	**Revenue**	**Ratio %**	**Revenue**	**Ratio %**
United Kingdom	18 070	74 %	17 695	99 %
Germany	5 863	24 %	-	0 %
Norway	484	2 %	183	1 %
Total	**24 416**	**100 %**	**17 878**	**100 %**

Geographical distribution of revenue is based on the location of clients.

The Group's revenue in 2021 is mainly derived from two customers, representing EUR 18,1 million and EUR 5,9 million. In 2020, the Group's revenue mainly derived from one customer.

Contract status and coverage

Vessel	Contract duration
Edda Passat	Q1 2023 + extension options
Edda Mistral	Q3 2023 + extension options
Edda Breeze (Delivery Q3 2022)	Delivery to Q2 2032 + extension options
Edda Brint (Delivery Q3 2022)	Delivery to Q2 2037 + extension options
NB C-490 (Delivery Q1 2023)	Q2 2023 to Q2 2025 + extension options
NB C-416 (Delivery Q1 2023)	Q2 2023 to Q2 2028 + extension options
NB C-491 (Delivery Q3 2023)	TBA
NB C-492 (Delivery Q2 2024)	TBA

Leasing

In April 2021 the Group entered into a 12 month lease for the OSV vessel Edda Fjord from related party West Supply VIII AS. This contract is a lease in scope of IFRS 16, however the Group have elected to apply the recognition exemption for short-term leases and the Group has recognised the lease payments as an expense over the lease period. The vessel is operating as a frontrunner for Edda Wind newbuilding vessel Edda Breeze, expected to be delivered in Q3 2022. During the year the Group recognised a lease expense of EUR 5,837 thousand.

Notes
(EUR 1.000)

NOTE 3 - Payroll and remuneration

Financial reporting principles

Employee benefits include wages, salaries, social security contributions, sick leave, parental leave, defined contribution pension and other employee benefits. The benefits are recognised in the period in which the associated services are rendered by the employees.

The Group has establised a management team during 2021 (The “Edda Wind Management”), with key positions employed in Edda Wind Management AS. The Group had in total 7 employees in 2021 (2020:4), whereof 4 are employed through Edda Supply Ships (UK) Limited (“ESS”) (2020:4). All employees are included in defined contribution plans. The vessels crew are hired from Østensjø Rederi AS and external suppliers and presented as hired personnel.

Employee benefits	**Notes**	**2021**	**2020**
Salary and holiday pay		639	245
Employer`s national insurance contribution		81	31
Pension costs		43	15
Other personnel costs		20	10
Total employee benefits		**784**	**301**
Hired personnel	**7**	**6 536**	**6 223**
Total employee benefits and hired crew		**7 320**	**6 524**

Remuneration to management	**From date**	**Wages**	**Bonus**	**Other benefits**	**Other benefits**
2021					
Kenneth Walland (CEO)	01/04/2021	162	-	10	8
Håkon Vevang (CCO)	01/04/2021	82	-	1	8
Tom Johan Austrheim (CFO)	18/05/2021	83	-	1	7
Total remuneration to management		**327**	**-**	**12**	**23**

None of the members of the executive management of the Group were employed in the financial year ended 31 December 2020. The CEO has a non-compete restriction in his employment contract. There are no agreements between the Group and the members of management providing for benefits upon termination of employment, except for the CEO who has a contractual right to 12 months’ severance pay following the notice period. There are no loans, prepayments or other guarantees provided to management at year end. The salary and other remuneration of the CEO are decided by the Board of Directors. The Board of Directors has delegated the responsibility for determining the salaries of the other senior executives to the CEO.

Notes
(EUR 1.000)

NOTE 3 - Payroll and remuneration cont.

Management incentive scheme

The Group has approved a one year rolling incentive scheme for its management. The maximum bonus pursuant to the incentive scheme equals the annual base salary, and the bonus is accrued based on changes in the trading price for the shares:

- below 10 % increase does not entitle bonus
- an increase of 30 % or more entitles maximum bonus
- an increase between 10 % and 30 % entitles pro rata share of the maximum bonus.

Any dividends distributed on the shares within the relevant incentive periods will be added to the share price. The bonus will be paid two years after accrual if the employee is still employed at the payment date. The incentive scheme may be terminated by the Board of Directors. If it is terminated, the accrued bonus (if any) will be paid to the employees. As of 31.12.2021, the Group has not recognised any accrued bonus.

Remuneration to Board of Directors		**2021**	**2020**
Håvard Framnes	Chairman	7	-
Jan Eyvin Wang	Director	4	-
Geir Flæsen	Director (ended November 2021)	-	-
Johannes Østensjø	Director (ended November 2021)	-	-
Martha Kold Bakkevig	Director (joined November 2021)	4	-
Toril Eidesvik	Director (joined November 2021)	4	-
Duncan J. Bullock	Director (joined December 2021)	2	-
Cecilie Wammer Serck-Hanssen	Director (joined December 2021)	2	-
Adrian Geelmuyden	Director (joined December 2021)	2	-
Total remuneration to the Board of Directors		**27**	**-**

The Group elected a new Board of Directors in relation to the IPO in November. The former Board of Directors did not receive remuneration. The Remuneration to Board of Directors for 2021 consitutes accrued fees for the new Board of Directors. There are no agreements between the Group and the members of the Board of Directors providing for benefits upon termination.

Expensed audit fee (excluding VAT)	**2021**	**2020**
Audit services	180	31
Non-audit services required by law	13	-
Tax advisory services	45	-
Other non-audit services	81	27
Total expensed audit fee	**318**	**58**

Notes
(EUR 1.000)

NOTE 3 - Payroll and remuneration cont.

Share Purchase Program

The Company approved a share purchase program available for the Company's Board of Directors and management (either personally or through a private holding company). The eligible persons were invited to participate in the Offering in November by subscribing for Offer Shares at a price 25 % lower that the Offer Price, subject to a three year lock-up period on such shares. The price reduction has been assessed as proportional to the shares being subject to the three year lock-up period, and as such considered to be at market terms. No payroll cost has been recognised in 2021 in relation to the Share Purchase Program.

The maximum amount the management was allowed to participate with was three times their annual base salary. The maximum amount for members of the Board of Directors was NOK 500,000 per person.

Shares owned by the Board of Directors and management

The table below shows the shares owned by members of the Board of Directors and by members of management at year end, including shares owned by immediate family and/or controlled companies:

Shareholder		Number of shares	Ownership share
Kenneth Walland AS	Owned by Kenneth Walland (CEO)	260 162	0.40 %
Håkon Vevang	CCO	54 200	0.08 %
Lungo Invest AS	Owned by Tom Johan Austrheim (CFO)	151 761	0.24 %
Framnes Holding AS	Owned by Håvard Framnes (COB)	21 680	0.03 %
Jan Eyvin Wang	Board member	37 940	0.06 %
Kold Invest AS	Owned by Martha Kold Bakkevig (board member)	21 680	0.03 %
Torild Eidesvik	Board member	21 680	0.03 %
Adrial Geelmuyden	Board member	21 680	0.03 %
Cecilie Wammer Serck-Hanssen	Board member	4 336	0.01 %
Total		**595 119**	**0.93 %**

Notes
(EUR 1.000)

NOTE 4 - Tangible assets

Financial reporting principles

Tangible assets are recognised at cost less accumulated depreciation and accumulated impairment losses in accordance with IAS 16 Property, plant and equipment. Tangible assets acquired by the Group companies are stated at historical cost. Historical cost comprises of the assets purchase price, borrowing costs and any direct attribute cost of bringing the asset to its operational condition. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled and depreciation of each component is based on the economic life of the component.

Depreciation of assets is calculated on a straight-line basis over the economic life of the asset adjusted for residual value and impairment. Depreciation commences when the asset is ready for use. Residual value for the vessels after its economic life is set to the expected recycling value of the vessels.

For vessels, a share of the purchase price is decomposed to periodic maintenance and are depreciated until first classification of said vessel. Based on the Group`s periodic maintenance program, the expected lifetime of the vessel is set to 30 years. The periodic maintenance is depreciated over 5 years.

Ordinary repairs and maintenance costs are charged to the income statement in the period which they are incurred, whereas costs for improving and upgrading the asset are added to the acquisition cost and depreciated with the related asset.

Vessels under construction ("Newbuildings") are capitalised based on instalments paid to the shipyard and other costs directly attributable to the construction, including borrowing costs during the construction period. Capitalised cost for vessels under construction is reclassified to vessels when the vessel is delivered and ready for use. Vessels under construction is not subject to depreciation until delivery of the vessel.

Grants received from government agencies directly related to the acquisition of vessels is recognised in accordance with IAS 20 government grants as a reduction in the cost price of the vessel acquired when there is reasonable assurance that the Group comply with conditions attaching to the grants.

Critical accounting estimates and assumptions

The carrying amount of vessels is based on management assumption of useful life and residual value. The basis for the assessment is for the Group to utilise the vessels over the entirety of its economic life, where the residual value of the vessels at the end of the useful life period is expected to be close to future price for steel, less cost of recycling. This includes the hull and other significant components designed to last throughout the vessel's useful life. Due to a high degree of uncertainty in the future market for steel recycling, the Group has concluded to set the residual value to zero for each vessel. Management reassesses the useful life assumption on a yearly basis. Useful life for SOVs and CSOVs is 30 years, and for periodic maintenance 5 years.

At each reporting date the vessels are reviewed for any indicators that the assets may be impaired. The review is carried out by management and IAS 36 Impairment of assets is applied to determine whether tangible assets are impaired and to account for any impairment loss identified. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, estimates of the asset's recoverable amount are prepared. For the purpose of assessing impairment the assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units, "CGUs"). Management has assessed that each vessel is a separate CGU. The recoverable amount is the highest of the fair market value less cost to sell, and the net present value ("NPV") of future estimated cash flow from the employment of the asset ("value in use"). When performing a value in use calculation, management must use judgement in estimating the assets future cash flow, hereunder utilisation, dayrates and discount rates.

The NPV is based on a discount rate according to a weighted average cost of capital ("WACC") reflecting the group's required rate of return. The WACC is calculated based on the company's long-term borrowing rate and a risk-free rate plus a risk premium for the equity. If the recoverable amount is lower than the book value, impairment has occurred, and the asset shall be revalued.

Impairment losses are recognised in the income statement. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Notes
(EUR 1.000)

NOTE 4 - Tangible assets cont.

2021	Vessels	Period Maintenance	Equipment	New-buildings	Total
Cost 1.1	**77 254**	**2 221**	**69**	**35 957**	**115 501**
Additions	-	-	-	93 476	93 476
Currency translation differences	5 874	169	-	1 644	7 687
Cost 31.12	**83 128**	**2 390**	**69**	**131 077**	**216 664**
Accumulated depreciation 1.1	**(6 859)**	**(1 185)**	**(66)**	**-**	**(8 110)**
Depreciation	(2 704)	(465)	-	-	(3 169)
Currency translation differences	(591)	(103)	-	-	(694)
Accumulated depreciation 31.12	**(10 153)**	**(1 753)**	**(66)**	**-**	**(11 972)**
Carrying amounts	**72 974**	**637**	**3**	**131 077**	**204 692**
Remaining instalments newbuildings				149 382	**149 382**

2020	Vessels	Period Maintenance	Equipment	New-buildings	Total
Cost 1.1	**81 571**	**2 345**	**70**	**-**	**83 986**
Additions	-	-	-	35 957	35 957
Currency translation differences	(4 317)	(124)	-	-	(4 442)
Cost 31.12	**77 254**	**2 221**	**69**	**35 957**	**115 501**
Accumulated depreciation 1.1	**(4 521)**	**(782)**	**(66)**	**-**	**(5 369)**
Depreciation	(2 610)	(450)	-	-	(3 060)
Currency translation differences	273	47	-	-	320
Accumulated depreciation 31.12	**(6 859)**	**(1 185)**	**(66)**	**0**	**(8 110)**
Carrying amounts	**70 395**	**1 036**	**3**	**35 957**	**107 392**
Remaining instalments newbuildings				145 570	**145 570**

The depreciation schedule for vessels is 30 years straight-line depreciation. For period maintenance, the depreciation is set to 5 years.

Notes
(EUR 1.000)

NOTE 4 - Tangible assets cont.

Impairment assessment

The Group has performed an assessment of impairment indicators in accordance with IAS 36. Identification of impairment indicators is based on an assessment of development in market rates, earnings for the fleet, vessel operating expenses, operating profit, technological development, change in regulations, interest rates, discount rates and inherent climate risk. The impairment assessment covers both operational vessels, as well as vessels under construction at year end.
Edda Wind's two operational SOVs, Edda Passat and Edda Mistral, are both on long-term charter party contracts until Q1 2023 og Q3 2023 respectively. Further, Edda Wind has secured contracts for four of its vessels under construction.

Following strong activity in the offshore wind market and several offshore wind farms coming closer to installation, the tendering activity has been strong, with several live tenders during 2021. A strengthened demand for subsea vessels has also contributed to an increase in dayrates, as several subsea vessels have left the offshore wind market and thereby reducing potential supply. The market has seen some ordering of newbuilds since the end of 2020, on par with expectations given the expected demand development. In the last half of 2021, a steady increase in newbuild prices from yard has been identified. These trends are expected to continue into the next financial year. The market expectations are further supported by a positive price/book ratio at year end.

Management reporting show that both operational vessels have been profit making during 2021. The Group has not observed any decline in the asset's value during the year that is significantly more than could be expected from passing of time. The Group has obtained broker valuation reports from two acknowledged independent brokers for the two operational SOVs. The valuation reports indicates that the vessel's fair value is higher than book value.

Exposure to climate-related matters could also be an indicator that an asset it impaired, and the Group has assessed its exposure to climate risk. Climate risk refers to the impact climate change may have on the Group's business, such as physical changes in operating environment, changes in demand for the Group's services or regulatory changes. Effects of climate change, such as rapid weather changes may result in challenging working conditions and affect vessel utilisation.For the Edda Wind fleet, management has assessed this risk as low, as all vessels are equipped with technology to handle harsh weather conditions, such as motion compensated gangway systems and cranes. The Group also faces risk of changes in regulatory requirements. Such risks may be penalties or taxation on CO2 emissions or other cost increasing measures adversely affecting the Group. The risk may also be changes in the growth of the offshore wind market due to change in regulatory requirements or technological advances in other renewable energy segments. Given the accelerating transition from fossil-based to zero-carbon energy sources, with considerable investments within the offshore wind segment, the Group does not expect that regulators will impose adverse requirements to participants within the segment to slow growth. Although the vessels main source of emission is CO2, the vessels are built for zero-emission technology and the Group therefore expects that it will be able to reduce its emissions going forward.

Based on the above, management has concluded that there are no indicators of impairment at 31.12.2021.

Notes
(EUR 1.000)

NOTE 4 - Tangible assets cont.

Spanish tax lease

In connection with the newbuilding contracts the Group has, together with the Spanish shipyards Balenciaga S.A and Astilleros Gondan, Spanish banks, Bankinter and Banco de Sabadell, and certain Spanish participant companies "AIE" (with external investors) established a structure that qualifies for a Spanish tax regime for financial leasing of newbuild contracts and vessels (Spanish Tax Lease, or "STL"). Spanish Tax Lease is a structure containing certain tax benefits in Spain, that also results in a lower construction cost for the Group's vessels.

The newbuilding contracts are agreements between the Group`s Norwegian ship owning companies (the Group subsidiaries) and the shipyards. The structure is established so that the Norwegian ship owning companies sell the newbuilds to the Spanish Tax Lease structure at delivery of the vessels. The Norwegian ship owning company will lease the vessels back from the Spanish structure under a bareboat agreement. This agreement will normally have a contract length of 12 to 36 months from delivery of the vessel. Upon maturity of the lease contract the Norwegian ship owning company has a right and obligation to buy the shares of the Spanish AIE, which has to remain owner of the vessel over a certain period of years in order to maintain the benefits in the tax lease structure.

Prior to delivery of the vessel from the Shipyard, the Norwegian ship owning company pays instalments directly to the shipyard equal to the net price of the vessel. Following the delivery, the vessel is sold to a leasing company within the STL structure at a consideration equal to the gross price of the vessel. The difference between the gross and net price is the STL benefit. In accordance with the lease agreements, all financing and cash payments in the Spanish lease structure in the leasing period are pre-arranged between the involved parties, and based on the agreement, the consideration from the leasing company is paid to the Norwegian ship owning company and immediately deposited to an account under the STL structure, less the STL benefit, which is re-routed to the Shipyard. Following the deposit, Edda Wind is released from making any other payment under the STL agreements. As such, the STL benefit is a pre-arranged flow-through of cash in Edda Wind originating from within the STL structure. Construction cost for newbuildings under Spanish Tax lease arrangement is therefore recorded on a net basis (i.e. net of tax benefit) for the Group.

There are no opportunities for the external investors of the AIE to make any decisions for the AIE that has not been regulated in the contracts following the newbuilding contract and the tax lease contracts, and they are at the end of the lease contract period obliged to sell the shares to the Norwegian ship owning company for EUR 1. All construction financing is made from the Norwegian ship owning companies to the shipyards, and the payments follows a fixed plan in accordance with the newbuilding contract. The external post delivery financing of the vessel will remain in the Norwegian ship owning company during the tax lease period.

By leasing back the vessels from the spanish tax structure through a bareboat agreement, the Group retains the control and use, substantially all the economic benefit of this use, and the right to direct the use of the vessels.

Hence, the Norwegian ship owning companies remain in control of the vessels over the entire tax lease contract period, first through the bareboat agreement and then at the end of the tax lease where they have the right and the obligation to buy the shares in the Spanish AIE which owns the vessel at that time.

Based on all facts and cirmumstances discussed above, the Group have assessed that the sale and purchase agreement of the vessels do not constitute a sale of the vessels, and that the vessels shall continue to be recognised and subsequently measured in accordance with IAS 16 Property, Plant and equipment during and after the lease period.

Government grants

For newbuildings, the Group has received a cash grant from Enova SF, whereof EUR 2.6 million has been received during the year. The Enova SF grant provides financial support for the installation of the Liquid Organic Hydrogen Carriers concept with potential for future zero-emission operations. All of the fleets newbuildings are prepared for hydrogen-based operations with zero emission of green house gases.

Notes
(EUR 1.000)

NOTE 5 - Subsidiaries

Financial reporting principles

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries	Date of acquisition	Business office/ country	Nature of business	Ownership/ voting rights
Edda Wind Management AS	01/02/2021	Haugesund, Norway	Management services	100 %
Edda Wind Investment AS	01/04/2021	Haugesund, Norway	Investment	100 %
Edda Wind I AS	09/12/2019	Haugesund, Norway	Vessel operations	100 %
Edda Wind II AS	24/01/2020	Haugesund, Norway	Vessel operations	100 %
Edda Wind III AS	24/01/2020	Haugesund, Norway	Vessel operations	100 %
Edda Wind IV AS	24/01/2020	Haugesund, Norway	Vessel operations	100 %
Edda Wind V AS	01/02/2021	Haugesund, Norway	Vessel operations	100 %
Edda Wind VI AS	01/02/2021	Haugesund, Norway	Vessel operations	100 %
West Energy AS	27/03/2020	Haugesund, Norway	Vessel operations	100 %
Edda Supply Ships UK Ltd	25/03/2020	Aberdeen, United Kingdom	Management services	100 %
Tier-subsidiaries of parent West Energy AS				
Puerto de Calella SL	20/12/2018	Santa Cruz de Tenerife, Spain	Vessel owner	100 %
Puerto de Llafranc SL	18/12/2019	Santa Cruz de Tenerife, Spain	Vessel owner	100 %
Tier-subsidiaries of Edda Supply Ships (UK) Ltd.				
Edda Supply Ships III Ltd	03/07/2020	Aberdeen, United Kingdom	Dormant	100 %

The Group's principal subsidiaries at 31.12.2021 are set out above. There have been no changes to the ownership/voting rights since the date of acquisition as stated above. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Notes

(EUR 1.000)

NOTE 6 - Receivables

Financial reporting principles

Account receivables and other receivables, that have fixed or determinable payments that are not quoted in an active market and that do not contain a significant financing component are classified as receivables. Account receivables and other receivables are recognised at the original transaction price as determined in accordance with IFRS 15, where the invoiced amount is considered to be approximately equal to the value derived if the amortised cost method would have been applied. Amortised cost is approximately equal to fair value.

The Group applies a simplified approach in calculating the expected credit loss in accordance with IFRS 9 Financial Instruments, recognising a loss allowance based on the estimated lifetime credit losses at each reporting date based on historical credit losses and knowledge of customers.

Account receivables	2021	2020
Receivables from third-party customers	3 440	2 975
Receivables from other related parties	135	48
Total accounts receivables	**3 575**	**3 023**
Allowance for expected credit losses	-	-
Total accounts receivables, net	**3 575**	**3 023**

At 31.12.2021, EUR 209,091 in account receivables had fallen due but not been subject to impairment. Corresponding figures for 2020 are EUR 79,079. Historically, the percentage of bad debts has been low, and the Group expects the customers to settle outstanding receivables. Receivables fallen due but not subject to impairment have the following age composition:

Aging of account receivables past due but not impaired	2021	2020
Up to 90 days	187	60
Over 90 days	22	20
Total fallen due	**209**	**79**

Notes
(EUR 1.000)

NOTE 7 - Related party transactions

Financial reporting principles

Related parties are defined as entities outside of the Group that are under control directly or indirectly, joint control or significant influence by the owners of Edda Wind ASA. All transactions with related parties are entered into on marked terms based on arm's length principles. Transactions with related parties include shared services and other services provided by the Group. Shared Services are priced in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually. The services are:

- Operation and supervision of the vessels
- Crew hire
- Corporate management services
- Leasing of frontrunner vessel Edda Fjord

Material related parties

The group's material related parties are:

- Østensjø Wind AS, which owns 25.7 % of Edda Wind ASA
- Johannes Østensjø d.y. AS, the parent company of Østensjø Wind AS
- Østensjø Rederi AS, a sister company of Østensjø Wind AS.
- Solent Towage Ltd, a company 85 % owned by Johannes Østensjø d.y. AS
- Wilhelmsen New Energy AS, which owns 25.7 % of Edda Wind ASA
- West Supply VIII AS, a company 70.9 % owned by Johannes Østensjø d.y. AS
- Wilhelmsen Insurance Services AS, a sister company of Wilhelmsen New Energy AS

Transactions with related parties - Group	2021	2020
Leasing of Edda Fjord from West Supply VIII AS	5 836	-
Purchase of management services, operation and supervision of vessels from Østensjø Rederi AS	758	1 103
Sale of services to Østensjø Rederi AS	(395)	(393)
Hired crew from Østensjø Rederi AS	5 138	5 524
Guarantee commission to Johannes Østensjø d.y. AS	529	33
Interest on shareholder loan to Johannes Østensjø d.y. AS and Wilhelmsen New Energy AS	581	-
Insurance cost to Wilhelmsen Insurance Services AS	61	-
Interest expenses to Johannes Østensjø d.y. AS on other short term debt	9	8
Total transactions with related parties	**12 517**	**6 276**

Notes
(EUR 1.000)

NOTE 7 - Related party transactions cont.

The balance sheet includes the following amounts resulting from transactions with related parties.

Accounts receivable	**31/12/2021**	**31/12/2020**
Østensjø Rederi AS	52	48
Edda Crewing Services Ltd	11	-
AS Havørn	2	-
Solent Towage Ltd	63	-
West Supply I AS	7	-
Total accounts receivable	**135**	**48**
Accounts payable		
Østensjø Rederi AS	350	589
Johannes Østensjø d.y. AS	114	285
West Supply VIII AS	88	-
Edda Crewing Services Ltd	233	-
Mercator Services AS	13	-
Total accounts payable	**799**	**874**
Current debt		
Østensjø Rederi AS	27	42
Johannes Østensjø d.y. AS	207	189
Solent Towage Ltd	79	74
West Supply VIII AS	49	-
Total current debt	**362**	**304**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt

Financial reporting principles

Loans are recognised at fair value when the proceeds are received, net of transaction costs. In subsequent periods, loans are stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the term of the loan. Loans are classified as current liabilities unless the Group or the parent company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Interest expense is recognised in the income statement as incurred. Any gain or loss on derecognition is recognised in the income statement.

In 2020, the Group issued a private placement senior secured notes (the “Senior secured notes 2020 Facility”) of GBP 36 million in connection with the financing of installment payments for newbuilding vessel to be delivered in 2022.

In March 2021, the Group entered into a Facility Agreement of EUR 38 million in connection with the the pre- and post-delivery financing of the first CSOV newbuilding to be delivered from Astilleros Gondan in Q3 2022. As per 31.12.2021, the Group has drawn down EUR 32.5 million of the facility. The facility has a fixed annual interest rate of 3.15 %, and is guaranteed by Edda Wind ASA and Johannes Østensjø d.y. AS.

In November, the Group entered into a pre- and post delivery senior secured green term loan Facility Agreement (“ECA Facility”). The ECA Facility will be used for the pre- and post-delivery financing of one SOV (C-416) under construction at the Spanish yard Balenciaga S.A., one CSOV (C-490) under construction at the Spanish yard Astilleros Gondan S.A. The facilities were further used for refinancing of existing debt relating to the Group’s two operation offshore wind SOVs, Edda Passat and Edda Mistral, incurred under a GBP 48,600,000 term loan agreement entered into by West Energy AS. As per 31.12.2021, the Group has drawn down EUR 42.3 million of the Facility.

During the year, the Group has drawn EUR 43.5 million in shareholder loans from Johannes Østensjø dy AS and Wilhelmsen New Energy AS. In November 2021 the Group converted EUR 27 million in shareholder loan to equity and repaid the remaining loan of EUR 16.5 million. The loans held an interest of 4 % p.a.

Interest-bearing debt	**31/12/21**	**31/12/20**
Debt to financial institutions	42 021	43 850
Bonds	75 476	39 978
Total interest-bearing-debt	**117 496**	**83 828**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

The tables below show a summary of the terms of the Group's interest-bearing debt. The Group hedges a part of its interest-bearing debt with floating interest. Refer to note 10 for further details.

2021 - Debt instrument	Facility	Currency	Interest rate	Maturity	Carrying amount
Debt to financial institutions	Senior Secured Green term loan Facility / Newbuild Vessel Pre-delivery Facility C416	EUR	EURIBOR + 2.89 %	Upon delivery, no later than Oct 2023	-
Debt to financial institutions	Senior Secured Green term loan Facility / Newbuild Vessel Pre-delivery Facility C490	EUR	EURIBOR + 2.89 %	Upon delivery, no later than Oct 2023	-
Debt to financial institutions	Senior Secured Green term loan Facility / Edda Passat and Edda Mistral ECA tranche	GBP	Compounded reference rate + 3.03 %	Feb 2030	22 479
Debt to financial institutions	Senior Secured Green term loan Facility / Edda Passat and Edda Mistral Commercial tranche	GBP	Compounded reference rate + 2.95 %	Dec 2026	19 541
Bond	Edda Wind I Facility	EUR	Fixed 3.15 %	Sept 2031	32 459
Bond	Edda Wind III Facility / Senior Secured Notes 2020	GBP	Fixed 3.30 %	2037	43 017
Total interest-bearing debt					**117 496**

2020 - Debt instrument	Facility	Currency	Interest rate	Maturity	Carrying amount
Debt to financial institutions	Facility A	GBP	LIBOR + 3.1 %	Aug 2030	23 279
Debt to financial institutions	Facility B	GBP	LIBOR + 3.1 %	Aug 2023	20 572
Bond	Edda Wind III Facility / Senior Secured Notes 2020	GBP	Fixed 3.30 %	2037	39 978
Total interest-bearing debt					**83 828**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

The tables below show the actual maturity structure, with the amount due in year one as the first year's instalment classified under other current liabilities. The amounts are based on contractual undiscounted cash flows ex. interest payments and interest hedge. Repayments in foreign currency is calculated based on currency rate at the balance sheet date.

Repayment schedule for debt to financial institutions	31/12/21	31/12/20
Due in year 1	4 839	4 497
Due in year 2	4 839	4 497
Due in year 3	4 839	11 355
Due in year 4	4 839	9 772
Due in year 5 and later	22 663	13 132
Total repayment schedule for debt to financial institutions	**42 021**	**43 253**

Repayment schedule for bond	31/12/21	31/12/20
Due in year 1	2 111	-
Due in year 2	4 161	897
Due in year 3	4 159	1 839
Due in year 4	4 342	1 901
Due in year 5 and later	60 702	35 341
Total repayment schedule for bond	**75 476**	**39 978**

The table below show the book value of pledged assets. The Group's vessels and newbuilds financed with interest-bearing debt is held as collateral.

Book value of pledged assets	31/12/21	31/12/20
Pledged vessels	72 974	70 395
Pledged vessels under construction	85 718	-
Total book value of pledged assets	**158 691**	**70 395**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

The table below show the group's net interest-bearing debt.

Net interest-bearing debt	31/12/21	31/12/20
Non-current interest-bearing debt	110 545	79 330
Current interest-bearing debt	6 951	4 497
Total interest-bearing debt	**117 496**	**83 828**
Cash and cash equivalent	89 520	6 715
Restricted cash	7 036	33 000
Net interest-bearing debt	**20 940**	**44 113**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

Changes in liabilities arising from financing activities

The tables below show the changes in the Group's liabilities arising from financing activities.

Changes in net interest-bearing debt from financing activities	Cash and cash equivalent	Restricted cash	Interest-bearing debt due within 1 year	Interest-bearing debt due after1 year	Debt to related parties	Total financing activities	Total change in net interest-bearing debt
2021							
Net Interest-bearing debt 01.01	**6 715**	**33 000**	**4 497**	**79 330**	**0**	**83 828**	**44 113**
Reclassifications			6 951	(6 951)	-	-	-
Cash flows	81 789	(25 964)	(4 497)	32 190	27 000[1]	54 693	(1 132)
Foreign exchange adjustments	1 016			6 032	-	6 032	5 016
Other non-cash movements				(56)	(27 000)	(27 056)	(27 056)
Net Interest-bearing debt 31.12	**89 520**	**7 036**	**6 951**	**110 545**	**-**	**117 496**	**20 940**

[1] The cash flow for debt to related parties comprise of proceeds of EUR 43,500 thousand and repayment of EUR 16,500 thousand.

2020							
Net Interest-bearing debt 01.01	**6 483**	**-**	**4 749**	**46 301**	**0**	**51 050**	**44 567**
Reclassifications			4 307	(4 307)	-	-	-
Cash flows	232	33 000	(4 559)	39 883	-	35 325	2 093
Foreign exchange adjustments				(2 657)	-	(2 657)	(2 657)
Other non-cash movements				111	-	111	111
Net Interest-bearing debt 31.12	**6 715**	**33 000**	**4 497**	**79 330**	**0**	**83 828**	**44 113**

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

Financial covenants

Loan agreements entered into by the Group contain financial covenants. Per 31.12.2021 the Group is not in breach with any of the covenants included in the facilities as described below and is not expected to breach any of the covenants within the next twelve months, provided that the Group's operations will continue in accordance with the current plan and course of business.

ECA facility

i) Free liquidity, on a consolidated basis (but excluding Edda Wind I AS and Edda Wind III AS) of at least equal to the sum of EUR 1,500,000 for each of the Group's vessels on contract acceptable to the lenders and EUR 2,250,000 for each of the Group's vessels without acceptable contract (subject to certain exclusions). Minimum liquidity cannot be lower than 5 % of the gross interest-bearing debt (including any lease obligations and excluding Edda Wind I AS and Edda Wind III AS) for the Company of a consolidated basis

ii) Working capital > 0

iii) Book equity to total assets of minimum 25 % until 31.12.2022 and thereafter minimum 30 %

iv) From 12 months after the delivery of newbuild vessels, ratio of consolidated EBITDA to interest expenses on at last twelve months basis > 2,5x

The ECA Facility is guaranteed by Edda Wind ASA, and further includes customary vessel covenants, including, (i) minimum market value (ii) ship registry, (iii) classification society (iv) insurance (v) technical and commercial management. The ECA Facility further includes customary negative covenants, including (i) ownership (ii) sale of vessels (iii) change to business, (iv) STL structure, (v) distributions. (vi) investments and acquisitions, (vii) negative pledge (viii) additional financial indebtedness (ix) corporate reconstruction, (x) chartering of vessels and (xi) compliance. The ECA Facility also includes provisions with respect to prepayment in the event of a change of control.

The ECA Facility agreement also include requirements for environmental and social compliance, such as compliance with requirements relating to manning and financial responsibility and compliance with all material requisite environmental approvals applicable for Edda Wind. Edda Wind must under these requirements maintain procedures to monitor compliance with and to prevent liability under any environmental or social laws. Edda Wind is also required under the facility to ensure responsible dismantling of vessels when the vessel is taken out of service.

The ECA Facility is secured by customary security, including, inter alia, ship mortgages (C-416, C-490, Edda Mistral and Edda Passat), assignment of insurance proceeds, assignment of earnings, assignment of refund guarantees, assignment of shipbuilding contracts, share pledges in the borrowers and West Energy AS and assignment of rights of the obligors in relation to the STL structure.

Notes
(EUR 1.000)

NOTE 8 - Interest-bearing debt cont.

Edda Wind I Facility

i) Debt ratio of Edda Wind I AS not being less than 1.10:1.00 after March 2023

ii) the Company having a consolidated book equity of at least EUR 30,000,000

iii) As at the date falling 6 years after the delivery date of CSOV C-489, the aggregate outstanding amount of drawn debt guarantees by the Company in respect of any vessel financings as a percentage of the maximum notational amount of debt available under such vessel financings not exceeding 70 %.

The Edda Wind I Facility further includes a change of control clause and related pre-payment obligations. The definition of change of
control includes JØDY and Wilhelmsen New Energy AS, acting jointly, ceasing to control directly or indirectly Edda Wind I AS, including as a result of an acquisition of 50 % or more by any individual, entity or group of the beneficial ownership, ownership or voting power of the shares in Edda Wind I AS. The EW I Facility further includes negative covenants with respect to changes of business, distributions, corporate reconstructions and ability to incur indebtedness of the Company and its subsidiaries.

The EW I Facility is partly guaranteed by Edda Wind ASA, and is secured by customary security, including, inter alia, that the Company has pledged its shares in Edda Wind I AS in favour of Nordic Trustee AS as security agent on behalf of the lenders and that mortgage over the newbuild C489 shall be granted upon delivery of the vessel from the yard. Final maturity under the facility agreement is 31.09.2031.

Edda Wind III Facility

The Note Purchase Agreement contains several affirmative and negative covenants and related events of default and acceleration clauses such as no change to the ownership of Edda Wind III AS, no termination of any material contracts, Spanish tax lease arrangements and no distributions by Edda Wind III AS (or subsidiaries of Edda Wind II AS) to any affiliate (with certain exceptions). The Note Purchase Agreement also contain change of control clause and related pre-payment obligations. Change of control is defined as an event where the Edda Wind ASA as parent collectively cease to own, directly or indirectly, at least 50.1 % of the voting class capital of the Edda Wind III AS.

The Note Purchase Agreement is secured by customary security, including, inter alia, that the Company has pledged its shares in Edda Wind III AS in favour of Nordic Trustee AS as security trustee for the purchasers and holders of notes and that mortgage over the newbuild C-415 shall be granted upon delivery of the vessel from the yard. The notes issued under the Note Purchase Agreement fall due on 30.04.2037.

Notes
(EUR 1.000)

NOTE 9 - Tax

Financial reporting principles

Income tax in the income statement consists of current tax, effect of changes in deferred tax / deferred tax assets, and withholding tax incurred in the period. Income tax is recognised in the income statement unless it relates to items recognised directly in equity or other comprehensive income.

Current tax:
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date that will be paid during the next 12 months. Current tax also includes any adjustment of taxes from previous years and taxes on dividends recognised in the year.

Deferred tax / deferred tax asset:
Deferred tax is calculated using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws which have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available, and that the temporary differences can be deducted from this profit. Deferred income tax is calculated on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group.

Withholding tax and any related tax credits are generally recognised in the period they are incurred.

Ordinary taxation

The ordinary rate of corporation tax in Norway is 22 % of net profit for 2021 and 2020. Norwegian limited liability companies are encompassed by the participation exemption method for share income. Thus, share dividends and gains are tax free for the receiving company. Corresponding losses on shares are not deductible. The participation exemption method does not apply to share income from companies considered low taxed and that are located outside the European Economic Area (EEA), and on share income from companies owned by less than 10 % resident outside the EEA.

For Group companies located in the same country and within the same tax regime, taxable profits in one company can be offset against tax losses and tax loss carry forwards in other Group companies. Deferred tax/deferred tax asset has been calculated on temporary differences to the extent that it is likely that these can be utilised in each country and for Norwegian entities the Group has applied a rate of 22 % for 2021 and 2020.

The effective tax rate for the Group will, from period to period, change dependent on the Group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.

Foreign taxes

Companies domiciled outside Norway will be subject to local taxation, either on ordinary terms or under special tonnage tax rules. When dividends are paid, local withholding taxes may be applicable. This generally applies to dividends paid by companies domiciled outside the EEA.

Notes
(EUR 1.000)

NOTE 9 - Tax cont.

The Group`s Spanish subsidiaries, Puerto de Calella SL and Puerto de Llafranc SL, are taxed in accordance with the Spanish Tonnage Tax regime. Tonnage tax is recognised as an operating expense in the income statement.

Allocation of tax expense/(income) for the year	**2021**	**2020**
Change in deferred tax	-	18
Total tax expense/(income)	**-**	**18**
Tax effect of temporary differences		
Fixed assets	7	9
Tax loss carried forward	(2 411)	(236)
Limitation of interest expense carry forward	(599)	(569)
Deferred tax asset	**(3 003)**	**(796)**
Deferred tax asset	(3 003)	(796)
Deferred tax allowance	2 980	773
Deferred tax asset	**(23)**	**(23)**

Notes
(EUR 1.000)

NOTE 10 - Financial risk

Financial reporting principles

The Group uses derivatives to address financial risk. Derivatives are initially recognised at fair value and subsequently measured at fair value through the income statement. Derivatives are classified as financial liabilities when the fair value is negative, and as financial asset when the fair value is positive.

Market risk

The Group is subject to financial risk through operations, financial markets risk, foreign currency risk, interest rate risk, and freight rates. The financial risk affects the value of the Group's financial assets, liabilities and future cash flows.

The Group has established hedging strategies to monitor and mitigate risks on material exposures. Derivatives are only used to manage the risk related to fluctuations in interest rates. Changes in the market value of financial derivatives are recognised through the income statement. The fair value of derivatives used for hedging is disclosed below.

The fair value of financial derivatives traded in active markets is based on quoted market prices at the balance sheet date. The fair value of financial derivatives not traded in an active market is determined using valuation methodology, such as the discounted value of future cash flows. Independent experts verify the value determination for instruments which are considered material.

Management performs a continuous evaluation on the effects of the financial instruments applied to address risk. The Group has not elected to apply hedge accounting, as the financial instrument is not a significant component of the Group's activity, revenue, or equity.

Foreign exchange risk

The Group is exposed to currency risk on revenues and costs in non-functional currencies (transaction risk), and balance sheet items denominated in currencies other than non-functional currencies (translation risk). The Group's largest foreign exchange exposures are GBP against EUR and NOK against EUR.

The Groups expected future charter revenue is partly hedged by debt financing and operating expenses in the corresponding foreign currency, reducing the effect of currency fluctuations in the Group's income statement.

Notes
(EUR 1.000)

NOTE 10 - Financial risk cont.

The effects of changes in currency have the following effects on the Group's income statement and other comprehensive income:

Currency through the income statement	2021	2020
Net currency items in the income statement	946	427
Currency translations through other comprehensive income	2 145	(1 914)
Total currency effects through the income statement and other comprehensive income	**3 091**	**(1 487)**

The Group's long-term interest-bearing debt is allocated in the following currencies:

Allocation of currency for interest bearing debt	31/12/2021	31/12/2020
EUR	32 459	-
GBP	85 038	83 828
SUM	**117 496**	**83 828**

The following table show the Group's sensitivity on profit and loss before tax due to changes in GBP from the Group's monetary assets and liabilities.

Income statement sensitivities of changes in foreign currency	(10 %)	(5 %)	0 %	5 %	10 %
EUR/GBP Spot rate 31.12.2021	1.08	1.14	1.19	1.25	1.31
Income statement effect 2021 (before tax)	**7 088**	**4 665**	**2 242**	**-181**	**-2 604**
EUR/GBP Spot rate 31.12.2020	1.00	1.05	1.11	1.17	1.22
Income statement effect 2020 (before tax)	**6 401**	**4 716**	**3 031**	**1 346**	**-339**

Except for translation adjustments from subsidiaries with functional currency other than EUR, there are no effects on other comprehensive income. The Group has an immaterial exposure from NOK against EUR.

Notes
(EUR 1.000)

NOTE 10 - Financial risk cont.

Interest rate risk

The Group's exposure to interest risk relates primarily to the Group's interest-bearing debt with floating interest rates. To mitigate risk related to this, the Group have entered into two long-term interest rate swaps for a portion of the Group's interest-bearing debt to finance institutions. One of the interest swaps were terminated in end of 2021. The share of interest-bearing debt to finance institutions under interest swap agreement was 23.6 % and 46.9 % per year end 2021 and 2020 respectively.

See note 8 for information on the Group's interest-bearing debt as per 31.12.2021

A 1 % increase in interest rate, will cause a EUR 432 thousand increase in interest cost in 2021 (2020: EUR 222 thousand). Changes is interest rate does not have any effects on Other Comprehensive Income as the Group does not use hedge accounting.

The following table show the Group's financial instrument exposed to changes in interest rates.

Financial instruments

2021	Currency	Swap	Maturity	Notional amount	Market value
Interest rate swap agreement one	GBP	1.35 %	27/02/2023	9 933	(91)
Total interest rate swap at 31.12				**9 933**	**(91)**

2020	Currency	Swap	Maturity	Notional amount	Market value
Interest rate swap agreement one	GBP	1.35 %	27/02/2023	10 286	(299)
Interest rate swap agreement two	GBP	1.35 %	27/02/2023	10 286	(299)
Total interest rate swap at 31.12				**20 572**	**(598)**

Credit risk

The Group is exposed to credit risk related to charter contracts as the Group has signed contracts with few customers. The customers are considered solid, and the risk of customers not having the financial capability to fulfil their obligations to the Group is considered low. The Group has applied the practical simplified approach in accordance with IFRS 9 to calculate loss on receivables. In calculating loss provisions, receivables are reviewed and assessed on an individual level taking into account facts and circumstances for the individual customer. No loss provisions have been recognised for receivables in 2021 or 2020.

The following table shows the ageing of accounts receivables:

	Not yet due	1-30 days overdue	31-60 days overdue	61-90 days overdue	>90 days overdue	Total
2021	3 366	187	-	-	22	3 575
2020	3 020	3	-	-	-	3 023

The main portion of overdue receivables has been paid after the balance sheet date.

Notes
(EUR 1.000)

NOTE 10 - Financial risk cont.

Liquidity and financing risk

Liquidity risk relates to the risk that the Group will not be able to meet its financial and operational obligations as they are due. The Group's approach to managing liquidity is to manage cash flows from operation from long-term charter contracts, and the liquidity situation is monitored and projected via liquidity budgets prepared by management on a regular basis. The Group has secured financing for four of its newbuilding vessels due to be delivered in 2022-2024, and expects to be able to secure financing for the remaining vessels under construction.

The tables below show the expected future undiscounted cash flows from financial liabilities. Interest due is based on interest rates at period end 31.12.2021 and 31.12.2020.

2021 - Undiscounted cash flows financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Debt to financial institutions	4 839	4 839	14 518	17 825
Bond	2 111	4 161	13 346	55 857
Debt to group companies	-	-	-	-
Financial derivatives	91			
Interest due	3 797	3 587	9 030	11 053
Total undisclosed cash flow financing liabilities	**10 838**	**12 587**	**36 894**	**84 735**
Current liabilities, excluding next year's installment on interest-bearing debt	3 773			
Total gross undiscount cash flows financial liabilities 31.12.2021	**14 611**	**12 587**	**36 894**	**84 735**

2020 - Undiscounted cash flows financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Later than 5 years
Debt to financial institutions	4 497	4 497	21 127	13 132
Bond		897	3 740	35 341
Financial derivatives	598			
Interest due	1 352	1 211	2 141	1 641
Total undisclosed cash flow financing liabilities	**6 447**	**6 606**	**27 008**	**50 114**
Current liabilities, excluding next year's installment on interest-bearing debt	8 814			
Total gross undiscount cash flows financial liabilities 31.12.2020	**15 261**	**6 606**	**27 008**	**50 114**

Notes
(EUR 1.000)

NOTE 10 - Financial risk cont.

Capital structure and equity risk

The Group's overall policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain operations and future business development.

Capital structure	31/12/2021	31/12/2020
Total equity	184 332	63 183
Total assets	305 602	151 327
Equity ratio	**60.3 %**	**41.8 %**

Fair value

The fair value of financial instrument nominated in other currencies than EUR is determined based on the currency exchange rate at the balance sheet date. The fair value of financial instruments traded in an active market is based on quoted market prices at the balance sheet date. The fair value of financial instruments not traded in an active market (over-the-counter contracts) is based on third party quotes. These quotes use observable market rates for price discovery. Specific valuation techniques used by financial counterparties (banks) to value financial derivatives include:

- Quoted market prices or dealer quotes for similar derivatives.
- The fair value of interest rate swaps is calculated as the net present value of the estimated future cash flows based on observable yield curves.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The Group estimates the fair value of financial liabilities for disclosure purposes by discounting the future contractual cash flows at current market interest rates available to the Group for similar financial derivatives.

The following table show the fair value and book value of the Group's interest-bearing debt.

2021 - Interest-bearing debt	Fair value	Book value
Debt to financial institutions	42 345	42 021
Bonds	75 476	75 476
Total interest-bearing debt 31.12	**117 821**	**117 496**

2020 - Interest-bearing debt	Fair value	Book value
Debt to financial institutions	43 253	43 849
Bonds	39 978	39 978
Total interest-bearing debt 31.12	**83 231**	**83 827**

The fair values are based on cash flows discounted using a rate based on market rates including margins and are within level 2 of the fair value hierarchy.

Notes

(EUR 1.000)

NOTE 10 - Financial risk cont.

Fair value

The following table show the Group's financial liabilities as measured in the fair value hierarchy. The Group's only financial liabilities measured at fair values are interest rate swaps financial derivatives. The Group does not hold financial assets measured at fair value.

Financial liabilities at fair value	31/12/2021	31/12/2020
Level 1		
Level 2	91	598
Level 3		
Total financial liabilities at fair value	**91**	**598**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 1: The quoted market price used for financial assets is the current close price. The Group does not hold financial assets or liabilities measured at level 1 as of year end 2021 or 2020.

Level 2: The fair value of financial instruments not traded in an active market (over-the-counter contracts) are based on third party quotes (Mark-to-Market). These quotes use observable market rates for price discovery. The different techniques typically applied by financial counterparties (banks) were described above. These instruments - interest rate swap derivatives - are included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the financial asset or liability is in level 3. The Group does not hold financial assets or liabilities measured at level 3 as of year end 2021 or 2020. As such, there are no changes in level 3 instruments during the periods.

The following tables show the changes in financial instruments measured at fair value

Financial liabilities at fair value	2021	2020
Financial liabilities measured at fair value at 1.1	598	370
Gain/(loss) in fair value through the income statement	(208)	228
Derecognition of interest swap due to termination	(299)	-
Total financial liabilities at fair value 31.12	**91**	**598**

Notes
(EUR 1.000)

NOTE 10 - Financial risk cont.

Financial instrument by category

The following tables show the Group's financial assets and liabilities by measurement category.

2021 Assets	Amortised cost	Fair value through income statement	Total
Accounts receivable and other short-term receivables	11 366		11 366
Cash and cash equivalents	89 520		89 520
Total assets 31.12.	**100 886**	**0**	**100 886**
Liabilities			
Non-current debt to financial institutions	37 181		37 181
Non-current bonds	73 364		73 364
Financial derivatives	-	91	91
Current debt to financial institutions	4 839		4 839
Current bonds	2 111		2 111
Other current liabilities	3 682		3 682
Total liabilities 31.12.	**121 178**	**91**	**121 269**

2020 Assets	Amortised cost	Fair value through income statement	Total
Accounts receivable and other short-term receivables	37 197		37 197
Cash and cash equivalents	6 715		6 715
Total assets 31.12	**43 912**	**0**	**43 912**
Liabilities			
Non-current debt to financial institutions	39 352		39 352
Bonds	39 978		39 978
Financial derivatives		598	598
Current debt to financial institutions	4 497		4 497
Other current liabilities	3 640		3 640
Total liabilities 31.12	**87 467**	**598**	**88 065**

Notes
(EUR 1.000)

NOTE 11 - Other circumstances

COVID-19

The Covid-19 pandemic has had a limited economic impact in 2021 compared to what could be expected when the pandemic started. Although there has been certain logistical challenges, especially related to crew-changes and supplies, and thereby somewhat increased expenses, the Group has handled the consequences of the Covid-19 through established routines and implemented measures, and thereby managed to ensure a stable operation of the Group's vessels through 2021. Going forward, there is still uncertainty to what extent Covid-19 may negatively affect operation, newbuilding projects and economic growth, but the Group will continue to monitor the situation closely and take actions as required to ensure stable operations.

Inflation and risk in supply chains

Throughout 2021 inflation became apparent in all regions where the Group operates, an effect which has further accelerated into 2022. Together with shortages and bottlenecks in several value chains, this has generally increased prices and uncertainty related to delivery of parts and components. The war in Ukraine has further increased uncertainty and cost relating to supply of materials, components, and crew. This includes, but is not limited to, delivery of steel and other components to the yards. Although the Group is not directly exposed to Russian or Ukrainian suppliers, there is still a risk that disruptions, delay, and increased cost may indirectly affect the Group, its suppliers, or its clients.

The shipbuilding contracts the Group has entered are all based on firm prices and include penalty for late delivery as well as security for pre-delivery installments. However, there is a risk that such clauses will not fully compensate the Group in case of non-performance by the yards.

The time-charter contracts include escalation clauses to mitigate the effect of increases related to technical and crew cost on an annual basis. Although such clauses are constructed and intended to be aligned with the underlying cost base, there is a risk that they do not fully compensate the Group for any and all cost increases as they materialize. Generally, such clauses are based on annual official statistics and consequently income escalation, or de-escalation are performed in arrears.

Vessel delivery and commissioning

The Group has a significant newbuilding program and will enter the market with a fleet of purpose built newbuildings. A majority of the vessels are built at a yard where the Group, through Østensjø Rederi AS - as technical manager, has a longstanding and successful track-record. However, in relation to new vessels and equipment there is always an element of risk until delivery and commissioning – generally, as well as specifically in relation to the situation following the war in Ukraine.

Notes
(EUR 1.000)

NOTE 12 - Cash and cash equivalents

Financial reporting principles

Cash and cash equivalents include cash in hand and deposits held at call with banks with maturities of three months or less. Restricted deposits are classified separately from unrestricted bank deposits under cash and cash equivalents.

Cash and cash equivalents 31.12.	2021	2020
Bank deposits	89 520	6 715
Sum cash and cash equivalents 31.12.	**89 520**	**6 715**

In addition to amount in cash and cash equivalent, the Group holds restricted cash of EUR 7.0 million at 31.12.2021 (2020: EUR 33 million) in Edda Wind III AS only available for expected instalment to shipyards for newbuildings. The Group also holds restricted cash related to withheld tax of EUR 39 thousand.

NOTE 13 - Share capital

Financial reporting principles

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new shares is shown in equity as a deduction, net of tax, from the proceeds.

Shares owned by Johannes Østensjø d.y. AS was transferred to Østensjø Wind AS in October.

In November 2021, the Company was converted into a public limited liability company (ASA) and increased its share capital from NOK 101 thousand to NOK 3,300 thousand through conversion of shareholder loan in the amount of EUR 27 million, The increase was performed by increasing the par value of the shares. Following the increase in share capital, the number of shares was increased from 3,300 shares at nominal value of NOK 100 per share, to 33 million shares with nominal value of NOK 0.1 per share.

In November 2021, Edda Wind performed an Initial Public Offering and was listed on Oslo Stock Exchange. The Offering included 28,601,626 New Shares issued, and the Company increased its Share Capital by NOK 2,860,163. In December 2021, Edda Wind increased its share capital by NOK 271,286 by issuance of 2,712,862 new shares. The increase was performed in connection with the over-allotment option following the Initial Public Offering.

Following the conversion of shareholder loan and share capital increase, Edda Wind's share capital amounts to NOK 6,431,449 divided into 64,314,488 shares, each with a nominal value of NOK 0.1.

Notes
(EUR 1.000)

NOTE 13 - Share capital

20 largest shareholders at 31.12.2021	Country	Number of shares	Ownership share
ØSTENSJØ WIND AS	Norway	16 500 000	25.7 %
WILHELMSEN NEW ENERGY AS	Norway	16 500 000	25.7 %
CREDIT SUISSE (SWITZERLAND) LTD	Ireland	6 504 065	10.1 %
GEVERAN TRADING CO LTD	Cyprus	6 504 065	10.1 %
J.P. MORGAN BANK LUXEMBOURG S.A.	Luxembourg	1 362 500	2.1 %
THE NORTHERN TRUST COMP, LONDON BR	United Kingdom	738 855	1.1 %
J.P. MORGAN BANK LUXEMBOURG S.A.	Luxembourg	634 402	1.0 %
VERDIPAPIRFONDET DNB SMB	Norway	629 902	1.0 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	Sweden	603 153	0.9 %
FORENEDE INDUSTRIER SHIPPING AS	Norway	585 716	0.9 %
PORTIA AS	Norway	500 000	0.8 %
LUDVIG LORENTZEN AS	Norway	500 000	0.8 %
VJ INVEST AS	Norway	469 581	0.7 %
VERDIPAPIRFONDET NORDEA NORGE VERD	Norway	455 285	0.7 %
VERDIPAPIRFONDET ALFRED BERG NORGE	Sweden	419 334	0.7 %
VERDIPAPIRFONDET NORDEA AVKASTNING	Norway	357 724	0.6 %
CITIBANK, N.A.	Ireland	330 150	0.5 %
BECK ASSET MANAGEMENT AS	Norway	313 000	0.5 %
VERDIPAPIRFONDET ALFRED BERG AKTIV	Sweden	306 795	0.5 %
VERDIPAPIRFONDET STOREBRAND NORGE	Norway	300 000	0.5 %
20 largest shareholders		**54 514 527**	**84.8 %**
Others		9 799 961	15.2 %
Total		**64 314 488**	**100.0 %**

Largest shareholders at 31.12.2020			
Johannes Østensjø d.y AS	Norway	750	75 %
Wilhelmsen New Energy AS	Norway	250	25 %
Total		**1 000**	**100 %**

At 31.12.2020 the Group's share capital represented 1000 shares at nominal value NOK 101.

Notes
(EUR 1.000)

NOTE 14 - Earnings per share

Financial reporting principles

Basic/diluted earnings per share ("EPS") is calculated by dividing profit for the period attributable to the owners of the parent company, by average number of total outstanding shares.

The calculation of basic and diluted earnings per share is based on the income attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding. The company does not hold treasury shares and the weighted average number of diluted and ordinary shares is the same, as the company does not hold any dilutive instruments.

Earnings per share	2021	2020
Net profit attributable to ordinary shareholders of Edda Wind ASA	2 241 591	3 012 909
Weighted average number of outstanding shares to calculate EPS	35 843 280	33 000 000
Earnings per share in EUR	**0.06**	**0.09**

The Group performed a share split during 2021 and increased its number of shares to 33 million. The EPS calculation has been adjusted for this in all periods presented. Refer to note 13 for further information.

NOTE 15 - Events after balance sheet date

On 31.01.2022, Edda Wind ordered three new Commissioning Service Operation Vessels (CSOVs) for delivery in January and July 2024 in addition to the six vessels the Company already has under construction. In relation to ordering new vessels, the Group has established new subsidiaries as contract-parties under the new shipbuilding contracts.

CONSTRUCTION OF EDDA BREEZE

Financial Statement Parent

Income Statement (Parent company)

(EUR 1.000)

OPERATING EXPENSES	**Notes**	**2021**	**2020**
Other operating expenses	6	2 485	955
Total operating expenses		**2 485**	**(955)**
Operating profit		**(2 485)**	**(955)**

FINANCIAL INCOME AND EXPENSES			
Interest income from group companies	6	358	75
Other financial income	6	237	-
Net currency differences		1 496	(31)
Interest paid to group companies	6	(40)	3
Interest expenses to related parties	6	(581)	-
Other financial expenses		(71)	3
Financial income/(expense)		**1 400**	**38**
Profit/(loss) before tax		**(1 085)**	**(917)**
Tax (income)/expense	7	-	-
Profit/(loss) for the year		**(1 085)**	**(917)**

Note 1 to 9 on the next pages are an integral part of these financial statements

Balance Sheet (Parent company)

(EUR 1.000)

ASSETS	**Notes**	**31/12/21**	**31/12/20**
Financial assets			
Investment in subsidiary companies	3	66 365	45 058
Total financial assets		**66 365**	**45 058**
Current assets			
Receivables from group companies	6	23 282	6 034
Dividend	6	-	2 221
Other short-term receivables	6	587	59
Cash and cash equivalents	8	80 002	239
Total current assets		**103 871**	**8 552**
Total assets		**170 236**	**53 610**

EQUITY AND LIABILITIES			
Equity			
Share capital	4,5	644	9
Share premium	5	167 478	52 435
Total equity		**168 121**	**52 444**
Current liabilities			
Account payables	6	874	782
Other current liabilities	6	1 241	385
Total current liabilities		**2 115**	**1 167**
Total equity and liabilities		**170 236**	**53 610**

Note 1 to 9 on the next pages are an integral part of these financial statements

Balance Sheet (Parent company)

(EUR 1.000)

Oslo, 7 April 2022 - The board of directors and CEO of Edda Wind ASA

Håvard Framnes
Chairman of the board

Martha Kold Bakkevig
Board member

Toril Eidesvik
Board member

Jan Eyvin Wang
Board member

Adrian Geelmuyden
Board member

Duncan J. Bullock
Board member

Cecilie Wammer Serck-Hanssen
Board member

Kenneth Walland
CEO

Note 1 to 9 on the next pages are an integral part of these financial statements

Cash flow statement (Parent company)

(EUR 1.000)

CASH FLOW FROM OPERATIONS	Notes	2021	2020
Profit/(loss) before tax		(1 085)	(917)
Change in trade payables		92	782
Change in other current assets and other liabilitites		(18 341)	321
Net cash flow from operations		**(19 334)**	**60**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Dividends received from subsidiaries	6	2 314	-
Investments in subsidiaries		(21 376)	(13)
Net cash flow from investment activities		**(19 063)**	**(13)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from other interest-bearing debt		43 500	-
Repayment of other interest-bearing debt		(16 500)	-
Increase capital	4	90 131	188
Net cash flow from financing activities		**117 131**	**188**
EFFECTS OF CURRENCY RATE CHANGES ON BANK DEPOSITS, CASH AND EQUIVALENTS			
Net change in bank deposits, cash and equivalents		78 734	235
Translation difference		1 028	-
Cash and cash equivalents at 01.01		239	3
Cash and cash equivalents at 31.12		**80 002**	**239**

Note 1 to 9 on the next pages are an integral part of these financial statements

Notes

(EUR 1.000)

NOTE 1 - Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

Shares in subsidiaries

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued at cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered to be temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period. Dividend, group contributions and other distribution from subsidiaries are recognised in the same year as they are recognised in the financial statements of the provider. If dividends / group contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Provisions

Provisions are recognised when the Company faces an obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made on the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss. All provisions are reviewed at end of each reporting period and adjusted to reflect best estimate.

Valuation and classification of assets and liabilities

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria. Current assets are valued at the lower of historical cost and fair value. Fixed assets are carried at historical cost but are written down to their recoverable amount if this amount is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule. Other long-term liabliities, as well as short-term liablities, are valued at nominal value.

Use of estimates

The management has used estimates and assumptions that have affected the income statement and the valuation of assets and liabilities, as well as uncertain assets and liabilities on the balance sheet date during preparation of the financial statements in accordance with generally accepted accounting principles in Norway.

Foreign currency

The financial statements of the Company are presented in Euro. Monetary items (assets, liabilities and bank deposits) in foreign currency are converted at the exchange rate as on the balance sheet date.

The functional currency in the Company was changed from NOK to EUR in 2020.

Receivables

Receivables are recognised at nominal value, less the accrual for expected losses of receivables.

Provisions for doubtful accounts are made on the basis of individual assessment of each receivable. For the remaining receivables, a general provision is estimated based on expected loss.

Dividend

Dividend income is recognised when the right to receive payment is established, normally when the dividend is approved by the General Meeting of subsidiary. Dividend distribution to Shareholders is recognised as a liability when the dividend is approved by the General Meeting.

Tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax assets are recorded on the balance sheet when it is more likely than not that the tax assets will be utilised. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Cash flow statements

The statement of cash flow is prepared in accordance with the indirect model. Cash and cash equivalents include cash, bank deposits and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Notes
(EUR 1.000)

NOTE 2 - Payroll and remuneration

Edda Wind ASA has no employees and is therefore not obliged to follow the Mandatory Occupational Pensions Act. Edda Wind ASA's management team is employed and remunerated through subsidiary Edda Wind Management AS as shown in table below:

Remuneration to management	From date	Wages	Bonus	Other benefits	Other benefits
2021					
Kenneth Walland (CEO)	01/04/2021	162	-	10	8
Håkon Vevang (CCO)	01/04/2021	82	-	1	8
Tom Johan Austrheim (CFO)	18/05/2021	83	-	1	7
Total remuneration to management		**327**	**-**	**12**	**23**

Remuneration to Board of Directors		2021	2020
Håvard Framnes	Chairman	7	-
Jan Eyvin Wang	Director	4	-
Geir Flæsen	Director (ended November 2021)	-	-
Johannes Østensjø	Director (ended November 2021)	-	-
Martha Kold Bakkevig	Director (joined November 2021)	4	-
Toril Eidesvik	Director (joined November 2021)	4	-
Duncan J. Bullock	Director (joined December 2021)	2	-
Cecilie Wammer Serck-Hanssen	Director (joined December 2021)	2	-
Adrian Geelmuyden	Director (joined December 2021)	2	-
Total remuneration to the Board of Directors		**27**	**-**

The Group elected a new Board of Directors in relation to the IPO in November. The former Board of Directors did not receive any remuneration. The Remuneration to Board of Directors for 2021 consitutes accrued fees for the new Board of Directors.There are no agreements between the Group and the members of the Board of Directors providing for benefits upon termination.

Expensed audit fee (excluding VAT)	2021	2020
Audit services	126	2
Non-audit services required by law	8	-
Tax advisory services	45	-
Other non-audit services	81	12
Total expensed audit fee	**259**	**14**

Notes

(EUR 1.000)

NOTE 3 - Investment in subsidiaries

Subsidiaries	Business office/ country	Nature of business	Ownership/ voting rights	Equity	Result	Book value
Edda Wind Management AS	Haugesund, Norway	Management services	100 %	25	16	33
Edda Wind Investment AS	Haugesund, Norway	Investment	100 %	(2)	(5)	4
Edda Wind I AS	Haugesund, Norway	Vessel operations	100 %	9 425	(1 603)	11 424
Edda Wind II AS	Haugesund, Norway	Vessel operations	100 %	8 114	(482)	8 869
Edda Wind III AS	Haugesund, Norway	Vessel operations	100 %	3 877	(2 182)	6 798
Edda Wind IV AS	Haugesund, Norway	Vessel operations	100 %	7 598	(163)	7 915
Edda Wind V AS	Haugesund, Norway	Vessel operations	100 %	3 896	(157)	4 055
Edda Wind VI AS	Haugesund, Norway	Vessel operations	100 %	3 979	(74)	4 055
West Energy AS	Haugesund, Norway	Vessel operations	100 %	26 468	158	23 169
Edda Supply Ships UK Ltd	Aberdeen, United Kingdom	Management services	100 %	209	99	43

Based on the subsidiaries underlying assets and operation, no impairment charge has been made to the investments in 2021. Edda Wind ASA has given a group contribution of EUR 28 336 to Edda Wind Management AS during 2021, booked as increase in investment.

NOTE 4 - Share capital

In November 2021, the Company was converted into a public limited liability company (ASA) and increased its share capital from NOK 101 thousand to NOK 3,300 thousand through conversion of shareholder loan in the amount of EUR 27 million, The increase was performed by increasing the par value of the shares. Following the increase in share capital, the number of shares was increased from 3,300 shares at nominal value of NOK 100 per share, to 33 million shares with nominal value of NOK 0.1 per share.

In November 2021, Edda Wind performed an Initial Public Offering and was listed on Oslo Stock Exchange. The Offering included 28,601,626 New Shares issued, and the Company increased its Share Capital by NOK 2,860,163. In December 2021, Edda Wind increased its share capital by NOK 271,286 by issuance of 2,712,862 new shares. The increase was performed in connection with the over-allotment option following the Initial Public Offering.

Following the conversion of shareholder loan and share capital increase, Edda Wind's share capital amounts to NOK 6,431,449 divided into 64,314,488 shares, each with a nominal value of NOK 0.1.

Notes
(EUR 1.000)

NOTE 4 - Share capital cont.

20 largest shareholders at 31.12.2021	Country	Number of shares	Ownership share
ØSTENSJØ WIND AS	Norway	16 500 000	25.7 %
WILHELMSEN NEW ENERGY AS	Norway	16 500 000	25.7 %
CREDIT SUISSE (SWITZERLAND) LTD	Ireland	6 504 065	10.1 %
GEVERAN TRADING CO LTD	Cyprus	6 504 065	10.1 %
J.P. MORGAN BANK LUXEMBOURG S.A.	Luxembourg	1 362 500	2.1 %
THE NORTHERN TRUST COMP, LONDON BR	United Kingdom	738 855	1.1 %
J.P. MORGAN BANK LUXEMBOURG S.A.	Luxembourg	634 402	1.0 %
VERDIPAPIRFONDET DNB SMB	Norway	629 902	1.0 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	Sweden	603 153	0.9 %
FORENEDE INDUSTRIER SHIPPING AS	Norway	585 716	0.9 %
PORTIA AS	Norway	500 000	0.8 %
LUDVIG LORENTZEN AS	Norway	500 000	0.8 %
VJ INVEST AS	Norway	469 581	0.7 %
VERDIPAPIRFONDET NORDEA NORGE VERD	Norway	455 285	0.7 %
VERDIPAPIRFONDET ALFRED BERG NORGE	Sweden	419 334	0.7 %
VERDIPAPIRFONDET NORDEA AVKASTNING	Norway	357 724	0.6 %
CITIBANK, N.A.	Ireland	330 150	0.5 %
BECK ASSET MANAGEMENT AS	Norway	313 000	0.5 %
VERDIPAPIRFONDET ALFRED BERG AKTIV	Sweden	306 795	0.5 %
VERDIPAPIRFONDET STOREBRAND NORGE	Norway	300 000	0.5 %
20 largest shareholders		**54 514 527**	**85 %**
Others		9 799 961	15.2 %
Total		**64 314 488**	**100.0 %**

Largest shareholders at 31.12.2020			
Johannes Østensjø d.y AS	Norway	750	75 %
Wilhelmsen New Energy AS	Norway	250	25 %
Total		**1 000**	**100 %**

Notes
(EUR 1.000)

NOTE 5 - Changes in equity

	Share capital	Share premium	Other equity	Total equity
Balance at 01.01.2021	**9**	**52 435**	**-**	**52 444**
Capital increase 03.11.2021	327	26 673	-	27 000
Capital increase 26.11.2021	281	81 102	-	81 383
Capital increase 29.12.2021	27	8 353		8 380
Profit/loss for the year			(1 085)	-1 085
Allocation of uncovered loss to share premium		(1 085)	1 085	-
Balance at 31.12.2021	**644**	**167 478**	**-**	**168 121**

Notes
(EUR 1.000)

NOTE 6 - Transactions with related parties

The profit and loss statement includes the following amounts resulting from transactions with related parties.

Dividend	**2021**	**2020**
West Energy AS	-	2 221
Total	**-**	**2 221**

Management fee		
Edda Wind Management AS	11	-
Total	**11**	**-**

Reimbursed cost		
Edda Wind Management AS	468	-
Total	**468**	**-**

Interest income		
Edda Wind Management AS	7	-
Edda Wind I AS	96	36
Edda Wind II AS	136	-
Edda Wind III AS	-	39
Edda Wind IV AS	108	-
Edda Wind V AS	10	-
Edda Wind VI AS	1	-
Total	**358**	**75**

Interest expenses		
West Energy AS	27	-
Edda Wind III AS	7	-
Johannes Østensjø dy AS	6	3
Østensjø Wind AS	290	-
Wilhelmsen New Energy AS	290	-
Total	**621**	**3**

Financial income - received group contribution		
West Energy AS	209	-
Edda Wind Management AS	28	-
Total	**237**	**-**

Notes
(EUR 1.000)

NOTE 6 - Transactions with related parties cont.

The balance sheet includes the following amounts resulting from transactions with related parties.

Short term receivables	2021	2020
Edda Wind Management AS	286	-
Edda Wind I AS	1 102	6 033
Edda Wind II AS	6 395	-
Edda Wind IV AS	10 618	-
Edda Wind V AS	4 861	-
Edda Wind VI AS	21	-
Total	**23 282**	**6 033**
Accounts payable		
Edda Wind Management AS	164	-
Østensjø Rederi AS	(2)	22
Johannes Østensjø dy AS	128	5
Total	**291**	**27**

Short term debt		
Østensjø Rederi AS	-	1
Johannes Østensjø dy AS	134	121
West Energy AS	298	-
Edda Wind Investment AS	1	-
Edda Wind III AS	137	124
Total	**572**	**247**

Notes
(EUR 1.000)

NOTE 7 - Tax

Income tax for the year	**2021**	**2020**
Tax payable	-	-
Change in deferred tax	-	-
Tax on ordinary result	**-**	**-**

Basis for tax payable		
Profit before tax	(1 085)	(917)
Other permanent differences	9	-
Change in temporary differences	-	-
Basis tax payable	**(1 077)**	**(917)**

Temporary differences and deferred tax		
Fixed assets	-	-
Total temporary differences	**-**	**-**
Tax loss carried forward	(1 998)	(917)
Basis deferred tax	**(1 998)**	**(917)**
Deferred tax/deferred tax asset	(440)	(202)
Not recorded deferred tax asset	440	202
Deferred tax (+) / Deferred tax asset (-)	**-**	**-**

Notes
(EUR 1.000)

NOTE 8 - Cash and cash equivalents

	2021	2020
Bank deposits EUR	77 277	225
Bank deposits NOK	2 725	14
Total cash and cash equivalents	**80 002**	**239**

The Company does not have any restricted cash as of 31.12.2021.

NOTE 9

Subsequent events

Edda Wind ASA has established new subsidiaries as contract-parties under new shipbuilding contracts, entered into in January 2022.

Auditor’s Report

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Statsautoriserte revisorer
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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Edda Wind ASA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Edda Wind ASA (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2021 and the income statement and the cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies. The consolidated financial statements of the Group comprise the balance sheet as at 31 December 2021, the income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 3 years from the election by the general meeting of the shareholders on 18. October 2019 for the accounting year 2019.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Accounting estimates related to vessels and newbuildings

Basis for the key audit matter

At December 31, 2021, the carrying amount of the two Service Operation Vessels (SOV's) in operation, as well as two SOVs and four Commissioning Service Operation Vessels (CSOV's) under construction, amounted to EUR 204,7 million, which is 67 % of total assets. The accounting estimates for these assets have a material impact for the Group due to their high value and long-lived nature.

The key aspects requiring judgement include the determination of the useful lives and residual values, identification of cash generating units (CGU) and evaluation of indicators of impairment. Management estimated useful lives based on experience as well as industry practice for similar vessels. The residual value has been based on an average of observable recycling prices, considering the expected impact of the EU Ship Recycling Regulation for safer and greener recycling.

Management considered each vessel and newbuilding as a separate CGU in their assessment of impairment indicators. No impairment indicators were identified. Given the significant judgement involved in evaluating the estimates used in management's assessment this was considered a key audit matter.

Our audit response

We compared the estimates of useful life and residual value to industry practice and plans for docking and maintenance. We further compared the Group's strategy plan with the estimated useful life and the Group strategy for vessel utilization in the future. We also compared the estimates for docking and maintenance with industry practice. We recalculated depreciations for the year.

Based on our understanding of the nature of the Group's business and the economic environment in which its vessels operate, we assessed the determination of the CGUs that make up the Group. We reviewed management's assessments of potential impairment indicators.

We refer to note 4 in the consolidated financial statement.

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Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and chief executive offices) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by applicable legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of our audit of the financial statements of Edda Wind ASA we have performed an assurance engagement to obtain reasonable assurance whether the financial statements included in the annual report, with the file name eddawindasa-2021-12-31-en, has been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation given with legal basis in Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements included in the annual report have been prepared, in all material respects, in compliance with the ESEF Regulation.

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Management's responsibilities

Management is responsible for the preparation of an annual report and iXBRL tagging of the consolidated financial statements that complies with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary to enable the preparation of an annual report and iXBRL tagging of the consolidated financial statements that is compliant with the ESEF Regulation.

Auditor's responsibilities

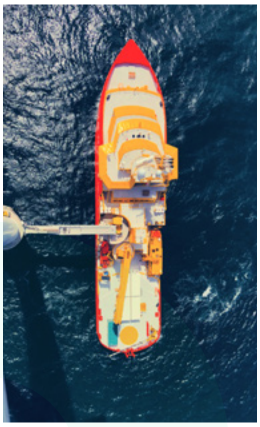
Our responsibility is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation based on the evidence we have obtained. We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its annual report in XHTML format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 7 April 2022
ERNST & YOUNG AS

Øyvind Nore
State Authorised Public Accountant (Norway)

Access the future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APPENDIX A2 – UNAUDITED FINANCIAL STATEMENTS

4th Quarter Report 2022

Access the future

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edda wind

Contents


Photo: Bård Gudim

Letter from the CEO

Edda Wind gearing up for more activity, more vessels and more contracts.

The offshore wind industry is continuing its growth and the upward trend is set to continue. This is backed up by huge optimism from the industry itself, markets analysts and investors. This optimism is welcomed and shared by Edda Wind.

Market reports indicate a demand for more than 250 service vessels in the offshore wind industry by the end of this decade. The supply of existing C/SOVs plus newbuilds amounts to around 60 vessels, of which 50% are engaged on firm contracts. It is expected that the demand/supply gap will result in favourable day rates, particularly in the shorter commissioning segment. The fact that the subsea tonnage is exiting from offshore wind back to oil & gas, suggests an expected increase in this trend. This demand represents a significant growth opportunity for Edda Wind, being a leading operator with a portfolio of both long-and short-/medium-term contracts, able to balance stable cash flows with flexibility to capitalise on favourable market dynamics.

Edda Wind is increasing its capacity and another CSOV was ordered in October. The ongoing newbuilding programme will bring the fleet to a total of ten purpose-built offshore wind vessels by mid 2025. Four of the newbuilds are presently uncommitted, which is considered to be a great opportunity based on market outlook. The company has previously reported delays on the gangway systems for the first newbuilds. Therefore, I am happy to report that the installation and commissioning of the systems onboard Edda Breeze and Edda Brint is about to be completed allowing the vessels to start generating cash. Both vessels are expected to commence operations in March.

The three vessels in operation have performed very well, with a utilisation of 99.7% and no injuries to personnel during the quarter. The chartered-in frontrunner vessel, Edda Fjord, has provided very good service to Ocean Breeze since April 2021. The vessel will be redelivered to Østensjø once it is replaced by Edda Breeze. I am delighted to see that Ørsted has declared an optional period for Edda Passat and Edda Mistral, which is firm proof of the quality of service Edda Wind has provided during a five-year period.

It is already a year since Edda Wind's successful IPO, and the first full year of operation is over. It has been a very exciting and hectic period with its challenges and I am happy to have received such positive feedback on the company, as a trusted and recognised service provider to the offshore wind industry. We have much excitement ahead of us, including five newbuilds that will commence operations during 2023. The Edda Wind organisation will be geared up in line with these newbuilds coming into operations to ensure that the company has the capacity and scale to deal with an increased workload, and the ability to operate smoothly as we gradually grow larger fleet.

We are grateful to all stakeholders who have, and continue to show, confidence in Edda Wind and our business model.

Kenneth Walland

Kenneth Walland
CEO

Highlights Q4 2022

Market

250

Strong demand growth, estimated to be more than 250 vessels by 2030, excluding China; far exceeding existing tonnage and order book of approximately 60 vessels

↑

Increasing rates as oil & gas tonnage exit offshore wind

↑

Increased focus and accelerated pace for the renewable energy transition

Edda Wind

8

Eight vessels under construction, ordered at low prices with attractive delivery schedule

Newbuilding programme

Edda Breeze and Edda Brint expected to be ready for operation in March 2023. Edda Boreas and C-416 expected to be ready for operation during Q2 2023 and Q4 2023

99.7%

Close to 100% utilisation in Q4 2022 and zero incidents to personnel

Management report Q4 2022

Operating income
EUR 7.3m

Operating expenses
EUR 5.9m

Operating profit before depreciation
EUR 1.4m

Profit before tax
EUR 0.2m

Investment in vessels and newbuildings
EUR 289.8m

Operations

Edda Wind ASA and subsidiaries ("The Group") is a pure-play offshore wind service company.

Currently, the Group owns and operates two purpose-built SOVs and operates one chartered-in frontrunner vessel.

Edda Passat and Edda Mistral operate in the North Sea on charters for Ørsted on Race Bank and Hornsea 1 wind farms, while Edda Fjord is chartered in as a frontrunner for a long-term contract with Ocean Breeze at the BARD Offshore 1 wind farm. All three vessels had near full utilisation throughout the quarter and zero injuries.

The Group has a newbuilding programme for further SOVs and CSOVs at yards in Spain which will bring the fleet up to ten vessels.

Group consolidated results Q4 2022

Operating income for Q4 2022 was EUR 7.3 million, 7.5% up from EUR 6.8 million in the same quarter in 2021. The increase in operating income is primarily related to increases in day rates in firm contracts as well as compensation received from Colombo Dockyard Plc.

Operating expenses in Q4 2022 were EUR 5.9 million. In Q4 2021, the operating expenses were EUR 6.4 million, the reduction in cost is primarily related to the IPO-process in Q4 2021.

Operating profit before depreciation in Q4 2022 was EUR 1.4 million, versus EUR 0.4 million in Q4 2021.

Net financial result in Q4 2022 was EUR -0.4 million, compared to EUR 0.7 million in the same quarter last year, mainly due to currency effect and realised gains on financial derivatives.

Profit before tax was EUR 0.2 million, versus EUR 0.3 in Q4 2021.

Capital structure and financing

Cash and cash equivalents ended at EUR 45.0 million, down from EUR 89.5 million at the end of Q4 2022 mainly due to investments in newbuildings.

Investment in newbuildings was EUR 223.1 million, up from EUR 131.1 million at the end of Q4 2022 due to payments in relation to the eight newbuildings on order.

Total interest-bearing debt was EUR 156.9 million, up from EUR 117.5 million in Q4 2022.

Total equity was EUR 183.7 million by the end of Q4 2022, down from EUR 184.3 at the end of Q4 2022.

Outlook

The ongoing restructuring of the world's energy systems in a greener direction has continued and strengthened throughout the quarter. This is a megatrend that will contribute to shaping the world for decades to come.

The leading analytical environments within offshore wind estimate a continued significant growth in energy generation capacity from offshore wind turbines until at least the end of this decade. This will naturally be accompanied by a sharp growth in the number of wind turbines installed and in operation. As a consequence, it is estimated that in excess of 250 C/SOVs will be needed to assist with commissioning and operation of these; a number that compares favourably with the existing fleet size of less than 60 vessels, including vessels under construction.

Management report Q4 2022

continued

Outlook continued
Subsea tonnage, which has been filling the gap between supply and demand until now, is continuing to migrate back to oil & gas markets, as demand and day rates achieved in these markets have strengthened significantly over the last year. For Edda Wind, as the leading shipowner and operation within the C/SOV market, this continues to be an opportunity for growth in what is expected to be a market with increasing day rates.

The newbuilding programme
The Group has eight vessels under construction, two SOVs and six CSOVs – including three vessels that are delivered from shipyard but in the process of installing gangway systems. The SOV and CSOV newbuilds are sister-vessels with the same main components and technology, which will offer benefits in relation to operation, crew training and spares. Quoted prices for similar vessels have increased significantly during the last year meaning that the current fleet has been ordered at an opportune time and at attractive prices. All the newbuilding contracts are based on firm yard prices.

Inflation and shortages in supply chains continue to be impacted by the war in Ukraine, however there are signs that suppliers are now able to mitigate this impact going forward.

Edda Breeze and Edda Brint are expected to be delivered to clients in March 2023 and Edda Boreas (C-490) and C-416 are expected to be ready for operation in Q2 and Q4 2023 respectively.

Management report Q4 2022

continued

Gangway deliveries
As previously reported, the company has suffered delays on the gangway systems which again has resulted in delayed commissioning and onhire for Edda Breeze and Edda Brint.

Edda Wind has, together with the supplier, worked hard to mitigate the consequences of the delays to ensure delivery of the gangway systems as early as possible (see note 11). This has involved taking delivery of the vessels from the shipyard with the gangway system only partly completed. The final commissioning of the systems commenced in Denmark in November and has since been progressing well. The vessels are expected to be onhire in March 2023.

Events after the balance sheet date
As reported in December 2022, hull no C416 is under construction at Balenciaga shipyard in Spain. The construction is behind schedule, and it is estimated that the vessel will be ready for operation in Q4 2023. Management, together with the yard, suppliers, and the client are working to minimize the risk of further delays, as well as associated cost increase.

On February 9th 2023 Edda Wind took delivery of *Edda Boreas*, the second of a series of six CSOVs contracted at Gondan shipyard in Spain. The vessel will be completed with gangway system in Denmark and thereafter, it will commence a 2+1 year charter with SSE in Q2 2023 – working on commissioning of Dogger Bank Wind Farm in the North Sea.

On February 13th, Edda Wind entered into a green loan facility agreement for the pre- and post-delivery financing of three vessels under construction at Gondan shipyard in Spain. The facility, which is with Crédit Agricole, Eksfin and Sparebanken Vest, is between EUR 100 – EUR 120 million with a term of 6 years from delivery and a blended profile of 12 years and 15 years at attractive terms. Following this, the first nine vessels in the fleet have secured long-term financing.

Edda Breeze is about to complete installation of the gangway system and is expected to commence the charter early March 2023. As the first of eight newbuilds on hire, this represents a milestone for Edda Wind.

Key figures Q4 2022

(EUR 1,000)

Key figures	Q4 2022	Q3 2022	Q4 2021	FY 2021
Revenue	**7,333**	7,432	6,821	24,416
Profit/(loss) for the period	**187**	398	274	2,242
Total assets	**351,138**	337,762	305,602	305,602
Equity	**183,680**	183,594	184,332	184,332
APM				
EBITDA	**1,408**	1,424	380	6,182
EBIT	**626**	630	-422	3,013
NIBD	**107,758**	77,134	20,940	20,940
Equity ratio	**52.3%**	54.4%	60.3%	60.3%

Definitions of APMs

- EBITDA is defined as Operating income and gain/(loss) on sale of assets less Operating expenses.
- EBIT is defined as Total income (Operating income and gain/(loss) on sale of assets) less Operating expenses, other gains/(losses) and depreciation and amortisation.
- Net interest-bearing debt (NIBD) is defined as total interest-bearing debt (non-current interest-bearing debt and current interest-bearing debt) less Cash and cash equivalents, restricted cash and Current financial investments.
- Equity ratio is defined as Total equity as a percentage of Total assets.

Statement from the Board

We confirm that the consolidated accounts for the period 1 January 2022 to 31 December 2022 are to the best of our knowledge, prepared in accordance with IAS 34.

The interim condensed consolidated financial statements give a fair and true value of the enterprise and Group's assets, debt, financial position and result which, in its entirety, gives a true overview of the information in accordance with the securities trading act.

Håvard Framnes
Chairman of the Board

Martha Kold Bakkevig
Board member

Toril Eidesvik
Board member

Jan Eyvin Wang
Board member

Adrian Geelmuyden
Board member

Duncan J. Bullock
Board member

Cecilie Wammer Serck-Hanssen
Board member

Haugesund, 23 February 2023
(signed electronically)

Income statement

(unaudited)

(EUR 1,000)

	Notes	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Freight income	2	6,704	6,690	26,930	23,933
Other operating income	2, 9	630	131	1,496	484
Total operating income		**7,333**	**6,821**	**28,425**	**24,416**
Payroll and remuneration		(2,202)	(2,077)	(8,609)	(7,320)
Other operating expenses	2	(3,724)	(4,364)	(13,248)	(10,914)
Total operating expenses		**(5,925)**	**(6,441)**	**(21,856)**	**(18,234)**
Operating profit before depreciation		**1,408**	**380**	**6,569**	**6,182**
Depreciation	3	(782)	(802)	(3,195)	(3,169)
Operating profit		**626**	**(422)**	**3,374**	**3,013**
Financial income and expenses					
Financial income	10	220	1,255	450	1,461
Financial expense	10	(659)	(559)	(1,890)	(2,233)
Financial income/(expense)		**(439)**	**696**	**(1,440)**	**(773)**
Profit/(loss) before tax		**187**	**274**	**1,935**	**2,241**
Tax (income)/expense	8	–	–	–	–
Profit/(loss) for the period		**187**	**274**	**1,935**	**2,241**
Basic/diluted earnings per share in EUR	7	0.00	0.01	0.03	0.06

Comprehensive income

(unaudited)

(EUR 1,000)

	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Profit/(loss) for the period	187	274	1,935	2,241
Items that may be reclassified to the income statement				
Currency translation differences	(101)	1,129	(2,587)	2,145
Other comprehensive income, net of tax	**(101)**	**1,129**	**(2,587)**	**2,145**
Total comprehensive income for the period	**86**	**1,403**	**(652)**	**4,385**

Balance sheet

(unaudited)

(EUR 1,000)

	Notes	31.12.2022	31.12.2021
ASSETS			
Non-current assets			
Deferred tax asset	8	–	23
Vessels	3	66,714	73,611
Newbuildings	3	223,082	131,077
Other non-current assets	11	7,050	–
Machinery and equipment	3	7	3
Total non-current assets		**296,853**	**204,715**
Current assets			
Account receivables		3,926	3,575
Other current receivables		1,153	–
Other current assets		4,114	7,791
Financial derivatives	5	71	–
Cash and cash equivalents		45,021	89,520
Total current assets		**54,285**	**100,886**
Total assets		**351,138**	**305,602**
EQUITY AND LIABILITIES			
Equity			
Share capital	6, 7	644	644
Share premium		116,128	116,128
Other equity		66,908	67,560
Total equity		**183,680**	**184,332**
Non-current liabilities			
Non-current interest-bearing debt	4	146,013	110,545
Total non-current liabilities		**146,013**	**110,545**
Current liabilities			
Account payables		3,017	1,555
Financial derivatives	5	–	91
Public duties payable		85	96
Current interest-bearing debt	4	10,951	6,951
Other current liabilities	11	7,392	2,031
Total current liabilities		**21,446**	**10,724**
Total equity and liabilities		**351,138**	**305,602**

Cash flow statement

(unaudited)

(EUR 1,000)

	Notes	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Cash flow from operations					
Profit/(loss) before tax		187	274	1,935	2,242
Financial (income)/expenses		438	(696)	1,440	772
Depreciation and amortisation	3	782	802	3,195	3,169
Change in working capital		1,417	(719)	2,656	583
Net cash flow from operations		**2,824**	**(339)**	**9,225**	**6,765**
Cash flow from investment activities					
Investments in fixed assets	3	(27,974)	(34,226)	(92,012)	(93,476)
Changes in restricted cash – investment commitment		(2,565)	7,200	(2,922)	25,964
Net cash flow from investment activities		**(30,539)**	**(27,026)**	**(94,934)**	**(67,512)**
Cash flow from financing activities					
Proceeds from issue of interest-bearing debt	4	13,478	7,305	49,856	32,190
Repayment of interest-bearing debt	4	(447)	–	(6,859)	(4,497)
Proceeds from other interest-bearing debt		–	16,500	–	43,500
Repayment of other debt		–	(16,500)	–	(16,500)
Interest paid including interest derivatives		(458)	(349)	(1,776)	(1,101)
Paid other financial expenses		0	(99)	(114)	(1,187)
Proceeds from issuance of new shares		–	90,131	–	90,131
Net cash flow from financing activities		**12,574**	**96,988**	**41,107**	**142,536**
Effects of currency rate changes on bank deposits, cash and equivalents					
Net change in bank deposits, cash and equivalents		(15,141)	69,624	(44,603)	81,789
Translation difference		(57)	982	104	1,016
Cash and cash equivalents at period start		60,217	18,913	89,520	6,715
Cash and cash equivalents at period end		**45,021**	**89,520**	**45,021**	**89,520**

Statement of changes in equity

(unaudited)

(EUR 1,000)

	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance at 01.01.2022	**644**	**116,128**	**27,608**	**36,522**	**3,431**	**67,560**	**184,332**
Profit for the period	–	–	–	1,935	–	1,935	1,935
Other comprehensive income	–	–	–	–	(2,587)	(2,587)	(2,587)
Balance at 31.12.2022	**644**	**116,128**	**27,608**	**38,457**	**844**	**66,908**	**183,680**

	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency translation reserve	Other equity	Total equity
Balance at 01.01.2021	**9**	**–**	**27,608**	**34,280**	**1,286**	**63,174**	**63,183**
Share capital increase by conversion of debt	327	26,673	–	–	–	–	27,000
Share capital increase by issuance of new shares	281	81,102	–	–	–	–	81,383
Share capital increase by issuance of new shares	27	8,353	–	–	–	–	8,380
Profit for the period	–	–	–	2,242	–	2,242	2,242
Other comprehensive income	–	–	–	–	2,145	2,145	2,145
Balance at 31.12.2021	**644**	**116,128**	**27,608**	**36,522**	**3,431**	**67,560**	**184,332**

Notes

(EUR 1,000)

Note 1
General accounting principles

Basis of preparation
This interim condensed consolidated financial statement has been prepared in accordance with International Accounting Standards (IAS 34), “interim financial reporting”. The interim condensed consolidated financial report is unaudited and should be read in conjunction with the consolidated Annual Financial Statements for the year ended 31 December 2021 for Edda Wind ASA (Group), which were prepared in accordance with IFRS as endorsed by the EU. Consolidated interim and yearly financial statements are available on the news services from Oslo Stock Exchange, www.newsweb.no, and the Company’s webpage, www.eddawind.com.

The Group’s interim condensed consolidated financial statement are presented in Euros, which is also the parent company’s functional currency. For each entity within the Group, the Group has determined the functional currency based on the primary economic environment of which the entity operates. Items included in the financial statements are measured using that functional currency. The functional currency for the Group’s entities are EUR, GBP and NOK.

The interim financial report is prepared on the assumption of a going concern.

Basic policies
The accounting policies applied are consistent with those applied in the Annual Financial Statements for Edda Wind ASA for the year ended 31 December 2021. No new standards have been applied in 2022.

Notes

continued

(EUR 1,000)

Note 2
Revenue from contracts with customers

Operating income
The Group's revenue mainly derives from offering vessels and maritime personnel to the offshore wind sector under long-term chartering agreements. Under these agreements the Group delivers a vessel, including crew, to the customer. The customer determines, within the contractual limits, how the vessel is to be utilised. The Group is remunerated at an agreed daily rate for use of vessel, equipment, crew and other resources or services utilised under the contract. The Group's contracts also include victualling covering meals and bedding provided to customer personnel onboard the vessel. The Group's revenue is split into a service element and lease element. The revenue is mainly recognised over time as the performance obligation is satisfied over time.

The Group also provides management services to companies outside of the Group. Remuneration for management services is classified as other revenue and recognised over time as performance obligation is satisfied over time.

The Group has one reportable segment being the Offshore Wind segment.

	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Offshore Wind operating revenue				
Revenue from contracts with customers:				
Service element from contracts with day rate, including victualling	3,929	4,181	16,489	14,900
Other revenue	630	131	1,496	484
Lease revenue:				
Lease element from contracts with day rate	2,775	2,508	10,441	9,033
Total operating income	**7,333**	**6,821**	**28,425**	**24,416**

Leasing
In April 2021 the Group entered into a 12-month lease for the OSV vessel Edda Fjord from related party West Supply VIII AS. This contract is a lease in scope of IFRS 16, however the Group have elected to apply the recognition exemption for short-term leases and the Group has recognised the lease payments as an expense over the lease period. The vessel is operating as a frontrunner for Edda Breeze, which is expected to be delivered to the client in March 2023. As such, the lease was extended until year end, with optional period until 31 March 2023. During the fourth quarter 2022, the Group recognised a lease expense of EUR 2,529 thousand (EUR 1,835 thousand in Q3 2021).

On 28 July 2022 Edda Wind entered into an agreement with Colombo Dockyard PLC for the cancellation of two newbuilding contracts signed 31 January 2022. Under this agreement, Edda Wind will receive compensation in excess of incurred project costs. EUR 1,000 thousand has been recognised YTD 2022, EUR 500 thousand of which in Q4. The remaining agreed compensation is recognised as revenue when payment is received.

Notes

continued

(EUR 1,000)

Note 3
Tangible assets

The tables below show the Group's tangible assets as of 31 December 2022 and 31 December 2021.

31.12.2022	Vessels	Periodical maintenance	Equipment	Newbuildings	Total
Cost 01.01.2022	**83,128**	**2,390**	**69**	**131,077**	**216,664**
Additions	–	–	7	94,110	94,117
Currency translation differences	(4,308)	(117)		(2,105)	(6,531)
Cost 31.12.2022	**78,820**	**2,273**	**76**	**223,082**	**304,251**
Accumulated depreciation and impairment losses 01.01.2022	**(10,153)**	**(1,753)**	**(66)**	**–**	**(11,972)**
Depreciation	(2,153)	(444)	(3)	–	(3,195)
Currency translation differences	645	74	0	–	720
Accumulated depreciation and impairment losses 31.21.2022	**(12,256)**	**(2,122)**	**(69)**	**–**	**(14,448)**
Carrying amounts	**66,563**	**151**	**7**	**223,082**	**289,803**
Remaining instalments newbuildings 31.12.2022	**–**	**–**	**–**	**180,225**	**180,225**

31.12.2021	Vessels	Periodical maintenance	Equipment	Newbuildings	Total
Cost 01.01.2021	**77,254**	**2,221**	**69**	**35,957**	**115,501**
Additions	–	–	–	93,476	93,476
Currency translation differences	5,874	169	–	1,644	7,687
Cost 31.12.2021	**83,128**	**2,390**	**69**	**131,077**	**216,664**
Accumulated depreciation and impairment losses 01.01.2021	**(6,859)**	**(1,185)**	**(66)**	**–**	**(8,110)**
Depreciation	(2,704)	(465)	(0)	–	(3,169)
Currency translation differences	(591)	(103)	0	–	(694)
Accumulated depreciation and impairment losses 31.12.2021	**(10,153)**	**(1,753)**	**(66)**	**–**	**(11,972)**
Carrying amounts	**72,975**	**637**	**3**	**131,077**	**204,692**
Remaining instalments newbuildings 31.12.2021	**–**	**–**	**–**	**149,382**	**149,382**

Notes

continued

(EUR 1,000)

Note 3 continued
Tangible assets continued

The depreciation schedule for vessels is 30 years straight-line depreciation. For periodic maintenance, the depreciation is set to 5 years based on time expected until next maintenance.

Vessels under construction ("newbuildings") are capitalised based on instalments paid to the shipyard and other costs directly attributable to the construction, including borrowing costs during the construction period. Capitalised cost for vessels under construction is reclassified to vessels when the vessel is delivered and ready for use. Vessels under construction are not subject to depreciation until the vessel is ready for use.

Impairment assessment
The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As of 31 December 2022, the market capitalisation of the Group was below the book value of its equity. As a result, the Group performed an impairment test at the end of the fourth quarter of 2022 for each of its operational SOVs and newbuilds expected to be delivered in 2023.

As part of the assessment of vessel value, the Group has obtained broker values. When comparing broker values to book values, a substantial headroom is identified. To further support the broker values, the Group has performed an impairment test through a value in use calculation. Cash flows are estimated throughout the useful time of the vessels. The estimates for 2022 reflect the current market conditions. The Group has used a discount rate in the interval of 8.5%-10.0% for cash flows denominated in EUR and GBP. This is also an assumption when performing the impairment assessment. The recoverable amount exceeded the carrying amount in the value-in-use calculation and thus the impairment test did not reveal any need for impairment.

Notes

continued

(EUR 1,000)

Note 4
Interest-bearing debt

The table below shows the Group's interest-bearing debt.

	31.12.2022	31.12.2021
Non-current interest-bearing debt	146,013	110,545
Current interest-bearing debt	10,951	6,951
Total interest-bearing debt	**156,964**	**117,496**

Loan agreements entered into by the Group contain financial covenants related to liquidity, working capital, book equity ratio and market value. The Group was in compliance with these covenants at 31 December 2022 (analogous for 31 December 2021).

The table below shows specifications of the Group's interest-bearing debt.

	31.12.2022	31.12.2021
Pledged debt to financial institutions	80,239	42,021
Bonds	76,725	75,476
Total interest-bearing debt	**156,964**	**117,496**

The table below shows the repayment schedule of the Group's interest-bearing debt.

	31.12.2022	31.12.2021
Repayment schedule for debt to financial institutions		
Due in year 1	6,889	4,839
Due in year 2	9,189	4,839
Due in year 3	9,189	4,839
Due in year 4	9,189	4,839
Due in year 5 and later	45,785	22,663
Total repayment schedule for debt to financial institutions	**80,239**	**42,021**
Repayment schedule for bond		
Due in year 1	4,062	2,111
Due in year 2	4,056	4,161
Due in year 3	4,235	4,159
Due in year 4	4,728	4,342
Due in year 5 and later	59,643	60,702
Total repayment schedule for bond	**76,725**	**75,476**

Notes

continued

(EUR 1,000)

Note 5
Fair value financial liabilities

The table below shows the Group's financial derivatives measured at fair value.

Financial liabilities at fair value	31.12.2022	31.12.2021
Financial liabilities/(financial assets) measured at fair value at 01.01	91	598
Changes in fair value through the income statement (+loss/-profit)	(162)	(208)
Derecognition of interest swap due to termination	–	(299)
Total financial liabilities/(financial assets) measured at fair value	**(71)**	**91**

The Group's financial liabilities measured at fair value consists of an interest rate swap for a portion of the Group's interest bearing debt to financial institutions in order to mitigate risk related to interest rate, as well as an outright foreign exchange contract. The Group terminated one of its interest rate swaps in December 2021.

The fair value of financial instrument nominated in other currencies than EUR is determined based on the currency exchange rate at the balance sheet date. The financial instruments are not traded in an active market (over-the-counter contracts) and are based on level 2 input, consisting of third-party quotes. These quotes use observable market rates for price discovery. Specific valuation techniques used by financial counterparties (banks) to value financial derivatives include quoted market prices for similar derivatives, and calculations of the net present value of the estimated future cash flows based on observable yield curves.

The Group does not hold fair value financial assets or liabilities measured using significant unobservable inputs (level 3).

All other financial assets and liabilities held by the Group are measured at amortised cost.

Notes

continued

Note 6
Share capital

Edda Wind's share capital amounts to NOK 6,431,449 divided into 64,314,488 shares, each with a nominal value of NOK 0.1.

20 Largest shareholders at 31.12.2022

Shareholder	Country	Number of shares	Ownership share
ØSTENSJØ WIND AS	Norway	16,500,000	25.7%
WILHELMSEN NEW ENERGY AS	Norway	16,500,000	25.7%
GEVERAN TRADING CO LTD	Cyprus	7,551,754	11.7%
Credit Suisse (Switzerland) Ltd.	Ireland	6,888,331	10.7%
J.P. Morgan SE	Luxembourg	1,126,184	1.8%
VJ INVEST AS	Norway	1,009,615	1.6%
Morgan Stanley & Co. Int. Plc.	United Kingdom	958,887	1.5%
FORENEDE INDUSTRIER SHIPPING AS	Norway	585,716	0.9%
VARNER EQUITIES AS	Norway	518,767	0.8%
KONTRARI AS	Norway	500,000	0.8%
PORTIA AS	Norway	500,000	0.8%
VERDIPAPIRFONDET NORDEA NORGE VERD	Norway	455,285	0.7%
VERDIPAPIRFONDET DNB SMB	Norway	435,679	0.7%
Oslo Venture Pte Ltd	Singapore	412,417	0.6%
LUDVIG LORENTZEN AS	Norway	404,101	0.6%
VERDIPAPIRFONDET NORDEA AVKASTNING	Norway	349,865	0.5%
Ultranav International II, S.A.	Panama	325,000	0.5%
LØREN HOLDING AS	Norway	300,000	0.5%
BERGEN KOMMUNALE PENSJONSKASSE	Norway	300,000	0.5%
VERDIPAPIRFONDET STOREBRAND NORGE	Norway	265,041	0.4%
20 largest shareholders		**55,886,642**	**86.9%**
Others		8,427,846	13.1%
Total		**64,314,488**	**100.0%**

Notes

continued

(EUR)

Note 7
Earnings per share

The table below shows the earnings per share.

Earnings per share	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Net profit attributable to ordinary shareholders of Edda Wind ASA	187,181	274,040	1,934,561	2,241,853
Weighted average number of outstanding shares to calculate EPS	64,314,488	33,000,000	64,314,488	35,843,280
Earnings per share	**0.010**	**0.01**	**0.03**	**0.06**

Earnings per share is calculated based on the average number of outstanding shares during the period. Basic earnings per share is calculated by dividing profit for the period by average number of total outstanding shares. The Group does not have any dilutive instruments.

The Group performed a share split during 2021 and increased its number of shares to 33 million. The EPS calculation has been adjusted for this in all periods presented.

Note 8
Tax

The effective tax rate for the Group will, from period to period, change dependent on the group gains and losses from investments inside the exemption method and tax exempt revenues from tonnage tax regimes.

The Group`s Spanish subsidiaries, Puerto de Calella SL and Puerto de Llafranc SL, are taxed in accordance with the Spanish Tonnage Tax regime. Tonnage tax is recognised as an operating expense in the income statement.

The Group recorded a tax expense of EUR 0 during the fourth quarter of 2022 (EUR 0 during fourth quarter 2021), and recognised a deferred tax asset of EUR 0 as of 31.12.2022 (deferred tax asset of EUR 23 thousand as of 31.12.2021).

Notes

continued

(EUR 1,000)

Note 9
Related party transactions

Related party transactions include shared services and other services provided and purchased from entities outside of the Edda Wind Group that are under control (directly or indirectly), joint control or significant influence by the owners of Edda Wind ASA. This includes operation and supervision of vessels, crew hire and corporate management services.

Services are priced on commercial market terms and in accordance with the principles set out in the OECD Transfer Pricing Guidelines and are delivered according to agreements that are renewed annually.

	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Transactions with related parties				
Leasing of Edda Fjord from West Supply VIII AS (incl. victualling)	2,658	2,051	9,147	5,836
Purchase of management services, operation and supervision of vessels from Østensjø Rederi AS	158	139	726	758
Sale of services to Østensjø Rederi	(101)	(79)	(407)	(395)
Hired crew from Østensjø Rederi AS	1,607	1,099	5,852	5,138
Guarantee commission to Johannes Østensjø d.y. AS	167	183	826	529
Interest on shareholder loan	–	172	–	581
Insurance cost to Wilhelmsen Insurance Services AS	139	48	261	61
Interest expenses to Johannes Østensjø d.y. AS on other short-term debt	–	3	–	9
Total transactions with related parties	**4,628**	**3,579**	**16,405**	**12,517**

Notes

continued

(EUR 1,000)

Note 10
Financial items

	Notes	Q4 2022	Q4 2021	Full year 2022	Full year 2021
Financial income					
Other financial income		220	8	224	8
Currency differences		–	948	64	946
Unrealised gain on financial derivatives	5	–	–	162	208
Realised gain on financial derivatives	5	–	299	–	299
Total financial income		**220**	**1,255**	**450**	**1,461**
Financial expense					
Interest expenses		458	346	1,776	1,282
Other interest expenses to related parties		–	9	–	18
Unrealised loss on financial derivatives	5	27	167	–	–
Other financial expenses		–	36	114	932
Currency differences		174	–	–	–
Total financial expenses		**659**	**559**	**1,890**	**2,233**

Notes

continued

(EUR 1,000)

Note 11
Other circumstances

The delivery of Edda Breeze and Edda Brint to clients has been postponed due to delayed delivery of gangway systems. Following the delay, Edda Wind will incur liquidated damages for both vessels until delivery.

As per 31.12.2022, Edda Wind has incurred a total of EUR 4.6 million in liquidated damages. The amount has been capitalised as other non-current assets and will be recognised in the P&L on a straight-line basis over the contract period from the date the vessels are delivered to the clients.

The Group has also incurred an additional ready for sea cost due to a prolonged construction period. During Q4, the Group has capitalised EUR 3.1 million in ready for use cost on Edda Breeze and Edda Brint, excluding yard instalments and ENOVA contributions.

In relation to one of the newbuildings, the Group has accepted payment obligations in the net amount of EUR 2.4 million as at the balance sheet date in order to avoid delays in delivery of certain equipment. The Group will be repaid through a loan agreement in the net amount of EUR 2.4 million paid over two years.

Note 12
Subsequent events

Edda Boreas was delivered from Gondan Shipyard on February 9th, 2023.

A green credit facility of EUR 100-120 million was entered into on February 13th, 2023 for the pre- and post-delivery financing of hull no 491, 492 and 503.

In relation to the two green loan facilities signed November 2021 and February 2023 the following long term interest hedging arrangements have been agreed:
- For an amount up to max EUR 55.2 million in aggregate, the interest has been fixed at 0.52% + margin for 12 years from 1Q23 at an amortizing profile.
- For an amount up to max EUR 54.8 million in aggregate, Edda Wind has an option to fix the interest at 0.76% + margin for 12 years from 3Q23 at an amortizing profile.
- For an amount up to max EUR 11.6 million in aggregate, Edda Wind has an option to fix the interest at 0.35% + margin for between 3 and 5 years from 3Q23 at an amortizing profile.

edda wind

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APPENDIX B—ARTICLES OF ASSOCIATION

Vedtekter

EDDA WIND ASA

(Org. nr. 923 565 264)

Fastsatt 24. mars 2023

§ 1 Selskapets foretaksnavn er Edda Wind ASA. Selskapet er et allmennaksjeselskap.

§ 2 Selskapets forretningskontor er i Haugesund kommune.

§ 3 Selskapets virksomhet består i å, direkte eller indirekte, eie og drive virksomhet innenfor fornybar offshore, herunder, men ikke begrenset til, eierskap og drift av spesialiserte fartøyer, ulike tilleggstjenester, samt deltakelse og eierskap i andre selskaper.

§ 4 Selskapets aksjekapital er NOK 11 231 448,80 fordelt på 112 314 488 aksjer, hver pålydende NOK 0,1. Selskapets aksjer skal være registrert i Euronext Securities Oslo.

§ 5 Selskapets styre består av tre til syv styremedlemmer etter generalforsamlingens nærmere beslutning. Selskapets firma tegnes av styrets leder og ett styremedlem i fellesskap. Styret kan meddele prokura.

§ 6 Selskapets generalforsamling skal innkalles ved skriftlig henvendelse til alle aksjonærer med kjent adresse.

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjonærene på selskapets internettsider, gjelder ikke lovens krav om at dokumentene skal sendes til aksjonærene. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjonær kan likevel kreve å få tilsendt dokumenter som

Articles of association

EDDA WIND ASA

(Registration no. 923 565 264)

Adopted on 24 March 2023

§ 1 The company's business name is Edda Wind ASA. The company is a public limited liability company.

§ 2 The company has its registered office in the municipality of Haugesund.

§ 3 The company's business is to directly or indirectly, own and conduct business within the offshore renewable segment including, but not limited to, ownership and management of specialised vessels, various auxiliary services, as well as participation and ownership in other companies.

§ 4 The company’s share capital is NOK 11,231,448.80 divided into 112,314,488 shares, each with nominal value NOK 0.1. The Company's shares shall be registered with Euronext Securities Oslo.

§ 5 The Company’s Board of Directors consists of between three and seven directors pursuant to the general meeting's further decision. The chairman of the Board of Directors together with one Director jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant procuration.

§ 6 Notice of the General Meeting shall be made by written notification to all shareholders with a known address.

Provided documents concerning items to be discussed at the General Meeting are made available at the company’s web-site, the requirement of mailing the documents to the shareholders does not apply. This also applies for documents which, according to the law, shall be included in or attached to the notice of General Meeting. Despite this, each shareholder is entitled to request that the documents concerning items to be discussed at the General Meeting are mailed.

gjelder saker som skal behandles på generalforsamlingen.

Selskapet kan i innkallingen angi en frist for påmelding som ikke må utløpe tidligere enn fem (5) dager før generalforsamlingen.

Styret kan bestemme at aksjonærene skal kunne avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon, i en periode før generalforsamlingen. For slik stemmegivning skal det benyttes en betryggende metode for å autentisere avsenderen.

Generalforsamlingen ledes av styrets leder eller den han/hun oppnevner. På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres:

a) Godkjennelse av årsregnskap og årsberetning, herunder utdeling av utbytte.

b) Andre saker som etter lov eller vedtekter hører under generalforsamlingen.

Selskapet kan avholde generalforsamling i Oslo kommune.

§ 7 Selskapet skal ha en valgkomité som består av minst to medlemmer som velges av generalforsamlingen. Medlemmene velges for en periode på to år. Generalforsamlingen fastsetter godtgjørelsen til valgkomiteen.

Valgkomiteen foreslår kandidater til styre og valgkomiteen, og honorarer for medlemmene av disse organer. Generalforsamlingen kan vedta instruks for valgkomiteen.

The company may set a deadline in the Notice of General Meeting for registration of attendance to the General Meeting, which shall not fall earlier than five (5) days prior to the General Meeting.

The Board can decide that the shareholders shall be able to cast votes in writing, including by electronic communication, in a period prior to the General Meeting. For such voting an adequate method to authenticate the sender shall be used.

The Chairman of the Board or a person designated by him/her shall preside at the General Meeting. The Annual General Meeting shall discuss and decide on the following matters.

a) Approval of the annual accounts and the annual report, including distribution of dividend, if any.

b) Other matters that pursuant to law or the Articles of Association fall under the authority of the general meeting

The Company's General Meetings may be held in the municipality of Oslo.

§ 7 The company shall have a nomination committee consisting of minimum two members to be elected by the general meeting. The members shall be elected for a period of two years. The general meeting determines the remuneration to the nomination committee.

The nomination committee propose candidates for members of the board and the nomination committee, and remuneration to the members of these bodies. The general meeting may decide on guidelines for the nomination committee.

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APPENDIX C – VESSEL VALUATION REPORTS

HAGLAND SHIPBROKERS

Valuation

Vessel: **"Edda Brint"** IMO No 9914125

Built: 2022 – Astilleros Balanciage, S.A. Build Number 415

Type: SOV, Salt 0358 Design, ✠1A BIS Battery(Power) BWM(T) Clean(Design) COMF(C-3, V-3) DYNPOS(AUTR) E0 NAUT(OSV) SF SPS Strengthened(DK) ER(SCR)

General: The SOV market is still increasing with demand for more purpose built service vessels to increase maintenance efficiency of the offshore wind generators. Newbuild prices have significantly increased the last year with higher steel prices and equipment costs.

The vessel has some special features:

- 60 men accommodation – all single cabins.
- High COMF notation (C-3, V-3)
- MacGregor Horizon V5 3D comp. gangway system
- MacGregor 3T – 3D Motion Compensated Crane
- 340 m2 deck, of which 120 m2 is sheltered
- Optimized internal logistics
- Voith Schneider propulsion.
- Prepared for LOHC.
- Battery bank installed (2 x 712 KW).

Value: We consider the value of the "Edda Brint" to be in the region of **EUR 55 million**, basis charter free, prompt delivery, "Willing Seller/Buyer", "arm's length distance".

Disclaimer: See last page

Haugesund, 31st December 2022

HAGLAND SHIPBROKERS

Kenneth R. Johansen

Offshore, Renewables, Aquaculture, Tank, Dry Cargo

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Smedasundet 97
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+47 52 70 12 20 –
offshore@hagland.com
NO 993 095 249 MVA

HAGLAND
SHIPBROKERS

Valuation

Vessel:	**"Edda Breeze"**, IMO No 9915923
Built:	2022 – Astilleros Gondan S.A. Build Number 489
Type:	SOV, Salt 0217 design, ✠1A BIS Battery(Power) BWM(T) Clean(Design) COMF(C-3, V-3) DYNPOS(AUTR) E0 NAUT(OSV) Recyclable SF SPS Strengthened(DK) Walk2work

General:

The SOV market is still increasing with demand for more purpose built service vessels to increase maintenance efficiency of the offshore wind generators. Newbuild prices have significantly increased the last year with higher steel prices and equipment costs.

The vessel has some special features:

- 120 men accommodation, 52 single, 34 double cabins.
- High COMF notation (C-3, V-3)
- MacGregor Horizon V4 3D comp. gangway system
- MacGregor 5T – 3D Motion Compensated Crane
- 500 m2 deck
- Optimized internal logistics
- Voith Schneider propulsion.
- Prepared for LOHC.
- Battery bank installed (2 x 712 KW).

Value: We consider the value of the "Edda Breeze" to be in the region of **EUR 60 million,** basis charter free, prompt delivery, "Willing Seller/Buyer", "arm's length distance".

Disclaimer: See last page

Haugesund, 31st December 2022

HAGLAND SHIPBROKERS

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Offshore, Renewables, Aquaculture, Tank, Dry Cargo

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HAGLAND
SHIPBROKERS

Valuation

Vessel: "Edda Mistral"

Built: 2018 – Astilleros Gondan S.A. Build Number 471

Type: SOV, UT 540 WP, ✠1A1 BIS BWM(T) Clean(Design) COMF(C-2, V-2) DK(+) DYNPOS(AUTR) E0 HELDK NAUT(AW) Recyclable SPS Walk2work

General: The SOV market is still increasing with demand for more purpose built service vessels to increase maintenance efficiency of the offshore wind generators. Newbuild prices have significantly increased the last year with higher steel prices and equipment costs.

The vessel has some special features:

- 58 single cabins / 60 beds
- High COMF notation (C2 V2)
- UPTIME 23.4 – 3D compensated gangway system
- SMST – 3D Motion Compensated Crane
- Outside 360 m2 deck / inside 350 m2
- Optimized internal logistics
- Helideck – 17, m

Value: We consider the value of the "Edda Mistral" to be in the region of EUR **44-45 million,**
basis charter free, prompt delivery, "Willing Seller/Buyer", "arm's length distance"

Disclaimer: See last page

Haugesund, 20th December 2022

HAGLAND SHIPBROKERS

Kenneth R. Johansen

Offshore, Renewables, Aquaculture, Tank, Dry Cargo

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BIMCO LLOYDS Sub-Agency Achilles Joint Qualification System

Valuation

Vessel: **"Edda Passat"**

Built: 2017 – Astilleros Gondan S.A. Build Number 470

Type: SOV, UT 540 WP, ✠1A1 BIS BWM(T) Clean(Design) COMF(C-2, V-2) DK(+) DYNPOS(AUTR) E0 NAUT(AW) Recyclable SPS Walk2work

General: The SOV market is still increasing with demand for more purpose built service vessels to increase maintenance efficiency of the offshore wind generators. Newbuild prices have significantly increased the last year with higher steel prices and equipment costs.

The vessel has some special features:

- 60 single cabins
- High COMF notation (C2 V2)
- UPTIME 23.4 – 3D compensated gangway system
- SMST – 3D Motion Compensated Crane
- 350 m2 deck
- Optimized internal logistics

Value: We consider the value of the "Edda Passat" to be in the region of EUR **42-44 million**,
basis charter free, prompt delivery, "Willing Seller/Buyer", "arm's length distance"

Disclaimer: See last page

Haugesund, 20th December 2022

HAGLAND SHIPBROKERS

Kenneth R. Johansen

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Fearnley Offshore Supply

VALUATION REPORT

VESSEL VALUATIONS FOR EDDA WIND ASA

EVALUATED BY FEARNLEY OFFSHORE SUPPLY AS

Date: 2nd February 2023

Valuation of the Edda Boreas per 31st December 2022

IMO	Type	Vessel Name	Built	Design	Helideck	Currency	Value Low	Value High
9648526	CSOV	EDDA BOREAS	2022	Salt 0217	Yes	EUR	61 000 000	66 000 000

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Christian Evans

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Christian Evans

This valuation and particulars are statements of opinion only, and are not to be taken as representations of facts whatsoever. The figures relate solely to our opinion of the market value as of the date given and should not be taken to apply to any other date. The valuations are given with due consideration to prevailing market conditions, also considering the outlook on the longer term. The valuations are based on no explicit additional value of any charter contracts.

We have neither made a physical inspection of the unit(s), nor have we inspected the unit's classification records. Pertaining to the units still under construction we have neither made physical inspection of the construction yards, nor have we assessed the construction contracts. Our opinion is based on information of the unit stipulated in standard reference books. We have assumed for the purposes of the valuations that the units are in good and seaworthy condition, in a favourable class position and fully operational (unless otherwise noted). We assume no responsibility for the accuracy of such information whatsoever. Furthermore, all values are based on that there exists a willing seller and a willing buyer. Due consideration is also made to replacement cost of the units.

Any persons contemplating entering into a transaction or otherwise relying upon these valuations should satisfy himself by inspection of the units or otherwise as to the correctness of the statements and assumptions which the valuations contain. No assurance can be given that the values can be sustained or are realizable in an actual transaction. The valuations are provided solely for the use of the person to whom it is addressed to, and no responsibility can be accepted to any other person. The valuations should not be published or circulated without our prior written permission.

Fearnley Offshore Supply AS or its subsidiaries or affiliates, or the respective directors, officers, agents, or employees of Fearnley Offshore Supply AS or its subsidiaries or affiliates (the "FOSAS") have no liability or responsibility for any losses, claims, demands, damages, costs, expenses or liabilities of any kind whatsoever (collectively "Liabilities") in connection with, relating to or arising out of, directly or indirectly, this valuation letter or FOSAS' role or services in connection therewith except to the extent that any such Liabilities, whether in contract or in tort or otherwise, are finally judicially determined to have resulted solely from gross negligence or wilful misconduct on the part of the management of FOSAS. In any event FOSAS' liability for each incident or series of incidents giving rise to Liabilities of any kind whatsoever shall never exceed a total of [two] times the Fee payable for this Valuation Report.

Fearnley Offshore Supply

FEARNLEY OFFSHORE SUPPLY OVERVIEW

Fearnley Offshore Supply is part of the Astrup Fearnley AS group, which dates back to 1869, and is today the leading international offshore advisory and Broking Company.

Fearnley Offshore Supply has close to 50 years of experience with vessel procurement services for Offshore Subsea Construction Vessels, OSVs, Offshore Wind Support Vessels, Barges and Tugs and can offer a complete up to date market overview of most offshore related activities.

Fearnley Offshore Supply offers its clients a range of services as presented below for offshore support vessels:

- *Employment, Contracts/Chartering* - Vessel availability, contract status, guidance on price and terms, charter structures, contracting strategy and negotiations
- *Newbuilding Contracts* - Yard availability, interest, prices, experience, contracting strategy and negotiations
- *Sale & Purchase* - Marketing strategy, potential buyers/sellers, and vessels available for sale, optimization of asset value, sale with leaseback
- *Advisory Services and Market Reports* - Market intelligence, yard survey, market assessments, benchmarking, forecasting, competitive assessments

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Achilles JQS Qualified · FPAL Registered · Sellihca Qualified · DNV·GL ISO 9001 Quality System Certification

APPENDIX – INTERNAL METHODOLOGY

General Assumptions:

- Based on our opinions, not to be taken as a representation of facts
- Figures relates solely to our opinion of the market values as of the given date
- Valuations given with due consideration to prevailing market conditions, also considering the outlook on the longer term
- We do not make physical inspection of the units prior to issuing valuations, nor do we inspect the units' classification records
- Pertaining to units under construction, we do not make physical inspections of the construction yard, nor do we assess the construction contracts
- We assume the unit is in good and seaworthy condition, in a valid class position and fully operational. Values on new constructions are based on a finished "ready-to-sail" unit
- For units under construction, values assume and include all relevant equipment as per the specifications are included unless otherwise stated
- The valuations are made on a "Going Concern" basis, i.e., where both the Seller and the Buyer have the resources to continue operations
- The valuation assumes that the unit has been well maintained, and in operation through its lifecycle. In the event the unit has been laid up, the valuation assumes that the unit has been fully reactivated and the layup period has not had any effect on the earning potential for the unit, unless otherwise stated

The basis for the FOS Valuation:

The "Willing Buyer – Willing Seller" principle means and "arms-length" transaction between two parties, where neither is under pressure to complete the transaction.

How we arrive at the value range:

We base our valuations upon our extensive experience in the vessel market within newbuilding, sale & purchase, and chartering. To form our opinion, we take, amongst others, the following aspects into consideration:

- Recent sales of comparable units
- Ongoing sale and purchase discussions which would potentially affect the unit
- Estimated replacement cost
- Supply and demand
- Current dayrates within the chartering market
- Expected future dayrates within the chartering market
- Age of the unit and particular technical characteristics
- Status of the vessel design
- Operational track record (to the extent this is known to us)

We will not use these reference points directly to set a value but will go through internally to form our own opinion of the value for the specific vessel.

Our quality policy requires at least two Partners to be involved in setting the appraisals.

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Norway

Telephone: +47 22 93 64 00
supply.offshore@fearnleys.no
www.fearnleyoffshoresupply.com

Fearnley Offshore Supply

VALUATION REPORT

VESSEL VALUATIONS FOR EDDA WIND

EVALUATED BY FEARNLEY OFFSHORE SUPPLY AS

Date: 3rd January 2023

Valuation of the Edda vessels per 31st December 2022

IMO	Type	Vessel Name	Built	Design	DWT	Beds	Battery	Currency	Value Low	Value High
9915923	CSOV	EDDA BREEZE	2022	SALT 0217	2 500	120	Yes	EUR	60 000 000	65 000 000
9914125	SOV	EDDA BRINT	2022	SALT 0358	1 871	60	Yes	EUR	55 000 000	60 000 000
9794367	SOV	EDDA PASSAT	2018	UT 540WP	1 900	60	No	EUR	42 000 000	46 000 000
9808778	SOV	EDDA MISTRAL	2018	UT 540WP	1 900	60	No	EUR	43 000 000	47 000 000

Oslo,

DocuSigned by:

Christian Evans

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Christian Evans

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- *Sale & Purchase* - Marketing strategy, potential buyers/sellers, and vessels available for sale, optimization of asset value, sale with leaseback
- *Advisory Services and Market Reports* - Market intelligence, yard survey, market assessments, benchmarking, forecasting, competitive assessments

---

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Email: supply@fearnleys.com.sg

APPENDIX – INTERNAL METHODOLOGY

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- We assume the unit is in good and seaworthy condition, in a valid class position and fully operational. Values on new constructions are based on a finished "ready-to-sail" unit
- For units under construction, values assume and include all relevant equipment as per the specifications are included unless otherwise stated
- The valuations are made on a "Going Concern" basis, i.e., where both the Seller and the Buyer have the resources to continue operations
- The valuation assumes that the unit has been well maintained, and in operation through its lifecycle. In the event the unit has been laid up, the valuation assumes that the unit has been fully reactivated and the layup period has not had any effect on the earning potential for the unit, unless otherwise stated

The basis for the FOS Valuation:

The "Willing Buyer – Willing Seller" principle means and "arms-length" transaction between two parties, where neither is under pressure to complete the transaction.

How we arrive at the value range:

We base our valuations upon our extensive experience in the vessel market within newbuilding, sale & purchase, and chartering. To form our opinion, we take, amongst others, the following aspects into consideration:

- Recent sales of comparable units
- Ongoing sale and purchase discussions which would potentially affect the unit
- Estimated replacement cost
- Supply and demand
- Current dayrates within the chartering market
- Expected future dayrates within the chartering market
- Age of the unit and particular technical characteristics
- Status of the vessel design
- Operational track record (to the extent this is known to us)

We will not use these reference points directly to set a value but will go through internally to form our own opinion of the value for the specific vessel.

Our quality policy requires at least two Partners to be involved in setting the appraisals.

Fearnley Offshore Supply AS

An Astrup Fearnley Company

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Telephone: +47 22 93 64 00
supply.offshore@feanrleys.no
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www.eddawind.com

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<td>Arctic Securities AS
Haakon VIIs gate 5
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<td>DNB Markets, a part of DNB Bank ASA
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</table>

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(as to Norwegian law)
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