



# Odfjell Technology

Pareto Securities Energy Conference 2023

Simen Lieungh – CEO

# Agenda

- Who we are
- Performance
- Strategic priorities
- Market outlook
- Key takeaways
  
- Appendix

# Odfjell Technology – who we are



## Projects & Engineering

Engineering and project execution solutions to optimise operation and drilling and to support activities in the energy transition



## Well Services

Global technology & service provider for well construction, intervention and plug & abandonment



## Operations

Extensive experience and competency in operating offshore drilling facilities and in Jack-Up Management

**Highly integrated technology and engineering company delivering specialist services, technology and competence across the global energy value chain**

**4.3bn NOK**

Revenue LTM Q2 2023

**790m NOK**

EBITDA LTM Q2 2023

**2400**

Employees

**11bn NOK**

Backlog

**17**

Platform Operations  
+ 1 Jack-Up

**30**

Countries

**15**

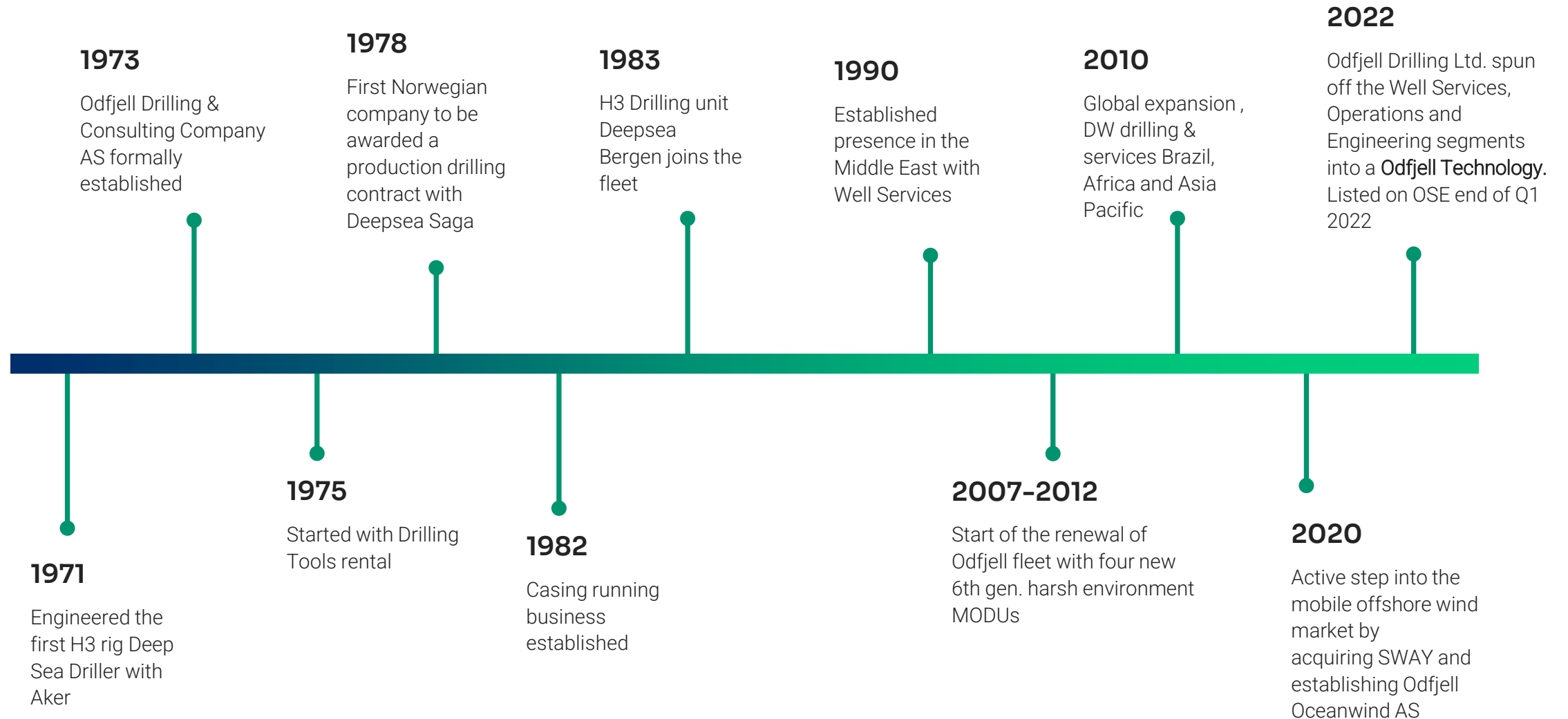
Offices & bases

**1.1x**

Leverage Ratio (adj)

# Combining 50 years of industry experience

with the technology of tomorrow





# Our Business

Part ownership in Odfjell Oceanwind AS

Platform drilling, maintenance and inspection services

Engineering and administration hubs in Norway, UK, Dubai and Manila

Serving the onshore sector as well as offshore

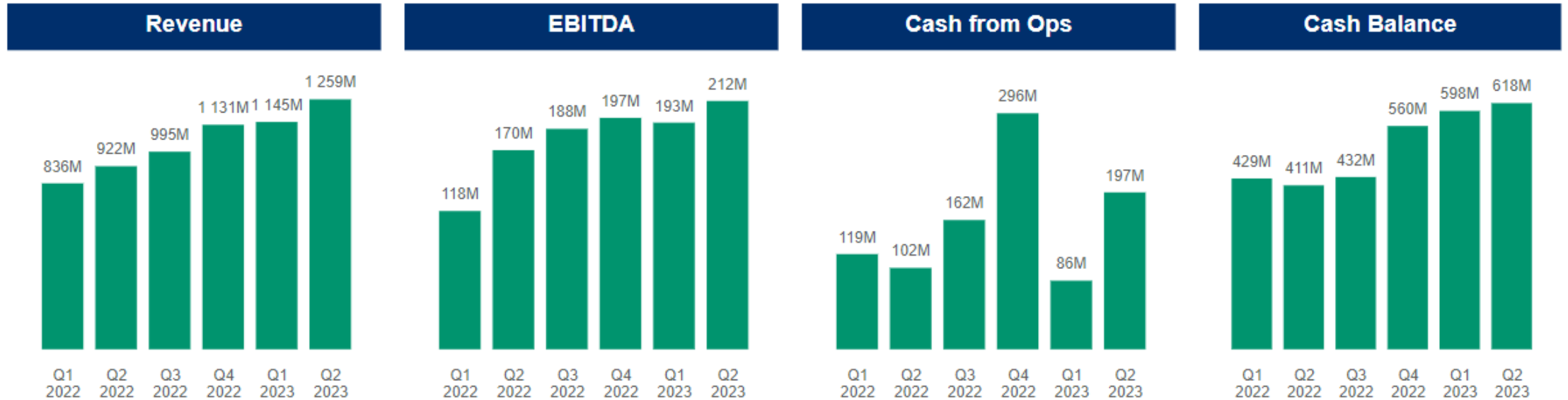
Serving energy clients globally

Global equipment inventories and operational bases

Worldclass supplier of well services equipment and personnel



# Financial performance



- Consecutive revenue growth through six quarters
- Consistent margin level and EBITDA growth
- Resilient business model which has generated positive results and cash through the cycles
- Strong cash generation
- Quarterly dividend disbursements

## Strategic priorities

Deliver and develop OTL's integrated service and product solutions

Today and Tomorrow



### Operations

- Maintain high operational excellence
- Strengthen QHSSE culture
- ESG focused
- Delivery and performance culture



### Growth

- Continue the growth in markets we are already strong
- International expansion into new markets
- Use M&A to expand service offering and contract portfolio

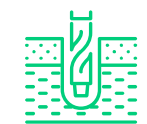


### Financial

- Revenue growth
- Improve EBITDA margin
- Maximise free cash
- Quarterly dividend payments

**Grow through innovation, global expansion, and operational excellence**

# Growth Strategy



Well Services



Projects & Engineering



Operations



- USA
- Mexico
- Guyana
- Suriname
- Brazil

- Engineering hubs  
Bergen, Stavanger,  
Aberdeen, Dubai,  
Manila
- 12 Operational Bases  
Europe, Middle East,  
Asia
- New operations and entities  
Canada and Namibia
- New geographic targets  
North and South America



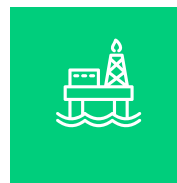
# Market outlook – Strong growth

## Rig Activity and E&P Spending

Upturn in rig activity and E&P spending create growth potential for all our services

## Drilling tools and services

Global spending on drilling tools and services expected to remain high in the coming years



## Upcycle

Upcycle expected to last for a number of years

## Active rigs

Increased number of active rigs and drilling operations globally

## Key takeaways

- Track record of delivering quality operations and positive results throughout market cycles
- Strong market fundamentals
- Well positioned for growth
- Strategic focus with the aim to grow internationally and through expanding product offering
- Solid cash and debt situation
- Considerable cash flow supporting both investments and returning cash to shareholders
- Dividend distribution with quarterly payouts established





**Thank you for  
your attention!**

[www.odfjelltechnology.com](http://www.odfjelltechnology.com)





# Appendix







# Odfjell Technology – Projects & Engineering



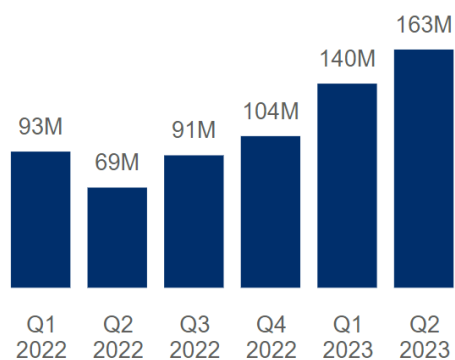
## Overview

- Offices in Norway, UK and Manila
- Approximately 170 employees and 100 contractors
- Recognised provider of specialist engineering services for platform, drilling rigs, jack ups and offshore floaters
- Sustainable engineering solutions to optimise operations and reduce carbon footprint through efficient project execution
- Strategic partner, delivering design expertise (marine, electrical and structural engineering) for Odfjell Oceanwind
- Order backlog of 525m NOK

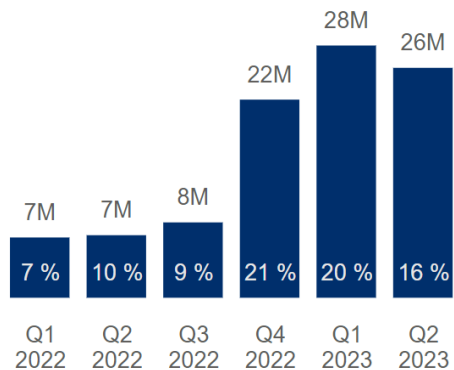
## Service offerings

 Projects and engineering	 Special Periodic Surveys (SPS) and recertification	 Modifications and upgrades	 Yard stays
 Integrity management and inspection services	 Offshore construction services	 Marine services	 Energy optimisation and energy reduction

## Revenue



## EBITDA



## Customers



## Competitors



# Odfjell Technology – Operations



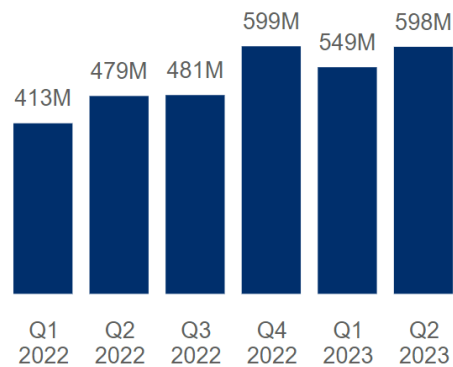
## Overview

- Extensive experience and competency in operating offshore drilling
- Strong reputation for high operational performance
- Long contracts with major operators
- Contract conditions which provide stable margins with low risk
- Base for offering engineering and well services
- Operations on the Norwegian, UK Continental Shelves
- Order backlog of 6.8bn NOK

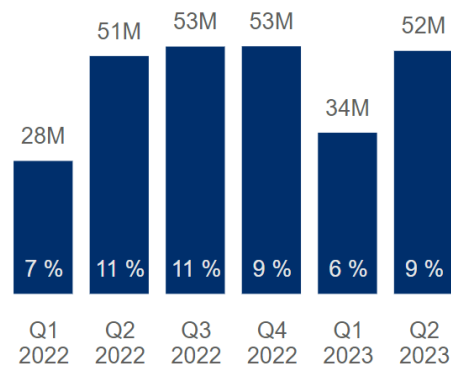
## Operations Contracts



## Revenue



## EBITDA



## Service Offerings

- Integrated drilling, well and maintenance services provider
- Jack-Up management
- Modular drilling solutions
- Offshore construction and inspection services

## Competitors

**Archer**

**KCA DEUTAG**

# Odfjell Technology – Well Services

## Overview

- Serving key regions and clients in 30 countries from 12 bases in Europe, Asia and the Middle East
- Main growth drivers are rig count and operators spend on exploration and production
- 70% of revenue related to high margin product rental
- Backlog of 3.8bn NOK<sub>1</sub>. Multi-year contracts with major Oil & Gas companies, rig owners and service companies

## Service offerings



Well Intervention Operations



Drilling Tool Rental

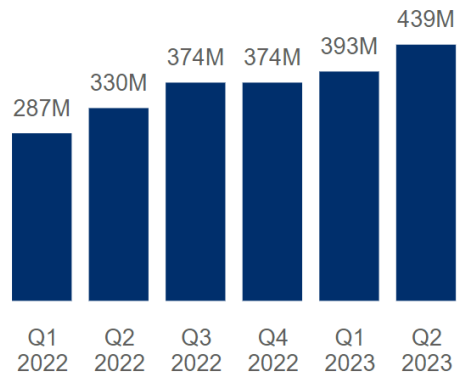


Tubular Running Operations

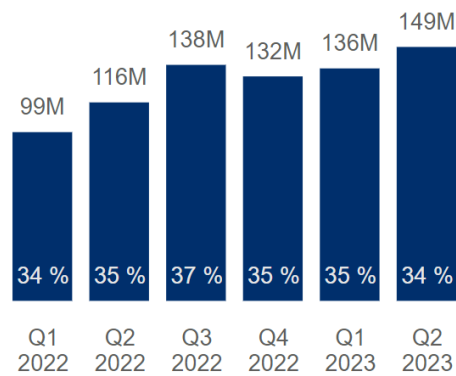


Integrated Services

## Revenue



## EBITDA



## Customers







## Competitors



Notes: 1) Well Services contract backlog is based on remaining contract duration and estimated run-rate for the long-term contracts (more than 12 months) which have a solid counterpart (i.e., excluding contracts with higher risk clients – currently there are no such contracts), with options/extensions discounted by 50%;

# Key client focus areas across oil & gas life of field and new energy solutions

## Hydrocarbon production to renewables

	 <b>Exploration &amp; development</b>	 <b>Production/Asset integrity</b>	 <b>Well abandonment &amp; decommission</b>	 <b>Renewables</b>
Selected OTL deliverables	<ul style="list-style-type: none"> <li>▪ Drilling tool rentals</li> <li>▪ Tubular running services</li> <li>▪ Drilling engineering</li> <li>▪ Inspection service</li> <li>▪ Wellbore clean-up</li> </ul>	<ul style="list-style-type: none"> <li>▪ Production drilling</li> <li>▪ Projects and engineering for yard stays and major projects</li> <li>▪ Marine and subsea competence</li> <li>▪ Structural integrity management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fully integrated service through alliances and partnerships</li> <li>▪ Engineering for topside reactivation or installation of modular drilling units</li> <li>▪ New technology for slot recovery – fishing and casing exit services</li> </ul>	<ul style="list-style-type: none"> <li>▪ Wind turbine technology and assembly competence</li> <li>▪ Integration of new technology</li> <li>▪ Electrification solutions</li> <li>▪ Hybridisation solutions</li> </ul>
Well Services				
Operations				
Projects & Engineering				

Legend: High relevance



# Odfjell Technology listed after a spin off from Odfjell Drilling - 29 March 2022

## Historic business structure

Odfjell Partners Ltd. (Helene Odfjell) 60%	Other Shareholders 40%
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Mobile Offshore Drilling Units (MODU)	odfjell technology	
Deepsea Aberdeen	Drilling Operations	OSLO BØRS
Deepsea Atlantic	Engineering	
Deepsea Stavanger	Well Services	
Deepsea Nordkapp	Energy Transition	
Unit management (Yantai, Mira, Hercules and Bollsta)		

Spun off and listed on Oslo Stock Exchange as a stand-alone entity

## Overview of the Spin Off

- Odfjell Drilling Ltd. spun off the Well Services and Energy (Drilling Operations and Engineering) segments into a new company, Odfjell Technology Ltd.
- OSE listing of OTL completed end of Q1 2022
- In relation to the Spin Off, existing shareholders of ODL received their pro rata distribution of new shares in accordance with their pre-split ownership in ODL
- OTL issued NOK ~1,100m of secured bonds and USD 25m in a super-senior RCF to carry out internal transactions and to repay the USD 150m bank facility<sup>1</sup> related to the businesses being spun off

## Key rationale for the Spin Off

- Position OTL as the independent quality supplier of integrated products and services operations in the oil & gas market, with strong potential to expand into other new markets, including offshore wind
- Simplify both OTL's and ODL's corporate and capital structure
- Enable increased OTL management focus on the attractive financial performance and growth prospects of the business including potential new markets
- Position OTL as an investment opportunity, enhance public interest and analyst coverage, to unlock discount in valuation by attracting the right investors
- Accelerate path to energy transition, creating additional value for the shareholders

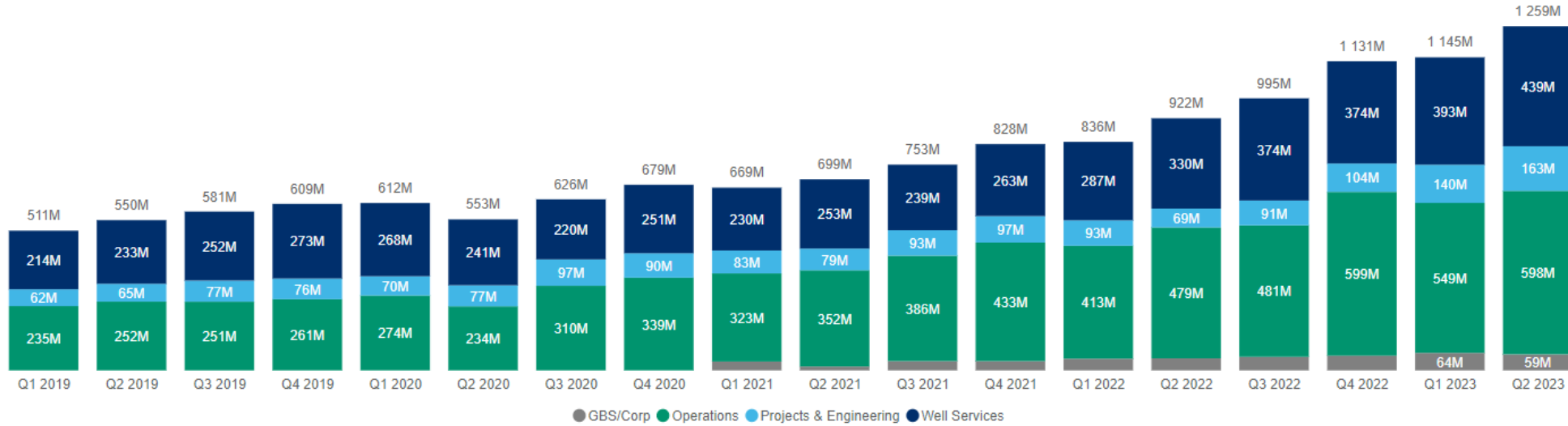
Notes: 1): DNB Bank ASA, Danske Bank, Norwegian Branch, and Nordea Bank were the lenders of the existing bank facility that was refinanced by proceeds from the bond issue and the SSRFCF. The investment banking divisions of the same banks were the managers of the bond issue, and DNB Bank ASA and Danske Bank, Norwegian Branch are the lenders under the SSRFCF

# Odfjell Technology<sup>1</sup> has delivered stable through-the-cycle performance

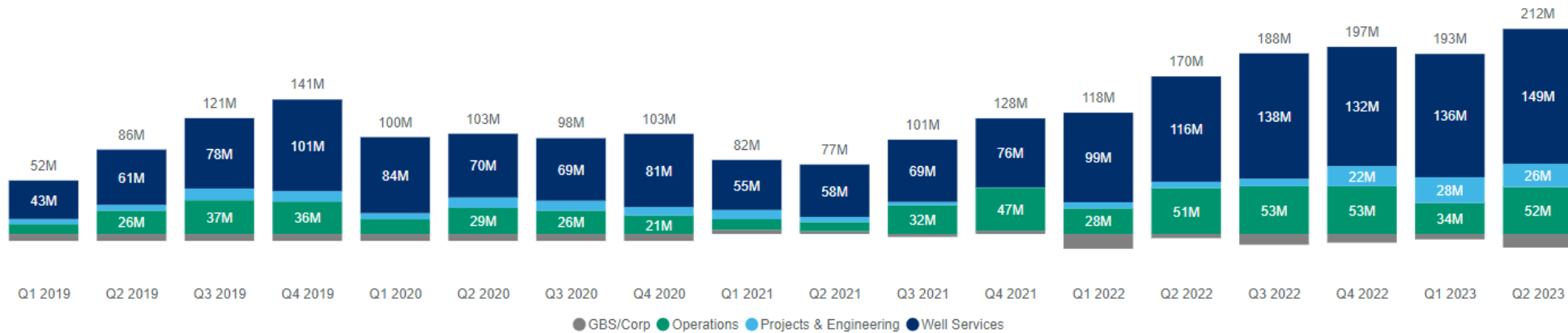


Resilient business model - solid revenue and EBITDA prospects with increasing oil price and offshore activity

Revenue by Quarter



EBITDA by Quarter



Notes: Predecessor management accounts 2019-2021