

# Report for the 3<sup>rd</sup> 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 30 countries worldwide.**

## KEY FINANCIALS Q3 2024

**NOK 1,334m**

Q3 revenue

**0.73**

Leverage ratio

**NOK 201m**

EBITDA

**NOK 514m**

Cash and cash equivalents

**NOK 13.7b**

Revenue Backlog

**2.0b**

EBITDA backlog vs NIBD

## Key figures for the Group

<i>All figures in NOK million</i>	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Operating revenue	1,334	1,275	3,977	3,680	5,021
EBITDA	201	212	634	617	840
EBIT	119	129	381	356	492
Net profit	39	85	178	208	344
EBITDA margin	15%	17%	16%	17%	17%
Total assets			3,863	3,761	3,695
Net interest bearing debt			570	866	440
Equity			1,248	1,072	1,077
Equity ratio			32%	28%	29%

- Operating revenue of NOK 1,334 million compared to NOK 1,275 million in Q3 2023.
- EBITDA margin of 15% compared to an EBITDA margin of 17% in Q3 2023.
- The Group's contract backlog is NOK 13.7 billion, whereof NOK 7.3 billion is firm backlog.
- EBITDA of NOK 201 million compared to NOK 212 million in Q3 2023.

## Key figures Segments

### Well Services

- Operating revenue of NOK 462 million compared to NOK 466 million in Q3 2023.
- EBITDA of NOK 142 million compared to NOK 165 million in Q3 2023.
- EBITDA margin of 31% compared to an EBITDA margin of 35% in Q3 2023.

### Operations

- Operating revenue of NOK 644 million compared to NOK 605 million in Q3 2023.
- EBITDA of NOK 49 million compared to NOK 44 million in Q3 2023.
- EBITDA margin of 8% compared to an EBITDA margin of 7% in Q2 2023.

### Projects & Engineering

- Operating revenue of NOK 161 million compared to NOK 140 million in Q3 2023.
- EBITDA of NOK 13 million compared to NOK 16 million in Q3 2023.
- EBITDA margin of 8% compared to an EBITDA margin of 12% in Q3 2023.

# Highlights 2024

## Dividend

6 November 2024, the Board of Directors approved a dividend distribution of NOK 60 million with a payment date of 12 December 2024.

## Refinancing

In September Odfjell Technology successfully placed a new NOK 1,100 million senior secured bond issue with a tenor of 4 years. The new bond issue will carry an interest rate of 3 months NIBOR + 3.50% per annum with quarterly interest payments. The transaction attracted strong interest and was significantly oversubscribed.

In addition, the company entered into a new USD 50 million Revolving Credit Facility ('RCF') which replaced the previous USD 25 million RCF. The new facility has a 1% lower interest rate than the previous RCF.

## 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

In Q3 Operation received a letter of award for the provision of a Mobile Workover Unit in Southeast Asia from a major international operating company. The contract is expected to commence in the middle of the 2nd Quarter of 2025 and has an estimated firm duration of twenty-four months. The contract adds approximately USD 64 million of firm revenue backlog.

In Q1 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.

In Q1 Operations won a contract with Repsol Norge AS for drilling services on Yme Inspirer. The contract services include drilling, completion, re-completion, well intervention, maintenance, engineering and future plug & abandonment work. The contract commenced in Q3 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.

In Q1 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.

In Q2 Equinor (UK) Limited have exercised a 2-year option on the contract for the provision of the full drilling services on Mariner A platform, located approximately 150 kilometres east of the Shetland Islands. This service encompasses managing operations, maintenance, and repairs for both the main rig drilling facility and Intervention Completion Unit, along with providing engineering studies, modifications, and upgrades. This option extends the contract to November 2026, with an additional further two-year option remaining thereafter.

In Q3 bp exercised a two year extension option on the contract for the provision of platform rig operation and maintenance services for the Clair Phase 1 and Clair Ridge facilities. In addition, Odfjell Technology will continue to provide well services, including equipment rental, wellbore clean-up and tubular running services. This option extends the contract to 31 January 2027 and a further two year option to extend remains thereafter.



## Group financials

(Comparable figures for last comparable period in brackets.)

### Profit & loss Q3 2024

Operating revenue for Q3 2024 was NOK 1,334 million (NOK 1,275 million), an increase of NOK 59 million. There is increased revenue in the Operations and Projects & Engineering segments from Q3 2023 to Q3 2024, mainly related to new contracts and higher activity.

Other gains and losses in Q3 2024 was 4 million (NOK 9 million) related to net gain on disposal of fixed asset in the Well Services segment.

EBITDA in Q3 2024 was NOK 201 million (NOK 212 million), a decrease of NOK 11 million. The EBITDA margin in Q3 2024 was 15% (17%).

Net financial expenses in Q3 2024 amounted to NOK 72 million (NOK 38 million). Financial expenses in Q3 2024 include NOK 44 million related to the refinancing process that was finalised in September 2024. The refinancing expense is partly offset by increased net currency gain. There is also a positive variance in net other interest expenses.

Profit before tax in Q3 2024 was NOK 48 million (NOK 91 million).

### Profit & loss YTD 2024

Operating revenue YTD 2024 was NOK 3,977 million (NOK 3,680 million), an increase of NOK 297 million. There is increased revenue in all the segments from 2023 to 2024, mainly related to new contracts and higher activity.

Other gains and losses YTD 2024 was 29 million (NOK 12 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 17 for further information. The gain is included in the Corporate/GBS column in Note 2 - Segment summary. There is also a net gain on disposal of fixed asset of NOK 19 million (NOK 12 million) included in the Well Services segment.

EBITDA YTD 2024 was NOK 634 million (NOK 617 million), an increase of NOK 17 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, offset by a decrease in Operations. The EBITDA margin YTD 2024 was 16% (17%).

Net financial expenses YTD 2024 amounted to NOK 162 million (NOK 128 million). Financial expenses in 2024 include NOK 44 million related to the refinancing process that was finalised in September 2024. The refinancing expense is partly offset by increased net currency gain. There is also a positive variance in net other interest expenses.

Profit before tax YTD 2024 was NOK 216 million (NOK 222 million).

Income tax expense YTD 2024 was NOK 38 million (NOK 15 million).

Net profit YTD 2024 was NOK 178 million (NOK 208 million), a decrease of NOK 30 million.

### Balance sheet

Total assets as at 30 September 2024 amounted to NOK 3,863 million (NOK 3,695 million at 31 December 2023), an increase of NOK 168 million.

Total equity as at 30 September 2024 amounted to NOK 1,248 million (NOK 1,077 million at 31 December 2023), an increase of NOK 171 million. The equity ratio was 32% at 30 September 2024 (29% at 31 December 2023).

Net interest-bearing debt as at 30 September 2024 amounted to NOK 570 million (NOK 440 million as at 31 December 2023), an increase of NOK 130 million, mainly related to decrease in cash and cash equivalents.

At 30 September 2024, cash amounted to NOK 514 million (NOK 659 million at 31 December 2023), a decrease of NOK 145 million.

### Cash flow Q3 2024

Net cash flow from operating activities in Q3 2024 was positive NOK 134 million (NOK 8 million). This includes net interest payments of NOK 43 million (NOK 33 million), and income taxes payments of NOK 9 million (NOK 4 million).

Net cash outflow from investing activities in Q3 2024 was NOK 104 million (NOK 80 million). The 2024 cash outflow is mainly due to purchase of Well Services equipment.

Net cash outflow from financing activities in Q3 2024 was NOK 102 million (NOK 31 million). In September 2024 the Company successfully placed a new NOK 1,100 million senior secured bond issue. Proceeds from the bond issue was used to call the Company's outstanding NOK 1,100 million senior secured bond issue with maturity 23 February 2026 in full. In September 2024 the Company also entered into a new USD 50 Super Senior Revolving Credit Facility Agreement. The net proceeds from new borrowings, after deducting roll-over bonds and transaction costs amounted to NOK 876 million. The net cash outflow of the repayment of borrowings in Q3 2024 excluding the roll-over bonds, but including the call premium and transaction costs amounted to NOK 925 million. In addition to the effects of the refinancing the Group repaid NOK 8 (NOK 6) of the lease liabilities, and had a payment of dividends of NOK 45 million (NOK 25 million).

## Cash flow YTD 2024

Net cash flow from operating activities YTD 2024 was positive NOK 289 million (NOK 187 million). This includes net interest payments of NOK 101 million (NOK 96

million), and income taxes payments of NOK 56 million (NOK 45 million).

Net cash outflow from investing activities YTD 2024 was NOK 269 million (NOK 186 million). NOK 32 million was paid in 2024 related to the acquisition of McGarian. The

remaining cash outflows are mainly due to purchase of Well Services equipment.

Net cash outflow from financing activities YTD 2024 was NOK 186 million (NOK 96 million). As explained above, the net proceeds from new borrowings amounted

to NOK 876 million. The net cash outflow of the repayment of borrowings amounted to NOK 925 million. In addition to the effects of the refinancing the Group repaid NOK 31 (NOK 20) of the lease liabilities, and had a payment of dividends of NOK 105 million (NOK 75 million).

## Segments

(Comparable figures for last comparable period in brackets.)

### Well Services

<i>All figures in NOK million</i>	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Operating revenue	462	466	1,390	1,298	1,779
EBITDA	142	165	471	450	625
EBIT	74	94	258	220	322
EBITDA margin	31%	35%	34%	35%	35%

#### Q3 2024

Operating revenue for the Well Services segment in Q3 2024 was NOK 462 million (NOK 466 million), a decrease of NOK 4 million mainly due to lower activity for rigs in Namibia and the non-renewal of a key contract in Norway, partly offset by increased activity in Kuwait and Saudi Arabia.

EBITDA for the Well Services segment in Q3 2024 was NOK 142 million (NOK 165 million), a decrease of NOK 23 million.

EBITDA margin for the Well Service segment in Q3 2024 was 31% (35%). The decrease is mainly due to the non-renewal of a key contract in Norway, which carried a high margin. In addition, the cost level increased due de-mobilisations and mobilisations of rigs internationally and in Norway.

EBIT for the Well Services segment in Q3 2024 was NOK 74 million (NOK 94 million).

#### YTD 2024

Operating revenue for the Well Services segment in YTD 2024 was NOK 1,390 million (NOK 1,298 million), an increase of NOK 92 million. The YTD revenue has been positively impacted by the operations in Namibia and the increased activities in Kuwait and Saudi Arabia, despite being offset by the non-renewal of a key contract in Norway and wind down of the UK operation.

EBITDA for the Well Services segment in YTD 2024 was NOK 471 million (NOK 450 million), an increase of NOK 21 million.

EBITDA margin for the Well Service segment in YTD 2024 was 34% (35%). The non-renewal of a key contract in Norway and the wind-down of UK operations in previous quarters, as well as current quarter's scale up in Norway contribute to lower margins. Positive revenue developments partially offset these factors, although on the whole the margin sees a drop.

EBIT for the Well Services segment in YTD 2024 was NOK 258 million (NOK 220 million).

## Operations

<i>All figures in NOK million</i>	<b>Q3 24</b>	<b>Q3 23</b>	<b>YTD 24</b>	<b>YTD 23</b>	<b>FY 23</b>
Operating revenue	644	605	1,882	1,761	2,382
EBITDA	49	44	106	131	176
EBIT	49	44	106	131	176
EBITDA margin	8%	7%	6%	7%	7%

### Q3 2024

Operating revenue for the Operations segment in Q3 2024 was NOK 644 million (NOK 605 million), an increase of NOK 39 million from Q3 2023. This is mainly explained by increase in activity, compared to Q3 2023, related to Platform Drilling Operations Norway (NOK 26 million) and UK (NOK 13 million)

EBITDA for the Operations segment in Q3 2024 was NOK 49 million (NOK 44 million), an increase of NOK 5 million due to higher volume in Norway and UK. Margin accretion in the UK partially offset by higher sick leave and low bonus earnings. The EBITDA margin for the Operations segment in Q3 2024 was 8% (7%).

### YTD 2024

Operating revenue for the Operations segment in YTD 2024 was NOK 1,882 million (NOK 1,761million), an increase of NOK 121 million from YTD 2023. This is mainly explained by increase in activity, compared to YTD 2023, related to Platform Drilling Operations in UK with Equinor (NOK 64 million) and Taqa (NOK 51 million) in addition to the management of the jack-up rig Linus for SFL Corporation Ltd.

EBITDA for the Operations segment in YTD 2024 was NOK 106 million (NOK 131 million), a decrease of NOK 25 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 YTD 2024 was 6% (7%).



## Projects & Engineering

<i>All figures in NOK million</i>	<b>Q3 24</b>	<b>Q3 23</b>	<b>YTD 24</b>	<b>YTD 23</b>	<b>FY 23</b>
Operating revenue	161	140	507	443	607
EBITDA	13	16	68	70	94
EBIT	12	16	65	70	93
EBITDA margin	8%	12%	13%	16%	16%

### Q3 2024

Operating revenue for the Projects & Engineering segment in Q3 2024 was NOK 161 million (NOK 140 million), an increase of NOK 21 million. High activity throughout the quarter, mainly driven by special purpose survey (SPS) activities in Odfjell Drilling's (ODL) portfolio.

EBITDA for the segment in Q3 2024 was NOK 13 million (NOK 16 million), a

decrease of NOK 3 million. The EBITDA margin for the segment in Q3 2024 was 8% (12%). Invoiceability lower than budgeted, having a negative impact on EBITDA. In addition, one-off effects reducing profitability this quarter.

### YTD 2024

Operating revenue for the Projects & Engineering segment in YTD 2024 was NOK 507 million (NOK 443 million), an

increase of NOK 64 million. Activity has been high throughout the first three quarters 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 YTD 2024 was NOK 68 million (NOK 70 million), a decrease of NOK 2 million. The EBITDA margin for the segment in YTD 2024 was

13% (16%). The reduction in margin is partly explained by Q1 2023 being highly impacted by yard-stay activities at a higher margin. There has also been cost driving one-off effects in Q3 2024, and a dip in invoiceability due to project scope on some larger projects have been deferred to 2025. 2024 has seen an increase in past-through project procurement where margins are low or only compensated by a handling fee, which are driving margins down.

## 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](http://www.odfjelltechnology.com/investor)

<i>Environmental</i>	<i>YTD 24</i>
<b>WASTE</b>	
Volume of hazardous waste from own operations (in kilograms)	198,100
Volume of non-hazardous waste from own operations (in kilograms)	315,213
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
<b>CO2 EMISSIONS</b>	
Direct GHG emissions (Scope 1) (tCO2eq)	N/A
Indirect GHG emissions location based (Scope 2) (tCO2eq)	662.9
Indirect GHG emissions market based (Scope 2) (tCO2eq)	N/A
Indirect GHG emissions - cat. 6 - business travel and cat. 4, 9 - upstream/downstream transportation NO, UK (tCO2eq)	4,161
<b>POLLUTION</b>	
Spills to land or sea (number)	3
Total volume spills to land or sea (liters)	5,200
 <i>Governance</i>	 <i>YTD 24</i>
Incidents of corruption or bribery	1
Registered cases in the Whistleblower Portal regarding corruption and bribery	0
Data losses or breaches	0

<i>Social</i>	<i>YTD 24</i>
<b>HEALTH &amp; SAFETY</b>	
Total recordable injuries own workforce (number)	7
Total recordable injuries non-employees (number)	5
Total lost time injuries own workforce (number)	4
Total lost time injuries non-employees (number)	1
Fatalities (number)	0
Total recordable injuries own workforce per million working hours (TRIR) *	5.07
Total lost time injuries own workforce per million working hours (LTIR) *	1.9
Dropped objects frequency (as per 1 million working hours, 12 months rolling)	7.84
Sick leave (percentage)	3.80
<b>EMPLOYEES</b>	
Employees at end of period	2,505
<b>DIVERSITY AND INCLUSION</b>	
Women in the Board and Executive Management team at the end of the period (%)	50.0
Women in mid-level management** positions at the end of the period (%)	22.0
Nationalities in our workforce (#)	46
<b>HUMAN RIGHTS</b>	
Supplier audits completed	4
Incidents of Human Rights breaches	0

\*Frequencies are based on all working hours in the Company, 12 months rolling

\*\*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 remain strong. The activity level is dependent on oil price development and the political environment.

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.

London, United Kingdom

6 November 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	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
<b>OPERATING REVENUE</b>	<b>2,4</b>	<b>1,334.3</b>	<b>1,275.1</b>	<b>3,976.6</b>	<b>3,679.8</b>	<b>5,021.4</b>
Other gains and losses		3.8	9.4	29.4	12.2	26.9
Personnel expenses		(835.6)	(757.3)	(2,480.6)	(2,221.0)	(3,032.9)
Other operating expenses		(301.4)	(315.2)	(891.3)	(854.3)	(1,175.2)
<b>EBITDA</b>		<b>201.2</b>	<b>212.0</b>	<b>634.1</b>	<b>616.7</b>	<b>840.1</b>
Depreciation, amortisation and impairment	6,7	(82.4)	(82.6)	(252.9)	(261.0)	(348.0)
<b>OPERATING PROFIT (EBIT)</b>		<b>118.8</b>	<b>129.4</b>	<b>381.2</b>	<b>355.7</b>	<b>492.1</b>
Share of profit (loss) from joint ventures and associates	17	1.4	(0.3)	(2.2)	(5.2)	5.1
Net financial expenses	5	(71.6)	(37.7)	(162.4)	(128.3)	(135.7)
<b>Profit before income tax</b>		<b>48.6</b>	<b>91.4</b>	<b>216.5</b>	<b>222.2</b>	<b>361.5</b>
Income tax expense		(10.0)	(6.6)	(38.0)	(14.6)	(17.3)
<b>NET PROFIT</b>		<b>38.6</b>	<b>84.8</b>	<b>178.5</b>	<b>207.6</b>	<b>344.2</b>
<b>Profit (loss) attributable to:</b>						
Owners of the parent		38.6	84.8	178.5	207.6	344.2
<b>Earnings per share (NOK)</b>						
Basic earnings per share	16	0.98	2.15	4.52	5.26	8.72
Diluted earnings per share	16	0.95	2.10	4.40	5.15	8.72

## Condensed Consolidated Statement of Comprehensive Income

NOK million	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
<b>NET PROFIT</b>	<b>38.6</b>	<b>84.8</b>	<b>178.5</b>	<b>207.6</b>	<b>344.2</b>
<b>Items that will not be reclassified to profit or loss:</b>					
Actuarial gain (loss) on post employment benefit obligations	-	-	-	-	(8.9)
<b>Items that are or may be reclassified to profit or loss:</b>					
Cash flow hedges, net of taxes	(3.1)	(0.8)	(2.2)	8.8	(2.0)
Currency translation differences	(2.8)	(27.6)	96.0	147.0	58.4
<b>OTHER COMPREHENSIVE INCOME, NET OF TAXES</b>	<b>(5.8)</b>	<b>(28.4)</b>	<b>93.8</b>	<b>155.8</b>	<b>47.5</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>32.8</b>	<b>56.4</b>	<b>272.3</b>	<b>363.4</b>	<b>391.7</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent	32.8	56.4	272.3	363.4	391.7

## Condensed Consolidated Statement of Financial Position

NOK million	Note	30.09.2024	30.09.2023	31.12.2023
<b>ASSETS</b>				
Property, plant and equipment	6	1,097.0	1,107.5	1,040.9
Intangible assets	7	340.0	258.9	257.3
Deferred tax asset		121.8	77.4	93.3
Non-current tax asset	11	307.2	307.2	307.2
Investments in joint ventures and associates	17	82.7	63.8	75.0
Other non-current assets		58.5	60.0	60.7
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,007.2</b>	<b>1,874.8</b>	<b>1,834.3</b>
Trade receivables		1,092.1	1,184.3	1,005.6
Other current receivables and assets		249.7	202.4	195.9
Cash and cash equivalents		513.9	499.8	658.8
<b>TOTAL CURRENT ASSETS</b>		<b>1,855.7</b>	<b>1,886.5</b>	<b>1,860.3</b>
<b>TOTAL ASSETS</b>		<b>3,862.9</b>	<b>3,761.2</b>	<b>3,694.6</b>

NOK million	Note	30.09.2024	30.09.2023	31.12.2023
<b>EQUITY AND LIABILITIES</b>				
Paid-in capital	15	1,093.8	1,093.8	1,093.8
Other equity		154.5	(22.1)	(17.3)
<b>TOTAL EQUITY</b>		<b>1,248.3</b>	<b>1,071.7</b>	<b>1,076.6</b>
Non-current interest-bearing borrowings	8	1,081.0	1,087.5	1,088.6
Non-current lease liabilities	9	142.4	139.8	132.6
Liability repayment to Odfjell Drilling Ltd	11	307.2	307.2	307.2
Other non-current liabilities		71.8	90.3	51.7
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,602.4</b>	<b>1,624.7</b>	<b>1,580.1</b>
Current interest-bearing borrowings	8	2.7	278.1	10.3
Current lease liabilities	9	42.5	37.1	37.0
Trade payables		341.5	271.4	338.9
Current income tax		70.9	47.2	56.1
Other current liabilities		554.4	431.0	595.6
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,012.1</b>	<b>1,064.8</b>	<b>1,037.9</b>
<b>TOTAL LIABILITIES</b>		<b>2,614.6</b>	<b>2,689.5</b>	<b>2,618.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,862.9</b>	<b>3,761.2</b>	<b>3,694.6</b>

## Condensed Consolidated Statement of Changes in Equity

<i>NOK million</i>	Note	Paid-in capital	Other equity	Total equity
<b>BALANCE AT 1 JANUARY 2023</b>		<b>1,093.8</b>	<b>(315.0)</b>	<b>778.8</b>
Profit/(loss) for the period		-	207.6	207.6
Other comprehensive income for the period		-	155.8	155.8
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>363.4</b>	<b>363.4</b>
Dividends paid to shareholders			(75.0)	(75.0)
Cost of share-based option plan			4.5	4.5
<b>Transactions with owners</b>		<b>-</b>	<b>(70.5)</b>	<b>(70.5)</b>
<b>BALANCE AT 30 SEPTEMBER 2023</b>		<b>1,093.8</b>	<b>(22.1)</b>	<b>1,071.7</b>
Total comprehensive income for the period Q4		-	28.3	28.3
Transactions with owners for the period Q4		-	(23.5)	(23.5)
<b>BALANCE AT 31 DECEMBER 2023</b>		<b>1,093.8</b>	<b>(17.3)</b>	<b>1,076.6</b>
Profit/(loss) for the period		-	178.5	178.5
Other comprehensive income for the period		-	93.8	93.8
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>272.3</b>	<b>272.3</b>
Dividends paid to shareholders	15	-	(105.1)	(105.1)
Cost of share-based option plans		-	4.5	4.5
<b>Transactions with owners</b>		<b>-</b>	<b>(100.6)</b>	<b>(100.6)</b>
<b>BALANCE AT 30 SEPTEMBER 2024</b>		<b>1,093.8</b>	<b>154.5</b>	<b>1,248.3</b>



## Condensed Consolidated Statement of Cash Flows

NOK million	Note	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Profit before tax		48.6	91.4	216.5	222.2	361.5
Adjustment for provisions and other non-cash elements		152.7	112.4	392.9	386.1	463.9
Changes in working capital		(14.9)	(158.9)	(164.1)	(280.6)	53.1
<b>Cash generated from operations</b>		<b>186.4</b>	<b>44.9</b>	<b>445.2</b>	<b>327.8</b>	<b>878.5</b>
Net interest paid		(42.8)	(32.8)	(100.6)	(95.5)	(128.9)
Payment related to tax case in Norway	11	-	-	-	(307.2)	(307.2)
Funds received from Odfjell Drilling Ltd regarding tax case	11	-	-	-	307.2	307.2
Net income tax (paid) refunded		(9.4)	(4.3)	(55.8)	(45.3)	(51.6)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>134.2</b>	<b>7.8</b>	<b>288.8</b>	<b>186.9</b>	<b>698.0</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Purchase of property, plant and equipment and intangible assets		(110.8)	(73.6)	(258.7)	(183.3)	(237.4)
Proceeds from sale of property, plant and equipment		3.8	11.6	20.8	15.3	32.8
Other non-current receivables		0.5	-	1.5	-	0.6
Cash used in obtaining control of subsidiaries		2.1	-	(32.4)	-	-
Mandatory convertible subordinated loan to joint venture		-	(18.0)	-	(18.0)	(18.0)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(104.4)</b>	<b>(79.9)</b>	<b>(268.8)</b>	<b>(186.0)</b>	<b>(221.9)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>						
Proceeds from borrowings	8	875.8	-	875.8	-	-
Repayment of borrowings	8	(925.0)	-	(925.0)	-	(268.9)
Repayment of lease liabilities	9	(7.9)	(6.5)	(31.3)	(19.6)	(26.2)
Dividends paid to shareholders	15	(45.0)	(25.0)	(105.1)	(75.0)	(100.0)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(102.1)</b>	<b>(31.5)</b>	<b>(185.6)</b>	<b>(94.6)</b>	<b>(395.1)</b>
Effects of exchange rate changes on cash and cash equivalents		7.8	(14.1)	20.7	33.3	17.7
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>(64.5)</b>	<b>(117.7)</b>	<b>(144.9)</b>	<b>(60.3)</b>	<b>98.7</b>
Cash and cash equivalents at beginning of period		578.4	617.5	658.8	560.1	560.1
<b>CASH AND CASH EQUIVALENTS AT PERIOD END</b>		<b>513.9</b>	<b>499.8</b>	<b>513.9</b>	<b>499.8</b>	<b>658.8</b>

## 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 6 November 2024 and have not been audited.

### Basis for preparation

These condensed interim financial statements for the nine months period ended 30 September 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>	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23
External segment revenue	461.9	465.8	643.9	604.7	161.4	140.0	67.1	64.5	1,334.3	1,275.1
Inter segment revenue	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>461.9</b>	<b>465.8</b>	<b>643.9</b>	<b>604.7</b>	<b>161.4</b>	<b>140.0</b>	<b>67.1</b>	<b>64.5</b>	<b>1,334.3</b>	<b>1,275.1</b>
Other gains and losses	3.8	9.4	-	-	-	-	-	-	3.8	9.4
<b>EBITDA</b>	<b>142.5</b>	<b>164.6</b>	<b>48.9</b>	<b>44.3</b>	<b>13.0</b>	<b>16.2</b>	<b>(3.1)</b>	<b>(13.1)</b>	<b>201.2</b>	<b>212.0</b>
Depreciation and impairment	(68.8)	(71.1)	(0.0)	(0.0)	(0.9)	(0.1)	(12.7)	(11.3)	(82.4)	(82.6)
<b>EBIT</b>	<b>73.7</b>	<b>93.5</b>	<b>48.9</b>	<b>44.3</b>	<b>12.1</b>	<b>16.1</b>	<b>(15.9)</b>	<b>(24.4)</b>	<b>118.8</b>	<b>129.4</b>
Share of profit (loss) from joint ventures and associates									1.4	(0.3)
Net financial expenses									(71.6)	(37.7)
<b>PROFIT BEFORE TAX - CONSOLIDATED GROUP</b>									<b>48.6</b>	<b>91.4</b>

	Well Services			Operations			Projects & Engineering			Corporate / GBS			Consolidated		
<i>NOK million</i>	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23
External segment revenue	1,389.8	1,297.8	1,778.6	1,881.6	1,761.2	2,382.3	506.8	443.2	607.3	198.4	177.7	253.2	3,976.6	3,679.8	5,021.4
Inter segment revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>1,389.8</b>	<b>1,297.8</b>	<b>1,778.6</b>	<b>1,881.6</b>	<b>1,761.2</b>	<b>2,382.3</b>	<b>506.8</b>	<b>443.2</b>	<b>607.3</b>	<b>198.4</b>	<b>177.7</b>	<b>253.2</b>	<b>3,976.6</b>	<b>3,679.8</b>	<b>5,021.4</b>
Other gains and losses	19.4	12.2	26.9	-	-	-	-	-	8.9	10.0	-	-	29.4	12.2	26.9
<b>EBITDA</b>	<b>470.7</b>	<b>449.8</b>	<b>625.2</b>	<b>105.8</b>	<b>130.6</b>	<b>175.6</b>	<b>67.7</b>	<b>70.3</b>	<b>94.4</b>	<b>(10.1)</b>	<b>(34.0)</b>	<b>(55.1)</b>	<b>634.1</b>	<b>616.7</b>	<b>840.1</b>
Depreciation and impairment	(212.2)	(229.3)	(303.6)	(0.0)	(0.0)	(0.0)	(2.4)	(0.4)	(1.2)	(38.3)	(31.2)	(43.3)	(252.9)	(261.0)	(348.0)
<b>EBIT</b>	<b>258.5</b>	<b>220.4</b>	<b>321.6</b>	<b>105.8</b>	<b>130.6</b>	<b>175.6</b>	<b>65.3</b>	<b>69.9</b>	<b>93.2</b>	<b>(48.4)</b>	<b>(65.2)</b>	<b>(98.4)</b>	<b>381.2</b>	<b>355.7</b>	<b>492.1</b>
Share of profit (loss) from joint ventures and associates													(2.2)	(5.2)	5.1
Net financial items													(162.4)	(128.3)	(135.7)
<b>PROFIT / (LOSS) BEFORE TAX - CONSOLIDATED GROUP</b>													<b>216.5</b>	<b>222.2</b>	<b>361.5</b>



## NOTE 3 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.

The potential maximum total consideration amounts to GBP 6.1 million

The assets acquired and liabilities assumed on the acquisition of McGarian are as follows, based on a preliminary purchase price allocation:

NOK million	
<b>ASSETS</b>	
Patents and licenses	52.8
Fixed assets	0.0
Inventories	2.3
Trade accounts receivable	3.1
Other current receivable	1.0
Cash and cash equivalents	6.8
<b>TOTAL ASSETS</b>	<b>66.0</b>
<b>LIABILITIES</b>	
Deferred tax liability	(13.0)
Trade creditors	(0.7)
Other current liabilities	(0.1)
<b>TOTAL LIABILITIES</b>	<b>(13.8)</b>
<b>NET IDENTIFIABLE ASSETS AND LIABILITIES AT FAIR VALUE</b>	<b>52.3</b>
Goodwill	22.6
<b>PURCHASE CONSIDERATION TRANSFERRED</b>	<b>74.9</b>

NOK million	
Cash	39.2
Contingent consideration	35.7
<b>TOTAL CONSIDERATION</b>	<b>74.9</b>
Paid in cash	(39.2)
Cash received	6.8
<b>NET DECREASE/(INCREASE) IN CASH</b>	<b>(32.4)</b>

The deferred tax liability mainly comprises the difference between the accounting value and the tax conditioned value of the depreciation of tangible and intangible assets.

Included in goodwill is the value of employees with special skills and expected synergies with the existing business of the Well Service Segment. These intangible assets do not fulfil the recognition criteria under IAS 38 and are therefore not recognised separately.

The acquired business has from the date of acquisition contributed to the group's revenues by NOK 0.3 million and YTD profit before taxes have been reduced by NOK 4 million.

If the acquisition had occurred at the beginning of 2024, revenues for the group would have been NOK 4 million higher and profit before taxes for the group would have been NOK 9 million lower.

## NOTE 4 Revenue

<i>NOK million</i>	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Revenue from contracts with customers	1,207.5	1,141.8	3,577.6	3,311.0	4,521.2
Lease component in Well Services contracts	126.7	133.2	398.6	368.3	499.6
Other operating revenue	0.1	0.1	0.4	0.4	0.5
<b>OPERATING REVENUE</b>	<b>1,334.3</b>	<b>1,275.1</b>	<b>3,976.6</b>	<b>3,679.8</b>	<b>5,021.4</b>

### Disaggregation of revenue - Primary geographical markets

	Well Services		Operations		Projects & Engineering		Corporate / GBS		Consolidated	
<i>NOK million</i>	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23	Q3 24	Q3 23
Norway	213.8	236.1	426.9	403.3	136.9	120.4	62.4	63.5	840.0	823.2
UK	45.6	42.2	217.0	201.4	24.5	19.7	0.4	0.3	287.5	263.6
Europe - other countries	68.0	64.4	-	-	-	-	-	-	68.0	64.4
Kuwait	41.9	18.6	-	-	-	-	-	-	41.9	18.6
Malaysia	28.3	18.4	-	-	-	-	-	-	28.3	18.4
Asia - other countries	49.3	49.3	-	-	-	-	4.4	0.7	53.6	50.0
Other geographical markets	15.0	36.8	-	-	-	-	-	-	15.0	36.8
<b>TOTAL OPERATING REVENUE</b>	<b>461.9</b>	<b>465.8</b>	<b>643.9</b>	<b>604.7</b>	<b>161.4</b>	<b>140.0</b>	<b>67.1</b>	<b>64.5</b>	<b>1,334.3</b>	<b>1,275.1</b>

	Well Services			Operations			Projects & Engineering			Corporate / GBS			Consolidated		
<i>NOK million</i>	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23	YTD 24	YTD 23	FY 23
Norway	656.8	674.3	910.9	1,214.9	1,194.4	1,585.8	429.6	362.5	501.9	192.5	174.5	248.5	2,493.8	2,405.7	3,247.1
UK	155.0	144.6	188.6	666.8	566.8	796.5	77.1	80.6	105.3	1.2	1.3	2.3	900.1	793.3	1,092.7
Europe - other countries	173.5	169.0	231.4	-	-	-	-	-	-	-	-	-	173.5	169.0	231.4
Kuwait	112.5	51.5	80.0	-	-	-	-	-	-	-	-	-	112.5	51.5	80.0
Malaysia	85.3	79.9	115.0	-	-	-	-	-	-	-	-	-	85.3	79.9	115.0
Asia - other countries	145.4	132.5	178.6	-	-	-	-	-	-	4.7	1.8	2.5	150.1	134.3	181.1
Other geographical markets	61.4	46.0	74.1	-	-	-	-	-	-	-	-	-	61.4	46.0	74.1
<b>TOTAL OPERATING REVENUE</b>	<b>1,389.8</b>	<b>1,297.8</b>	<b>1,778.6</b>	<b>1,881.6</b>	<b>1,761.2</b>	<b>2,382.3</b>	<b>506.8</b>	<b>443.2</b>	<b>607.3</b>	<b>198.4</b>	<b>177.7</b>	<b>253.2</b>	<b>3,976.6</b>	<b>3,679.8</b>	<b>5,021.4</b>

## NOTE 5 Net financial expenses

NOK million	Note	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Interest income		4.6	6.2	14.0	17.4	25.9
Interest expense lease liabilities	8	(3.8)	(3.1)	(11.6)	(7.9)	(11.1)
Other interest expenses		(32.6)	(36.7)	(96.1)	(106.0)	(142.2)
Other borrowing expenses *		(44.9)	(1.4)	(47.9)	(4.2)	(5.6)
Net currency gain/(loss)		5.9	(2.2)	(18.2)	(26.1)	(1.0)
Other financial items		(0.7)	(0.4)	(2.5)	(1.5)	(1.5)
<b>NET FINANCIAL ITEMS</b>		<b>(71.6)</b>	<b>(37.7)</b>	<b>(162.4)</b>	<b>(128.3)</b>	<b>(135.7)</b>

\* 2024 figures include a total of NOK 43.5 million related to the refinancing process finalised in September 2024

## NOTE 6 Property, plant and equipment

NOK million	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	178.6	35.0	39.1	252.7
Additions through acquisition	-	0.0	-	0.0
Disposals	(1.4)	-	-	(1.4)
Depreciation	(190.6)	(10.9)	(27.0)	(228.5)
Currency translation differences	28.1	1.4	3.8	33.3
<b>NET BOOK AMOUNT AS AT 30 SEPTEMBER 2024</b>	<b>861.7</b>	<b>75.2</b>	<b>160.2</b>	<b>1,097.0</b>

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. 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 30 September 2024.

## NOTE 7 Intangible assets

NOK million	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	-	27.3	27.3
Additions through acquisition*	22.6	52.8	75.4
Amortisation	-	(24.4)	(24.4)
Currency translation differences	1.1	3.3	4.4
<b>CLOSING NET BOOK AMOUNT AS AT 30 SEPTEMBER 2024</b>	<b>156.5</b>	<b>183.6</b>	<b>340.0</b>

\* Refer to Note 3 for further information about the acquisition

### 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 September 2024.

## NOTE 8 Interest-bearing borrowings

NOK million	30.09.2024	30.09.2023	31.12.2023
Non-current	1,081.0	1,087.5	1,088.6
Current	2.7	278.1	10.3
<b>TOTAL</b>	<b>1,083.8</b>	<b>1,365.6</b>	<b>1,098.9</b>

## Movement in interest-bearing borrowings are analysed as follows:

NOK million	Non-current	Current	Total
Carrying amount as at 1 January 2024	1,088.6	10.3	1,098.9
<b>Cash flows:</b>			
New borrowings *	891.3	-	891.3
Paid transaction costs related to new borrowings	(15.4)	-	(15.4)
Repayment borrowings *	(891.3)	-	(891.3)
Paid call premium settlement	(33.6)	-	(33.6)
Paid transaction costs related to repayment of borrowings	(0.2)	-	(0.2)
<b>Non-cash flows:</b>			
Change in transaction cost, unamortised	41.6	2.7	44.3
Change in accrued interest cost	-	(10.2)	(10.2)
<b>CARRYING AMOUNT AS AT 30 SEPTEMBER 2024</b>	<b>1,081.0</b>	<b>2.7</b>	<b>1,083.8</b>

\* Excluding roll-over-bonds of NOK 208.75 million

### Refinancing

In September 2024 the Company successfully placed a new NOK 1,100 million senior secured bond issue with a tenor of 4 years. The new bond issue will carry an interest rate of 3months NIBOR + 3.50% per annum with quarterly interest payments.

Proceeds from the bond issue was used to call the Company's outstanding NOK 1,100 million senior secured bond issue with maturity 23 February 2026 in full.

In September 2024 the Company also entered into a new USD 50 Super Senior Revolving Credit Facility Agreement ('RCF') which replaced the old USD 25 million credit facility.

### Repayment schedule for interest-bearing borrowings

The NOK 1.100 million senior secured bonds mature in September 2028. There are no instalments before final maturity.

### Available drawing facilities

The group has NOK 525 million (the USD 50 million RCF) in available undrawn facilities as per 30 September 2024.

### Covenants

The new bond loan has the same covenants as the old bond loan had except for the one related to dividend payments.

Dividend payments are now only subject to compliance with the incurrence test. The incurrence test implies that the leverage

ratio shall not exceed 1.50:1:00. In addition, there is a requirement of minimum liquidity of USD 25 million (including undrawn amounts under the RCF), of which minimum USD 15 million in cash and cash equivalents.

The new RCF has the same covenants as the old, except for the clause related to dividend payment which is the same as described for the new bond loan.

The Group is compliant with all financial covenants as at 30 September 2024.

## NOTE 9 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 6](#).

### Lease liabilities:

<i>NOK million</i>	30.09.2024	30.09.2023	31.12.2023
Non-current	142.4	139.8	132.6
Current	42.5	37.1	37.0
<b>TOTAL</b>	<b>184.9</b>	<b>176.9</b>	<b>169.6</b>

### 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
<b>Cash flows:</b>			
Payments for the principal portion of the lease liability	-	(31.3)	(31.3)
Payments for the interest portion of the lease liability	-	(9.2)	(9.2)
<b>Non-cash flows:</b>			
New lease liabilities recognised in the year	40.0	-	40.0
Interest expense on lease liabilities	11.6	-	11.6
Reclassified to current portion of lease liabilities	(44.9)	44.9	-
Currency exchange differences	3.0	1.1	4.1
<b>CARRYING AMOUNT AS AT 30 SEPTEMBER 2024</b>	<b>142.4</b>	<b>42.5</b>	<b>184.9</b>

## NOTE 10 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	30.09.2024	30.09.2023	31.12.2023
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
Derivatives designated as hedging instruments				
- Interest rate swaps - Other non-current assets	2	8.8	19.5	11.7
<b>OTHER FINANCIAL ASSETS</b>				
Other non-current receivables		49.2	40.4	48.0
Trade and other current receivables		1,151.5	1,228.2	1,040.6
Cash and cash equivalents		513.9	499.8	658.8
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,723.4</b>	<b>1,788.0</b>	<b>1,759.0</b>

NOK million	Level	30.09.2024	30.09.2023	31.12.2023
<b>OTHER FINANCIAL LIABILITIES</b>				
Non-current interest-bearing borrowings		1,081.0	1,087.5	1,088.6
Non-current lease liabilities		142.4	139.8	132.6
Other non-current payables		15.6	-	-
Current interest-bearing borrowings		2.7	278.1	10.3
Current lease liabilities		42.5	37.1	37.0
Trade and other payables		666.0	214.4	687.8
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>1,950.3</b>	<b>1,756.9</b>	<b>1,956.3</b>

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

## NOTE 11 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 105 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 105 million at 30 September 2024.

## NOTE 12 Related parties

The Group had the following material transactions with related parties:

NOK million	Relation	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Odfjell Oceanwind AS	Associated company	10.1	4.2	31.4	15.4	31.9
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	243.1	216.0	683.1	584.6	798.8
<b>TOTAL SALES OF SERVICES TO RELATED PARTIES</b>		<b>253.1</b>	<b>220.2</b>	<b>714.4</b>	<b>600.0</b>	<b>830.6</b>

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

NOK million	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Well Services	92.7	98.0	288.2	298.2	391.7
Operations	32.4	31.5	65.4	45.5	57.5
Projects & Engineering	61.1	26.3	162.8	79.1	128.2
Corporate / GBS	66.9	64.4	198.0	177.3	253.2
<b>TOTAL OPERATING REVENUE TO RELATED PARTIES</b>	<b>253.1</b>	<b>220.2</b>	<b>714.4</b>	<b>600.0</b>	<b>830.6</b>



NOK million	Relation	Q3 24	Q3 23	YTD 24	YTD 23	FY 23
Odfjell Oceanwind AS	Associated company	-	1.2	0.3	1.5	1.5
Companies within the Odfjell Drilling Ltd. Group	Related to main shareholder	7.9	8.0	23.8	19.0	21.3
<b>TOTAL OPERATING EXPENSES TO RELATED PARTIES</b>		<b>7.9</b>	<b>9.2</b>	<b>24.0</b>	<b>20.5</b>	<b>22.8</b>

## The Group had the following receivables and liabilities to related parties

Refer to [Note 11](#) 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.

NOK million	30.09.2024	30.09.2023	31.12.2023
Trade receivables	129.6	114.0	84.2
Other current receivables	2.1	24.3	21.6
Trade payables	(0.8)	(3.2)	(1.5)
Other current payables	(1.3)	(0.6)	(0.8)
<b>NET CURRENT PAYABLES RELATED PARTIES</b>	<b>129.6</b>	<b>134.5</b>	<b>103.6</b>

## 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 30 September 2024.

## NOTE 13 Commitments

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

<i>NOK million</i>	30.09.2024	30.09.2023	31.12.2023
Well Services equipment	189.1	120.0	146.5
<b>TOTAL</b>	<b>189.1</b>	<b>120.0</b>	<b>146.5</b>

## NOTE 14 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 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 11](#) regarding uncertain income tax treatment.

There are no other material contingencies to be disclosed as per 30 September 2024.

## NOTE 15 Equity information

<i>Listed shares</i>	No. of shares	Nominal value	Share capital - USD thousand
Common shares issued as at 30 September 2024	39,463,867	USD 0.01	394.6

Authorised, not issued shares was 5,536,133 as at 30 September 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 NOK 25 million paid in March 2024. 15 May 2024, a

dividend distribution of 0.890 NOK per share was approved, and NOK 35 million was paid in June 2024. 21 August 2024, a dividend distribution of 1.140 NOK per

share was approved, and NOK 45 million was paid in September 2024.

The accumulated dividend distribution in 2024 amount to 2.663 NOK per share.

## NOTE 16 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>	<b>Q3 24</b>	<b>Q3 23</b>	<b>YTD 24</b>	<b>YTD 23</b>	<b>FY 23</b>
Profit/(loss) due to owners of the parent	38.6	84.8	178.5	207.6	344.2
Diluted profit/(loss) for the period due to owners of the parent	38.6	84.8	178.5	207.6	344.2

  

	<b>Q3 24</b>	<b>Q2 23</b>	<b>YTD 24</b>	<b>YTD 23</b>	<b>FY 23</b>
Weighted average number of common shares in issue	39,463,867	39,463,867	39,463,867	39,463,867	39,463,867
Effects of dilutive potential common shares:					
-Share option plan	1,090,941	904,746	1,146,715	825,180	879,705
Diluted average number of shares outstanding	40,554,808	40,368,613	40,610,582	40,289,047	40,343,572

  

<i>Earnings per share (NOK)</i>	<b>Q3 24</b>	<b>Q3 23</b>	<b>YTD 24</b>	<b>YTD 23</b>	<b>FY 23</b>
Basic earnings per share	0.98	2.15	4.52	5.26	8.72
Diluted earnings per share	0.95	2.10	4.40	5.15	8.53

## NOTE 17 Investments in joint ventures and associates

Company	Acquisition/ formation date	Registered office	Principal place of business	Voting and owning interest 30.09.2024	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	YTD 2024	FY 2023
Book value as at 1.1.	75.0	50.0
Share of profit after tax	(2.2)	5.1
Gain arising from disposal in interest	10.0	-
Capital contributions	-	55.5
Mandatory convertible loan	-	(35.6)
<b>Book value as at period end</b>	<b>82.7</b>	<b>75.0</b>

## NOTE 18 Important events occurring after the reporting period

### Dividends

6 November 2024, the Board of Directors approved a dividend distribution of 1.52 NOK per share, equal to NOK 60 million with a payment date in December 2024.

There have been no other events after the balance sheet date which have a material effect on the interim financial statements ended 30 September 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

30.09.2024

Non-current interest-bearing borrowings	NOK	1,081.0	million
Current interest-bearing borrowings	NOK	2.7	million
Non-current lease liabilities	NOK	142.4	million
Current lease liabilities	NOK	42.5	million
Adjustment for operational lease contracts	NOK	(184.9)	million
<b>A Adjusted financial indebtedness</b>	<b>NOK</b>	<b>1,083.8</b>	<b>million</b>
Cash and cash equivalents	NOK	513.9	million
Adjustment for restricted cash and other cash not readily available	NOK	(48.6)	million
<b>B Adjusted cash and cash equivalents</b>	<b>NOK</b>	<b>465.3</b>	<b>million</b>
<b>A-B=C ADJUSTED NET INTEREST-BEARING DEBT</b>	<b>NOK</b>	<b>618.4</b>	<b>MILLION</b>
EBITDA last 12 months	NOK	857.6	million
Adjustment for operational lease contracts	NOK	(5.1)	million
Other adjustments	NOK	(4.0)	million
<b>D ADJUSTED EBITDA</b>	<b>NOK</b>	<b>848.5</b>	<b>MILLION</b>
<b>C/D=E LEVERAGE RATIO</b>		<b>0.73</b>	



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