



Odfjell Technology Quarterly Presentation

Q1 2022

Agenda

- Odfjell Technology at a glance
- Key highlights of the quarter
- Segment reporting
- Financial information
- Market outlook
- Summary

Odfjell Technology at a glance



International technology and engineering company delivering specialist services, equipment and competence across the offshore energy value chain

Our businesses

Well Services



Drilling Operations



Engineering

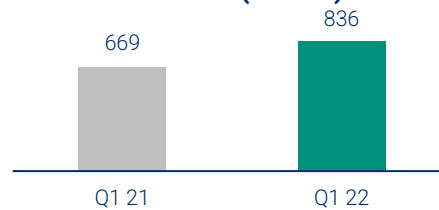


Green Ventures¹

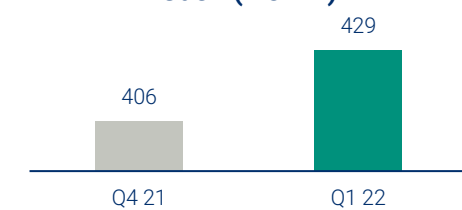


Development key financials

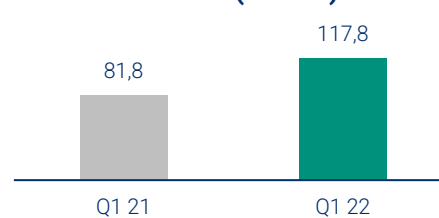
Revenue (NOKm)



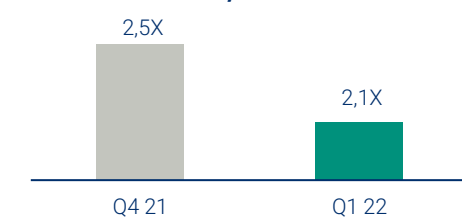
Cash (NOKm)



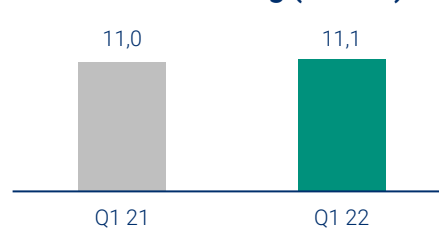
EBITDA (NOKm)



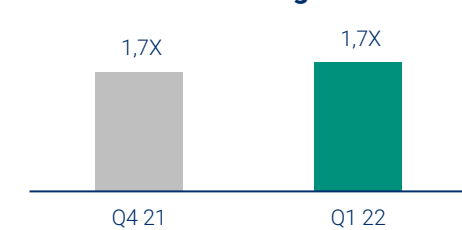
NIBD / EBITDA



Revenue backlog (NOKbn)



EBITDA backlog / NIBD



Notes: 1) Segment not yet active

Key highlights of the quarter

Key highlights of the quarter

- Financing secured, NOK 1.1 bn bond and USD 25 million super senior revolving credit facility
- Successful spin-off and listing
- Equinor exercised a 2 year option on the platform drilling contracts for Heidrun and Johan Sverdrup Drilling Platforms
- Odfjell Technology agreed with SFL to provide management services for the harsh environment jack-up drilling rig West Linus
- Increase in activity in Well Services with start-up of new large operations including Johan Sverdrup and the start-up of the Aramco contract
- Increased resource capacity in Engineering segment

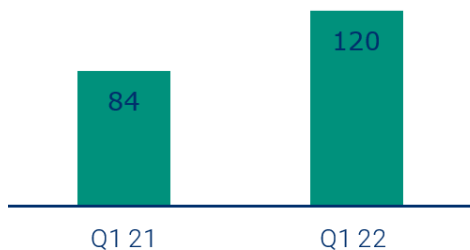
Segment reporting

Drilling Operations

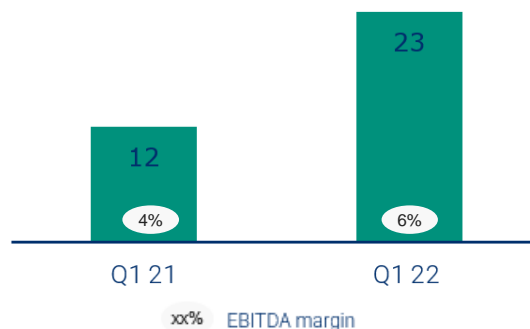


Quarterly performance (NOKm)

Revenue



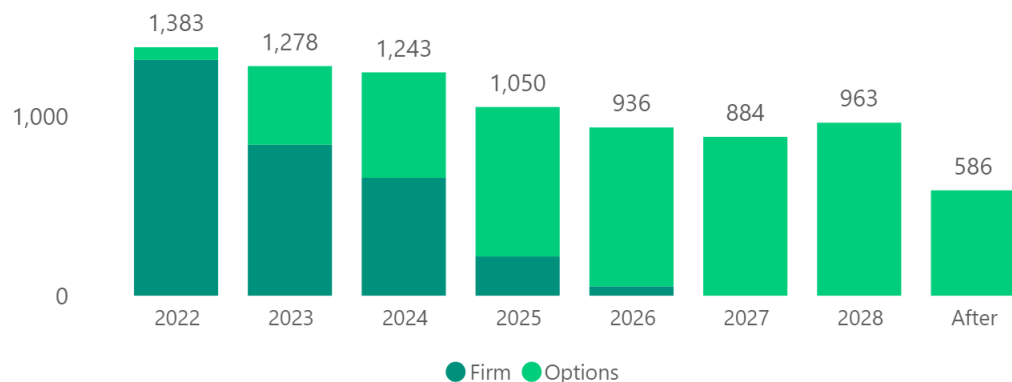
EBITDA



Highlights

- Strong order backlog
- Financial performance in accordance with expectations
- Good operational performance
- Rig management contract secured for West Linus with expected start-up in Q3/Q4
- Contract conditions in contract portfolio safeguards margins

Backlog visibility (NOKm)



Key figures

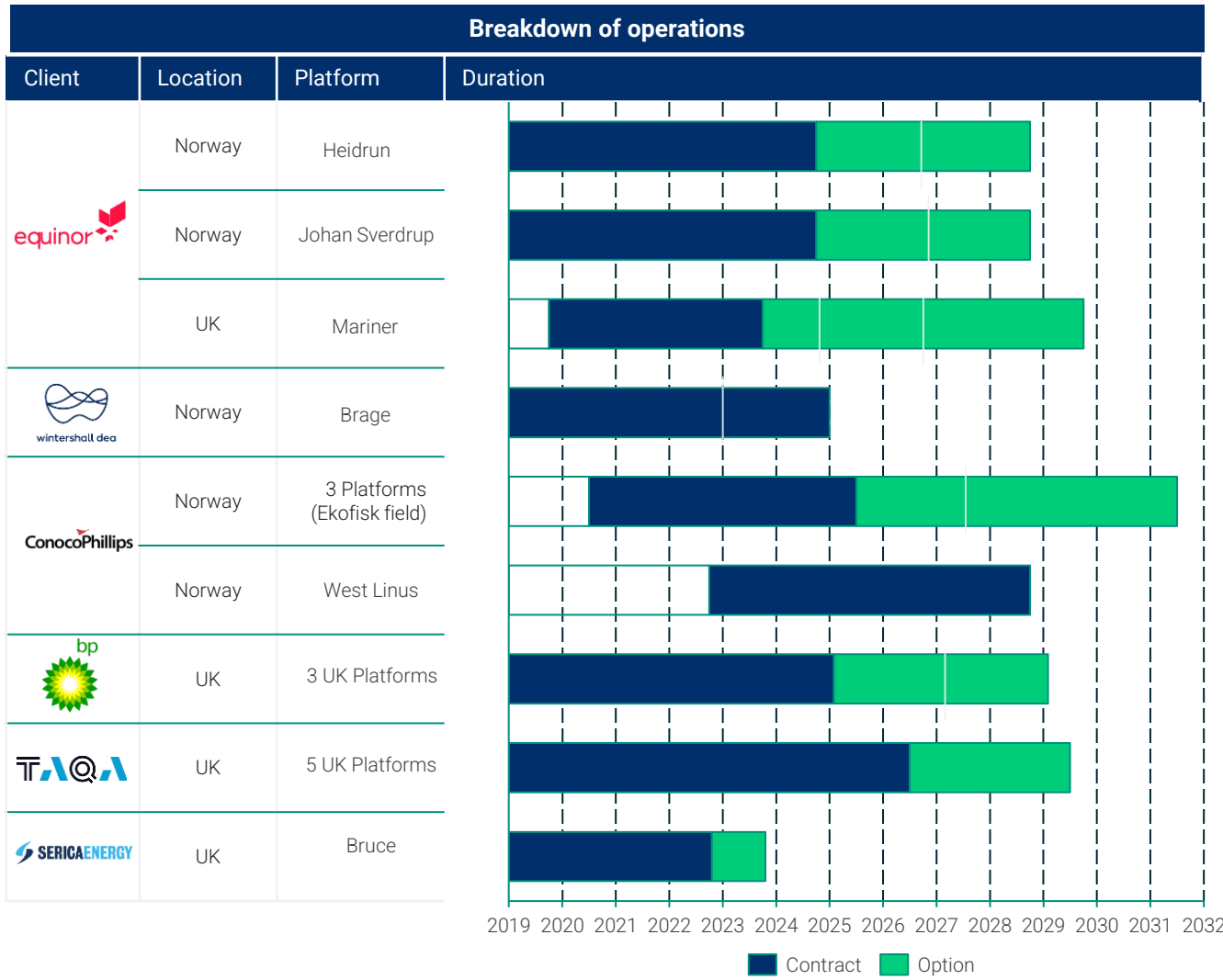
8 321
Backlog NOKm

986
Employees

16
Platforms

98,5%
Financial Utilisation

Drilling Operations Contract Overview

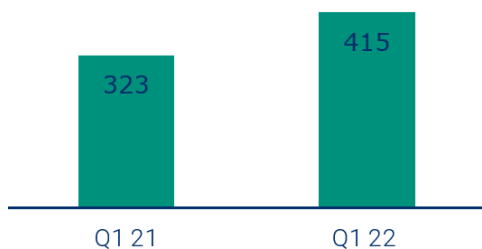


Engineering

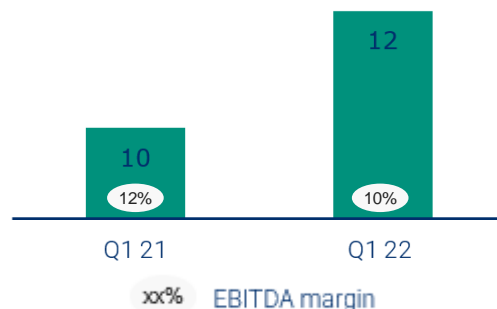


Quarterly performance (NOKm)

Revenue



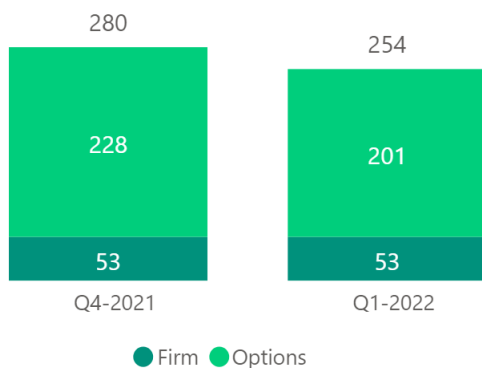
EBITDA



Highlights

- Increased activity for operators, Odfjell Oceanwind and ODL (SPS)
- High tender activity
- Financial performance in accordance with expectations
- Resource utilization affected by recruitment process to expand capacity and flexibility
- Won contract with Equinor to deliver 90k hours related to Heidrun B modifications

Backlog visibility by quarter(NOKm)



Key figures

254
Backlog NOKm

356
Resource base
45% OTL employees

85%
Utilisation (people-hours)

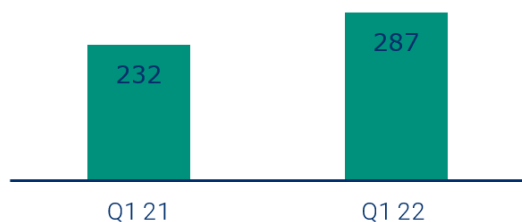
25%
Resources used on green initiatives

Well services

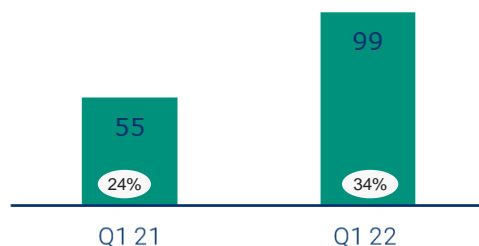


Quarterly performance (NOKm)

Revenue



EBITDA

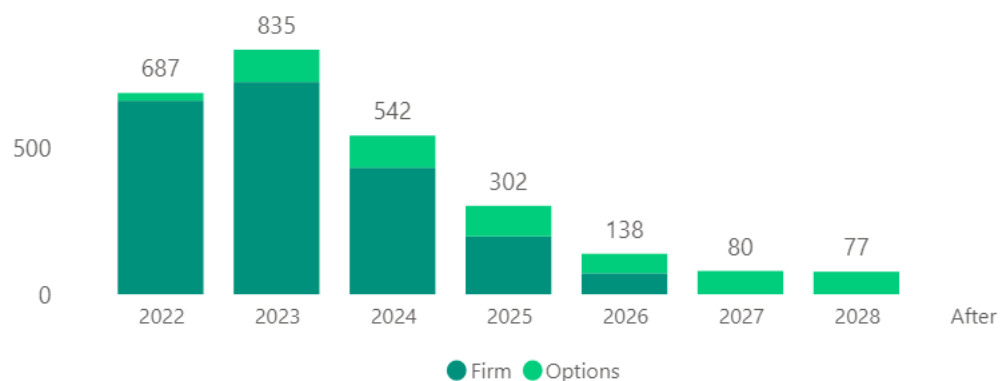


xx% EBITDA margin

Breakdown of operations

- Strong financial performance in all regions
- Wired Drill Pipe project for Equinor on Johan Sverdrup started early 2022
- Tubular running service contract secured with Aramco in Saudi Arabia
- Positive market outlook

Backlog visibility (NOKm)



Key figures

2 660
Backlog NOKm

483
Employees

3,6
Cost price
equipment pool NOKbn

70
Number of rigs served

Market outlook

Key market outlook

Well Services

- Strong oil price and operators required to increase activity is resulting in an improved demand for Well Services products and services
- Opportunities to expand through integrated solutions
- Covid-19 disruptions diminishing
- Positive outlook

Drilling Operations

- Stable and predictable market outlook
- Possibilities in new markets
- Opportunities to expand through integrated solutions

Engineering

- General increase in activity due growth in investments, modifications and maintenance
- Large volume in planned SPS (Special Period Surveys) for drilling rigs
- Energy transition creates new opportunities engineering

Financial information

Summary Financials

Condensed Consolidated income statement

P&L (NOKm)	Q1 2022	Q1 2021	FY 21
Operating revenue	836,2	668,6	2 948,2
Other gains and losses	5,0	1,9	6,0
Personnel expenses	(535,8)	(440,9)	(1 897,0)
Other operating expenses	(187,6)	(147,9)	(669,8)
EBITDA	117,8	81,8	387,4
Depreciation and amortisation	(63,0)	(64,6)	(262,8)
Operating profit (EBIT)	54,8	17,2	124,6
Share of profit (loss) from joint ventures and associates	(3,7)	-	(4,6)
Net financial items	(1,4)	(3,8)	(17,2)
Profit (loss) before tax	49,7	13,4	102,8
Income tax expense	42,8	(6,2)	9,2
Net profit (loss)	92,5	7,3	112,0

Comments

- 2021 are predecessor combined financial figures
- Q1 2022 other operating expenses include approximate NOKm 9 in on-off expenses related to split, financing and listing of Odfjell Technology
- Share of loss from joint ventures and associates relates to Odfjell Oceanwind
- Please refer to the Quarterly report for further details

Well Services

P&L (NOKm)	Q1 2022	Q1 2021	FY 21
Operating revenue	287,2	232,3	995,9
EBITDA	98,9	55,1	257,9
Depreciation and amortisation	(57,5)	(53,7)	(211,1)
Operating profit (EBIT)	41,4	1,4	46,9
EBITDA Margin	34 %	24 %	26 %

Drilling Operations

Q1 2022	Q1 2021	FY 21
414,9	323,2	1 505,7
23,1	11,6	100,9
(0,0)	(0,1)	(0,2)
23,1	11,5	100,7
6 %	4 %	7 %

Engineering

Q1 2022	Q1 2021	FY 21
120,3	83,6	358,3
12,0	10,3	20,3
(0,1)	(0,1)	(0,4)
11,9	10,2	19,8
10 %	12 %	6 %

Summary statement of financial position

Balance sheet

Assets (NOKm)	31.03.2022	31.03.2021*	31.12.2021*	Equity and liabilities	31.03.2022	31.03.2021*	31.12.2021*
Property, plant and equipment	875,4	639,9	887,4	Paid-in capital	1 093,8	-	0,1
Intangible assets	228,2	213,9	218,1	Other equity	(648,3)	2 653,7	2 962,1
Deferred tax asset	15,3	16,0	15,5	Equity attributable to owners of the parent	445,5	2 653,7	2 962,2
Non-current interest-bearing receivables Odfjell Drilling Group	-	93,1	-	Non-controlling interests	-	2,7	-
Other non-current assets	40,4	22,2	28,3	Total equity	445,5	2 656,4	2 962,2
Total non-current assets	1 159,4	985,1	1 149,3	Non-current interest-bearing borrowings	1 081,1	-	-
Current interest-bearing receivables Odfjell Drilling Group	-	1 140,4	1 308,8	Non-current lease liabilities	80,9	42,3	83,1
Trade receivables	791,4	653,9	816,4	Post-employment benefits	46,3	46,3	46,8
Other current receivables and assets	179,7	91,2	147,7	Non-current contract liabilities	51,3	38,2	49,3
Cash and cash equivalents	428,5	453,5	497,8	Total non-current liabilities	1 259,6	126,8	179,2
Total current assets	1 399,6	2 339,0	2 770,7	Current interest-bearing borrowings	220,4	-	-
Total assets	2 559,0	3 324,0	3 920,0	Current interest-bearing payables Odfjell Drilling Group	-	70,9	151,5
				Current lease liabilities	22,4	17,1	24,5
				Trade payables	233,1	141,7	215,3
				Other current liabilities	378,0	311,2	387,3
				Total current liabilities	853,9	540,9	778,7
				Total liabilities	2 113,5	667,7	957,9
				Total equity and liabilities	2 559,0	3 324,0	3 920,0

Notes: * 2021 are predecessor combined financial statements

Summary statement of cash flow

Cash flow

Cash flow (NOKm)	Q1 22	Q1 21 *	FY 21 *
Cash flows from operating activities:			
Profit/(loss) before tax	49,7	13,4	102,8
Adjustment for provisions and other non-cash elements	62,6	69,9	300,0
Changes in working capital	7,4	9,2	(11,1)
Cash generated from operations	119,6	92,5	391,6
Net interest (paid) / received	(1,0)	(1,2)	(5,4)
Net income tax paid	(9,6)	(5,3)	(17,1)
Net cash flow from operating activities	109,0	86,1	369,1
Cash flows from investing activities:			
Purchase of property, plant and equipment	(72,8)	(41,4)	(441,7)
Proceeds from sale of property, plant and equipment	7,4	2,8	8,4
Other non-current receivables	(1,0)	(0,1)	(0,4)
Cash used in obtaining control of subsidiaries	(1 293,6)	-	-
Cash payments to acquire interests in joint-ventures	(16,3)	-	-
Net cash flow from investing activities	(1 376,3)	(38,7)	(433,7)

	Q1 22	Q1 21 *	FY 21 *
Cash flows from financing activities:			
Net change group cash pool receivables and liabilities	1 057,3	289,8	302,0
Proceeds from borrowings	1 295,5	-	-
Repayment of lease liabilities	(5,5)	(4,7)	(21,2)
Proceeds from capital increases	44,7	-	-
Proceeds from transactions with non-controlling interests	-	-	(4,0)
Group contributions from Odfjell Drilling Ltd. Group	-	-	164,9
Dividends paid to Odfjell Drilling Ltd. Group	(1 196,1)	-	-
Net cash flow from financing activities	1 195,9	285,1	441,7
Effects of exchange rate changes on cash and cash equivalents	1,9	(1,5)	(1,7)
Net increase (decrease) in cash and cash equivalents	(69,4)	331,0	375,3
Cash and cash equivalents at beginning of period	497,8	122,5	122,5
Cash and cash equivalents at period end	428,5	453,5	497,8

Summary

Summary Q1 2022 and outlook

- Successful spin-off and listing
- Financial performance in line with expectations
- Good cash position
- Strong order backlog
- Positive market outlook for all segments
- Strategy process ongoing

Appendix