

Report for the 2nd quarter and 1st half year of 2022

ODFJELL TECHNOLOGY LTD.



HIGHLIGHTS

Combining 50 years of industry experience with the technology of tomorrow, we develop solutions for the changing energy market.



Well Services

- ✓ Tubular running
- ✓ Rental services
- ✓ Well intervention
- ✓ Wired drillpipe
- ✓ Casing drilling



Engineering

- ✓ Project and Engineering
- ✓ Modifications and upgrades
- ✓ Construction and installation
- ✓ Asset integrity & rig inspection
- ✓ Marine & subsea services



Operations

- ✓ Platform drilling contracts for 16 installations in Norway and the UK
- ✓ Management of MOUs and jack-ups
- ✓ Contract lead for providing integrated service solutions for P&A market
- ✓ Drilling and maintenance crews
- ✓ Equipment maintenance and recertification

Integrated supplier of offshore operations, well services technology, and engineering solutions, with over 1,900 employees operating in more than 20 countries worldwide.

KEY FINANCIALS Q2 2022

NOK 922m

Q2 revenue

1.9x

Leverage ratio (adj)

NOK 170m

EBITDA

NOK 411m

Cash and cash equivalents

NOK 11.5b

Revenue Backlog

1.6x

EBITDA backlog vs NIBD

Key figures for the Group

All figures in NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Operating revenue	922	699	1,758	1,368	2,948
EBITDA	170	77	287	159	387
EBIT	103	17	158	34	125
Net profit	7	42	100	50	112
EBITDA margin	18%	11%	16%	12%	13%
Total assets			2,836	3,609	3,920
Net interest bearing debt			926		
Equity			645		
Equity ratio			23%		

- Operating revenue of NOK 922 million compared to NOK 699 million in Q2 2021.
- EBITDA of NOK 170 million compared to NOK 77 million in Q2 2021.

- EBITDA margin of 18% compared to an EBITDA margin of 11% in Q2 2021.

- The Group's contract backlog is NOK 11.5 billion, whereof NOK 5.3 billion is firm backlog.

Segments

Well Services

- Operating revenue of NOK 330 million compared to NOK 249 million in Q2 2021.
- EBITDA of NOK 116 million compared to NOK 58 million in Q2 2021.
- EBITDA margin of 35% compared to an EBITDA margin of 23% in Q2 2021.

Drilling Operations

- Operating revenue of NOK 452 million compared to NOK 349 million in Q2 2021.
- EBITDA of NOK 45 million compared to NOK 10 million in Q2 2021.
- EBITDA margin of 10% compared to an EBITDA margin of 3% in Q2 2021.

Engineering

- Operating revenue of NOK 129 million compared to NOK 78 million in Q2 2021.
- EBITDA of NOK 13 million compared to NOK 6 million in Q2 2021.
- EBITDA margin of 10% compared to an EBITDA margin of 7% in Q2 2021.

Highlights 1st half 2022

Financing secured

On 4 February 2022 Odfjell Technology successfully priced NOK 1.1 bn in senior secured bonds through a private placement. The bonds mature in February 2026 and bear interest of 3 months Nibor plus 700 basis points.

The company also secured a new USD 25 million super senior revolving credit facility at 3 months Libor plus 375 basis points.

Re-organisation completed

As of 1 March 2022, the re-organisation of the Odfjell Drilling group was completed, and Odfjell Technology obtained control of all the companies in the Odfjell Technology Group.

Listing on the Oslo Stock Exchange

At the end of March 2022, the shares in Odfjell Technology Ltd (OTL) were distributed from Odfjell Drilling Ltd (ODL) to the shareholders of ODL. The ratio for the distribution was 6:1, i.e. 6 shares in ODL gave the holder 1 share in OTL rounded downwards to the closest whole share. The shares in OTL were admitted for trading on the Oslo Stock Exchange 29 March 2022.

Equinor extends platform drilling contracts on Johan Sverdrup and Heidrun

On 16 February 2022, Equinor exercised a 2 year option on the platform drilling contracts for Heidrun and Johan Sverdrup. The contract work includes

drilling operations, work-over campaigns, Plug & Abandonment activities and all preventative and corrective maintenance on the installations. The contract period is now firm until Q4 2024. This option is the first of three options of two years each.

Management services for West Linus

On 21 February 2022, Odfjell Technology agreed with SFL Corporation Ltd to provide management services for the harsh environment jack-up drilling rig West Linus. The agreement is based on terms and conditions customary for this type of agreement. The rig is employed on a long-term drilling contract with ConocoPhillips Scandinavia AS in the North Sea until the fourth quarter of 2028. Odfjell Technology will take over as manager of the rig as soon as regulatory approvals such as change of duty holder under the Acknowledgement

of Compliance is approved by Norwegian authorities. Odfjell Technology expects this to be in place no later than 1 October 2022.

Financial performance

We delivered a strong quarter with general uplift in activity level in all regions, combined with startup of new contracts resulting in 32% revenue growth and 121% EBITDA improvement from Q2 2021 to Q2 2022. EBITDA in 1st half 2022 improved 80% compared to 1st half of 2021.

Operational performance

Operational efficiency was high with less disruptions due to maintenance programs and diminishing COVID-19 impact. The Quarter saw the successful startup of new projects in Norway and Saudi Arabia. Operations were carried out safely with no serious incidents.

Financial review – operations

(Comparable figures for last comparable period in brackets. 2021 are predecessor combined financial figures, see Note 1 for more information)

Consolidated group financials

Profit & loss Q2 2022

Operating revenue for Q2 2022 was NOK 922 million (NOK 699 million), an increase of NOK 223 million. There is increased revenue in all the segments from Q2 2021 to Q2 2022.

EBITDA in Q2 2022 was NOK 170 million (NOK 77 million), an increase of NOK 93 million. There is an increase in all the segments, but the main contributor is Well Services. The increased EBITDA in the segments are partly offset by increased overhead costs. The EBITDA margin in Q2 2022 was 18% (11%).

Depreciation and amortisation cost in Q2 2022 was NOK 66 million (NOK 60 million), an increase of NOK 6 million compared to Q2 2021.

EBIT in Q2 2022 was NOK 103 million (NOK 17 million), an increase of NOK 86 million.

Net financial expenses in Q2 2022 amounted to NOK 80 million (net financial income NOK 2 million). The increase in net expenses of NOK 82 million was mainly explained by increased interest expenses and net currency loss in 2022 compared to currency gain in 2021.

Income tax expense was NOK 13 million in Q2 2022. In Q1 2021, the income tax expense was positive with NOK 25 million due to utilisation of unrecognised tax losses in relation to group contribution received from the Odfjell Drilling Group.

Net profit in Q2 2022 was NOK 7 million (NOK 43 million).

Profit & loss YTD 2022

Operating revenue YTD 2022 was NOK 1.758 million (NOK 1.368 million), an increase of NOK 390 million. There is increased revenue in all the segments from 2021 to 2022.

EBITDA YTD 2022 was NOK 287 million (NOK 159 million), an increase of NOK 128 million. There is an increase in all the segments, but the main contributor is Well Services. The increased EBITDA in the segments are partly offset by increased overhead costs. The EBITDA margin YTD 2022 was 16% (12%).

Depreciation and amortisation cost YTD 2022 was NOK 130 million (NOK 125 million), an increase of NOK 5 million compared to 2021.

EBIT YTD 2022 was NOK 158 million (NOK 34 million), an increase of NOK 124 million.

Net financial expenses YTD 2022 amounted to NOK 81 million (NOK 2 million). The increase in net expenses of NOK 79 million was mainly explained by interest expenses on debt issued in 2022 and increased net currency loss in 2022 compared to 2021.

YTD 2022, the income tax expense was positive with NOK 30 million (positive with NOK 19 million) mainly due to utilisation of unrecognised tax losses in relation to group contribution received from the Odfjell Drilling Group.

Net profit YTD 2022 was NOK 100 million (NOK 50 million).

Balance sheet

Total assets as at 30 June 2022 amounted to NOK 2,836 million (NOK 3,920 million as at 31 December 2021), a decrease of NOK 1,084 million mainly due to the internal re-organisation and establishment of the Odfjell Technology Group, which significantly impacted certain receivables from the Odfjell Drilling Group.

Total equity as at 30 June 2022 amounted to NOK 645 million. The equity in the

reported 2021 periods are not comparable as these are based on carve-out combined financial statements. The equity ratio was 23% as at 30 June 2022.

Net interest-bearing debt as at 30 June 2022 amounted to NOK 926 million, as the Group has issued interest-bearing borrowings in order to acquire shares in subsidiaries.

Cash flow Q2 2022

Net cash flow from operating activities in Q2 2022 was positive with NOK 67 million (NOK 59 million). The Group paid NOK 27 million (NOK 1 million) in interest, and NOK 8 million (NOK 7 million) in income taxes.

Net cash outflow from investing activities in Q2 2022 was NOK 82 million (NOK 50 million), mainly due to purchases of fixed assets.

Net cash flow from financing activities in Q2 2022 was NOK 5 million (NOK 294 million). The Q2 2022 outflow relates to repayment of lease liabilities, while the Q2 2021 outflow also included changes in the Odfjell Drilling cash pool, and proceeds from group contributions.

Cash flow YTD 2022

Net cash flow from operating activities YTD 2022 was positive with NOK 176 million (NOK 145 million). The Group paid NOK 28 million (NOK 2 million) in interest, and NOK 18 million (NOK 12 million) in income taxes.

Net cash outflow from investing activities YTD 2022 was NOK 2,478 million (NOK 89 million). In 2022, NOK 2,329 was spent on purchase of shares in subsidiaries and to acquire interests in joint-ventures. The remaining cash outflow was mainly due to purchases of fixed assets.

Net cashflow from financing activities in YTD 2022 was NOK 2,210 million (outflow of NOK 9 million). In 2022 the Group had proceeds of NOK 1,296 million from external borrowings. As part of the re-organisation of the group, there was also a cashflow of NOK 1,057 million from the Odfjell Drilling cash pool, and proceeds from capital increases of NOK 45 million,

and the Group paid dividends of NOK 177 to the Odfjell Drilling Group.

At 30 June 2022, cash and cash equivalents amounted to NOK 411 million. There has been a net negative change of NOK 87 million since 31 December 2021, mainly due to the re-organisation in 2022.

Segments

Well Services

All figures in NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Operating revenue	330	249	617	481	996
EBITDA	116	58	215	113	258
EBIT	56	8	97	10	47
EBITDA margin	35%	23%	35%	23%	26%

Q2 2022

Operating revenue for the Well Services segment in Q2 2022 was NOK 330 million (NOK 249 million), an increase of NOK 81 million. All regions have experienced increased activity as well as the commencement of new contracts, most notably in Norway and MEAA.

EBITDA for the Well Services segment in Q2 2022 was NOK 116 million (NOK 58 million). EBITDA margin for the OWS segment in Q2 2022 was 35% (23%). Increased activity, a shift towards higher margin product offerings and results from cost initiative programmes all contributed to the increase in EBITDA and margin.

EBIT for the Well Services segment in Q2 2022 was NOK 56 million (NOK 8 million).

YTD 2022

Operating revenue for the Well Services segment YTD 22 was NOK 617 million (NOK 481 million) an increase of NOK 136 million.

EBITDA for the Well Services segment YTD 2022 was NOK 215 million (NOK 113 million) an increase of NOK 102 million with corresponding EBITDA margins of

35% (23%). The drivers for the increase are as per the comments made for the overall improvements in Q2.

EBIT for the Well Services segment YTD 2022 was NOK 97 million (NOK 10 million).

Drilling Operations

All figures in NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Operating revenue	452	349	867	672	1,506
EBITDA	45	10	68	22	101
EBIT	45	10	68	22	101
EBITDA margin	10%	3%	8%	3%	7%

Q2 2022

Operating revenue for the Drilling Operations segment in Q2 2022 was NOK 452 million (NOK 349 million), an increase of NOK 103 million. This is mainly explained by increase in activity compared to Q2 2021.

EBITDA for the Drilling Operations segment in Q2 2022 was NOK 45 million (NOK 10 million), an increase of NOK 35 million. The EBITDA margin for the Drilling Operations segment in Q2 2022 was 10% (3%). The increase is mainly explained by increase in activity and higher incentive bonuses compared to the same quarter last year.

YTD 2022

Operating revenue for the Drilling Operations segment in YTD 2022 was NOK 867 million (NOK 672 million), an increase of NOK 195 million mainly due to higher activity level.

EBITDA for the Drilling Operations segment in YTD 2022 was NOK 68 million (NOK 22 million), an increase of NOK 46 million. The EBITDA margin for the Drilling Operations segment in YTD 2022 was 8% (3%). The drivers for the increase are as per the comments made for Q2 improvements.

Engineering

All figures in NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Operating revenue	129	78	249	162	358
EBITDA	13	6	25	16	20
EBIT	13	6	25	16	20
EBITDA margin	10%	7%	10%	10%	6%

Q1 2022

Operating revenue for the Engineering segment in Q2 2022 was NOK 129 million (NOK 78 million), an increase of NOK 51 million. This is mainly explained by increased sales volume within the existing client portfolio.

EBITDA for the Engineering segment in Q2 2022 was NOK 13 million (NOK 6 million), an increase of NOK 7 million. The EBITDA margin for the Engineering segment in Q2 2022 was 10% (7%). The increase is mainly explained by increased volume and utilisation compared to the same quarter last year.

YTD 2022

Operating revenue for the Engineering segment in YTD 2022 was NOK 249 million (NOK 162 million), an increase of NOK 87 million. This is mainly explained by increased sales volume within the existing client portfolio.

EBITDA for the Engineering segment YTD 2022 was NOK 25 million (NOK 16 million), an increase of NOK 9 million. The EBITDA margin for the Engineering segment in YTD 2022 was 10% (10%).

Environmental, social and governance

Odfjell Technology is in the process of establishing a new ESG strategy on a standalone basis, post-split from Odfjell Drilling. The ESG impacts from Odfjell Technology's business operations are included in Odfjell Drilling's Sustainability Report for 2021, as this describes the group as of 31 December 2021. The report can be found on: <https://www.odfjelldrilling.com/sustainability/>

Environmental Impact:

A new "zero emissions" fleet of forklift trucks at our Tananger facilities consists of 18 electric forklifts, replacing 12 diesel trucks. The workshop upgrade also includes two new ultrasonic cleaning machines that require less water input and recycle the water, thereby reducing significantly the waste water discharge generated by the chemical wash tanks. Within Drilling Operations multiple initiatives are ongoing focusing on chemical substitution, waste reduction in personal protective equipment and improvement of spill barriers.

People & Safety:

New ISO 9001 and 14001 certificates have been issued for Odfjell Technology, valid from 22nd of May 2022 until 21st of May 2025. Well Services is celebrating 3 years without a Lost Time incident, a milestone achievement underlining our "zero incident" target within health and safety. Odfjell Technology focuses on mental health and psychological wellbeing in the workplace, using the toolkits ascribed by the World Health Organisation (WHO). A global workshop and seminar series was held for managers and colleagues to create awareness around the topic and improve understanding about how to identify behaviours, offer support and mitigate a mental health crisis. The

company continued work on the integration of human rights into our working standards, with particular focus on working terms and conditions, and third-party suppliers of personnel.

Ethics & Governance:

Odfjell Technology launched an updated whistle-blowing portal, available from the company website and intranet. The company continued work on the integration of human rights into our working standards, with particular focus on working terms and conditions, and third-party suppliers of personnel. This in order to meet new requirements under the Norwegian Transparency Act, taking effect from 1 July 2022.

Outlook

The oil service market has developed positively in recent years due to a strong focus on cost discipline and more efficient operations, combined with a healthier oil price development.

The focus on alternative energy sources and the overall future mix of energy remains strong. The transition into greener energy sources is expected to impact the energy market in the coming decades, however the need for continued exploration and production of oil and gas is viewed as vital, and it has become more apparent recently.

The general situation for the global oil service industry is expected to improve as a result of under investment in the oil and gas sector over the last 8 years. The supply of oil and gas is too low to meet the expected demand. Increase in investments and activity is vital to bridge the increasing energy demand as new energy sources take time to implement.

There is an increased appetite for field development and production spending across the segments.

Odfjell Technology has been successful in adding more backlog, due to our operational track record and strong client relationships, combined with a healthy balance sheet.

Well Services operates in a competitive market, but the increase in drilling activity and field investments is expected to increase demand for our services. The COVID-19 pandemic had an adverse effect in many of the regions Well Services operate in over the two last years, but the effects are now diminishing.

The market for our Drilling Operations services has been stable over the last decade. We have established a strong presence in the North Sea with efficient operations and strong client relationships, which we expect to capitalise on further. In addition, there are opportunities to expand Drilling Operations activities to other regions.

The Engineering market is improving both in existing deliverables and in green initiatives. We are well positioned to grow in existing services and further expand our portfolio of green services.

Risks and uncertainties

In the Group's view, factors that could cause actual results to differ materially from the outlook contained in this report are the following: volatile oil and gas prices, global political changes regarding energy composition, competition within the oil and gas services industry, changes in clients'

spending budgets and developments in the financial and fiscal markets.

Additionally, any unforeseen consequences of COVID-19 and other future pandemics may impact the financial result.

The Group does not expect to be materially affected by the situation in Ukraine as it has no direct businesses in Ukraine, Russia or Belarus. Any potential spill-over effects are not expected to be adverse.

Total liquidity position continues to be monitored. The Group has, in recent years, implemented cost reduction and efficiency improvement programs, and continues its focus on capital discipline in order to improve its competitiveness in this challenging market.

Quality, health, safety & environment (QHSE)

Key figures QHSE	YTD 22	FY 21
Lost time incident frequency (as per 1 million working hours)	3.1	4.1
Total recordable incident frequency (as per 1 million working hours)	4.25	4.1
Sick leave (percentage)	4.4	5.3
Dropped objects frequency (as per 1 million working hours)	2.2	5.2
Number of employees	1,910	1,620

Aberdeen, United Kingdom

23 August 2022

Board of Directors of Odfjell Technology Ltd.

Helene Odfjell, Chair

Susanne Munch Thore, Director

Alasdair Shiach, Director

Victor Vadaneaux, Director

Condensed Consolidated Financial Statements



Condensed Consolidated Income Statement

NOK million	Note	Q2 22	Q2 21*	YTD 22	YTD 21*	FY 21*
Operating revenue	2,3,10	922.2	699.2	1,758.5	1,367.8	2,948.2
Other gains and losses		3.1	0.3	8.1	2.2	6.0
Personnel expenses		(558.7)	(460.3)	(1,094.6)	(901.1)	(1,897.0)
Other operating expenses		(196.9)	(162.4)	(384.5)	(310.3)	(669.8)
EBITDA		169.7	76.8	287.5	158.6	387.4
Depreciation and amortisation	5,6,8	(66.4)	(60.3)	(129.5)	(124.8)	(262.8)
Operating profit (EBIT)		103.2	16.6	158.0	33.8	124.6
Share of profit (loss) from joint ventures and associates		(3.5)	(1.0)	(7.2)	(1.0)	(4.6)
Net financial items	4	(79.8)	1.8	(81.2)	(1.9)	(17.2)
Profit before tax		19.9	17.4	69.6	30.8	102.8
Income tax expense		(12.6)	25.1	30.3	19.0	9.2
Net profit		7.3	42.5	99.9	49.8	112.0
Profit (loss) attributable to:						
Non-controlling interests		-	(1.8)	-	(4.5)	(4.5)
Owners of the parent		7.3	44.3	99.9	54.3	116.5
EARNINGS PER SHARE (NOK)						
Basic earnings per share	14	0.19	1.12	2.53	1.38	2.95
Diluted earnings per share	14	0.19	1.12	2.53	1.38	2.95

* 2021 are predecessor combined financial statements, see Note 1 for more information

Condensed Consolidated Statement of Comprehensive Income

NOK million	Q2 22	Q2 21*	YTD 22	YTD 21*	FY 21*
NET PROFIT	7.3	42.5	99.9	49.8	112.0
Items that will not be reclassified to profit or loss:					
Actuarial gain (loss) on post employment benefit obligations	-	-	-	-	(2.8)
Items that are or may be reclassified to profit or loss:					
Cash flow hedges	4.8	-	11.4	-	-
Currency translation differences	180.3	4.5	160.1	10.5	82.1
OTHER COMPREHENSIVE INCOME, NET OF TAXES	185.1	4.5	171.6	10.5	79.3
Total comprehensive income	192.4	47.0	271.5	60.3	191.2
Total comprehensive income attributable to:					
Non-controlling interests	-	(1.8)	-	(4.5)	(4.5)
Owners of the parent	192.4	48.8	271.5	64.8	195.7

* 2021 are predecessor combined financial statements, see Note 1 for more information

Condensed Consolidated Statement of Financial Position

NOK million	Note	30.06.2022	30.06.2021*	31.12.2021*	01.01.2021*
ASSETS					
Property, plant and equipment	5	1,065.2	627.0	887.4	662.0
Intangible assets	6	236.0	208.7	218.1	215.5
Deferred tax asset		15.2	15.7	15.5	16.1
Non-current interest-bearing receivables Odfjell Drilling Group	10	-	94.5	-	91.7
Other non-current assets	9	66.1	28.1	28.3	22.1
Total non-current assets		1,382.4	973.9	1,149.3	1,007.4
Current interest-bearing receivables Odfjell Drilling Group	10	-	1,659.3	1,308.8	1,413.7
Trade receivables	10	912.0	704.7	816.4	650.8
Other current receivables and assets	10	129.8	103.3	147.7	95.3
Cash and cash equivalents		411.3	167.8	497.8	122.5
Total current assets		1,453.1	2,635.1	2,770.7	2,282.3
TOTAL ASSETS		2,835.5	3,609.0	3,920.0	3,289.6

NOK million	Note	30.06.2022	30.06.2021*	31.12.2021*	01.01.2021*
EQUITY AND LIABILITIES					
Paid-in capital	13	1,093.8	-	0.1	-
Other equity		(449.3)	2,831.1	2,962.1	2,637.7
Equity attributable to owners of the parent		644.5	2,831.1	2,962.2	2,637.7
Non-controlling interests		-	-	-	5.4
Total equity		644.5	2,831.1	2,962.2	2,643.1
Non-current interest-bearing borrowings	7	1,082.1	-	-	-
Non-current lease liabilities	8	77.7	36.3	83.1	37.1
Post-employment benefits		47.3	47.9	46.8	49.7
Non-current contract liabilities		56.1	44.4	49.3	31.5
Total non-current liabilities		1,263.3	128.6	179.2	118.3
Current interest-bearing borrowings	7	254.8	-	-	-
Current interest-bearing payables Odfjell Drilling Group	10	-	135.4	151.5	54.4
Current lease liabilities	8	24.0	19.7	24.5	19.3
Trade payables	10	262.7	177.1	215.3	137.3
Other current liabilities	10	386.3	317.1	387.3	317.2
Total current liabilities		927.7	649.3	778.7	528.2
Total liabilities		2,191.0	777.9	957.9	646.5
TOTAL EQUITY AND LIABILITIES		2,835.5	3,609.0	3,920.0	3,289.6

* 2021 are predecessor combined financial statements, see Note 1 for more information

Condensed Consolidated Statement of Changes in Equity

<i>NOK million</i>	Paid-in capital	Other equity	Attributable to owners of the parent	Non-controlling interests	Total equity
Balance at 1 January 2021	-	2,637.7	2,637.7	5.4	2,643.1
Profit/(loss) for the period	-	10.0	10.0	(2.7)	7.3
Other comprehensive income for the period	-	6.0	6.0	-	6.0
Total comprehensive income for the period	-	16.0	16.0	(2.7)	13.3
Equity contribution from other companies in Odfjell Drilling Ltd. Group	-	128.6	128.6	-	128.6
Loss of control of a subsidiary	-	-	-	(0.9)	(0.9)
Transactions with owners	-	128.6	128.6	(0.9)	127.7
Balance at 30 June 2021	-	2,831.1	2,831.1	-	2,831.1
Total comprehensive income for the period Q3-Q4	-	131.0	131.0	-	131.0
Transactions with owners for the period Q3-Q4	0.1	-	0.1	-	0.1
Balance at 31 December 2021	0.1	2,962.1	2,962.2	-	2,962.2
Profit for the period	-	99.9	99.9	-	99.9
Other comprehensive income for the period	-	171.6	171.6	-	171.6
Total comprehensive income for the period	-	271.5	271.5	-	271.5
Equity contribution from Odfjell Drilling Ltd.	1,093.7	(1,049.1)	44.6	-	44.6
Dividends distributed to Odfjell Drilling Ltd. Group	-	(321.1)	(321.1)	-	(321.1)
Continuity difference **	-	(2,312.6)	(2,312.6)	-	(2,312.6)
Transactions with owners	1,093.7	(3,682.8)	(2,589.1)	-	(2,589.1)
Balance at 30 June 2022	1,093.8	(449.3)	644.5	-	644.5

* Odfjell Technology Ltd was incorporated on 14 December 2021 with a share capital of USD 10,000. The table shows equity at the beginning of the period from predecessor combined financial statements, see Note 1 for more information.

** The continuity difference represents the purchase price in the acquisition of shares in subsidiaries, as the subsidiaries' book equity is already included in the predecessor combined equity for the comparing periods presented in these financial statements.

Condensed Consolidated Statement of Cash Flows

NOK million	Note	Q2 22	Q2 21*	YTD 22	YTD 21*	FY 21*
CASH FLOWS FROM OPERATING ACTIVITIES:						
Profit before tax		19.9	17.4	69.6	30.8	102.8
Adjustment for provisions and other non-cash elements		146.8	77.5	209.3	147.3	300.0
Changes in working capital		(64.6)	(28.5)	(57.4)	(19.3)	(11.1)
Cash generated from operations		102.1	66.3	221.5	158.9	391.6
Net interest (paid) / received		(26.8)	(1.1)	(27.8)	(2.3)	(5.4)
Net income tax paid		(8.4)	(6.7)	(18.0)	(11.9)	(17.1)
Net cash flow from operating activities		66.9	58.5	175.7	144.6	369.1
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchase of property, plant and equipment	5,6	(84.8)	(48.6)	(157.7)	(90.0)	(441.7)
Proceeds from sale of property, plant and equipment		3.2	2.7	10.6	5.5	8.4
Other non-current receivables		(0.6)	0.0	(1.6)	(0.1)	(0.4)
Cash used in obtaining control of subsidiaries		-	-	(2,312.6)	-	-
Cash flows from losing control of subsidiaries		-	(4.0)	-	(4.0)	(4.0)
Cash payments to acquire interests in joint-ventures		-	-	(16.3)	-	-
Net cash flow from investing activities		(82.2)	(49.9)	(2,477.5)	(88.6)	(437.7)
CASH FLOWS FROM FINANCING ACTIVITIES:						
Net change group cash pool receivables and liabilities	10	-	(454.4)	1,057.3	(164.6)	302.0
Proceeds from borrowings	7	-	-	1,295.5	-	-
Repayment of lease liabilities	8	(5.4)	(4.8)	(10.9)	(9.5)	(21.2)
Proceeds from capital increases		-	-	44.7	-	-
Group contributions from Odfjell Drilling Ltd. Group		-	164.9	-	164.9	164.9
Dividends paid to Odfjell Drilling Ltd. Group		-	-	(176.9)	-	-
Net cash flow from financing activities		(5.4)	(294.3)	2,209.7	(9.2)	445.7
Effects of exchange rate changes on cash and cash equivalents		3.5	0.0	5.5	(1.5)	(1.7)
Net increase (decrease) in cash and cash equivalents		(17.2)	(285.7)	(86.5)	45.3	375.3
Cash and cash equivalents at beginning of period		428.5	453.5	497.8	122.5	122.5
Cash and cash equivalents at period end		411.3	167.8	411.3	167.8	497.8

* 2021 are predecessor combined financial statements, see Note 1 for more information

NOTE 1 Accounting Principles

General information

Odfjell Technology Ltd. ('the Company') and its subsidiaries (together 'the Group') provide well services, drilling operations and engineering services.

Odfjell Technology Ltd., is incorporated in Bermuda with registered address at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda and is tax resident in the United Kingdom with its head office at Bergen House, Crawpeel Road, Altens, Aberdeen, AB12 3LG.

These condensed interim financial statements were approved by the Board of Directors on 23 August 2022 and have not been audited.

Basis for preparation

First-time consolidated financial statements

The Group's interim financial statement for the six months ending 30 June 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting' with the following exceptions: The perimeter of the accounts does not conform with the control notion in IFRS 10 Consolidated Financial Statements because Odfjell Technology Ltd., was not the parent company for all the periods covered by the interim financial statements. The first-time consolidated interim financial statements have been prepared in accordance with IFRS 1, First-time

Adoption of International Financial Reporting Standards.

The legal formation of Odfjell Technology Ltd Group was completed on 1 March 2022. The entire transaction is accounted for as a common control transaction outside the scope of IFRS 3 as Odfjell Drilling Ltd was sole shareholder of the company at the time of the transactions, and book values of assets and liabilities are continued in the consolidated accounts of Odfjell Technology.

Special purpose predecessor combined financial statements were prepared for the Odfjell Technology group in line with International Financial Reporting Standards as adopted by the European Union (IFRS (EU)) for the years ended 31 December 2020, 2019 and 2018.

Until the formation of the Group, the accounting policies, principles of carve-out, combination and allocations as described in the predecessor combined financial statements were applied.

The accounting principles used in this interim financial statements are consistent with those used in the predecessor combined financial statements.

These condensed consolidated interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this

report is to be read in conjunction with the 2020 predecessor combined financial statements, available on www.odfjelltechnology.com/investor/prospectus/

Presentation currency

The predecessor combined financial statements were prepared using USD as presentation currency, as these were carve-out financial statements based on the predecessor values of Odfjell Drilling Ltd.

The functional currency of the group's underlying business is mainly NOK. The board therefore believes that NOK financial reporting provides more relevant presentation of the group's financial position, funding and treasury function, financial performance and its cash flows. Odfjell Technology Ltd Group will therefore present its first-time consolidated financial statements in NOK.

The functional currencies of the group's subsidiaries (functional currencies referring to the currencies of the primary economic environments in which underlying businesses operate) remain unchanged and foreign exchange exposures will therefore be unaffected by the change, albeit that the effects of such exposures will be presented in NOK.

Opening balances and comparable figures

Opening balances as at 1 January 2021 have been restated to NOK based on the predecessor combined financial statement closing balance in USD as at 31 December 2020 using a NOK to USD exchange rate of 8.5326.

The comparative information in these financial statements prior to the legal formation of the group derive from the carve-out combined financial statements up to and including 31 December 2021.

Going concern

Factors that, in the Group's view, could cause actual results to differ materially from the outlook contained in this report are the following: volatile oil and gas prices, global political changes regarding energy composition, competition within the oil and gas services industry, changes in clients' spending budgets and developments in the financial and fiscal markets.

Additionally, any unforeseen consequences of COVID-19 and other future pandemics may impact the financial result.

The Group does not expect to be materially affected by the situation in Ukraine as it has no direct businesses in Ukraine, Russia or Belarus. Any potential spill-over effects are not expected to be adverse.

Taking all relevant risk factors into consideration, the Board has a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future. Hence, the Group has adopted the going concern basis in preparing its consolidated financial statements.

Use of estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. 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 other factors which are outside the Group's control. The resulting estimates will, by definition, seldom equal the related actual results.

In preparing these interim financial statements, the significant judgements made by management in applying the

Group's accounting policies and the key sources of estimation were the same as those that applied to the predecessor combined financial statements for the year ended 31 December 2020.

There will always be uncertainty related to judgement and assumptions related to accounting estimates. Reference is made to contingencies in Note 12.

NOTE 2 Segment summary

The Board is the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the Board for the purposes of allocating resources and assessing performance. Well Services, Drilling Operations and Engineering have been determined as the operating segments.

Well Services

The Well Services segment provides casing and tubular running services (both automated and conventional), drilling tool and tubular rental services, specialist well intervention products and services for exploration wells and for production purposes.

Drilling Operations

The main service offering of the Drilling Operations segment is production drilling and well completion on client's rigs. Other types of services offered are slot recovery, plug and abandonment, work-overs and maintenance activities. In this segment, the Group offers platform drilling services on both fixed production platforms and on floating production platforms with subsea blowout preventers ("BOP") along with the management of and performance of the same services on leased Jack-up rigs.

Engineering

The Engineering business area offers engineering and integrity services, ranging from design and engineering to building supervision, project management and operational support for units in operation, newbuild projects, SPS/RS recertification projects and yard stays.

	Well Services		Drilling Operations		Engineering		Corporate / GBS		Eliminations		Consolidated	
<i>NOK million</i>	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21
External segment revenue	284.5	215.9	474.4	364.9	118.9	76.8	44.4	41.6	-	-	922.2	699.2
Inter segment revenue	45.8	33.3	(22.8)	(15.8)	10.1	1.5	41.8	38.9	(75.0)	(57.8)	-	-
Total revenue	330.3	249.1	451.6	349.1	129.1	78.3	86.2	80.5	(75.0)	(57.8)	922.2	699.2
EBITDA	116.4	57.9	44.6	10.1	13.2	5.7	(4.5)	3.1	-	-	169.7	76.8
Depreciation and impairment	(60.8)	(49.5)	(0.0)	(0.1)	(0.1)	(0.1)	(5.5)	(10.6)	-	-	(66.4)	(60.3)
EBIT	55.6	8.5	44.5	10.0	13.1	5.6	(10.0)	(7.5)	-	-	103.2	16.6
Share of profit (loss) from joint ventures and associates											(3.5)	(1.0)
Net financial items											(79.8)	1.8
PROFIT / (LOSS) BEFORE TAX - CONSOLIDATED GROUP											19.9	17.4

Corporate / GBS covers overhead costs in the group as well as global business services (GBS). The GBS services are provided to segments within the group as well as to the Odfjell Drilling Group. The Group will continue to provide global business services to the Odfjell Drilling Group going forward.

	Well Services		Drilling Operations		Engineering		Corporate / GBS		Eliminations		Consolidated	
<i>NOK million</i>	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21
External segment revenue	520.8	422.7	915.1	704.1	235.3	158.1	87.3	83.0	-	-	1,758.5	1,367.8
Inter segment revenue	96.7	58.7	(48.5)	(31.9)	14.2	3.8	81.4	77.1	(143.8)	(107.8)	-	-
Total revenue	617.5	481.4	866.6	672.2	249.4	161.9	168.7	160.0	(143.8)	(107.8)	1,758.5	1,367.8
EBITDA	215.3	113.1	67.7	21.6	25.3	16.1	(20.7)	7.8	-	-	287.5	158.6
Depreciation and impairment	(118.3)	(103.2)	(0.1)	(0.1)	(0.2)	(0.2)	(10.9)	(21.3)	-	-	(129.5)	(124.8)
EBIT	97.0	9.8	67.6	21.5	25.0	15.8	(31.6)	(13.4)	-	-	158.0	33.8
Share of profit (loss) from joint ventures and associates											(7.2)	(1.0)
Net financial items											(81.2)	(1.9)
Profit / (loss) before tax - Consolidated Group											69.6	30.8

	Well Services	Drilling Operations	Engineering	Corporate / GBS	Eliminations	Consolidated
NOK million	FY 21	FY 21	FY 21	FY 21	FY 21	FY 21
External segment revenue	849.0	1,576.4	350.0	172.8	-	2,948.2
Inter segment revenue	146.9	(70.7)	8.3	156.4	(240.9)	-
Total revenue	995.9	1,505.7	358.3	329.2	(240.9)	2,948.2
EBITDA	257.9	100.9	20.3	8.3	-	387.4
Depreciation and impairment	(211.1)	(0.2)	(0.4)	(51.0)	-	(262.8)
EBIT	46.9	100.7	19.8	(42.7)	-	124.6
Share of profit (loss) from joint ventures and associates						(4.6)
Net financial items						(17.2)
PROFIT / (LOSS) BEFORE TAX - CONSOLIDATED GROUP						102.8

NOTE 3 Revenue

NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Revenue from contracts with customers	844.9	621.7	1,591.2	1,226.5	2,746.1
Lease component in Well Services contracts	77.2	77.3	167.0	140.9	201.4
Other operating revenue	0.1	0.2	0.2	0.5	0.8
Operating revenue	922.2	699.2	1,758.5	1,367.8	2,948.2

Disaggregation of revenue - Primary geographical markets

	Well Services		Drilling Operations		Engineering		Corporate / GBS		Eliminations		Consolidated	
NOK million	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21	Q2 22	Q2 21
Norway	187.5	136.8	276.0	234.3	115.6	70.7	74.0	69.1	(50.8)	(40.5)	602.2	470.4
UK	29.1	17.2	175.7	114.8	13.4	7.7	10.7	11.1	(23.2)	(16.3)	205.7	134.4
Europe - other countries	39.4	28.7	-	-	-	-	-	-	-	-	39.4	28.7
Asia	69.4	64.8	-	-	-	-	1.6	0.3	(1.0)	(1.0)	70.0	64.1
Other geographical markets	4.9	1.6	-	-	-	-	-	-	-	-	4.9	1.6
Total operating revenue	330.3	249.1	451.6	349.1	129.1	78.3	86.2	80.5	(75.0)	(57.8)	922.2	699.2

Disaggregation of revenue – Primary geographical markets

	Well Services		Drilling Operations		Engineering		Corporate / GBS		Eliminations		Consolidated	
NOK million	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21	YTD 22	YTD 21
Norway	351.6	273.8	524.0	450.7	224.1	148.4	144.3	135.3	(94.7)	(77.4)	1,149.2	930.8
UK	55.1	35.8	342.6	221.5	25.3	13.5	21.5	22.2	(47.4)	(28.8)	397.1	264.2
Europe - other countries	76.0	56.8	-	-	-	-	-	-	-	-	76.0	56.8
Asia	128.9	112.7	-	-	-	-	3.0	2.5	(1.7)	(1.6)	130.2	113.6
Other geographical markets	5.9	2.4	-	-	-	-	-	-	-	-	5.9	2.4
Total operating revenue	617.5	481.4	866.6	672.2	249.4	161.9	168.7	160.0	(143.8)	(107.8)	1,758.5	1,367.8

	Well Services	Drilling Operations	Engineering	Corporate / GBS	Eliminations	Consolidated
NOK million	FY 21	FY 21	FY 21	FY 21	FY 21	FY 21
Norway	554.2	969.1	323.8	279.2	(159.0)	1,967.3
UK	87.7	536.5	34.5	44.8	(78.1)	625.4
Europe - other countries	110.7	-	-	-	-	110.7
Asia	237.4	-	-	5.3	(3.8)	238.9
Other geographical markets	5.9	-	-	-	-	5.9
Total operating revenue	995.9	1,505.7	358.3	329.2	(240.9)	2,948.2

NOTE 4 Net financial items

NOK million	Note	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Interest income	10	0.4	1.3	1.4	2.5	5.0
Interest expense lease liabilities	8	(1.7)	(0.9)	(3.4)	(2.0)	(5.1)
Other interest expenses		(26.4)	(0.2)	(36.3)	(0.4)	(0.9)
Other borrowing expenses		(1.3)	-	(1.8)	-	-
Net currency gain/(loss)		(50.2)	1.9	(40.1)	(1.6)	(16.6)
Other financial items		(0.6)	(0.2)	(1.1)	(0.5)	0.5
Net financial items		(79.8)	1.8	(81.2)	(1.9)	(17.2)

NOTE 5 Property, plant and equipment

NOK million	Well Services equipment	Other fixed assets	Right-of-use assets	Total fixed assets
Opening net book amount as at 1 January 2022	756.6	26.6	104.2	887.4
Additions	188.1	8.2	3.9	200.2
Disposals	(2.6)	-	-	(2.6)
Depreciation	(108.1)	(4.6)	(11.4)	(124.0)
Currency translation differences	101.6	1.0	1.5	104.1
Net book amount as at 30 June 2022	935.8	31.3	98.1	1,065.2
Useful lifetime	3 - 10 years	3 - 5 years	2-10 years	
Depreciation schedule	Straight line	Straight line	Straight line	

NOK million	Well Services equipment	Other fixed assets	Right-of-use assets	Total fixed assets
Opening net book amount as at 1 January 2021	586.4	22.0	53.6	662.0
Additions	57.8	8.2	9.1	75.0
Disposals	(3.3)	-	-	(3.3)
Depreciation	(93.5)	(4.9)	(9.7)	(108.0)
Currency translation differences	1.5	(0.2)	0.1	1.4
Net book amount as at 30 June 2021	548.8	25.1	53.1	627.0
Useful lifetime	3 - 10 years	3 - 5 years	2-10 years	
Depreciation schedule	Straight line	Straight line	Straight line	

All Right-of-use assets are related to properties.

Impairment of property, plant and equipment

Assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the recoverable amount. The Group has not identified any impairment indicators, nor any indicators for reversal of impairment as at 30 June 2022.

NOTE 6 Intangible assets

NOK million	Goodwill	Software and other intangible assets	Total intangible assets
Opening net book amount as at 1 January 2022	132.8	85.3	218.1
Additions	-	20.9	20.9
Amortisation	-	(5.5)	(5.5)
Currency translation differences	-	2.4	2.4
Closing net book amount as at 30 June 2022	132.8	103.2	236.0

Impairment test for goodwill

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The Group has not identified any impairment indicators as at 30 June 2022.

NOK million	Goodwill	Software and other intangible assets	Total intangible assets
Opening net book amount as at 1 January 2021	139.3	76.3	215.5
Additions	-	16.4	16.4
Disposal due to loss of control of subsidiary *	(6.5)	-	(6.5)
Amortisation	-	(16.8)	(16.8)
Currency translation differences	-	0.0	0.0
Closing net book amount as at 30 June 2021	132.8	75.9	208.7

* Disposal due to loss of control of subsidiary relates to investment in Odfjell Oceanwind AS.

NOTE 7 Interest-bearing borrowings

NOK million	30.06.2022	30.06.2021	31.12.2021
Non-current	1,082.1	-	-
Current	254.8	-	-
Total	1,336.9	-	-

Movement in interest-bearing borrowings are analysed as follows:

NOK million	Non-current	Current	Total
Carrying amount as at 1 January 2022	-	-	-
CASH FLOWS:			
New borrowings	1,100.0	219.7	1,319.7
Paid transaction costs related to new borrowings	(19.2)	(5.0)	(24.2)
NON-CASH FLOWS:			
Change in transaction cost, unamortised	1.4	0.4	1.8
Change in accrued interest cost	-	10.9	10.9
Currency translation differences	-	28.6	28.6
Carrying amount as at 30 June 2022	1,082.1	254.8	1,336.9

Repayment schedule for interest-bearing borrowings

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining payments due at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual cash flows. The revolving credit facility is available also after the contractual maturity date.

NOK million	30.06.2022	30.06.2021	31.12.2021
Maturity within 3 months	-	-	-
Maturity between 3 and 6 months	-	-	-
Maturity between 6 and 9 months	-	-	-
Maturity between 9 months and 1 year	248.4	-	-
Maturity between 1 and 2 years	-	-	-
Maturity between 2 and 3 years	-	-	-
Maturity between 3 and 4 years	1,100.0	-	-
Maturity between 4 and 5 years	-	-	-
Maturity beyond 5 years	-	-	-
Total contractual amounts	1,348.4	-	-

Bond loan

On 4 February 2022 Odfjell Technology successfully priced NOK 1.1 bn in senior secured bonds through a private placement. The bonds mature in February 2026 and bear interest of 3 months Nibor plus 700 basis points.

Revolving credit facility

The company also secured a new USD 25 million super senior revolving credit facility at 3 months Libor plus 375 basis points. The credit facility is available until 28 February 2026.

Available drawing facilities

The group has no available undrawn facilities as per 30 June 2022.

Covenants

The Group is compliant with all financial covenants as at 30 June 2022.

NOTE 8 Leases

The Right-of-use assets are all related to property, and are included in the line item "Property, plant and equipment" in the balance sheet, refer to Note 5.

Lease liabilities:

NOK million	30.06.2022	30.06.2021	31.12.2021	01.01.2021
Non-current	77.7	36.3	83.1	37.1
Current	24.0	19.7	24.5	19.3
Total	101.7	56.1	107.6	56.4

Movements in the lease liabilities are analysed as follows for 2022:

NOK million	Non-current	Current	Total
Carrying amount as at 1 January 2022	83.1	24.5	107.6
CASH FLOWS:			
Payments for the principal portion of the lease liability	-	(10.9)	(10.9)
Payments for the interest portion of the lease liability	-	(3.8)	(3.8)
NON-CASH FLOWS:			
New lease liabilities recognised in the year	3.9	-	3.9
Interest expense on lease liabilities	3.4	-	3.4
Reclassified to current portion of lease liabilities	(13.7)	13.7	-
Currency exchange differences	1.0	0.6	1.6
Carrying amount as at 30 June 2022	77.7	24.0	101.7

Movements in the lease liabilities are analysed as follows for 2021:

NOK million	Non-current	Current	Total
Carrying amount as at 1 January 2021	37.1	19.3	56.4
CASH FLOWS:			
Payments for the principal portion of the lease liability	-	(9.5)	(9.5)
Payments for the interest portion of the lease liability	-	(1.9)	(1.9)
NON-CASH FLOWS:			
New lease liabilities recognised in the year	9.1	-	9.1
Interest expense on lease liabilities	2.0	-	2.0
Reclassified to current portion of lease liabilities	(11.9)	11.9	-
Currency exchange differences	0.1	(0.0)	0.1
Carrying amount as at 30 June 2021	36.3	19.7	56.1

NOTE 9 Financial risk management and Financial instruments

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's refinancing risk is low, with a bond loan maturing in February 2026 and a rolling credit facility of USD 25 available until the same quarter.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; consequently they should be read in conjunction with the Group's audited 2020 predecessor combined financial statements.

The COVID-19 pandemic has had a significant impact on our business in the last couple of years in terms of us having to adapt and adjust our ways of working. The pandemic necessitated a renewed focus on people and safety. The Group acted quickly to implement required routines to limit the spread of the virus.

The Well Services business was in 2020-21 significantly impacted by the COVID-19 pandemic, predominately due to the geographical reach of the business and

the need for international movement and cross border activity, while the negative financial impact in Drilling Operations and Engineering has been limited. The main impact in the Well Services business was a reduction in operating revenues due to customers postponing contract commencements. Strict cost control and cost reducing measures secured acceptable margin levels. The Group will continue to monitor the situation and take actions as required and recommended by local authorities. Any unforeseen consequences of COVID-19 and other future pandemics may impact the financial result.

The Group does not expect to be materially affected by the situation in Ukraine as it has no direct businesses in Ukraine, Russia or Belarus. Any potential spill-over effects are not expected to be adverse.

Calculation of the Group's sensitivity to interest rate fluctuations showed that the effect of an increase in interest rates by one percentage point (e.g. from 4.0% to 5.0%) is approximately NOK 9 million for the next 12 months including interest rate swaps. The group entered into hedging interest swap contracts in March 2022 totalling NOK 385 million or about 30% of total debt.

Liquidity risk

Operating in more than 20 jurisdictions, Odfjell Technology do from time to time receive enquiries from authorities about compliance related matters. Refer to Note 12 regarding notice of a decision received from HM Revenue and Customs. The Group has as at 30 June 2022 not received any other formal material assessment which is not disclosed in The Predecessor Combined Financial Statements.

As reported in The Predecessor Combined Financial Statements, Note 10, there are ongoing tax enquiries in Odfjell Offshore Ltd, a company included in the these financial statements. Odfjell Technology has on 1 March 2022 been issued a letter of indemnity from Odfjell Drilling Ltd to hold the Company indemnified in respect of any liability that may occur in relation to the ongoing Odfjell Offshore Ltd tax enquiries. This includes financing of any (pre-)payments to the Norwegian Tax Authorities, and funds for any legal proceedings.

Refer to Note 7 in these interim financial statements regarding outflows for financial liabilities.

Credit risk

Compared to disclosure in 2020 predecessor combined financial statements, there was no material change in credit risk for the Group.

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3). For short term assets and liabilities at level 3, the value is approximately equal to the carrying amount.

Set out below, is an overview of financial assets and liabilities held by the Group:

NOK million	Level	30.06.2022	30.06.2021	31.12.2021	01.01.2021
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS					
Derivatives designated as hedging instruments					
- Interest rate swaps - Other non-current assets	2	11.4	-	-	
OTHER FINANCIAL ASSETS					
Non-current interest-bearing receivables Odfjell Drilling Group		-	94.5	-	91.7
Current interest-bearing receivables Odfjell Drilling Group		-	1,659.3	1,308.8	1,413.7
Other non-current receivables		27.1	22.2	24.0	22.1
Trade and other current receivables		937.5	713.6	859.3	668.1
Cash and cash equivalents		411.3	167.8	497.8	122.5
Total financial assets		1,387.3	2,657.4	2,689.9	2,318.0

NOK million	Level	30.06.2022	30.06.2021	31.12.2021	01.01.2021
OTHER FINANCIAL LIABILITIES					
Non-current interest-bearing borrowings		1,082.1	-	-	-
Non-current lease liabilities		77.7	36.3	83.1	37.1
Current interest-bearing borrowings		254.8	-	-	-
Current interest-bearing payables Odfjell Drilling Group		-	135.4	151.5	54.4
Current lease liabilities		24.0	19.7	24.5	19.3
Trade and other payables		502.4	378.9	491.8	364.6
Total financial liabilities		1,941.0	570.4	750.9	475.4

The fair value of the other financial assets and liabilities approximate their carrying amount.

NOTE 10 Related parties

The Group had the following material transactions with related parties:

NOK million	Relation	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Odfjell Oceanwind AS	Joint-venture	10.9	0.1	18.6	0.1	9.4
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	203.1	122.0	392.7	238.6	533.9
Total sales of services to related parties		214.0	122.1	411.3	238.7	543.3

Sales of services include casing and rental services, engineering services, personnel hire, administration services and business support.

NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Well Services	96.6	38.8	168.0	65.8	162.5
Drilling operations	0.0	0.1	0.0	0.5	0.8
Engineering	74.7	41.8	158.5	89.9	205.1
Corporate / GBS	42.7	41.5	84.7	82.5	174.9
Total operating revenue to related parties	214.0	122.1	411.3	238.7	543.3

NOK million	Relation	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	10.8	21.5	27.5	39.8	79.4
Total operating expenses to related parties		10.8	21.5	27.5	39.8	79.4

NOK million	Relation	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Odfjell Drilling Ltd.	Related to main shareholder	-	1.2	0.8	2.5	5.1
Total interest income from related parties		-	1.2	0.8	2.5	5.1

The Group had the following receivables and liabilities to related parties

NOK million	Relation	Type	30.06.2022	30.06.2021	31.12.2021	01.01.2021
Odfjell Drilling Ltd.	Related to main shareholder	Loan	-	94.5	-	91.7
Total non-current interest-bearing receivables related parties			-	94.5	-	91.7

NOK million	Relation	Type	30.06.2022	30.06.2021	31.12.2021	01.01.2021
Odfjell Drilling Ltd.	Related to main shareholder	Loan	-	-	100.0	-
Odfjell Drilling Services Ltd.	Related to main shareholder	Cash pool	-	1,659.3	1,208.8	1,413.7
Current interest-bearing receivables related parties			-	1,659.3	1,308.8	1,413.7

Cash pool

Some of the Group's bank deposits were in 2021 part of the cash pool scheme where Odfjell Drilling Services Ltd. was the account owner and thus the owner of the bank funds. The cash pool was created to help optimise liquidity management in Odfjell Drilling Ltd. Group.

The Group had a joint and several liability for deposits in the cash pool arrangement. The Group's loans or deposits are presented as current interest-bearing receivables group companies and current interest-bearing liabilities group companies

NOK million	Relation	Type	30.06.2022	30.06.2021	31.12.2021	01.01.2021
Odfjell Drilling Services Ltd.	Related to main shareholder	Cash pool	-	135.4	151.5	54.4
Current interest-bearing payables related parties			-	135.4	151.5	54.4

Current receivables and liabilities related parties

As a part of the day-to-day running of the business, the group have the following current receivables and liabilities towards companies in the Odfjell Drilling group. All receivables and liabilities have less than one year maturity.

NOK million	30.06.2022	30.06.2021	31.12.2021	01.01.2021
Trade receivables	160.7	101.6	142.8	106.2
Other current receivables	11.5	4.3	4.3	10.1
Trade payables	(12.1)	(12.7)	(8.0)	(9.6)
Other current payables	-	(5.2)	(5.5)	(9.0)
Net current payables related parties	160.2	87.9	133.6	97.7

Lease agreements

The Group have lease agreements regarding offices and workshops with the related party Odfjell Land AS (previously

called Kokstad Holding AS), related to the main shareholder. Reported lease liability to Odfjell Land AS as at 30 June 2022 is

NOK 48 million, while payments in Q2 and YTD 2022 amounts to NOK 2 million and NOK 5 million respectively.

NOTE 11 Commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

NOK million	30.06.2022	30.06.2021	31.12.2021
Rental and casing equipment	73.5	128.0	196.2
Total	73.5	128.0	196.2

NOTE 12 Contingencies

A Group subsidiary is subject to challenges by HM Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. 1 October 2021, a decision was issued by HMRC against Odfjell Technology (UK)

Ltd, "OT UK" (Previously Odfjell Drilling (UK) Ltd) in respect of the historic application of NICs. OT UK has appealed against the decision and no payment has been made to HMRC pending the outcome of the first level appeal. A final verdict is not expected in the short to medium term.

Management, taking into consideration advice from independent legal and tax specialists, believes that the most probable outcome is that no outflow of resources embodying economic benefits will be required to settle the obligation, and accordingly, no provision has been

recognised. The potential exposure to OT UK in relation to NICs and interest should it be unsuccessful in defending its position is approximately USD 30 million.

There are no other material contingencies to be disclosed as per 30 June 2022.

NOTE 13 Equity and shareholder information

Listed shares	No. of shares	Nominal value	Share capital - USD thousand
Common shares issued as at 30 June 2022	39,463,867	USD 0.01	394.6

Authorised, not issued shares was 5,536,133 as at 30 June 2022.

All issued shares are fully paid. No shares are held by entities in the Group.

Shareholdings by related parties

Chairman of the Board, Helene Odfjell, controls Odfjell Partners Ltd., which owns 60.37% of the common shares.

Susanne Munch Thore (Director) controls 500 (0.00%) of the common shares in the company as per 30 June 2022.

Simen Lieungh (CEO of Odfjell Technology AS) controls 40,000 (0.10%) of the common shares in the company, and Jone

Torstensen (CFO of Odfjell Technology AS) controls 5,000 (0.01%) of the shares as per 30 June 2022.

<i>Largest common shareholders at 30 June 2022</i>	Account type	Holding	% of shares
Odfjell Partners Ltd.	Ordinary	23,825,396	60.37%
J.P. Morgan Securities Plc	Nominee	1,393,712	3.53%
Goldman Sachs International	Nominee	1,316,340	3.34%
BNP Paribas Securities Services	Nominee	933,889	2.37%
J.P. Morgan Securities Plc	Nominee	697,673	1.77%
Brown Brothers Harriman & Co.	Nominee	621,504	1.57%
UBS AG	Nominee	466,474	1.18%
The Bank of New York Mellon SA/NV	Nominee	460,528	1.17%
Citibank, N.A.	Nominee	378,789	0.96%
State Street Bank and Trust Comp	Nominee	375,928	0.95%
State Street Bank and Trust Comp	Nominee	333,017	0.84%
Skandinaviska Enskilda Banken AB	Nominee	330,000	0.84%
Space AS	Ordinary	300,000	0.76%
Brown Brothers Harriman & Co.	Nominee	266,069	0.67%
AS Clipper	Ordinary	249,758	0.63%
Nordnet Livsforsikring AS	Ordinary	220,640	0.56%
BNP Paribas Securities Services	Nominee	211,304	0.54%
Nordea Bank Abp	Nominee	200,000	0.51%
Tolma Norden AS	Ordinary	200,000	0.51%
DnB NOR Bank ASA	Nominee	190,055	0.48%
Total 20 largest common shareholders		32,971,076	83.55%
Other common shareholders		6,492,791	16.45%
Total common shareholders		39,463,867	100.00%

NOTE 14 Earnings per share

The basic earnings per share are calculated as the ratio of the profit for the year that is due to the shareholders of the parent divided by the weighted average number of common shares outstanding.

When calculating the diluted earnings per share, the profit that is attributable to the common shareholders of the parent and the weighted average number of common shares outstanding are adjusted for any dilution effects related to share options.

27 June 2022, the Company implemented a long term incentive plan allocating a total of 1,515,000 options to certain of its employees at a strike price of NOK 22.31 per share.

The options do not affect the basic or diluted number of shares as at 30 June 2022. The share option plan may have dilutive effects in later periods.

NOK million	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Profit/(loss) due to owners of the parent	7.3	44.3	99.9	54.3	116.5
Diluted profit/(loss) for the period due to owners of the parent	7.3	44.3	99.9	54.3	116.5

	Q2 22	Q2 21*	YTD 22*	YTD 21*	FY 21*
Weighted average number of common shares in issue	39,463,867	39,463,867	39,463,867	39,463,867	39,463,867
Diluted average number of shares outstanding	39,463,867	39,463,867	39,463,867	39,463,867	39,463,867

* Number of shares as per listing 29 March 2022 used for comparative figures

Earnings per share (NOK)	Q2 22	Q2 21	YTD 22	YTD 21	FY 21
Basic earnings per share	0.19	1.12	2.53	1.38	2.95
Diluted earnings per share	0.19	1.12	2.53	1.38	2.95

NOTE 15 Important events occurring after the reporting period

There have been no events after the balance sheet date which have a material effect on the quarterly financial statements ended 30 June 2022.

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of consolidated financial statements for the period 1 January to 30 June 2022 have been prepared in accordance with IAS 34 – Interim Financial Reporting, and give a

true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of

consolidated financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year and major transactions with related parties.

Aberdeen, United Kingdom

23 August 2022

Board of Directors of Odfjell Technology Ltd.

Helene Odfjell, Chair

Susanne Munch Thore, Director

Alasdair Shiach, Director

Victor Vadaneaux, Director

Diane Stephen, General Manager

Appendix 1: Definitions of alternative performance measures

Contract backlog

The Company's fair estimation of revenue in firm contracts and relevant optional periods measured in NOK - subject to variations in currency exchange rates.

EBITDA backlog vs NIBD

Estimated EBITDA for illustrative purposes based on revenue backlog and 2018-2020 average EBITDA margins (29%, 9% and 15% for Well Services, Drilling Operations and Engineering, respectively), excluding corporate overhead costs. This does not constitute an opinion of anticipated EBITDA and actual results may differ from the illustrative EBITDA backlog.

EBIT

Earnings before interest and taxes.

EBIT margin

EBIT/Operating revenue.

EBITDA

Earnings before interest, taxes, depreciation and amortisation.

EBITDA margin

EBITDA/Operating revenue.

Equity ratio

Total equity/total equity and liabilities.

Net interest-bearing debt

Non-current interest-bearing borrowings plus current interest-bearing borrowings less cash and cash equivalents. Interest-bearing borrowings do not include lease liabilities.

Net profit (loss)

Equal to profit (loss) for the period after taxes.

Earnings per share

Net profit / number of outstanding shares.

Leverage ratio (adj)

30.06.2022			
Non-current interest-bearing borrowings	NOK	1,082	million
Current interest-bearing borrowings	NOK	255	million
Non-current lease liabilities	NOK	78	million
Current lease liabilities	NOK	24	million
Adjustment for operational lease contracts	NOK	(102)	million
A Adjusted financial indebtedness	NOK	1,337	MILLION
Cash and cash equivalents	NOK	411	million
Adjustment for restricted cash and other cash not readily available	NOK	(65)	million
B Adjusted cash and cash equivalents	NOK	346	MILLION
A-B=C Adjusted Net interest-bearing debt	NOK	991	MILLION
EBITDA last 12 months	NOK	516	million
Adjustment for operational lease contracts	NOK	(3)	million
Adjustment for transaction costs	NOK	14	million
D Adjusted EBITDA	NOK	528	MILLION
C/D=E LEVERAGE RATIO (ADJ)		1.9	

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