

Odfjell Technology Quarterly Presentation

Q4 2022

Important Notice

By reading this company presentation (the "Presentation"), or attending any meeting or presentation held in relation there to, you (the "Recipient") agree to be bound by the following terms, conditions and limitations.

The Presentation has been prepared by Odfjell Technology Ltd. (the "Company") solely for information purposes and may not be reproduced or redistributed, in whole or in part, to any other person.

The Presentation is being made only to, and is only directed at, persons to whom such presentation may lawfully be communicated ("relevant persons"). Any person who is not a relevant person should not act or rely on the Presentation or any of its contents. The Presentation does not constitute any recommendation to buy, sell or otherwise transact with any securities issued by the Company. The distribution of this Presentation may be restricted by law in certain jurisdictions, and the Recipient should inform itself about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the laws of any such jurisdiction. No representation, warranty or undertaking, express or implied, is made by the Company and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or the opinions in this Presentation. The Company shall have no responsibility or liability whatsoever (for negligence or otherwise) for any loss arising from the use by any person or entity of the information set forth in the Presentation. All information set forth in the Presentation may change materially and without notice.

This Presentation includes "forward looking statements". Forward looking statements are statements that are not historical facts and are usually identified by words such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" etc. These forward looking statements reflect the Company's beliefs, intentions and current expectations concerning, among other things, the Company's results, financial condition, liquidity position, prospects, growth and strategies. These statements involve risks and uncertainties because they relate to future events and depend on future circumstances that may or may not occur.

Forward looking statements are not guarantees of future performance and no representation that any such statements or forecasts will be achieved are made.

The Company uses certain financial information calculated on a basis other than in accordance with IFRS, including EBITDA and EBITDA margin, as supplemental financial measures in this Presentation. These non-IFRS financial measures are provided as additional insight into the Company's on going financial performance and to enhance the user's overall understanding of the Company's financial results and the potential impact of any corporate development activities.

An investment in the Company involves significant risk, and several factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in the Presentation.

The Company disclaims any obligation to update or revise any information set out in this Presentation, including the forward-looking statements, whether as a result of new information, future events or otherwise.

This Presentation is subject to Norwegian law, and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Norwegian courts.

Agenda

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

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



Operations



Projects & Engineering

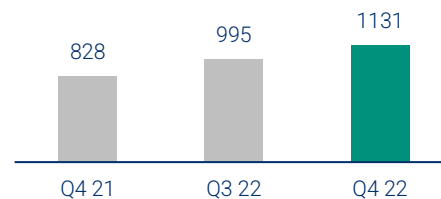


Energy Transition¹

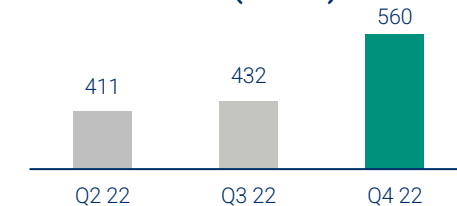


Development key financials

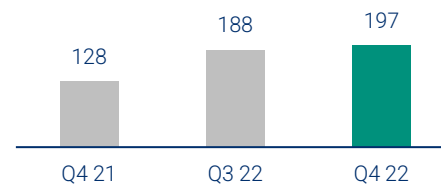
Revenue (NOKm)



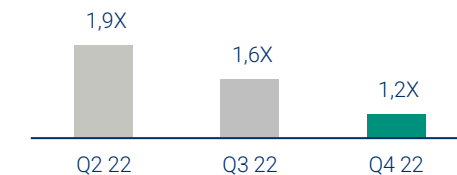
Cash (NOKm)



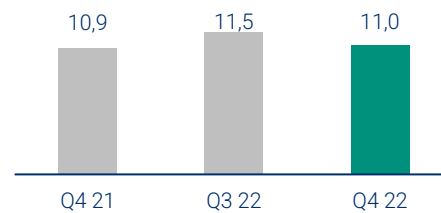
EBITDA (NOKm)



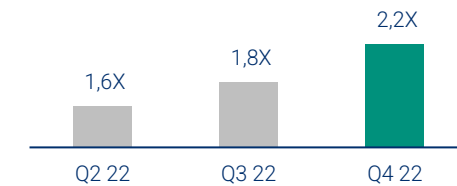
NIBD / EBITDA



Revenue backlog (NOKbn)



EBITDA backlog / NIBD



Notes: 1) Segment not yet active

Key highlights of the quarter and year

Key highlights of the quarter and full year

- Concluding the year with another strong quarterly performance
 - High activity level in all business areas
 - Strong operational efficiency
 - Order backlog stable
 - High tender activity
 - Expected dividend distribution in 2023
-
- Operations were carried out safely with no serious incidents first 3 quarters of the year
 - Incident on Linus in Q4 with serious injury to an Odfjell Technology employee. Investigation has been completed and new measures implemented

Market outlook

Key market outlook

Overall

- Positive outlook in all our markets indicating a cycle upturn driven by demand and pricing
- Increased number of active rigs and drilling operations globally
- Upturn in tenders and inquiries creates growth potential in all our services

Well Services

- Well positioned to capitalise on the increase in drilling activity and field investment expected in the coming years.
- Opportunities to expand through integrated solutions
- Positive outlook, especially Middle East and Europe

Operations

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

Projects & Engineering

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

Strategy update

Strategy update

Short term:

- Grow the business organic and through M&A activities, capitalise on the strong energy cycle
- Develop new product lines focusing on P&A and new energy
- Overall strategy aimed at delivering strong cash flow and dividend to the shareholders

Long term:

- Attract and develop competence and capacity for energy transition within defined areas

Business Area reporting

Business Area highlights

Well Services

3,3NOKbn

Backlog

4,1NOKbn

Cost price
equipment pool

- Activity level remains strong
- Secured tubular running services work in Turkey and Hungary
- Prioritizing expanding our business and market share in all key markets
- High capital expenditure in 2022 in order to support new contracts. Reduced capex in Q4 and an expectation for normalized capital expenditure in 2023

Operations

7,2NOKbn

Backlog

16

Platforms

- Stable operations and activity level in Q4
- Linus rig management contract started September 30th, 2022
- Contract conditions in contract portfolio safeguards margins
- Continued effort on delivering efficient operations
- Stable and strong order backlog

Projects & Engineering

519NOKm

Backlog

92%

Utilisation (people-hours)

- High activity in Q4 and improvement in rates
- Yard stay activities drive volumes in the current quarter and is expected to continue into 2023
- Strategic focus on energy transition business opportunities and developing relationships with key clients

Financial information

Financial Performance

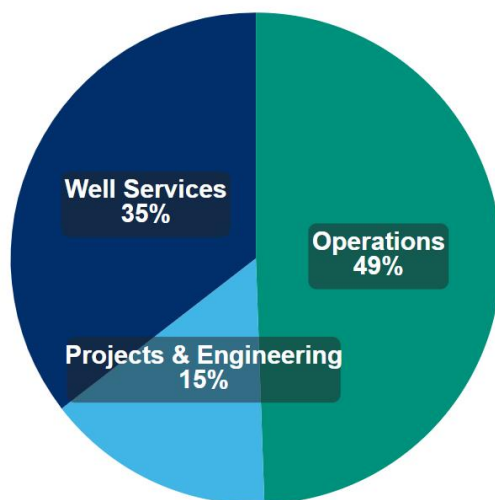
Comments

- Revenue increase of 14% from Q3 to Q4 and year-on-year increase of 37%
- EBITDA growth of 5% from Q3 to Q4 and year-on-year improvement of 54%
- Revenue growth of 32% from 2021 to 2022 and EBITDA growth of 74% for the full year
- Strong activity for our Engineering segment in Q4 and consistent performance by Drilling Operations and Well Service
- Q4 EBITDA improvement mainly driven by Engineering volume and the first full quarter for the Linus rig management contract
- Cash flow from operations generated 296NOKm in Q4 with 680NOKm generated full year

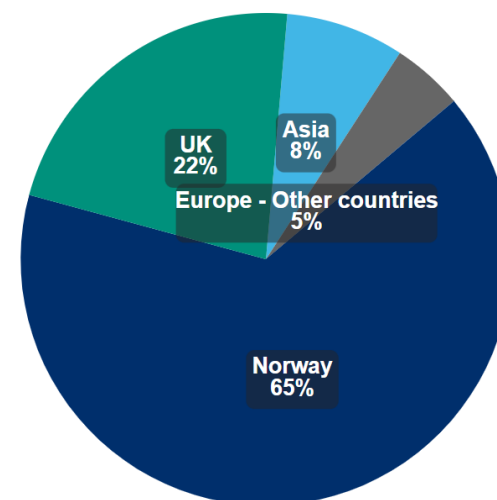
Key Figures

| Group Total | Q4 22 | Q3 22 | Q4 21* | FY 22 | FY 21 * |
|--------------------------------|--------|--------|--------|--------|---------|
| Operating revenue | 1 131 | 995 | 828 | 3 885 | 2 948 |
| EBITDA | 197 | 188 | 128 | 673 | 387 |
| Operating profit (EBIT) | 122 | 104 | 55 | 384 | 125 |
| EBITDA Margin % | 17,4 % | 18,9 % | 15,4 % | 17,3 % | 13,1 % |
| Cash generated from operations | 296 | 162 | 187 | 676 | 395 |
| Cash | 560 | 423 | 498 | | |
| Net interest bearing debt | 843 | 968 | | | |
| Leverage ratio | 1,23 | 1,57 | | | |

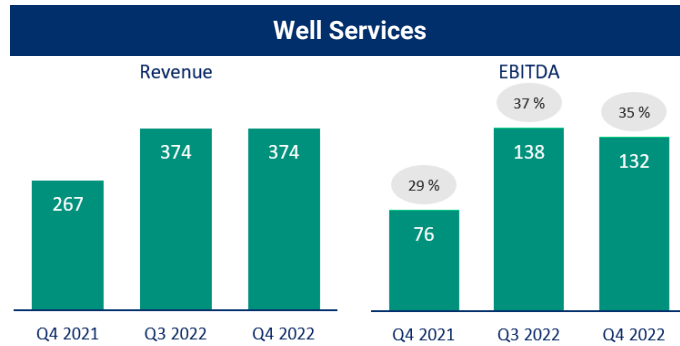
Full year Revenue by Business Area



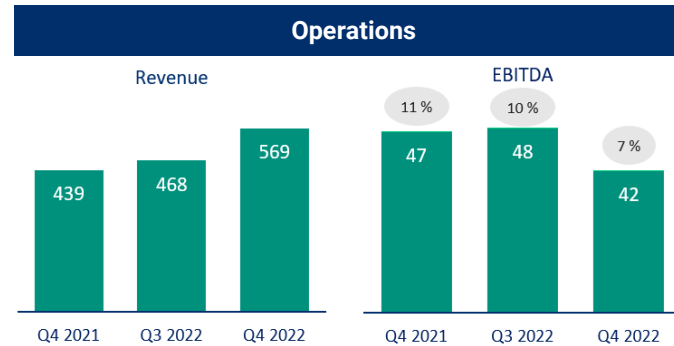
Full Year Revenue by Region



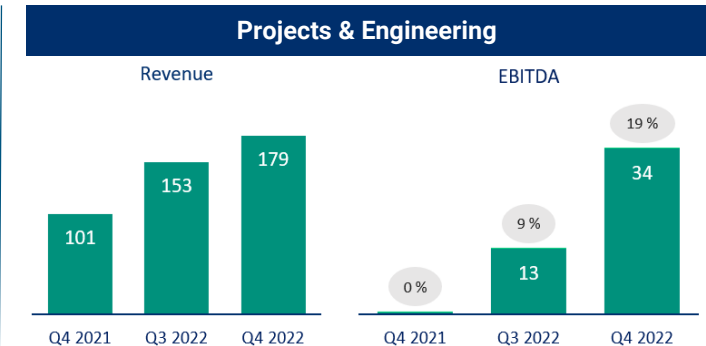
Financial Performance by Business Area



- Activity level in line with previous quarter
- Profitability marginally impacted by strike action in the UK
- Full year revenue grew 37% and EBITDA grew 88% compared to 2021 driven by commencement of large projects in Norway and general improvement in activities in all markets
- EBITDA margin % improved from 26% in 2021 to 36% in 2022



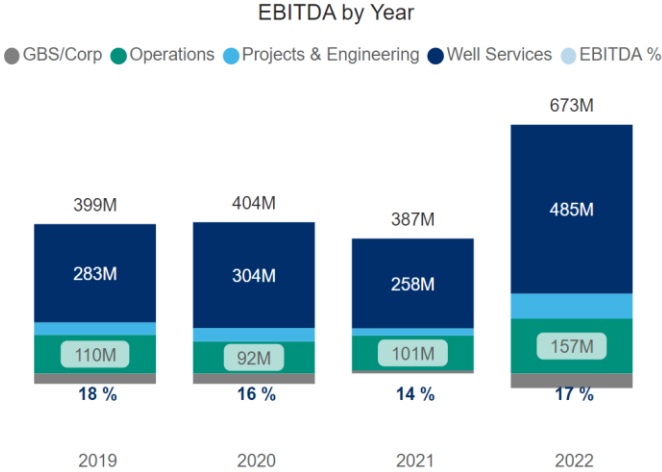
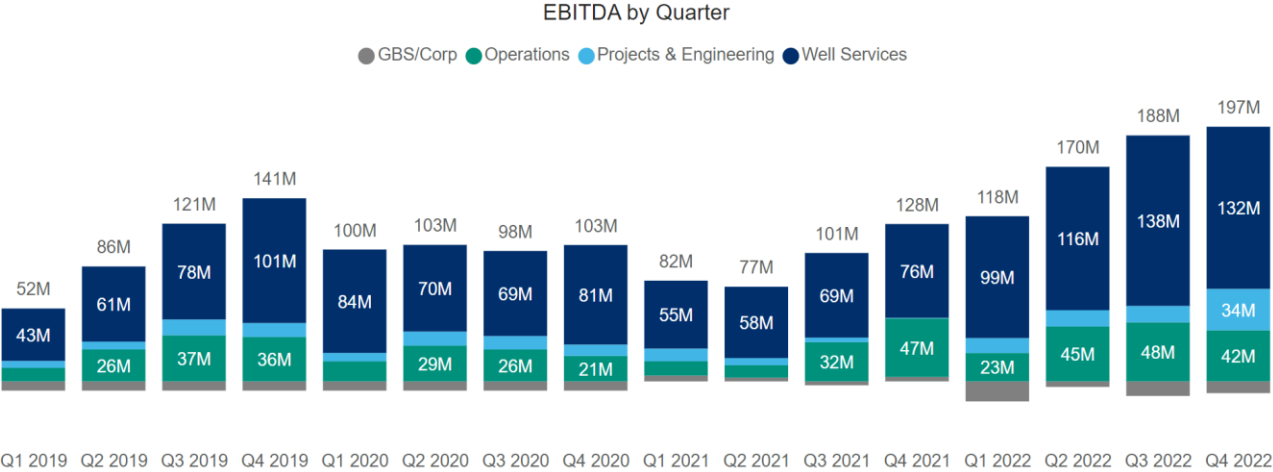
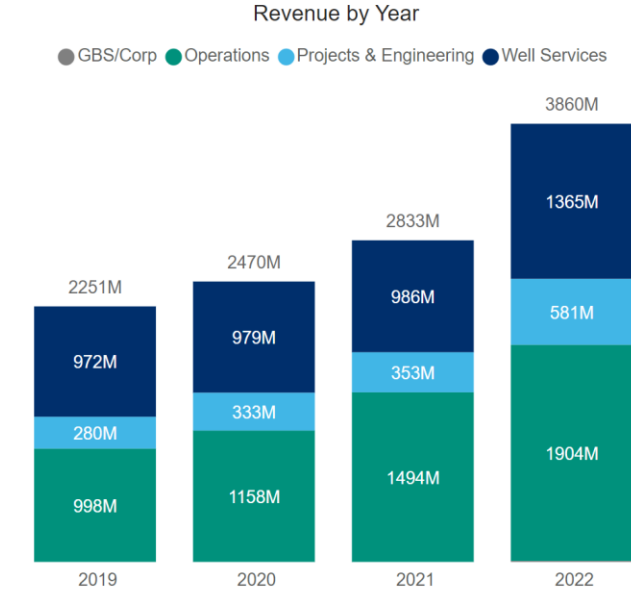
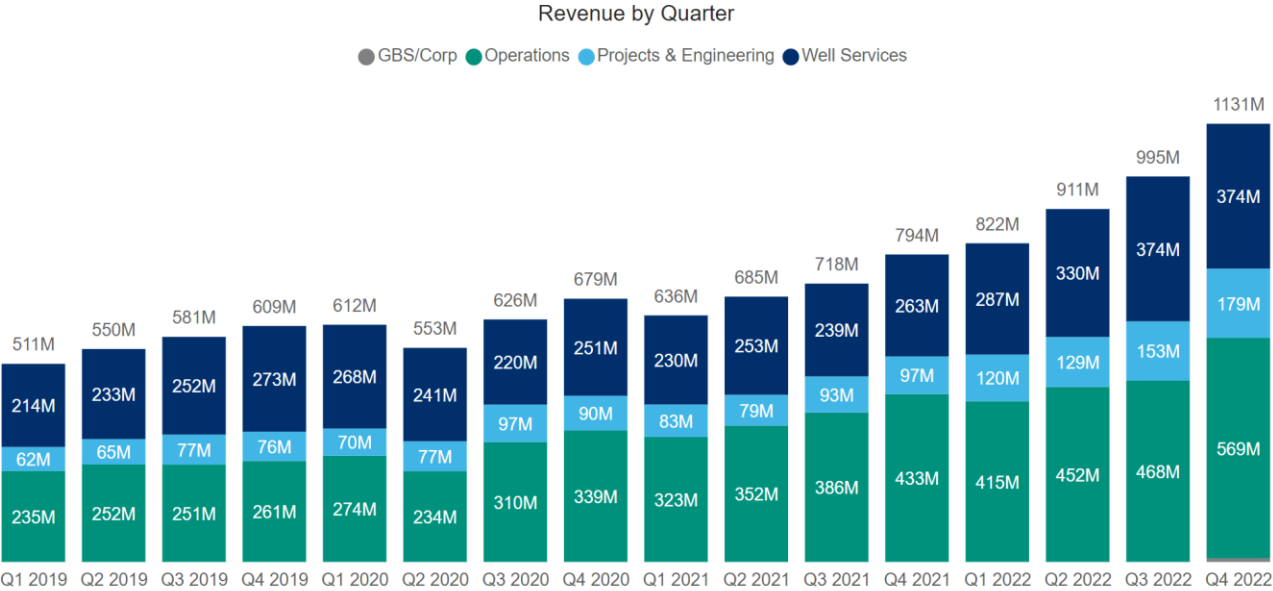
- Stable operations and activity level in Q4
- Revenue growth driven by Linus rig management contract
- EBITDA negatively affected by lower incentive payments in Q4 partly offset by lower sick leave cost
- Full year revenue improved by 26% and EBITDA grew 56% compared to 2021 mainly due to higher operational efficiency and stable activity level throughout the year
- EBITDA margin % improved from 7% in 2021 to 8% in 2022



- Revenue growth mainly due to increased volume and utilisation compared to previous quarter and same quarter last year
- Yard stay activities drove volume up in the current quarter
- Q4 EBITDA improvement mainly due to volume and slightly better average rates
- Full year revenue grew 62% and EBITDA improved 256% driven by higher volume, utilization and improved rates
- EBITDA margin % improved from 6% in 2021 to 12% in 2022



Historical Revenue and EBITDA by Business Area



Summary

Summary

- Concluded the year with growth in revenue and margin
- Good cash situation ; improved from Q3
- Expected dividend payment in 2023 is 100mNOK
- Positive market outlook for all segments with particular growth potential in Well Services

- Strong contract portfolio combined with a solid balance sheet creates flexibility to focus on both growth and distributing cash to shareholders
- Strategy process concluded and direction set ; profitable growth combined with developing new sustainable services and products

Appendix

Summary Financials

| Condensed Consolidated income statement | | | | | | Comments |
|---|--------------|--------------|--------------|--------------|--------------|--|
| P&L (NOKm) | Q4 22 | Q3 22 | Q4 21* | FY 22 | FY 21 * | |
| Operating revenue | 1 131,0 | 995,5 | 827,7 | 3 885,0 | 2 948,2 | <ul style="list-style-type: none"> 2021 are predecessor combined financial figures Q1 2022 Other operating expenses include approximate 15NOKm in one-off expenses related to split, financing and listing of Odfjell Technology Please refer to the Quarterly report for further details |
| Other gains and losses | 4,4 | 1,1 | 0,7 | 13,6 | 6,0 | |
| Personnel expenses | (702,2) | (584,8) | (511,2) | (2 381,6) | (1 897,0) | |
| Other operating expenses | (236,1) | (223,9) | (189,5) | (844,5) | (669,8) | |
| EBITDA | 197,2 | 187,8 | 127,7 | 672,5 | 387,4 | |
| Depreciation and amortisation | (75,2) | (83,7) | (72,6) | (288,4) | (262,8) | |
| Operating profit (EBIT) | 122,0 | 104,1 | 55,2 | 384,1 | 124,6 | |
| Share of profit (loss) from joint ventures and associates | (5,1) | (7,6) | (2,7) | (19,9) | (4,6) | |
| Net financial items | (8,2) | (48,6) | (5,0) | (138,0) | (17,2) | |
| Profit (loss) before tax | 108,7 | 48,0 | 47,5 | 226,2 | 102,8 | |
| Income tax expense | 0,7 | (4,2) | (4,3) | 26,8 | 9,2 | |
| Net profit (loss) | 109,4 | 43,8 | 43,2 | 253,0 | 112,0 | |
| Well Services | | | | | | |
| Operating revenue | 374,0 | 374,0 | 267,3 | 1 365,4 | 995,9 | |
| EBITDA | 131,6 | 138,4 | 76,2 | 485,3 | 257,9 | |
| Operating profit (EBIT) | 63,5 | 65,5 | 19,6 | 226,0 | 46,9 | |
| EBITDA Margin % | 35 % | 37 % | 29 % | 36 % | 26 % | |
| Drilling Operations | | | | | | |
| Operating revenue | 568,8 | 468,4 | 439,0 | 1 903,8 | 1 505,7 | |
| EBITDA | 41,5 | 48,0 | 47,5 | 157,2 | 100,9 | |
| Operating profit (EBIT) | 41,5 | 48,0 | 47,4 | 157,1 | 100,7 | |
| EBITDA Margin % | 7 % | 10 % | 11 % | 8 % | 7 % | |
| Engineering | | | | | | |
| Operating revenue | 178,9 | 152,7 | 100,7 | 581,0 | 358,3 | |
| EBITDA | 33,6 | 13,3 | 0,4 | 72,1 | 20,3 | |
| Operating profit (EBIT) | 33,4 | 13,1 | 0,3 | 71,5 | 19,8 | |
| EBITDA Margin % | 19 % | 9 % | 0 % | 12 % | 6 % | |

Summary statement of financial position

Balance sheet

| Assets (NOKm) | 31.12.2022 | 31.12.2021* | 01.01.2021* | Equity and liabilities | 31.12.2022 | 31.12.2021* | 01.01.2021* |
|---|----------------|----------------|----------------|--|----------------|----------------|----------------|
| Property, plant and equipment | 1 068,4 | 887,4 | 662,0 | Paid-in capital | 1 093,8 | 0,1 | - |
| Intangible assets | 252,1 | 218,1 | 215,5 | Other equity | (315,0) | 2 962,1 | 2 637,7 |
| Deferred tax asset | 51,3 | 15,5 | 16,1 | Non-controlling interests | - | - | 5,4 |
| Non current loan receivable Odfjell Drilling Group | - | - | 91,7 | Total equity | 778,8 | 2 962,2 | 2 643,1 |
| Other non-current assets | 59,0 | 28,3 | 22,1 | Non-current interest-bearing borrowings | 1 084,2 | - | - |
| Total non-current assets | 1 430,9 | 1 149,3 | 1 007,4 | Non-current lease liabilities | 96,8 | 83,1 | 37,1 |
| Current interest-bearing receivables Odfjell Drilling group | - | 1 308,8 | 1 413,7 | Post-employment benefits | 46,7 | 46,8 | 49,7 |
| Trade receivables | 942,6 | 816,4 | 650,8 | Non-current contract liabilities | 37,9 | 49,3 | 31,5 |
| Other current receivables and assets | 181,4 | 147,7 | 95,3 | Total non-current liabilities | 1 265,6 | 179,2 | 118,3 |
| Cash and cash equivalents | 560,1 | 497,8 | 122,5 | Current interest-bearing borrowings | 255,7 | - | - |
| Total current assets | 1 684,0 | 2 770,7 | 2 282,3 | Current interest-bearing payables Odfjell Drilling Group | - | 151,5 | 54,4 |
| Total assets | 3 114,9 | 3 920,0 | 3 289,6 | Current lease liabilities | 30,6 | 24,5 | 19,3 |
| | | | | Trade payables | 264,1 | 215,3 | 137,3 |
| | | | | Current income tax | 55,4 | 15,0 | 3,1 |
| | | | | Other current liabilities | 464,6 | 372,3 | 314,1 |
| | | | | Total current liabilities | 1 070,4 | 778,7 | 528,2 |
| | | | | Total liabilities | 2 336,1 | 957,9 | 646,5 |
| | | | | Total equity and liabilities | 3 114,9 | 3 920,0 | 3 289,6 |

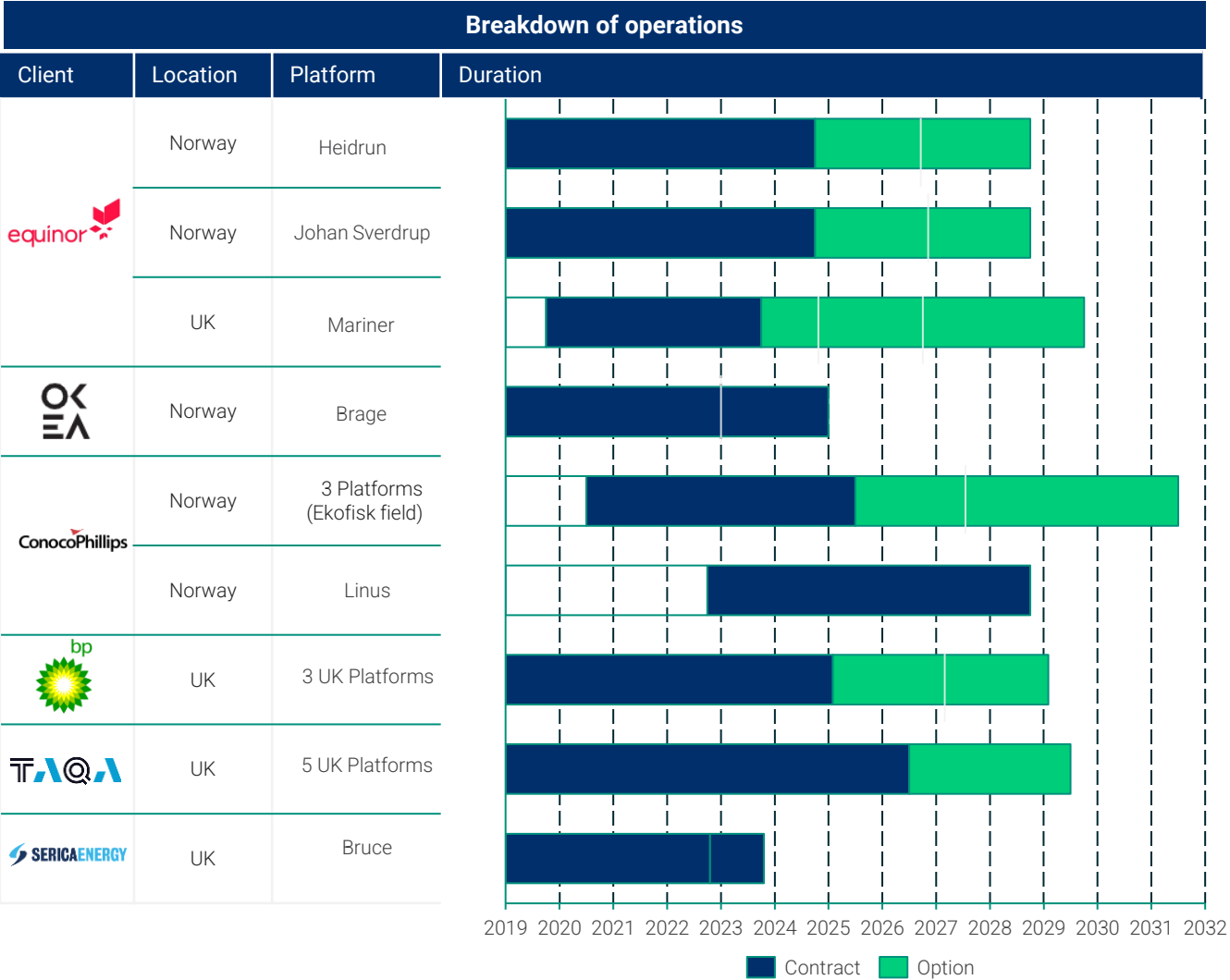
Notes: * 2021 are predecessor combined financial statements

Summary statement of cash flow

| Cash flow | | | | | | |
|---|----------------|----------------|------------------|----------------|----------|--|
| Cash flow (NOKm) | Q4 22 | Q4 21 * | FY 22 | FY 21 * | Comments | |
| Profit/(loss) before tax | 108,7 | 47,5 | 226,2 | 102,8 | | |
| Adjustment for provisions and other non-cash elements | 97,7 | 76,9 | 438,9 | 300,0 | | |
| Changes in working capital | 89,7 | 62,4 | 10,6 | (7,5) | | |
| Cash generated from operations | 296,1 | 186,8 | 675,7 | 395,2 | | |
| Net interest (paid) / received | (30,3) | (1,9) | (86,8) | (5,4) | | |
| Net income tax paid | (6,1) | (3,0) | (21,2) | (20,8) | | |
| Net cash flow from operating activities | 259,6 | 182,0 | 567,7 | 369,1 | | |
| Net cash flow from investing activities | (102,4) | (309,0) | (2 705,4) | (437,7) | | |
| Net cash flow from financing activities | (4,8) | 417,5 | 2 200,2 | 445,7 | | |
| Effects of exchange rate changes on cash and cash equivalents | (15,6) | (0,8) | (0,1) | (1,7) | | |
| Net increase (decrease) in cash and cash equivalents | 136,9 | 289,8 | 62,3 | 375,3 | | |

- YTD 22 cash flow from investing and financing activities are greatly affected by split, re-organisation and financing transactions recorded in Q1 22
- 2021 are predecessor combined financial figures
- Please refer to the Quarterly report for further details

Drilling Operations Contract Overview





For further information , please contact
Gert Haugland, SVP Finance and Investor Relations
gjha@odfjelltechnology.com

www.odfjelltechnology.com