

Report for the 1st quarter of 2024

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



Projects & 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 2,400 employees operating in 26 countries worldwide.

KEY FINANCIALS Q1 2024

NOK 1,283m

Q1 revenue

0.64

Leverage ratio (adj)

NOK 212m

EBITDA

NOK 597m

Cash and cash equivalents

NOK 14.2b

Revenue Backlog

4.5x

EBITDA backlog vs NIBD

Key figures for the Group

All figures in NOK million	Q1 24	Q1 23	FY 23
Operating revenue	1,283	1,145	5,021
EBITDA	212	193	840
EBIT	123	105	492
Net profit	51	43	344
EBITDA margin	17%	17%	17%
Total assets	3,807	3,654	3,695
Net interest bearing debt	504	756	440
Equity	1,222	923	1,077
Equity ratio	32%	25%	29%

- Operating revenue of NOK 1,283 million compared to NOK 1,145 million in Q1 2023.
- EBITDA margin of 17% compared to an EBITDA margin of 17% in Q1 2023.
- The Group's contract backlog is NOK 14.2 billion, whereof NOK 7.2 billion is firm backlog.
- EBITDA of NOK 212 million compared to NOK 193 million in Q1 2023.

Key figures Segments

Well Services

- Operating revenue of NOK 467 million compared to NOK 393 million in Q1 2023.
- EBITDA of NOK 175 million compared to NOK 136 million in Q1 2023.
- EBITDA margin of 37% compared to an EBITDA margin of 35% in Q1 2023.

Operations

- Operating revenue of NOK 589 million compared to NOK 559 million in Q1 2023.
- EBITDA of NOK 13 million compared to NOK 34 million in Q1 2023.
- EBITDA margin of 2% compared to an EBITDA margin of 6% in Q1 2023.

Projects & Engineering

- Operating revenue of NOK 163 million compared to NOK 140 million in Q1 2023.
- EBITDA of NOK 24 million compared to NOK 28 million in Q1 2023.
- EBITDA margin of 15% compared to an EBITDA margin of 20% in Q1 2023.

Highlights

Dividend

15 May 2024, the Board of Directors approved a dividend distribution of NOK 35 million with a payment date of 5 June 2024.

Acquisition

Odfjell Technology has acquired 100% of the shares in McGarian TDC Ltd. in May 2024. McGarian TDC Ltd. specialises in the design of whipstocks, casing & packer milling, fishing & remedial products.

The acquisition aligns with Odfjell Technology's strategic vision of expanding our service portfolio and enhancing our capabilities in the Slot Recovery and Plug and Abandonment sectors of the energy industry.

The consideration is made up of a base consideration of GBP 3 million plus potential earn-outs dependent on commercial success and product development targets over the next three years post-closing.

Contracts

Operations was awarded a contract by Equinor Energy AS for Drilling services on Grane and Visund, in addition option was exercised for Johan Sverdrup while Heidrun option was not exercised.

This award will increase our contract portfolio with one additional platform operation.

Contract commencement is 1 October 2024 and duration is 4 years fixed with an option of 1 x 2 years.

Operations won a contract with RepsolNorge AS for drilling services on Yme Inspirer. The contract services included drilling, completion, re-completion, well intervention, maintenance, engineering and future plug & abandonment work. The contract will commence Q2 2024 and is a firm 5-year contract with optional periods of 2 x 3 years. Estimated contract value is NOK 400 million for the firm period, and NOK 1bn including options.

Projects and Engineering was awarded a multi-million NOK contract from OSM Thome to provide upgrade and

modification services on the Heidrun B Floating Storage Unit (FSU), owned by Equinor and partners.

Under the contract, Odfjell Technology will provide engineering, construction, and installation services on several tasks, including a new Volatile Organic Compounds Recovery System and replacement of an existing crane, that will increase the safety level and the technical condition of the FSU.

The contracted work started in May 2022 but is now formalised in a modification contract with OSM Thome. Estimated contract completion is 1st quarter 2027.

Group financials

(Comparable figures for last comparable period in brackets.)

Profit & loss Q1 2024

Operating revenue for Q1 2024 was NOK 1,283 million (NOK 1,145 million), an increase of NOK 138 million. There is increased revenue in all the segments from Q1 2023 to Q1 2024, mainly related to new contracts and higher activity.

Other gains and losses in Q1 2024 was 17 million (NOK 2 million). The reduced owning interest in Odfjell Oceanwind AS

resulted in a gain of NOK 10 million being recognised in Q1 2024. Refer to Note 16 for further information. The gain is included in the Corporate/GBS column in Note 4 - Segment summary. There is also a net gain on disposal of fixed asset of NOK 7 million (NOK 2 million) included in the Well Services segment.

EBITDA in Q1 2024 was NOK 212 million (NOK 193 million), an increase of NOK 19 million. In addition to the NOK 10 million gain related to interest in Odfjell Oceanwind AS as explained above, the main contributor to the increase is Well Services,

partly offset by a decrease in the other segments. The EBITDA margin in Q1 2024 was 17% (17%).

Net financial expenses in Q1 2024 amounted to NOK 60 million (NOK 49 million). The negative variance of NOK 11 million is mainly explained by increased net currency losses and decreased interest income.

Profit before tax in Q1 2024 was NOK 59 million (NOK 53 million).

Income tax expense in Q1 2024 was NOK 8 million (NOK 9 million).

Net profit in Q1 2024 was NOK 51 million (NOK 43 million), an increase of NOK 8 million.

Balance sheet

Total assets as at 31 March 2024 amounted to NOK 3,807 million (NOK 3,695 million at 31 December 2023), an increase of NOK 112 million.

Total equity as at 31 March 2024 amounted to NOK 1,222 million (NOK 1,077 million at 31 December 2023), an increase of NOK 146 million. The equity ratio was 32% at 31 March 2024 (29% at 31 December 2023).

Net interest-bearing debt as at 31 March 2024 amounted to NOK 504 million (NOK 440 million as at 31 December 2023), an

increase of NOK 64 million, mainly related to decrease in cash and cash equivalents.

At 31 March 2024, cash amounted to NOK 597 million (NOK 659 million at 31 December 2023), a decrease of NOK 61 million.

Cash flow Q1 2024

Net cash flow from operating activities in Q1 2024 was positive NOK 21 million (NOK 60 million).

The Group paid NOK 30 million (NOK 31 million) in interest, and NOK 24 million (net refund of NOK 4 million) in income taxes.

Net cash outflow from investing activities in Q1 2024 was NOK 68 million (NOK 41 million). The cash outflows are mainly due to purchase of Well Services equipment.

Net cash outflow from financing activities in Q1 2024 was NOK 37 million (NOK 6 million). The Q1 2024 outflow relates to payment of dividends of NOK 25 million and repayment of lease liabilities.

Segments

(Comparable figures for last comparable period in brackets.)

Well Services

<i>All figures in NOK million</i>	Q1 24	Q1 23	FY 23
Operating revenue	467	393	1,779
EBITDA	175	136	625
EBIT	100	58	322
EBITDA margin	37%	35%	35%

Q1 2024

Operating revenue for the Well Services segment in Q1 2024 was NOK 467 million (NOK 393 million), an increase of NOK 74 million. Continued activity on a key contract in Namibia, which commenced in Q3 2023 plus a significant upturn in operations in

both Kuwait and Saudi Arabia are the key drivers in the revenue increase.

EBITDA for the Well Services segment in Q1 2024 was NOK 175 million (NOK 136 million), an increase of NOK 39 million.

EBITDA margin for the Well Service segment in Q1 2024 was 37% (35%). Margin improvement is driven in large by the growth in the key operations noted above.

EBIT for the Well Services segment in Q1 2024 was NOK 100 million (NOK 58 million).

Operations

<i>All figures in NOK million</i>	Q1 24	Q1 23	FY 23
Operating revenue	589	559	2,382
EBITDA	13	34	176
EBIT	13	34	176
EBITDA margin	2%	6%	7%

Q1 2024

Operating revenue for the Operations segment in Q1 2024 was NOK 589 million (NOK 559 million), an increase of NOK 30 million from Q1 2023. This is mainly explained by increase in activity, compared

to Q1 2023, related to management of the jack-up rig Linus for SFL Corporation Ltd and an increasing demand for construction and inspection services through Rig Inspection Services.

EBITDA for the Operations segment in Q1 2024 was NOK 13 million (NOK 34 million), a decrease of NOK 21 million due to a combination of additional cost caused by crew transportation delays, higher sick

leave and low bonus earnings. The EBITDA margin for the Operations segment in Q1 2024 was 2% (6%).

Projects & Engineering

<i>All figures in NOK million</i>	Q1 24	Q1 23	FY 23
Operating revenue	163	140	607
EBITDA	24	28	94
EBIT	24	28	93
EBITDA margin	15%	20%	16%

Q1 2024

Operating revenue for the Projects & Engineering segment in Q1 2024 was NOK 163 million (NOK 140 million), an increase of NOK 23 million. Activity has been high throughout the quarter in P&E Bergen,

Stavanger and UK. Mainly driven by special purpose survey (SPS) activities in Odfjell Drilling's (ODL) portfolio and modification work on the floating storage unit (FSU) Heidrun B.

EBITDA for the segment in Q1 2024 was NOK 24 million (NOK 28 million), a decrease of NOK 4 million. The EBITDA margin for the segment in Q1 2024 was 15% (20%). The decrease in EBITDA is

mainly explained by Q1 2023 being highly impacted by yard-stay activities at a higher margin.

Sustainability Key Figures

The Sustainability impacts from Odfjell Technology's business operations are included in Odfjell Technology's integrated Annual Report for 2023, as this describes the group as of 31 December 2023. The report can be found on: www.odfjelltechnology.com/investor

<i>Environmental</i>	<i>Q1 24</i>
WASTE	
Volume of hazardous waste from own operations	356,755
Volume of non-hazardous waste from own operations	383,015
Percentage of hazardous waste recycled, reused, recovered (diverted from disposal)	N/A
Percentage of non-hazardous waste recycled, reused, recovered (diverted from disposal)	Data unavailable
CO2 EMISSIONS	
Direct GHG emissions (Scope 1) (tCO2eq)	N/A
Indirect GHG emissions location based (Scope 2) (tCO2eq)	1,122
Indirect GHG emissions market based (Scope 2) (tCO2eq)	N/A
Indirect GHG emissions from the supply chain (Scope 3) (tCO2eq)	23,003
POLLUTION	
Spills to land or sea (number)	6
Total volume spills to land or sea (liters)	4,192
Governance	Q1 24
Incidents of corruption or bribery	0
Registered cases in the Whistleblower Portal	1*
Data losses or breaches	0

*Solved and closed, no critical concern requiring report to highest governance body.

<i>Social</i>	<i>Q1 24</i>
HEALTH & SAFETY	
Total recordable injuries own workforce (number)	8
Total recordable injuries non-employees (number)	0
Total lost time injuries own workforce (number)	3
Total lost time injuries non-employees (number)	1
Fatalities (number)	0
Total recordable injuries own workforce per million working hours (TRIR) *	1.65
Total lost time injuries own workforce per million working hours (LTIR) *	1.27
Dropped objects frequency (as per 1 million working hours)	5.2
Sick leave (percentage)	3.9
EMPLOYEES	
Employees at end of period	2,425
DIVERSITY AND INCLUSION	
Women in the Board and Executive Management team at the end of the period (%)	50
Women in mid-level management** positions at the end of the period (%)	22
Nationalities in our workforce (#)	53
HUMAN RIGHTS	
Supplier audits completed	3
Incidents of Human Rights breaches	0

*Frequencies are based on all working hours in the Company

**Mid-level management includes levels 3-5

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 continue 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 regions we operate in.

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, still the increase in drilling activity and field investments is expected to increase demand for our services. The expectations for the coming years are high across our product lines globally. Well Services is well positioned to capitalise on the positive market fundamentals and will focus on growth opportunities with strong cash flow and the right margin level.

The market for our 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 Operations activities to other regions.

The Projects & 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.

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.

Aberdeen, United Kingdom

15 May 2024

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	Q1 24	Q1 23	FY 23
OPERATING REVENUE	2,3	1,283.2	1,145.5	5,021.4
Other gains and losses		16.7	1.8	26.9
Personnel expenses		(813.8)	(699.3)	(3,032.9)
Other operating expenses		(274.2)	(254.9)	(1,175.2)
EBITDA		211.9	193.1	840.1
Depreciation, amortisation and impairment	5,6	(88.9)	(88.1)	(348.0)
OPERATING PROFIT (EBIT)		123.0	105.0	492.1
Share of profit (loss) from joint ventures and associates	16	(3.8)	(3.8)	5.1
Net financial expenses	4	(59.8)	(48.7)	(135.7)
Profit before income tax		59.5	52.6	361.5
Income tax expense		(8.0)	(9.2)	(17.3)
NET PROFIT		51.5	43.4	344.2
Profit (loss) attributable to:				
Owners of the parent		51.5	43.4	344.2
Earnings per share (NOK)				
Basic earnings per share	15	1.30	1.10	8.72
Diluted earnings per share	15	1.27	1.08	8.53

Condensed Consolidated Statement of Comprehensive Income

NOK million	Q1 24	Q1 23	FY 23
NET PROFIT	51.5	43.4	344.2
Items that will not be reclassified to profit or loss:			
Actuarial gain (loss) on post employment benefit obligations	-	-	(8.9)
Items that are or may be reclassified to profit or loss:			
Cash flow hedges, net of taxes	1.6	(0.5)	(2.0)
Currency translation differences	116.1	99.7	58.4
OTHER COMPREHENSIVE INCOME, NET OF TAXES	117.7	99.2	47.5
TOTAL COMPREHENSIVE INCOME	169.1	142.6	391.7
Total comprehensive income attributable to:			
Owners of the parent	169.1	142.6	391.7

Condensed Consolidated Statement of Financial Position

NOK million	Note	31.03.2024	31.03.2023	31.12.2023
ASSETS				
Property, plant and equipment	5	1,090.6	1,076.5	1,040.9
Intangible assets	6	260.5	258.4	257.3
Deferred tax asset	10	96.9	61.6	93.3
Non-current tax asset	10	307.2	307.2	307.2
Investments in joint ventures and associates	16	81.2	46.6	75.0
Other non-current assets		63.7	45.9	60.7
TOTAL NON-CURRENT ASSETS		1,900.0	1,796.2	1,834.3
Trade receivables		1,111.0	1,109.1	1,005.6
Other current receivables and assets		198.3	151.2	195.9
Cash and cash equivalents		597.3	597.9	658.8
TOTAL CURRENT ASSETS		1,906.6	1,858.2	1,860.3
TOTAL ASSETS		3,806.6	3,654.4	3,694.6

NOK million	Note	31.03.2024	31.03.2023	31.12.2023
EQUITY AND LIABILITIES				
Paid-in capital	14	1,093.8	1,093.8	1,093.8
Other equity		128.4	(315.0)	(17.3)
TOTAL EQUITY		1,222.2	778.8	1,076.6
Non-current interest-bearing borrowings	7	1,089.8	1,085.3	1,088.6
Non-current lease liabilities	8	151.6	96.6	132.6
Liability repayment to Odfjell Drilling Ltd	10	307.2	307.2	307.2
Other non-current liabilities		51.1	88.4	48.3
TOTAL NON-CURRENT LIABILITIES		1,599.6	1,577.4	1,580.1
Current interest-bearing borrowings	7	11.3	268.8	10.3
Current lease liabilities	8	45.5	32.3	37.0
Trade payables		285.8	306.7	338.9
Current income tax		46.0	73.1	56.1
Other current liabilities		596.2	473.2	595.6
TOTAL CURRENT LIABILITIES		984.8	1,154.1	1,037.9
TOTAL LIABILITIES		2,584.4	2,731.5	2,618.0
TOTAL EQUITY AND LIABILITIES		3,806.6	3,654.4	3,694.6

Condensed Consolidated Statement of Changes in Equity

<i>NOK million</i>	Note	Paid-in capital	Other equity	Total equity
BALANCE AT 1 JANUARY 2023		1,093.8	(315.0)	778.8
Profit/(loss) for the period		-	43.4	43.4
Other comprehensive income for the period		-	99.2	99.2
Total comprehensive income for the period		-	142.6	142.6
Cost of share-based option plan			1.5	1.5
Transactions with owners		-	1.5	1.5
BALANCE AT 31 MARCH 2023		1,093.8	(171.0)	922.9
Total comprehensive income for the period Q2 -Q4		-	249.1	249.1
Transactions with owners for the period Q2 - Q4		-	(95.4)	(95.4)
BALANCE AT 31 DECEMBER 2023		1,093.8	(17.3)	1,076.6
Profit for the period		-	51.5	51.5
Other comprehensive income for the period		-	117.7	117.7
Total comprehensive income for the period		-	169.1	169.1
Dividends paid to shareholders	14	-	(25.0)	(25.0)
Cost of share-based option plan		-	1.5	1.5
Transactions with owners		-	(23.5)	(23.5)
BALANCE AT 31 MARCH 2024		1,093.8	128.4	1,222.2

Condensed Consolidated Statement of Cash Flows

NOK million	Note	Q1 24	Q1 23	FY 23
CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit before tax		59.5	52.6	361.5
Adjustment for provisions and other non-cash elements		132.3	135.5	463.9
Changes in working capital		(116.4)	(101.9)	53.1
Cash generated from operations		75.3	86.1	878.5
Net interest paid		(30.0)	(30.7)	(128.9)
Payment related to tax case in Norway	10	-	(307.2)	(307.2)
Funds received from Odfjell Drilling Ltd regarding tax case	10	-	307.2	307.2
Net income tax (paid) refunded		(23.9)	4.1	(51.6)
NET CASH FLOW FROM OPERATING ACTIVITIES		21.4	59.5	698.0
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment and intangible assets		(75.7)	(43.0)	(237.4)
Proceeds from sale of property, plant and equipment		7.2	2.4	32.8
Other non-current receivables		0.5	-	0.6
Mandatory convertible subordinated loan to joint venture		-	-	(18.0)
NET CASH FLOW FROM INVESTING ACTIVITIES		(68.0)	(40.6)	(221.9)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayment of borrowings		-	-	(268.9)
Repayment of lease liabilities	8	(11.6)	(5.9)	(26.2)
Dividends paid to shareholders	14	(25.0)	-	(100.0)
NET CASH FLOW FROM FINANCING ACTIVITIES		(36.6)	(5.9)	(395.1)
Effects of exchange rate changes on cash and cash equivalents		21.7	24.7	17.7
NET CHANGE IN CASH AND CASH EQUIVALENTS		(61.4)	37.8	98.7
Cash and cash equivalents at beginning of period		658.8	560.1	560.1
CASH AND CASH EQUIVALENTS AT PERIOD END		597.3	597.9	658.8

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 Prime View, Prime Four Business Park, Kingswells, Aberdeen, AB15 8PU.

These condensed interim financial statements were approved by the Board of Directors on 15 May 2024 and have not been audited.

Basis for preparation

These condensed interim financial statements for the three months period ended 31 March 2024 have been prepared in accordance with IAS 34, 'Interim financial reporting'. 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 annual report for the year ended 31 December 2023.

Accounting principles

The accounting principles adopted are consistent with those of the previous financial year.

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 consolidated financial statements for the year ended 31 December 2023.

There will always be uncertainty related to judgement and assumptions related to accounting estimates.

NOTE 2 Segment summary

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, Operations and Project & Engineering have been determined as the operating segments.

Well Services

The 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.

Operations

The main service offering of the 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, as well as rig installation services. 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.

Projects & Engineering

The segment 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			Operations			Projects & Engineering			Corporate / GBS			Consolidated		
<i>NOK million</i>	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23
External segment revenue	467.0	393.0	1,778.6	589.2	558.6	2,382.3	162.6	139.9	607.3	64.3	54.0	253.2	1,283.2	1,145.5	5,021.4
Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	467.0	393.0	1,778.6	589.2	558.6	2,382.3	162.6	139.9	607.3	64.3	54.0	253.2	1,283.2	1,145.5	5,021.4
EBITDA	175.1	136.3	625.2	12.5	34.4	175.6	24.2	28.3	94.4	0.1	(5.9)	(55.1)	211.9	193.1	840.1
Depreciation and impairment	(75.5)	(78.5)	(303.6)	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)	(1.2)	(13.3)	(9.4)	(43.3)	(88.9)	(88.1)	(348.0)
EBIT	99.6	57.8	321.6	12.5	34.4	175.6	24.2	28.1	93.2	(13.2)	(15.3)	(98.4)	123.0	105.0	492.1
Share of profit (loss) from joint ventures and associates													(3.8)	(3.8)	5.1
Net financial expenses													(59.8)	(48.7)	(135.7)
PROFIT BEFORE TAX - CONSOLIDATED GROUP													59.5	52.6	361.5

NOTE 3 Revenue

<i>NOK million</i>	Q1 24	Q1 23	FY 23
Revenue from contracts with customers	1,142.4	1,033.8	4,521.2
Lease component in Well Services contracts	140.7	111.5	499.6
Other operating revenue	0.1	0.2	0.5
OPERATING REVENUE	1,283.2	1,145.5	5,021.4

Disaggregation of revenue - Primary geographical markets

	Well Services			Operations			Projects & Engineering			Corporate / GBS			Consolidated		
<i>NOK million</i>	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23	Q1 24	Q1 23	FY 23
Norway	225.4	211.2	910.9	381.7	379.3	1,585.8	142.2	120.5	501.9	63.8	53.0	248.5	813.1	764.0	3,247.1
UK	55.2	42.6	188.6	207.5	179.3	796.5	20.4	19.4	105.3	0.4	0.4	2.3	283.5	241.7	1,092.7
Europe - other countries	49.9	51.0	231.4	-	-	-	-	-	-	-	-	-	49.9	51.0	231.4
Malaysia	28.9	32.4	115.0	-	-	-	-	-	-	-	-	-	28.9	32.4	115.0
Asia - other countries	81.0	54.4	258.6	-	-	-	-	-	-	0.2	0.6	2.5	81.1	55.1	261.1
Other geographical markets	26.7	1.3	74.1	-	-	-	-	-	-	-	-	-	26.7	1.3	74.1
TOTAL OPERATING REVENUE	467.0	393.0	1,778.6	589.2	558.6	2,382.3	162.6	139.9	607.3	64.3	54.0	253.2	1,283.2	1,145.5	5,021.4

NOTE 4 Net financial expenses

<i>NOK million</i>	Note	Q1 24	Q1 23	FY 23
Interest income		3.5	6.1	25.9
Interest expense lease liabilities	8	(3.9)	(2.2)	(11.1)
Other interest expenses		(31.9)	(33.7)	(142.2)
Other borrowing expenses		(1.5)	(1.4)	(5.6)
Net currency gain/(loss)		(24.7)	(16.8)	(1.0)
Other financial items		(1.4)	(0.6)	(1.5)
NET FINANCIAL EXPENSES		(59.8)	(48.7)	(135.7)

NOTE 5 Property, plant and equipment

<i>NOK million</i>	Well Services equipment	Other fixed assets	Right-of-use assets	Total fixed assets
Opening net book value as at 1 January 2024	847.0	49.7	144.2	1,040.9
Additions	40.2	5.1	33.4	78.6
Disposals	(0.5)	-	-	(0.5)
Depreciation	(69.9)	(3.5)	(8.5)	(81.9)
Currency translation differences	48.5	1.5	3.5	53.5
NET BOOK AMOUNT AS AT 31 MARCH 2024	865.2	52.8	172.6	1,090.6
<i>Useful lifetime</i>	<i>3 - 10 years</i>	<i>3 - 5 years</i>	<i>2-10 years</i>	
<i>Depreciation schedule</i>	<i>Straight line</i>	<i>Straight line</i>	<i>Straight line</i>	

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. Assets impaired in previous periods, are assessed for reversal of the impairment whenever there are indicators that the impairment loss previously recognised no longer exists or has decreased.

The Group has not identified any impairment indicators as at 31 March 2024.

NOTE 6 Intangible assets

<i>NOK million</i>	Goodwill	Software and other intangible assets	Total intangible assets
Opening net book value as at 1 January 2024	132.8	124.5	257.3
Additions	-	8.8	8.8
Amortisation	-	(7.0)	(7.0)
Currency translation differences	-	1.3	1.3
CLOSING NET BOOK AMOUNT AS AT 31 MARCH 2024	132.8	127.7	260.5

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 31 March 2024.

NOTE 7 Interest-bearing borrowings

<i>NOK million</i>	31.03.2024	31.03.2023	31.12.2023
Non-current	1,089.8	1,085.3	1,088.6
Current	11.3	268.8	10.3
TOTAL	1,101.1	1,354.1	1,098.9

Movement in interest-bearing borrowings are analysed as follows:

<i>NOK million</i>	Non-current	Current	Total
Carrying amount as at 1 January 2024	1,088.6	10.3	1,098.9
Cash flows:			
Repayment borrowings	-	-	-
Non-cash flows:			
Change in transaction cost, unamortised	1.2	0.3	1.5
Change in accrued interest cost	-	0.7	0.7
CARRYING AMOUNT AS AT 31 MARCH 2024	1,089.8	11.3	1,101.1

Repayment schedule for interest-bearing borrowings

The NOK 1.100 million senior secured bonds mature in February 2026. There are no instalments before final maturity.

Available drawing facilities

The group has NOK 269 million (the USD 25 million RCF) in available undrawn facilities as per 31 March 2024.

Covenants

The Group is compliant with all financial covenants as at 31 March 2024.

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:

<i>NOK million</i>	31.03.2024	31.03.2023	31.12.2023
Non-current	151.6	96.6	132.6
Current	45.5	32.3	37.0
TOTAL	197.1	128.8	169.6

Movements in the lease liabilities are analysed as follows for 2024:

<i>NOK million</i>	Non-current	Current	Total
Carrying amount as at 1 January 2024	132.6	37.0	169.6
Cash flows:			
Payments for the principal portion of the lease liability	-	(11.6)	(11.6)
Payments for the interest portion of the lease liability	-	(2.6)	(2.6)
Non-cash flows:			
New lease liabilities recognised in the year	34.1	-	34.1
Interest expense on lease liabilities	3.9	-	3.9
Reclassified to current portion of lease liabilities	(21.8)	21.8	-
Currency exchange differences	2.7	0.9	3.7
CARRYING AMOUNT AS AT 31 MARCH 2024	151.6	45.5	197.1

NOTE 9 Financial risk management and financial instruments

Valuation techniques used to derive Level 2 fair values

Level 2 derivatives held at fair value through profit or loss and hedging derivatives, comprise interest rate swaps. Interest rate swaps are fair valued using forward rates extracted from observable yield curves. Interest rate swaps are recognised according to mark-to-market reports from external financial institutions.

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

NOK million	Level	31.03.2024	31.03.2023	31.12.2023
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Derivatives designated as hedging instruments				
- Interest rate swaps - Other non-current assets	2	13.8	10.3	11.7
OTHER FINANCIAL ASSETS				
Other non-current receivables		49.5	35.6	48.0
Trade and other current receivables		1,132.8	1,130.1	1,040.6
Cash and cash equivalents		597.3	597.9	658.8
TOTAL FINANCIAL ASSETS		1,793.4	1,773.9	1,759.0

NOK million	Level	31.03.2024	31.03.2023	31.12.2023
OTHER FINANCIAL LIABILITIES				
Non-current interest-bearing borrowings		1,089.8	1,085.3	1,088.6
Non-current lease liabilities		151.6	96.6	132.6
Current interest-bearing borrowings		11.3	268.8	10.3
Current lease liabilities		45.5	32.3	37.0
Trade and other payables		672.6	657.0	687.8
TOTAL FINANCIAL LIABILITIES		1,970.9	2,140.0	1,956.3

The fair value of financial assets and liabilities at amortised cost is not materially different from their carrying amount.

NOTE 10 Uncertain tax position

As reported in Note 8 in the [Annual report 2023](#), Odfjell Offshore Ltd, a company included in these financial statements, received a tax ruling from the Norwegian Tax Authorities in December 2022, where the tax loss of on the realisation of shares in 2017 was denied on the basis of the anti-avoidance rule developed as tax case law. Odfjell Offshore Ltd has appealed the ruling, and both the company and the Group is still of the opinion that the most likely outcome of a court case is that the anti-avoidance rule should not be applicable

and the denial of the tax loss should be revoked.

The Group made an upfront payment 1 February 2023 of NOK 307 million in taxes and interest for the financial years 2017 through to 2021. As the Group is of the opinion that the most likely outcome is that the taxes will be repaid, the amount is recognised as a non-current tax asset.

The NOK 307 million upfront payment was financed and refunded from Odfjell Drilling

Ltd., as it is covered by a letter of indemnity issued 1 March 2022 to Odfjell Technology Ltd. As the Group is of the opinion that the most likely outcome is that the taxes will be repaid, a liability of NOK 307 million has been recognised as a non-current payable to Odfjell Drilling Ltd.

For the financial years 2022, 2023 and YTD 2024, income taxes payable for companies taxable to Norway accumulates to NOK 80 million. Following the tax ruling in December 2022, the income taxes can no

longer be offset by Odfjell Offshore's tax losses carried forward, and the Group has made income tax payments in 2023 and 2024. However, since the Group is still of the opinion that the most likely outcome of a court case is that the denial of the tax loss should be revoked, the Group has recognised a deferred tax asset equal to expected tax refund. The balance of this deferred tax asset amounts to NOK 80 million at 31 March 2024.

NOTE 11 Related parties

The Group had the following material transactions with related parties:

NOK million	Relation	Q1 24	Q1 23	FY 23
Odfjell Oceanwind AS	Associated company	7.3	3.4	31.9
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	216.0	183.6	798.8
TOTAL SALES OF SERVICES TO RELATED PARTIES		223.3	187.0	830.6

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

NOK million	Q1 24	Q1 23	FY 23
Well Services	103.1	102.5	391.7
Operations	10.5	2.3	57.5
Projects & Engineering	45.5	28.2	128.2
Corporate / GBS	64.2	54.0	253.2
TOTAL OPERATING REVENUE TO RELATED PARTIES	223.3	187.0	830.6

<i>NOK million</i>	Relation	Q1 24	Q1 23	FY 23
Odfjell Oceanwind AS	Associated company	0.1	-	1.5
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	7.3	6.3	21.3
TOTAL OPERATING EXPENSES TO RELATED PARTIES		7.4	6.3	22.8

The Group had the following receivables and liabilities to related parties

Refer to [Note 10](#) for information about the non-current liability to Odfjell Drilling Ltd.

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.

<i>NOK million</i>	31.03.2024	31.03.2023	31.12.2023
Trade receivables	82.8	102.4	84.2
Other current receivables	3.1	7.1	21.6
Trade payables	(2.9)	(4.4)	(1.5)
Other current payables	(1.3)	(0.2)	(0.8)
NET CURRENT PAYABLES RELATED PARTIES	81.7	104.9	103.6

Shareholdings by related parties

Chair of the Board, Helene Odfjell, controls Odfjell Technology Holding Ltd., which owns 60.37% of the common shares.

Victor Vadaneaux (Director) controls 16,563 (0.04%) of the common shares, and Susanne Munch Thore (Director) controls 500 (0.00%) of the common shares in the company.

Simen Lieungh (CEO of Odfjell Technology AS) controls 40,000 (0.10%) of the common shares, and Jone Torstensen (CFO of Odfjell Technology AS) controls 5,000 (0.01%) of the common shares in the company as per 31 March 2024.

NOTE 12 Commitments

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

<i>NOK million</i>	31.03.2024	31.03.2023	31.12.2023
Well Services equipment	143.9	65.2	146.5
TOTAL	143.9	65.2	146.5

NOTE 13 Contingencies

As described in Note 27 in the [Annual Report 2023](#), a Group subsidiary is subject to challenges by His Majesty's Revenue and Customs ("HMRC") on the historical application of National Insurance Contributions ("NICs") to workers in the UK Continental Shelf. There are has been no

changes or development during 2024. 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 Odfjell Technology (UK) Ltd in relation to NICs and interest should it be unsuccessful in defending its position, is approximately NOK 327 million.

Refer to [Note 10](#) regarding uncertain income tax treatment.

There are no other material contingencies to be disclosed as per 31 March 2024.

NOTE 14 Equity information

<i>Listed shares</i>	No. of shares	Nominal value	Share capital - USD thousand
Common shares issued as at 31 March 2024	39,463,867	USD 0.01	394.6

Authorised, not issued shares was 5,536,133 as at 31 March 2024.

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

15 February 2024, the Board of Directors approved a dividend distribution of 0.633 NOK per share, equal to approximately NOK 25 million. The dividend was paid in March 2024.

NOTE 15 Earnings per share

The Company has a share option plan for 1,995,000 common shares, see further description in Note 33 in the [Annual report 2023](#).

The options affect the diluted number of shares in 2023 and 2024, see table below.

Refer to Note 34 in the [Annual report 2023](#) for description of accounting principle for calculating diluted effect.

<i>NOK million</i>	Q1 24	Q1 23	FY 23
Profit/(loss) due to owners of the parent	51.5	43.4	344.2
Diluted profit/(loss) for the period due to owners of the parent	51.5	43.4	344.2

	Q1 24	Q1 23	FY 23
Weighted average number of common shares in issue	39,463,867	39,463,867	39,463,867
Effects of dilutive potential common shares:			
-Share option plan	1,104,784	643,394	879,705
Diluted average number of shares outstanding	40,568,651	40,107,261	40,343,572

<i>Earnings per share (NOK)</i>	Q1 24	Q1 23	FY 23
Basic earnings per share	1.30	1.10	8.72
Diluted earnings per share	1.27	1.08	8.53

NOTE 16 Investments in joint ventures and associates

Company	Acquisition/ formation date	Registered office	Principal place of business	Voting and owning interest 31.03.2024	Voting and owning interest 31.12.2023
Odfjell Oceanwind AS	2020	Oslo, Norway	Bergen, Norway	18.8%	21.2%
Following a private placement in Odfjell Oceanwind AS at the end of March 2024, Odfjell Technology's owning interest in the company was diluted. Odfjell Technology now have an owning interest of 18.8%.		Odfjell Technology have through shareholder agreements and board representation significant influence in Odfjell Oceanwind AS, and the company is therefore considered to be an associate.		As an investment in associate the group has continued to recognise the investment using the equity method. The reduction in owning interest from 21.2% to 18.8% is due to the issue of shares to other parties by the investee. The gain on dilution is NOK 10 million and is presented as part of Other gains and losses in the Consolidated Income Statement.	

Movements in the book value of the investment in Odfjell Oceanwind:

NOK million	Q1 2024	FY 2023
Book value as at 1.1.	75.0	50.0
Share of profit after tax	(3.8)	5.1
Gain arising from dilution of owning interest	10.0	-
Capital contributions	-	55.5
Mandatory convertible loan	-	(35.6)
Book value as at period end	81.2	75.0

NOTE 17 Important events occurring after the reporting period

Dividends

15 May 2024, the Board of Directors approved a dividend distribution of 0.89 NOK per share, equal to approximately NOK 35 million, with payment in June 2024.

Acquisition

In May 2024 the company acquired 100% of the shares in McGarian TDC Ltd. The purchase price consists of a base consideration of GBP 3 million plus

potential earn-outs dependent on commercial success and product development targets over the next three years post-closing.

There have been no other events after the balance sheet date which have a material effect on the interim financial statements ended 31 March 2024.

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 2022 EBITDA margins (36%, 8% and 12% for Well Services, Operations and Projects & 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.

Leverage ratio (adj)

31.03.2024

Non-current interest-bearing borrowings	NOK	1,089.8	million
Current interest-bearing borrowings	NOK	11.3	million
Non-current lease liabilities	NOK	151.6	million
Current lease liabilities	NOK	45.5	million
Adjustment for operational lease contracts	NOK	(197.1)	million
A Adjusted financial indebtedness	NOK	1,101.1	million
Cash and cash equivalents	NOK	597.3	million
Adjustment for restricted cash and other cash not readily available	NOK	(46.6)	million
B Adjusted cash and cash equivalents	NOK	550.7	million
A-B=C ADJUSTED NET INTEREST-BEARING DEBT	NOK	550.4	MILLION
EBITDA last 12 months	NOK	858.9	million
Adjustment for operational lease contracts	NOK	(4.7)	million
Adjustment for transaction costs	NOK	-	million
D ADJUSTED EBITDA	NOK	854.3	MILLION
C/D=E LEVERAGE RATIO (ADJ)		0.64	

For more information visit odfjelltechnology.com

